

Vote 3

Communications

Budget summary

R million	2017/18				2018/19	2019/20
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	62.8	62.8	–	–	66.3	78.1
Communications Policy, Research and Development	8.5	8.5	–	–	10.0	11.9
Industry and Capacity Development	22.3	22.2	–	–	29.2	22.1
Entity Oversight	1 331.5	6.7	1 324.9	–	1 415.2	1 500.2
Total expenditure estimates	1 425.1	100.2	1 324.9	–	1 520.7	1 612.3

Executive authority Minister of Communications
Accounting officer Director General of Communications
Website address www.doc.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, entities, donor funding, public private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of site service delivery, where appropriate.

Vote purpose

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

Mandate

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

The department is responsible for the administration and implementation of the following legislation:

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

Selected performance indicators

Table 3.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16		2016/17	2017/18	2018/19
Number of digital broadcasting awareness campaigns hosted per year	Industry and Capacity Development	Outcome 14: A diverse, socially cohesive society with a common national identity	-1	-1	-1	10	10	10	10
Number of reports showing consumer access to digital broadcasting, particularly those supported with set-top boxes, per year	Industry and Capacity Development		-1	-1	4	4	4	4	4
Number of position papers tabled at multilateral engagements per year	Industry and Capacity Development		-1	-1	-1	2	2	2	2
Number of stakeholder engagements coordinated per year	Industry and Capacity Development		-1	-1	-1	10	10	10	10
Number of shareholder compact accountability instruments signed per year	Entity Oversight		-1	-1	4	5	5	5	5

1. No historical data available.

Expenditure analysis

The main role of the Department of Communications is to energise and mobilise South Africans to participate actively in government's socioeconomic transformation programmes, which are there to address poverty, unemployment and inequality. Over the medium term, the department will focus on developing a responsive communications policy and regulatory framework; strengthening departmental oversight mechanisms; improving South Africa's image locally and internationally; promoting transformation and competition in the sector; and practising effective and efficient governance and administration. An estimated R4.2 billion or 92.4 per cent of the department's budget over the medium term is transferred to public entities that implement communications and broadcasting policies developed by the department. An amount of R332.5 million or 7.3 per cent is allocated as operational expenditure. R245.6 million or 73.9 per cent is to be spent on compensation of employees and R86.7 million or 26.1 per cent on goods and services. The work of the department supports the realisation of outcome 14 (a diverse, socially cohesive society with a common national identity) of government's 2014-2019 medium-term strategic framework.

Developing a responsive communications policy and regulatory framework

The department will develop and implement several policies and regulations over the medium term. These activities are funded through the *Communications Policy, Research and Development* programme, which has a budget allocation of R30.4 million over the medium term. Some of the more important policies and regulations to be developed include: the Audio-visual and Content Bill, which aims to align with the new developments in the sector, such as digital convergence; the media transformation and diversity policy, which encourages diversity of content and transformation of media ownership in the sector; and the community broadcasting support strategy, which aims to maintain and strengthen citizen participation and access to the community media sector.

Strengthening oversight

The entity oversight unit of the department analyses funding requests made by its entities and ensures that transferred funds are used optimally. The Independent Communications Authority of South Africa receives the largest proportion of transfers to entities from the department, projected at 31.9 per cent, or R1.4 billion, over the medium term. The funds are allocated to develop broadband and digital terrestrial regulations, and monitor operators' compliance with licence conditions. The second-largest proportion of transfers – projected at 30.8 per cent, or R1.3 billion, over the medium term – goes to Government Communication and Information System to implement the national communications policy. Over the medium term, the department and its entities will develop and sign 15 shareholder compacts, which set performance targets for each of the compacts.

The department also plans to continue analysing the entities' quarterly and annual reports and coordinating monthly and quarterly accountability forums between the department and the entities. These activities are budgeted for within the *Entity Oversight* programme. They include R15 million over the medium term for spending on compensation of employees for personnel who perform and support the oversight function and R3.3 million over the same period for spending on related goods and services, such as travelling and subsistence for site visits to entities and attendance to portfolio committees.

Improving the country's brand image

The department is planning to conduct research and develop branding policies that market the country positively, locally and internationally, with the aim of promoting socioeconomic development and investment. The department will therefore develop a brand management policy to ensure that government, private sector and civil society communications strategies and key messages are aligned. The implementation of the policy involves workshops, consultations and public participation in all provinces, which will help to identify the country's competitive and reputational strengths and weaknesses. This is expected to improve the country's position on the brand ranking index. The budget for research and branding activities is set to increase by 40 per cent, from R8.5 million in 2017/18 to R11.9 million in 2019/20.

Transforming the communications sector

The department expects to spend R29 million over the medium term, funded through the *Industry and Capacity Development* programme, working towards developing a transformed and competitive communications sector. The work is focused in three areas. Firstly, the department plans to run 30 digital broadcasting awareness campaigns over the medium term. The campaigns are intended to educate and prepare ordinary South Africans for the switching off of analogue transmitters through the broadcasting digital migration programme by 2018/19. Secondly, the department plans to facilitate strategic multilateral partnerships and bilateral agreements and also conduct 30 intergovernmental and stakeholder engagements between 2017/18 and 2019/20. Thirdly, the department has appointed the South African Broadcasting Production Advisory Body to advise the Minister of Communications on the development, production and display of local television and radio content.

Cabinet approved a reprioritisation of R17.4 million in 2017/18, R14.9 million in 2018/19 and R14.6 million in 2019/20 from the South African Broadcasting Corporation to fund digital migration, build capacity in the department, and allow the Media Development and Diversity Agency to upgrade its broadcasting infrastructure for community radio stations. The reprioritisation will allow the department to amend the Media Diversity and Development Agency's mandate, implement a community media support strategy, and supply 25 community radio stations with broadcasting infrastructure.

Effective and efficient governance and administration

The department achieved a clean audit in 2015/16, its inaugural year, and will use this as a foundation to continue building sound financial management practises. However, the absence of in-house supply chain management and internal audit units has been singled out as a major risk area. This is a priority the department will be addressing in 2017/18 by recruiting and appointing qualified personnel. These activities are budgeted for under the *Internal Audit* and *Financial Management* subprogrammes in the *Administration* programme. Spending in these subprogrammes over the medium term has increased by R5.2 million, the bulk of which will be spent on compensation of employees and related goods and services. This process is expected to capacitate supply chain management with the appointment of four officials and internal audit units through the appointment of two officials in 2017/18.

Expenditure trends

Table 3.2 Vote expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. Communications Policy, Research and Development														
3. Industry and Capacity Development														
4. Entity Oversight														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2013/14			2014/15			2015/16			2016/17			2013/14 - 2016/17	
Programme 1	11.4	11.4	11.4	12.8	24.8	24.4	42.4	42.4	48.2	45.1	57.1	57.1	126.4%	104.0%
Programme 2	5.7	5.7	5.7	6.5	6.5	6.5	7.9	7.9	4.9	8.4	7.7	7.7	87.1%	89.2%
Programme 3	9.0	9.0	9.0	9.3	9.3	9.3	10.2	20.2	20.4	10.9	47.7	47.7	219.2%	100.2%
Programme 4	1 249.1	1 327.8	1 322.4	1 193.0	1 226.6	1 246.9	1 220.4	1 220.4	1 214.6	1 281.0	1 237.2	1 237.2	101.6%	100.2%
Total	1 275.2	1 353.9	1 348.4	1 221.6	1 267.2	1 287.2	1 280.9	1 290.9	1 288.0	1 345.4	1 349.7	1 349.7	102.9%	100.2%
Change to 2016 Budget estimate											4.3			

Table 3.2 Vote expenditure trends by programme and economic classification

Economic classification	Annual budget			Annual budget			Annual budget			Annual budget			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate		
R million	2013/14			2014/15			2015/16			2016/17			2013/14 - 2016/17	
Current payments	26.2	26.2	27.9	32.0	44.0	43.7	70.1	80.1	76.3	75.1	114.0	114.0	128.8%	99.1%
Compensation of employees	23.0	23.0	24.7	28.1	40.1	39.8	56.0	56.0	47.6	59.2	68.2	68.2	108.4%	96.3%
Goods and services	3.2	3.2	3.2	3.9	3.9	3.9	14.1	24.1	28.7	16.0	45.8	45.8	219.8%	106.0%
Transfers and subsidies	1 249.0	1 327.5	1 320.3	1 189.3	1 222.9	1 243.2	1 210.2	1 210.2	1 210.2	1 270.2	1 231.9	1 231.9	101.8%	100.3%
Departmental agencies and accounts	1 019.9	1 060.4	1 063.7	1 024.1	1 057.7	1 016.0	1 037.2	1 037.2	1 037.2	1 088.1	1 049.8	1 049.8	-	-
Public corporations and private enterprises	229.1	267.1	256.6	165.2	165.2	227.2	172.9	172.9	172.9	182.1	182.1	182.1	111.9%	106.5%
Households	-	-	-	-	-	-	-	-	-	-	0.1	0.1	-	186.0%
Payments for capital assets	-	0.2	0.2	0.3	0.3	0.3	0.7	0.7	1.6	0.1	3.8	3.8	545.0%	117.8%
Machinery and equipment	-	0.2	0.2	0.3	0.3	0.3	0.7	0.7	1.6	0.1	3.8	3.8	545.0%	117.8%
Total	1 275.2	1 353.9	1 348.4	1 221.6	1 267.2	1 287.2	1 280.9	1 290.9	1 288.0	1 345.4	1 349.7	1 349.7	102.9%	100.2%

Expenditure estimates

Table 3.3 Vote expenditure estimates by programme and economic classification

Programmes									
1. Administration									
2. Communications Policy, Research and Development									
3. Industry and Capacity Development									
4. Entity Oversight									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
				2016/17	2013/14 - 2016/17	2017/18			2018/19
R million	2016/17	2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20		
Programme 1	57.1	71.3%	2.7%	62.8	66.3	78.1	11.0%	4.5%	
Programme 2	7.7	10.9%	0.5%	8.5	10.0	11.9	15.5%	0.6%	
Programme 3	47.7	74.2%	1.6%	22.3	29.2	22.1	-22.6%	2.1%	
Programme 4	1 237.2	-2.3%	95.2%	1 331.5	1 415.2	1 500.2	6.6%	92.8%	
Total	1 349.7	-0.1%	100.0%	1 425.1	1 520.7	1 612.3	6.1%	100.0%	
Change to 2016 Budget estimate				(5.9)	(6.2)	(6.7)			
Economic classification									
Current payments	114.0	63.3%	5.0%	100.2	112.5	119.6	1.6%	7.6%	
Compensation of employees	68.2	43.7%	3.4%	76.7	81.3	87.7	8.8%	5.3%	
Goods and services	45.8	143.0%	1.5%	23.5	31.3	31.9	-11.3%	2.2%	
Transfers and subsidies	1 231.9	-2.5%	94.9%	1 324.9	1 408.1	1 492.7	6.6%	92.4%	
Departmental agencies and accounts	1 049.8	-0.3%	79.0%	1 151.1	1 220.6	1 293.7	7.2%	79.8%	
Public corporations and private enterprises	182.1	-12.0%	15.9%	173.8	187.4	199.0	3.0%	12.6%	
Households	0.1	-	-	-	-	-	-100.0%	-	
Payments for capital assets	3.8	173.4%	0.1%	-	-	-	-77.0%	0.1%	
Machinery and equipment	3.8	173.4%	0.1%	-	-	-	-77.0%	0.1%	
Total	1 349.7	-0.1%	100.0%	1 425.1	1 520.7	1 612.3	6.1%	100.0%	

