

Photos provided by GCIS.



BUDGET 2015

ESTIMATES OF NATIONAL EXPENDITURE

VOTE 34

TRADE AND INDUSTRY



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Estimates of National Expenditure

2015

National Treasury

Republic of South Africa

25 February 2015



ISBN: 978-0-621-43285-5

RP: 08/2015

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.

Trade and Industry

**National Treasury
Republic of South Africa**



Contents

Budget summary	1
Vote purpose.....	1
Mandate	1
Selected performance indicators	1
Expenditure analysis.....	2
Expenditure trends	4
Expenditure estimates	5
Personnel information	7
Departmental receipts	7
Programme 1: Administration	8
Programme 2: International Trade and Economic Development.....	10
Programme 3: Special Economic Zones and Economic Transformation	12
Programme 4: Industrial Development.....	15
Programme 5: Consumer and Corporate Regulation.....	18
Programme 6: Incentive Development and Administration.....	20
Programme 7: Trade and Investment South Africa	23
Public entities and other agencies	26
Additional tables.....	64

Vote 34

Trade and Industry

Budget summary

R million	2015/16				2016/17	2017/18
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	689.7	671.8	2.4	15.5	720.1	763.7
International Trade and Economic Development	164.8	119.1	44.9	0.8	172.5	180.8
Special Economic Zones and Economic Transformation	263.2	65.6	196.8	0.8	279.0	285.3
Industrial Development	1 973.5	125.8	1 847.0	0.8	2 045.3	2 143.3
Consumer and Corporate Regulation	294.5	80.6	213.7	0.2	307.0	321.9
Incentive Development and Administration	5 795.6	172.6	5 611.0	12.0	6 554.2	5 369.3
Trade and Investment South Africa	412.3	240.0	168.1	4.2	427.1	444.8
Total expenditure estimates	9 593.7	1 475.7	8 083.9	34.2	10 505.3	9 509.2
Executive authority	Minister of Trade and Industry					
Accounting officer	Director General of Trade and Industry					
Website address	www.thedti.gov.za					

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.

Vote purpose

Lead and facilitate access to sustainable economic activity and employment for all South Africans through an understanding of the economy, knowledge of economic opportunities and potential, and anticipation of future economic trends. Catalyse economic transformation and development, and provide a predictable, competitive, equitable and socially responsible environment for investment, enterprise and trade for economic citizens. Contribute to achieving government's vision of an adaptive and restructured economy, characterised by accelerated economic growth, employment creation and greater equity.

Mandate

The mandate of the Department of Trade and Industry is derived from a wide legislative framework that includes:

- the Companies Act (2008)
- the Manufacturing Development Act (1993)
- the Broad Based Black Economic Empowerment Act (2003)
- the Consumer Protection Act (2008)
- the Consumer and Excise Act (1964).

Selected performance indicators

Table 34.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of quarterly reports on the industrial policy action plan tabled at ministerial review meetings per year	Industrial Development	Outcome 4: Decent employment through inclusive economic growth	4	4	4	4	4	4	4
Number of designation requests submitted to the minister per year	Industrial Development		5	4	5	4	4	4	4
Number of students enrolled in the tool making apprenticeship programme per year	Industrial Development		650	436	1 022	200	120	70	50

Table 34.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of workers trained through the industrial skills upgrading programme per year	Industrial Development	Outcome 4: Decent employment through inclusive economic growth	262	443	400	250	250	300	300
Number of direct jobs facilitated through business process services off-shoring per year	Incentive Development and Administration		800	3 936	2 514	6 000	2 500	3 000	2 000
Number of companies financially assisted through export market and investment assistance per year	Incentive Development and Administration		896	1 082	1 835	950	970	1 150	1 170
Number of direct jobs facilitated through the enterprise investment programme per year	Incentive Development and Administration		15 586	6 308	11 734	2 350	4 800	7 302	- ¹
Number of companies financially assisted through the automotive incentive scheme per year	Incentive Development and Administration		92	28	36	25	25	22	35
Number of companies financially assisted through the manufacturing competitiveness enhancement programme per year	Incentive Development and Administration		- ²	189	365	350	400	500	550
Number of film and television productions financially assisted per year	Incentive Development and Administration		72	70	83	70	76	80	83
Critical infrastructure programme: number of new projects approved for incentives per year	Incentive Development and Administration		6	6	8	13	13	13	14

1. As the scheme is scheduled to end in 2014/15, no applications will be considered for 2017/18.

2. There are no historical data, as this indicator was not being measured at this time.

Expenditure analysis

The national development plan's long term vision for South Africa emphasises the role of accelerated, inclusive economic growth that will reduce unemployment and inequality. This vision is further developed in government's 2014-2019 medium term strategic framework, in particular in outcome 4 (decent employment through inclusive economic growth), outcome 6 (an efficient, competitive and responsive economic infrastructure network) and outcome 11 (create a better South Africa, a better Africa and a better world). These outcomes set out the responsibilities of the Department of Trade and Industry in relation to labour absorbing growth, increased competitiveness, increased value added exports, strategic investment from targeted countries, and improved trade and infrastructure development in Africa.

Over the medium term, the department will focus on manufacturing incentives, strengthening export capabilities, industrial infrastructure investment, and localisation.

Following the establishment of the Department of Small Business Development, key functions related to small business and cooperatives have been transferred to that department, resulting in a decrease in the Department of Trade and Industry's budget over the medium term. Cabinet approved budget reductions total R777 million over the medium term. R279.5 million will be effected on transfers to the special economic zones under the *Incentive Development and Administration* programme. R279.4 million will be effected on transfers to public entities, driven by their level of accumulated reserves, including a reduction of R113.4 million to transfers to the South African Bureau of Standards.

Manufacturing incentives

The department provides incentives to industry through transfers to private enterprises. The transfers are intended to enable and increase private investment to promote industrial development, investment, competitiveness and employment creation in line with the department's strategic goal of economic transformation. Transfers over the medium term are projected at R17.2 billion, in the *Incentive Development and Administration* programme, the department's largest spending programme. Incentives for manufacturing development are projected at R10.2 billion over the medium term in the *Manufacturing Incentives* subprogramme.

The department's manufacturing competitiveness enhancement programme supports enterprise competitiveness and job retention. Manufacturing companies are provided with financial support to upgrade their facilities, processes and products and to upskill their workers. Over the medium term, the department expects to assist

1 450 companies through the manufacturing competitiveness enhancement programme with financial support of R3.9 billion in the *Manufacturing Incentives* subprogramme.

The department supports the development and growth of the automotive industry through the automotive investment scheme, which enables investment in new and replacement models and components that will increase plant production volumes, sustain employment and strengthen the automotive value chain.

The department's clothing and textile production incentive is geared towards creating and stabilising employment, increasing added value, and improving local and global competitiveness in the clothing and textile value chain. Projected expenditure on the clothing and textile production incentive over the medium term is R2.6 billion, funded in the *Industrial Development* programme.

Strengthening export capabilities

To increase support to South African exporters accessing new markets in Africa and abroad and for diversifying South African exports, R150 million has been reprioritised over the medium term from incentives to the interest make-up scheme of the Export Credit Insurance Corporation in the *Trade and Investment* programme. In addition, the department will assist 3 290 companies financially to strengthen their export capabilities. Spending on this financial assistance is projected at R752.5 million over the medium term in the *Incentive Development and Administration* programme.

Industrial infrastructure investment

The department's infrastructure spending is aimed at promoting industrialisation that is more effectively distributed geographically. Expenditure on infrastructure is projected at R4.2 billion over the medium term, funded in the *Infrastructure Investment Support* subprogramme in the *Incentive Development and Administration* programme.

There are two industrial infrastructure investment initiatives: the special economic zones and the critical infrastructure programme.

The special economic zones are geographically designated, purpose built industrial estates aimed at leveraging domestic and foreign fixed direct investment in value added and export oriented manufacturing industries and services. There are several categories of special economic zone: industrial development zones, free ports, free trade zones and sector development zones. The main policy shift in funding special economic zones, as provided for in the Special Economic Zones Act (2014), is from funding operators to funding bulk and shared infrastructure, based on specific investments by domestic and foreign investors. There are presently 5 special economic zones: Coega and East London in Eastern Cape, Saldanha Bay in Western Cape, and Richards Bay and Dube Trade Port in KwaZulu-Natal. The department plans to designate and roll out 10 new special economic zones in all 9 provinces. Prefeasibility and feasibility studies for the zones will be concluded in 2015/16. The department will provide multi-year funding for each zone, the bulk of which will be used for infrastructure, site preparation and infrastructure for shared services, such as ICT and water and waste management.

The department supports critical infrastructure projects (meaning projects without which investment would not take place or the investment would not operate optimally). In line with the industrial policy action plan, this support is mostly for projects in mining, tourism, manufacturing and the utility services. Over the medium term, 40 critical infrastructure projects, outside the industrial development zones, will be supported at a projected total cost of R579.5 million, through the critical infrastructure programme in the *Incentive Development and Administration* programme.

Localisation

The department's work on industrial policy focuses over the medium term on increasing local products and materials in what government procures, in line with government's 2014-2019 medium term strategic framework localisation target. The department will continue to research, develop and support the designation of industries, sectors and sub-sectors which will produce their products at a specified level of local content. The department aims to make 4 designation requests to the Minister of Trade and Industry per year over the medium term. Expenditure on this localisation work is projected at R6.2 billion over the medium term, in the *Industrial Development* programme.

Expenditure trends

Table 34.2 Vote expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. International Trade and Economic Development														
3. Special Economic Zones and Economic Transformation														
4. Industrial Development														
5. Consumer and Corporate Regulation														
6. Incentive Development and Administration														
7. Trade and Investment South Africa														
Programme														
R million	2011/12			2012/13			2013/14			2014/15			2011/12 - 2014/15	
	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 (%)
Programme 1	543.7	659.3	628.7	608.7	697.2	695.9	690.1	725.9	686.9	695.6	795.9	750.8	108.8%	96.0%
Programme 2	129.7	144.8	132.9	133.5	134.7	132.7	138.6	141.6	139.6	147.2	143.2	143.2	99.9%	97.2%
Programme 3	839.7	865.7	213.2	879.9	940.0	237.5	968.3	1 010.3	244.1	307.2	952.5	259.1	31.8%	25.3%
Programme 4	1 266.9	1 311.0	1 326.2	1 482.9	1 492.7	1 518.1	1 617.1	1 616.2	1 591.2	1 792.5	1 790.4	1 786.0	101.0%	100.2%
Programme 5	231.7	229.7	218.6	244.7	248.1	223.6	256.2	256.2	256.7	277.3	285.6	285.6	97.5%	96.6%
Programme 6	3 469.1	3 320.9	3 242.1	5 437.6	4 560.9	4 387.3	5 543.1	5 443.1	5 101.9	5 120.3	5 593.6	5 046.7	90.8%	94.0%
Programme 7	306.1	345.1	303.8	304.8	277.5	249.8	359.2	322.2	320.5	347.0	357.6	344.9	92.6%	93.6%
Total	6 786.9	6 876.5	6 065.5	9 092.1	8 351.1	7 444.8	9 572.6	9 515.6	8 340.7	8 687.0	9 918.7	8 616.3	89.2%	87.9%
Change to 2014 Budget estimate												1 231.8		
Economic classification														
Current payments	1 172.4	1 299.2	1 090.6	1 303.4	1 422.2	1 188.8	1 493.3	1 527.7	1 392.5	1 441.0	1 675.1	1 544.4	96.4%	88.1%
Compensation of employees	602.2	621.3	526.7	714.0	736.0	623.5	854.2	818.3	734.0	848.0	941.4	857.4	90.8%	88.0%
Goods and services	570.1	677.8	563.9	589.4	686.3	564.8	639.1	709.4	658.5	593.0	733.7	687.0	103.5%	88.1%
of which:														
Administrative fees	4.2	6.9	6.5	5.7	5.5	4.2	7.3	7.3	5.2	7.5	7.2	7.1	93.6%	85.2%
Advertising	22.5	30.2	32.0	25.2	38.3	29.2	31.2	36.1	41.4	31.2	31.0	30.3	120.7%	97.9%
Assets less than the capitalisation threshold	0.9	1.6	0.5	1.1	1.0	0.7	0.9	0.6	0.3	1.6	0.9	0.8	50.5%	55.7%
Audit costs: External	9.6	7.8	8.6	5.3	8.3	9.1	8.9	13.1	8.1	15.6	22.4	21.5	120.0%	91.7%
Bursaries: Employees	2.7	2.5	2.4	1.4	1.4	2.3	2.1	2.2	1.4	1.6	2.1	2.1	105.6%	100.6%
Catering: Departmental activities	4.8	6.5	4.4	5.4	6.9	4.2	5.9	6.8	5.6	3.5	4.5	3.8	92.3%	73.1%
Communication	18.1	13.4	10.4	17.9	13.4	10.7	13.0	12.6	10.6	13.6	11.9	11.0	68.0%	83.0%
Computer services	11.7	18.0	17.6	17.7	24.4	17.2	22.5	18.1	18.3	17.9	22.8	22.8	108.6%	91.2%
Consultants and professional services: Business and advisory services	91.9	93.5	40.5	87.7	79.1	33.8	73.8	50.1	38.3	62.7	126.5	122.1	74.2%	67.2%
Consultants and professional services: Legal costs	7.6	8.7	16.4	7.5	13.3	9.8	10.0	8.8	10.5	9.0	9.5	9.4	134.8%	114.0%
Contractors	18.1	12.1	19.2	13.1	29.5	28.1	14.4	36.9	19.2	18.6	23.3	19.7	134.2%	84.7%
Agency and support / outsourced services	6.3	7.3	4.8	3.9	2.9	0.2	3.2	2.5	0.8	2.8	3.6	2.6	52.3%	51.5%
Entertainment	1.5	2.0	1.1	5.0	4.2	1.3	1.6	1.9	1.9	1.2	1.7	1.5	62.2%	58.8%
Fleet services (including government motor transport)	0.1	0.3	0.3	0.6	0.7	0.4	0.7	0.8	0.5	0.7	1.0	0.9	104.6%	75.2%
Housing	-	-	(0.1)	-	-	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	0.1	-	0.0	-	-	-	-
Inventory: Fuel, oil and gas	0.1	0.1	-	0.2	0.1	0.0	0.3	0.3	-	0.3	0.1	0.1	13.4%	17.2%
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-	-	1.0	1.0	-	100.0%
Inventory: Materials and supplies	0.3	0.2	0.4	0.6	0.6	0.4	0.7	0.3	-	0.5	-	-	39.5%	76.6%
Inventory: Other supplies	-	-	1.0	-	0.8	0.8	0.8	0.3	-	1.0	-	-	98.7%	164.8%
Consumable supplies	0.5	0.7	(0.1)	0.7	0.2	0.0	-	1.8	1.7	2.4	3.3	3.2	137.1%	81.3%

Table 34.2 Vote expenditure trends by programme and economic classification

Economic classification	2011/12			2012/13			2013/14			2014/15			2011/12 - 2014/15	
	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														
Consumables: Stationery, printing and office supplies	12.5	15.9	14.9	13.2	13.0	10.5	14.3	13.8	11.7	14.1	13.9	11.7	90.0%	86.2%
Operating leases	166.7	207.0	199.4	171.9	209.1	217.7	202.6	252.3	277.0	196.4	242.6	241.9	126.9%	102.8%
Property payments	15.4	36.4	20.6	23.4	16.2	12.8	19.8	11.6	8.1	19.6	14.2	14.2	71.1%	70.9%
Transport provided:	0.3	0.0	-	0.1	0.1	-	-	-	-	0.0	0.1	0.0	0.7%	1.3%
Departmental activity														
Travel and subsistence	101.1	121.3	93.6	109.7	123.0	100.2	127.7	134.4	110.7	98.5	116.5	97.3	91.9%	81.1%
Training and development	13.5	13.6	16.1	14.0	14.7	15.6	14.3	17.3	9.2	11.2	16.0	11.2	98.5%	84.7%
Operating payments	22.7	23.8	24.0	20.1	23.5	20.4	24.0	34.7	33.0	26.6	30.4	26.4	111.3%	92.4%
Venues and facilities	37.0	47.9	29.2	38.2	55.7	35.3	38.6	44.4	44.8	34.6	27.1	24.4	90.0%	76.3%
Rental and hiring	-	-	-	-	0.5	-	-	0.2	0.2	0.2	0.1	0.1	199.3%	38.4%
Interest and rent on land	-	-	0.1	-	-	0.5	-	-	-	-	-	-	-	-
Transfers and subsidies	5 600.4	5 533.4	4 904.0	7 774.6	6 862.9	6 133.9	8 059.3	7 950.0	6 929.5	7 222.3	8 205.8	7 038.7	87.3%	87.6%
Departmental agencies and accounts	969.1	1 004.1	497.1	1 060.2	1 126.2	533.4	1 234.7	1 285.7	639.9	724.3	1 356.4	732.8	60.3%	50.4%
Higher education institutions	0.0	3.5	14.8	10.0	10.0	32.6	12.8	12.8	12.8	15.8	15.8	15.8	196.9%	180.5%
Foreign governments and international organisations	34.7	40.4	40.2	37.0	36.4	37.3	39.7	34.5	36.7	34.6	32.7	31.7	99.9%	101.3%
Public corporations and private enterprises	4 581.9	4 470.2	4 295.3	6 648.2	5 668.7	5 445.5	6 751.2	6 586.4	6 140.9	6 325.5	6 658.1	6 132.0	90.6%	94.1%
Non-profit institutions	14.7	14.7	53.0	17.9	17.9	80.2	18.9	27.9	94.8	120.4	140.3	124.0	204.7%	175.3%
Households	-	0.4	3.6	1.3	3.7	4.8	1.9	2.6	4.3	1.8	2.5	2.5	310.8%	167.1%
Payments for capital assets	14.1	43.9	35.3	14.1	66.0	40.1	20.0	37.9	17.6	23.7	37.8	33.2	175.3%	67.9%
Machinery and equipment	9.9	25.3	19.0	11.4	38.8	36.2	10.9	13.5	11.0	12.0	25.9	21.2	197.9%	84.3%
Software and other intangible assets	4.3	18.6	16.4	2.7	27.2	3.9	9.2	24.3	6.6	11.7	11.9	11.9	139.4%	47.2%
Payments for financial assets	-	-	35.6	-	-	82.1	-	0.0	1.2	-	0.0	0.0	-	39 627.7%
Total	6 786.9	6 876.5	6 065.5	9 092.1	8 351.1	7 444.8	9 572.6	9 515.6	8 340.7	8 687.0	9 918.7	8 616.3	89.2%	87.9%

Expenditure estimates

Table 34.3 Vote expenditure estimates by programme and economic classification

Programme	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)		
				2014/15	2011/12 - 2014/15	2015/16			2016/17	2017/18
				2014/15	2011/12 - 2014/15	2015/16			2016/17	2017/18
R million										
Programme 1	750.8	4.4%	9.1%	689.7	720.1	763.7	0.6%	7.7%		
Programme 2	143.2	-0.4%	1.8%	164.8	172.5	180.8	8.1%	1.7%		
Programme 3	259.1	-33.1%	3.1%	263.2	279.0	285.3	3.3%	2.8%		
Programme 4	1 786.0	10.9%	20.4%	1 973.5	2 045.3	2 143.3	6.3%	20.8%		
Programme 5	285.6	7.5%	3.2%	294.5	307.0	321.9	4.1%	3.2%		
Programme 6	5 046.7	15.0%	58.4%	5 795.6	6 554.2	5 369.3	2.1%	59.6%		
Programme 7	344.9	-0.0%	4.0%	412.3	427.1	444.8	8.9%	4.3%		
Total	8 616.3	7.8%	100.0%	9 593.7	10 505.3	9 509.2	3.3%	100.0%		
Change to 2014 Budget estimate				(225.5)	(325.6)	(226.0)				

Table 34.3 Vote expenditure estimates by programme and economic classification

Economic classification	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
				2014/15	2011/12 - 2014/15	2015/16		
R million								
Current payments	1 544.4	5.9%	17.1%	1 475.7	1 543.4	1 630.7	1.8%	16.2%
Compensation of employees	857.4	11.3%	9.0%	897.7	950.3	1 007.8	5.5%	9.7%
Goods and services	687.0	0.4%	8.1%	577.9	593.0	622.9	-3.2%	6.5%
of which:								
Administrative fees	7.1	0.7%	0.1%	6.2	6.3	6.5	-2.7%	0.1%
Advertising	30.3	0.1%	0.4%	31.7	32.6	34.0	3.9%	0.3%
Assets less than the capitalisation threshold	0.8	-19.6%	0.0%	0.5	0.6	0.6	-12.1%	0.0%
Audit costs: External	21.5	40.2%	0.2%	11.5	9.2	9.3	-24.4%	0.1%
Bursaries: Employees	2.1	-5.7%	0.0%	1.8	1.9	2.0	-0.9%	0.0%
Catering: Departmental activities	3.8	-16.3%	0.1%	4.4	4.9	5.1	10.2%	0.0%
Communication	11.0	-6.4%	0.1%	12.9	12.5	13.1	6.1%	0.1%
Computer services	22.8	8.2%	0.2%	20.0	19.1	18.7	-6.3%	0.2%
Consultants and professional services: Business and advisory services	122.1	9.3%	0.8%	61.7	55.2	61.9	-20.2%	0.8%
Consultants and professional services: Legal costs	9.4	2.3%	0.2%	9.8	10.7	10.8	4.9%	0.1%
Contractors	19.7	17.6%	0.3%	14.2	15.9	17.4	-4.0%	0.2%
Agency and support / outsourced services	2.6	-28.9%	0.0%	3.4	3.5	3.7	12.5%	0.0%
Entertainment	1.5	-10.1%	0.0%	1.2	1.3	1.4	-2.4%	0.0%
Fleet services (including government motor transport)	0.9	41.8%	0.0%	0.8	0.8	0.8	-3.9%	0.0%
Inventory: Fuel, oil and gas	0.1	6.0%	0.0%	-	-	-	-100.0%	0.0%
Inventory: Learner and teacher support material	1.0	-	0.0%	-	-	-	-100.0%	0.0%
Consumable supplies	3.2	62.6%	0.0%	2.5	3.1	3.2	-0.1%	0.0%
Consumables: Stationery, printing and office supplies	11.7	-9.6%	0.2%	13.5	13.0	14.0	6.1%	0.1%
Operating leases	241.9	5.3%	3.1%	201.2	201.6	212.4	-4.3%	2.2%
Property payments	14.2	-27.0%	0.2%	17.6	26.3	27.7	25.0%	0.2%
Transport provided: Departmental activity	0.0	-46.9%	0.0%	0.0	0.0	0.0	113.0%	0.0%
Travel and subsistence	97.3	-7.1%	1.3%	99.3	109.8	110.0	4.2%	1.1%
Training and development	11.2	-6.2%	0.2%	12.9	12.2	12.9	4.7%	0.1%
Operating payments	26.4	3.6%	0.3%	30.6	28.6	32.2	6.7%	0.3%
Venues and facilities	24.4	-20.2%	0.4%	20.0	23.7	25.1	1.1%	0.2%
Rental and hiring	0.1	-	0.0%	0.2	0.2	0.2	8.6%	0.0%
Transfers and subsidies	7 038.7	8.4%	82.1%	8 083.9	8 928.7	7 843.6	3.7%	83.4%
Departmental agencies and accounts	732.8	-10.0%	7.9%	761.5	784.8	855.8	5.3%	8.2%
Higher education institutions	15.8	65.0%	0.2%	12.5	13.1	13.8	-4.3%	0.1%
Foreign governments and international organisations	31.7	-7.8%	0.5%	31.7	33.6	34.5	2.9%	0.3%
Public corporations and private enterprises	6 132.0	11.1%	72.3%	7 131.6	7 956.5	6 799.5	3.5%	73.3%
Non-profit institutions	124.0	103.6%	1.2%	144.1	138.1	137.4	3.5%	1.4%
Households	2.5	87.2%	0.1%	2.5	2.6	2.6	1.3%	0.0%
Payments for capital assets	33.2	-9.0%	0.4%	34.2	33.3	34.8	1.7%	0.4%
Machinery and equipment	21.2	-5.7%	0.3%	24.1	23.2	24.3	4.6%	0.2%
Software and other intangible assets	11.9	-13.8%	0.1%	10.1	10.1	10.6	-3.9%	0.1%
Total	8 616.3	7.8%	100.0%	9 593.7	10 505.3	9 509.2	3.3%	100.0%

Personnel information

Table 34.4 Vote personnel numbers and cost by salary level and programme¹

Programmes		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				2014/15 - 2017/18				
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost				Number	Cost	Unit Cost	
Trade and Industry		1 728	231	1 584	734.0	0.5	1 725	857.4	0.5	1 523	897.7	0.6	1 523	950.3	0.6	1 523	1 007.8	0.7	-4.1%	100.0%
Salary level		1 728	231	1 584	734.0	0.5	1 725	857.4	0.5	1 523	897.7	0.6	1 523	950.3	0.6	1 523	1 007.8	0.7	-4.1%	100.0%
1 – 6	256	86	227	91.0	0.4	256	97.9	0.4	243	120.3	0.5	243	122.4	0.5	243	127.3	0.5	-1.7%	15.6%	
7 – 10	769	91	733	235.1	0.3	768	276.2	0.4	650	264.2	0.4	650	273.1	0.4	650	301.3	0.5	-5.4%	43.2%	
11 – 12	390	26	371	228.3	0.6	387	230.4	0.6	353	235.5	0.7	353	261.5	0.7	353	270.4	0.8	-3.0%	23.0%	
13 – 16	313	28	253	179.6	0.7	314	252.9	0.8	277	277.8	1.0	277	293.4	1.1	277	308.7	1.1	-4.1%	18.2%	
Programme	1 728	231	1 584	734.0	0.5	1 725	857.4	0.5	1 523	897.7	0.6	1 523	950.3	0.6	1 523	1 007.8	0.7	-4.1%	100.0%	
Programme 1	618	81	563	226.1	0.4	618	279.6	0.5	579	270.6	0.5	579	289.5	0.5	579	312.1	0.5	-2.1%	37.4%	
Programme 2	149	–	141	79.8	0.6	149	84.9	0.6	149	96.6	0.6	149	101.5	0.7	149	106.4	0.7	–	9.5%	
Programme 3	141	12	125	42.5	0.3	138	41.3	0.3	87	50.3	0.6	87	55.6	0.6	87	50.0	0.6	-14.3%	6.3%	
Programme 4	174	12	155	82.3	0.5	174	92.2	0.5	168	104.6	0.6	168	110.7	0.7	168	117.2	0.7	-1.2%	10.8%	
Programme 5	146	60	135	48.7	0.4	146	57.1	0.4	99	61.0	0.6	99	63.4	0.6	99	66.3	0.7	-12.1%	7.0%	
Programme 6	306	43	302	112.5	0.4	306	140.4	0.5	256	133.7	0.5	256	144.2	0.6	256	161.5	0.6	-5.8%	17.1%	
Programme 7	194	23	163	142.2	0.9	194	162.0	0.8	185	180.9	1.0	185	185.3	1.0	185	194.3	1.1	-1.6%	11.9%	

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

2. Rand million.

Departmental receipts

Table 34.5 Departmental receipts by economic classification

R thousand	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		
	2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18							
Departmental receipts	78 707	135 323	71 741	85 015	79 697	0.4%	100.0%	83 141	85 428	93 887	5.6%	100.0%
Tax receipts	3 280	3 719	4 228	5 300	5 300	17.3%	4.5%	5 110	5 112	5 200	-0.6%	6.1%
Sales of goods and services produced by department	350	444	482	493	208	-15.9%	0.4%	581	601	616	43.6%	0.6%
Sales by market establishments of which:	189	259	263	265	92	-21.3%	0.2%	280	300	300	48.3%	0.3%
Rental of parking	189	259	263	265	92	-21.3%	0.2%	280	300	300	48.3%	0.3%
Administrative fees of which:	51	51	–	–	1	-73.0%	–	1	1	1	–	–
Request Information in terms of the Access to Information Act (2000)	51	51	–	–	1	-73.0%	–	1	1	1	–	–
Other sales of which:	110	134	219	228	115	1.5%	0.2%	300	300	315	39.9%	0.3%
Commission on insurance and garnishee orders	110	134	219	178	60	-18.3%	0.1%	240	240	250	60.9%	0.2%
Academic service: Registration, tuition and examination fees	–	–	–	50	55	–	–	60	60	65	5.7%	0.1%

Table 34.5 Departmental receipts by economic classification

Departmental receipts	Audited outcome			Adjusted estimate 2014/15	Revised estimate	Average growth rate (%) 2011/12 - 2014/15	Receipt item/ total: Average (%)	Medium-term receipts estimate			Average growth rate (%) 2014/15 - 2017/18	Receipt item/ total: Average (%)
	2011/12	2012/13	2013/14					2015/16	2016/17	2017/18		
R thousand												
Sales of scrap, waste, arms and other used current goods	-	-	-	-	1	-	-	1	1	1	-	-
of which:												
Waste paper:												
Recycling of paper: Mondi	-	-	-	-	1	-	-	1	1	1	-	-
Fines, penalties and forfeits	189	19	20 420	241	140	-9.5%	5.7%	210	210	220	16.3%	0.2%
Interest, dividends and rent on land	20 470	39 349	94	429	129	-81.5%	16.4%	400	450	550	62.2%	0.4%
Interest	20 470	39 349	94	429	129	-81.5%	16.4%	400	450	550	62.2%	0.4%
Sales of capital assets	10	-	38	250	100	115.4%	-	250	277	300	44.2%	0.3%
Transactions in financial assets and liabilities	54 408	91 792	46 479	78 302	73 819	10.7%	72.9%	76 589	78 777	87 000	5.6%	92.4%
Total	78 707	135 323	71 741	85 015	79 697	0.4%	100.0%	83 141	85 428	93 887	5.6%	100.0%

Programme 1: Administration

Programme purpose

Provide strategic leadership, management and support services to the department, and conduct research on industrial development, growth and equity.