Goods and services expenditure trends and estimates

Table 3.4 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
Administrative fees	-	-	280	389	-	0.8%	276	191	444	4.5%	1.0%
Advertising	-	-	3 163	11 867	-	18.4%	290	2 336	330	-69.7%	11.2%
Minor assets	-	-	89	30	-	0.1%	424	472	499	155.3%	1.1%
Audit costs: External	-	-	-	765	-	0.9%	700	746	792	1.2%	2.3%
Bursaries: Employees	-	-	62	80	-	0.2%	-	-	-	-100.0%	0.1%
Catering: Departmental activities	-	-	1 085	600	-	2.1%	298	318	16	-70.1%	0.9%
Communication	27	28	1 887	4 804	462.4%	8.3%	1 287	1 464	1 756	-28.5%	7.0%
Computer services	650	684	34	130	-41.5%	1.8%	18	19	20	-46.4%	0.1%
Consultants: Business and advisory services	-	-	31	183	-	0.3%	125	440	465	36.5%	0.9%
Infrastructure and planning services	-	-	-	-	-	-	143	-	-	-	0.1%
Legal services	-	-	2 416	1 519	-	4.8%	1 361	1 451	1 539	0.4%	4.4%
Contractors	2 293	2 413	342	468	-41.1%	6.8%	214	248	263	-17.5%	0.9%
Agency and support/outsourced services	-	-	98	1 606	-	2.1%	272	286	305	-42.5%	1.9%
Entertainment	-	-	11	-	-	-	33	35	-	-	0.1%
Fleet services (including government motor transport)	-	-	2 317	2 686	-	6.1%	1 921	2 657	3 326	7.4%	8.0%
Inventory: Other supplies	-	-	-	-	-	-	5	5	6	-	-
Consumable supplies	-	-	139	87	-	0.3%	1 413	1 506	1 598	163.8%	3.5%
Consumables: Stationery, printing and office supplies	-	-	967	748	-	2.1%	1 112	1 386	1 469	25.2%	3.6%
Operating leases	-	-	201	42	-	0.3%	314	336	356	103.9%	0.8%
Rental and hiring	-	-	279	1 400	-	2.1%	-	-	-	-100.0%	1.1%
Travel and subsistence	221	808	14 454	17 622	330.4%	40.6%	12 260	16 272	17 194	-0.8%	47.8%
Training and development	-	-	207	500	-	0.9%	176	189	946	23.7%	1.4%
Operating payments	-	-	625	276	-	1.1%	479	561	620	31.0%	1.5%
Venues and facilities	-	-	-	-	-	-	349	373	-	-	0.5%
Total	3 191	3 933	28 687	45 802	143.0%	100.0%	23 469	31 291	31 944	-11.3%	100.0%

Transfers and subsidies expenditure trends and estimates

Table 3.5 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 063 731	1 016 015	1 037 229	1 049 799	-0.4%	83.2%	1 151 122	1 220 638	1 293 652	7.2%	86.4%
Media Development and Diversity Agency	20 790	21 815	22 615	23 814	4.6%	1.8%	30 005	31 455	32 836	11.3%	2.2%
Brand South Africa	160 434	167 686	173 160	181 186	4.1%	13.6%	194 300	205 569	217 081	6.2%	14.6%
Government Communication and Information System	409 171	371 392	365 476	385 256	-2.0%	30.6%	404 750	431 267	460 456	6.1%	30.8%
Independent Communications Authority of South Africa	390 661	376 221	393 619	373 071	-1.5%	30.6%	430 383	455 345	480 845	8.8%	31.9%
Film and Publication Board	82 675	78 901	82 359	86 472	1.5%	6.6%	91 684	97 002	102 434	5.8%	6.9%
Public corporations and private enterprises											
Other transfers to public corporations											
Current	256 570	227 168	172 927	182 093	-10.8%	16.8%	173 766	187 421	199 016	3.0%	13.6%
South African Broadcasting Corporation: Channel Africa	44 673	47 413	49 640	52 271	5.4%	3.9%	54 885	58 068	61 320	5.5%	4.2%
South African Broadcasting Corporation: Public broadcaster	127 055	97 199	101 785	107 180	-5.5%	8.7%	105 947	115 669	123 246	4.8%	8.3%
South African Broadcasting Corporation: Community radio stations	8 842	9 373	9 804	10 324	5.3%	0.8%	-	-	-	-100.0%	0.2%
South African Broadcasting Corporation: Programme productions	-	11 183	11 698	12 318	-	0.7%	12 934	13 684	14 450	5.5%	1.0%
South African Broadcasting Corporation: Broadcasting digital migration	76 000	62 000	-	-	-100.0%	2.8%	-	-	-	-	-
Households											
Social benefits											
Current	-	-	49	57	-	-	-	-	-	-100.0%	-
Households	-	-	49	57	-	-	-	-	-	-100.0%	-
Total	1 320 301	1 243 183	1 210 205	1 231 949	-2.3%	100.0%	1 324 888	1 408 059	1 492 668	6.6%	100.0%

Personnel information

Table 3.6 Vote personnel numbers and cost by salary level and programme¹

Number of posts estimated for 31 March 2017		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 (%)	Average: Salary level/Total (%)					
		2015/16			2016/17			2017/18		2018/19		2019/20				2016/17 - 2019/20				
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost	Unit cost	
Communications		80	37	92	47.6	0.5	92	68.2	0.7	98	76.7	0.8	98	81.3	0.8	96	87.7	0.9	1.4%	100.0%
Salary level		80	37	92	47.6	0.5	92	68.2	0.7	98	76.7	0.8	98	81.3	0.8	96	87.7	0.9	1.4%	100.0%
1 – 6		12	16	25	3.7	0.1	25	5.8	0.2	27	6.8	0.3	27	7.3	0.3	20	5.7	0.3	-7.2%	25.8%
7 – 10		20	6	18	6.2	0.3	18	6.6	0.4	20	8.1	0.4	20	8.6	0.4	26	12.6	0.5	13.0%	21.9%
11 – 12		20	5	21	9.4	0.4	21	16.6	0.8	22	18.7	0.8	22	20.0	0.9	22	21.3	1.0	1.6%	22.7%
13 – 16		26	8	26	23.9	0.9	26	31.5	1.2	27	35.2	1.3	27	37.3	1.4	26	38.9	1.5	–	27.6%
Other		2	2	2	4.4	2.2	2	7.7	3.8	2	7.9	4.0	2	8.1	4.0	2	9.2	4.6	–	2.1%
Programme		80	37	92	47.6	0.5	92	68.2	0.7	98	76.7	0.8	98	81.3	0.8	96	87.7	0.9	1.4%	100.0%
Programme 1		57	21	53	29.3	0.6	53	43.6	0.8	59	50.2	0.9	59	53.2	0.9	66	61.8	0.9	7.6%	61.7%
Programme 2		10	–	8	3.8	0.5	8	5.7	0.7	8	6.1	0.8	8	6.5	0.8	10	8.2	0.8	7.7%	8.9%
Programme 3		8	14	25	11.0	0.4	25	14.6	0.6	25	15.7	0.6	25	16.5	0.7	14	12.3	0.9	-17.6%	23.2%
Programme 4		5	2	6	3.5	0.6	6	4.4	0.7	6	4.7	0.8	6	5.0	0.8	6	5.3	0.9	–	6.3%

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

2. Rand million.

Departmental receipts

Table 3.7 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2013/14	2014/15	2015/16					2016/17	2017/18	2018/19		
						2013/14 - 2016/17	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20
Departmental receipts	1 196 370	976 478	1 328 069	1 026 751	1 026 751	-5.0%	99.8%	1 036 565	1 104 310	1 154 004	4.0%	100.0%
Sales of goods and services produced by department	6	7	12	74	74	131.0%	–	82	88	92	7.5%	–
Sales by market establishments	–	–	5	62	62	–	–	68	73	76	7.0%	–
of which:												
Market Establishment: Rental parking (covered and open)	–	–	5	62	62	–	–	68	73	76	7.0%	–
Other sales	6	7	7	12	12	26.0%	–	14	15	16	10.1%	–
of which:												
Commission on insurance	6	7	7	12	12	26.0%	–	14	15	16	10.1%	–
Interest, dividends and rent on land	1 894	1 583	3 406	2 168	2 168	4.6%	0.2%	2 200	2 352	2 458	4.3%	0.2%
Interest	1 894	1 583	3 406	2 168	2 168	4.6%	0.2%	2 200	2 352	2 458	4.3%	0.2%
Transactions in financial assets and liabilities	1 194 470	974 888	1 324 651	1 024 509	1 024 509	-5.0%	99.6%	1 034 283	1 101 870	1 151 454	4.0%	99.8%
National Revenue Fund receipts	8 795	–	–	–	–	-100.0%	0.2%	–	–	–	–	–
of which:												
Independent Communications Authority of South Africa	8 795	–	–	–	–	-100.0%	0.2%	–	–	–	–	–
Total	1 205 165	976 478	1 328 069	1 026 751	1 026 751	-5.2%	100.0%	1 036 565	1 104 310	1 154 004	4.0%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 3.8 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million					2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
Ministry	–	12.0	12.0	9.7	–	23.9%	9.4	10.1	10.7	3.3%	15.1%
Departmental Management	0.8	0.9	28.7	25.2	213.3%	39.4%	30.5	31.7	36.7	13.3%	47.0%
Internal Audit	–	–	–	0.9	–	0.6%	0.8	0.8	2.5	41.6%	1.9%
Corporate Services	5.9	6.8	4.9	14.3	34.0%	22.6%	11.8	12.7	14.6	0.7%	20.2%
Financial Management	4.6	4.8	2.6	7.1	15.3%	13.5%	10.2	11.0	13.7	24.8%	15.9%
Total	11.4	24.4	48.2	57.1	71.3%	100.0%	62.8	66.3	78.1	11.0%	100.0%
Change to 2016 Budget estimate				12.0			8.9	6.8	14.3		
Economic classification	11.4	24.4	47.3	55.8	70.0%	98.4%	62.8	66.3	78.1	11.9%	99.5%
Current payments											
Compensation of employees	11.3	24.4	29.3	43.6	56.7%	77.0%	50.2	53.2	61.8	12.4%	79.0%
Goods and services ¹	–	–	18.0	12.3	668.4%	21.5%	12.6	13.1	16.3	10.0%	20.5%
of which:											
Audit costs: External	–	–	–	0.8	–	0.5%	0.7	0.7	0.8	1.2%	1.1%
Communication	–	–	1.1	1.2	252.3%	1.7%	0.8	0.8	1.1	-2.7%	1.5%
Legal services	–	–	0.6	1.5	–	1.5%	1.4	1.5	1.5	0.4%	2.2%
Fleet services (including government motor transport)	–	–	2.3	2.1	–	3.1%	1.5	1.6	2.2	2.1%	2.8%
Consumables: Stationery, printing and office supplies	–	–	0.4	0.3	–	0.5%	0.4	0.4	0.5	19.6%	0.6%
Travel and subsistence	–	–	11.7	5.1	–	11.9%	6.3	6.5	8.0	16.1%	9.8%
Payments for capital assets	–	–	0.8	1.3	445.7%	1.5%	–	–	–	-100.0%	0.5%
Machinery and equipment	–	–	0.8	1.3	445.7%	1.5%	–	–	–	-100.0%	0.5%
Total	11.4	24.4	48.2	57.1	71.3%	100.0%	62.8	66.3	78.1	11.0%	100.0%
Proportion of total programme expenditure to vote expenditure	0.8%	1.9%	3.7%	4.2%	–	–	4.4%	4.4%	4.8%	–	–

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

Programme 2: Communications Policy, Research and Development

Programme purpose

Conduct research and develop communications and broadcasting policies.

Objectives

- Improve universal access to broadcasting services by conducting research on the number of South African households with access to television and radio services by 31 March 2019.
- Broaden access to information to all citizens by conducting research on the number of South African households with access to information in order to develop appropriate media policies by 31 March 2019.
- Ensure the equitable allocation of broadcasting spectrum to public, private and community stakeholders by conducting research on broadcaster requirements and developing the appropriate casting spectrum policy by 31 March 2019.
- Promote socioeconomic development and investment by:
 - conducting research in order to assess South African and international stakeholder views on the reputation of South Africa by 31 March 2019
 - developing appropriate branding policies by 31 March 2019.

Subprogrammes

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

Expenditure trends and estimates

Table 3.9 Communications Policy, Research and Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million					2013/14 - 2016/17					2016/17 - 2019/20	
Broadcasting Policy	5.7	6.5	4.9	6.2	2.8%	93.7%	6.8	7.9	9.7	16.3%	80.4%
Media Policy	-	-	-	0.2	-	0.6%	0.2	0.2	0.2	17.9%	2.1%
Technology and Engineering Services	-	-	-	1.4	-	5.7%	1.5	1.8	1.9	11.2%	17.6%
Total	5.7	6.5	4.9	7.7	10.9%	100.0%	8.5	10.0	11.9	15.5%	100.0%
Change to 2016 Budget estimate				(0.7)			(1.3)	(1.9)	(0.8)		
Economic classification											
Current payments	5.6	6.5	4.3	7.7	11.5%	96.8%	8.5	10.5	11.9	15.5%	100.0%
Compensation of employees	4.6	5.4	3.8	5.7	7.3%	78.2%	6.1	6.5	8.2	13.1%	69.5%
Goods and services ¹	1.0	1.0	0.5	2.1	27.6%	18.6%	2.4	3.5	3.7	21.4%	30.5%
of which:											
Advertising	-	-	-	0.2	-	0.8%	0.3	0.3	0.3	14.8%	2.6%
Minor assets	-	-	-	-	-	0.2%	0.2	0.2	0.2	-	1.5%
Contractors	1.0	1.0	-	0.2	-42.6%	9.0%	0.1	0.1	0.1	-13.2%	1.4%
Travel and subsistence	-	-	0.3	1.0	-	4.9%	1.1	2.1	2.6	39.6%	17.9%
Operating payments	-	-	-	0.2	-	0.7%	0.2	0.2	0.2	-0.8%	1.7%
Venues and facilities	-	-	-	-	-	-	0.3	0.3	-	-	1.6%
Payments for capital assets	0.1	0.1	0.6	-	-100.0%	3.2%	-	-	-	-	-
Machinery and equipment	0.1	0.1	0.6	-	-100.0%	3.2%	-	-	-	-	-
Total	5.7	6.5	4.9	7.7	10.9%	100.0%	8.5	10.0	11.9	15.5%	100.0%
Proportion of total programme expenditure to vote expenditure	0.4%	0.5%	0.4%	0.6%	-	-	0.6%	0.7%	0.7%	-	-

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

Programme 3: Industry and Capacity Development

Programme purpose

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

Objectives

- Build a competitive communications industry through the implementation of targeted interventions to support the growth and development of the creative industries by 31 March 2019.
- Manage digital broadcasting migration through the registration of households, and the distribution and installation of various devices to ensure the successful migration from analogue to digital television in South Africa by September 2017.
- Conduct industry research and analysis to ensure evidence-based policy making through the provision of qualitative and quantitative analysis on an ongoing basis.
- Develop and implement structured programmes of intergovernmental and stakeholder engagement by hosting bilateral meetings with all spheres of government as well as statutory and non-statutory bodies in order to leverage support for the department's strategic priorities by 31 March 2018.

Subprogrammes

- *Enterprise Development* manages enterprise development; implements policy; manages and supports creative industries and media transformation; compiles skills profiles; and develops skills development programmes, including the development and implementation of broadcasting industry development strategies and plans.
- *Broadcasting Digital Migration* manages broadcasting digital migration with the aim of migrating from analogue to digital broadcasting, and plays an important role in creating and supporting small, medium and micro enterprises in the digital domain.

- *Industry Research and Analysis* manages industry research and analysis.
- *Intergovernmental Relations and Stakeholder Management* manages intergovernmental relations and stakeholder relations.

Expenditure trends and estimates

Table 3.10 Industry and Capacity Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million					2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
Enterprise Development	5.9	6.0	2.4	2.1	-29.5%	18.9%	3.0	3.3	3.5	19.1%	9.8%
Broadcasting Digital Migration	3.1	3.3	15.3	39.1	131.9%	70.4%	14.4	20.7	13.0	-30.7%	71.9%
Industry Research and Analysis	-	-	1.7	6.5	-	9.5%	2.9	3.1	3.4	-19.7%	13.1%
Inter-governmental Relations and Stakeholder Management	-	-	1.0	-	-	1.2%	1.9	2.1	2.2	-	5.2%
Total	9.0	9.3	20.4	47.7	74.2%	100.0%	22.3	29.2	22.1	-22.6%	100.0%
Change to 2016 Budget estimate				36.8			9.6	10.0	1.6		
Current payments	8.9	9.2	20.3	45.1	71.6%	96.7%	22.2	29.2	22.1	-21.2%	97.8%
Compensation of employees	7.0	7.1	11.0	14.6	27.8%	45.9%	15.7	16.5	12.3	-5.4%	48.7%
Goods and services ¹	2.0	2.1	9.3	30.6	150.3%	50.8%	6.6	12.6	9.8	-31.7%	49.1%
of which:											
Advertising	-	-	3.0	11.6	-	17.0%	-	2.0	-	-100.0%	11.2%
Communication	-	-	0.7	3.6	-	5.0%	0.2	0.4	0.4	-51.5%	3.8%
Fleet services (including government motor transport)	-	-	-	0.6	-	0.7%	0.4	1.0	1.1	22.4%	2.6%
Consumable supplies	-	-	-	-	-	0.1%	1.3	1.4	1.4	233.0%	3.4%
Consumables: Stationery, printing and office supplies	-	-	0.4	0.3	-	0.8%	0.4	0.6	0.6	36.3%	1.5%
Travel and subsistence	-	-	2.2	10.9	-	15.1%	3.7	6.6	5.5	-20.2%	22.0%
Transfers and subsidies ¹	-	-	-	0.1	-	0.1%	-	-	-	-100.0%	-
Households	-	-	-	0.1	-	0.1%	-	-	-	-100.0%	-
Payments for capital assets	0.1	0.1	0.1	2.5	205.1%	3.2%	-	-	-	-73.6%	2.2%
Machinery and equipment	0.1	0.1	0.1	2.5	205.1%	3.2%	-	-	-	-73.6%	2.2%
Total	9.0	9.3	20.4	47.7	74.2%	100.0%	22.3	29.2	22.1	-22.6%	100.0%
Proportion of total programme expenditure to vote expenditure	0.7%	0.7%	1.6%	3.5%	-	-	1.6%	1.9%	1.4%	-	-

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

Programme 4: Entity Oversight

Programme purpose

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

Objectives

- Ensure strategic alignment with departmental priorities by monitoring state-owned entities' implementation of communications and branding policies by 31 March 2018.
- Ensure strategic alignment with the department's priorities by issuing policy directives to the regulatory institutions as and when required.
- Ensure the viability and sustainability of state-owned entities by providing funding on an ongoing basis.

Subprogrammes

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

Expenditure trends and estimates

Table 3.11 Entity Oversight expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million					2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
Programme Management for Entity Oversight	–	–	2.6	2.6	–	0.1%	2.6	1.2	1.3	-20.7%	0.1%
Broadcasting and Community Media	279.4	252.7	196.9	208.6	-9.3%	18.7%	205.4	220.7	233.8	3.9%	15.8%
Communication and Branding	569.6	539.1	539.1	566.4	-0.2%	44.1%	599.5	638.9	679.7	6.3%	45.3%
Regulatory Institutions	473.3	455.1	476.0	459.5	-1.0%	37.1%	524.0	554.4	585.4	8.4%	38.7%
Total	1 322.4	1 246.9	1 214.6	1 237.2	-2.2%	100.0%	1 331.5	1 415.2	1 500.2	6.6%	100.0%
Change to 2016				(43.8)			(23.1)	(21.1)	(16.7)		
Budget estimate											
Economic classification											
Current payments	2.1	3.6	4.4	5.3	36.9%	0.3%	6.7	7.1	7.6	12.5%	0.5%
Compensation of employees	1.8	2.8	3.5	4.4	33.4%	0.2%	4.7	5.0	5.3	6.9%	0.4%
Goods and services ¹	0.2	0.8	0.9	0.9	61.2%	0.1%	2.0	2.1	2.2	33.6%	0.1%
of which:											
Communication	–	–	–	–	–	–	0.2	0.2	0.2	–	–
Consultants: Business and advisory services	–	–	–	–	–	–	–	0.3	0.3	–	–
Consumables: Stationery, printing and office supplies	–	–	–	0.1	–	–	0.3	0.3	0.3	47.4%	–
Operating leases	–	–	–	–	–	–	0.1	0.1	0.1	–	–
Travel and subsistence	0.2	0.8	0.3	0.7	48.6%	–	1.1	1.1	1.1	15.7%	0.1%
Training and development	–	–	–	0.1	–	–	0.1	0.1	0.1	5.7%	–
Transfers and subsidies¹	1 320.3	1 243.2	1 210.2	1 231.9	-2.3%	99.7%	1 324.9	1 408.1	1 492.7	6.6%	99.5%
Departmental agencies and accounts	1 063.7	1 016.0	1 037.2	1 049.8	-0.4%	83.0%	1 151.1	1 220.6	1 293.7	7.2%	86.0%
Public corporations and private enterprises	256.6	227.2	172.9	182.1	-10.8%	16.7%	173.8	187.4	199.0	3.0%	13.5%
Payments for capital assets	–	0.1	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	0.1	–	–	–	–	–	–	–	–	–
Total	1 322.4	1 246.9	1 214.6	1 237.2	-2.2%	100.0%	1 331.5	1 415.2	1 500.2	6.6%	100.0%
Proportion of total programme expenditure to vote expenditure	98.1%	96.9%	94.3%	91.7%	–	–	93.4%	93.1%	93.0%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 063.7	1 016.0	1 037.2	1 049.8	-0.4%	83.0%	1 151.1	1 220.6	1 293.7	7.2%	86.0%
Media Development and Diversity Agency	20.8	21.8	22.6	23.8	4.6%	1.8%	30.0	31.5	32.8	11.3%	2.2%
Brand South Africa	160.4	167.7	173.2	181.2	4.1%	13.6%	194.3	205.6	217.1	6.2%	14.6%
Government Communication and Information System	409.2	371.4	365.5	385.3	-2.0%	30.5%	404.8	431.3	460.5	6.1%	30.7%
Independent Communications Authority of South Africa	390.7	376.2	393.6	373.1	-1.5%	30.5%	430.4	455.3	480.8	8.8%	31.7%
Film and Publication Board	82.7	78.9	82.4	86.5	1.5%	6.6%	91.7	97.0	102.4	5.8%	6.9%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	256.6	227.2	172.9	182.1	-10.8%	16.7%	173.8	187.4	199.0	3.0%	13.5%
South African Broadcasting Corporation: Channel Africa	44.7	47.4	49.6	52.3	5.4%	3.9%	54.9	58.1	61.3	5.5%	4.1%
South African Broadcasting Corporation: Public broadcaster	127.1	97.2	101.8	107.2	-5.5%	8.6%	105.9	115.7	123.2	4.8%	8.2%
South African Broadcasting Corporation: Community radio stations	8.8	9.4	9.8	10.3	5.3%	0.8%	–	–	–	-100.0%	0.2%
South African Broadcasting Corporation: Programme productions	–	11.2	11.7	12.3	–	0.7%	12.9	13.7	14.5	5.5%	1.0%
South African Broadcasting Corporation: Broadcasting digital migration	76.0	62.0	–	–	-100.0%	2.7%	–	–	–	–	–

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies items by programme.