Expenditure trends and estimates

Table 34.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 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 (%)
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
R thousand											
Ministry	26 959	27 319	27 321	29 468	3.0%	4.0%	31 531	33 024	35 482	6.4%	4.4%
Office of the Director General	66 918	59 578	69 727	96 610	13.0%	10.6%	93 437	95 749	102 703	2.1%	13.3%
Corporate Services	376 673	401 564	425 949	453 703	6.4%	60.0%	393 088	409 920	431 777	-1.6%	57.7%
Office Accommodation	8 292	2 177	-	4 130	-20.7%	0.5%	9 880	10 190	10 676	37.2%	1.2%
Financial Management	69 769	120 728	46 361	84 472	6.6%	11.6%	73 004	77 320	85 114	0.3%	10.9%
Media and Public Relations	4 558	6 049	7 764	10 616	32.6%	1.0%	17 854	18 777	19 756	23.0%	2.3%
Marketing Communication and Stakeholder Relations	75 502	78 485	109 796	71 847	-1.6%	12.2%	70 946	75 165	78 226	2.9%	10.1%
Total	628 671	695 900	686 918	750 846	6.1%	100.0%	689 740	720 145	763 734	0.6%	100.0%
Change to 2014				43 900			(40 932)	(49 869)	(48 785)		
Budget estimate											
Economic classification											
Current payments	561 570	580 437	676 359	727 445	9.0%	92.2%	671 848	701 017	743 733	0.7%	97.3%
Compensation of employees	174 796	200 041	226 062	279 556	16.9%	31.9%	270 579	289 541	312 076	3.7%	39.4%
Goods and services	386 701	379 910	450 297	447 889	5.0%	60.3%	401 269	411 476	431 657	-1.2%	57.9%
of which:											
Administrative fees	5 743	3 408	4 553	6 395	3.6%	0.7%	5 793	5 601	5 833	-3.0%	0.8%
Advertising	29 632	25 578	37 328	27 869	-2.0%	4.4%	29 201	30 367	31 739	4.4%	4.1%
Assets less than the capitalisation threshold	131	306	116	402	45.3%	-	289	347	349	-4.6%	-
Audit costs: External	8 591	9 099	8 123	21 480	35.7%	1.7%	11 535	9 168	9 286	-24.4%	1.8%
Bursaries: Employees	2 398	2 326	1 337	2 085	-4.6%	0.3%	1 848	1 923	2 027	-0.9%	0.3%
Catering: Departmental activities	2 172	2 168	3 267	1 599	-9.7%	0.3%	2 321	2 494	2 574	17.2%	0.3%
Communication	6 288	5 643	5 572	6 617	1.7%	0.9%	8 642	7 919	8 253	7.6%	1.1%
Computer services	16 631	16 256	17 184	21 010	8.1%	2.6%	17 143	17 674	17 990	-5.0%	2.5%

Table 34.6 Administration expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand											
<i>Consultants and professional services:</i>	16 023	9 602	10 656	21 450	10.2%	2.1%	22 791	23 165	24 808	5.0%	3.2%
<i>Business and advisory services</i>											
<i>Consultants and professional services:</i>	10 043	6 006	3 982	5 375	-18.8%	0.9%	4 710	5 068	4 867	-3.3%	0.7%
<i>Legal costs</i>											
<i>Contractors</i>	16 340	19 139	16 528	12 895	-7.6%	2.3%	7 179	7 752	8 114	-14.3%	1.2%
<i>Agency and support / outsourced services</i>	2 451	147	173	2 275	-2.5%	0.2%	2 853	2 903	3 153	11.5%	0.4%
<i>Entertainment</i>	43	108	102	206	68.6%	-	283	295	315	15.2%	-
<i>Fleet services (including government motor transport)</i>	46	33	60	431	110.8%	-	444	463	495	4.7%	0.1%
<i>Inventory: Fuel, oil and gas</i>	-	1	-	68	-	-	-	-	-	-100.0%	-
<i>Inventory: Learner and teacher support material</i>	-	-	-	956	-	-	-	-	-	-100.0%	-
<i>Inventory: Materials and supplies</i>	413	381	-	-	-100.0%	-	-	-	-	-	-
<i>Inventory: Medical supplies</i>	2	-	-	-	-100.0%	-	-	-	-	-	-
<i>Inventory: Medicine</i>	32	-	-	-	-100.0%	-	-	-	-	-	-
<i>Inventory: Other supplies</i>	710	150	-	-	-100.0%	-	-	-	-	-	-
<i>Consumable supplies</i>	-	-	1 141	2 599	-	0.1%	2 118	2 553	2 611	0.2%	0.3%
<i>Consumables: Stationery, printing and office supplies</i>	8 765	5 581	7 328	5 933	-12.2%	1.0%	6 777	5 864	6 513	3.2%	0.9%
<i>Operating leases</i>	181 987	198 423	252 605	236 258	9.1%	31.5%	194 155	193 461	203 676	-4.8%	28.3%
<i>Property payments</i>	19 334	11 199	6 352	13 198	-12.0%	1.8%	17 257	25 918	27 252	27.3%	2.9%
<i>Travel and subsistence</i>	22 382	24 894	23 383	26 943	6.4%	3.5%	29 675	32 382	34 814	8.9%	4.2%
<i>Training and development</i>	15 970	15 529	7 675	11 219	-11.1%	1.8%	12 889	12 199	12 868	4.7%	1.7%
<i>Operating payments</i>	9 552	8 227	11 917	11 346	5.9%	1.5%	15 561	14 746	14 628	8.8%	1.9%
<i>Venues and facilities</i>	11 022	15 706	30 892	9 280	-5.6%	2.4%	7 805	9 214	9 492	0.8%	1.2%
<i>Rental and hiring</i>	-	-	23	-	-	-	-	-	-	-	-
<i>Interest and rent on land</i>	73	486	-	-	-100.0%	-	-	-	-	-	-
Transfers and subsidies	7 012	3 982	3 864	4 178	-15.9%	0.7%	2 423	2 551	2 679	-13.8%	0.4%
Departmental agencies and accounts	-	-	-	1 711	-	0.1%	-	-	-	-100.0%	0.1%
Public corporations and private enterprises	4 630	650	650	724	-46.1%	0.2%	760	800	840	5.1%	0.1%
Households	2 382	3 332	3 214	1 743	-9.9%	0.4%	1 663	1 751	1 839	1.8%	0.2%
Payments for capital assets	25 314	31 055	6 169	19 223	-8.8%	3.0%	15 469	16 577	17 322	-3.4%	2.3%
Machinery and equipment	12 862	28 444	5 253	15 780	7.1%	2.3%	15 390	16 494	17 234	3.0%	2.2%
Software and other intangible assets	12 452	2 611	916	3 443	-34.9%	0.7%	79	83	88	-70.5%	0.1%
Payments for financial assets	34 775	80 426	526	-	-100.0%	4.2%	-	-	-	-	-
Total	628 671	695 900	686 918	750 846	6.1%	100.0%	689 740	720 145	763 734	0.6%	100.0%
Proportion of total programme expenditure to vote expenditure	10.4%	9.3%	8.2%	7.6%	-	-	7.2%	6.9%	8.0%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	485	533	512	86	-43.8%	0.1%	-	-	-	-100.0%	-
Employee social benefits	485	533	512	86	-43.8%	0.1%	-	-	-	-100.0%	-
Households											
Other transfers to households											
Current	1 897	2 799	2 702	1 657	-4.4%	0.3%	1 663	1 751	1 839	3.5%	0.2%
Bursaries for non-employees	1 652	2 584	2 426	1 657	0.1%	0.3%	1 663	1 751	1 839	3.5%	0.2%
Gifts and donations	245	215	276	-	-100.0%	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	-	-	-	1 711	-	0.1%	-	-	-	-100.0%	0.1%
Public Service Sector and Training Authority	-	-	-	1 711	-	0.1%	-	-	-	-100.0%	0.1%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	4 630	650	650	724	-46.1%	0.2%	760	800	840	5.1%	0.1%
Industrial Development Corporation: Research into industrial development, growth and equity	4 630	650	650	724	-46.1%	0.2%	760	800	840	5.1%	0.1%

Personnel information

Table 34.7 Administration personnel numbers and cost by salary level¹

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	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			2014/15 - 2017/18
Administration																			
Salary level	618	81	563	226.1	0.4	618	279.6	0.5	579	270.6	0.5	579	289.5	0.5	579	312.1	0.5	-2.1%	100.0%
1 – 6	181	43	160	29.1	0.2	181	33.9	0.2	174	31.5	0.2	174	32.8	0.2	174	40.2	0.2	-1.3%	29.9%
7 – 10	225	15	221	84.4	0.4	225	92.4	0.4	220	89.2	0.4	220	87.2	0.4	220	102.2	0.5	-0.7%	37.6%
11 – 12	127	10	113	68.9	0.6	127	78.4	0.6	116	76.8	0.7	116	91.7	0.8	116	88.6	0.8	-3.0%	20.2%
13 – 16	85	13	69	43.6	0.6	85	74.8	0.9	69	73.0	1.1	69	77.9	1.1	69	81.0	1.2	-6.7%	12.4%

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

2. Rand million.

Programme 2: International Trade and Economic Development

Programme purpose

Build an equitable global trading system that facilitates development by strengthening trade and investment links with key economies and fostering African development, including regional and continental integration and development cooperation in line with the New Partnership for Africa's Development.

Objectives

- Promote African economic integration and development at bilateral, regional and continental levels by:
 - advancing development integration in the Southern African Customs Union and in the Southern African Development Community (SADC) free trade area through the Africa regional development programme to be implemented in 2015/16
 - finalising negotiations on the tripartite free trade area involving SADC, the East African Community and the Common Market for Eastern and Southern Africa regions, in 2015/16.
- Advance South Africa's trade, industrial policy and economic development objectives through cooperation with key economies to address tariff and non-tariff barriers that inhibit South African value added exports in 2015/16.

Subprogrammes

- International Trade Development* facilitates bilateral and multilateral trade relations and agreements.
- African Economic Development* facilitates bilateral and multilateral African trade relations aimed at deepening regional integration.

Expenditure trends and estimates

Table 34.8 International Trade and Economic Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand					2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
International Trade Development	72 892	81 898	94 913	90 150	7.3%	62.0%	100 501	106 101	111 823	7.4%	61.8%
African Economic Development	60 028	50 807	44 653	53 068	-4.0%	38.0%	64 253	66 429	69 015	9.2%	38.2%
Total	132 920	132 705	139 566	143 218	2.5%	100.0%	164 754	172 530	180 838	8.1%	100.0%
Change to 2014 Budget estimate				(3 979)			9 942	8 750	7 691		

Table 34.8 International Trade and Economic Development expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand											
Current payments	98 903	96 652	107 190	98 711	-0.1%	73.2%	119 122	124 198	130 814	9.8%	71.5%
Compensation of employees	63 539	71 842	79 836	84 850	10.1%	54.7%	96 609	101 493	106 397	7.8%	58.9%
Goods and services	35 364	24 810	27 354	13 861	-26.8%	18.5%	22 513	22 705	24 417	20.8%	12.6%
of which:											
Administrative fees	24	6	-	-	-100.0%	-	-	-	-	-	-
Advertising	522	-	-	-	-100.0%	0.1%	-	-	-	-	-
Assets less than the capitalisation threshold	41	7	12	28	-11.9%	-	20	21	22	-7.7%	-
Catering: Departmental activities	158	103	160	217	11.2%	0.1%	130	135	142	-13.2%	0.1%
Communication	1 028	1 657	1 209	1 008	-0.7%	0.9%	1 190	1 237	1 299	8.8%	0.7%
Computer services	-	-	97	55	-	-	60	62	66	6.3%	-
Consultants and professional services: Business and advisory services	495	871	1 418	400	-6.9%	0.6%	300	312	328	-6.4%	0.2%
Consultants and professional services: Legal costs	1 303	1 293	962	300	-38.7%	0.7%	1 143	1 752	1 773	80.8%	0.8%
Contractors	1 078	105	101	1	-90.2%	0.2%	302	314	329	590.3%	0.1%
Agency and support / outsourced services	-	-	549	300	-	0.2%	500	520	546	22.1%	0.3%
Entertainment	7	6	4	1	-47.7%	-	-	-	-	-100.0%	-
Fleet services (including government motor transport)	5	2	7	-	-100.0%	-	-	-	-	-	-
Inventory: Materials and supplies	3	-	-	-	-100.0%	-	-	-	-	-	-
Inventory: Other supplies	-	198	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	26	17	-	-	14	14	15	-4.1%	-
Consumable: Stationery, printing and office supplies	746	594	471	482	-13.5%	0.4%	1 002	1 042	1 094	31.4%	0.5%
Operating leases	75	116	117	75	-	0.1%	62	64	68	-3.2%	-
Property payments	19	46	4	-	-100.0%	-	-	-	-	-	-
Travel and subsistence	24 510	18 635	18 552	10 329	-25.0%	13.1%	16 491	15 480	16 714	17.4%	8.9%
Training and development	-	35	500	-	-	0.1%	-	-	-	-	-
Operating payments	434	141	286	167	-27.3%	0.2%	145	151	158	-1.8%	0.1%
Venues and facilities	4 916	995	2 733	353	-58.4%	1.6%	1 004	1 445	1 699	68.8%	0.7%
Rental and hiring	-	-	146	128	-	-	150	156	164	8.6%	0.1%
Transfers and subsidies	33 310	35 571	31 777	43 811	9.6%	26.3%	44 873	47 533	49 185	3.9%	28.0%
Departmental agencies and accounts	-	-	835	1 030	-	0.3%	1 077	1 131	1 188	4.9%	0.7%
Foreign governments and international organisations	12 360	13 145	16 870	18 247	13.9%	11.1%	18 178	19 427	19 672	2.5%	11.4%
Public corporations and private enterprises	20 840	22 298	13 990	24 491	5.5%	14.9%	25 618	26 975	28 325	5.0%	15.9%
Households	110	128	82	43	-26.9%	0.1%	-	-	-	-100.0%	-
Payments for capital assets	707	482	599	696	-0.5%	0.5%	759	799	839	6.4%	0.5%
Machinery and equipment	707	482	599	696	-0.5%	0.5%	759	799	839	6.4%	0.5%
Total	132 920	132 705	139 566	143 218	2.5%	100.0%	164 754	172 530	180 838	8.1%	100.0%
Proportion of total programme expenditure to vote expenditure	2.2%	1.8%	1.7%	1.4%	-	-	1.7%	1.6%	1.9%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	25	84	82	43	19.8%	-	-	-	-	-100.0%	-
Employee social benefits	25	84	82	43	19.8%	-	-	-	-	-100.0%	-
Other transfers to households											
Current	85	44	-	-	-100.0%	-	-	-	-	-	-
Gifts and donations	85	44	-	-	-100.0%	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	-	-	835	1 030	-	0.3%	1 077	1 131	1 188	4.9%	0.7%
Council for Geosciences: Equipment	-	-	835	1 030	-	0.3%	1 077	1 131	1 188	4.9%	0.7%
Foreign governments and international organisations											
Current	12 360	13 145	16 870	18 247	13.9%	11.1%	18 178	19 427	19 672	2.5%	11.4%
Organisation for the Prohibition of Chemical Weapons: Membership fees	2 647	2 970	3 642	4 473	19.1%	2.5%	4 678	4 926	5 172	5.0%	2.9%
World Trade Organisation: Membership fees	9 713	10 175	13 228	13 774	12.3%	8.6%	13 500	14 501	14 500	1.7%	8.5%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	19 846	20 898	12 135	23 373	5.6%	13.9%	24 460	25 756	27 045	5.0%	15.2%
Development Bank of Southern Africa: Regional spatial development initiatives	17 500	18 500	9 303	20 689	5.7%	12.0%	21 663	22 811	23 952	5.0%	13.5%
Protechnik Laboratories	2 346	2 398	2 832	2 684	4.6%	1.9%	2 797	2 945	3 093	4.8%	1.7%
Capital	994	1 400	1 855	1 118	4.0%	1.0%	1 158	1 219	1 280	4.6%	0.7%
Protechnik Laboratories	994	1 400	1 855	1 118	4.0%	1.0%	1 158	1 219	1 280	4.6%	0.7%

Personnel information

Table 34.9 International Trade and Economic Development personnel numbers and cost by salary level¹

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					
International Trade and Economic Development		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	149	–	141	79.8	0.6	149	84.9	0.6	149	96.6	0.6	149	101.5	0.7	149	106.4	0.7	–	100.0%
1 – 6	1	–	1	0.1	0.1	1	0.2	0.2	1	0.2	0.2	1	0.2	0.2	1	0.2	0.2	–	0.7%
7 – 10	67	–	64	17.7	0.3	67	26.9	0.4	67	28.9	0.4	67	30.2	0.5	67	31.7	0.5	–	45.0%
11 – 12	47	–	44	31.7	0.7	47	28.5	0.6	47	33.3	0.7	47	35.1	0.7	47	36.8	0.8	–	31.5%
13 – 16	34	–	32	30.3	0.9	34	29.3	0.9	34	34.1	1.0	34	35.9	1.1	34	37.7	1.1	–	22.8%

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

2. Rand million.

Programme 3: Special Economic Zones and Economic Transformation

Programme purpose

Drive economic transformation and increase participation in industrialisation.

Objectives

- Facilitate broad based economic participation by implementing the Broad Based Black Economic Empowerment Amendment Act (2013) by:
 - establishing a fully operational broad based black economic empowerment commission and producing an implementation report by 2017/18
 - developing and implementing a black industrialists framework and action plan by 2017/18
 - developing 40 cluster development plans by 2017/18
 - developing and implementing a national technology commercialisation strategy by 2017/18.
- Facilitate transformation of the economy to promote industrial development, investment, competitiveness and employment creation by:
 - developing and implementing a special economic zones strategy by 2017/18
 - increasing the Rand value of investments in designated special economic zones to the value of R1 billion to accelerate industrialisation and growth in investment, exports and employment by 2017/18.

Subprogramme

- *Enterprise Competitiveness* fosters and stimulates industrialisation and structural change through the development and deployment of technologies and skills development programmes.
- *Equity and Empowerment* promotes broad based black economic empowerment (BEE) and the real growth of the economy through the Black Industrialists programme.
- *Spatial Industrial Economic Development (Special Economic Zones)* promotes the regional economy towards a more spatially balanced economy through the development of policies, strategies and programmes, and special economic zones, clusters and incubators, among other things.

Expenditure trends and estimates

Table 34.10 Special Economic Zones and Economic Transformation expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
R thousand											
Enterprise Competitiveness	171 024	175 813	188 764	191 228	3.8%	76.2%	200 033	211 600	217 288	4.4%	75.5%
Equity and Empowerment	11 755	14 188	12 953	21 733	22.7%	6.4%	14 049	16 032	15 750	-10.2%	6.2%
Spatial Industrial Economic Development (Special Economic Zones)	30 388	47 457	42 334	46 129	14.9%	17.4%	49 142	51 381	52 274	4.3%	18.3%
Total	213 167	237 458	244 051	259 090	6.7%	100.0%	263 224	279 013	285 312	3.3%	100.0%
Change to 2014				(746 687)			(796 949)	(839 052)	(889 884)		
Budget estimate											
Economic classification											
Current payments	39 277	52 981	54 693	64 770	18.1%	22.2%	65 619	71 104	67 005	1.1%	24.7%
Compensation of employees	28 649	35 293	42 494	41 346	13.0%	15.5%	50 337	55 562	50 037	6.6%	18.2%
Goods and services	10 628	17 688	12 199	23 424	30.1%	6.7%	15 282	15 542	16 968	-10.2%	6.6%
of which:											
Administrative fees	9	37	16	33	54.2%	-	21	32	36	2.9%	-
Advertising	(115)	-	243	-	-100.0%	-	54	48	135	-	-
Assets less than the capitalisation threshold	9	8	-	4	-23.7%	-	5	7	7	20.5%	-
Audit costs: External	-	(4)	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	273	248	382	186	-12.0%	0.1%	261	352	286	15.4%	0.1%
Communication	197	222	297	364	22.7%	0.1%	364	430	392	2.5%	0.1%
Computer services	100	-	-	-	-100.0%	-	725	-	-	-	0.1%
Consultants and professional services: Business and advisory services	2 045	4 551	3 121	15 381	95.9%	2.6%	8 018	7 532	8 125	-19.2%	3.6%
Consultants and professional services: Legal costs	1 055	705	-	49	-64.1%	0.2%	313	100	219	64.7%	0.1%
Contractors	28	471	-	-	-100.0%	0.1%	-	-	483	-	-
Agency and support / outsourced services	1 723	6	(3)	-	-100.0%	0.2%	-	-	-	-	-
Entertainment	2	3	3	3	14.5%	-	7	5	10	49.4%	-
Fleet services (including government motor transport)	17	34	33	32	23.5%	-	168	179	60	23.3%	-
Inventory: Other supplies	3	4	-	-	-100.0%	-	-	-	-	-	-
Consumable supplies	-	-	12	27	-	-	14	5	-	-100.0%	-
Consumables: Stationery, printing and office supplies	403	545	458	659	17.8%	0.2%	600	482	673	0.7%	0.2%
Operating leases	78	121	59	86	3.3%	-	67	121	222	37.2%	-
Property payments	4	2	(1)	-	-100.0%	-	-	-	-	-	-
Travel and subsistence	4 505	8 935	6 554	5 278	5.4%	2.6%	3 773	5 788	4 678	-3.9%	1.8%
Training and development	-	1	-	-	-	-	-	30	18	-	-
Operating payments	(803)	976	74	113	-152.0%	-	488	154	1 294	125.4%	0.2%
Venues and facilities	1 095	823	949	1 209	3.4%	0.4%	404	277	330	-35.1%	0.2%
Rental and hiring	-	-	2	-	-	-	-	-	-	-	-
Transfers and subsidies	173 431	183 981	188 857	193 865	3.8%	77.6%	196 786	207 215	217 576	3.9%	75.0%
Departmental agencies and accounts	165 250	166 700	174 285	176 543	2.2%	71.6%	182 743	192 428	202 049	4.6%	69.4%
Higher education institutions	-	10 000	12 830	15 748	-	4.0%	12 471	13 132	13 789	-4.3%	5.1%
Public corporations and private enterprises	8 001	7 000	1 500	1 502	-42.7%	1.9%	1 572	1 655	1 738	5.0%	0.6%
Households	180	281	242	72	-26.3%	0.1%	-	-	-	-100.0%	-
Payments for capital assets	459	496	501	455	-0.3%	0.2%	819	694	731	17.1%	0.2%
Machinery and equipment	459	394	501	455	-0.3%	0.2%	819	694	731	17.1%	0.2%
Software and other intangible assets	-	102	-	-	-	-	-	-	-	-	-
Total	213 167	237 458	244 051	259 090	6.7%	100.0%	263 224	279 013	285 312	3.3%	100.0%
Proportion of total programme expenditure to vote expenditure	3.5%	3.2%	2.9%	2.6%	-	-	2.7%	2.7%	3.0%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	64	145	146	72	4.0%	-	-	-	-	-100.0%	-
Employee social benefits	53	145	14	-	-100.0%	-	-	-	-	-	-
Gifts and donations	-	-	127	-	-	-	-	-	-	-	-
Employee social benefit	11	-	5	72	87.1%	-	-	-	-	-100.0%	-

Table 34.10 Special Economic Zones and Economic Transformation expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand											
Households											
Other transfers to households											
Current	116	136	96	-	-100.0%	-	-	-	-	-	-
Bursaries for non-employees	-	-	96	-	-	-	-	-	-	-	-
Gifts and donations	116	136	-	-	-100.0%	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	165 250	166 700	174 285	176 543	2.2%	71.6%	182 743	192 428	202 049	4.6%	69.4%
National Research Foundation: Technology and human resources for industry programme	155 000	157 000	160 634	165 573	2.2%	66.9%	174 649	183 905	193 100	5.3%	66.0%
National Productivity Institute: Workplace Challenge	9 500	8 200	13 651	9 170	-1.2%	4.2%	8 094	8 523	8 949	-0.8%	3.2%
Independent Regulatory Board of Auditors	750	1 500	-	1 800	33.9%	0.4%	-	-	-	-100.0%	0.2%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Capital	5 001	5 000	-	1	-94.2%	1.0%	-	-	-	-100.0%	-
Industrial Development Corporation: Technology Venture Capital	5 001	5 000	-	1	-94.2%	1.0%	-	-	-	-100.0%	-
Higher education institutions											
Current	-	10 000	12 830	15 748	-	4.0%	12 471	13 132	13 789	-4.3%	5.1%
University of Johannesburg: Capacity building programme for economic development	-	10 000	12 830	15 747	-	4.0%	12 471	13 132	13 789	-4.3%	5.1%
Wits Business School: Centre for entrepreneurship	-	-	-	1	-	-	-	-	-	-100.0%	-
Public corporations and private enterprises											
Private enterprises											
Private enterprises - subsidies on products and production											
Current	3 000	2 000	1 500	1 501	-20.6%	0.8%	1 572	1 655	1 738	5.0%	0.6%
Council for Scientific and Industrial Research: Fibre and Textile Centre of Excellence	3 000	2 000	1 500	1 501	-20.6%	0.8%	1 572	1 655	1 738	5.0%	0.6%

Personnel information

Table 34.11 Special Economic Zones and Economic Transformation personnel numbers and cost by salary level¹

Special Economic Zones and Economic Transformation	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		2014/15 - 2017/18						
Salary level	141	12	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
1 - 6	10	4	12	1.8	0.1	10	0.7	0.1	5	0.6	0.1	5	0.6	0.1	5	0.6	0.1	-20.6%	6.3%
7 - 10	49	-	41	15.0	0.4	49	10.6	0.2	32	11.2	0.3	32	12.6	0.4	32	12.4	0.4	-13.2%	36.3%
11 - 12	41	4	37	18.9	0.5	38	13.5	0.4	26	15.4	0.6	26	17.3	0.7	26	16.7	0.6	-11.9%	29.1%
13 - 16	41	4	35	6.8	0.2	41	16.5	0.4	24	23.2	1.0	24	25.0	1.0	24	20.3	0.8	-16.3%	28.3%

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

2. Rand million.

Programme 4: Industrial Development

Programme purpose

Design and implement policies, strategies and programmes to strengthen the ability of manufacturing and other sectors of the economy, to create decent jobs and increase value addition and competitiveness in both domestic and export markets.

Objectives

- Support the growth and diversification of South Africa's manufacturing sector by:
 - facilitating diversification beyond the current reliance on traditional commodities and non-tradable services in the priority sectors over the medium term
 - promoting the long term intensification of South Africa's industrialisation process and movement towards a knowledge economy on an ongoing basis
 - promoting a more labour absorbing industrialisation path with a particular emphasis on tradable labour absorbing goods and services, and economic linkages that catalyse employment creation, over the medium term
 - promoting a broader based industrialisation path through the increased participation of historically disadvantaged people and marginalised regions in the mainstream of the industrial economy, over the medium term
 - contributing to industrial development on the African continent, with a strong emphasis on building its productive capacity, over the medium term
 - developing sector specific action plans to expand value added activities in existing and new sectors of the economy through the deployment of skills initiatives to support industrial development, and through the creation of economic benefits for South African industries by leveraging off government procurement.

Subprogrammes

- *Industrial Competitiveness* develops policies, strategies and programmes to strengthen the ability of manufacturing and other value adding sectors to create decent jobs, and increase value addition and competitiveness in domestic and export markets, as set out in the annual three-year rolling industrial policy action plan.
- *Customised Sector Programmes* develops and implements high impact sector strategies focused on manufacturing and other value adding sectors to create decent jobs, and increase value addition and competitiveness in domestic and export markets, as set out in the annual three-year rolling industrial policy action plan.

Expenditure trends and estimates

Table 34.12 Industrial Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14		2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18		
R thousand											
Industrial Competitiveness	479 327	476 771	595 746	650 689	10.7%	35.4%	677 988	680 725	804 157	7.3%	35.4%
Customised Sector Programmes	846 870	1 041 300	995 436	1 135 299	10.3%	64.6%	1 295 546	1 364 613	1 339 173	5.7%	64.6%
Total	1 326 197	1 518 071	1 591 182	1 785 988	10.4%	100.0%	1 973 534	2 045 338	2 143 330	6.3%	100.0%
Change to 2014				(10 836)			(104 971)	(147 209)	(28 848)		
Budget estimate											
Economic classification											
Current payments	83 298	91 929	99 241	109 945	9.7%	6.2%	125 808	133 035	140 352	8.5%	6.4%
Compensation of employees	60 351	72 289	82 296	92 199	15.2%	4.9%	104 646	110 734	117 169	8.3%	5.3%
Goods and services	22 947	19 640	16 945	17 746	-8.2%	1.2%	21 162	22 301	23 183	9.3%	1.1%
of which:											
Administrative fees	18	68	–	21	5.3%	–	21	26	30	12.6%	–
Advertising	–	2 412	–	–	–	–	–	–	–	–	–
Assets less than the capitalisation threshold	25	19	45	47	23.4%	–	62	70	71	14.7%	–

Table 34.12 Industrial Development expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome				Adjusted appropriation	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2011/12	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18		
R thousand												
Catering: Departmental activities	346	210	255	317	-2.9%	-	357	383	402	8.2%	-	
Communication	479	511	477	558	5.2%	-	700	746	781	11.9%	-	
Computer services	-	-	107	54	-	-	87	93	98	22.0%	-	
Consultants and professional services: Business and advisory services	10 020	5 148	3 779	4 710	-22.2%	0.4%	5 695	6 107	6 116	9.1%	0.3%	
Consultants and professional services: Legal costs	201	182	532	535	38.6%	-	500	-	-	-100.0%	-	
Contractors	6	10	25	69	125.7%	-	50	50	55	-7.3%	-	
Agency and support / outsourced services	130	-	-	-	-100.0%	-	-	-	-	-	-	
Entertainment	2	4	1	2	-	-	33	32	33	154.6%	-	
Fleet services (including government motor transport)	-	6	1	11	-	-	15	15	15	10.9%	-	
Inventory: Materials and supplies	1	1	-	-	-100.0%	-	-	-	-	-	-	
Inventory: Other supplies	14	15	-	-	-100.0%	-	-	-	-	-	-	
Consumable supplies	-	-	10	114	-	-	144	152	156	11.0%	-	
Consumables: Stationery, printing and office supplies	749	454	530	637	-5.3%	-	908	986	1 027	17.3%	-	
Operating leases	77	139	158	170	30.2%	-	169	175	181	2.1%	-	
Property payments	-	2	-	-	-	-	-	-	-	-	-	
Travel and subsistence	7 777	8 782	9 469	7 997	0.9%	0.5%	9 818	10 552	11 147	11.7%	0.5%	
Operating payments	1 830	915	1 069	1 750	-1.5%	0.1%	1 822	1 985	2 050	5.4%	0.1%	
Venues and facilities	1 272	762	487	754	-16.0%	0.1%	781	929	1 021	10.6%	-	
Transfers and subsidies	1 241 076	1 425 541	1 491 531	1 675 237	10.5%	93.8%	1 846 955	1 911 512	2 002 120	6.1%	93.6%	
Departmental agencies and accounts	155 377	192 593	282 415	348 010	30.8%	15.7%	368 652	372 319	422 678	6.7%	19.0%	
Higher education institutions	14 800	22 600	-	3	-94.1%	0.6%	3	3	3	-	-	
Foreign governments and international organisations	12 996	4 789	5 853	5 800	-23.6%	0.5%	6 249	6 459	6 767	5.3%	0.3%	
Public corporations and private enterprises	1 004 669	1 125 180	1 108 269	1 197 385	6.0%	71.3%	1 327 973	1 394 624	1 435 320	6.2%	67.4%	
Non-profit institutions	53 000	80 168	94 784	124 018	32.8%	5.7%	144 078	138 107	137 352	3.5%	6.8%	
Households	234	211	210	21	-55.2%	-	-	-	-	-100.0%	-	
Payments for capital assets	1 023	601	410	806	-7.6%	-	771	791	858	2.1%	-	
Machinery and equipment	1 023	601	410	806	-7.6%	-	771	791	858	2.1%	-	
Payments for financial assets	800	-	-	-	-100.0%	-	-	-	-	-	-	
Total	1 326 197	1 518 071	1 591 182	1 785 988	10.4%	100.0%	1 973 534	2 045 338	2 143 330	6.3%	100.0%	
Proportion of total programme expenditure to vote expenditure	21.9%	20.4%	19.1%	18.0%	-	-	20.6%	19.5%	22.5%	-	-	
Details of transfers and subsidies												
Households												
Social benefits												
Current	234	211	80	21	-55.2%	-	-	-	-	-100.0%	-	
Employee social benefits	234	211	80	21	-55.2%	-	-	-	-	-100.0%	-	
Households												
Other transfers to households												
Current	-	-	130	-	-	-	-	-	-	-	-	
Gifts and donations	-	-	130	-	-	-	-	-	-	-	-	
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	130 377	192 593	222 415	237 010	22.0%	12.6%	214 053	209 526	276 345	5.3%	11.8%	
South African National Accreditation System	30 623	30 676	33 473	35 712	5.3%	2.1%	26 025	22 208	41 630	5.2%	1.6%	
National Metrology Institute of South Africa	62 581	82 233	85 942	91 564	13.5%	5.2%	96 296	101 400	106 470	5.2%	5.0%	
National Regulator for Compulsory Specifications	37 173	79 684	103 000	109 734	43.5%	5.3%	91 732	85 918	128 245	5.3%	5.2%	
Capital	25 000	-	60 000	111 000	64.4%	3.2%	154 599	162 793	146 333	9.6%	7.2%	
National Metrology Institute of South Africa	25 000	-	60 000	111 000	64.4%	3.2%	154 599	162 793	146 333	9.6%	7.2%	
Foreign governments and international organisations												
Current	12 996	4 789	5 853	5 800	-23.6%	0.5%	6 249	6 459	6 767	5.3%	0.3%	
United Nations Industrial Development Organisation	3 644	4 789	5 853	5 800	16.8%	0.3%	6 249	6 459	6 767	5.3%	0.3%	
United Nations Industrial Development Organisation: Automotive component supplier development programme	7 152	-	-	-	-100.0%	0.1%	-	-	-	-	-	
French Institute of South Africa: African Programme on rethinking development economics	2 200	-	-	-	-100.0%	-	-	-	-	-	-	

Table 34.12 Industrial Development expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
Audited outcome			2014/15				2011/12 - 2014/15	2015/16	2016/17		
R thousand	2011/12	2012/13	2013/14	2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2014/15 - 2017/18	
Non-profit institutions											
Current	53 000	80 168	94 784	124 018	32.8%	5.7%	144 078	138 107	137 352	3.5%	6.8%
Intsimbi National Tooling Initiative	36 000	49 168	54 434	67 700	23.4%	3.3%	70 353	74 082	69 951	1.1%	3.5%
Centurion Aerospace Village	10 000	15 000	15 800	16 748	18.8%	0.9%	17 517	18 445	19 367	5.0%	0.9%
Trade and industrial Policy Strategies	-	-	6 000	9 570	-	0.3%	10 000	10 712	11 423	6.1%	0.5%
Proudly South African Campaign	7 000	16 000	18 550	30 000	62.4%	1.2%	32 208	34 868	36 611	6.9%	1.7%
Automotive supply chain competitiveness initiative	-	-	-	-	-	-	14 000	-	-	-	0.2%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	887 198	1 055 828	1 043 365	1 174 885	9.8%	66.9%	1 306 439	1 371 843	1 411 300	6.3%	66.2%
Industrial Development Corporation: Customised sector programme	57 427	56 470	140 366	163 874	41.8%	6.7%	155 294	163 709	171 020	1.4%	8.2%
Council for Scientific and Industrial Research: National Cleaner Production Centre	40 141	41 225	-	51 679	8.8%	2.1%	63 522	66 870	77 786	14.6%	3.3%
South African Bureau of Standards: Research contribution	181 496	185 930	204 967	220 078	6.6%	12.7%	216 215	208 861	277 194	8.0%	11.6%
South African Bureau of Standards: Small business consulting	1 134	1 203	1 477	1 641	13.1%	0.1%	1 645	1 722	1 798	3.1%	0.1%
Industrial Development Corporation of South Africa: Clothing and Textile Production Incentive	600 000	750 000	682 425	723 370	6.4%	44.3%	855 643	900 992	852 824	5.6%	41.9%
Council for Scientific and Industrial Research: National Foundry Technology Network	7 000	21 000	14 130	14 243	26.7%	0.9%	14 120	29 689	30 678	29.1%	1.1%
Capital	117 471	69 352	64 904	22 500	-42.4%	4.4%	21 534	22 781	24 020	2.2%	1.1%
Council for Scientific and Industrial Research: Aerospace Industry	17 291	21 352	21 226	22 500	9.2%	1.3%	21 534	22 781	24 020	2.2%	1.1%
South African Bureau of Standards: Upgrading of vehicle testing facility	7 000	-	43 678	-	-100.0%	0.8%	-	-	-	-	-
South African Bureau of Standards	93 180	48 000	-	-	-100.0%	2.3%	-	-	-	-	-
Higher education institutions											
Current	14 800	22 600	-	3	-94.1%	0.6%	3	3	3	-	-
University of the Witwatersrand: National aerospace skills sector support programme	6 300	12 400	-	1	-94.6%	0.3%	1	1	1	-	-
University of the North West	8 500	10 200	-	1	-95.1%	0.3%	1	1	1	-	-
University of Pretoria	-	-	-	1	-	-	1	1	1	-	-

Personnel information

Table 34.13 Industrial Development personnel numbers and cost by salary level¹

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
Industrial Development			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	174	12	155	82.3	0.5	174	92.2	0.5	168	104.6	0.6	168	110.7	0.7	168	117.2	0.7	-1.2%	100.0%
1-6	8	8	10	1.3	0.1	8	0.9	0.1	8	0.9	0.1	8	1.0	0.1	8	1.0	0.1	-	4.7%
7-10	69	3	63	19.5	0.3	69	22.0	0.3	66	26.4	0.4	66	27.8	0.4	66	29.2	0.4	-1.5%	39.4%
11-12	50	1	41	24.1	0.6	50	29.0	0.6	48	32.3	0.7	48	34.1	0.7	48	36.2	0.8	-1.4%	28.6%
13-16	47	-	41	37.4	0.9	47	40.3	0.9	46	45.1	1.0	46	47.8	1.0	46	50.7	1.1	-0.7%	27.3%

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

2. Rand million.

Programme 5: Consumer and Corporate Regulation

Programme purpose

Develop and implement coherent, predictable and transparent regulatory solutions that facilitate easy access to redress and efficient regulation for economic citizens.

Objectives

- Increase access to economic opportunities for small business and historically disadvantaged citizens by attracting domestic and foreign investment by 2016.
- Contribute to increasing investor confidence and certainty in the economy by:
 - developing world class regulatory frameworks for monitoring compliance and enforcement of consumer and corporate regulations by 2017
 - conducting regulatory impact assessments that address impact at the financial, economic and social levels, annually
 - finalising amendments to the Liquor Act (2003) and the National Gambling Act (2004); and developing policy on intellectual property and 4 regulations emanating from the amended versions of the National Credit Act (2005), the Liquor Act (2003), the Gambling Act (2004), and the Business Act (1991), in 2015/16
 - conducting post-regulatory impact assessments on the effectiveness of the Consumer Protection Act (2008) and the Companies Act (2008), developing a regulatory framework for intellectual property by 2016/17, and protecting intellectual property rights by formulating policies and drafting legislation by 2018.
- Create competitive, fair and efficient markets by monitoring the effectiveness of financial, economic, and governance policies of implementing institutions in place by 2015.
- Enhance and protect consumer rights through improved consumer awareness by monitoring the performance of the institutions on an ongoing basis.
- Create a business regulatory environment that promotes competitive, fair and efficient markets by developing world class regulatory frameworks for the monitoring, compliance and enforcement of consumer and corporate regulations by 2017.
- Provide access to redress for consumers and business to increase confidence in markets by monitoring compliance through inspections of facilities; and providing education and awareness of safety, health and environment standards on an ongoing basis.
- Review, amend and implement the framework to increase industry transformation, enhance consumer protection, and carry out socioeconomic impact assessments annually.
- Promote awareness of rights, duties and responsibilities to increase consumer activism and public participation in consumer and corporate regulations by engaging with and providing support to higher learning and research institutions on an ongoing basis.
- Promote simple, appropriate and more effective regulatory solutions by participating in international forums such as the World Intellectual Property Organisation and relevant trade and investment forums, and developing position papers for publication and ratification over the medium term.

Subprogrammes

- *Policy and Legislative Development* develops policies, laws and regulatory frameworks.
- *Enforcement and Compliance* conducts trends analyses, impact assessments and market surveys; and monitors the effectiveness of regulation.
- *Regulatory Services* executes oversight of and transfers funds to the following regulatory agencies: the National Consumer Tribunal, the National Credit Regulator, the National Gambling Board, the National Consumer Commission, the Companies and Intellectual Property Commission and the Companies Tribunal. The department exercises oversight of, but does not transfer funds to: the National Lotteries Board, which regulates the lotteries sector and facilitates the distribution of lottery funds to worthy organisations that serve

the public interest; and the Takeover Regulation Panel and the Financial Reporting Standards Council, which are responsible for regulating applicable transactions and issuing standards.

Expenditure trends and estimates

Table 34.14 Consumer and Corporate Regulation expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand											
Policy and Legislative Development	12 912	14 421	19 206	18 743	13.2%	6.6%	25 935	29 189	27 960	14.3%	8.4%
Enforcement and Compliance	16 118	14 458	23 156	35 855	30.5%	9.1%	43 906	46 393	43 589	6.7%	14.0%
Regulatory Services	189 534	194 689	214 336	230 971	6.8%	84.3%	224 655	231 381	250 338	2.7%	77.5%
Total	218 564	223 568	256 698	285 569	9.3%	100.0%	294 496	306 963	321 887	4.1%	100.0%
Change to 2014				8 313			7 557	6 209	5 372		
Budget estimate											
Economic classification											
Current payments	38 521	43 050	68 692	75 272	25.0%	22.9%	80 611	83 105	86 836	4.9%	27.0%
Compensation of employees	26 482	30 021	48 697	57 145	29.2%	16.5%	60 995	63 442	66 322	5.1%	20.5%
Goods and services	12 039	13 029	19 995	18 127	14.6%	6.4%	19 616	19 663	20 514	4.2%	6.4%
of which:											
Administrative fees	–	–	17	34	–	–	15	15	–	-100.0%	–
Advertising	709	855	3 265	2 000	41.3%	0.7%	2 431	2 099	2 000	–	0.7%
Assets less than the capitalisation threshold	–	3	2	6	–	–	–	–	–	-100.0%	–
Catering: Departmental activities	333	1 063	639	695	27.8%	0.3%	488	651	779	3.9%	0.2%
Communication	153	165	444	296	24.6%	0.1%	313	349	455	15.4%	0.1%
Computer services	–	–	–	1 000	–	0.1%	1 579	673	–	-100.0%	0.3%
Consultants and professional services: Business and advisory services	3 184	2 307	2 543	3 661	4.8%	1.2%	3 718	3 510	6 741	22.6%	1.5%
Consultants and professional services: Legal costs	516	44	2 352	300	-16.5%	0.3%	300	325	341	4.4%	0.1%
Contractors	113	690	6	21	-42.9%	0.1%	–	–	110	73.7%	–
Agency and support / outsourced services	222	–	–	–	-100.0%	–	–	–	–	–	–
Entertainment	3	4	8	26	105.4%	–	5	7	7	-35.4%	–
Fleet services (including government motor transport)	2	2	43	61	212.4%	–	–	–	–	-100.0%	–
Inventory: Other supplies	5	4	–	–	-100.0%	–	–	–	–	–	–
Consumable supplies	–	–	16	62	–	–	–	–	–	-100.0%	–
Consumables: Stationery, printing and office supplies	634	327	369	597	-2.0%	0.2%	846	793	833	11.7%	0.3%
Operating leases	85	139	171	253	43.8%	0.1%	187	123	129	-20.1%	0.1%
Travel and subsistence	4 458	4 803	7 456	7 282	17.8%	2.4%	7 303	8 962	5 570	-8.5%	2.4%
Training and development	–	–	940	–	–	0.1%	–	–	–	–	–
Operating payments	694	171	653	1 056	15.0%	0.3%	1 078	710	1 128	2.2%	0.3%
Venues and facilities	928	2 452	1 071	777	-5.7%	0.5%	1 353	1 446	2 421	46.1%	0.5%
Transfers and subsidies	179 610	177 536	186 763	209 997	5.3%	76.6%	213 735	223 858	235 051	3.8%	73.0%
Departmental agencies and accounts	176 458	174 132	182 360	205 495	5.2%	75.0%	209 056	218 931	229 878	3.8%	71.4%
Foreign governments and international organisations	3 066	3 362	4 214	4 473	13.4%	1.5%	4 679	4 927	5 173	5.0%	1.6%
Households	86	42	189	29	-30.4%	–	–	–	–	-100.0%	–
Payments for capital assets	429	1 278	639	300	-11.2%	0.3%	150	–	–	-100.0%	–
Machinery and equipment	429	1 278	639	300	-11.2%	0.3%	150	–	–	-100.0%	–
Payments for financial assets	4	1 704	604	–	-100.0%	0.2%	–	–	–	–	–
Total	218 564	223 568	256 698	285 569	9.3%	100.0%	294 496	306 963	321 887	4.1%	100.0%
Proportion of total programme expenditure to vote expenditure	3.6%	3.0%	3.1%	2.9%	–	–	3.1%	2.9%	3.4%	–	–

Table 34.14 Consumer and Corporate Regulation expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand											
Households											
Social benefits											
Current	86	42	189	29	-30.4%	-	-	-	-	-100.0%	-
Employee social benefits	86	42	189	29	-30.4%	-	-	-	-	-100.0%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	176 458	174 132	182 360	205 495	5.2%	75.0%	209 056	218 931	229 878	3.8%	71.4%
National Credit Regulator	53 042	57 931	63 691	68 845	9.1%	24.7%	65 727	69 577	73 056	2.0%	22.9%
National Gambling Board	37 605	26 057	27 717	29 797	-7.5%	12.3%	31 483	30 121	31 627	2.0%	10.2%
National Consumer Tribunal	28 833	33 165	36 099	40 164	11.7%	14.0%	43 029	46 151	48 459	6.5%	14.7%
Companies and Intellectual Property Commission	13 990	-	-	-	-100.0%	1.4%	-	-	-	-	-
National Consumer Commission	32 988	46 842	44 516	53 376	17.4%	18.1%	54 596	58 013	60 914	4.5%	18.8%
Companies Tribunal	10 000	10 137	10 337	13 313	10.0%	4.4%	14 221	15 069	15 822	5.9%	4.8%
Foreign governments and international organisations											
Current	3 066	3 362	4 214	4 473	13.4%	1.5%	4 679	4 927	5 173	5.0%	1.6%
World Intellectual Property Organisation	3 066	3 362	4 214	4 473	13.4%	1.5%	4 679	4 927	5 173	5.0%	1.6%

Personnel information

Table 34.15 Consumer and Corporate Regulation personnel numbers and cost by salary level¹

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	2014/15		Unit	2015/16		Unit	2016/17		Unit			2017/18		Unit				
		Number	Cost	Unit	Number	Cost	Unit	Number	Cost	Unit	Number	Cost	Unit	Number	Cost	Unit	2014/15 - 2017/18					
Consumer and Corporate Regulation		146	60		135	48.7	0.4	146	57.1	0.4	99	61.0	0.6	99	63.4	0.6	99	66.3	0.7	-12.1%	100.0%	
1 - 6	7	6	12	0.8	0.1	7	0.8	0.1	7	0.8	0.1	7	0.9	0.1	7	0.8	0.1	7	0.8	0.1	-	6.3%
7 - 10	89	49	81	19.8	0.2	88	24.5	0.3	41	16.2	0.4	41	17.1	0.4	41	18.0	0.4	41	18.0	0.4	-22.5%	47.6%
11 - 12	18	3	21	11.3	0.5	18	11.4	0.6	18	11.1	0.6	18	11.8	0.7	18	12.1	0.7	18	12.1	0.7	-	16.3%
13 - 16	32	2	21	16.8	0.8	33	20.4	0.6	33	32.8	1.0	33	33.7	1.0	33	35.4	1.1	33	35.4	1.1	-	29.8%

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

2. Rand million.

Programme 6: Incentive Development and Administration

Programme purpose

Stimulate and facilitate the development of sustainable, competitive enterprises through the efficient provision of effective and accessible incentive measures that support national priorities.

Objectives

- Stimulate and facilitate the development of sustainable and competitive enterprises, through the efficient provision of effective and accessible incentive measures that support national priorities in accordance with government's 2014-2019 medium term strategic framework over the medium term.
- Improve the impact of incentive programmes through the implementation of an online and automated integrated electronic management system in 2015/16.
- Design, administer, monitor and evaluate a range of incentive programmes, based on the industrial policies and sector strategies developed by the department, in support of industrial development on an ongoing basis.

- Administer the manufacturing competitiveness enhancement programme, which provides a credible support package to stabilise and grow output, employment and confidence in the manufacturing sector in order to encourage firms to innovate and invest in activities that will enhance their productivity and bolster competitiveness by 2017/18.
- Administer the special economic zones Fund by providing incentives for industrial infrastructure development in order to contribute to the accelerated growth of manufacturing and internationally traded services by attracting foreign direct investment and developing growth orientated domestic businesses, leading to increased employment, exports and regional development over the long term.

Subprogrammes

- *Broadening Participation Incentives* provides incentive programmes that promote broader participation in the mainstream economy of businesses owned by individuals from historically disadvantaged communities and marginalised regions.
- *Manufacturing Incentives* provides incentives to promote additional investment in the manufacturing sector. The manufacturing investment cluster comprises the following programmes and schemes: the manufacturing competitive enhancement programme, the capital projects feasibility programme, the automotive investment scheme, the export marketing and investment assistance scheme, the sector specific assistance scheme and the section 12I tax incentive scheme.
- *Services Investment Incentives* provides incentive programmes that promote increased investment and job creation in the services sector. The programmes include the business process services programme, and the film and television production incentive support programme for South African and foreign productions.
- *Infrastructure Investment Support* provides infrastructure support that enables investment and industrial development in order to increase the export of value added commodities and create employment opportunities.
- *Product and Systems Development* reviews, monitors and develops incentive programmes to support the industrial policy action plan, and develops sector strategies to address market failures.
- *Strategic Partnership and Customer Care* facilitates access to targeted enterprises by reviewing the success of incentive schemes and improving such schemes.

Expenditure trends and estimates

Table 34.16 Incentive Development and Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2011/12	2012/13	2013/14		2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2017/18
R thousand											
Broadening Participation Incentives	72 951	85 325	129 317	50 722	-11.4%	1.9%	63 793	67 282	70 724	11.7%	1.1%
Manufacturing Incentives	2 100 813	2 954 767	3 338 623	3 828 947	22.2%	67.9%	3 781 822	4 005 840	3 561 728	-2.4%	66.0%
Services Investment Incentives	306 592	427 027	564 364	559 341	22.2%	10.3%	569 866	610 528	641 779	4.7%	10.4%
Infrastructure Investment Support	740 272	893 649	1 038 639	788 165	2.1%	19.2%	1 341 533	1 829 701	1 051 869	10.1%	21.8%
Product and Systems Development	8 499	12 701	13 000	16 583	25.0%	0.3%	17 479	18 423	19 553	5.6%	0.3%
Strategic Partnership and Customer Care	13 009	13 827	17 920	20 820	17.0%	0.4%	21 146	22 419	23 611	4.3%	0.4%
Total	3 242 136	4 387 296	5 101 863	5 264 578	17.5%	100.0%	5 795 639	6 554 193	5 369 264	0.7%	100.0%
Change to 2014 Budget estimate				(275 703)			(450 831)	(496 621)	(515 547)		
Economic classification											
Current payments	101 418	114 864	150 833	238 590	33.0%	3.4%	172 632	180 531	200 208	-5.7%	3.4%
Compensation of employees	72 441	86 508	112 458	140 363	24.7%	2.3%	133 670	144 225	161 504	4.8%	2.5%
Goods and services	28 977	28 356	38 375	98 227	50.2%	1.1%	38 962	36 306	38 704	-26.7%	0.9%
of which:											
Administrative fees	441	247	66	81	-43.2%	-	72	108	133	18.0%	-
Advertising	954	15	17	-	-100.0%	-	-	-	-	-	-
Assets less than the capitalisation threshold	20	16	19	32	17.0%	-	40	22	24	-9.1%	-

Table 34.16 Incentive Development and Administration expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand					2011/12 - 2014/15					2014/15 - 2017/18	
<i>Bursaries: Employees</i>	–	–	55	–	–	–	–	–	–	–	–
<i>Catering: Departmental activities</i>	330	303	807	256	-8.1%	–	273	309	334	9.3%	–
<i>Communication</i>	342	567	509	579	19.2%	–	561	603	647	3.8%	–
<i>Computer services</i>	63	–	–	–	-100.0%	–	–	–	–	–	–
<i>Consultants and professional services: Business and advisory services</i>	7 044	8 240	14 963	74 226	119.2%	0.6%	17 080	12 083	13 229	-43.7%	0.5%
<i>Consultants and professional services: Legal costs</i>	3 054	1 394	2 683	2 758	-3.3%	0.1%	2 840	3 394	3 564	8.9%	0.1%
<i>Contractors</i>	4	46	73	62	149.3%	–	60	60	60	-1.1%	–
<i>Agency and support / outsourced services</i>	157	58	–	–	-100.0%	–	41	45	47	–	–
<i>Entertainment</i>	25	34	7	20	-7.2%	–	22	28	32	17.0%	–
<i>Fleet services (including government motor transport)</i>	80	48	99	115	12.9%	–	144	147	151	9.5%	–
<i>Inventory: Fuel, oil and gas</i>	–	–	–	45	–	–	–	–	–	-100.0%	–
<i>Inventory: Materials and supplies</i>	1	–	–	–	-100.0%	–	–	–	–	–	–
<i>Inventory: Other supplies</i>	28	6	–	–	-100.0%	–	–	–	–	–	–
<i>Consumable supplies</i>	–	–	32	47	–	–	79	82	84	21.4%	–
<i>Consumables: Stationery, printing and office supplies</i>	1 812	1 203	1 264	1 601	-4.0%	–	1 698	2 054	1 981	7.4%	–
<i>Operating leases</i>	643	773	792	813	8.1%	–	814	839	864	2.0%	–
<i>Property payments</i>	57	53	83	140	34.9%	–	96	100	103	-9.7%	–
<i>Travel and subsistence</i>	12 152	14 174	14 811	16 555	10.9%	0.3%	13 950	15 391	16 102	-0.9%	0.3%
<i>Training and development</i>	55	–	–	–	-100.0%	–	–	–	–	–	–
<i>Operating payments</i>	339	82	356	444	9.4%	–	460	488	507	4.5%	–
<i>Venues and facilities</i>	1 376	1 097	1 739	453	-31.0%	–	732	553	842	23.0%	–
Transfers and subsidies	3 136 103	4 270 033	4 943 541	5 015 988	16.9%	96.5%	5 611 027	6 361 692	5 156 456	0.9%	96.4%
Foreign governments and international organisations	–	3 710	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	3 135 627	4 266 083	4 943 211	5 015 388	16.9%	96.5%	5 610 227	6 360 892	5 155 656	0.9%	96.3%
Households	476	240	330	600	8.0%	–	800	800	800	10.1%	–
Payments for capital assets	4 615	2 399	7 457	10 000	29.4%	0.1%	11 980	11 970	12 600	8.0%	0.2%
Machinery and equipment	731	1 249	1 758	1 500	27.1%	–	2 000	2 000	2 100	11.9%	–
Software and other intangible assets	3 884	1 150	5 699	8 500	29.8%	0.1%	9 980	9 970	10 500	7.3%	0.2%
Payments for financial assets	–	–	32	–	–	–	–	–	–	–	–
Total	3 242 136	4 387 296	5 101 863	5 264 578	17.5%	100.0%	5 795 639	6 554 193	5 369 264	0.7%	100.0%
Proportion of total programme expenditure to vote expenditure	53.5%	58.9%	61.2%	53.1%	–	–	60.4%	62.4%	56.5%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	473	240	326	600	8.3%	–	800	800	800	10.1%	–
Employee social benefits	473	240	326	600	8.3%	–	800	800	800	10.1%	–
Households											
Other transfers to households											
Current	3	–	4	–	-100.0%	–	–	–	–	–	–
Gifts and donations	3	–	4	–	-100.0%	–	–	–	–	–	–
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Current	181 764	214 363	346 690	360 000	25.6%	6.1%	240 000	250 000	262 500	-10.0%	4.8%
Broadening participation development incentives	13 156	32 363	72 872	–	-100.0%	0.7%	–	–	–	–	–
Export market and investment assistance	168 608	182 000	273 818	360 000	28.8%	5.5%	240 000	250 000	262 500	-10.0%	4.8%
Capital	178 262	184 337	193 828	135 152	-8.8%	3.8%	247 827	250 892	263 437	24.9%	3.9%
Critical infrastructure programme	118 473	131 597	139 968	90 000	-8.8%	2.7%	190 000	190 000	199 500	30.4%	2.9%
Support programme for industrial innovation	59 789	52 740	53 860	45 152	-8.9%	1.2%	57 827	60 892	63 937	12.3%	1.0%
Foreign governments and international organisations											
Current	–	3 710	–	–	–	–	–	–	–	–	–
United Nations Industrial Development Organisation: Incentive monitoring framework	–	3 710	–	–	–	–	–	–	–	–	–

Table 34.16 Incentive Development and Administration expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand											
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Capital	615 682	749 876	438 195	-	-100.0%	10.0%	-	-	-	-	-
Coega Development Corporation	383 718	417 858	308 195	-	-100.0%	6.2%	-	-	-	-	-
East London Industrial Development Zone	171 282	150 000	100 000	-	-100.0%	2.3%	-	-	-	-	-
Richards Bay Industrial Development Zone Company	60 682	182 018	30 000	-	-100.0%	1.5%	-	-	-	-	-
Public corporations and private enterprises											
Private enterprises											
Private enterprises - subsidies on products and production											
Current	2 159 919	3 112 507	3 515 298	3 920 236	22.0%	70.6%	4 052 400	4 280 000	3 794 298	-1.1%	69.8%
Services sector development incentives	298 759	418 629	555 000	550 000	22.6%	10.1%	560 000	600 000	630 500	4.7%	10.2%
Manufacturing development incentives	1 861 160	2 693 878	2 960 298	3 290 236	20.9%	60.0%	3 422 400	3 630 000	3 163 798	-1.3%	58.8%
Industrial development zones - Other	-	-	-	80 000	-	0.4%	70 000	50 000	-	-100.0%	0.9%
Capital	-	5 000	449 200	600 000	-	5.9%	1 070 000	1 580 000	835 421	11.7%	17.8%
Special Economic Zones	-	5 000	449 200	600 000	-	5.9%	1 070 000	1 580 000	835 421	11.7%	17.8%

Personnel information

Table 34.17 Incentive Development and Administration personnel numbers and cost by salary level¹

Incentive Development and Administration	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								
Salary level	306	43	302	112.5	0.4	306	140.4	0.5	256	133.7	0.5	256	144.2	0.6	256	161.5	0.6	-5.8%	100.0%
1 – 6	26	9	27	4.4	0.2	26	4.3	0.2	26	4.6	0.2	26	4.8	0.2	26	5.1	0.2	-	9.7%
7 – 10	183	23	176	45.8	0.3	183	58.4	0.3	141	57.5	0.4	141	62.6	0.4	141	68.3	0.5	-8.3%	56.4%
11 – 12	58	5	65	38.1	0.6	58	37.9	0.7	52	35.5	0.7	52	38.7	0.7	52	43.5	0.8	-3.6%	19.9%
13 – 16	39	6	34	24.2	0.7	39	39.8	1.0	37	36.2	1.0	37	38.1	1.0	37	44.6	1.2	-1.7%	14.0%

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

2. Rand million.

Programme 7: Trade and Investment South Africa

Programme purpose

Increase export capacity and support direct investment flows through an effectively managed network of foreign trade offices and strategies for targeted markets.

Objectives

- Increase the quality and quantity of domestic and foreign direct investment by implementing and reviewing investment strategies over the medium term.
- Promote and attract direct investment from targeted countries into targeted sectors of the South African economy, as per the industrial policy action plan on an ongoing basis through targeted use of instruments such as national pavilions, outward and inward missions and international trade initiatives.
- Promote South African value added goods and services abroad by broadening the export base; increasing market share in targeted high growth markets, especially in countries such as the Brazil-Russia-India-China-South Africa group of countries, African countries, and other developing countries; and sustaining market share in traditional markets, on an ongoing basis.

- Review the export strategy over the medium term in order to enhance South African export capabilities to address the burgeoning trade deficit by diversifying markets, sectors, and products.
- Increase the exporter base in the country and assist exporters to better position them to enter new markets by managing the implementation of the revised national exporter development programme that covers a number of critical components and a menu of innovative structures, new tools and value added services on an ongoing basis
- Place foreign economic representatives who are responsible for promoting foreign direct investment and the exports of South African goods, on an ongoing basis.

Subprogrammes

- *Investment Promotion and Facilitation* facilitates the increase in the quality and quantity of foreign and domestic direct investment by providing investment, recruitment, and problem solving and information services.
- *Export Promotion and Marketing* promotes exports of South African value added goods and services to increase market share in targeted high growth markets and sustain market share in traditional markets.
- *Trade and Investment South Africa Executive Management Unit* promotes trade and investment, and administers and provides corporate services to the department's foreign office network of 27 foreign economic representatives in 43 countries to enable South African businesses to access markets. The department also employs 43 locally recruited marketing officers.
- *Export Development and Support* manages the national exporter development programme, which is designed to contribute to positioning South Africa as a reliable trade partner, and improve and expand the country's exporter base.