Other departments within the vote

Government Communication and Information System

Budget summary

R million	2017/18				2018/19	2019/20
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	154.3	153.9	–	0.3	163.4	173.1
Content Processing and Dissemination	140.4	140.0	–	0.4	149.3	159.8
Intergovernmental Coordination and Stakeholder Management	110.1	109.6	–	0.5	118.5	127.6
Total expenditure estimates	404.8	403.5	0.1	1.2	431.3	460.5

Executive authority: Minister of Communications
 Accounting officer: Director General of Government Communication and Information System
 Website address: www.gcis.gov.za

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

Department purpose

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

Mandate

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

Selected performance indicators

Table 3.12 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of cluster reports on perceptions on government delivery and performance reports issued per year	Content Processing and Dissemination	Outcome 14: A diverse, socially cohesive society with a common national identity	14	14	14	10	10	10	10
Number of copies of Vuk'uzenzele newspaper published per year	Content Processing and Dissemination		21 million	18.7 million	18.7 million	18.7 million	18.7 million	18.7 million	18.7 million
Number of radio advertisements and dramas produced per year	Content Processing and Dissemination		51	80	41	48	48	48	48
Number of video programmes produced per year	Content Processing and Dissemination		383	92	183	120	120	120	120
Number of requests for photographic coverage handled per year	Content Processing and Dissemination		819	884	564	500	500	500	500
Number of live broadcasts on community radio stations per year	Content Processing and Dissemination		70	80	66	54	54	54	54
Number of government and national events covered by video per year ¹	Content Processing and Dissemination		540	783	572	400	400	400	400
Number of graphic designs produced per year ¹	Content Processing and Dissemination		315	584	294	160	160	160	160
Number of requests for media briefings received from government departments per year	Intergovernmental Coordination and Stakeholder Management		22	100	21	21	100	100	100
Number of community and stakeholder liaison visits per year	Intergovernmental Coordination and Stakeholder Management		3 588	2 750	2 170	2 750	1 800	1 800	1 800
Number of development communication projects aligned with the government communication programme per year ¹	Intergovernmental Coordination and Stakeholder Management		2 184	2 184	1 920	2 184	1 200	1 200	1 200

Table 3.12 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of reports on rapid response facilitated per year ¹	Intergovernmental Coordination and Stakeholder Management	Outcome 14: A diverse, socially cohesive society with a common national identity	301	311	23	311	24	24	24
Number of marketing events per Thusong service centre per year	Intergovernmental Coordination and Stakeholder Management	Outcome 14: A diverse, socially cohesive society with a common national identity	484	484	580	484	486	486	486

1. Fluctuations in targets are due to these indicators being demand driven.

Expenditure analysis

The National Development Plan emphasises the need to unite all South Africans around a common goal, ensure citizens are active in their own development, and build a capable and developmental state. This goal is expressed in outcome 12 (an efficient, effective and development-oriented public service) and outcome 14 (a diverse, socially cohesive society with a common national identity) of government's 2014-2019 medium-term strategic framework. To support the realisation of these outcomes, the Government Communication and Information System will continue to focus on providing strategic communications, and facilitating active citizen participation over the medium term. The bulk of these activities, which include conducting research on government communication strategies and compiling communications products, such as the Vuk'uzenzele newspaper, are to be performed by the department's personnel. The department will spend 58.9 per cent of its total budget on compensation of employees towards 418 funded posts and projects over the medium term.

Providing strategic communications

The department provides information about government policies, plans, programmes and activities to the public. Over the medium term, the department plans to conduct 10 458 outreach programmes and publish 111 editions of communication products. This includes the production and distribution of 18.7 million copies of the Vuk'uzenzele newspaper in 11 official languages and 9 600 Braille copies each year over the medium term. Information published in Vuk'uzenzele focuses on key government priorities, such as issues affecting the youth, service delivery, rural development, and includes advertisements for government vacancies. The production and distribution of Vuk'uzenzele is funded in the *Products and Platforms* subprogramme, with a budget allocation of R80.9 million over the medium term.

The department aims to collect public opinion, research and analysis, and media coverage to understand the communications environment and to inform government messages. In 2015/16, the department produced 83 research advisory reports for various national departments and premiers' offices. These reports provide information that helps government communicators to develop communication strategies. In addition, 30 cluster reports will be produced over the medium term.

The department also plans to hold 14 strategic engagements with government communicators every year, to improve the coherence and alignment of government messages. These include four engagements with national government department heads of communication and 10 internal communicator forums to share best practices and content on government programmes. An amount of R287.1 million is allocated to compensation of employees in the *Intergovernmental Coordination and Stakeholder Management* programme over the medium term for this work, and R69 million is allocated for operational expenditure.

In addition, the department will provide media bulk-buying services, which are designed to reduce the cost to government on advertising; facilitate a rapid response mechanism to hasten government's response to issues arising in the media; and provide media production services to support other government departments. Over the medium term, the department expects to handle 1 820 requests each year for media production services, such as photographic, video and graphic design services. It aims to provide more than 2 000 communication services. These include advertisements, hosting of talk shows, compilation of voice-overs, and video and photographic services to client departments and public entities. These activities are budgeted for in the *Content Processing and Dissemination* programme, which has a total budget allocation of R449.5 million over the medium term.

Facilitating active citizen participation

The department plans to conduct 1 200 communication development projects and 1 800 community and stakeholder liaison visits per year. These initiatives will deliver information to more than 1 million people per month through community radio talk shows, community newspapers, and awareness campaigns at taxi ranks

and malls. An amount of R5.8 million is allocated mainly for communication development projects, R3.5 million for community and stakeholder liaison visits, and R2.1 million for Thusong service centres each year through the *Provincial and Local Liaison* subprogramme. The department expects to spend a further R1.6 million per year over the medium term in this subprogramme on the imbizos, which facilitates interactions between political principals and the public, and develops content for print and electronic communication products.

Expenditure trends

Table 3.13 Departmental expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. Content Processing and Dissemination														
3. Intergovernmental Coordination and Stakeholder Management														
Programme	Annual budget			Annual budget			Annual budget			Annual budget			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2013/14	Adjusted appropriation	Audited outcome	2014/15	Adjusted appropriation	Audited outcome	2015/16	Adjusted appropriation	Audited outcome	2016/17	Adjusted appropriation	Revised estimate	2013/14 - 2016/17	2013/14 - 2016/17
Programme 1	132.6	181.4	178.8	141.4	134.6	133.6	139.8	139.8	144.9	143.1	144.2	147.5	108.6%	100.8%
Programme 2	144.2	137.5	130.9	150.0	145.6	137.3	130.9	130.9	126.9	133.6	136.1	134.1	94.7%	96.2%
Programme 3	120.0	118.2	99.4	121.7	99.3	93.9	94.7	94.7	93.5	105.5	104.9	95.8	86.6%	91.7%
Total	396.7	437.2	409.2	413.1	379.5	364.9	365.5	365.5	365.2	382.2	385.3	377.4	97.4%	96.8%
Change to 2016 Budget estimate											3.1			
Economic classification														
Current payments	374.3	378.1	362.2	388.0	374.8	356.2	364.5	363.9	362.9	381.0	384.1	375.6	96.6%	97.1%
Compensation of employees	188.4	188.7	171.3	200.1	188.3	181.6	210.0	209.4	202.5	222.8	222.8	214.9	93.8%	95.2%
Goods and services	185.9	189.4	190.9	187.9	186.5	174.6	154.5	154.5	160.4	158.2	161.3	160.7	100.0%	99.3%
Transfers and subsidies	20.8	21.1	0.8	21.8	0.6	1.0	0.1	0.7	1.0	0.1	0.1	0.7	8.3%	15.7%
Departmental agencies and accounts	20.8	20.8	–	21.8	0.6	0.6	0.1	0.1	0.1	0.1	0.1	0.1	–	–
Households	–	0.3	0.8	–	–	0.4	–	0.6	1.0	–	–	0.6	–	276.1%
Payments for capital assets	1.6	38.0	46.0	3.3	4.0	7.6	0.9	0.9	1.2	1.1	1.1	1.1	812.0%	127.0%
Buildings and other fixed structures	–	36.1	26.2	–	–	0.5	–	–	0.1	–	–	–	–	74.2%
Machinery and equipment	1.3	1.6	19.7	3.0	3.8	7.1	0.7	0.7	1.1	0.9	0.9	0.9	489.8%	415.5%
Software and other intangible assets	0.3	0.3	–	0.3	0.3	–	0.2	0.2	–	0.3	0.3	0.3	25.3%	25.3%
Payments for financial assets	–	–	0.1	–	–	–	–	–	0.2	–	–	–	–	–
Total	396.7	437.2	409.2	413.1	379.5	364.9	365.5	365.5	365.2	382.2	385.3	377.4	97.4%	96.8%

Expenditure estimates

Table 3.14 Departmental expenditure estimates by programme and economic classification

Programmes									
1. Administration									
2. Content Processing and Dissemination									
3. Intergovernmental Coordination and Stakeholder Management									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
R million	2016/17	2013/14 - 2016/17	2013/14 - 2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	
Programme 1	147.5	-6.7%	39.9%	154.3	163.4	173.1	5.5%	38.1%	
Programme 2	134.1	-0.8%	34.9%	140.4	149.3	159.8	6.0%	34.9%	
Programme 3	95.8	-6.8%	25.2%	110.1	118.5	127.6	10.0%	27.0%	
Total	377.4	-4.8%	100.0%	404.8	431.3	460.5	6.9%	100.0%	
Change to 2016 Budget estimate				(1.1)	(1.1)	(1.3)			
Economic classification									
Current payments	375.6	-0.2%	96.1%	403.5	430.0	459.1	6.9%	99.7%	
Compensation of employees	214.9	4.4%	50.8%	236.8	254.0	273.3	8.3%	58.5%	
Goods and services	160.7	-5.3%	45.3%	166.7	176.0	185.8	4.9%	41.2%	
Transfers and subsidies	0.7	-67.8%	0.2%	0.1	0.1	0.1	-54.4%	0.1%	
Departmental agencies and accounts	0.1	-84.6%	0.0%	0.1	0.1	0.1	-4.1%	0.0%	
Households	0.6	25.4%	0.2%	–	–	–	-100.0%	0.0%	
Payments for capital assets	1.1	-69.2%	3.7%	1.2	1.2	1.3	6.0%	0.3%	
Machinery and equipment	0.9	-18.9%	1.9%	1.2	1.2	1.3	15.5%	0.3%	
Software and other intangible assets	0.3	-4.7%	0.0%	(0.0)	(0.0)	(0.0)	-115.9%	0.0%	
Total	377.4	-4.8%	100.0%	404.8	431.3	460.5	6.9%	100.0%	