Expenditure trends and estimates

Table 34.18 Trade and Investment South Africa expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand					2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18		
Investment Promotion and Facilitation	19 797	29 716	32 349	39 893	26.3%	10.0%	48 254	50 262	52 623	9.7%	11.7%
Export Promotion and Marketing	21 018	31 931	18 714	42 447	26.4%	9.4%	36 950	31 666	32 738	-8.3%	8.8%
Trade and Investment In South Africa Executive Management Unit	256 777	180 365	243 413	249 809	-0.9%	76.3%	316 286	333 977	348 351	11.7%	76.6%
Export Development and Support	6 254	7 833	25 994	12 723	26.7%	4.3%	10 838	11 227	11 109	-4.4%	2.8%
Total	303 846	249 845	320 470	344 872	4.3%	100.0%	412 328	427 132	444 821	8.9%	100.0%
Change to 2014 Budget estimate				(15 876)			42 234	39 578	35 441		
Economic classification											
Current payments	167 653	208 853	235 480	229 639	11.1%	69.0%	240 035	250 363	261 776	4.5%	60.3%
Compensation of employees	100 430	127 462	142 169	161 954	17.3%	43.6%	180 894	185 314	194 273	6.3%	44.3%
Goods and services	67 223	81 390	93 311	67 685	0.2%	25.4%	59 141	65 049	67 503	-0.1%	15.9%
of which:											
Administrative fees	253	460	591	530	28.0%	0.2%	306	481	494	-2.3%	0.1%
Advertising	253	348	521	397	16.2%	0.1%	22	81	81	-41.1%	-
Assets less than the capitalisation threshold	274	307	78	315	4.8%	0.1%	107	94	94	-33.2%	-
Catering; Departmental activities	822	112	108	559	-12.1%	0.1%	584	595	610	3.0%	0.1%
Communication	1 868	1 944	2 053	1 573	-5.6%	0.6%	1 152	1 246	1 291	-6.4%	0.3%
Computer services	813	899	930	637	-7.8%	0.3%	450	577	586	-2.7%	0.1%
Consultants and professional services: Business and advisory services	1 710	3 082	1 813	2 233	9.3%	0.7%	4 062	2 505	2 570	4.8%	0.7%
Consultants and professional services: Scientific and technological services	-	-	-	1	-	-	-	-	-	-100.0%	-
Consultants and professional services: Legal costs	232	130	25	35	-46.8%	-	24	27	29	-6.1%	-
Contractors	1 608	7 679	2 488	6 609	60.2%	1.5%	6 573	7 751	8 260	7.7%	1.8%
Agency and support / outsourced services	122	9	43	54	-23.8%	-	-	-	-	-100.0%	-
Entertainment	1 018	1 144	1 792	1 209	5.9%	0.4%	809	935	968	-7.1%	0.2%

Table 34.18 Trade and Investment South Africa expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2011/12	2012/13	2013/14		2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2014/15 - 2017/18
R thousand											
<i>Fleet services (including government motor transport)</i>	156	265	302	214	11.1%	0.1%	36	43	46	-40.1%	-
<i>Inventory: Materials and supplies</i>	3	40	-	-	-100.0%	-	-	-	-	-	-
<i>Inventory: Other supplies</i>	248	400	-	-	-100.0%	0.1%	-	-	-	-	-
<i>Consumable supplies</i>	-	3	476	332	-	0.1%	105	320	322	-1.0%	0.1%
<i>Consumables: Stationery, printing and office supplies</i>	1 691	1 750	1 244	1 799	2.1%	0.5%	1 626	1 747	1 858	1.1%	0.4%
<i>Operating leases</i>	16 502	17 995	23 077	4 293	-36.2%	5.1%	5 768	6 862	7 242	19.0%	1.5%
<i>Property payments</i>	1 179	1 461	1 617	827	-11.1%	0.4%	262	326	333	-26.2%	0.1%
<i>Transport provided: Departmental activity</i>	-	-	-	3	-	-	10	29	29	113.0%	-
<i>Travel and subsistence</i>	17 823	19 938	30 484	22 954	8.8%	7.5%	18 336	21 253	20 976	-3.0%	5.1%
<i>Training and development</i>	96	59	49	20	-40.7%	-	-	-	-	-100.0%	-
<i>Operating payments</i>	11 979	9 909	18 693	11 567	-1.2%	4.3%	11 032	10 374	12 392	2.3%	2.8%
<i>Venues and facilities</i>	8 573	13 456	6 927	11 524	10.4%	3.3%	7 877	9 803	9 322	-6.8%	2.4%
<i>Interest and rent on land</i>	-	1	-	-	-	-	-	-	-	-	-
Transfers and subsidies	133 421	37 224	83 168	113 550	-5.2%	30.1%	168 079	174 338	180 555	16.7%	39.1%
Foreign governments and international organisations	11 750	12 338	9 800	3 150	-35.5%	3.0%	2 632	2 772	2 911	-2.6%	0.7%
Public corporations and private enterprises	121 517	24 307	73 293	110 370	-3.2%	27.0%	165 447	171 566	177 644	17.2%	38.4%
Households	154	579	75	30	-42.0%	0.1%	-	-	-	-100.0%	-
Payments for capital assets	2 765	3 767	1 820	1 681	-15.3%	0.8%	4 214	2 431	2 490	14.0%	0.7%
Machinery and equipment	2 748	3 767	1 820	1 681	-15.1%	0.8%	4 214	2 431	2 490	14.0%	0.7%
Software and other intangible assets	17	-	-	-	-100.0%	-	-	-	-	-	-
Payments for financial assets	7	1	2	2	-34.1%	-	-	-	-	-100.0%	-
Total	303 846	249 845	320 470	344 872	4.3%	100.0%	412 328	427 132	444 821	8.9%	100.0%
Proportion of total programme expenditure to vote expenditure	5.0%	3.4%	3.8%	3.5%	-	-	4.3%	4.1%	4.7%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	154	376	75	30	-42.0%	0.1%	-	-	-	-100.0%	-
Gifts and donations	4	-	7	-	-100.0%	-	-	-	-	-	-
Gifts, donations and sponsorships	-	-	-	-	-	-	-	-	-	-	-
Employees social benefits	150	376	68	30	-41.5%	0.1%	-	-	-	-100.0%	-
Households											
Other transfers to households											
Current	-	203	-	-	-	-	-	-	-	-	-
Gifts and donations	-	203	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations											
Current	11 750	12 338	9 800	3 150	-35.5%	3.0%	2 632	2 772	2 911	-2.6%	0.7%
Export Consultancy trust funds: International Bank for Reconstruction and Development (World Bank) feasibility studies	5 875	6 169	4 900	-	-100.0%	1.4%	1 316	1 386	1 456	-	0.3%
Export Consultancy trust funds: International Finance Corporation	5 875	6 169	4 900	3 150	-18.8%	1.6%	1 316	1 386	1 455	-22.7%	0.4%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	121 517	24 307	73 293	110 370	-3.2%	27.0%	165 447	171 566	177 644	17.2%	38.4%
Export Credit Insurance Corporation	121 517	24 307	73 293	110 370	-3.2%	27.0%	165 447	171 566	177 644	17.2%	38.4%

Personnel information

Table 34.19 Trade and Investment South Africa personnel numbers and cost by salary level¹

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	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			2014/15 - 2017/18
Trade and Investment South Africa																			
Salary level	194	23	163	142.2	0.9	194	162.0	0.8	185	180.9	1.0	185	185.3	1.0	185	194.3	1.1	-1.6%	100.0%
1 – 6	23	16	5	53.5	10.7	23	57.1	2.5	22	81.7	3.7	22	82.1	3.7	22	79.4	3.6	-1.5%	11.9%
7 – 10	87	1	87	32.8	0.4	87	41.3	0.5	83	34.7	0.4	83	35.5	0.4	83	39.5	0.5	-1.6%	44.9%
11 – 12	49	3	50	35.3	0.7	49	31.6	0.6	46	31.0	0.7	46	32.7	0.7	46	36.4	0.8	-2.1%	25.0%
13 – 16	35	3	21	20.5	1.0	35	31.9	0.9	34	33.4	1.0	34	35.0	1.0	34	39.0	1.1	-1.0%	18.3%

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

2. Rand million.

Public entities and other agencies

National Lotteries Board

Mandate

The National Lotteries Board was established in terms of the Lotteries Act (1997) and is mandated to regulate the National Lottery as well as other lotteries, including fundraising society lotteries and promotional competitions. The board also advises the Minister of Trade and Industry on policy matters relating to the National Lottery and other lotteries. The board ensures the protection of all participants, maximises revenue for good cause in a responsible manner, administers the National Lottery Distribution Trust Fund, and distributes funds for good causes to the distributing agencies in an equitable and expeditious manner.

Selected performance indicators

Table 34.20 National Lotteries Board performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Value of operator ticket sales per year	Grant funding	Entity mandate	R4.59bn	R4.62bn	R4.9bn	R4.7bn	R4.8bn	R5.0bn	R5.5bn
Value of National Lottery Distribution Trust Fund commitments per year	Grant funding		R1.80bn	R1.65bn	R1.94bn	R2.2bn	R1.6bn	R1.6bn	R1.7bn
Actual cash disbursed per year	Grant funding		R2.41bn	R2.08bn	R1.86bn	R1.99bn	R1.64bn	R1.48bn	R1.42bn
Value of contribution to the National Lottery Distribution Trust Fund per year	Grant funding		R1.56bn	R1.60bn	R1.75bn	R1.60bn	R1.65bn	R1.70bn	R1.87bn

Expenditure analysis

The National Lotteries Board aims to ensure that funds raised through the national lottery are distributed equitably and expeditiously across South Africa in order to advance social upliftment. The focus over the medium term will be on enhancing service delivery within the organisation, and ensuring the compliance and regulation of the lottery industry so that the funding of deserving causes is distributed according to the legislated mandate. This is in line with the national development plan's vision of improving the efficiency of service delivery, and outcome 13 of government's 2014-2019 medium term strategic framework (an inclusive and responsive social protection system).

This serves to inform projected expenditure growth of 7.8 per cent over the medium term, and the significant share of the administrative function as the board's services are rolled out regionally across South Africa through the establishment of new offices in Free State, North West, Mpumalanga, Northern Cape, Western Cape and KwaZulu-Natal. This greater capacity will enable the board to effectively monitor the impact of funds disbursed, and ensure that the funds achieve their intended purpose, with greater emphasis on regulating compliance with the Lotteries Act (1997). As a result, expenditure on compensation of employees and the

associated costs is expected to increase due to the new provincial offices, with the number of personnel increasing from 210 in 2013/14 to 323 over the medium term.

Improvements in the governance of the grant making system and commitment changes as per the act have necessitated improvements in internal systems to better support the organisation. This has increased expenditure on goods and services related to software improvement and the engagement of full time distribution agency members to adjudicate applications requesting funding, alongside the associated costs of an increased footprint.

The board receives an average of 99.1 per cent of revenue over the medium term from: a grant provided by the National Lottery Distribution Trust Fund, as approved by the Minister of Trade and Industry, for operational expenditure; regulation fees from the regulating of other lotteries in the country; and interest received from banking institutions from cash on hand. Interest earned on funds contributes marginally to revenue.

Programmes/objectives/activities

Table 34.21 National Lotteries Board expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
					2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Administration	65 130	51 849	126 278	217 293	49.4%	57.1%	246 022	270 622	297 684	11.1%	64.3%
Grant funding	30 209	63 310	58 466	82 421	39.7%	33.0%	94 031	103 433	113 777	11.3%	24.5%
Compliance and regulation	5 715	10 717	16 517	61 598	120.9%	9.9%	34 426	37 868	41 654	-12.2%	11.2%
Total	101 054	125 876	201 261	361 312	52.9%	100.0%	374 479	411 923	453 115	7.8%	100.0%

Statements of historical financial performance and position

Table 34.22 National Lotteries Board statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	Budget	2011/12	Budget	2012/13	Budget	2013/14			
									2011/12 - 2014/15
Revenue									
Non-tax revenue	1 560	1 586	1 656	1 595	1 698	12 667	1 698	3 186	287.9%
Sale of goods and services other than capital assets	-	1 308	-	1 308	1 308	1 308	1 308	2 800	257.0%
<i>of which:</i>									
Administrative fees	-	1 308	-	1 308	1 308	1 308	1 308	2 800	257.0%
Other non-tax revenue	1 560	278	1 656	287	390	11 359	390	386	308.1%
Transfers received	125 951	99 468	160 723	124 281	174 471	188 594	293 328	358 126	102.1%
Total revenue	127 511	101 054	162 379	125 876	176 169	201 261	295 026	361 312	103.7%
Expenses									
Current expenses	127 511	101 054	162 379	125 876	176 169	201 261	295 026	361 312	103.7%
Compensation of employees	69 463	54 171	88 333	58 655	97 124	104 459	165 428	143 208	85.8%
Goods and services	55 288	45 452	71 791	64 896	76 745	94 020	125 398	212 495	126.6%
Depreciation	2 760	1 431	2 255	2 325	2 300	2 782	4 200	5 609	105.5%
Total expenses	127 511	101 054	162 379	125 876	176 169	201 261	295 026	361 312	103.7%
Surplus/(Deficit)	-	-	-	-	-	-	-	-	-
Statement of financial position									
Carrying value of assets	7 035	7 968	13 124	11 666	11 963	14 176	12 463	91 563	281.2%
<i>of which:</i>									
Acquisition of assets	2 525	1 086	5 750	6 123	2 800	8 582	3 000	81 087	688.3%
Receivables and prepayments	3 600	8 467	3 200	6 537	3 200	9 118	3 200	2 205	199.4%
Cash and cash equivalents	4 171	7 033	6 762	12 689	4 835	26 003	3 027	40 813	460.4%
Total assets	14 806	23 468	23 086	30 892	19 998	49 297	18 690	134 581	311.1%
Deferred income	4 114	9 185	5 262	2 806	1 498	1 498	190	1 498	135.5%
Trade and other payables	10 692	11 477	15 018	15 963	18 500	23 792	18 500	132 795	293.5%
Provisions	-	-	-	3 724	-	23 719	-	-	-
Derivatives financial instruments	-	2 806	2 806	8 399	-	288	-	288	419.9%
Total equity and liabilities	14 806	23 468	23 086	30 892	19 998	49 297	18 690	134 581	311.1%

Statements of estimates of financial performance and position

Table 34.23 National Lotteries Board statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
R thousand	2014/15				2011/12 - 2014/15	2015/16	2016/17		
Revenue									
Non-tax revenue		3 186	26.2%	2.5%	3 505	3 856	4 241	10.0%	0.9%
Sale of goods and services other than capital assets		2 800	28.9%	0.9%	3 080	3 388	3 727	10.0%	0.8%
<i>of which:</i>									
Administrative fees		2 800	28.9%	0.9%	3 080	3 388	3 727	10.0%	0.8%
Other non-tax revenue		386	11.6%	1.6%	425	468	514	10.0%	0.1%
Transfers received		358 126	53.3%	97.5%	370 978	408 076	448 884	7.8%	99.1%
Total revenue		361 312	52.9%	100.0%	374 483	411 932	453 125	7.8%	100.0%
Expenses									
Current expenses		361 312	52.9%	100.0%	374 479	411 923	453 115	7.8%	100.0%
Compensation of employees		143 208	38.3%	47.9%	157 527	173 277	190 604	10.0%	41.5%
Goods and services		212 495	67.2%	50.5%	210 782	231 860	255 046	6.3%	56.9%
Depreciation		5 609	57.7%	1.5%	6 170	6 786	7 465	10.0%	1.6%
Total expenses		361 312	52.9%	100.0%	374 479	411 923	453 115	7.8%	100.0%
Surplus/(Deficit)		-	-	-	4	9	10	-	-
Statement of financial position									
Carrying value of assets		91 563	125.7%	42.1%	85 954	80 345	74 916	-6.5%	61.2%
<i>of which:</i>									
Acquisition of assets		81 087	321.1%	25.5%	88 349	97 183	106 902	9.7%	68.6%
Receivables and prepayments		2 205	-36.1%	19.3%	2 424	2 665	2 930	9.9%	1.9%
Cash and cash equivalents		40 813	79.7%	38.5%	47 237	53 206	59 772	13.6%	36.9%
Total assets		134 581	79.0%	100.0%	135 615	136 216	137 618	0.7%	100.0%
Deferred income		1 498	-45.4%	13.1%	7 848	6 540	5 232	51.7%	3.9%
Trade and other payables		132 795	126.2%	61.9%	125 355	128 224	131 225	-0.4%	95.1%
Derivatives financial instruments		288	-53.2%	10.0%	2 412	1 452	1 161	59.2%	1.0%
Total equity and liabilities		134 581	79.0%	100.0%	135 615	136 216	137 618	110.5%	100.0%

Personnel information

Table 34.24 National Lotteries Board personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015			Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
			2013/14		2014/15		2015/16		2016/17		2017/18		2014/15 - 2017/18							
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
National Lotteries Board	323	323	210	104.5	0.5	323	143.2	0.4	323	157.5	0.5	323	173.3	0.5	323	190.6	0.6	10.0%	100.0%	
Salary level																				
7 - 10	263	263	175	75.3	0.4	263	89.2	0.3	263	98.1	0.4	263	107.9	0.4	263	118.7	0.5	10.0%	81.4%	
11 - 12	24	24	13	10.4	0.8	24	16.9	0.7	24	18.6	0.8	24	20.4	0.9	24	22.5	0.9	10.0%	7.4%	
13 - 16	35	35	21	16.7	0.8	35	34.7	1.0	35	38.1	1.1	35	41.9	1.2	35	46.1	1.3	10.0%	10.8%	
17 - 22	1	1	1	2.0	2.0	1	2.5	2.5	1	2.7	2.7	1	3.0	3.0	1	3.3	3.3	10.0%	0.3%	

¹. Rand million.

Companies and Intellectual Property Commission

Mandate

The Companies and Intellectual Property Commission was established in terms of section 185 of the Companies Act (2008) to function as an organ of state within the public administration but outside the public service. It is mandated to undertake and enhance the functions of the Office of Companies and Intellectual Property Enforcement, as well as those previously falling under the mandate of the Companies and Intellectual Property Registration Office. The commission regulates companies, close corporations, cooperatives, trademarks, patents, designs and copyright; and enforces rules and regulations.

Selected performance indicators

Table 34.25 Companies and Intellectual Property Commission performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Percentage website availability for online filings 24 hours a day and 7 days a week ¹	Administration	Entity mandate	- ¹	- ¹	92%	95%	95%	95%	95%
Percentage of companies registered electronically through the Companies and Intellectual Property Commission website within 1 working day ¹	Business regulations and reputation		- ¹	- ¹	98%	85%	90%	95%	95%
Percentage of cooperatives registered within 21 working days ¹	Business regulations and reputation		- ¹	- ¹	92%	90%	90%	95%	95%
Percentage of trademark applications processed within 5 working days ¹	Business regulations and reputation		- ¹	- ¹	96%	90%	90%	90%	95%
Percentage of companies with an 'active business' status that have filed annual returns by the end of the reporting period ¹	Business regulations and reputation		- ¹	- ¹	52%	60%	70%	80%	85%
Percentage of patent applications allocated an application number within the published service standards ¹	Innovation and creativity promotion		- ¹	- ¹	97%	90%	90%	95%	95%
Percentage of design applications processed within 5 working days ¹	Innovation and creativity promotion		- ¹	- ¹	97%	90%	90%	95%	95%
Percentage of copyright in film applications processed within 5 working days ¹	Innovation and creativity promotion		- ¹	- ¹	57%	90%	90%	95%	95%

1. No historical data is available in 2011/12 and 2012/13, as these were new indicators in line with the annual performance plan.

Expenditure analysis

The national development plan promotes actions to improve development, innovation and the building of an economy that can play a developmental and transformative role. This is in line with outcome 4 of government's 2014-2019 medium term strategic framework (decent employment through inclusive economic growth), which supports the role of innovation. Through promoting and protecting intellectual property and the well balanced regulation and promotion of good governance, the Companies and Intellectual Property Commission contributes to a culture of innovation to strengthen South Africa's transformative role in achieving an inclusive and equitable society. The focus of the commission over the medium term will be to regulate the behaviour of companies and the intellectual property system effectively in terms of the Companies Act (2008). The commission will work towards improving the compliance of companies that have filed annual returns from 60 per cent in 2014/15 to 85 per cent by 2017/18.

Improving the quality and efficiency of service delivery by building, developing and acquiring personnel, as well as ICT services and infrastructure, is expected to drive an increase in expenditure of 6.2 per cent over the medium term. The administration programme will be at the forefront of this expenditure, representing 57.6 per cent of total expected expenditure over this period. The provision of easy access to credible, reliable and relevant information, as well as value added services that ensure secure transactions, through this programme will further inform the commission's increased expenditure on compensation of employees, which is expected to grow by 4.6 per cent over the medium term, representing 63.4 per cent of total expenditure as the number of personnel increases to 660 over the medium term due to the newly approved organisational structure. The increased capacity of the commission will enhance the delivery of high quality work at an acceptable rate, in line with the commission's service delivery standards.

Through focused strategies and education and partnership initiatives with other enforcement agencies, the commission will focus on the awareness and protection of intellectual property products and brands from being misappropriated, while also acting against counterfeiters. This will result in increased expenditure in the innovation and creativity promotion programme over the medium term.

The commission generates revenue from the registration of companies, trademarks, patents and copyright. Revenue is projected to grow at an average annual rate of 5.6 per cent over the medium term, mainly due to

improved operations and increased compliance. Interest income relating to the investment of accumulated funds at the South African Reserve Bank is, however, expected to decline over the medium term as the funds will be utilised to implement various projects, such as the establishment of the commission's service centres, ICT services and infrastructure procurement.

Programmes/objectives/activities

Table 34.26 Companies and Intellectual Property Commission expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Administration	145 981	174 082	191 905	257 426	20.8%	59.1%	259 050	269 753	283 888	3.3%	57.6%
Business regulations and reputation	85 603	85 603	86 831	121 563	12.4%	29.4%	139 682	152 863	162 475	10.2%	30.9%
Innovation and creativity promotion	41 217	28 694	31 132	45 661	3.5%	11.5%	50 608	58 080	61 845	10.6%	11.6%
Total	272 801	288 379	309 868	424 650	15.9%	100.0%	449 340	480 696	508 208	6.2%	100.0%

Statements of historical financial performance and position

Table 34.27 Companies and Intellectual Property Commission statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	2011/12	2012/13	2012/13	2013/14	2013/14	2014/15	2014/15		2011/12 - 2014/15
Revenue									
Non-tax revenue	597 476	422 684	669 894	396 672	435 914	455 611	438 444	441 444	80.1%
Sale of goods and services other than capital assets	351 676	363 229	429 024	329 846	339 225	379 636	393 444	393 444	96.9%
<i>of which:</i>									
Administrative fees	351 676	363 229	429 024	329 846	339 225	379 636	393 444	393 444	96.9%
Other non-tax revenue	245 800	59 455	240 870	66 826	96 689	75 975	45 000	48 000	39.8%
Transfers received	23 990	13 990	4 158	-	-	-	-	-	49.7%
Total revenue	621 466	436 674	674 052	396 672	435 914	455 611	438 444	441 444	79.7%
Expenses									
Current expenses	621 466	272 801	674 052	288 379	435 914	309 868	438 444	424 650	59.7%
Compensation of employees	179 805	150 717	228 251	162 700	214 610	186 861	263 176	278 381	87.9%
Goods and services	376 525	112 542	397 900	120 808	212 304	119 646	173 268	142 769	42.7%
Depreciation	48 614	9 542	47 901	4 871	9 000	3 361	2 000	3 500	19.8%
Interest, dividends and rent on land	16 522	-	-	-	-	-	-	-	-
Total expenses	621 466	272 801	674 052	288 379	435 914	309 868	438 444	424 650	59.7%
Surplus/(Deficit)	-	163 873	-	108 293	-	145 743	-	16 794	-
Statement of financial position									
Carrying value of assets	437 519	15 257	197 471	20 184	188 257	41 115	41 692	41 692	13.7%
<i>of which:</i>									
Acquisition of assets	220 000	3 678	230 000	11 025	80 000	27 349	9 255	31 100	13.6%
Investments	-	-	-	45	-	-	-	-	-
Inventory	650	814	400	430	350	-	300	-	73.2%
Receivables and prepayments	800	4 161	14 673	8 455	40 000	7 902	3 500	3 500	40.7%
Cash and cash equivalents	250 788	1 137 699	840 485	1 240 474	939 101	1 386 805	1 282 097	1 391 017	155.7%
Total assets	689 757	1 157 931	1 053 029	1 269 588	1 167 708	1 435 822	1 327 589	1 436 209	125.0%
Accumulated surplus/(deficit)	659 757	1 047 580	1 010 171	1 152 935	1 081 918	1 298 678	1 217 649	1 296 269	120.8%
Trade and other payables	25 000	15 656	25 967	22 507	65 000	36 228	10 000	40 000	90.8%
Provisions	5 000	15 088	16 891	20 742	20 790	24 979	34 940	34 940	123.4%
Derivatives financial instruments	-	79 607	-	73 404	-	75 937	65 000	65 000	452.2%
Total equity and liabilities	689 757	1 157 931	1 053 029	1 269 588	1 167 708	1 435 822	1 327 589	1 436 209	125.0%

Statements of estimates of financial performance and position

Table 34.28 Companies and Intellectual Property Commission statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
					2014/15	2011/12 - 2014/15	2015/16		
R thousand									
Revenue									
Non-tax revenue		441 444	1.5%	99.2%	466 463	498 092	519 446	5.6%	100.0%
Sale of goods and services other than capital assets		393 444	2.7%	84.7%	423 963	457 092	479 946	6.8%	91.0%
of which:									
Administrative fees		393 444	2.7%	84.7%	423 963	457 092	479 946	6.8%	91.0%
Other non-tax revenue		48 000	-6.9%	14.5%	42 500	41 000	39 500	-6.3%	9.0%
Total revenue		441 444	0.4%	100.0%	466 463	498 092	519 446	5.6%	100.0%
Expenses									
Current expenses		424 650	15.9%	100.0%	449 340	480 696	508 208	6.2%	100.0%
Compensation of employees		278 381	22.7%	59.4%	283 204	300 196	318 208	4.6%	63.4%
Goods and services		142 769	8.3%	38.8%	162 136	176 000	185 000	9.0%	35.7%
Depreciation		3 500	-28.4%	1.8%	4 000	4 500	5 000	12.6%	0.9%
Total expenses		424 650	15.9%	100.0%	449 340	480 696	508 208	6.2%	100.0%
Surplus/(Deficit)		16 794	-53.2%	-	17 123	17 396	11 238	-12.5%	-
Statement of financial position									
Carrying value of assets		41 692	39.8%	2.2%	76 692	391 692	418 034	115.6%	15.6%
of which:									
Acquisition of assets		31 100	103.7%	1.3%	35 000	315 000	26 342	-5.4%	6.9%
Receivables and prepayments		3 500	-5.6%	0.5%	2 000	1 500	1 000	-34.1%	0.1%
Cash and cash equivalents		1 391 017	6.9%	97.3%	1 382 456	1 087 892	1 080 923	-8.1%	84.2%
Total assets		1 436 209	7.4%	100.0%	1 461 148	1 481 084	1 499 957	1.5%	100.0%
Accumulated surplus/(deficit)		1 296 269	7.4%	90.5%	1 313 392	1 330 788	1 342 026	1.2%	89.9%
Trade and other payables		40 000	36.7%	2.1%	45 000	45 000	50 000	7.7%	3.1%
Provisions		34 940	32.3%	1.8%	37 756	40 296	42 931	7.1%	2.6%
Derivatives financial instruments		65 000	-6.5%	5.6%	65 000	65 000	65 000	-	4.4%
Total equity and liabilities		1 436 209	7.4%	100.0%	1 461 148	1 481 084	1 499 957	16.0%	100.0%

Personnel information

Table 34.29 Companies and Intellectual Property Commission personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number		
		Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)	
Number of funded posts	Number of posts on approved establishment	2013/14		2014/15		2015/16		2016/17		2017/18			2014/15 - 2017/18						
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost						
Companies and Intellectual Property Commission																			
Salary level	623	623	532	186.9	0.4	623	278.4	0.4	654	283.2	0.4	660	300.2	0.5	660	318.2	0.5	4.6%	100.0%
1 – 6	382	382	322	67.9	0.2	382	90.9	0.2	382	86.1	0.2	382	90.5	0.2	382	90.9	0.2	-0.0%	58.9%
7 – 10	100	100	118	56.7	0.5	100	75.7	0.8	105	66.0	0.6	110	74.1	0.7	110	85.4	0.8	4.1%	16.4%
11 – 12	26	26	39	33.2	0.9	26	44.9	1.7	43	34.1	0.8	43	36.7	0.9	43	41.3	1.0	-2.7%	5.9%
13 – 16	113	113	52	27.3	0.5	113	65.1	0.6	123	95.1	0.8	124	96.9	0.8	124	98.4	0.8	14.8%	18.6%
17 – 22	2	2	1	1.7	1.7	2	1.8	0.9	1	1.9	1.9	1	2.1	2.1	1	2.2	2.2	7.2%	0.2%

1. Rand million.

Companies Tribunal

Mandate

The Companies Tribunal was established in 2011 as a juristic person in terms of the Companies Act (2008) and became operational in 2012. It is mandated to adjudicate, mediate disputes and make orders. The tribunal is enjoined to deliver this mandate in a manner that is simple, ethical, efficient, equitable, transparent, accountable and impartial, without fear, favour or prejudice.

Selected performance indicators

Table 34.30 Companies Tribunal performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of Companies Tribunal research reports produced per year ¹	Administration	Entity mandate	- ¹	- ¹	1	2	1	1	- ²
Number of seminars hosted per year ¹	Administration		- ¹	- ¹	- ¹	1	1	1	1
Number of media statements issued per year ¹	Administration		- ¹	- ¹	1	2	2	2	2
Number of participation in outreach and/or exhibition programmes per year ¹	Administration		- ¹	- ¹	5	2	7	8	8
Percentage of decisions issued within 30 days after the date of hearing per year ¹	Adjudicate and resolve disputes in a credible and just manner		- ¹	32%	80%	85%	90%	100%	100%
Percentage of decisions issued within 30 days after the date of allocation per year ¹	Adjudicate and resolve disputes in a credible and just manner		- ¹	- ¹	69%	85%	90%	100%	100%
Percentage of cases resolved in terms of alternative dispute resolution after the date of hearing per year ¹	Adjudicate and resolve disputes in a credible and just manner		- ¹	- ¹	- ¹	60%	70%	75%	80%

1. No historical data is available, as these are new indicators in line with the annual performance plan.

2. In the outer year, the focus of the research division will be on analysing the impact of previous research recommendations made, hence no new research is planned.

Expenditure analysis

The focus of the Companies Tribunal over the medium term will be on providing services, as stipulated in the Companies Act (2008), such as adjudication and assistance in dispute resolution, in order to build an organisation that contributes to the promotion of fair and ethical business practices. This is aligned with the Department of Trade and Industry's objective of creating a fair regulatory environment, and promoting a professional, competitive and customer focused working environment. It is also in line with the national development plan's objective of strengthening dispute resolution mechanisms.

Building capacity to enable the better fulfilment of its mandate, combined with the labour intensive nature of adjudication, is expected to drive the tribunal's expenditure over the medium term, with compensation of employees set to continue to retain a significant share of expenditure (61.9 per cent). Filling vacant key positions is expected to cause expenditure on compensation of employees to grow by 18.8 per cent over the medium term. Interns will also be recruited as part of skills development to alleviate capacity constraints, which will assist the tribunal to improve adjudication times, with a projected increase in the percentage of decisions issued within 30 days after the date of hearing from 85 per cent in 2014/15 to 100 per cent in 2017/18.

Spending on goods and services is expected to decline by 13.8 per cent over the medium term to mitigate costs, due to budget constraints. To increase efficiency in adjudication over the medium term, the tribunal will further acquire an electronic case management system. Expenditure on goods and services over the medium term will be mainly driven by exhibitions and outreach initiatives to raise awareness and educate members of the public about the tribunal's services and how to access such services. During this period, the tribunal expects to participate in 23 outreach and/or exhibition programmes.

Programmes/objectives/activities

Table 34.31 Companies Tribunal expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14	2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2014/15 - 2017/18	
Administration	-	688	5 349	11 237	-	-	11 862	12 294	12 600	3.9%	77.8%
Adjudicate and resolve disputes in a credible and just manner	-	2 518	3 117	3 256	-	-	3 159	3 475	3 822	5.5%	22.2%
Total	-	3 206	8 466	14 493	-	-	15 021	15 769	16 422	4.3%	100.0%

Statements of historical financial performance and position

Table 34.32 Companies Tribunal statements of historical financial performance and position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/Budget Average (%)
R thousand	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Revenue									
Non-tax revenue	-	-	-	248	-	990	350	1 180	690.9%
Other non-tax revenue	-	-	-	248	-	990	350	1 180	690.9%
Transfers received	-	10 000	-	10 137	10 337	10 337	13 313	13 313	185.1%
Total revenue	-	10 000	-	10 385	10 337	11 327	13 663	14 493	192.5%
Expenses									
Current expenses	-	-	-	3 206	20 255	8 466	13 243	14 493	78.1%
Compensation of employees	-	-	-	656	13 600	3 910	9 034	6 885	50.6%
Goods and services	-	-	-	2 548	6 655	4 548	4 207	7 600	135.3%
Depreciation	-	-	-	2	-	8	2	8	900.0%
Total expenses	-	-	-	3 206	20 255	8 466	13 243	14 493	78.1%
Surplus/(Deficit)	-	10 000	-	7 179	(9 918)	2 861	420	-	-
Statement of financial position									
Carrying value of assets	-	-	-	-	-	20	50	50	140.0%
<i>of which:</i>									
Acquisition of assets	-	-	-	2	5 955	28	70	355	6.4%
Inventory	-	-	-	-	-	48	-	-	-
Receivables and prepayments	-	-	-	12	-	7	-	-	-
Cash and cash equivalents	-	10 000	-	17 949	10 000	20 539	18 599	18 599	234.6%
Total assets	-	10 000	-	17 961	10 000	20 614	18 649	18 649	234.6%
Accumulated surplus/(deficit)	-	10 000	-	17 179	-	20 040	17 659	18 016	369.4%
Trade and other payables	-	-	-	153	-	26	890	30	23.5%
Provisions	-	-	-	629	-	548	100	603	1 780.0%
Total equity and liabilities	-	10 000	-	17 961	-	20 614	18 649	18 649	360.5%

Statements of estimates of financial performance and position

Table 34.33 Companies Tribunal statements of estimates of financial performance and position

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/Total: Average (%)	
R thousand	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18		
Revenue									
Non-tax revenue	1 180	-	4.8%	800	700	600	-20.2%	5.4%	
Other non-tax revenue	1 180	-	4.8%	800	700	600	-20.2%	5.4%	
Transfers received	13 313	10.0%	95.2%	14 221	15 069	15 822	5.9%	94.6%	
Total revenue	14 493	13.2%	100.0%	15 021	15 769	16 422	4.3%	100.0%	
Expenses									
Current expenses	14 493	-	-	15 021	15 769	16 422	4.3%	100.0%	
Compensation of employees	6 885	-	-	9 530	10 483	11 531	18.8%	61.9%	
Goods and services	7 600	-	-	5 476	5 266	4 866	-13.8%	38.0%	
Depreciation	8	-	-	15	20	25	46.2%	0.1%	
Total expenses	14 493	-	-	15 021	15 769	16 422	4.3%	100.0%	
Surplus/(Deficit)	-	-100.0%	-	-	-	-	-	-	
Statement of financial position									
Carrying value of assets	50	-	0.1%	60	70	80	17.0%	0.3%	
<i>of which:</i>									
Acquisition of assets	355	-	0.5%	59	50	50	-48.0%	0.7%	
Receivables and prepayments	-	-	0.0%	15	20	25	-	0.1%	
Cash and cash equivalents	18 599	23.0%	99.8%	18 999	19 399	19 849	2.2%	99.6%	
Total assets	18 649	23.1%	100.0%	19 074	19 489	19 954	2.3%	100.0%	
Accumulated surplus/(deficit)	18 016	21.7%	97.4%	18 366	18 705	19 060	1.9%	96.1%	
Trade and other payables	30	-	0.3%	45	55	92	45.3%	0.3%	
Provisions	603	-	2.3%	663	729	802	10.0%	3.6%	
Total equity and liabilities	18 649	23.1%	100.0%	19 074	19 489	19 954	57.2%	100.0%	

Personnel information

Table 34.34 Companies Tribunal personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
		2013/14			2014/15			2015/16		2016/17		2017/18				2014/15 - 2017/18			
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost				Number	Cost	Unit Cost
Companies Tribunal																			
Salary level	15	28	8	3.9	0.5	13	6.9	0.5	15	9.5	0.6	15	10.5	0.7	15	11.5	0.8	18.8%	100.0%
7 – 10	3	9	2	0.6	0.3	3	0.9	0.3	3	1.1	0.4	3	1.3	0.4	3	1.4	0.5	17.8%	20.8%
11 – 12	7	12	3	1.2	0.4	5	2.1	0.4	7	3.8	0.5	7	4.3	0.6	7	4.7	0.7	30.2%	44.6%
13 – 16	5	7	3	2.2	0.7	5	3.9	0.8	5	4.6	0.9	5	5.0	1.0	5	5.4	1.1	11.6%	34.6%

1. Rand million.

Export Credit Insurance Corporation of South Africa

Mandate

The Export Credit Insurance Corporation of South Africa was established in terms of the Export Credit and Foreign Investments Insurance Act (1957) to facilitate and encourage South Africa's export trade by underwriting export credit loans and investments outside South Africa. The corporation is mandated to evaluate export credit and foreign investment risks; provide export credit and foreign investment insurance cover on behalf of the South African government; and manage the interest makeup subsidised interest rate arrangement for participating financial institutions to enable them to provide loans to South African firms that invest in capital projects abroad.

Selected performance indicators

Table 34.35 Export Credit Insurance Corporation of South Africa performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of products developed and approved per year ¹	Increase product range		-1	-1	-1	Conceptualisation and approval of new products	2	1	1
Number of platforms leveraged per year ¹	Improve communications and stakeholder management and improve stakeholder satisfaction		-1	-1	-1	5	8	8	8
Number of marketing initiatives per year ¹	Improve communications and stakeholder management and improve stakeholder satisfaction		-1	-1	-1	1	2	3	4
Number of engagement sessions with key government stakeholders per year ¹	Improve communications and stakeholder management and improve stakeholder satisfaction	Outcome 4: Decent employment through inclusive economic growth	-1	-1	-1	6	8	10	12
Value of project approvals per year ¹	Increase revenue		-1	-1	-1	US\$432m	US\$450m	US\$550m	US\$650m
Rolling annual return on investments per year ¹	Increase revenue		-1	-1	-1	Rolling annual return of Rand consumer price index plus 3% US dollar London interbank offered rate	Rolling annual return of Rand consumer price index plus 3% US dollar London interbank offered rate	Rolling annual return of Rand consumer price index plus 3% US dollar consumer price index plus 1%	Rolling annual return of Rand consumer price index plus 3% US dollar consumer price index plus 1%

1. No historical data is available as these are new indicators in line with the annual performance plan.

Expenditure analysis

The Export Credit Insurance Corporation of South Africa aims to provide solutions that support the export of South African capital goods and services for the advancement of South Africa's trade, industrial policy and economic development. This is in line with the national development plan's vision of expanding production and exports, as well as outcome 4 (decent employment through inclusive economic growth) and outcome 6 (an

efficient, competitive and responsive economic infrastructure network) of government's 2014-2019 medium term strategic framework. The corporation's focus over the medium term is informed by a need to drive sustainable business growth through business development, the development of innovative products and strategic partnerships, and an emphasis on ensuring operational performance. This will be achieved through conducting research that will assist the corporation to identify new opportunities, and develop and test new products.

To improve customer management and communication with stakeholders, the corporation plans to increase its personnel, which will in turn increase revenue and improve business processes. Compensation of employees remains a key cost driver, and is set to increase by 12.1 per cent over the medium term as the number of personnel increases from 68 in 2014/15 to 75 in 2017/18. To promote efficiencies in the delivery of services and products in a cost effective manner, additional support will be created through expenditure on goods and services through systems that will facilitate the automation of the corporation's business processes.

Expenditure is expected to decline over the medium term at a rate of 19.2 per cent, led by a decline in expenditure on goods and services, which accounts for 49 per cent of the expected decline in total expenditure. This is due to a change in the methodology of the provision of insurance liabilities, whereby some of the provisions will be reduced, and the overall impact will be an increase in the capital base that supports the growth and sustainability of the business. The corporation will drive business growth over the medium term by reviewing the investment strategy and benchmarking performance, with the value of projects approved expected to reach US\$650 million by 2017/18.

The corporation generates revenue mainly from insurance premiums and investment income, which is expected to increase over the medium term. The revenue generated will enable the corporation to be proactive in attracting business from new and existing customers in order to facilitate more exports and cross-border investments through the provision of export credit and investment insurance solutions in support of South African capital goods and services.

The corporation further receives transfers for the interest make-up scheme. R150 million has been allocated to the scheme over the medium term to support South African exporters in gaining access to new markets, and to diversify exports.

Programmes/objectives/activities

Table 34.36 Export Credit Insurance Corporation of South Africa expenditure trends and estimates by programme/objective/activity

	Audited outcome				Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18		
R thousand												
Administration	9 172	201 657	185 064	115 456	132.6%	13.3%	157 935	214 635	270 554	32.8%	25.2%	
Improve knowledge and skills	12 180	3 386	4 604	5 271	-24.4%	0.8%	6 393	6 818	7 270	11.3%	0.8%	
Increase product range	1 163	4 211	4 752	6 255	75.2%	0.4%	7 081	7 639	8 239	9.6%	0.9%	
Increase strategic partnerships	1 701	3 913	7 064	8 095	68.2%	0.6%	9 407	10 032	10 695	9.7%	1.2%	
Improve Business Process	566 261	2 465	5 200	5 574	-78.6%	24.0%	7 253	7 740	8 258	14.0%	0.9%	
Improve communications and stakeholder management, and improve stakeholder satisfaction	6 770	6 295	12 291	17 699	37.8%	1.2%	23 451	27 770	32 149	22.0%	3.3%	
Improve Business Development	979	1 569	2 712	1 705	20.3%	0.2%	4 636	4 962	5 309	46.0%	0.6%	
Decrease Cost to Revenue Ratio	-	15 050	21 229	26 342	-	1.6%	28 919	31 146	32 652	7.4%	3.8%	
Increase revenue	-	38 193	93 139	140 817	-	6.7%	201 033	210 798	220 312	16.1%	25.1%	
Increase capital base	-	808 586	441 151	919 125	-	51.3%	299 167	212 699	62 501	-59.2%	38.1%	
Total	598 226	1 085 326	777 206	1 246 338	27.7%	100.0%	745 277	734 238	657 939	-19.2%	100.0%	

Statements of historical financial performance and position

Table 34.37 Export Credit Insurance Corporation of South Africa statements of historical financial performance and position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/Budget Average (%)
R thousand	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Revenue									
Non-tax revenue	729 419	786 795	588 145	1 123 044	627 532	747 832	940 277	1 432 854	141.8%
Sale of goods and services other than capital assets	355 809	388 621	290 000	718 047	302 549	305 841	548 424	1 007 155	161.7%
<i>of which:</i>									
<i>Sales by market establishment</i>	355 809	388 621	290 000	718 047	302 549	305 841	548 424	1 007 155	161.7%
Other non-tax revenue	373 610	398 174	298 145	404 997	324 983	441 991	391 853	425 699	120.3%
Transfers received	121 517	–	97 616	24 307	110 293	73 293	–	110 370	63.1%
Total revenue	850 936	786 795	685 761	1 147 351	737 825	821 125	940 277	1 543 224	133.7%
Expenses									
Current expenses	335 902	439 457	313 404	859 361	424 052	518 860	525 222	1 020 512	177.5%
Compensation of employees	27 877	22 647	25 936	26 350	42 917	45 504	42 329	55 795	108.1%
Goods and services	307 720	416 589	286 868	832 793	379 699	472 719	481 763	962 915	184.4%
Depreciation	305	219	600	218	1 436	627	1 129	1 802	82.6%
Interest, dividends and rent on land	–	2	–	0	–	11	–	–	–
Transfers and subsidies	–	–	–	24 307	–	73 293	–	110 370	–
Total expenses	485 111	598 226	415 245	1 085 325	531 868	777 206	641 437	1 246 338	178.8%
Surplus/(Deficit)	365 825	188 569	270 516	62 025	205 957	43 919	298 840	296 887	–
Statement of financial position									
Carrying value of assets	2 545	648	1 831	699	2 923	4 978	1 585	14 108	230.0%
<i>of which:</i>									
<i>Acquisition of assets</i>	1 650	195	9 237	143	295 679	4 436	827 140	10 932	1.4%
Investments	1 790 293	2 023 888	1 652 154	2 180 082	2 696 240	4 993 017	3 759 121	5 866 643	152.2%
Receivables and prepayments	205 005	193 984	181 320	557 090	294 170	428 722	862 133	949 647	138.0%
Cash and cash equivalents	1 858 027	1 651 134	2 167 755	2 223 410	1 935 711	122 950	1 581 735	25 883	53.3%
Taxation	–	–	3 000	–	(26 528)	–	–	–	–
Total assets	3 855 870	3 869 654	4 006 060	4 961 281	4 902 516	5 549 667	6 204 575	6 856 281	112.0%
Accumulated surplus/(deficit)	2 052 570	2 015 452	2 647 588	1 800 433	2 730 226	2 162 537	2 418 825	2 459 424	85.7%
Capital and reserves	428 687	631 118	258 668	1 424 436	641 388	1 574 428	1 424 438	1 574 428	189.0%
Trade and other payables	92 857	135 266	5 905	13 551	151 985	20 498	15 226	29 883	74.9%
Taxation	–	82 087	20 633	101 845	19 216	59 124	121 374	65 103	191.1%
Provisions	1 281 756	1 005 731	1 073 266	1 621 016	1 359 701	1 733 080	2 224 711	2 727 443	119.3%
Total equity and liabilities	3 855 870	3 869 654	4 006 060	4 961 281	4 902 516	5 549 667	6 204 575	6 856 281	112.0%

Statements of estimates of financial performance and position

Table 34.38 Export Credit Insurance Corporation of South Africa statements of estimates of financial performance and position

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/Total: Average (%)
R thousand	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Revenue								
Non-tax revenue	1 432 854	22.1%	95.5%	985 949	1 114 592	1 176 006	-6.4%	88.0%
Sale of goods and services other than capital assets	1 007 155	37.4%	53.6%	527 201	610 485	662 598	-13.0%	51.9%
<i>of which:</i>								
<i>Sales by market establishment</i>	1 007 155	37.4%	53.6%	527 201	610 485	662 598	-13.0%	51.9%
Other non-tax revenue	425 699	2.3%	41.8%	458 748	504 107	513 409	6.4%	36.1%
Transfers received	110 370	–	4.5%	165 447	171 566	177 644	17.2%	12.0%
Total revenue	1 543 224	25.2%	100.0%	1 151 396	1 286 158	1 353 650	-4.3%	100.0%
Expenses								
Current expenses	1 020 512	32.4%	75.3%	421 894	348 037	209 741	-41.0%	54.4%
Compensation of employees	55 795	35.1%	4.1%	68 610	73 413	78 550	12.1%	8.9%
Goods and services	962 915	32.2%	71.1%	350 232	271 125	127 632	-49.0%	45.1%
Depreciation	1 802	101.9%	0.1%	3 052	3 499	3 560	25.5%	0.4%
Transfers and subsidies	110 370	–	5.1%	165 447	171 566	177 644	17.2%	20.4%
Total expenses	1 246 338	27.7%	100.0%	745 277	734 238	657 939	-19.2%	100.0%
Surplus/(Deficit)	296 887	16.3%	–	406 120	551 920	695 711	32.8%	–

Table 34.38 Export Credit Insurance Corporation of South Africa statements of estimates of financial performance and position

Statement of financial position	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
				2014/15	2011/12 - 2014/15	2015/16		
R thousand								
Carrying value of assets	14 108	179.2%	0.1%	14 247	12 138	9 368	-12.8%	0.2%
of which:								
Acquisition of assets	10 932	282.7%	0.1%	3 190	1 390	790	-58.3%	0.1%
Investments	5 866 643	42.6%	67.9%	6 476 329	7 492 715	8 035 383	11.1%	88.2%
Receivables and prepayments	949 647	69.8%	9.5%	802 291	683 750	597 643	-14.3%	9.9%
Cash and cash equivalents	25 883	-75.0%	22.5%	118 189	154 297	267 548	117.8%	1.7%
Total assets	6 856 281	21.0%	100.0%	7 411 056	8 342 899	8 909 943	9.1%	100.0%
Accumulated surplus/(deficit)	2 459 424	6.9%	40.8%	260 855	980 810	1 629 526	-12.8%	17.4%
Capital and reserves	1 574 428	35.6%	24.1%	4 179 116	4 011 081	4 058 076	37.1%	43.2%
Trade and other payables	29 883	-39.5%	1.1%	32 172	33 952	35 905	6.3%	0.4%
Taxation	65 103	-7.4%	1.5%	73 598	84 938	96 122	13.9%	1.0%
Provisions	2 727 443	39.5%	32.4%	2 865 314	3 232 118	3 090 313	4.3%	38.0%
Total equity and liabilities	6 856 281	21.0%	100.0%	7 411 056	8 342 899	8 909 943	48.7%	100.0%

Personnel information

Table 34.39 Export Credit Insurance Corporation of South Africa personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
		2013/14		Unit Cost	2014/15		Unit Cost	2015/16		Unit Cost	2016/17		Unit Cost			2017/18		Unit Cost	
Export Credit Insurance Corporation of South Africa		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	68	68	57	45.5	0.8	68	55.8	0.8	75	68.6	0.9	75	73.4	1.0	75	78.5	1.0	12.1%	100.0%
1 – 6	13	13	13	1.3	0.1	13	1.2	0.1	13	1.5	0.1	13	1.5	0.1	13	1.7	0.1	12.3%	17.8%
7 – 10	27	27	20	11.6	0.6	27	17.0	0.6	24	13.0	0.5	19	11.5	0.6	17	11.4	0.7	-12.4%	29.9%
11 – 12	15	15	14	13.3	0.9	15	12.8	0.9	19	17.3	0.9	20	18.9	0.9	19	17.4	0.9	10.7%	24.8%
13 – 16	11	11	10	19.3	1.9	11	17.0	1.5	16	26.1	1.6	18	24.6	1.4	21	31.9	1.5	23.2%	22.4%
17 – 22	2	2	–	–	–	2	7.7	3.9	3	10.8	3.6	5	16.9	3.4	5	16.2	3.2	27.8%	5.1%

1. Rand million.

National Consumer Commission

Mandate

The National Consumer Commission was established in terms of section 85 of the Consumer Protection Act (2008), with jurisdiction across South Africa. The act seeks to promote a fair, accessible and sustainable marketplace for consumer products and services, and for that purpose to establish national norms and standards relating to consumer protection. It further seeks to provide for improved standards of consumer information, prohibit certain unfair marketing and business practices, promote responsible consumer behaviour, and promote a consistent legislative framework.

Selected performance indicators

Table 34.40 National Consumer Commission performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14		2014/15	2015/16	2016/17
Percentage of complaints referred or issued with non-referrals in a pre-defined period per year ¹	Promote compliance with the Consumer Protection Act (2008)	Entity mandate	– ¹	47%	86%	100%	80%	90%	95%
Percentage of request for advice responded to in a pre-defined period per year ¹	Promote compliance with the Consumer Protection Act (2008)		– ¹	– ¹	– ¹	– ¹	95%	97%	97%
Number of monitored accredited ombud scheme/s in line with memorandum of understanding entered into between National Consumer Commission and scheme/s per year ¹	Promote compliance with the Consumer Protection Act (2008)		– ¹	– ¹	– ¹	– ¹	1	1	1
Number of inspections conducted and reports with recommendations produced per year ¹	Promote compliance with the Consumer Protection Act (2008)		– ¹	– ¹	– ¹	1	20	22	22

Table 34.40 National Consumer Commission performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Codes of good practice developed per year ¹	Promote compliance with the Consumer Protection Act (2008)	Entity mandate	-1	-1	-1	1	1	1	1
Number of investigations conducted and reports with recommendations produced per year ¹	Promote compliance with the Consumer Protection Act (2008)		-1	-1	-1	12	12	12	12
Number of consumer awareness initiatives conducted per year	Be a well governed and capacitated organisation		5	12	17	12	12	12	12
Number of business compliance initiatives conducted in different provinces per year ¹	Be a well governed and capacitated organisation		-1	-1	-1	6	8	10	12

1. No historical data is available, as these are new indicators.

Expenditure analysis

The focus of the National Consumer Commission over the medium term will be on increasing operational efficiency to ensure a well governed and capacitated organisation, and to promote compliance with the Consumer Protection Act (2008) in alignment with the objectives of the Department of Trade and Industry to create a safe consumer environment. The commission will work towards ensuring consumer safety through enforcing compliance with the act; regulating the marketing of goods and services to consumers; and facilitating a consumer protection environment that is well coordinated and responsive to consumer needs.

As a result of these activities, expenditure is expected to increase from R54.6 million to R60.9 million over the medium term. As a regulator, the commission is a service based entity, and therefore the significant share of its expenditure will continue to be on compensation of employees who have the requisite regulatory skills. This accounts for 67.4 per cent of expected expenditure over the medium term, with a marginal growth projected in the number of personnel from 82 in 2014/15 to 83 in 2017/18.

With consumer activism on the increase, expenditure on goods and services is set to also increase over the medium term, particularly with regard to travel and subsistence, and venues and facilities, due to investigations and inspections. This will entail investigators and inspectors travelling across the country on compliance related matters, in line with the organisation's legislative mandate. 64 inspections are expected to be conducted over the medium term. Given the nature of the commission's work as a regulator, legal costs are expected to contribute to spending on goods and services, as lawyers will be required for legal opinions, bringing matters before the National Consumer Tribunal, or defending matters in court.

Expenditure is also expected to increase with regard to education and awareness initiatives, research and development related to improving the quality of service, and information given to consumers to combat unfair marketing and business practices. It is imperative for the commission to ensure better value for money and better redress for consumers. In pursuit of this objective, the commission plans to increase the total number of investigations conducted over the medium term to 36.

Programmes/objectives/activities

Table 34.41 National Consumer Commission expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
Administration	20 875	27 746	29 195	34 694	18.5%	63.7%	28 174	29 810	31 361	-3.3%	54.9%
Promote compliance with the Consumer Protection Act (2008)	8 839	12 095	11 229	13 344	14.7%	25.9%	18 716	19 991	20 926	16.2%	32.0%
Be a well governed and capacitated organisation	3 536	4 838	4 492	5 338	14.7%	10.4%	7 706	8 212	8 627	17.4%	13.1%
Total	33 249	44 678	44 916	53 376	17.1%	100.0%	54 596	58 013	60 914	4.5%	100.0%

Statements of historical financial performance and position

Table 34.42 National Consumer Commission statements of historical financial performance and position

Statement of financial performance		Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/ Budget Average (%)
R thousand		2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Revenue										
Non-tax revenue		56 111	192	-	102	290	372	-	500	2.1%
Sale of goods and services other than capital assets		46 560	-	-	-	-	-	-	-	-
of which:										
Administrative fees		46 560	-	-	-	-	-	-	-	-
Other non-tax revenue		9 551	192	-	102	290	372	-	500	11.8%
Transfers received		-	35 355	41 577	48 296	44 516	45 498	53 376	53 376	130.9%
Total revenue		56 111	35 547	41 577	48 398	44 806	45 870	53 376	53 876	93.8%
Expenses										
Current expenses		-	33 249	41 577	44 678	44 806	44 916	53 376	53 376	126.1%
Compensation of employees		-	19 572	22 547	22 991	24 107	28 045	32 338	32 338	130.3%
Goods and services		-	12 571	18 550	20 591	20 114	16 871	20 293	20 293	119.3%
Depreciation		-	1 106	480	1 070	584	-	745	745	161.5%
Interest, dividends and rent on land		-	-	-	27	-	-	-	-	-
Total expenses		-	33 249	41 577	44 678	44 806	44 916	53 376	53 376	126.1%
Surplus/(Deficit)		56 111	2 298	-	3 720	-	954	-	500	-
Statement of financial position										
Carrying value of assets		12 261	3 344	15 066	3 100	11 509	3 353	5 920	5 920	35.1%
of which:										
Acquisition of assets		-	3 906	2 550	861	750	1 820	2 400	2 400	157.7%
Investments		-	514	-	-	567	-	-	-	90.7%
Receivables and prepayments		150	2 015	42 600	1 108	1 085	66	680	680	8.7%
Cash and cash equivalents		25 978	71	-	4 263	79	6 932	3 400	3 400	49.8%
Total assets		38 389	5 944	57 666	8 471	13 239	10 351	10 000	10 000	29.1%
Accumulated surplus/(deficit)		36 063	2 298	34 435	6 017	-	7 117	7 590	7 590	29.5%
Trade and other payables		2 275	3 407	18 250	1 504	10 346	1 708	1 600	1 600	25.3%
Provisions		-	239	4 981	815	2 415	945	700	700	33.3%
Derivatives financial instruments		-	-	-	135	478	581	110	110	140.5%
Total equity and liabilities		38 338	5 944	57 666	8 471	13 239	10 351	10 000	10 000	29.2%

Statements of estimates of financial performance and position

Table 34.43 National Consumer Commission statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/Total: Average (%)
R thousand		2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Revenue									
Non-tax revenue		500	37.6%	0.6%	-	-	1 400	40.9%	0.8%
Other non-tax revenue		500	37.6%	0.6%	-	-	1 400	40.9%	0.8%
Transfers received		53 376	14.7%	99.4%	54 596	58 013	60 914	4.5%	99.2%
Total revenue		53 876	14.9%	100.0%	54 596	58 013	62 314	5.0%	100.0%
Expenses									
Current expenses		53 376	17.1%	100.0%	54 596	58 013	60 914	4.5%	100.0%
Compensation of employees		32 338	18.2%	58.3%	38 275	40 327	42 322	9.4%	67.4%
Goods and services		20 293	17.3%	39.9%	15 866	17 206	18 088	-3.8%	31.6%
Depreciation		745	-12.3%	1.8%	455	480	504	-12.2%	1.0%
Total expenses		53 376	17.1%	100.0%	54 596	58 013	60 914	4.5%	100.0%
Surplus/(Deficit)		500	-39.9%	-	-	-	1 400	40.9%	-
Statement of financial position									
Carrying value of assets		5 920	21.0%	46.1%	4 400	5 000	5 200	-4.2%	54.4%
of which:									
Acquisition of assets		2 400	-15.0%	29.4%	3 800	3 900	4 300	21.5%	38.6%
Receivables and prepayments		680	-30.4%	13.6%	84	86	50	-58.1%	2.3%
Cash and cash equivalents		3 400	263.1%	38.1%	5 000	4 400	3 500	1.0%	43.3%
Total assets		10 000	18.9%	100.0%	9 484	9 486	8 750	-4.4%	100.0%
Accumulated surplus/(deficit)		7 590	48.9%	63.6%	6 284	6 146	5 410	-10.7%	67.2%
Trade and other payables		1 600	-22.3%	26.9%	1 500	1 400	1 200	-9.1%	15.1%
Provisions		700	43.1%	7.4%	1 000	1 100	1 200	19.7%	10.7%
Derivatives financial instruments		110	-	2.1%	700	840	940	104.4%	7.0%
Total equity and liabilities		10 000	18.9%	100.0%	9 484	9 486	8 750	104.3%	100.0%

Personnel information

Table 34.44 National Consumer Commission personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number			
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)		
		2013/14			2014/15			2015/16			2016/17			2017/18					2014/15 - 2017/18	
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost				
National Consumer Commission		82	182	74	28.0	0.4	82	32.3	0.4	83	38.3	0.5	83	40.3	0.5	83	42.3	0.5	9.4%	100.0%
Salary level																				
1 – 6	41	63	40	5.8	0.1	41	6.6	0.2	11	1.9	0.2	11	2.0	0.2	11	2.1	0.2	-31.4%	22.4%	
7 – 10	12	80	5	1.4	0.3	12	1.3	0.1	41	9.8	0.2	41	10.4	0.3	41	10.9	0.3	100.5%	40.7%	
11 – 12	14	17	13	8	1	14	6	0	12	7	1	12	7	1	12	8	1	7.6%	15.1%	
13 – 16	15	22	16	13.0	0.8	15	18.2	1.2	19	19.5	1.0	19	20.6	1.1	19	21.6	1.1	5.9%	21.7%	

1. Rand million.

National Consumer Tribunal

Mandate

The National Consumer Tribunal was established in terms of the National Credit Act (2005) as an independent adjudicative entity. It is mandated to review decisions made by the National Credit Regulator and the National Consumer Commission, as well as to adjudicate on applications and referrals in terms of the National Credit Act (2005) and the Consumer Protection Act (2008). Various parties can bring cases before the tribunal, including the National Credit Regulator, the National Consumer Commission, consumers, credit providers, debt counsellors and credit bureaus. If the tribunal adjudicates on a matter of prohibited conduct, it may impose remedies and/or administrative penalties, as provided for in the acts.

Selected performance indicators

Table 34.45 National Consumer Tribunal performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past ¹			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Average number of working days for communicating with filing parties per year ¹	Adjudication	Entity mandate	- ¹	- ¹	4	5 or less	5 or less	5 or less	5 or less
Average number of days for judgments to be issued from last date of adjudication to issuance to parties per year ¹	Adjudication		- ¹	- ¹	32	40 or less	40 or less	40 or less	40 or less
Percentage of decisions overturned on appeal or review per year ¹	Adjudication		- ¹	- ¹	- ¹	20% or less	5% or less	5% or less	5% or less

1. No historical data is available, as these are new indicators in line with the annual performance plan.

Expenditure analysis

The focus of the National Consumer Tribunal over the medium term will be on continuing to ensure that it provides high quality adjudications in order to contribute to an efficient and effective consumer regulatory environment.

The tribunal receives a significant number of cases relating to the National Credit Act (2005), and the adjudication of these cases is expected to drive growth in expenditure on compensation of employees over the medium term. The number of these cases is projected to increase significantly, from 5 320 in 2013/14 to 23 240 in 2017/18, which will put pressure on the tribunal's resources. The number of personnel is thus projected to grow from 38 in 2014/15 to 42 in 2015/16 and remain constant over the medium term.