Goods and services expenditure trends and estimates

Table 3.15 Departmental goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
Administrative fees	578	663	478	695	6.3%	0.4%	693	721	770	3.5%	0.4%
Advertising	12 257	7 827	5 078	4 058	-30.8%	4.3%	4 888	5 473	5 650	11.7%	2.9%
Minor assets	5 964	693	156	222	-66.6%	1.0%	84	89	97	-24.1%	0.1%
Audit costs: External	2 467	2 077	2 349	1 988	-6.9%	1.3%	2 030	2 129	2 251	4.2%	1.2%
Bursaries: Employees	302	350	460	416	11.3%	0.2%	450	478	506	6.7%	0.3%
Catering: Departmental activities	1 683	1 350	679	1 216	-10.3%	0.7%	931	1 057	1 122	-2.6%	0.6%
Communication	14 206	12 550	9 988	8 943	-14.3%	6.6%	9 129	9 371	9 939	3.6%	5.4%
Computer services	15 327	16 009	15 129	14 553	-1.7%	8.9%	14 738	15 561	16 445	4.2%	8.9%
Consultants: Business and advisory services	1 306	2 098	2 349	1 704	9.3%	1.1%	2 659	1 238	1 332	-7.9%	1.0%
Laboratory services	-	2	-	-	-	-	-	-	-	-	-
Legal services	591	945	740	475	-7.0%	0.4%	432	458	485	0.7%	0.3%
Contractors	8 558	5 571	3 895	3 512	-25.7%	3.1%	3 487	3 693	3 908	3.6%	2.1%
Agency and support/outourced services	8 130	6 323	3 460	5 425	-12.6%	3.4%	6 146	6 363	6 656	7.1%	3.6%
Fleet services (including government motor transport)	2 935	2 505	2 000	1 234	-25.1%	1.3%	1 299	1 369	1 448	5.5%	0.8%
Consumable supplies	1 502	986	709	731	-21.3%	0.6%	708	689	728	-0.1%	0.4%
Consumables: Stationery, printing and office supplies	3 882	6 164	3 118	3 664	-1.9%	2.4%	3 583	3 735	3 925	2.3%	2.2%
Operating leases	39 437	43 465	47 556	48 185	6.9%	26.0%	50 814	53 738	56 752	5.6%	30.4%
Rental and hiring	82	115	109	160	25.0%	0.1%	148	157	166	1.2%	0.1%
Property payments	6 888	6 543	8 799	6 045	-4.3%	4.1%	7 060	8 036	8 454	11.8%	4.3%
Travel and subsistence	19 465	20 577	21 137	17 680	-3.2%	11.5%	18 527	19 556	20 905	5.7%	11.1%
Training and development	2 486	1 692	827	1 814	-10.0%	1.0%	1 927	1 872	1 814	-	1.1%
Operating payments	41 225	35 808	30 833	38 246	-2.5%	21.3%	36 275	39 490	41 682	2.9%	22.6%
Venues and facilities	1 661	246	545	327	-41.8%	0.4%	660	702	735	31.0%	0.4%
Total	190 932	174 559	160 394	161 293	-5.5%	100.0%	166 668	175 975	185 770	4.8%	100.0%

Transfers and subsidies expenditure trends and estimates

Table 3.16 Departmental transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
Households											
Social benefits											
Current	789	413	963	-	-100.0%	74.9%	-	-	-	-	-
Employee social benefits	789	413	963	-	-100.0%	74.9%	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	47	568	56	56	6.0%	25.1%	60	63	67	6.2%	100.0%
Communication	47	39	56	56	6.0%	6.8%	60	63	67	6.2%	100.0%
Public Service Sector Education and Training Authority	-	529	-	-	-	18.3%	-	-	-	-	-
Total	836	981	1 019	56	-59.4%	100.0%	60	63	67	6.2%	100.0%

Personnel information

Table 3.17 Departmental personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Content Processing and Dissemination																			
3. Intergovernmental Coordination and Stakeholder Management																			
Number of posts estimated for 31 March 2017		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 (%)	Average: Salary level/Total (%)				
		2015/16			2016/17			2017/18		2018/19		2019/20				2016/17 - 2019/20			
Government Communication and Information System		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	441	33	434	202.5	0.5	437	214.9	0.5	427	236.8	0.6	420	254.0	0.6	418	273.3	0.7	-1.5%	100.0%
1 – 6	112	18	114	24.0	0.2	113	24.8	0.2	108	25.0	0.2	103	25.9	0.3	102	27.9	0.3	-3.4%	25.0%
7 – 10	201	10	196	78.0	0.4	196	81.9	0.4	192	90.3	0.5	190	96.9	0.5	190	104.9	0.6	-1.0%	45.1%
11 – 12	85	4	79	52.6	0.7	80	54.4	0.7	79	62.3	0.8	79	67.6	0.9	78	72.3	0.9	-0.8%	18.6%
13 – 16	43	1	45	47.8	1.1	48	53.8	1.1	48	59.2	1.2	48	63.6	1.3	48	68.2	1.4	-	11.3%
Programme	441	33	434	202.5	0.5	437	214.9	0.5	427	236.8	0.6	420	254.0	0.6	418	273.3	0.7	-1.5%	100.0%
Programme 1	137	17	137	59.5	0.4	137	60.7	0.4	135	69.2	0.5	129	73.0	0.6	127	77.8	0.6	-2.5%	31.0%
Programme 2	141	12	138	70.4	0.5	138	76.0	0.6	135	79.3	0.6	134	85.4	0.6	134	92.3	0.7	-1.0%	31.8%
Programme 3	163	4	159	72.6	0.5	162	78.2	0.5	157	88.4	0.6	157	95.6	0.6	157	103.1	0.7	-1.0%	37.2%

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

2. Rand million.

Departmental receipts

Table 3.18 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2013/14	2014/15	2015/16					2016/17	2017/18	2018/19		
Departmental receipts	794	747	4 203	926	4 019	71.7%	100.0%	1 146	1 200	1 236	-32.5%	100.0%
Sales of goods and services produced by department	225	379	3 537	257	3 357	146.2%	76.8%	291	303	313	-54.7%	56.1%
Sales by market establishments	140	146	141	145	145	1.2%	5.9%	150	155	160	3.3%	8.0%
of which:												
Market establishment: Rental parking (covered and open)	140	146	141	145	145	1.2%	5.9%	150	155	160	3.3%	8.0%
Other sales	85	233	3 396	112	3 212	235.6%	70.9%	141	148	153	-63.8%	48.1%
of which:												
Services rendered:												
Commission on insurance and garnishee	53	129	73	78	78	13.7%	3.4%	88	92	95	6.8%	4.6%
Sales: Departmental publications and production	32	104	3 323	34	3 134	360.9%	67.5%	53	56	58	-73.5%	43.4%
Sales of scrap, waste, arms and other used current goods	-	2	1	2	2	-	0.1%	2	2	2	-	0.1%
of which:												
Sales: Waste paper	-	2	1	2	2	-	0.1%	2	2	2	-	0.1%
Interest, dividends and rent on land	79	105	224	264	264	49.5%	6.9%	265	278	286	2.7%	14.4%
Interest	79	105	224	264	264	49.5%	6.9%	265	278	286	2.7%	14.4%
Sales of capital assets	-	-	-	7	-	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	490	261	441	396	396	-6.9%	16.3%	588	617	635	17.0%	29.4%
Total	794	747	4 203	926	4 019	71.7%	100.0%	1 146	1 200	1 236	-32.5%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 3.19 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million					2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
Departmental Management	6.4	5.4	6.5	7.2	4.0%	4.2%	7.7	8.2	8.8	7.0%	5.0%
Corporate Services	48.4	49.1	50.8	50.1	1.1%	33.0%	52.9	56.2	59.8	6.1%	34.5%
Financial Administration	75.2	26.6	29.8	30.7	-25.8%	27.0%	34.2	36.0	37.8	7.2%	21.8%
Internal Audit	6.9	7.0	7.7	7.6	3.4%	4.9%	7.8	8.2	8.8	4.9%	5.1%
Office Accommodation	41.9	45.5	50.1	48.6	5.0%	30.9%	51.8	54.8	57.8	6.0%	33.5%
Total	178.8	133.6	144.9	144.2	-6.9%	100.0%	154.3	163.4	173.1	6.3%	100.0%
Change to 2016 Budget estimate				1.2			2.6	1.9	1.1		
Economic classification											
Current payments	134.2	128.2	144.0	143.7	2.3%	91.4%	153.9	162.8	172.5	6.3%	99.7%
Compensation of employees	49.7	51.0	59.5	64.1	8.9%	37.3%	69.2	73.0	77.8	6.7%	44.7%
Goods and services ¹	84.5	77.2	84.5	79.6	-2.0%	54.2%	84.8	89.9	94.7	6.0%	54.9%
of which:											
Computer services	11.9	9.1	12.1	11.1	-2.3%	7.3%	11.8	12.5	13.2	5.9%	7.7%
Contractors	2.8	2.4	2.5	2.0	-9.8%	1.6%	2.1	2.2	2.4	5.4%	1.4%
Operating leases	38.3	42.8	46.7	47.2	7.1%	29.1%	49.7	52.6	55.6	5.6%	32.3%
Property payments	6.8	6.5	8.7	5.9	-4.3%	4.6%	6.9	7.9	8.3	11.9%	4.6%
Travel and subsistence	4.0	3.3	3.7	2.2	-17.8%	2.2%	2.6	3.0	3.2	12.5%	1.7%
Operating payments	2.5	2.6	3.0	2.6	1.4%	1.8%	3.2	3.0	3.2	7.1%	1.9%
Transfers and subsidies¹	0.3	0.8	0.2	-	-47.5%	0.2%	-	0.1	0.1	6.4%	-
Departmental agencies and accounts	-	0.6	-	-	5.0%	0.1%	-	0.1	0.1	6.4%	-
Households	0.3	0.3	0.1	-	-100.0%	0.1%	-	-	-	-	-
Payments for capital assets	44.3	4.6	0.7	0.5	-77.1%	8.3%	0.3	0.5	0.5	1.1%	0.3%
Buildings and other fixed structures	26.2	0.5	0.1	-	-100.0%	4.5%	-	-	-	-	-
Machinery and equipment	18.1	4.1	0.6	0.5	-70.0%	3.9%	0.3	0.5	0.5	3.7%	0.3%
Total	178.8	133.6	144.9	144.2	-6.9%	100.0%	154.3	163.4	173.1	6.3%	100.0%
Proportion of total programme expenditure to vote expenditure	43.7%	36.6%	39.7%	37.4%	-	-	38.1%	37.9%	37.6%	-	-

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

Programme 2: Content Processing and Dissemination

Programme purpose

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

Objectives

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

Subprogrammes

- *Programme Management for Content Processing and Dissemination* coordinates strategic planning for communications in the department and other government departments, and ensures adherence to government communications standards.
- *Policy and Research* conducts research through independent service providers to assess how government should address the public's information needs; monitors media coverage of issues affecting government and the country; provides analyses on how the media interprets government policies and programmes; formulates policy proposals where they are required; and assesses public perceptions in relation to government performance.
- *Products and Platforms* develops content for the department; provides language services for products that require translation, editing and proofreading; manages the development of the websites of national and provincial government departments; produces government publications; and develops the national communications strategy.
- *Communications Service Agency* provides media bulk buying services and media production services to all spheres of government; develops distribution strategies for all government communications; oversees the outsourcing of distribution services to service providers; manages government's corporate identity; and provides marketing services for the department and other government departments.

Expenditure trends and estimates

Table 3.20 Content Processing and Dissemination expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million											
Programme Management for Content Processing and Dissemination	2.5	3.4	3.0	3.4	11.2%	2.3%	3.6	3.9	4.2	7.0%	2.6%
Policy and Research	28.3	29.8	29.6	32.9	5.2%	22.7%	35.0	36.8	39.4	6.2%	24.6%
Products and Platforms	47.5	49.0	42.4	49.5	1.4%	35.5%	48.9	53.4	57.1	4.9%	35.7%
Communication Service Agency	52.7	55.1	51.9	50.3	-1.5%	39.5%	52.9	55.2	59.1	5.5%	37.1%
Total	130.9	137.3	126.9	136.1	1.3%	100.0%	140.4	149.3	159.8	5.5%	100.0%
Change to 2016 Budget estimate				2.5			(1.5)	(1.5)	(1.2)		
Economic classification											
Current payments	129.2	134.9	126.0	135.6	1.6%	99.0%	140.0	148.8	159.2	5.5%	99.7%
Compensation of employees	56.6	62.4	70.4	74.3	9.5%	49.6%	79.3	85.4	92.3	7.5%	56.6%
Goods and services ¹	72.7	72.4	55.6	61.3	-5.5%	49.3%	60.7	63.4	66.9	3.0%	43.1%
of which:											
Advertising	6.7	5.5	3.8	2.5	-27.6%	3.5%	3.0	3.2	3.3	8.9%	2.1%
Communication	5.6	5.7	3.5	3.0	-19.2%	3.4%	3.0	3.1	3.3	3.5%	2.1%
Computer services	3.4	6.9	3.1	3.4	-	3.2%	2.9	3.1	3.2	-1.9%	2.2%
Agency and support/outourced services	7.9	6.3	3.4	5.3	-12.8%	4.3%	6.0	6.2	6.5	7.3%	4.1%
Travel and subsistence	7.2	8.9	9.5	7.8	2.5%	6.3%	8.3	8.4	9.0	4.9%	5.7%
Operating payments	35.9	31.1	26.7	34.3	-1.5%	24.1%	31.7	35.0	36.9	2.5%	23.6%
Transfers and subsidies¹	0.2	0.1	0.6	-	-100.0%	0.2%	-	-	-	-	-
Households	0.2	0.1	0.6	-	-100.0%	0.2%	-	-	-	-	-
Payments for capital assets	1.4	2.4	0.2	0.5	-28.9%	0.8%	0.4	0.5	0.6	3.9%	0.3%
Machinery and equipment	1.4	2.4	0.2	0.3	-40.9%	0.8%	0.4	0.5	0.6	25.0%	0.3%
Software and other intangible assets	-	-	-	0.2	-	-	-	-	-	-116.8%	-
Payments for financial assets	0.1	-	-	-	-100.0%	-	-	-	-	-	-
Total	130.9	137.3	126.9	136.1	1.3%	100.0%	140.4	149.3	159.8	5.5%	100.0%
Proportion of total programme expenditure to vote expenditure	32.0%	37.6%	34.7%	35.3%	-	-	34.7%	34.6%	34.7%	-	-

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

Programme 3: Intergovernmental Coordination and Stakeholder Management

Programme purpose

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

Objectives

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

Subprogrammes

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

Expenditure trends and estimates

Table 3.21 Intergovernmental Coordination and Stakeholder Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2013/14 - 2016/17	2017/18		
R million											
Programme Management for Intergovernmental Coordination and Stakeholder Management	2.5	2.7	2.9	3.1	7.0%	2.8%	3.3	3.5	3.7	7.0%	2.9%
Provincial and Local Liaison	71.9	70.0	68.0	73.3	0.6%	72.3%	77.1	82.4	88.7	6.6%	69.7%
Media Engagement	12.9	12.8	13.2	13.2	0.8%	13.3%	13.3	15.0	16.2	7.1%	12.5%
Cluster Supervision (Human Development, Social Protection and Governance and Administration)	8.4	4.6	5.5	8.2	-0.9%	6.8%	8.7	9.4	10.0	7.0%	7.9%
Cluster Supervision (Economic and Infrastructure, Justice and International)	3.7	3.8	3.9	7.2	25.2%	4.7%	7.7	8.2	8.9	7.2%	6.9%
Total	99.4	93.9	93.5	104.9	1.8%	100.0%	110.1	118.5	127.6	6.7%	100.0%
Change to 2016 Budget estimate				(0.6)			(2.2)	(1.6)	(1.2)		

Table 3.21 Intergovernmental Coordination and Stakeholder Management expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million					2013/14 - 2016/17					2016/17 - 2019/20	
Current payments	98.8	93.2	92.8	104.8	2.0%	99.5%	109.6	118.3	127.3	6.7%	99.8%
Compensation of employees	65.0	68.3	72.6	84.4	9.1%	74.1%	88.4	95.6	103.1	6.9%	80.6%
Goods and services ¹	33.7	24.9	20.2	20.5	-15.4%	25.4%	21.2	22.7	24.2	5.7%	19.2%
of which:											
Advertising	4.8	1.7	0.8	1.0	-40.7%	2.1%	1.3	1.6	1.7	19.0%	1.2%
Communication	5.7	4.9	4.9	4.7	-6.4%	5.1%	5.0	5.2	5.5	5.7%	4.4%
Contractors	4.9	2.1	1.2	1.2	-37.1%	2.4%	1.1	1.2	1.2	0.6%	1.0%
Fleet services (including government motor transport)	2.7	2.3	1.8	1.0	-26.9%	2.0%	1.1	1.2	1.2	5.7%	1.0%
Travel and subsistence	8.2	8.4	7.9	7.7	-2.3%	8.2%	7.6	8.1	8.7	4.5%	7.0%
Operating payments	2.8	2.1	1.2	1.3	-22.7%	1.9%	1.4	1.5	1.6	6.0%	1.3%
Transfers and subsidies¹	0.3	-	0.3	-	-65.2%	0.2%	-	-	-	5.3%	-
Households	0.3	-	0.3	-	-100.0%	0.2%	-	-	-	-	-
Payments for capital assets	0.3	0.7	0.3	0.1	-33.3%	0.3%	0.5	0.2	0.2	38.8%	0.2%
Machinery and equipment	0.3	0.7	0.3	0.1	-33.3%	0.3%	0.5	0.2	0.2	38.8%	0.2%
Payments for financial assets	0.1	-	0.1	-	-100.0%	-	-	-	-	-	-
Total	99.4	93.9	93.5	104.9	1.8%	100.0%	110.1	118.5	127.6	6.7%	100.0%
Proportion of total programme expenditure to vote expenditure	24.3%	25.7%	25.6%	27.2%	-	-	27.2%	27.5%	27.7%	-	-

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

Entities¹

Independent Communications Authority of South Africa

Mandate

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

Selected performance indicators

Table 3.22 Independent Communications Authority of South Africa performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16		2016/17	2017/18	2018/19
Number of community radio broadcasters per year	Licensing	Outcome 14: A diverse, socially cohesive society with a common national identity	- ¹	40	279	279	285	301	301
Number of channel authorisations per year	Licensing		- ¹	12	633	673	650	700	753
Number of electronic communications services per year	Licensing		- ¹	77	475	492	500	550	595
Number of electronic communications network services per year	Licensing		- ¹	75	546	596	636	666	666
Number of new spectrum licences issued per year	Licensing		- ¹	2 972	5 022	7 072	9 172	12 275	12 272
Number of community television licences issued per year	Licensing		- ¹	- ¹	5	11	11	27	27

1. No historical data available.

Expenditure analysis

Over the medium term, the Independent Communications Authority of South Africa will continue to focus on increasing access to meet the high demand for wireless broadband services; protecting consumers against harmful practices employed by operators in the use of premium rated services; increasing competition in the broadcasting sector; and developing a regulatory framework for dynamic spectrum management. The authority contributes to outcome 14 (a diverse, socially cohesive society with a common national identity) of government's 2014-2019 medium-term strategic framework, and indirectly to outcome 6 (an efficient, competitive and responsive economic infrastructure network) and outcome 12 (an efficient, effective and development-oriented public service).

¹ This section has been compiled with the latest available information from the entities concerned.

The authority seeks to increase access to high-demand spectrum from the current 566.69MHz to 958MHz in 2019/20. Access to this spectrum will enable the rollout of wireless broadband infrastructure by licensees. In 2017/18, the authority will make an additional 240MHz of broadband spectrum available to licensees for the provision of broadband services.

The authority seeks to protect consumers from harmful practices employed by the operators in the use of premium-rated information and entertainment services. This will be achieved by finalising regulations on premium-rated services in 2017/18.

The authority, in a bid to increase competition in the telecommunications sector, plans to review the number of portability regulations available over the medium term, which allow cell phone number porting for all telecommunication service users. These activities are funded through the policy research and analysis programme, which has an allocation of R53.5 million over the medium term. The authority also plans to license an additional radio broadcaster in Northern Cape in 2017/18 and establish offices in North West and Northern Cape to expand its national footprint and increase competition in the commercial broadcasting sector, at a cost of R801.2 million over the medium term. Priority will also be given to finalising plans for relocation of the authority head office when the current lease expires in October 2017. As these processes are administered and managed by the authority's personnel, compensation of employees is expected to be the main driver of expenditure, accounting for an estimated 58.8 per cent of the total budget. These activities are funded through the licensing programme, which is allocated R162.3 million over the medium term.

The authority aims to increase the range of mobile network coverage by 15 per cent and to extend network measurements to include data, and not just voice calls. This will contribute to improving the quality of communications in South Africa and facilitate effective competition in the ICT sector by the end of 2019/20. The authority will receive inputs from the 5G Forum global network for making contributions to the International Telecommunications Union by the end of 2019/20 and update the national radio frequency plan and the radio frequency migration strategy through the engineering and technology programme, which has an allocation of R51.8 million over the medium term.

In 2016, the authority issued service licences to monitor the equitable coverage of political parties during the local government elections. Over the medium term, the authority will develop several regulatory frameworks aimed at regulating dynamic and opportunistic spectrum management, V-band and E-band spectrums, and exemptions for resellers of electronic communications network services. These activities will be funded through the compliance and consumer affairs programme, which has an allocation of R83.3 million over the medium term.

The authority intends to manage the cost of living adjustments for spending on compensation of employees and to keep it below 10 per cent over the medium term, to bring salaries in line with other entities within the department and the ICT sector at large. As a result, expenditure on compensation of employees is set to increase at an average annual rate of 4 per cent from R257.3 million in 2017/18 to R287.8 million in 2019/20.

The authority's main source of funding is through transfers of R1.4 billion over the medium term from the Department of Communications. Revenue is expected to increase from R441.4 million in 2017/18 to R493.1 million in 2019/20.

Programmes/objectives/activities

Table 3.23 Independent Communications Authority of South Africa expenditure trends and estimates by programme/objective/activity

R million	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
Administration	226.9	212.9	295.0	310.5	11.0%	69.7%	329.8	349.2	360.8	5.1%	74.8%	
Licensing	29.4	38.6	42.7	48.1	17.8%	10.6%	51.1	54.1	57.1	5.9%	11.7%	
Engineering and technology	36.0	45.7	11.8	15.4	-24.7%	7.6%	16.3	17.3	18.2	5.9%	3.7%	
Policy research and analysis	27.4	33.2	15.4	15.8	-16.7%	6.3%	16.8	17.8	18.8	5.9%	3.8%	
Compliance and consumer affairs	19.7	22.5	20.0	24.7	7.9%	5.8%	26.2	27.8	29.3	5.9%	6.0%	
Total	339.4	352.9	384.8	414.5	6.9%	100.0%	440.2	466.2	484.3	5.3%	100.0%	

Statements of historical financial performance and position

Table 3.24 Independent Communications Authority of South Africa statements of historical financial performance and position

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	2013/14		2014/15		2015/16		2016/17		2013/14 - 2016/17
Revenue									
Non-tax revenue	4.7	23.2	5.5	14.4	10.0	22.1	10.5	11.0	230.0%
<i>of which:</i>									
Other non-tax revenue	4.7	23.2	5.5	14.4	10.0	22.1	10.5	11.0	230.1%
Transfers received	390.7	360.8	376.2	386.7	393.6	418.8	415.0	414.5	100.3%
Total revenue	395.4	384.0	381.7	401.0	403.6	440.9	425.5	425.5	102.8%
Expenses									
Current expenses	395.4	339.4	384.1	352.9	392.3	384.8	414.5	414.5	94.0%
Compensation of employees	206.1	204.2	232.0	236.0	253.7	229.1	242.3	242.3	97.6%
Goods and services	173.2	120.8	133.3	101.8	120.6	140.3	155.7	155.7	89.0%
Depreciation	16.1	14.4	18.8	15.2	18.0	15.5	16.5	16.5	88.7%
Total expenses	395.4	339.4	384.1	352.9	392.3	384.8	414.5	414.5	94.0%
Surplus/(Deficit)	-	45.0	(2.0)	48.0	11.0	56.0	11.0	11.0	
Statement of financial position									
Carrying value of assets	210.4	108.5	208.0	109.3	203.0	120.9	197.3	197.3	65.5%
<i>of which:</i>									
Acquisition of assets	(47.0)	(22.1)	(31.4)	(25.9)	(9.3)	(28.2)	(9.8)	(9.8)	88.2%
Inventory	-	0.6	0.5	0.5	0.6	0.6	0.6	0.6	135.0%
Receivables and prepayments	14.4	729.8	8.1	754.7	8.3	756.0	8.6	8.6	5 708.6%
Cash and cash equivalents	25.5	321.6	23.0	574.6	23.5	711.2	23.5	23.5	1 707.7%
Total assets	250.3	1 160.5	239.6	1 439.2	235.4	1 588.7	230.0	230.0	462.5%
Accumulated surplus/(deficit)	215.4	178.8	207.0	227.4	198.9	282.5	190.6	190.6	108.3%
Capital reserve fund	-	85.9	-	93.3	-	-	-	-	-
Finance lease	0.7	0.5	0.3	0.3	2.3	-	1.4	1.4	46.8%
Trade and other payables	34.2	29.4	4.0	24.4	4.5	1 285.1	5.0	5.0	2 817.5%
Provisions	-	31.4	28.3	2.6	29.7	21.1	33.0	33.0	96.8%
Managed funds (e.g. poverty alleviation fund)	-	834.6	-	1 091.1	-	-	-	-	-
Total equity and liabilities	250.3	1 160.5	239.6	1 439.2	235.4	1 588.7	230.0	230.0	462.5%

Statements of estimates of financial performance and position

Table 3.25 Independent Communications Authority of South Africa statements of estimates of financial performance and position

Statement of financial performance									
R million	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
	2016/17	2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20		
Revenue									
Non-tax revenue	11.0	-22.0%	4.3%	11.0	11.6	12.3	3.8%	2.5%	
Other non-tax revenue	11.0	-22.0%	4.3%	11.0	11.6	12.3	3.8%	2.5%	
Transfers received	414.5	4.7%	95.7%	430.4	455.3	480.8	5.1%	97.5%	
Total revenue	425.5	3.5%	100.0%	441.4	467.0	493.1	5.0%	100.0%	
Expenses									
Current expenses	414.5	6.9%	100.0%	440.2	466.2	484.3	5.3%	118.6%	
Compensation of employees	242.3	5.9%	61.3%	257.3	272.5	287.8	5.9%	58.7%	
Goods and services	155.7	8.8%	34.6%	165.3	175.1	176.9	4.3%	37.3%	
Depreciation	16.5	4.7%	4.1%	17.5	18.6	19.6	5.9%	4.0%	
Total expenses	414.5	6.9%	100.0%	440.2	466.2	484.3	5.3%	100.0%	
Surplus/(Deficit)	11.0	-		1.0	-	9.0	-6.5%		
Statement of financial position									
Carrying value of assets	197.3	22.1%	27.6%	209.1	221.3	233.7	5.8%	85.8%	
<i>of which:</i>									
Acquisition of assets	(9.8)	-23.7%	-2.4%	(10.4)	(11.0)	(11.6)	5.7%	-4.3%	
Inventory	0.6	-1.3%	0.1%	0.6	0.6	0.7	5.5%	0.2%	
Receivables and prepayments	8.6	-77.2%	41.7%	9.1	9.6	10.1	5.5%	3.7%	
Cash and cash equivalents	23.5	-58.2%	30.7%	24.9	26.4	27.9	5.9%	10.2%	
Total assets	230.0	-41.7%	100.0%	243.8	257.9	272.3	5.8%	100.0%	
Accumulated surplus/(deficit)	190.6	2.2%	33.0%	202.0	213.7	225.7	5.8%	82.9%	
Finance lease	1.4	45.4%	0.2%	1.5	1.6	1.7	5.7%	0.6%	
Trade and other payables	5.0	-44.6%	21.8%	5.3	5.6	5.9	5.8%	2.2%	
Provisions	33.0	1.7%	4.6%	35.0	37.0	39.1	5.8%	14.4%	
Total equity and liabilities	230.0	-41.7%	100.0%	243.8	257.9	272.3	5.8%	100.0%	

Personnel information

Table 3.26 Independent Communications Authority of South Africa personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017		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 (%)	Average: Salary level/Total (%)				
		2015/16		2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number		Cost			Unit cost			
Independent Communications Authority of South Africa	387	389	360	229.1	0.6	442	242.3	0.5	426	257.3	0.6	427	272.5	0.6	437	287.8	0.7	5.9%	100.0%
Salary level																			
1 – 6	4	4	4	0.6	0.1	18	2.4	0.1	33	4.5	0.1	34	4.9	0.1	34	5.2	0.2	30.1%	6.9%
7 – 10	282	284	260	117.7	0.5	323	135.1	0.4	292	141.6	0.5	292	149.7	0.5	302	158.1	0.5	5.4%	69.8%
11 – 12	71	71	69	56.6	0.8	71	62.2	0.9	71	66.0	0.9	71	69.9	1.0	71	73.9	1.0	5.9%	16.4%
13 – 16	29	29	26	51.8	2.0	29	40.0	1.4	29	42.4	1.5	29	45.0	1.6	29	47.5	1.6	5.9%	6.7%
17 – 22	1	1	1	2.5	2.5	1	2.6	2.6	1	2.8	2.8	1	3.0	3.0	1	3.1	3.1	5.9%	0.2%

1. Rand million.

South African Broadcasting Corporation

Mandate

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

Selected performance indicators

Table 3.27 South African Broadcasting Corporation performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Percentage of television audience share achieved per year	Local content delivery: Television	Outcome 12: An efficient, effective and development-oriented public service	53%	51%	52%	50%	50%	50%	50%
Percentage of radio share achieved per year	Local content delivery: Radio		67%	69%	70%	70%	70%	70%	70%
Number of new/additional programmes broadcast with sign language per year	Local content delivery: Television		- ¹	2	3	3	6	12	12
Number of companies controlled/owned by people with disabilities from which content was procured per year	Local content delivery: Television		- ¹	3	3	2	4	6	6
Number of provincial programmes and inserts broadcast per year	Local content delivery: Television		- ¹	26	26	100 ²	200 ²	200	200

1. No historical data available.

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

Expenditure analysis

The South African Broadcasting Corporation's spending focus over the medium term will be on improving the quality, diversity and accessibility of content; supporting digital migration; and retaining sports broadcasting rights for production. The work of the corporation contributes to outcome 12 (an efficient, effective and development-oriented public service) and outcome 14 (a diverse, socially cohesive society with a common national identity) of government's 2014-2019 medium-term strategic framework.

The corporation will continue to produce news and current affairs content that is editorially independent, credible, relevant and informative. The corporation will fund this activity from transfers from the department of R560 million over the medium term. The corporation projects to spend R174 million on Channel Africa's operations and broadcasts in Southern Africa, East Africa and West Africa in English, French, Chinyanja, Portuguese, Silozi and Swahili, and R345 million over the same period to produce educational programmes on all channels.

Digital migration is a way of increasing the volume and quality of content. The corporation will source new content from new producers and producers who operate outside of major urban areas. Expenditure is projected to increase at an average annual rate of 5.4 per cent over the medium term, from R9.9 billion to R11.5 billion. This is mainly driven by spending on compensation of employees increasing at an average rate of 7.8 per cent or R701.1 million, to improve capacity in the technology departments; and spending on goods and services increasing at an average rate of 8.5 per cent or R1.5 million, for broadcasting sports of national interest, digital terrestrial migration and technology upgrades. The corporation expects to make its content freely accessible on the internet, as part of the preparations for digital migration, with the goal of maintaining audience share for all

five television channels at 50 per cent. The corporation also aims to maintain its radio audience share at 70 per cent over the medium term.

The corporation is planning to implement strategies that lay the groundwork for the launch of new channels on digital terrestrial television. Implementing the strategies is expected to increase capital expenditure from R321 million in 2015/16 to R958 million in 2018/19. Replacing and upgrading studios to become compatible, ahead of the launch of digital terrestrial television, is expected to increase spending on television outside broadcasting to R155 million, Henley Broadcasting Studios to R387 million, radio broadcast facilities to R174 million, and information technology to R243 million.

Spending on sports broadcasting rights is projected at R1.7 billion over the medium term to focus on ensuring the development and maintenance of an innovative, sustainable content portfolio; entrance into long term rights contracts with federations; and maximisation of revenue. Developing, maintaining and prioritising relationships with sporting federations are essential to building sustainability in content delivery. In addition, the corporation has committed to developing an appealing cross platform brand strategy over the medium term to enhance the brand, increase revenue and generate new audiences for sporting events.

The corporation expects to generate 96 per cent of its revenue over the medium term from license fees, commercial revenue from advertising, programme and sports sponsorships across television, radio and online platforms; 1.8 per cent from transfers from the department; and 2.2 per cent from other sources, such as interest, dividends and rent on land. Revenue is expected to grow steadily from R9.3 billion in 2016/17 to R11.4 billion in 2019/20.

Programmes/objectives/activities

Table 3.28 South African Broadcasting Corporation expenditure trends and estimates by programme/objective/activity

R million	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2013/14	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
Administration	1 253.2	1 285.0	1 845.3	1 724.6	11.2%	19.0%	1 854.6	1 994.8	2 145.6	7.6%	18.7%	
Local content delivery: Television	2 382.5	2 604.4	2 729.3	3 363.1	12.2%	34.6%	3 508.2	3 678.2	4 111.7	6.9%	35.5%	
Local content delivery: Radio	768.2	990.5	1 098.2	1 223.7	16.8%	12.7%	1 316.0	1 425.3	1 533.1	7.8%	13.3%	
Universal access transmitter rollout news	688.8	804.0	875.8	943.6	11.1%	10.4%	1 014.2	1 121.6	1 206.4	8.5%	10.4%	
Sports of national interest and mandate	581.7	811.8	885.4	751.7	8.9%	9.5%	808.4	872.3	938.3	7.7%	8.2%	
Digital terrestrial migration and technology	1 020.0	1 009.1	1 135.7	1 255.4	7.2%	13.9%	1 383.8	1 491.2	1 604.0	8.5%	13.9%	
Total	6 694.4	7 504.8	8 569.7	9 262.1	11.4%	100.0%	9 885.2	10 583.5	11 539.0	7.6%	100.0%	

Statements of historical financial performance and position

Table 3.29 South African Broadcasting Corporation statements of historical financial performance and position

Statement of financial performance									
R million	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/Budget (%)
	2013/14	2014/15	2015/16	2016/17	2013/14	2014/15	2015/16	2016/17	
Revenue									
Non-tax revenue	6 120.3	6 525.6	7 023.1	7 438.8	8 266.5	7 955.6	8 886.3	9 032.4	102.2%
Sale of goods and services other than capital assets	6 087.7	6 460.6	6 969.2	6 873.1	7 341.6	7 297.5	7 925.6	8 317.8	102.2%
<i>of which:</i>									
Administrative fees	985.8	935.1	1 106.7	986.2	1 040.7	986.4	1 150.0	1 147.0	94.7%
Sales by market establishment	5 101.9	5 525.5	5 862.5	5 886.8	6 300.8	6 311.1	6 775.6	7 170.8	103.5%
Other non-tax revenue	32.6	65.0	53.9	565.8	924.9	658.2	960.7	714.7	101.6%
Transfers received	536.6	820.7	744.4	203.9	194.7	212.1	194.7	233.0	88.0%
Total revenue	6 656.9	7 346.3	7 767.5	7 642.7	8 461.1	8 167.8	9 081.0	9 265.5	101.4%

Table 3.29 South African Broadcasting Corporation statements of historical financial performance and position

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	2013/14		2014/15		2015/16		2016/17		2013/14 - 2016/17
Expenses									
Current expenses	6 908.9	6 796.6	7 806.5	7 916.7	8 367.8	8 724.2	8 959.8	9 255.7	102.0%
Compensation of employees	1 455.4	2 073.8	2 320.6	2 928.4	2 676.0	3 264.8	2 917.6	2 999.8	120.2%
Goods and services	5 046.9	4 291.6	5 145.8	4 742.2	5 407.0	5 203.6	5 758.3	6 005.3	94.8%
Depreciation	318.8	398.1	325.0	211.1	270.1	201.6	268.3	237.5	88.7%
Interest, dividends and rent on land	87.8	33.1	15.2	35.1	14.6	54.2	15.6	13.1	101.8%
Transfers and subsidies	4.4	80.4	57.8	-	74.2	7.9	85.3	6.4	42.7%
Total expenses	6 913.3	6 694.4	7 864.3	7 504.8	8 442.0	8 569.7	9 045.1	9 262.1	99.3%
Surplus/(Deficit)	(256.0)	652.0	(97.0)	138.0	19.0	(402.0)	36.0	3.0	
Statement of financial position									
Carrying value of assets	2 081.8	1 485.2	1 242.4	1 609.8	1 489.3	1 694.5	1 614.0	1 812.2	102.7%
<i>of which:</i>									
<i>Acquisition of assets</i>	<i>(180.0)</i>	<i>(104.5)</i>	<i>(350.0)</i>	<i>(190.7)</i>	<i>(650.2)</i>	<i>(323.9)</i>	<i>(397.6)</i>	<i>(432.2)</i>	<i>66.6%</i>
Investments	1 027.1	1 506.6	896.8	36.2	156.9	11.1	184.2	158.7	75.6%
Inventory	1 664.8	729.7	677.0	696.1	652.7	761.8	843.2	786.2	77.5%
Receivables and prepayments	1 046.4	1 251.6	1 055.8	1 290.8	1 599.9	1 248.9	1 602.2	1 476.9	99.3%
Cash and cash equivalents	200.0	59.2	20.0	1 014.2	1 200.7	874.7	1 057.8	900.0	114.9%
Defined benefit plan assets	9.6	155.7	-	75.4	-	805.4	-	-	10 742.2%
Taxation	-	-	-	266.3	-	113.9	-	-	-
Derivatives financial instruments	4.8	8.2	6.8	11.2	8.2	9.8	8.2	13.8	154.0%
Total assets	6 034.4	5 196.1	3 898.9	5 000.1	5 107.7	5 520.1	5 309.6	5 148.0	102.5%
Accumulated surplus/(deficit)	2 140.7	2 397.1	1 206.4	2 011.5	1 962.0	2 448.5	1 997.9	2 001.3	121.2%
Capital and reserves	3.1	7.0	5.8	9.4	7.0	8.3	7.0	11.8	159.4%
Capital reserve fund	337.8	348.7	326.7	461.3	341.5	400.3	235.3	270.7	119.3%
Borrowings	410.2	26.8	-	-	-	2.6	20.0	32.2	14.3%
Finance lease	1.1	92.2	0.2	22.6	-	0.7	-	-	8 492.9%
Deferred income	82.8	218.8	115.4	93.0	204.1	49.1	221.4	106.0	74.9%
Trade and other payables	1 668.9	725.5	899.6	601.0	1 134.5	852.8	1 210.2	737.3	59.4%
Taxation	-	134.9	-	282.1	-	281.4	-	-	-
Provisions	1 287.7	1 222.9	1 317.2	1 491.7	257.3	1 449.0	280.1	1 961.3	194.9%
Managed funds (e.g. poverty alleviation fund)	-	-	-	-	1 173.9	-	1 310.4	-	-
Derivatives financial instruments	102.0	22.2	27.6	27.4	27.4	27.4	27.4	27.4	56.6%
Total equity and liabilities	6 034.4	5 196.1	3 898.9	5 000.1	5 107.7	5 520.1	5 309.6	5 148.0	102.5%

Statements of estimates of financial performance and position

Table 3.30 South African Broadcasting Corporation statements of estimates of financial performance and position

Statement of financial performance									
R million	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
	2016/17	2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20		
Revenue									
Non-tax revenue	9 032.4	11.4%	95.3%	9 869.3	10 742.1	11 203.4	7.4%	98.0%	
Sale of goods and services other than capital assets	8 317.8	8.8%	89.2%	9 088.1	9 949.2	10 061.3	6.5%	89.9%	
<i>of which:</i>									
<i>Administrative fees</i>	<i>1 147.0</i>	<i>7.0%</i>	<i>12.5%</i>	<i>1 208.9</i>	<i>1 269.4</i>	<i>1 459.8</i>	<i>8.4%</i>	<i>12.2%</i>	
<i>Sales by market establishment</i>	<i>7 170.8</i>	<i>9.1%</i>	<i>76.7%</i>	<i>7 879.1</i>	<i>8 679.8</i>	<i>8 601.5</i>	<i>6.3%</i>	<i>77.7%</i>	
Other non-tax revenue	714.7	122.4%	6.0%	781.3	792.9	1 142.2	16.9%	8.2%	
Transfers received	233.0	-34.3%	4.7%	180.4	190.8	201.5	-4.7%	2.0%	
Total revenue	9 265.5	8.0%	100.0%	10 049.7	10 932.9	11 404.9	7.2%	100.0%	
Expenses									
Current expenses	9 255.7	10.8%	102.2%	9 878.2	10 583.5	11 539.0	7.6%	131.4%	
Compensation of employees	2 999.8	13.1%	35.1%	3 210.2	3 446.8	3 700.9	7.3%	32.4%	
Goods and services	6 005.3	11.9%	63.2%	6 411.6	6 857.0	7 540.0	7.9%	65.0%	
Depreciation	237.5	-15.8%	3.4%	251.7	266.8	284.4	6.2%	2.5%	
Interest, dividends and rent on land	13.1	-26.5%	0.4%	4.6	12.9	13.8	1.6%	0.1%	
Transfers and subsidies	6.4	-57.0%	0.3%	7.0	-	-	-100.0%	0.0%	
Total expenses	9 262.1	11.4%	100.0%	9 885.2	10 583.5	11 539.0	7.6%	100.0%	
Surplus/(Deficit)	3.0	(1.0)		164.0	349.0	(134.0)	-454.8%		

Table 3.30 South African Broadcasting Corporation statements of estimates of financial performance and position

Statement of financial position	Revised estimate	Average growth rate (%)		Medium-term estimate			Average growth rate (%)	
		2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
		2016/17	Average Expenditure/ Total (%)	2017/18	2018/19	2019/20	2016/17 - 2019/20	Average Expenditure/ Total (%)
R million								
Carrying value of assets of which:	1 812.2	6.9%	31.7%	1 965.3	2 098.8	2 267.2	7.8%	34.7%
Acquisition of assets	(432.2)	60.5%	-5.0%	(450.0)	(406.9)	(400.0)	-2.5%	-7.3%
Investments	158.7	-52.8%	8.3%	175.1	193.6	214.2	10.5%	3.2%
Inventory	786.2	2.5%	14.3%	866.7	958.1	1 058.7	10.4%	15.6%
Receivables and prepayments	1 476.9	5.7%	25.3%	1 620.5	1 781.9	1 960.9	9.9%	29.1%
Cash and cash equivalents	900.0	147.7%	13.7%	895.6	1 032.8	1 187.7	9.7%	17.1%
Derivatives financial instruments	13.8	18.8%	0.2%	15.3	16.9	18.5	10.3%	0.3%
Total assets	5 148.0	-0.3%	100.0%	5 538.5	6 082.1	6 707.2	9.2%	100.0%
Accumulated surplus/(deficit)	2 001.3	-5.8%	42.4%	2 051.1	2 387.5	2 811.3	12.0%	39.3%
Capital and reserves	11.8	19.2%	0.2%	13.3	14.8	16.5	11.9%	0.2%
Capital reserve fund	270.7	-8.1%	7.1%	237.0	155.5	115.7	-24.7%	3.5%
Borrowings	32.2	6.3%	0.3%	52.2	72.2	92.2	42.0%	1.0%
Deferred income	106.0	-21.5%	2.3%	116.9	129.3	143.0	10.5%	2.1%
Trade and other payables	737.3	0.5%	13.9%	793.0	852.9	916.9	7.5%	14.1%
Provisions	1 961.3	17.1%	29.4%	2 247.6	2 442.4	2 584.2	9.6%	39.3%
Derivatives financial instruments	27.4	7.3%	0.5%	27.4	27.4	27.4	-	0.5%
Total equity and liabilities	5 148.0	-0.3%	100.0%	5 538.5	6 082.1	6 707.2	9.2%	100.0%

Personnel information

Table 3.31 South African Broadcasting Corporation personnel numbers and cost by salary level

South African Broadcasting Corporation	Number of posts estimated for 31 March 2017		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 (%)	Average Salary level/Total (%)			
			2015/16			2016/17			2017/18		2018/19		2019/20						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost
Salary level	3 921	3 921	3 882	3 264.8	0.8	3 921	2 999.8	0.8	3 921	3 210.2	0.8	3 921	3 446.8	0.9	3 921	3 700.9	0.9	7.3%	100.0%
1 - 6	12	12	12	1.9	0.2	12	1.8	0.1	12	1.9	0.2	12	2.1	0.2	12	2.2	0.2	7.0%	0.3%
7 - 10	2 460	2 460	2 436	1 829.2	0.8	2 460	1 618.7	0.7	2 460	1 732.4	0.7	2 460	1 865.6	0.8	2 460	2 009.0	0.8	7.5%	62.7%
11 - 12	1 125	1 125	1 114	966.4	0.9	1 125	929.7	0.8	1 125	994.8	0.9	1 125	1 064.4	0.9	1 125	1 138.9	1.0	7.0%	28.7%
13 - 16	302	302	299	402.0	1.3	302	386.7	1.3	302	413.8	1.4	302	442.7	1.5	302	473.7	1.6	7.0%	7.7%
17 - 22	22	22	22	65.4	3.0	22	62.9	2.9	22	67.3	3.1	22	72.0	3.3	22	77.1	3.5	7.0%	0.6%

1. Rand million.

Other entities

Comprehensive coverage of the following public entities is provided with the more detailed information for the vote at www.treasury.gov.za under the budget information link.

- **Brand South Africa** develops and implements a proactive and coordinated international marketing and communications strategy for South Africa to contribute to job creation and poverty reduction; and to attract inward investment, trade and tourism. The organisation's total budget for 2017/18 is R194.3 million.
- **The Film and Publication Board** regulates and controls the creation, production, possession, exhibition and distribution of certain films, interactive computer games and publications in terms of the Films and Publications Act (1996). The board is also responsible for monitoring age restricted business premises for compliance with their licence and registration terms. The board's total budget for 2017/18 is R99.5 million.
- **The Media Development and Diversity Agency** promotes media development and diversity to ensure that all citizens can access information in a language of their choice; and to transform media access, ownership and control patterns in South Africa. The agency's total budget for 2017/18 is R66.7 million.