Related to the increase in adjudication costs is the expected increase in expenditure on goods and services by 15.3 per cent over the medium term as office accommodation and ICT systems are required to manage and assist the tribunal in achieving operational efficiency, and in dealing with the increased number of cases. The tribunal continues to strive for efficiency, and aims to reduce the percentage of decisions overturned on appeal or review to less than 5 working days by improving the quality adjudications over the medium term.

The tribunal will derive an average of 86.4 per cent of its revenue from transfers from the Department of Trade and Industry over the medium term. Other sources of revenue include filing fees, interest income and donor funding. Revenue is expected to grow at an average rate of 12.3 per cent over the medium term as a result of the tribunal's plans to find alternate sources of funding, such as donors, which will assist with the direct costs related to the adjudication of cases.

Programmes/objectives/activities

Table 34.46 National Consumer Tribunal expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			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 (%)
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
Administration	–	–	–	21 357	–	14.1%	27 527	29 121	31 043	13.3%	54.1%
Adjudication	30 588	31 729	38 940	16 538	-18.5%	85.9%	22 304	25 667	29 168	20.8%	45.9%
Total	30 588	31 729	38 940	37 895	7.4%	100.0%	49 831	54 788	60 211	16.7%	100.0%

Statements of historical financial performance and position

Table 34.47 National Consumer Tribunal statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/Budget Average (%)
	2011/12	2012/13	2012/13	2013/14	2013/14	2014/15	2014/15	2011/12 - 2014/15	
Revenue									
Non-tax revenue	606	623	770	1 043	795	1 378	5 725	2 342	68.2%
Sale of goods and services other than capital assets	60	246	120	397	255	528	648	648	168.0%
<i>of which:</i>									
Administrative fees	–	246	120	397	255	528	648	648	177.8%
Other sales	60	–	–	–	–	–	–	–	–
Other non-tax revenue	546	377	650	646	540	850	5 077	1 694	52.4%
Transfers received	28 833	28 833	33 035	33 165	36 099	36 099	40 164	40 164	100.1%
Total revenue	29 439	29 456	33 805	34 208	36 894	37 477	45 889	42 506	98.4%
Expenses									
Current expenses	27 518	30 588	33 805	31 729	36 894	38 940	43 039	37 895	98.5%
Compensation of employees	9 869	11 015	13 825	13 746	23 079	18 460	23 038	17 894	87.5%
Goods and services	17 136	18 880	17 514	17 367	13 511	20 135	19 292	19 292	112.2%
Depreciation	513	652	2 424	547	249	300	614	614	55.6%
Interest, dividends and rent on land	–	41	42	69	55	45	95	95	130.2%
Total expenses	27 518	30 588	33 805	31 729	36 894	38 940	43 039	37 895	98.5%
Surplus/(Deficit)	1 921	(1 132)	–	2 479	–	(1 463)	2 850	4 611	–
Statement of financial position									
Carrying value of assets	832	1 664	5 353	1 461	2 504	1 864	2 543	2 543	67.1%
<i>of which:</i>									
Acquisition of assets	400	654	1 100	127	750	848	2 850	2 850	87.8%
Inventory	–	27	35	75	30	65	30	30	207.4%
Receivables and prepayments	200	29	125	19	30	143	30	30	57.4%
Cash and cash equivalents	3 150	4 655	1 664	8 654	6 061	8 432	6 249	6 249	163.5%
Total assets	4 182	6 375	7 177	10 209	8 625	10 504	8 852	8 852	124.6%
Accumulated surplus/(deficit)	2 303	3 491	4 927	5 970	3 491	4 508	3 491	3 491	122.9%
Finance lease	–	191	100	256	349	241	242	242	134.6%
Deferred income	233	–	–	–	–	–	–	–	–
Trade and other payables	1 290	1 871	1 750	2 444	1 450	3 694	1 600	1 600	157.8%
Provisions	350	822	400	1 538	3 335	2 061	3 519	3 519	104.4%
Derivatives financial instruments	6	–	–	–	–	–	–	–	–
Total equity and liabilities	4 182	6 375	7 177	10 208	8 625	10 504	8 852	8 852	124.6%

Statements of estimates of financial performance and position

Table 34.48 National Consumer Tribunal statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
R thousand	2014/15				2011/12 - 2014/15	2015/16	2016/17		
Revenue									
Non-tax revenue	2 342	55.5%	3.6%	6 802	8 638	11 752	71.2%	13.6%	
Sale of goods and services other than capital assets	648	38.1%	1.2%	1 260	1 764	2 293	52.4%	2.8%	
<i>of which:</i>									
Administrative fees	648	38.1%	1.2%	1 260	1 764	2 293	52.4%	2.8%	
Other non-tax revenue	1 694	65.0%	2.4%	5 542	6 874	9 459	77.4%	10.8%	
Transfers received	40 164	11.7%	96.4%	43 029	46 151	48 459	6.5%	86.4%	
Total revenue	42 506	13.0%	100.0%	49 831	54 789	60 211	12.3%	100.0%	
Expenses									
Current expenses	37 895	7.4%	100.0%	49 831	54 788	60 211	16.7%	100.0%	
Compensation of employees	17 894	17.6%	43.5%	26 351	28 088	29 765	18.5%	50.2%	
Goods and services	19 292	0.7%	54.8%	22 750	26 070	29 546	15.3%	48.3%	
Depreciation	614	-2.0%	1.6%	730	630	900	13.6%	1.4%	
Interest, dividends and rent on land	95	32.3%	0.2%	–	–	–	-100.0%	0.1%	
Total expenses	37 895	7.4%	100.0%	49 831	54 788	60 211	16.7%	100.0%	
Surplus/(Deficit)	4 611	-259.7%	–	–	1	–	-100.0%	–	
Statement of financial position									
Carrying value of assets	2 543	15.2%	21.7%	3 428	3 678	3 903	15.3%	34.7%	
<i>of which:</i>									
Acquisition of assets	2 850	63.3%	12.9%	730	630	900	-31.9%	13.7%	
Inventory	30	3.6%	0.5%	32	34	35	5.3%	0.3%	
Receivables and prepayments	30	1.1%	0.6%	32	34	35	5.3%	0.3%	
Cash and cash equivalents	6 249	10.3%	77.2%	6 249	6 249	6 249	–	64.6%	
Total assets	8 852	11.6%	100.0%	9 741	9 995	10 222	4.9%	100.0%	
Accumulated surplus/(deficit)	3 491	–	48.9%	4 517	4 484	4 435	8.3%	43.5%	
Finance lease	242	8.2%	2.6%	255	269	283	5.4%	2.7%	
Trade and other payables	1 600	-5.1%	26.6%	1 690	1 783	1 872	5.4%	17.9%	
Provisions	3 519	62.4%	21.8%	3 279	3 459	3 632	1.1%	35.9%	
Total equity and liabilities	8 852	11.6%	100.0%	9 741	9 995	10 222	20.1%	100.0%	

Personnel information

Table 34.49 National Consumer Tribunal personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
		2013/14		Unit Cost	2014/15		Unit Cost	2015/16		2016/17		2017/18				2014/15 - 2017/18			
National Consumer Tribunal		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Salary level	38	38	30	18.5	0.6	38	17.9	0.5	42	26.4	0.6	42	28.1	0.7	42	29.8	0.7	18.5%	100.0%
1 – 6	7	7	8	0.7	0.1	7	1.2	0.2	9	2.3	0.3	9	2.5	0.3	9	2.6	0.3	29.0%	20.7%
7 – 10	17	17	13	7.9	0.6	17	5.2	0.3	19	9.9	0.5	19	10.3	0.5	19	11.0	0.6	28.7%	45.1%
11 – 12	7	7	3	1.5	0.5	7	2.9	0.4	7	4.6	0.7	7	5.3	0.8	7	5.6	0.8	24.3%	17.1%
13 – 16	7	7	6	8.4	1.4	7	8.6	1.2	7	9.5	1.4	7	10.0	1.4	7	10.5	1.5	7.0%	17.1%

1. Rand million.

National Credit Regulator

Mandate

The National Credit Regulator was established in terms of the National Credit Act (2005) and is responsible for the regulation of the South African credit industry. It is tasked with carrying out education, research, policy development, the registration of industry participants, the investigation of complaints, and ensuring the

enforcement of the act. The regulator is mandated to promote the development of an accessible credit market, particularly to address the needs of historically disadvantaged persons, low income individuals, as well as remote, isolated or low density communities.

Selected performance indicators

Table 34.50 National Credit Regulator performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current ¹	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of provinces visited to monitor compliance and appropriate enforcement action taken where necessary per year ¹	Promote increased access to credit through responsible credit granting	Entity mandate	- ¹	- ¹	- ¹	- ¹	9	9	9
Number of investigations conducted to enforce regulations and appropriate action taken where necessary per year ¹	Promote increased access to credit through responsible credit granting		- ¹	- ¹	- ¹	- ¹	10	15	18
Number of credit providers investigated and enforcement action taken where appropriate per year ¹	Protect consumers from abuse and unfair practices in the consumer credit market and address over-indebtedness		- ¹	- ¹	- ¹	- ¹	20	25	30
Number of credit bureaus investigated and appropriate enforcement action taken where necessary per year ¹	Continually enhance consumer credit market regulatory framework		- ¹	2	2	2	2	2	2
Number of multimedia awareness campaigns (radio/television/interviews/news print) conducted per year ¹	Ensure the effective implementation of the National Credit Amendment Act (2014)		- ¹	- ¹	- ¹	- ¹	30	30	30
Number of outreach programmes and exhibitions (mall activations/outside broadcasts/road shows/imbizos) per year ¹	Ensure the effective implementation of the National Credit Amendment Act (2014)		- ¹	- ¹	- ¹	- ¹	8	11	15
Number of raids conducted on unregistered credit providers per year ¹	Ensure the effective implementation of the National Credit Amendment Act (2014)		- ¹	- ¹	- ¹	- ¹	3	4	4

¹ No historical data is available, as these are new indicators in line with the annual performance plan.

Expenditure analysis

A stable and efficient financial sector is important to ensure the achievement of the socioeconomic development objectives of a growing and inclusive economy, in line with the vision articulated in the national development plan. Thus, the focus of the National Credit Regulator over the medium term will be on continuing to enforce compliance with the National Credit Amendment Act (2014), improving the regulatory framework, educating consumers, and building efficiencies in operational processes in order to enhance consumer credit market regulation that results in transparency, fairness and accessibility. In line with this focus, the number of credit providers investigated where enforcement measures are taken is projected to reach a total of 75 over the medium term, increasing by an estimated 5 providers per year.

An increase in the number of staff has enabled the regulator to improve consumer service satisfaction in the areas of complaints resolution, consumer education, and enforcement of the act. Compensation of employees is expected to continue to drive growth in expenditure, which is set to increase by 10 per cent, representing 58.1 per cent of total expenditure over the medium term. This is due to a period of rapid growth in personnel, from 156 in 2014/15 to 169 in 2017/18, to capacitate the regulator in areas such as investigations, complaints and IT. As a result, the regulator plans to increase the number of investigations conducted to enforce regulations from 10 in 2015/16 to 18 in 2017/18.

The development of the regulator's ICT system will facilitate automated registration, compliance, reporting and complaints processes, and therefore increase operational efficiency. This development is expected to drive moderate growth in expenditure on goods and services over the medium term.

The regulator derives its revenue from transfers from the Department of Trade and Industry to support its operations. Other sources of revenue include interest earned on investments; royalties earned on the national loans register; and fees from registrants such as credit providers, credit bureaus, and debt counsellors. Revenue is expected to grow at an average rate of 4.8 per cent over the medium term due to the implementation of the National Credit Amendment Act (2014), which removes the registration threshold and requires all credit

providers to register regardless of their turnover. In addition, payment distribution and alternate dispute resolution agencies will be required to register for the first time. A contributing factor to the projected growth in revenue is the tight controls that will be implemented on revenue collection over the medium term.

Programmes/objectives/activities

Table 34.51 National Credit Regulator expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
Administration	42 312	54 481	34 635	42 625	0.2%	40.4%	33 505	32 342	35 554	-5.9%	28.9%
Promote increased access to credit through responsible credit granting	13 420	12 457	18 597	19 321	12.9%	14.5%	14 942	21 169	18 586	-1.3%	14.8%
Protect consumers from abuse and unfair practices in the consumer credit market and address over-indebtedness	20 928	25 083	39 593	14 467	-11.6%	22.8%	24 422	30 917	29 095	26.2%	19.5%
Continually enhance consumer credit market regulatory framework	14 743	17 257	28 195	39 473	38.9%	22.3%	30 204	26 927	30 059	-8.7%	25.5%
Ensure effective implementation of the National Credit Amendment Act (2014)	-	-	-	-	-	-	20 705	17 473	20 214	-	11.4%
Total	91 403	109 278	121 020	115 886	8.2%	100.0%	123 778	128 828	133 507	4.8%	100.0%

Statements of historical financial performance and position

Table 34.52 National Credit Regulator statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	2011/12	2012/13	2013/14	2014/15	2011/12 - 2014/15				
Revenue									
Non-tax revenue	37 296	38 093	56 455	38 075	57 062	34 286	47 041	47 041	79.6%
Sale of goods and services other than capital assets	34 896	33 730	31 960	30 520	33 708	30 465	44 041	44 041	96.0%
<i>of which:</i>									
Administrative fees	34 896	33 730	31 960	30 520	33 708	30 465	44 041	44 041	96.0%
Other non-tax revenue	2 400	4 363	24 495	7 555	23 354	3 821	3 000	3 000	35.2%
Transfers received	56 555	53 415	54 690	55 431	60 691	60 691	63 845	68 845	101.1%
Total revenue	93 851	91 508	111 145	93 506	117 753	94 977	110 886	115 886	91.3%
Expenses									
Current expenses	89 903	91 403	111 145	109 278	117 753	121 020	110 886	115 886	101.8%
Compensation of employees	49 398	44 361	55 236	54 339	55 846	57 497	57 522	62 300	100.2%
Goods and services	38 479	44 640	53 759	52 127	58 598	63 523	48 031	48 253	104.9%
Depreciation	2 025	2 393	2 146	2 805	3 300	-	5 333	5 333	82.2%
Interest, dividends and rent on land	1	9	4	7	9	-	-	-	114.3%
Total expenses	89 903	91 403	111 145	109 278	117 753	121 020	110 886	115 886	101.8%
Surplus/(Deficit)	3 948	105	-	(15 772)	-	(26 043)	-	-	-
Statement of financial position									
Carrying value of assets	11 750	8 970	11 924	19 761	21 924	21 621	37 982	37 982	105.7%
<i>of which:</i>									
Acquisition of assets	3 754	2 324	5 353	14 735	4 218	5 949	9 150	9 150	143.1%
Receivables and prepayments	339	6 744	339	8 062	440	3 907	5 014	5 014	386.9%
Cash and cash equivalents	53 530	70 325	58 620	42 629	41 907	38 495	26 275	26 275	98.6%
Total assets	65 619	86 039	70 883	70 452	64 271	64 023	69 271	69 271	107.3%
Accumulated surplus/(deficit)	35 948	66 486	35 598	50 714	30 000	24 671	55 061	55 061	125.7%
Capital reserve fund	-	164	-	190	-	-	-	-	-
Finance lease	-	99	369	55	-	28	40	40	54.3%
Deferred income	23 065	5 631	24 990	5 547	19 884	-	-	-	16.5%
Trade and other payables	3 500	6 866	7 107	9 510	5 999	8 275	5 800	5 800	135.9%
Provisions	2 685	6 320	2 819	4 286	7 968	6 982	7 950	7 950	119.2%
Derivatives financial instruments	421	473	-	150	420	24 067	420	420	1 991.3%
Total equity and liabilities	65 619	86 039	70 883	70 452	64 271	64 023	69 271	69 271	107.3%

Statements of estimates of financial performance and position

Table 34.53 National Credit Regulator statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
					2014/15	2011/12 - 2014/15	2015/16		
R thousand									
Revenue									
Non-tax revenue		47 041	7.3%	39.8%	58 051	59 251	60 451	8.7%	44.7%
Sale of goods and services other than capital assets		44 041	9.3%	34.9%	55 051	56 251	57 451	9.3%	42.3%
of which:									
Administrative fees		44 041	9.3%	34.9%	55 051	56 251	57 451	9.3%	42.3%
Other non-tax revenue		3 000	-11.7%	4.9%	3 000	3 000	3 000	-	2.4%
Transfers received		68 845	8.8%	60.2%	65 727	69 577	73 056	2.0%	55.3%
Total revenue		115 886	8.2%	100.0%	123 778	128 828	133 507	4.8%	100.0%
Expenses									
Current expenses		115 886	8.2%	100.0%	123 778	128 828	133 507	4.8%	100.0%
Compensation of employees		62 300	12.0%	49.9%	70 379	76 923	82 924	10.0%	58.1%
Goods and services		48 253	2.6%	47.7%	47 100	46 055	44 035	-3.0%	37.1%
Depreciation		5 333	30.6%	2.4%	6 299	5 850	6 548	7.1%	4.8%
Total expenses		115 886	8.2%	100.0%	123 778	128 828	133 507	4.8%	100.0%
Statement of financial position									
Carrying value of assets		37 982	61.8%	31.8%	50 345	45 311	40 779	2.4%	52.8%
of which:									
Acquisition of assets		9 150	57.9%	11.5%	23 598	13 700	7 060	-8.3%	15.6%
Receivables and prepayments		5 014	-9.4%	8.2%	170	190	240	-63.7%	2.0%
Cash and cash equivalents		26 275	-28.0%	60.1%	46 000	41 400	37 260	12.3%	45.2%
Total assets		69 271	-7.0%	100.0%	96 515	86 901	78 279	4.2%	100.0%
Accumulated surplus/(deficit)		55 061	-6.1%	66.8%	83 710	73 323	63 883	5.1%	83.1%
Finance lease		40	-26.1%	0.1%	19	25	30	-9.1%	0.0%
Trade and other payables		5 800	-5.5%	10.7%	4 500	4 770	5 056	-4.5%	6.2%
Provisions		7 950	7.9%	9.0%	8 086	8 571	9 085	4.6%	10.3%
Derivatives financial instruments		420	-3.9%	9.7%	200	212	225	-18.8%	0.3%
Total equity and liabilities		69 271	-7.0%	100.0%	96 515	86 901	78 279	-22.8%	100.0%

Personnel information

Table 34.54 National Credit Regulator personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number		
		Actual			Revised estimate			Medium-term expenditure estimate					Average growth rate (%)	Salary level/total: Average (%)					
Number of funded posts	Number of posts on approved establishment	2013/14	2014/15		2015/16			2016/17			2017/18		2014/15 - 2017/18						
		Number	Unit Cost	Unit Cost	Number	Unit Cost	Unit Cost	Number	Unit Cost	Unit Cost	Number	Unit Cost	Unit Cost	Number	Unit Cost	Unit Cost			
National Credit Regulator		169			169			169			169			169			100.0%	100.0%	
Salary level	169	146	57.5	0.4	156	62.3	0.4	169	70.4	0.4	169	76.9	0.5	169	82.9	0.5			
1 - 6	38	38	45	8.1	0.2	35	5.0	0.1	38	9.2	0.2	38	10.8	0.3	38	11.6	0.3	32.5%	22.5%
7 - 10	102	102	66	27.7	0.4	97	35.1	0.4	102	37.9	0.4	102	41.0	0.4	102	44.2	0.4	8.0%	60.8%
11 - 12	24	24	5	9.7	1.9	19	13.9	0.7	24	14.1	0.6	24	15.2	0.6	24	16.5	0.7	5.8%	13.7%
13 - 16	4	4	30	12.0	0.4	4	5.8	1.4	4	6.4	1.6	4	6.9	1.7	4	7.5	1.9	9.0%	2.4%
17 - 22	1	1	-	-	-	1	2.5	2.5	1	2.7	2.7	1	2.9	2.9	1	3.2	3.2	8.3%	0.6%

1. Rand million.

National Empowerment Fund

Mandate

The National Empowerment Fund was established in terms of the National Empowerment Fund Act (1998) to promote and facilitate black economic equality and transformation. In providing financial and non-financial support to black businesses and structuring accessible retail savings products for black people, the fund is mandated to implement the empowerment codes of good practice for BEE. The fund has five core divisions:

small and medium enterprises and rural development, venture capital, corporate finance, and women empowerment funds.

Selected performance indicators

Table 34.55 National Empowerment Fund performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Value of approvals by the uMnotho fund per year	Fund management	Entity mandate	R499m	R561m	R153m	R195m	R353m	R488m	R636m
Value of approvals by the iMbewu fund per year	Fund management		R175m	R379m	R60m	R115m	R225m	R293m	R384m
Value of approvals by the rural and community development fund per year	Fund management		R108m	R148m	R4m	R79m	R113m	R135m	R180m
Value of approvals by the strategic projects fund per year	Fund management		R381m	R245m	R193m	R150m	R150m	R150m	R150m
Value of enterprise development contributions secured per year	Fund management		R3.2m	R17.9m	R25.8m	R23m	R33m	R43m	R53m
Value spent on non-financial support per year	Fund management		R12.4m	R11.1m	R7m	R14.5m	R15.3m	R16.2m	R17m
Value of approvals by the women empowerment fund per year ¹	Fund management		- ¹	- ¹	- ¹	R180m	R280m	R355m	R450m

1. No historical data is available, as this is a new indicator in line with the annual performance plan.

Expenditure analysis

As set out in the national development plan and outcome 4 of government's 2014-19 medium term strategic framework (decent employment through inclusive growth), the National Empowerment Fund will continue to focus on promoting and facilitating black economic equality and transformation by providing funding for black owned business ventures. This is expected to contribute to the creation of more than 19 500 jobs over the medium term.

The achievement of these objectives will be driven through the organisation's five funds: the uMnotho fund, which provides acquisition, new venture and expansion finance; the iMbewu fund, which supports black empowered small and medium enterprises; the rural and community development fund; the strategic projects fund, which assists in the acquisition of equity in greenfield projects administered by the organisation; and the women empowerment fund, which focuses on supporting black women owned businesses.

The fund generates its revenue mainly from interest on call accounts, interest on investments or loans, and dividend income from the MTN share portfolio. Revenue is expected to grow at an average annual rate of 9.5 per cent over the medium term in line with prevailing interest rates, the overall performance of the total invested portfolio of companies funded, and the performance of the MTN shares. Revenue generated will allow the fund to sustain its operational expenditure, conduct non-financial services, and provide support through mentorship interventions and entrepreneurial development, as well as support loan approval and disbursement targets. R45 million has been earmarked to further non-financial support services, which include mentorship for funded businesses as well as investor education initiatives.

As the demand for investment professionals in the five funds and the number of approvals are projected to grow, expenditure over the medium term is expected to increase at an average annual rate of 5.7 per cent. This is led by expected growth in expenditure on compensation of employees, with the number of personnel set to increase from 169 in 2014/15 to 195 in 2017/18. The fund will target growth in the value of deals approved by the uMnotho fund, which is set to reach R636 million by 2017/18.

Programmes/objectives/activities

Table 34.56 National Empowerment Fund expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
Administration	345 100	533 404	343 265	411 606	6.1%	99.4%	436 102	457 191	486 418	5.7%	100.0%
Fund management	8 226	-	-	-	-100.0%	0.6%	-	-	-	-	-
Total	353 326	533 404	343 265	411 606	5.2%	100.0%	436 102	457 191	486 418	5.7%	100.0%

Statements of historical financial performance and position

Table 34.57 National Empowerment Fund statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/Budget Average (%)
	2011/12	2012/13	2013/14	2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18
Revenue									
Non-tax revenue	348 000	347 343	473 000	655 211	436 084	955 845	419 100	422 540	142.0%
Other non-tax revenue	348 000	347 343	473 000	655 211	436 084	955 845	419 100	422 540	142.0%
Total revenue	348 000	347 343	473 000	655 211	436 084	955 845	419 100	422 540	142.0%
Expenses									
Current expenses	268 596	353 326	347 152	533 404	375 501	343 265	403 559	411 606	117.7%
Compensation of employees	106 672	108 634	123 726	131 396	145 969	135 024	159 956	170 175	101.7%
Goods and services	157 633	238 703	216 426	397 083	222 603	204 630	240 640	237 537	128.7%
Depreciation	4 291	5 989	7 000	4 925	6 930	3 611	2 963	3 894	86.9%
Total expenses	268 596	353 326	347 152	533 404	375 501	343 265	403 559	411 606	117.7%
Surplus/(Deficit)	79 404	(5 983)	125 848	121 807	60 583	612 580	15 541	10 934	-
Statement of financial position									
Carrying value of assets	14 021	8 929	8 465	7 697	8 999	4 979	8 799	9 084	76.2%
<i>of which:</i>									
Acquisition of assets	5 300	2 874	4 628	3 706	2 450	673	3 500	8 000	96.1%
Investments	1 545 064	1 888 263	1 639 267	2 181 828	1 827 933	2 957 911	2 198 428	3 120 412	140.7%
Loans	-	1 108 568	1 979 949	1 418 805	2 881 072	1 511 495	3 075 750	1 822 895	73.9%
Receivables and prepayments	2 138	87 231	5 629	116 201	-	70 079	103 802	83 015	319.6%
Cash and cash equivalents	1 925 000	2 201 998	1 901 251	1 689 062	655 739	1 480 032	94 836	1 001 761	139.2%
Non-current assets held for sale	-	8 100	-	8 100	-	8 100	8 100	-	300.0%
Total assets	3 486 223	5 303 089	5 534 561	5 421 693	5 373 743	6 032 596	5 489 715	6 037 167	114.6%
Accumulated surplus/(deficit)	1 641 327	2 790 459	1 738 363	2 904 036	1 613 822	3 507 802	2 971 284	3 518 736	159.7%
Capital and reserves	3 659 848	2 468 431	3 765 625	2 468 431	3 749 921	2 468 431	2 468 431	2 468 431	72.4%
Trade and other payables	27 904	44 198	30 573	49 226	10 000	56 363	50 000	50 000	168.6%
Total equity and liabilities	5 329 079	5 303 088	5 534 561	5 421 693	5 373 743	6 032 596	5 489 715	6 037 167	104.9%

Statements of estimates of financial performance and position

Table 34.58 National Empowerment Fund statements of estimates of financial performance and position

Statement of financial performance									
R thousand	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)	
	2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2014/15 - 2017/18		
Revenue									
Non-tax revenue	422 540	6.8%	100.0%	454 133	509 303	555 461	9.5%	100.0%	
Other non-tax revenue	422 540	6.8%	100.0%	454 133	509 303	555 461	9.5%	100.0%	
Total revenue	422 540	6.8%	100.0%	454 133	509 303	555 461	9.5%	100.0%	
Expenses									
Current expenses	411 606	5.2%	100.0%	436 102	457 191	486 418	5.7%	100.0%	
Compensation of employees	170 175	16.1%	34.0%	194 290	205 291	213 516	7.9%	43.7%	
Goods and services	237 537	-0.2%	64.8%	236 837	246 767	267 509	4.0%	55.2%	
Depreciation	3 894	-13.4%	1.2%	4 975	5 133	5 393	11.5%	1.1%	
Total expenses	411 606	5.2%	100.0%	436 102	457 191	486 418	5.7%	100.0%	
Surplus/(Deficit)	10 934	-222.3%	-	18 031	52 112	69 043	84.8%	-	

Table 34.58 National Empowerment Fund statements of estimates of financial performance and position

Statement of financial position	Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/Total: Average (%)
				2015/16	2016/17	2017/18		
R thousand	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Carrying value of assets	9 084	0.6%	0.1%	11 609	11 976	12 584	11.5%	0.2%
of which:								
Acquisition of assets	8 000	40.7%	0.1%	7 500	5 500	6 000	-9.1%	0.1%
Investments	3 120 412	18.2%	44.1%	3 343 034	3 574 034	3 894 034	7.7%	57.1%
Loans	1 822 895	18.0%	25.6%	2 397 748	2 991 078	3 943 624	29.3%	45.7%
Receivables and prepayments	83 015	-1.6%	1.6%	106 890	131 544	171 115	27.3%	2.0%
Cash and cash equivalents	1 001 761	-23.1%	28.5%	195 917	(601 322)	(1 845 004)	-222.6%	-5.0%
Total assets	6 037 167	4.4%	100.0%	6 055 198	6 107 310	6 176 353	0.8%	100.0%
Accumulated surplus/(deficit)	3 518 736	8.0%	55.7%	3 536 767	3 588 879	3 657 922	1.3%	58.7%
Capital and reserves	2 468 431	–	43.5%	2 468 431	2 468 431	2 468 431	–	40.5%
Trade and other payables	50 000	4.2%	0.9%	50 000	50 000	50 000	–	0.8%
Total equity and liabilities	6 037 167	4.4%	100.0%	6 055 198	6 107 310	6 176 353	1.3%	100.0%

Personnel information

Table 34.59 National Empowerment Fund personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/Total: Average (%)				
		2013/14		2014/15		2015/16		2016/17		2017/18		2014/15 - 2017/18							
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
National Empowerment Fund																			
Salary level	169	169	146	135.0	0.9	169	170.2	1.0	183	194.3	1.1	195	205.3	1.1	195	213.5	1.1	7.9%	100.0%
1 – 6	10	10	10	1.8	0.2	10	2.2	0.2	10	2.3	0.2	10	2.4	0.2	10	2.5	0.2	3.3%	5.4%
7 – 10	59	59	42	18.7	0.4	59	27.7	0.5	61	30.8	0.5	61	31.8	0.5	61	33.1	0.5	6.1%	32.7%
11 – 12	55	55	44	38.1	0.9	55	52.4	1.0	55	63.7	1.2	67	67.7	1.0	69	70.4	1.0	10.3%	33.1%
13 – 16	43	43	48	66.4	1.4	43	75.0	1.7	55	80.1	1.5	55	91.2	1.7	53	94.9	1.8	8.2%	27.7%
17 – 22	2	2	2	9.9	5.0	2	12.8	6.4	2	17.4	8.7	2	12.3	6.1	2	12.6	6.3	-0.5%	1.1%

1. Rand million.

National Gambling Board

Mandate

The National Gambling Board was established in terms of the National Gambling Act (2004), which makes provision for the coordination of concurrent national and provincial legislative competence over matters relating to casinos, racing, gambling and wagering; and provides for the regulation and development of uniform norms and standards. The board's mandate is derived from the National Gambling Act (2004), anti-money laundering and the financing of anti-terrorism legislation, the Broad Based Black Economic Empowerment Act (2003), the codes of good practice for BEE, and the Employment Equity Act (1998).

Selected performance indicators

Table 34.60 National Gambling Board performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of research reports on the impact of gambling presented to the accounting authority per year ¹	Stakeholder and liaison	Entity mandate	– ¹	– ¹	– ¹	1	1	1	1
Number of consolidated three-tier compliance evaluation assessment reports produced ¹	Compliance monitoring		– ¹	– ¹	– ¹	9	9	9	9
Number of reports on the intervention and support provided to regulators and law enforcement agencies per year ¹	Compliance monitoring		– ¹	– ¹	– ¹	8	8	8	8
Illegal gambling operator register development and rollout plan ¹	Compliance monitoring		– ¹	– ¹	– ¹	4	4	4	4

1. No historical data is available, as these are new indicators in line with the annual performance plan.

Expenditure analysis

The National Gambling Board promotes regulatory functions and job creation within the South African gambling industry. The focus over the medium term will be on strengthening the regulatory function of the board. Emphasis will be placed on evaluating the issuance of national licences by provincial licensing authorities to strengthen regulatory compliance oversight; researching the socioeconomic impact of gambling; and eradicating illegal gambling operations.

The board will also focus on acquiring a holistic overview of the South African gambling sector through data on market conduct and national gambling trends by monitoring market share and behaviour in the sector, and issuing reports on the trends in the market and gambling behaviour patterns. This will be used to guide and inform policy on gambling related matters affecting South Africa to ensure delivery of the board's mandate and a have broader impact in communities.

Expenditure is expected to increase significantly over the medium term to R110.6 million, driven by goods and services, accounting for 66.9 per cent of total expenditure for the operations of the national central electronic monitoring system, which manages and monitors the limited payout machine industry in South Africa. The system is connected to all limited payout machines through a private secure network, which enables the board to collect data on the revenue made by the machines. In addition, the board will develop an illegal gambling operator register that will enable data on illegal gambling operators to be collected from each province. Through the register, the board will become a central repository for all gambling operations, which will assist it to collaborate with law enforcement agencies by providing them with the information needed to eradicate illegal gambling activities.

As responsible gambling and education remains one of the key responsibilities of the board, it will conduct educational public awareness campaigns over the medium term with the view to educate the public about the dangers of excessive gambling.

In meeting its objective of strengthening regulatory compliance oversight, the board plans to fill critical vacant positions in the compliance monitoring division to ensure that it is able to conduct the mandatory compliance oversight functions of all 9 provinces. This accounts for the projected growth of 56.1 per cent in expenditure over the medium term, driven by spending on compensation of employees, which is set to increase by 11.6 per cent.

The board derives an average of 56.5 per cent of its revenue from transfers from the Department of Trade and Industry. Other sources include revenue from the national central electronic monitoring system. Revenue is expected to increase significantly by 65.6 per cent over the medium term as a result of the appointment of a new service provider in 2015/16 for the monitoring system, which will place the board in a position to structure a self-funding model. This will ensure that monitoring fees accrue to the board and not the service provider, based on the gross gambling revenue made from payout machines. The board is entitled to a monitoring fee, which ranges from 3 per cent to 6 per cent, depending on the number of machines installed.

Programmes/objectives/activities

Table 34.61 National Gambling Board of South Africa expenditure trends and estimates by programme/objective/activity

	Audited outcome			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 (%)
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
R thousand											
Administration	13 126	15 431	19 270	18 563	12.2%	53.1%	19 520	21 746	22 832	7.1%	39.3%
Stakeholder and liaison	6 966	10 271	8 065	7 021	0.3%	25.9%	6 715	8 148	10 135	13.0%	14.7%
Compliance monitoring	6 832	6 828	6 343	5 856	-5.0%	21.0%	7 623	80 541	77 612	136.7%	46.1%
Total	26 924	32 530	33 678	31 440	5.3%	100.0%	33 858	110 435	110 579	52.1%	100.0%

Statements of historical financial performance and position

Table 34.62 National Gambling Board of South Africa statements of historical financial performance and position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/Budget Average (%)
R thousand	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Revenue									
Non-tax revenue	893	1 531	385	1 642	430	1 911	2 848	2 702	170.9%
Other non-tax revenue	893	1 531	385	1 642	430	1 911	2 848	2 702	170.9%
Transfers received	23 605	38 105	25 900	26 057	27 717	27 717	29 797	29 797	113.7%
Total revenue	24 498	39 636	26 285	27 699	28 147	29 628	32 645	32 499	116.0%
Expenses									
Current expenses	24 498	26 924	26 285	32 530	28 147	33 678	32 645	31 440	111.6%
Compensation of employees	13 300	10 797	13 133	10 807	15 224	10 868	17 439	12 297	75.8%
Goods and services	10 859	15 778	12 116	20 954	12 773	20 711	14 356	17 081	148.7%
Depreciation	325	349	1 036	769	150	2 099	850	2 062	223.6%
Interest, dividends and rent on land	14	-	-	-	-	-	-	-	-
Total expenses	24 498	26 924	26 285	32 530	28 147	33 678	32 645	31 440	111.6%
Surplus/(Deficit)	-	12 712	-	(4 831)	-	(4 050)	-	1 059	-
Statement of financial position									
Carrying value of assets	1 154	1 961	4 038	16 147	5 000	14 253	15 250	15 250	187.1%
<i>of which:</i>									
Acquisition of assets	95	1 149	3 670	-	553	22	-	900	48.0%
Inventory	88	17	156	22	100	31	120	120	40.9%
Accrued investment interest	(522)	-	-	-	-	-	-	-	-
Receivables and prepayments	43	14 092	145	584	150	21	150	150	3 042.4%
Cash and cash equivalents	3 440	2 281	5 250	740	4 680	31	2 100	2 100	33.3%
Non-current assets held for sale	-	-	-	6	-	-	-	-	-
Total assets	4 203	18 351	9 589	17 499	9 930	14 336	17 620	17 620	164.0%
Accumulated surplus/(deficit)	2 267	14 052	4 477	9 221	3 780	5 157	8 620	8 620	193.5%
Borrowings	-	-	-	-	-	79	-	-	-
Finance lease	-	-	-	-	-	5 725	-	-	-
Trade and other payables	216	3 806	1 953	7 218	5 650	2 659	6 500	6 500	141.0%
Taxation	-	-	193	-	-	-	-	-	-
Provisions	1 720	493	2 966	1 060	500	716	2 500	2 500	62.0%
Total equity and liabilities	4 203	18 351	9 589	17 499	9 930	14 336	17 620	17 620	164.0%

Statements of estimates of financial performance and position

Table 34.63 National Gambling Board of South Africa statements of estimates of financial performance and position

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/Total: Average (%)
R thousand	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Revenue								
Non-tax revenue	2 702	20.8%	6.1%	2 629	115 847	115 914	250.1%	43.5%
Other non-tax revenue	2 702	20.8%	6.1%	2 629	115 847	115 914	250.1%	43.5%
Transfers received	29 797	-7.9%	93.9%	31 483	30 121	31 627	2.0%	56.5%
Total revenue	32 499	-6.4%	100.0%	34 112	145 968	147 541	65.6%	100.0%
Expenses								
Current expenses	31 440	5.3%	100.0%	33 858	110 435	110 579	52.1%	100.0%
Compensation of employees	12 297	4.4%	36.2%	15 412	16 258	17 072	11.6%	28.7%
Goods and services	17 081	2.7%	59.7%	16 234	91 825	91 038	74.7%	66.9%
Depreciation	2 062	80.8%	4.1%	2 212	2 352	2 469	6.2%	4.4%
Total expenses	31 440	5.3%	100.0%	33 858	110 435	110 579	52.1%	100.0%
Surplus/(Deficit)	1 059	-56.3%	-	254	35 533	36 961	226.8%	-
Statement of financial position								
Carrying value of assets	15 250	98.1%	72.2%	16 104	16 990	17 839	5.4%	86.5%
<i>of which:</i>								
Acquisition of assets	900	-7.8%	2.9%	-	-	-	-100.0%	1.3%
Inventory	120	91.8%	0.3%	127	134	140	5.4%	0.7%
Receivables and prepayments	150	-78.0%	20.3%	158	167	175	5.4%	0.9%
Cash and cash equivalents	2 100	-2.7%	7.2%	2 218	2 340	2 457	5.4%	11.9%
Total assets	17 620	-1.3%	100.0%	18 607	19 630	20 612	5.4%	100.0%
Accumulated surplus/(deficit)	8 620	-15.0%	53.5%	9 103	9 603	10 084	5.4%	48.9%
Trade and other payables	6 500	19.5%	29.4%	6 864	7 242	7 604	5.4%	36.9%
Provisions	2 500	71.8%	7.0%	2 640	2 785	2 924	5.4%	14.2%
Total equity and liabilities	17 620	-1.3%	100.0%	18 607	19 630	20 612	16.1%	100.0%

Personnel information

Table 34.64 National Gambling Board of South Africa personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
		2013/14		2014/15		2015/16		2016/17		2017/18		2014/15 - 2017/18							
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number		Cost			Unit Cost			
National Gambling Board of South Africa	20	20	25	10.9	0.4	19	12.3	0.6	20	15.4	0.8	20	16.3	0.8	20	17.1	0.9	11.6%	100.0%
Salary level	20	20	25	10.9	0.4	19	12.3	0.6	20	15.4	0.8	20	16.3	0.8	20	17.1	0.9	11.6%	100.0%
7 – 10	9	9	5	0.9	0.2	9	2.7	0.3	8	2.8	0.3	8	2.9	0.4	8	3.1	0.4	4.2%	41.8%
11 – 12	7	7	14	6.9	0.5	7	6.2	0.9	9	8.2	0.9	9	8.6	1.0	9	9.1	1.0	13.7%	43.0%
13 – 16	4	4	6	3.1	0.5	3	3.4	1.1	3	4.5	1.5	3	4.7	1.6	3	5.0	1.7	13.0%	15.2%

1. Rand million.

National Metrology Institute of South Africa

Mandate

The National Metrology Institute of South Africa is mandated by the Measurement Units and Measurement Standards Act (2006) to ensure that South Africa has a scientifically valid and internationally comparable and accepted measurement system, and that the international system of units is correctly applied. This is of paramount importance for manufacturing, all trade, health and safety, and law enforcement. To fulfil this mandate, the institute develops and maintains national measurement standards for South Africa, ensures that these are traceable to the primary international system of units, benchmarks these measurement standards against measurement standards of other countries, submits the calibration and measurement capabilities to the international database as the entry for South Africa, and disseminates the national capability through calibration and certified reference materials to calibration and testing laboratories in Southern Africa.

Selected performance indicators

Table 34.65 National Metrology Institute of South Africa performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Total number of gazetted national measurement standards maintained per year	Keep, maintain and disseminate national measurements	Outcome 11: Create a better South Africa, a better Africa and a better world	5	5	50	50	55	61	67
Number of new certified reference materials and methods of calibration and improved national measurement standards per year	Keep, maintain and disseminate national measurements		12	5	10	14	15	17	19
Number of calibration measurement capabilities maintained in the international key comparison database per year	Keep, maintain and disseminate national measurements		356	365	382	413	454	500	550
Value of income generated through calibration, services, sales, consultation, research grants and donor projects	Keep, maintain and disseminate national measurements		R11m	R12m	R11m	R800 000	R880 000	R970 000	R1.066m
Number of certified reference materials sold per year	Keep, maintain and disseminate national measurements		74	86	200	220	242	266	293
Number of industry, SMMEs and regional metrologists trained in accurate measurements per year	Keep, maintain and disseminate national measurements	Outcome 5: A skilled and capable workforce to support an inclusive growth path	10	12	49	64	80	83	85
Number of courses developed and offered to industry per year	Keep, maintain and disseminate national measurements	Outcome 11: Create a better South Africa, a better Africa and a better world	6	5	6	8	9	10	11
Number of refereed or peer-reviewed publications on measurement science per year	Keep, maintain and disseminate national measurements		22	21	18	20	27	27	27
Number of presentations (oral and posters) given at conferences and workshops on measurement science per year	Keep, maintain and disseminate national measurements		43	50	51	58	64	70	77

Expenditure analysis

The work of the National Metrology Institute of South Africa is guided by and aligned with the strategic objectives of the Department of Trade and Industry. It supports the industrial policy action plan and contributes to the improved competitiveness of the South African economy.

The institute's focus over the medium term continues to be on building capacity to better fulfil its mandate, as well as providing metrological and advanced measurement assistance to specific industry sectors identified in the industrial policy action plan, including green manufacturing and cleaner production. Over the medium term, measurement standards will be developed, a calibration facility will be set up for energy efficient lighting, and energy standards will be improved.

The institute will also focus on small, medium and micro enterprises (SMMEs), with interventions in measurements to support an increase in competitiveness. The SMME support programme comprises three stages: direct measurement assistance to SMMEs with the potential to export; the development of a measurement practice improvement guide to target the SMMEs in the manufacturing sector; and the support of start-up SMMEs in rural areas through the presentation of special modules in accurate measurement. It is projected that 58 SMMEs will be assisted in 2015/16, increasing to 120 in 2017/18.

The renewal of equipment through the recapitalisation project is to ensure that equipment and systems are in alignment with the international measurement system. This will be of benefit to the industry, and support research and innovation. As a result of the recapitalisation project, expenditure growth on compensation of employees is also set to increase, by 7.1 per cent over the medium term, to further capacitate the institute through the appointment of key personnel. The number of funded posts is expected to grow from 134 in 2014/15 to 160 in 2017/18.

Expenditure is expected to continue to be driven by goods and services over the medium term, representing 57.3 per cent of total spending, due to the continued replacement of ageing infrastructure, the maintenance of assets, and the undertaking of the recapitalisation project to align with the continually developing international measurement system. The institute aims to increase the number of calibration measurement capabilities maintained in the international key comparison database to 550 by 2017/18.

The institute derives its revenue from transfers from the department. Other sources of income include: calibrations; reference measurements and certifications of reference materials; measurements, testing, analysis and training; royalty income; and interest received on investments. Revenue is expected to grow at an average annual rate of 7.3 per cent over the medium term, and will be used to support the increased expenditure arising from the recapitalisation of the institute and building its capacity.

Programmes/objectives/activities

Table 34.66 National Metrology Institute of South Africa expenditure trends and estimates by programme/objective/activity

	Audited outcome			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 (%)
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
R thousand											
Administration	32 100	33 226	46 404	107 851	49.8%	44.3%	121 543	137 099	154 797	12.8%	51.3%
Keep, maintain and disseminate national measurements	47 224	51 067	52 010	106 527	31.1%	55.7%	139 459	138 202	110 209	1.1%	48.7%
Total	79 324	84 293	98 414	214 378	39.3%	100.0%	261 002	275 301	265 006	7.3%	100.0%

Statements of historical financial performance and position

Table 34.67 National Metrology Institute of South Africa statements of historical financial performance and position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/Budget Average (%)
R thousand	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Revenue									
Non-tax revenue	10 425	8 998	11 690	10 435	11 861	14 009	11 813	11 813	98.8%
Sale of goods and services other than capital assets	-	7 229	-	7 879	-	10 083	8 667	8 667	390.7%
<i>of which:</i>									
<i>Sales by market establishment</i>	-	7 229	-	7 879	-	10 083	8 667	8 667	390.7%
Other non-tax revenue	10 425	1 769	11 690	2 556	11 861	3 926	3 146	3 146	30.7%
Transfers received	62 581	87 581	76 521	82 233	145 942	145 942	202 565	202 565	106.3%
Total revenue	73 006	96 579	88 211	92 668	157 803	159 951	214 378	214 378	105.7%
Expenses									
Current expenses	73 006	79 324	88 211	84 293	157 803	98 414	214 378	214 378	89.3%
Compensation of employees	42 187	42 871	47 529	48 187	64 039	50 534	71 510	71 510	94.6%
Goods and services	25 335	25 213	25 022	27 363	71 141	37 108	121 871	121 871	86.9%
Depreciation	5 484	11 240	15 660	8 743	22 623	10 772	20 997	20 997	79.9%
Total expenses	73 006	79 324	88 211	84 293	157 803	98 414	214 378	214 378	89.3%
Surplus/(Deficit)	-	17 255	-	8 375	-	61 537	-	-	-
Statement of financial position									
Carrying value of assets	25 197	60 797	64 980	70 223	80 455	76 435	97 723	97 723	113.7%
<i>of which:</i>									
<i>Acquisition of assets</i>	5 814	7 061	9 000	17 823	35 499	16 709	36 244	36 245	89.9%
Receivables and prepayments	4 000	2 274	844	2 654	574	4 062	382	382	161.6%
Cash and cash equivalents	9 810	37 055	10 407	39 247	11 118	95 054	15 319	15 319	400.1%
Total assets	39 007	100 126	76 231	112 124	92 147	175 551	113 424	113 424	156.2%
Accumulated surplus/(deficit)	33 535	96 403	68 501	105 531	90 296	167 069	111 921	111 921	158.1%
Deferred income	-	155	-	157	-	129	-	-	-
Trade and other payables	5 472	959	7 730	3 787	1 851	6 496	1 503	1 503	77.0%
Provisions	-	2 609	-	2 649	-	1 857	-	-	-
Total equity and liabilities	39 007	100 126	76 231	112 124	92 147	175 551	113 424	113 424	156.2%

Statements of estimates of financial performance and position

Table 34.68 National Metrology Institute of South Africa statements of estimates of financial performance and position

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/Total: Average (%)
R thousand	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Revenue								
Non-tax revenue	11 813	9.5%	8.7%	10 107	11 108	12 203	1.1%	4.5%
Sale of goods and services other than capital assets	8 667	6.2%	6.6%	6 646	7 301	8 016	-2.6%	3.1%
<i>of which:</i>								
<i>Sales by market establishment</i>	8 667	6.2%	6.6%	6 646	7 301	8 016	-2.6%	3.1%
Other non-tax revenue	3 146	21.2%	2.1%	3 461	3 807	4 187	10.0%	1.4%
Transfers received	202 565	32.2%	91.3%	250 895	264 193	252 803	7.7%	95.5%
Total revenue	214 378	30.4%	100.0%	261 002	275 301	265 006	7.3%	100.0%
Expenses								
Current expenses	214 378	39.3%	100.0%	261 002	275 301	265 006	7.3%	100.0%
Compensation of employees	71 510	18.6%	49.0%	79 548	85 282	87 930	7.1%	32.0%
Goods and services	121 871	69.1%	39.7%	156 258	159 784	143 817	5.7%	57.3%
Depreciation	20 997	23.2%	11.3%	25 196	30 235	33 259	16.6%	10.7%
Total expenses	214 378	39.3%	100.0%	261 002	275 301	265 006	7.3%	100.0%
Surplus/(Deficit)	-	-100.0%	-	-	-	-	-	-
Statement of financial position								
Carrying value of assets	97 723	17.1%	63.3%	112 526	129 390	148 782	15.0%	86.9%
<i>of which:</i>								
<i>Acquisition of assets</i>	36 245	72.5%	16.1%	39 868	43 855	48 240	10.0%	30.2%
Receivables and prepayments	382	-44.8%	1.8%	420	462	508	10.0%	0.3%
Cash and cash equivalents	15 319	-25.5%	34.9%	16 851	18 536	20 390	10.0%	12.7%
Total assets	113 424	4.2%	100.0%	129 797	148 388	169 680	14.4%	100.0%
Accumulated surplus/(deficit)	111 921	5.1%	96.1%	128 144	146 570	167 680	14.4%	98.7%
Trade and other payables	1 503	16.2%	2.3%	1 653	1 818	2 000	10.0%	1.3%
Total equity and liabilities	113 424	4.2%	100.0%	129 797	148 388	169 680	24.4%	100.0%

Personnel information

Table 34.69 National Metrology Institute of South Africa personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
		2013/14			2014/15			2015/16		2016/17		2017/18				2014/15 - 2017/18			
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost		Unit Cost		
National Metrology Institute of South Africa		111	50.5	0.5	134	71.5	0.5	142	79.5	0.6	150	85.3	0.6	160	87.9	0.5	7.1%	100.0%	
Salary level	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1 - 6	-	-	3	3.9	1.3	5	6.5	1.3	5	6.5	1.3	10	6.5	0.7	5	4.5	0.9	-11.4%	4.3%
7 - 10	-	-	93	31.6	0.3	93	41.6	0.4	99	46.9	0.5	102	50.7	0.5	114	62.2	0.5	14.3%	69.6%
11 - 12	-	-	12	11.4	1.0	33	18.7	0.6	35	21.4	0.6	35	23.2	0.7	33	15.5	0.5	-6.0%	23.3%
13 - 16	-	-	3	3.6	1.2	3	4.7	1.6	3	4.7	1.6	3	4.8	1.6	8	5.7	0.7	6.6%	2.8%

1. Rand million.

National Regulator for Compulsory Specifications

Mandate

The National Regulator for Compulsory Specifications was established in terms of the Measurement Unit and Measurement Standards Act (2006) as a public entity that administers compulsory specifications, otherwise known as technical regulations, on behalf of the Minister of Trade and Industry. The regulator is mandated to protect the health and safety of the public and the environment by administering and maintaining compulsory specifications, implementing a regulatory and compliance system, and engaging in market surveillance to ensure compliance.

Selected performance indicators

Table 34.70 National Regulator for Compulsory Specifications performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of inspections conducted in accordance with the compulsory specification and procedures per year	Maximise compliance with all specifications and technical regulations	Outcome 10: Protect and enhance our environmental assets and natural resources	24 553	17 161	20 954	18 601	19 189	19 981	23 671
Number of new, amended and withdrawn compulsory specification/technical regulations submitted for approval by the board per year	Develop, maintain and administer compulsory specifications and technical regulations		11	12	8	12	12	12	12
Percentage awareness of the National Regulator for Compulsory Specifications brand per year	Inform and educate stakeholders on the mandate of the National Regulator for Compulsory Specifications	Outcome 7: Comprehensive rural development and land reform	- ¹	- ¹	5%	- ²	- ³	5%	5%

1. No historical data is available, as this is a new indicator in line with the annual performance plan.

2. There was no estimate for 2014/15.

3. A survey was conducted to determine the level of brand awareness.

Expenditure analysis

The national development plan envisages the establishment of a competitive base of infrastructure, human resources and regulatory frameworks. This is supported by the National Regulator for Compulsory Specifications' focus over the medium term on ensuring the health and safety of South Africans, protecting the environment, and maintaining fair trade, in alignment with outcome 10 of government's 2014-2019 medium term strategic framework (protect and enhance our environmental assets and natural resources).

The National Regulator for Compulsory Specifications' focus over the medium term will be on developing and ensuring compliance with compulsory specifications and technical regulations, aligning the work of the regulator with the industrial policy action plan, and playing a strategic role in contributing to an enabling environment in which regulatory activities support access to export markets. It plans to do this by developing

specifications, carrying out market surveillance, continuing with enforcement activities, and ensuring that imports comply with compulsory specifications.

The regulator derives 28.9 per cent of its total revenue from transfers from the Department of Trade and Industry. Revenue is generated from services such as the certifying exports, inspecting new vehicle models, and issuing letters of authority when products are released into the market. Revenue is expected to grow at an average annual rate of 8.4 per cent over the medium term due increased regulatory activity, which includes the implementation of the risk based approach (where products are inspected and sampled for safety compliance); border enforcement mechanisms; and increased levies from industry as the manufacturing and imports of products increases and production expands.

The regulator will increase operational efficiency even though the number of personnel is expected to remain at 317 over the medium term. The regulator plans to increase the number of inspections conducted from 18 601 in 2014/15 to 23 671 in 2017/18, to ensure that products traded in South Africa comply with compulsory specifications and regulations. Expenditure on compensation of employees is expected to reach R287 million by 2017/18. Related expenditure on goods and services over the medium term will be used to develop an appropriate IT platform, and strengthen research and development and intelligence capabilities.

Cabinet approved budget reductions of R24.4 million in 2015/16, R36.3 million in 2016/17 and R134 000 in 2017/18 will be effected on the regulator's allocation due to the accumulated level of reserves in the organisation. Divisions funded through the departmental transfer, such as the fish and fishery products and legal metrology divisions, will now be funded from reserves.

Programmes/objectives/activities

Table 34.71 National Regulator for Compulsory Specifications expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate 2014/15	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2014/15 - 2017/18	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14		2011/12 - 2014/15	2015/16	2016/17	2017/18			
Administration	51 757	58 705	41 231	63 201	6.9%	22.7%	65 714	69 360	72 550	4.7%	18.8%
Strategic Goal Two: To maximise compliance with all specifications and technical regulations	97 036	119 747	155 827	175 688	21.9%	56.2%	212 940	227 088	239 768	10.9%	59.0%
Strategic Goal One: To develop, maintain and administer compulsory specifications and technical regulations	6 930	8 437	8 133	15 538	30.9%	3.9%	14 799	16 274	17 173	3.4%	4.4%
Strategic Goal Three: To inform and educate NRCS stakeholders on the mandate of the NRCS	5 293	6 721	7 583	8 033	14.9%	2.9%	8 033	8 570	9 029	4.0%	2.3%
Strategic Goal Four: To ensure an optimally capacitated institution	6 820	30 495	35 491	50 515	94.9%	11.9%	54 902	57 464	60 658	6.3%	15.5%
Strategic goal 5: To ensure that the National Regulator for Compulsory Specifications is a capacitated organisation with 'fit for purpose' resources available to support decision making and action	17 516	-	-	-	-100.0%	2.4%	-	-	-	-	-
Total	185 352	224 105	248 265	312 975	19.1%	100.0%	356 388	378 756	399 178	8.4%	100.0%

Statements of historical financial performance and position

Table 34.72 National Regulator for Compulsory Specifications statements of historical financial performance and position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/Budget Average (%)
R thousand	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Revenue									
Non-tax revenue	145 448	164 397	151 940	182 054	168 276	187 842	204 024	204 024	110.2%
Sale of goods and services other than capital assets	133 036	159 115	147 815	171 570	162 913	177 757	192 792	192 792	110.2%
<i>of which:</i>									
<i>Sales by market establishment</i>	133 036	159 115	147 815	171 570	162 913	177 757	192 792	192 792	110.2%
Other non-tax revenue	12 412	5 282	4 125	10 484	5 363	10 085	11 232	11 232	111.9%
Transfers received	37 173	37 173	78 115	79 684	103 000	103 000	109 734	109 734	100.5%
Total revenue	182 621	201 570	230 055	261 738	271 276	290 842	313 758	313 758	107.0%
Expenses									
Current expenses	182 621	185 352	230 055	224 105	271 276	248 265	313 414	312 975	97.3%
Compensation of employees	114 553	127 354	152 092	147 775	181 902	176 830	218 252	217 616	100.4%
Goods and services	62 675	55 691	72 025	74 032	85 472	68 726	91 137	91 335	93.1%
Depreciation	5 274	2 153	5 808	2 269	3 902	2 697	4 025	4 025	58.6%
Interest, dividends and rent on land	119	154	130	29	1	12	-	-	78.0%
Total expenses	182 621	185 352	230 055	224 105	271 276	248 265	313 414	312 975	97.3%
Surplus/(Deficit)	-	16 218	-	37 633	-	42 577	344	783	-
Statement of financial position									
Carrying value of assets	16 084	20 132	23 606	19 553	19 441	18 205	60 766	39 097	80.9%
<i>of which:</i>									
<i>Acquisition of assets</i>	5 601	4 220	17 085	2 438	23 500	2 458	27 021	25 517	47.3%
Investments	322	325	20 000	325	101 879	328	325	328	1.1%
Receivables and prepayments	12 591	10 059	9 108	10 973	7 126	14 210	10 405	10 405	116.4%
Cash and cash equivalents	24 651	58 134	28 467	119 412	8 329	150 943	82 183	137 995	324.8%
Total assets	53 648	88 650	81 182	150 263	136 775	183 686	153 680	187 825	143.5%
Accumulated surplus/(deficit)	3 643	49 452	31 100	87 085	87 411	129 662	87 456	130 445	189.2%
Borrowings	106	-	-	-	-	-	-	-	-
Finance lease	-	257	17	116	-	42	-	-	2 441.2%
Trade and other payables	15 860	8 411	19 298	26 511	24 613	22 313	31 898	23 811	88.4%
Provisions	34 039	30 530	30 767	36 551	24 751	31 669	34 326	33 569	106.8%
Total equity and liabilities	53 648	88 650	81 182	150 263	136 775	183 686	153 680	187 825	143.5%

Statements of estimates of financial performance and position

Table 34.73 National Regulator for Compulsory Specifications statements of estimates of financial performance and position

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/Total: Average (%)
R thousand	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Revenue								
Non-tax revenue	204 024	7.5%	70.2%	264 739	292 891	271 039	9.9%	71.1%
Sale of goods and services other than capital assets	192 792	6.6%	66.8%	203 654	216 891	229 905	6.0%	58.4%
<i>of which:</i>								
<i>Sales by market establishment</i>	192 792	6.6%	66.8%	203 654	216 891	229 905	6.0%	58.4%
Other non-tax revenue	11 232	28.6%	3.4%	61 085	76 000	41 134	54.1%	12.8%
Transfers received	109 734	43.5%	29.8%	91 732	85 922	128 245	5.3%	28.9%
Total revenue	313 758	15.9%	100.0%	356 471	378 813	399 284	8.4%	100.0%
Expenses								
Current expenses	312 975	19.1%	100.0%	356 388	378 756	399 178	8.4%	100.0%
Compensation of employees	217 616	19.6%	68.9%	254 842	271 925	287 005	9.7%	71.2%
Goods and services	91 335	17.9%	30.0%	97 521	102 585	107 714	5.7%	27.7%
Depreciation	4 025	23.2%	1.1%	4 025	4 246	4 459	3.5%	1.2%
Total expenses	312 975	19.1%	100.0%	356 388	378 756	399 178	8.4%	100.0%
Surplus/(Deficit)	783	-63.6%	-	83	57	106	-48.7%	-
Statement of financial position								
Carrying value of assets	39 097	24.8%	16.6%	64 872	101 657	137 082	51.9%	43.8%
<i>of which:</i>								
<i>Acquisition of assets</i>	25 517	82.2%	5.3%	30 400	41 664	40 548	16.7%	17.8%
Investments	328	0.3%	0.2%	328	328	328	-	0.2%
Receivables and prepayments	10 405	1.1%	8.0%	11 030	11 691	12 393	6.0%	5.9%
Cash and cash equivalents	137 995	33.4%	75.2%	115 359	81 888	50 039	-28.7%	50.1%
Total assets	187 825	28.4%	100.0%	191 589	195 564	199 842	2.1%	100.0%
Accumulated surplus/(deficit)	130 445	38.2%	63.4%	130 528	130 585	130 691	0.1%	67.4%
Trade and other payables	23 811	41.5%	13.0%	25 477	27 261	29 169	7.0%	13.6%
Provisions	33 569	3.2%	23.5%	35 583	37 718	39 981	6.0%	18.9%
Total equity and liabilities	187 825	28.4%	100.0%	191 589	195 564	199 842	13.1%	100.0%

Personnel information

Table 34.74 National Regulator for Compulsory Specifications personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
		2013/14		2014/15		2015/16		2016/17		2017/18		2014/15 - 2017/18							
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number		Cost			Unit Cost			
National Regulator for Compulsory Specifications	318	318	292	176.8	0.6	318	217.6	0.7	317	254.8	0.8	317	271.9	0.9	317	287.0	0.9	9.7%	100.0%
Salary level	318	318	292	176.8	0.6	318	217.6	0.7	317	254.8	0.8	317	271.9	0.9	317	287.0	0.9	9.7%	100.0%
7 – 10	125	125	114	43.7	0.4	125	57.4	0.5	124	69.4	0.6	124	74.5	0.6	124	78.8	0.6	11.1%	39.2%
11 – 12	181	181	169	123.2	0.7	181	143.4	0.8	181	167.8	0.9	181	178.9	1.0	181	188.7	1.0	9.6%	57.1%
13 – 16	12	12	9	9.9	1.1	12	16.8	1.4	12	17.6	1.5	12	18.5	1.5	12	19.5	1.6	5.1%	3.8%

1. Rand million.

South African Bureau of Standards

Mandate

The South African Bureau of Standards was established as a statutory body in terms of the Standards Act (2008) and is part of South Africa's standardisation, quality assurance, accreditation and metrology technical infrastructure. The bureau is mandated to provide standardisation and conformity assessment services to protect the integrity of the South African market, protect consumers, create a competitive advantage for South African industry, and facilitate access by South Africans to local and international markets. The bureau is the sole publisher of South African national standards, and is responsible for the technical work of the industrial policy action plan.

Selected performance indicators

Table 34.75 South African Bureau of Standards performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Value of certification revenue per year	Conformity assessment	Outcome 4: Decent employment through inclusive economic growth	R215 671	R244 945	R275 730	R315 558	R362 865	R402 780	R447 086
Testing and services revenue per year	Conformity assessment		R166 663	R218 935	R217 993	R216 991	R227 509	R253 431	R280 619
Number of new certificates issued against a new scheme per year ¹	Conformity assessment		-1	-1	-1	2	10	20	30
Number of SMMEs and entrepreneurs developed per year ¹	Conformity assessment		-1	20	45	45	50	55	60
Standard sales revenue per year	Development of South African national standards		R19 261	R21 945	R23 043	R28 000	R32 200	R36 064	R40 392
Percentage completion on the alignment of the standardisation programme to industrial policy action plan sectors ¹	Development of South African national standards		-1	-1	-1	-1	25%	50%	75%

1. No historical data is available, as these are new indicators in line with the annual performance plan.

Expenditure analysis

The South African Bureau of Standards' focus over the medium term will be on continuing to provide conformity assessment and standardisation services to protect the integrity of the South African market and its consumers, as well as embedding local content verification in its service delivery programmes to audit the local content of products and services procured by government entities. This is in support of outcome 4 of government's 2014-2019 medium term strategic framework (decent employment through inclusive economic growth). The bureau plans to do this by increasing local content verification; designing solutions to support of SMMEs; strengthening partnerships with industry bodies; transforming internal support processes through the modernisation of ICT infrastructure and technology innovation; and improving its quality of service. This is consistent with the national development plan's commitment to public procurement and economic growth that creates jobs.

The bureau's focus on providing quality services, meeting the needs of industry, and expanding capital have been budgeted for over the medium term. As a result, expenditure over the medium term is expected to increase at an average annual rate of 9.4 per cent, mainly due to increased expenditure on certification, testing and training in the conformity assessment programme. Approximately 60 per cent of the allocation from the Department of Trade and Industry will be used to upgrade the infrastructure of the national electrical testing facility and facilities on the West Coast to extend and enhance testing capabilities within these areas. The bureau will also invest in ICT infrastructure, the implementation of a new enterprise resource planning system, management information systems, and the automation of certification processes. The implementation of these systems will result in increased efficiencies and business productivity.

The bureau derives revenue mainly from fees for certification, testing and training services, and core funding it receives from the department. Revenue is expected to increase marginally over the medium term despite Cabinet approved budget reductions and slow growth in the testing industry. Revenue generated will be used to support standards development and the commercial activities of certification, testing and training services.

Cabinet approved budget reductions of R45.4 million in 2015/16 and R68 million in 2016/17 will be effected on the bureau's allocation due to the accumulated level of reserves in the organisation. Compensation of employees is expected to remain a key cost driver, accounting for 62.8 per cent of total expenditure, and the number of personnel is projected to increase from 1 072 in 2014/15 to 1 147 in 2015/16 and remain constant over the medium term.

Programmes/objectives/activities

Table 34.76 South African Bureau of Standards expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate 2014/15	Average growth rate (%) 2011/12 - 2014/15	Expenditure/ Total: Average (%) 2014/15	Medium-term expenditure estimate			Average growth rate (%) 2014/15 - 2017/18	Expenditure/ Total: Average (%) 2014/15 - 2017/18
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
R thousand											
Conformity assessment	360 889	407 156	569 715	625 350	20.1%	69.1%	703 890	757 722	820 507	9.5%	77.0%
Development of South African national standards	217 512	271 435	171 524	186 792	-4.9%	30.9%	210 253	226 332	245 087	9.5%	23.0%
Total	578 401	678 591	741 239	812 142	12.0%	100.0%	914 143	984 054	1 065 594	9.5%	100.0%

Statements of historical financial performance and position

Table 34.77 South African Bureau of Standards statements of historical financial performance and position

Statement of financial performance									
	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/ Budget Average (%) 2011/12 - 2014/15
	Budget	2011/12	Budget	2012/13	Budget	2013/14			
R thousand									
Revenue									
Non-tax revenue	471 647	446 822	587 379	535 692	611 408	571 171	646 239	592 047	92.6%
Sale of goods and services other than capital assets	458 337	401 482	572 791	485 824	571 671	516 766	631 161	578 713	88.8%
of which:									
Sales by market establishment	458 337	401 482	572 791	485 824	571 671	516 766	631 161	578 713	88.8%
Other non-tax revenue	13 310	45 340	14 588	49 868	39 737	54 405	15 078	13 334	197.0%
Transfers received	290 780	164 895	188 759	169 942	214 962	191 392	227 023	221 719	81.2%
Total revenue	762 427	613 333	776 138	705 634	826 370	762 963	873 262	813 766	89.4%
Expenses									
Current expenses	643 888	578 401	746 179	678 591	799 396	741 239	866 586	813 766	92.0%
Compensation of employees	359 921	332 957	419 762	389 647	469 029	434 522	509 229	504 897	94.5%
Goods and services	235 398	210 829	268 052	251 402	285 304	264 497	311 916	263 428	90.0%
Depreciation	47 695	33 964	58 365	36 696	45 063	42 188	45 441	45 441	80.5%
Interest, dividends and rent on land	874	651	-	846	-	32	-	-	174.9%
Transfers and subsidies	8 266	-	8 638	-	9 156	-	-	-	-
Total expenses	652 154	578 401	754 817	678 591	808 552	741 239	866 586	813 766	91.2%
Surplus/(Deficit)	110 273	34 932	21 321	27 043	17 818	21 724	6 676	-	-

Table 34.77 South African Bureau of Standards statements of historical financial performance and position

Statement of financial position	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	Budget		Budget		Budget		2014/15		
R thousand	2011/12		2012/13		2013/14		2014/15	2011/12 - 2014/15	
Carrying value of assets	393 685	318 912	573 212	356 614	721 101	369 911	670 252	528 235	66.7%
<i>of which:</i>									
Acquisition of assets	124 225	78 392	154 721	73 392	33 326	57 502	100 876	203 565	99.9%
Investments	330 017	284 308	310 687	336 072	163 526	305 054	266 857	342 758	118.4%
Inventory	1 000	1 128	1 000	1 092	1 000	1 939	1 227	2 055	147.0%
Receivables and prepayments	78 410	60 285	90 172	96 460	86 810	117 707	129 112	135 363	106.6%
Cash and cash equivalents	378 326	262 311	60 713	274 338	52 737	283 458	76 006	142 671	169.6%
Non-current assets held for sale	–	66	–	1 167	–	–	–	–	–
Taxation	–	22 732	23 905	20 460	22 732	20 860	22 000	20 860	123.7%
Total assets	1 181 437	949 742	1 059 689	1 086 203	1 047 906	1 098 929	1 165 454	1 171 942	96.7%
Accumulated surplus/(deficit)	650 372	410 486	419 095	439 574	440 989	462 461	458 972	469 247	90.5%
Capital and reserves	84 946	68 992	104 734	80 423	86 309	98 438	116 347	136 285	97.9%
Capital reserve fund	–	247 541	302 553	306 194	272 280	293 786	291 617	286 841	130.9%
Deferred income	239 208	–	–	–	–	–	–	–	–
Trade and other payables	109 134	112 448	130 217	141 760	143 239	127 207	191 838	162 718	94.7%
Taxation	–	8 963	–	3 139	–	5 365	–	–	–
Provisions	97 778	93 867	103 090	114 966	105 090	111 529	98 127	116 851	108.2%
Derivatives financial instruments	–	7 445	–	147	–	143	8 553	–	90.4%
Total equity and liabilities	1 181 437	949 742	1 059 689	1 086 203	1 047 907	1 098 929	1 165 454	1 171 942	96.7%

Statements of estimates of financial performance and position**Table 34.78 South African Bureau of Standards statements of estimates of financial performance and position**

Statement of financial performance	Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/Total: Average (%)
				2015/16	2016/17	2017/18		
R thousand	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Revenue								
Non-tax revenue	592 047	9.8%	74.1%	696 283	773 471	793 208	10.2%	75.4%
Sale of goods and services other than capital assets	578 713	13.0%	68.3%	622 574	692 275	768 097	9.9%	70.3%
<i>of which:</i>								
Sales by market establishment	578 713	13.0%	68.3%	622 574	692 275	768 097	9.9%	70.3%
Other non-tax revenue	13 334	-33.5%	5.8%	73 709	81 196	25 111	23.5%	5.1%
Transfers received	221 719	10.4%	25.8%	217 860	210 583	278 992	8.0%	24.6%
Total revenue	813 766	9.9%	100.0%	914 143	984 054	1 072 200	9.6%	100.0%
Expenses								
Current expenses	813 766	12.1%	100.0%	914 143	984 054	1 065 594	9.4%	100.0%
Compensation of employees	504 897	14.9%	58.9%	576 360	622 253	671 759	10.0%	62.8%
Goods and services	263 428	7.7%	35.4%	272 937	288 470	314 638	6.1%	30.3%
Depreciation	45 441	10.2%	5.6%	64 846	73 331	79 197	20.3%	6.9%
Total expenses	813 766	12.1%	100.0%	914 143	984 054	1 065 594	9.4%	100.0%
Surplus/(Deficit)	–	-100.0%	–	–	–	6 606	–	–
Statement of financial position								
Carrying value of assets	528 235	18.3%	36.3%	485 046	593 460	642 145	6.7%	48.9%
<i>of which:</i>								
Acquisition of assets	203 565	37.4%	9.4%	152 986	181 745	127 882	-14.4%	14.5%
Investments	342 758	6.4%	29.5%	356 220	199 731	157 218	-22.9%	22.8%
Inventory	2 055	22.1%	0.1%	2 178	2 309	2 448	6.0%	0.2%
Receivables and prepayments	135 363	30.9%	9.4%	150 253	166 781	185 126	11.0%	13.9%
Cash and cash equivalents	142 671	-18.4%	22.7%	146 039	141 057	140 905	-0.4%	12.4%
Taxation	20 860	-2.8%	2.0%	20 860	20 860	20 860	–	1.8%
Total assets	1 171 942	7.3%	100.0%	1 160 596	1 124 198	1 148 702	-0.7%	100.0%
Accumulated surplus/(deficit)	469 247	4.6%	41.5%	465 952	465 952	472 557	0.2%	40.7%
Capital and reserves	136 285	25.5%	8.8%	120 855	77 939	85 426	-14.4%	9.1%
Capital reserve fund	286 841	5.0%	26.4%	283 358	273 783	266 837	-2.4%	24.1%
Trade and other payables	162 718	13.1%	12.6%	171 350	185 058	199 863	7.1%	15.6%
Provisions	116 851	7.6%	10.1%	119 081	121 466	124 019	2.0%	10.5%
Total equity and liabilities	1 171 942	7.3%	100.0%	1 160 596	1 124 198	1 148 702	-7.5%	100.0%

Personnel information

Table 34.79 South African Bureau of Standards personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015			Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	South African Bureau of Standards	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
			2013/14		2014/15		2015/16		2016/17		2017/18		2014/15 - 2017/18							
				Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
Salary level	1 072	1 072	1 134	434.5	0.4	1 072	504.9	0.5	1 147	576.4	0.5	1 147	622.3	0.5	1 147	671.8	0.6	10.0%	100.0%	
1 – 6	116	116	173	22.7	0.1	116	15.0	0.1	145	17.6	0.1	145	19.0	0.1	145	20.5	0.1	11.0%	12.2%	
7 – 10	688	688	773	259.9	0.3	688	276.1	0.4	671	265.6	0.4	671	286.6	0.4	671	309.2	0.5	3.9%	59.9%	
11 – 12	150	150	111	68.9	0.6	150	94.9	0.6	240	166.4	0.7	240	179.7	0.7	240	194.1	0.8	26.9%	19.2%	
13 – 16	109	109	75	78.1	1.0	109	99.9	0.9	86	113.1	1.3	86	122.2	1.4	86	132.0	1.5	9.7%	8.2%	
17 – 22	9	9	2	5.0	2.5	9	19.1	2.1	5	13.7	2.7	5	14.8	3.0	5	16.0	3.2	-5.8%	0.5%	

1. Rand million.

South African National Accreditation System

Mandate

The South African National Accreditation System was established in terms of the Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act (2006). It is mandated to accredit or monitor for good laboratory practice compliance purpose, promote accreditation as a means of facilitating international trade to enhance South Africa's economic performance and transformation, promote the competence and equivalence of accredited bodies, and promote the competence and equivalence of good laboratory practice facilities compliant with the act.

Selected performance indicators

Table 34.80 South African National Accreditation System performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past ¹			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Total number of registrations of previously disadvantaged individuals as assessors per year	Provision of accreditation services	Outcome 12: An efficient, effective and development-oriented public service	35% ¹	72	76	82	90	95	100
Total number of reassessments of accredited organisations per year ²	Provision of accreditation services	Outcome 11: Create a better South Africa, a better Africa and a better world	- ²	- ²	- ²	1 115	1 199	1 288	1 369
Number of new accreditation programmes developed and rolled out per year ²	New programme development projects and related activities	Outcome 4: Decent employment through inclusive economic growth	- ²	- ²	- ²	1	1	1	1
Percentage of inputs provided into the international accreditation requirements of the International Laboratory Accreditation Cooperation and the International Accreditation Forum per year	New programme development projects and related activities	Outcome 11: Create a better South Africa, a better Africa and a better world	85%	90%	94%	95%	95%	95%	95%

1. Percentage measurement was used for this indicator in 2011/12. Indicator was revised from percentage back to absolute numerical measure in 2012/13.

2. No historical data is available, as these are new indicators in line with the annual performance plan.

Expenditure analysis

The South African National Accreditation System's focus over the medium term will be on continuing to support the needs of industry competing within the global economy, and to lead the accreditation system in Africa in line with the priority sectors identified within the industrial policy action plan and outcome 4 of government's 2014-19 medium term strategic framework (decent employment through inclusive growth).

In support of its focus over the medium term, the organisation will continue to roll out the restructuring and capacity building project, expenditure on which is projected to increase from R84.8 million in 2015/16 to R93.7 million in 2017/18. The project was approved by the board in 2009 to continue fulfilling the system's

mandate, and identified additional resources to ensure the process of accreditation becomes more efficient and effective.

Due to the increased demand for accreditation services and the need to support government's industrial development and health and safety projects, expenditure on compensation of employees is expected to remain the biggest cost driver at 50.8 per cent of total expenditure over the medium term, with the number of personnel expected to increase from 61 in 2013/14 to 84 in 2017/18. This expenditure will result in increased capacity and optimally functioning accreditation infrastructure that is able to meet the increasing expectations of industry, government, and other stakeholders. The number of accredited organisations is expected to increase from 1 465 in 2014/15 to 1 650 in 2017/18.

The accreditation system expects to derive 35.8 per cent of its revenue over the medium term from transfers from the Department of Trade and Industry. Other sources of revenue include annual fees charged to accredited facilities, fees received from new applications, and income received from training courses. Revenue, which is expected to grow at an average annual rate of 4.4 per cent over the medium term, will be used to support the activities required in terms of mutual recognition agreements with the International Laboratory Association Cooperation and the International Accreditation Forum. These activities include attending various compulsory forums and influencing international accreditation requirements by providing input on various documents and voting on accreditation matters.

Cabinet approved budget reductions of R11.6 million in 2015/16 and R17.4 million in 2016/17 will be effected on the allocation to the accreditation system due to the level of accumulated reserves in the organisation.

Programmes/objectives/activities

Table 34.81 South African National Accreditation System expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate 2014/15	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2014/15 - 2017/18	Expenditure/Total: Average (%)
	2011/12	2012/13	2013/14		2011/12 - 2014/15	2015/16	2016/17	2017/18			
Administration	14 542	16 128	17 224	34 230	33.0%	30.9%	30 909	32 162	34 011	-0.2%	37.6%
Provision of accreditation services	23 983	26 397	30 694	39 619	18.2%	46.6%	46 920	49 709	52 019	9.5%	53.6%
International, regional and national responsibilities	855	1 851	2 096	-	-100.0%	2.0%	-	-	-	-	-
New programme development projects and related activities	3 111	3 259	3 109	4 933	16.6%	5.6%	3 836	4 039	4 163	-5.5%	4.9%
Restructuring/capacity building	6 275	7 417	9 888	-	-100.0%	10.0%	-	-	-	-	-
Knowledge transfer	817	844	1 254	-	-100.0%	1.2%	-	-	-	-	-
Marketing/Corporate services	1 610	2 306	2 536	3 649	31.4%	3.8%	3 166	3 339	3 506	-1.3%	3.9%
Total	51 193	58 202	66 801	82 431	17.2%	100.0%	84 831	89 249	93 699	4.4%	100.0%

Statements of historical financial performance and position

Table 34.82 South African National Accreditation System statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/Budget Average (%)
	Budget	2011/12	Budget	2012/13	Budget	2013/14			
Revenue									
Non-tax revenue	40 603	36 616	39 685	39 611	43 574	47 541	46 719	46 719	99.9%
Sale of goods and services other than capital assets	28 428	31 422	32 454	33 041	35 169	38 057	38 425	38 425	104.8%
of which:									
Administrative fees	28 428	31 422	32 454	33 041	35 169	38 057	38 425	38 425	104.8%
Other non-tax revenue	12 175	5 194	7 231	6 570	8 405	9 484	8 294	8 294	81.8%
Transfers received	20 623	20 623	30 327	30 676	33 473	33 473	35 712	35 712	100.3%
Total revenue	61 226	57 239	70 012	70 287	77 047	81 014	82 431	82 431	100.1%
Expenses									
Current expenses	59 812	50 763	68 657	57 749	76 570	66 324	81 928	81 929	89.5%
Compensation of employees	27 543	25 532	32 427	27 127	34 676	32 079	40 979	40 978	92.7%
Goods and services	31 380	24 706	35 585	29 914	40 916	33 411	40 125	40 127	86.6%
Depreciation	705	346	429	392	729	585	528	528	77.4%
Interest, dividends and rent on land	184	179	216	316	249	249	296	296	110.0%
Transfers and subsidies	430	430	455	453	-	477	503	502	134.2%
Total expenses	60 242	51 193	69 112	58 202	76 570	66 801	82 431	82 431	89.7%
Surplus/(Deficit)	984	6 046	900	12 085	477	14 213	-	-	-

Table 34.82 South African National Accreditation System statements of historical financial performance and position

Statement of financial position									Outcome/ Budget Average (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R thousand	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Carrying value of assets	5 097	2 000	52 478	2 466	2 668	3 741	63 355	5 161	10.8%
<i>of which:</i>									
Acquisition of assets	3 460	418	50 500	867	592	1 865	60 228	1 978	4.5%
Receivables and prepayments	800	11 750	1 500	1 351	1 550	2 426	1 750	1 750	308.5%
Cash and cash equivalents	22 082	37 480	15 516	60 134	43 822	72 667	112	72 090	297.3%
Total assets	27 979	51 230	69 494	63 951	48 040	78 834	65 217	79 001	129.6%
Accumulated surplus/(deficit)	16 642	28 240	23 263	40 326	33 268	57 788	41 986	57 788	159.9%
Capital reserve fund	–	10 000	–	10 000	–	8 098	8 098	8 098	447.0%
Borrowings	985	–	–	–	–	–	–	–	–
Finance lease	–	2 194	31 000	2 157	713	2 090	1 986	1 986	25.0%
Deferred income	3 500	1 041	3 550	2 361	3 000	2 759	3 000	2 500	66.4%
Trade and other payables	2 750	8 600	10 081	7 805	9 560	6 565	8 647	7 129	97.0%
Provisions	1 550	1 155	1 600	1 302	1 500	1 534	1 500	1 500	89.3%
Derivatives financial instruments	2 552	–	–	–	–	–	–	–	–
Total equity and liabilities	27 979	51 230	69 494	63 951	48 040	78 834	65 217	79 001	129.6%

Statements of estimates of financial performance and position**Table 34.83 South African National Accreditation System statements of estimates of financial performance and position**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Expen- diture/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expen- diture/ Total: Average (%)
R thousand	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Revenue								
Non-tax revenue	46 719	8.5%	58.9%	58 806	67 041	52 069	3.7%	64.2%
Sale of goods and services other than capital assets	38 425	6.9%	48.9%	40 893	43 142	45 299	5.6%	47.9%
<i>of which:</i>								
Administrative fees	38 425	6.9%	48.9%	40 893	43 142	45 299	5.6%	47.9%
Other non-tax revenue	8 294	16.9%	10.0%	17 913	23 899	6 770	-6.5%	16.3%
Transfers received	35 712	20.1%	41.1%	26 025	22 208	41 630	5.2%	35.8%
Total revenue	82 431	12.9%	100.0%	84 831	89 249	93 699	4.4%	100.0%
Expenses								
Current expenses	81 929	17.3%	99.3%	84 301	88 690	93 112	4.4%	99.4%
Compensation of employees	40 978	17.1%	48.6%	42 475	45 811	48 773	6.0%	50.8%
Goods and services	40 127	17.5%	49.6%	41 016	41 427	42 860	2.2%	47.3%
Depreciation	528	15.1%	0.7%	531	1 198	1 258	33.6%	1.0%
Interest, dividends and rent on land	296	18.3%	0.4%	279	254	221	-9.3%	0.3%
Transfers and subsidies	502	5.3%	0.7%	530	559	587	5.4%	0.6%
Total expenses	82 431	17.2%	100.0%	84 831	89 249	93 699	4.4%	100.0%
Surplus/(Deficit)	–	-100.0%	–	–	–	–	–	–
Statement of financial position								
Carrying value of assets	5 161	37.2%	4.8%	70 955	69 868	68 885	137.2%	69.4%
<i>of which:</i>								
Acquisition of assets	1 978	67.9%	1.8%	66 600	386	550	-34.7%	22.2%
Receivables and prepayments	1 750	-47.0%	7.6%	1 700	1 800	1 800	0.9%	2.3%
Cash and cash equivalents	72 090	24.4%	87.7%	5 658	5 640	5 829	-56.8%	28.3%
Total assets	79 001	15.5%	100.0%	78 313	77 308	76 514	-1.1%	100.0%
Accumulated surplus/(deficit)	57 788	27.0%	66.2%	57 788	57 788	57 788	–	74.3%
Capital reserve fund	8 098	-6.8%	13.9%	8 098	8 098	8 098	–	10.4%
Finance lease	1 986	-3.3%	3.2%	1 840	1 642	1 380	-11.4%	2.2%
Deferred income	2 500	33.9%	3.1%	2 500	2 500	2 500	–	3.2%
Trade and other payables	7 129	-6.1%	11.6%	6 507	5 780	5 248	-9.7%	7.9%
Provisions	1 500	9.1%	2.0%	1 580	1 500	1 500	–	2.0%
Total equity and liabilities	79 001	15.5%	100.0%	78 313	77 308	76 514	-21.1%	100.0%

Personnel information

Table 34.84 South African National Accreditation System personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number			
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)		
		2013/14			2014/15			2015/16			2016/17			2017/18					2014/15 - 2017/18	
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost		Unit Cost
South African National Accreditation System		84	84	61	32.1	0.5	84	41.0	0.5	84	42.5	0.5	84	45.8	0.5	84	48.8	0.6	6.0%	100.0%
Salary level																				
1 – 6	3	3	3	0.4	0.1	3	0.4	0.1	4	0.6	0.1	4	0.6	0.2	4	0.7	0.2	14.5%	4.5%	
7 – 10	57	57	37	12.5	0.3	57	19.3	0.3	50	15.9	0.3	50	17.3	0.3	50	18.5	0.4	-1.5%	61.6%	
11 – 12	15	15	13	8.9	0.7	15	11.5	0.8	18	12.8	0.7	18	13.7	0.8	18	14.6	0.8	8.3%	20.5%	
13 – 16	9	9	8	10.2	1.3	9	9.7	1.1	12	13.2	1.1	12	14.1	1.2	12	15.0	1.3	15.7%	13.4%	

1. Rand million.

Additional tables

Table 34.A Summary of departmental public private partnership projects

Project description: Public private partnership campus		Project annual unitary fee at time of contract	Budgeted expenditure	Medium-term expenditure estimate		
R thousand	2014/15			2015/16	2016/17	2017/18
Projects signed in terms of Treasury Regulation 16		–	189 655	196 729	191 699	201 694
Public private partnership unitary charge ¹		–	189 655	196 729	191 699	201 694
<i>Of which:</i>						
Services provided by the operator		–	189 655	196 729	191 699	201 694
Total		–	189 655	196 729	191 699	201 694

1. Only payments that have received Treasury approval.

Disclosure notes for projects signed in terms of Treasury Regulation 16

Project name	Department of Trade and Industry public private partnership campus
Brief description	Department of Trade and Industry public private partnership campus Meintjies Street, Pretoria. Design, Construct and Facility Management Services over period of 25 years
Date public private partnership agreement was signed	1-Aug-03
Duration of public private partnership agreement	25 years
Variations and amendments to public private partnership agreement	Variation orders as per allowed schedules - formal amendment was signed on the public private partnership agreement to date
Cost implications of variations and amendments	Costed per each variation order. Strategic Space strategy will inform the quantum of variation orders to be executed over the medium term.

Table 34.B Summary of departmental public private partnership projects

Project description: Phavis fleet services		Project annual unitary fee at time of contract	Budgeted expenditure	Medium-term expenditure estimate		
R thousand	2014/15			2015/16	2016/17	2017/18
Projects signed in terms of Treasury Regulation 16		–	5 000	5 500	5 503	5 770
Public private partnership unitary charge ¹		–	5 000	5 500	5 503	5 770
<i>Of which:</i>						
Services provided by the operator		–	5 000	5 500	5 503	5 770
Total		–	5 000	5 500	5 503	5 770

1. Phavis fleet services public private partnership. Disclosure notes for this project can be viewed in the public private partnership table of the Department of Transport's chapter

Disclosure notes for projects signed in terms of Treasury Regulation 16

Project name	Phavis fleet services
Brief description	Disclosure notes for this project can be viewed in the public private partnership annexure table of the Department of Transport chapter

Table 34.C Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome		Adjusted appropriation	Medium-term expenditure estimate			
				2011/12	2012/13		2013/14	2014/15	2015/16	2016/17
R thousand										
Infrastructure transfers to other spheres, agencies and departments										
Coega Development Corporation	Infrastructure developments to enable investment in the zone	Various	5 689 043	383 718	417 858	308 195	-	-	-	
East London Industrial Development Zone	Infrastructure developments to enable investment in the zone	Various	1 817 535	171 282	150 000	100 000	-	-	-	
Critical infrastructure programme	Infrastructure projects supporting investment in mining, tourism, manufacturing and services	Various	1 473 171	118 473	131 597	140 000	190 000	190 000	199 500	
Special economic zones: Investment incentives	Infrastructure development zone	Feasibility	3 719 450	-	5 000	449 200	550 000	1 070 000	1 580 000	835 421
Richards Bay Industrial Development Zone	Infrastructure developments to enable investment in the zone	Various	672 018	60 682	182 018	30 000	-	-	-	
Centurion Aerospace Village	Aerospace industry infrastructure	Construction	407 279	10 000	15 000	15 800	-	-	-	
South African Bureau of Standards	Technical industrial infrastructure in the form of testing facilities	Construction	315 420	93 180	48 000	-	-	-	-	
Industrial Development Zone: Other	Infrastructure development zone	Feasibility	-	-	-	-	200 000	70 000	50 000	
Total			14 093 916	837 335	949 473	1 043 195	940 000	1 330 000	1 820 000	1 034 921

Table 34.D Summary of donor funding

Donor	Project	Programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome		Estimate	Medium-term expenditure estimate		
							2011/12	2012/13		2013/14	2014/15	2015/16
R thousand												
Foreign In cash												
European Union	Sector wide enterprise employment and equity programme	Industrial Development	2004 - 2009	477 286	Public corporations and private enterprises	Increase employment and facilitate greater social and economic equity and integration	31 306	15 264	17 320	-	-	-
European Union	Risk capital facility programme	Special Economic Zones and Economic Transformation	2005 - 2013	497 951	Public corporations and private enterprises	Facilitate black economic empowerment in small medium enterprise sector	98 318	-	-	-	-	-
European Union	4 departmental projects implemented for employment creation and sector policy support to the economic cluster's programme of action	Special Economic Zones and Economic Transformation	2009 - 2013	551 214	Public corporations and private enterprises	Create long term sustainable employment and contribute to the national target of halving unemployment and poverty by 2014	66 220	22 950	4 063	-	-	-
United Kingdom	3 departmental projects implemented for employment creation and sector policy support to the economic cluster's programme of action	Industrial Development	2009 - 2013	56 772	Public corporations and private enterprises	Create long term sustainable employment and contribute to the national target of halving unemployment and poverty by 2014	8 078	42 051	-	-	-	-
Foreign In kind												
United States Agency for International Development	Economic growth supported	Industrial Development	2008-2012	191 982	Departmental agencies and accounts	Provide technical support to financial sector and private sector and for competitiveness. Support department's regulatory policy, its research and legislative review process, and its participation in a technical evaluation	42 000	22 000	-	-	-	-

Table 34.D Summary of donor funding

Donor	Project	Programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome		Estimate	Medium-term expenditure estimate	
							2011/12	2012/13		2013/14	2015/16
R thousand											
Local											
In cash											
Development Bank of Southern Africa	Monyella	Industrial Development	2012 - 2015	217 300.0	Departmental agencies and accounts	To promote employer-led skills development, which leads to employment in the business process service sector	-	-	46 321	-	-
Total				1 992 505			245 922	102 265	67 704	-	-

Photos provided by GCIS.



BUDGET 2015

Private Bag X115 Pretoria 0001 | 40 Church square Pretoria 0002 | Tel +27 12 395 6697 | Fax +27 12 406 9055



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA