

2016 BUDGET

ESTIMATES OF NATIONAL EXPENDITURE

OVERVIEW



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Estimates of National Expenditure

2016

National Treasury

Republic of South Africa

24 February 2016



ISBN: 978-0-621-44244-1

RP: 15/2016

The 2016 Estimates of National Expenditure e-publications are compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za.

Compared to the abridged version of the 2016 ENE, the 2016 ENE e-publications contain more comprehensive coverage of goods and services, transfers and subsidies, and programme specific personnel expenditure. Budget information is also provided for the public entities that are not shown in detail in the abridged publication. The abridged version of the ENE contains one additional table at the end of a chapter that shows expenditure on infrastructure, whereas the vote ENE e-publications' additional tables also contain information on conditional grants to provinces and municipalities, public private partnerships and donor funding. Expenditure information at the level of service delivery is also included, where appropriate.

Foreword

The 2016 Budget is tabled at a time when both global and domestic economic conditions continue to be difficult. Government is unwavering in its commitment to stay the course of sound fiscal management in the face of this challenging environment. The approach of using the expenditure ceiling as a fiscal anchor, which was adopted in 2012, serves us well. To achieve the fiscal adjustment necessary, the expenditure level has been reduced and further revenue enhancement measures are introduced in the 2016 MTEF period.

Over the 2016 MTEF period expenditure is R3.73 trillion and will grow at an average annual rate of 7.5 per cent. Spending growth is slower than prior to 2008, but it still remains above the projected inflation rate. During consultations in the budget preparation process trade-offs in financing different policy objectives were carefully examined and culminated in recommendations on how institutional policies, practices and organisational arrangements would be adjusted in line with the national development plan and the 2014-2019 medium term strategic framework on the one hand, and in a manner consistent with fiscal consolidation, on the other hand.

For the 2016 MTEF period, budget amendments were effected through the reprioritisation of existing funding within the lowered expenditure ceiling, with movements away from areas of lower priority to key priorities. Labour-intensive departments received substantial funding for compensation of employees, owing to spending pressures related to the 2015 public sector wage agreement. In the case of departments which historically underspend on their wage bill, the budgets for compensation of employees have been reduced accordingly. A ceiling is put on compensation of employees budgets of national departments through the 2016 Appropriation Act. Resources cannot be diverted from frontline services for the wage bill.

Further reductions have been effected on goods and services budgets. In some cases departments have been asked to provide evidence of service delivery performance before funding can be appropriated to programmes under their specific votes. These provisional allocations, pending programme viability and verifiable record of good performance, total R17.8 billion in 2018/19. Given these measures, government service delivery will not be negatively affected even as spending growth is curtailed.

The financial information and key performance indicators in the institutional budget plans set out in the Estimates of National Expenditure, provide Parliament and the public with the information to hold government accountable against its 14 outcomes, set out in its medium term strategic framework.

The budget process is ably directed by the Ministers' Committee on the Budget, supported by a devoted Medium Term Expenditure Committee of Directors-General in central government departments. As the National Treasury team we are eternally grateful for their guidance and hard work. We are also indebted to the Budget Council, the Budget Forum and our national and provincial counterparts for making what is otherwise an impossible task, seem easier. The presentation of this budget is the product of all their collective efforts.



Lungisa Fuzile
Director-General: National Treasury

Introduction

The Estimates of National Expenditure publications

The Estimates of National Expenditure (ENE) publications provide comprehensive information on how institutions have spent their budgets in previous years, and how institutions plan to spend the resources allocated to them over the upcoming three-year medium term expenditure framework (MTEF) period. Key performance indicators are included for each national government vote and entity reporting to the same executive authority, showing what institutions aim to achieve by spending their budget allocations in a particular manner. This information is based on government's 2014-2019 medium term strategic framework (MTSF), particularly as it is expressed in institutional strategic and annual performance plans, and in annual reports. Coupled with financial information, performance information provides Parliament and the public with the necessary facts to hold government accountable against the 14 outcomes set out in the 2014-2019 medium term strategic framework.

Each chapter in the abridged 2016 ENE publication relates to a specific budget vote. A separate, more detailed, e-publication is also available for each vote. These e-publications provide more detailed information than the relevant chapter in the abridged ENE, including on goods and services, transfers and subsidies, as well as on programme specific personnel expenditure. Budget information is also provided for the public entities that are not shown in detail in the abridged publication. Each chapter in the abridged ENE publication has a summary table showing expenditure on infrastructure, whereas the vote ENE e-publications' additional tables also contain summaries of expenditure on conditional grants to provinces and municipalities, departmental public private partnerships and information on donor funding. In some e-publications more detailed information at the level of site service delivery is also included.

In addition, a separate 2016 ENE Overview e-publication is also available summarising the ENE information across votes. The 2016 ENE Overview contains a narrative explanation and summary tables; a description of the budgeting approach; and it also has a write-up on how to interpret the information that is contained in each section of the publications.

Overview

National Treasury
Republic of South Africa



Introduction

The Estimates of National Expenditure, the Appropriation Bill, and budget priorities

The Estimates of National Expenditure (ENE) publications are presented in two versions, a consolidated version containing 40 abridged chapters; and an e-publication version. There are 40 separate, more detailed e-publications that have been compiled for each vote. In the abridged ENE, each chapter relates to a specific budget vote. The abridged ENE publication is the explanatory memorandum to the Appropriation Bill and is tabled with it on Budget Day by the Minister of Finance. All ENE publications provide comprehensive information on how institutions have spent their budgets in previous years, and how institutions plan to spend the resources allocated to them over the upcoming three-year medium term expenditure framework (MTEF) period.

The Appropriation Bill itemises government spending for the first financial year of the MTEF period, that is for 2016/17. The Appropriation Bill allocates expenditure by vote. Generally a vote specifies the total amount of money appropriated to a single national government department, however a vote may contain more than one national government department. For example, the National School of Government is a department under the Public Service and Administration vote. Through the Appropriation Bill, the executive seeks Parliament's approval and adoption of its national government vote spending plans. The Appropriation Bill, when enacted, is the legal instrument for the appropriation of funds from the National Revenue Fund for the first year of the three-year MTEF period.

In the ENE publications, the key performance indicators included for each national government vote, and entity reporting to the same executive authority, show what institutions aim to achieve by spending their budget allocations in a particular manner. Coupled with financial information, this performance information is based on government's 2014-2019 medium term strategic framework (MTSF), particularly as it is expressed in institutional strategic and annual performance plans, and in annual reports. This information provides Parliament and the public with the necessary facts to hold government accountable against the 14 outcomes set out in the MTSF.

An explanation highlighting the key government priorities that are receiving additional resources is also provided in the ENE publications. These priorities are funded from the reprioritisation of the expenditure currently falling within the expenditure ceiling, inclusive of contingency reserve funding put aside previously. The ENE publications also contain a series of summary tables that show aggregate expenditure allocations in terms of different budget scopes.

The ENE e-publications provide more detailed information than the relevant chapter in the abridged ENE, including on goods and services, transfers and subsidies, as well as on programme specific personnel expenditure. Each chapter in the abridged ENE publication has a summary table showing expenditure on infrastructure. The ENE e-publications also have tables containing conditional grants to provinces and municipalities, departmental public private partnerships, and donor funding. Budget information is also provided for the entities that are not discussed in detail in the abridged publication. In some e-publications, more detailed information at the level of site service delivery is also included.

This introduction chapter provides a summary of the budget allocation process leading up to the adoption of allocation proposals by Cabinet, and their subsequent tabling in Parliament in the Appropriation Bill for consideration and approval. Founded on South Africa's economic growth prospects, fiscally sustainable levels of government revenue and government spending are determined to keep the country's budget balance in check. The level of the government expenditure ceiling is quantified. Thereafter, the budget baseline allocations and changes to them are discussed, both in terms of the function groupings within which the budget discussions take place, and in terms of the budgets voted in Parliament.

Specifically, the chapter covers:

- the determination of the level of government resources available for allocation
- the actual budget allocation process in relation to functions of government and individual votes
- the key changes made to the allocation of resources
- details of allocation amendments by function and by vote
- the 2014/15 expenditure outcome against budgeted outcome, and underspending areas
- an overview of 2016 MTEF expenditure.

Determining the level of government resources available for allocation

Government expenditure levels are carefully controlled through the expenditure ceiling approach, introduced in the 2012 Budget. The expenditure ceiling differs from main budget non-interest expenditure in that it excludes items that are directly financed through dedicated revenue flows or that are not subject to policy oversight decisions, that is, which fluctuate owing to factors outside the direct control of policy makers¹. For the 2016 MTEF period, the expenditure ceiling is R3.73 trillion, whereas the main budget non-interest expenditure is R3.79 trillion.

The expenditure ceiling is R1.15 trillion in 2016/17, R1.24 trillion in 2017/18 and R1.34 trillion in 2018/19. It is envisaged that over the 2016 MTEF period the expenditure ceiling will grow at 7.5 per cent. Although spending growth is slower than prior to 2008, expenditure growth remains above the projected inflation rate.

It is envisaged that over the 2016 MTEF, consolidated government expenditure, which includes the spending of entities², will grow at 7.1 per cent. In total it amounts to R4.73 trillion: R1.46 trillion in 2016/17, R1.57 trillion in 2017/18, and R1.7 trillion in 2018/19.

The budget process

The budget process aims to ensure that the resources that have been identified are allocated to meet South Africa's political priorities and to improve the quality and effectiveness of spending within the sustainable fiscal limits, more particularly over the next three years. A vital part of this process involves the large number of public institutions planning, negotiating and deciding collectively on a comprehensive plan for the spending of public resources.

As the budget process is by its nature focused on institutional performance in relation to government outcomes, it is organised by function of government. The function groups shown in the following table more closely align to the 14 outcomes of government's 2014-2019 medium term strategic framework, and concurrently to the national development plan; than do the budget vote classifications in the Appropriation Bill.

For the 2016 MTEF process, institutions, including national government departments, provincial government departments and the entities reporting to them, were divided into nine function groups, based on the functional tasks they are mandated to perform. It is important to note that different budget programmes within a single institution may fall under different functions, depending on their assigned tasks. For example, while most of the programmes within National Treasury's budget fall within the General Public Services function, the *Financial Intelligence and State Security* programme falls within the Defence, Public Order and Safety function; and the *Civil and Military Pensions, Contributions to Funds and Other Benefits* programme falls within the Economic Affairs function. These instances are shown in the table.

¹ 2015 Medium Term Budget Policy Statement, pages 20 and 25

² Main budget level expenditure refers to expenditure financed through revenue collected by national government, which is deposited in the National Revenue Fund. This differs from the consolidated government spending level, which is the basis for discussion in the Budget Review publication. Consolidated expenditure consists of Main budget expenditure, as well as expenditure financed from own revenue raised by the government entities, provinces and social security funds themselves.

Table 1.1: Function budget groups

Function group	Chapter in the national development plan	MTSF outcome	National department	Entity included in abridged ENE publication ³
Basic Education	9	1, 5	-Basic Education	
	15	14	-Arts and Culture -Sport and Recreation	
Post-School Education and Training	3, 9	5	-Higher Education and Training	Sector education and training authorities (consolidated) National Student Financial Aid Scheme National Skills Fund
Health	10	2	-Health	National Health Laboratory Service
Social Protection	11	13	-Social Development	South African Social Security Agency
Defence, Public Order and Safety	12, 24	3	-Defence and Military Veterans -National Treasury (Programme 10) -Police -Independent Police Investigative Directorate -Civilian Secretariat for Police -Justice and Constitutional Development -Correctional Services -Office of the Chief Justice	Armaments Corporation of South Africa Legal Aid South Africa
Economic Affairs	3, 5, 7	4, 6, 7, 11, 12	-Economic Development -Mineral Resources -Trade and Industry -Tourism -Small Business Development -Public Works (Programme 4)	Industrial Development Corporation of South Africa Limited Property Management Trading Entity
	11	4, 5, 10, 13	-Labour -Public Works (Programme 3) -National Treasury (Programme 7) All expanded public works programmes in other national departments	Unemployment Insurance Fund Compensation Fund Development Bank of Southern Africa Land and Agricultural Development Bank South African Revenue Service
	9	5, 6, 10	-Science and Technology -Environmental Affairs	South African National Parks
Economic Affairs	4	6	-Energy (except programme 4) -Transport (except programme 7) -Telecommunications and Postal Services -Water and Sanitation (except Programmes 3 and 4)	South African Nuclear Energy Corporation South African National Roads Agency Limited Road Accident Fund Passenger Rail Agency of South Africa Central Energy Fund Airports Company of South Africa Rand Water Water Services Trading Entity Trans-Caledon Tunnel Authority
Human Settlements and Municipal Infrastructure	8, 13	8, 9, 12	-Human Settlements -Water and Sanitation (Programmes 3 and 4) -Transport (Programme 7) -Energy (Programme 4) -Cooperative Governance (local and provincial conditional grants)	National Home Builders Registration Council
Agriculture, Rural Development and Land Reform	3, 6	7	-Agriculture, Forestry and Fisheries -Rural Development and Land Reform	Agricultural Research Council

³ In the ENE e-publication every entity reporting to the executive authority is included.

Table 1.1: Function budget groups

Function group	Chapter in the national development plan	MTSF outcome	National department	Entity included in abridged ENE publication ⁴
General Public Services	13	12	-The Presidency -Communications -Women -Parliament -Planning, Monitoring and Evaluation -National Treasury (all programmes except programme 6, 7, and 10) -Public Enterprises -Statistics South Africa -Cooperative Governance and Traditional Affairs -Public Service and Administration -Public Works (Programmes 1, 2, and 5) -Home Affairs	South African Broadcasting Cooperation Electoral Commission
	7	11	-International Relations and Cooperation -National Treasury (Programme 6)	
MTSF OUTCOMES			NDP CHAPTERS	
[1] Quality basic education			[1] Key drivers	
[2] A long and healthy life for all South Africans			[2] Demographic trends	
[3] All people in South Africa are and feel safe			[3] Economy and employment	
[4] Decent employment through inclusive economic growth			[4] Economic infrastructure	
[5] A skilled and capable workforce to support an inclusive growth path			[5] Transitioning to a low carbon economy	
[6] An efficient, competitive and responsive economic infrastructure network			[6] Inclusive rural economy	
[7] Comprehensive rural development and land reform			[7] Positioning South Africa in the world	
[8] Sustainable human settlements and improved quality of household life			[8] Human settlements	
[9] Responsive, accountable, effective and efficient developmental local government			[9] Improving education, innovation and training	
[10] Protect and enhance our environmental assets and natural resources			[10] Promoting health	
[11] Create a better South Africa, a better Africa and a better world			[11] Social protection	
[12] An efficient, effective and development oriented public service			[12] Building safer communities	
[13] An inclusive and responsive social protection system			[13] Building a capable state	
[14] Nation building and social cohesion			[14] Promoting accountability and fighting corruption	
			[15] Transforming society and uniting the country	

A vital part of the budget process is the discussions held by the participating institutions of each function, where they deliberate on how to improve resource utilisation in order to achieve the outcomes which that function is responsible for. The inevitable trade-offs in the financing of different policy objectives within the constraints of the expenditure ceiling are examined, culminating in recommendations on how institutional policies and practices, and arrangements, can be adapted to best achieve the function's outcomes. Key performance indicators are used to target and monitor an institution's progress in achieving these outcomes. These function group discussions predictably shape the allocations to specific government institutions. These are in line with government's 2014-2019 medium term strategic framework and the required changes to institutional practices, outputs and policies envisaged over the 2016 MTEF period.

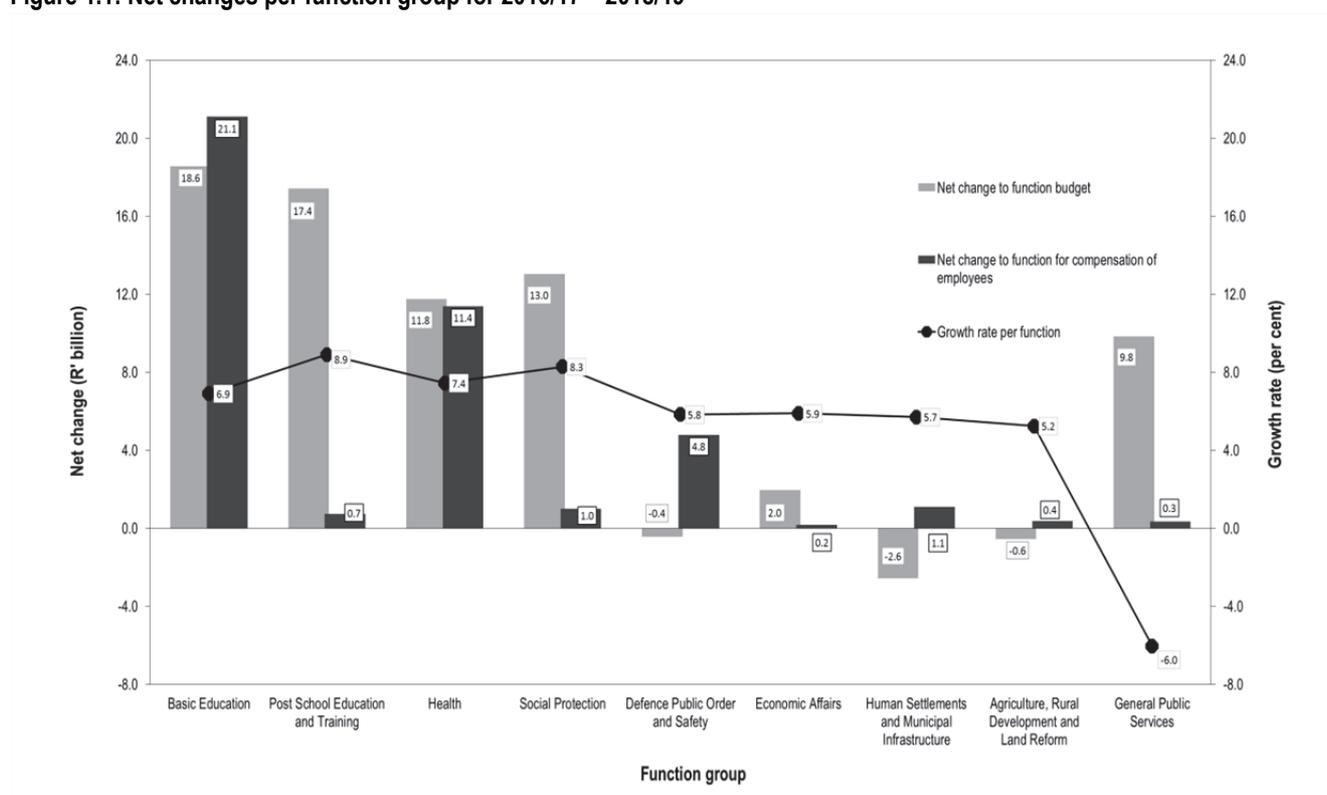
The recommendations from each function group are then presented to the medium term expenditure committee (MTEC), a committee comprising the directors-general of central national government departments. Once this part of the process has been finalised, the recommendations endorsed by MTEC are taken to the ministers' committee on the budget. This committee then reviews the recommendations put forward in respect of the different function groups and ultimately considers the trade-offs and priorities for government as a whole. The recommendations of the ministers' committee on the budget are then tabled in Cabinet. Once Cabinet has approved the recommendations, all institutions are informed of their budget allocations. Institutions then finalise their budgets accordingly and prepare their inputs for the ENE publications.

⁴ In the ENE e-publication every entity reporting to the executive authority is included.

Key changes to the allocation of resources

The following graph shows the net change to the budget of each function group for the period 2016/17 to 2018/19. It results from the itemised amendments to the function baseline, and also highlights the net change for compensation of employees by function. The graph also shows the budget growth rates per function. Allocations falling within the expenditure ceiling include direct charges other than debt service costs, such as the provincial equitable share. Debt service costs, although excluded, remain the fastest growing item of expenditure in the 2016 Budget. Besides this, the labour intensive functions receive most of the previously unallocated funding, as well as reprioritised funding, for compensation of employees spending pressures. Another key budget increase is to the Post-School Education and Training function allocation, which has been made to accommodate student debt relief and the zero per cent fee increase in university fees.

Figure 1.1: Net changes per function group for 2016/17 – 2018/19



Changes by function for the 2016 MTEF include:

- Basic Education (R18.6 billion increase, of which R21.1 billion is for compensation of employees)
- Post-School Education and Training (R17.4 billion increase, of which R736.3 million is for compensation of employees)
- Health (R11.8 billion increase, of which R11.4 billion is for compensation of employees)
- Social Protection (R13 billion increase, of which R1 billion is for compensation of employees)
- Defence, Public Order and Safety (R441.2 million decrease; the increase of R4.8 billion is for compensation of employees)
- Economic Affairs (R2 billion increase, of which R183.9 million is for compensation of employees)
- Human Settlements and Municipal Infrastructure (R2.6 billion decrease; the increase of R1.1 billion is for compensation of employees)
- Agriculture, Rural Development and Land Reform (R568 million decrease; the increase of R375 million is for compensation of employees)
- General Public Services (R9.8 billion increase, of which R331 million is for compensation of employees).

Over and above the funds required for compensation of employees in terms of the 2015 public sector wage agreement, some functions have gained from the drawdown on the previously unallocated funds within the contingency reserve, held within the expenditure ceiling. However, after the Cabinet decision to lower the expenditure ceiling for the two outer years of the 2016 MTEF period, the following functions have budget reductions that result in lower budget baselines: Defence, Public Order and Safety; Human Settlements and Municipal Infrastructure; and Agriculture, Rural Development and Land Reform. Budget areas where function baselines have been reduced are mostly goods and services, and compensation of employees.

In terms of the expenditure ceiling approach, the institutional planning budget baselines applied at the start of the process for the 2016 Budget were the same as those tabled in the 2015 Budget for 2016/17 and 2017/18. The planning budget baseline for the outer year of the 2016 MTEF period was determined at the start of the budget process excluding any allocations ending in 2017/18. These planning baselines provided a basis for function group discussions and were adjusted as decisions were taken throughout the budget process.

At the time of the 2015 Budget, government made provision for an unallocated contingency reserve of R15 billion in 2016/17 and R45 billion in 2017/18, within the expenditure ceiling. Drawdowns to cater for compensation of employees pressures owing to the 2015 public sector wage agreement, in particular in national and provincial labour intensive departments, amount to R10 billion in 2016/17 and R26.1 billion in 2017/18. Remaining wage bill pressures in terms of the agreement have had to be addressed from within departmental baselines. In order to manage the increase in the wage bill composition of government spending, R6.8 billion over the 2016 MTEF period has been removed from the compensation of employees budgets of identified departments and reprioritised towards other areas of spending. This was decided on the basis that it is unlikely that the identified departments will be able to fill all vacant posts that were provided for within their budgets, taking into account past recruitment performance.

In order to manage the compensation of employees component of government spending, compensation of employees expenditure ceilings are in place for all national departments, and they are to manage their compensation of employees expenditure within these ceilings. In addition, compensation of employees allocations for each vote will be specifically and exclusively appropriated in the 2016 Appropriation Bill, which will prevent funds from being diverted. All these measures mean that departments will need to closely monitor and control their compensation of employees budgets to ensure that they remain on a sustainable path and do not crowd out spending on key government priorities.

Table 1.2: Drawdown of unallocated reserves within the expenditure ceiling

R million	2016/17	2017/18	2018/19
2015 MTEF period			
2015 Budget Contingency Reserve	15 000	45 000	
2015 Public sector wage agreement	-10 000	-26 065	
Increased social grant beneficiaries	-1 754	-3 972	
Allocated for key priorities	-746	-5 963	
2015 MTBPS subtotal	2 500	9 000	
Addition to contingency reserve	3 500	1 000	
2016 MTEF period			
2016 Budget Contingency Reserve	6 000	10 000	15 000
<i>Provisional allocation not assigned to votes</i>	267	489	17 789

The above table shows the drawdown of reserves within the expenditure ceiling. In addition to the wage agreement funding drawdown, the figure shows the portion of these reserves that funds the revision in social grant beneficiary projections, particularly increases for the child support grant. This amounts to R1.8 billion in 2016/17 and R4 billion in 2017/18. Further, in addition to the resources that have been reallocated from existing budget baselines from less urgent priorities and underperforming programmes, a drawdown of R6 billion in 2017/18 contributes to the funding of key priorities.

Using both reserves and reprioritised resources, some key priorities funded include⁵: R5.4 billion for funding historical debt from university student fees and the zero per cent increase to these fees; R8.3 billion as a capital contribution to establish the New Development Bank; R2 billion for the local government equitable share to support the provision of free basic services in an environment of rising electricity and water tariffs; R960 million to strengthen the national non-toll road network; R400 million to support HIV/AIDS and tuberculosis programmes, as well as for stronger health information management, including of medicine stocks; R414.8 million to support early childhood development subsidies and early childhood centre maintenance, and substance abuse treatment centres; R150 million for increased capacity in government planning, monitoring and evaluation; R242 million to support public order policing; and R307.6 million for small business development.

The contingency reserve is increased by R4.5 billion in the 2016/17 and 2017/18 years, from funding reprioritised after the reassessment of existing institutional budgets. The contingency reserve for the 2016 Budget thus now amounts to R6 billion in 2016/17 and R10 billion in 2017/18. R15 billion has been allocated as a contingency reserve for the outer year of the 2016 MTEF period, for 2018/19, for unforeseen circumstances as well as emerging government policy priorities. In addition, R17.8 billion has been provisionally allocated to specific function areas within the expenditure ceiling for the same year. This funding may be assigned to vote programmes pending further work undertaken, including impact evaluations on outcomes performance and further development of business plans. The specific details of these allocations will be finalised in the course of the 2017 Budget process.

Besides the reprioritisation of funds within the expenditure ceiling, the expenditure ceiling itself has been reduced by R10 billion in 2017/18 and R15 billion in 2018/19. Resources allocated to votes within the expenditure ceiling amount to R1.15 trillion in 2016/17, R1.24 trillion in 2017/18 and R1.32 trillion in 2018/19. This expenditure will grow at an average annual rate of more than 7 per cent over the 2016 MTEF period.

⁵ The function group tables that follow provide details on all of the changes to vote main budget expenditure.

Details of allocation amendments by function and vote

In the tables that follow, details about additions and reductions to main budget non-interest expenditure and the net effect on each government function are presented by allocation assigned against a vote, similar to in the Appropriation Bill. Expenditure for the National Skills Fund and sector education and training authorities is included, although it does not fall within the expenditure ceiling targeted. Conversely, contingency reserve funding and the provisionally allocated funding are excluded.

Most of the function budget amendments have been effected through the reprioritisation of funds from areas of lower priority to those of key priority. All changes are shown relative to the initial function planning baseline allocations for the 2016 MTEF period. All changes made to baselines are shown in the tables, to account comprehensively for the budget allocation decisions taken throughout the 2016 Budget process.

The estimated⁶ split of the changes to the provincial equitable share by function is also shown in the tables. It should be noted that provinces have key service delivery mandates aligned to the functions that are shared with national departments.

Basic Education

The objective of the Basic Education function is to improve the quality of basic education for children, as well as to increase access to basic education. The baseline of the function increases by a net amount of R18.6 billion over the 2016 MTEF period, from R699.3 billion to R717.9 billion. The function comprises 19.2 per cent of non-interest expenditure allocated to a vote.

Table 1.3 Basic Education

Function ¹ by Vote	2016/17	2017/18	2018/19 ³	MTEF total
R million				
2015 MTEF function baseline²	219 951	232 784	246 607	699 342
2016 MTEF function baseline²	222 940	240 024	254 946	717 910
Annual growth rate (percentage)	6.8%	7.7%	6.2%	6.9%
Net change from the 2015 Baseline (percentage)	1.4%	3.1%	3.4%	2.7%
Arts and Culture	-33	146	-56	57
Community library services grant: Monitoring	1	1	1	3
Adherence of public entities to the generally recognised accounting practice 103	-	200	-	200
Operating leases: New building and tenant installation costs	7	5	7	19
Compensation of employees: 2015 public sector wage agreement	-	-	19	19
Capacity for infrastructure and office accommodation projects	2	2	2	5
Capital works: Legacy projects: Reduction of growth above inflation	-3	-4	-3	-10
Museum libraries infrastructure capital works projects: Rescheduled implementation	-8	-10	-12	-30
Community library services grant	-10	-12	-15	-37
Compensation of employees: Reduction	-	-18	-30	-48
Goods and services: Cost containment measures	-21	-18	-24	-63

⁶ An aggregate monetary amount is allocated from the National Revenue Fund for the provincial equitable share. These funds are then allocated to specific function areas through separate provincial budgetary processes and legislative approval. The details of these function allocations by each of the provinces are not known with certainty at present.

Table 1.3 Basic Education

Function ¹ by Vote	2016/17	2017/18	2018/19 ³	MTEF total
R million				
Basic Education	-259	-389	-415	-1 063
Education infrastructure grant	-160	2 450	2 582	4 872
School infrastructure backlogs indirect grant: Conversion to education infrastructure grant	–	-2 620	-2 772	-5 392
Introduction of National Senior Certificate Learner Retention programme	50	50	50	150
Compensation of employees: 2015 public sector wage agreement	2	13	26	42
National Education Evaluation and Development Unit, and carry through costs of upgrading salary posts from level 9 to 10 and 11 to 12	13	14	14	41
School infrastructure backlogs grant: Legal, audit, computer services, as well as verification costs	–	1	1	2
Reduction in number of vacant posts and cost efficiencies in producing workbooks	-13	-14	-15	-43
Compensation of employees: Reduction	–	-31	-49	-79
Goods and services: Cost containment measures	-101	-202	-203	-505
Kha Ri Gude mass literacy programme: Targets largely attained	-50	-50	-50	-150
Sport and Recreation	-6	-19	-22	-46
Sport infrastructure projects in municipalities: Oversight and support	6	8	10	24
Coordination and management of the 2022 Commonwealth Games, sport facilities for schools, outdoor gyms and children's play parks	1	2	4	7
Ministry travel and media events	1	2	3	6
Sports equipment and apparel for schools, clubs and sports hubs	1	1	2	5
Compensation of employees: 2015 public sector wage agreement	–	–	4	4
School Residential Programme: Sponsorship of athletes	-1	-2	-4	-7
Goods and services: Cost containment measures	-0	-4	-5	-10
Accommodation costs: Delay in relocation to new premises	-5	-3	-6	-14
Mass participation and sport development grant	-5	-10	-12	-27
Compensation of employees: Reduction	-4	-13	-18	-34
National Treasury	3 287	7 502	8 832	19 621
Provincial equitable share: Compensation of employees: 2015 public sector wage agreement	3 998	10 684	13 060	27 742
Provincial equitable share: Reduction	-712	-474	-380	-1 566
Provincial equitable share: Compensation of employees: Reduction	–	-2 708	-3 847	-6 555
Net change to function baseline	2 989	7 240	8 339	18 568

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

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

3. The modifications made to the 2018/19 function baseline throughout the course of the 2016 MTEF budget process are shown. The first 2016 MTEF estimates for 2018/19 are shown in italics. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.

Post-School Education and Training

The objective of the Post-School Education and Training function is that all South Africans have equitable access to relevant and quality post-school education and training. The baseline of the function increases by R24.1 billion over the 2016 MTEF period, from R192.1 billion to R216.2 billion. The function comprises 5.8 per cent of non-interest expenditure allocated to a vote.

Table 1.4 Post-School Education and Training

Function ¹ by Vote	2016/17	2017/18	2018/19 ³	MTEF total
R million				
2015 MTEF function baseline²	60 234	63 717	68 126	192 077
2016 MTEF function baseline²	66 828	72 003	77 392	216 223
Annual growth rate (percentage)	15.9%	7.7%	7.5%	10.4%
Net change from the 2015 Baseline (percentage)	10.9%	13.0%	13.6%	12.6%
Higher Education and Training	6 594	8 286	9 267	24 146
National Student Financial Aid Scheme: Historical debt relief 2013-2015	2 543	–	–	2 543
National Student Financial Aid Scheme: Support to unfunded continuing students	2 039	2 992	3 013	8 043
Contribution from fiscus for zero per cent increase in university fees	300	2 563	2 819	5 683
National Skills Fund and sector education and training authorities	1 500	2 287	2 935	6 722
Compensation of employees: 2015 public sector wage agreement	135	357	438	931
Transfer from the Public Service Sector Education and Training Authority funding to the Department of Higher Education and Training	99	104	110	312
Additional goods and services required with the shifting of the technical and vocational education and training and adult education and training functions from the provincial sphere of government	28	29	31	89
Medical students funding shifted from the Department of Health	31	28	17	75
Compensation of employees: Additional employees due to the shifting of the technical and vocational education and training and adult education and training functions from the provincial sphere of government	4	6	6	15
Goods and services: Cost containment measures	-10	-9	-10	-29
Public Sector Education and Training Authority: Reduction	-43	–	–	-43
Compensation of employees: Reduction	-32	-70	-92	-194
Net change to function baseline	6 594	8 286	9 267	24 146

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

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

3. The modifications made to the 2018/19 function baseline throughout the course of the 2016 MTEF budget process are shown. The first 2016 MTEF estimates for 2018/19 are shown in italics. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.

Health

The Health function seeks to improve access to affordable quality health care by ensuring an appropriate balance between preventative care and curative services. The baseline of the function increases by R11.8 billion over the 2016 MTEF period, from R516.1 billion to R527.9 billion. The function comprises 14.1 per cent of non-interest expenditure allocated to a vote.

Table 1.5 Health

Function ¹ by Vote				
R million	2016/17	2017/18	2018/19 ³	MTEF total
2015 MTEF function baseline²	161 503	172 212	182 386	516 102
2016 MTEF function baseline²	162 636	176 377	188 847	527 860
Annual growth rate (percentage)	6.8%	8.4%	7.1%	7.4%
Net change from the 2015 Baseline (percentage)	0.7%	2.4%	3.5%	2.3%
Health	-360	441	2 047	2 128
Comprehensive HIV, AIDS and TB grant: Antiretroviral delivery alignment to the number of grant beneficiaries	-176	-40	1 000	784
Comprehensive HIV, AIDS and TB grant: TB 90-90-90 strategy: Ensuring that 90 per cent of high risk and vulnerable groups are screened for TB, 90 per cent of prevalent TB cases are diagnosed and 90 per cent of TB cases are treated successfully	-	240	500	740
Comprehensive HIV, AIDS and TB grant: HIV prevention	-	20	80	100
National Department of Health: HIV prevention	-	40	60	100
National health indirect grant: Human papillomavirus vaccine	200	200	-	400
National health insurance indirect grant: Primary health care: Integrated patient information system	-	90	200	290
National health insurance indirect grant: National medicine stock surveillance system	-	90	190	280
Compensation of employees: 2015 public sector wage agreement	60	69	141	270
Human papillomavirus vaccine grant	-	-	200	200
Medical Research Council: Research	-	-	80	80
National Department of Health: National medicine stock surveillance system	-	10	10	20
Health and Welfare Sector Education and Training Authority and the Public Sector Education and Training Authority: Compensation of employees	1	1	1	2
Travel and subsistence: Cost containment measures	-1	-1	-1	-2
Medical students funding shifted to the Department of Higher Education and Training	-31	-28	-17	-75
Compensation of employees: Reduction	-	-46	-71	-117
Goods and services: Cost containment measures	-63	-14	-73	-150
National health insurance indirect grant: Health facility revitalisation component	-150	-64	-50	-264
National health insurance grant	-	-80	-85	-165
Health facility revitalisation grant	-200	-47	-118	-365
National Treasury	1 493	3 724	4 414	9 631
Provincial equitable share: Compensation of employees: 2015 public sector wage agreement	2 147	5 662	6 885	14 694
Human papillomavirus vaccine: Shift from the provincial equitable share	-200	-200	-200	-600
Provincial equitable share: Reduction	-454	-303	-243	-1 000
Provincial equitable share: Compensation of employees: Reduction	-	-1 435	-2 028	-3 463
Net change to function baseline	1 133	4 165	6 461	11 759

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

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3. The modifications made to the 2018/19 function baseline throughout the course of the 2016 MTEF budget process are shown. The first 2016 MTEF estimates for 2018/19 are shown in italics. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.

Social Protection

The Social Protection function aims to reduce poverty by providing income support to the poor. The baseline of the function increases by R13 billion over the MTEF period, from R527.3 billion to R540.4 billion. The function comprises 14.4 per cent of non-interest expenditure allocated to a vote.

Table 1.6 Social Protection

Function ¹ by Vote				
R million	2016/17	2017/18	2018/19 ³	MTEF total
2015 MTEF function baseline²	165 179	175 967	186 194	527 340
2016 MTEF function baseline²	166 138	179 900	194 336	540 374
Annual growth rate (percentage)	8.5%	8.3%	8.0%	8.3%
Net change from the 2015 Baseline (percentage)	0.6%	2.2%	4.4%	2.5%
Social Development	831	3 603	7 732	12 166
Social grants: Alignment to the number of grant beneficiaries	1 054	3 272	7 182	11 509
Early childhood development grant: Early childhood development subsidy expansion	-	250	413	663
Early childhood development grant: Early childhood development centre maintenance	-	70	80	150
Substance abuse treatment grant: Operational costs for 4 provincial treatment centres	-	57	71	128
Substance abuse treatment grant: Construction costs of treatment centres in the Northern Cape and Free State	38	-	-	38
Compensation of employees: 2015 public sector wage agreement	9	26	33	68
HIV prevention: Transfer to the South African National AIDS Council	-	15	30	45
Compensation of employees: Reduction	-	-30	-46	-76
Social relief of distress: Reduction	-112	-	-	-112
South African Social Security Agency: Reduction	-158	-58	-31	-247

Table 1.6 Social Protection

Function ¹ by Vote				
R million	2016/17	2017/18	2018/19 ³	MTEF total
National Treasury	127	330	410	868
Provincial equitable share: Compensation of employees: 2015 public sector wage agreement	190	499	629	1 318
Provincial equitable share: Reduction	-63	-42	-34	-139
Provincial equitable share: Compensation of employees: Reduction	-	-126	-185	-312
Net change to function baseline	959	3 933	8 142	13 034

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

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3. The modifications made to the 2018/19 function baseline throughout the course of the 2016 MTEF budget process are shown. The first 2016 MTEF estimates for 2018/19 are shown in italics. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.

Defence, Public Order and Safety

The Defence, Public Order and Safety function aims to support enhanced measures in domestic and international public protection. The baseline of the function decreases by R441 million over the MTEF period, from R571.5 billion to R571 billion. The function comprises 15.3 per cent of non-interest expenditure allocated to a vote.

Table 1.7 Defence, Public Order and Safety

Function ¹ by Vote				
R million	2016/17	2017/18	2018/19 ³	MTEF total
2015 MTEF function baseline²	179 104	190 633	201 718	571 455
2016 MTEF function baseline²	179 228	190 361	201 424	571 014
Annual growth rate (percentage)	5.4%	6.2%	5.8%	5.8%
Net change from the 2015 Baseline (percentage)	0.1%	-0.1%	-0.1%	-0.1%
Correctional Services	-281	-86	224	-144
Compensation of employees: 2015 public sector wage agreement	147	960	1 391	2 498
Filling vacancies and operations of inmate case management committees	421	435	460	1 316
Inmate supplies	66	167	305	538
Inmate food	117	139	138	393
Materials for inmate production workshops	42	87	109	238
Production workshop and machinery and agriculture equipment	1	0	43	44
Property payments: Water and electricity	45	61	50	155
Judicial inspectorate: 42 posts	49	51	54	155
Vehicles	5	17	17	39
Electronic monitoring of parolees: Roll-out	0	1	1	3
Public private partnership contracts: Fixed fee component coming to an end	-58	-111	-175	-344
Compensation of employees: Reduction	-760	-1 396	-1 500	-3 657
Goods and services: Cost containment measures	-355	-498	-669	-1 522
Defence and Military Veterans	51	-1 369	-2 294	-3 612
Compensation of employees: 2015 public sector wage agreement	1 376	2 287	3 583	7 246
Aircraft equipment	468	525	37	1 029
Technical and skills training	33	127	20	180
Department of Military Veterans: Compensation of employees: 2015 public sector wage agreement	-	3	5	8
Special Defence Account	-350	-	-	-350
Works formation programme: Correction of allocation	-275	-143	-55	-474
Various goods and services items and departmental agencies and accounts: Cost containment measures	-445	-374	-843	-1 662
Delay of the acquisition of armaments	-757	-896	-778	-2 431
Compensation of employees: Reduction	-	-2 897	-4 262	-7 159
Independent Police Investigative Directorate	-2	-6	-10	-18
Compensation of employees: 2015 public sector wage agreement	-	10	15	25
Goods and services: Cost containment measures	-2	-2	-2	-5
Compensation of employees: Reduction	-	-14	-23	-37
Justice and Constitutional Development	199	152	38	389
Compensation of employees: 2015 public sector wage agreement	208	543	669	1 420
Justice modernisation programme: Software development and data lines	208	220	230	658
Increasing prosecutorial capacity	45	49	50	144
Establishment and capacitation of an Information Regulator	10	26	27	63
Public Protector of South Africa: Filling of key positions, implementation of a new case management system, litigation costs, security for office buildings, opening of additional satellite offices and upgrading of ICT infrastructure	-	21	23	44
Safety and Security Sector Education and Training Authority: Levy	8	9	9	26
South African Human Rights Commission: Advocacy and xenophobia investigations	-	11	12	24
Motor vehicle leases	1	1	1	3
Increased life span of desktop computers from 36 to 48 months	-5	-5	-5	-15
Capital assets: Utilising vehicle leasing	-5	-6	-6	-17
Internal audit	-9	-10	-10	-29
Office accommodation: Delays in the implementation of capital works projects	-9	-10	-11	-30
Reduction in capital asset procurement	-14	-17	-18	-49
Goods and services: Cost containment measures	-31	-32	-32	-95
Machinery and equipment	-208	-220	-230	-658
Compensation of employees: Reduction	-	-429	-671	-1 100

Table 1.7 Defence, Public Order and Safety

Function ¹ by Vote	2016/17	2017/18	2018/19 ³	MTEF total
R million				
Office of the Chief Justice and Judicial Administration	-86	-7	-14	-107
Compensation of employees: 2015 public sector wage agreement	26	58	70	155
Filling of critical posts	47	50	53	149
Judicial support and court administration: Office accommodation	-	70	73	143
Operational costs related to the filling of posts	31	37	33	102
Computers and office furniture relating to the filling of posts	15	14	25	54
Office accommodation: Head office and provincial service centres	9	10	11	30
Reduction in leave gratuities paid out	-0	-0	-1	-1
Computer equipment: Cost containment measures	-7	-2	-8	-18
Compensation of employees: Reduction	-15	-37	-52	-104
Goods and services: Cost containment measures	-192	-207	-219	-618
Police	171	881	1 574	2 626
Compensation of employees: 2015 public sector wage agreement	1 321	2 424	3 000	6 745
Capacitation of existing Public Order Policing units	-	242	356	598
Protection and Security Services: VIP protection service personnel	105	112	118	334
Protection and Security Services: Equipment	58	21	16	94
Civilian Secretariat for Police: Compensation of employees: 2015 public sector wage agreement	-	5	8	13
Payments for capital assets: Cost containment measures	-58	-21	-16	-94
Vacant posts in the Administration, Visible Policing and Detective Services programmes	-105	-112	-118	-334
Goods and services: Cost containment measures	-351	-324	-423	-1 098
Compensation of employees: Reduction	-800	-1 466	-1 367	-3 632
National Treasury	73	164	189	425
Provincial equitable share: Compensation of employees: 2015 public sector wage agreement	89	234	280	603
Provincial equitable share: Reduction	-17	-11	-9	-37
Provincial equitable share: Compensation of employees: Reduction	-	-59	-83	-142
Net change to function baseline	124	-271	-294	-441

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

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3. The modifications made to the 2018/19 function baseline throughout the course of the 2016 MTEF budget process are shown. The first 2016 MTEF estimates for 2018/19 are shown in italics. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.

Economic Affairs

The objective of the Economic Affairs function is to stimulate socioeconomic development through a range of interventions in various sectors of the economy. The baseline of the function increases by R2 billion over the MTEF period, from R321.3 billion to R323.3 billion. The function comprises 8.6 per cent of non-interest expenditure allocated to a vote.

Table 1.8 Economic Affairs

Function ¹ by Vote	2016/17	2017/18	2018/19 ³	MTEF total
R million				
2015 MTEF function baseline²	103 225	107 749	110 349	321 324
2016 MTEF function baseline²	102 617	107 629	113 034	323 281
Annual growth rate (percentage)	7.7%	4.9%	5.0%	5.9%
Net change from the 2015 Baseline (percentage)	-0.6%	-0.1%	2.4%	0.6%
Economic Development	-11	-14	-19	-44
Competition Tribunal: Extended mandate	-	9	13	22
Goods and services: Cost containment measures	-1	-1	-1	-4
Compensation of employees: Reduction	-4	-12	-18	-34
Office accommodation: Reduction	-6	-9	-13	-28
Mineral Resources	-16	115	129	228
Petroleum Agency South Africa: Operating and capital costs	-	147	158	305
Compensation of employees: 2015 public sector wage agreement	6	19	36	60
Mintek: Development of specialised technology to process mineral reserves	-	5	20	25
Mintek and Council for Geoscience: Rehabilitation of mines	66	80	85	231
Rehabilitation of mines: Termination of consultant services	-81	-85	-90	-256
Goods and services: Cost containment measures	-6	-6	-8	-21
Compensation of employees: Reduction	-	-45	-71	-117
Public Works	-69	-64	-60	-193
Independent Development Trust: Alignment of budget to the new market management fees	-	16	29	45
Goods and services: Cost containment measures	-3	-4	-5	-12
Property Management Trading Entity: Projected underspending	-17	-22	-24	-62
Property Management Trading Entity: Correction of allocation for accommodation costs in the General Public Services function	-49	-54	-60	-164
Small Business Development	177	178	184	540
Support for business incubation, entrepreneurship and informal trading	150	158	167	475
Office accommodation and ICT	15	14	15	44
Filling of critical posts	11	12	13	36
Compensation of employees: 2015 public sector wage agreement	3	6	8	17
Goods and services: Cost containment measures	-2	-2	-2	-6
Compensation of employees: Reduction	-	-10	-16	-26

Table 1.8 Economic Affairs

Function ¹ by Vote	2016/17	2017/18	2018/19 ³	MTEF total
R million				
Tourism	-44	-60	-78	-182
Compensation of employees: 2015 public sector wage agreement	6	17	21	43
Goods and services: Cost containment measures	-10	-9	-12	-32
Compensation of employees: Reduction	-	-17	-27	-44
Social responsibility programme: Reduction	-40	-50	-60	-150
Trade and Industry	-155	-195	1 213	864
Special Economic Zones: Support for industrialisation and economic growth	-	-	1 500	1 500
Revitalisation of existing local industrial parks' infrastructure	180	80	-	260
Industrial Development Corporation: Customised sector programme and Intsimbi National Tooling Initiative	3	71	88	162
Cluster development programme: Feasibility study	50	50	-	100
Trade and Industrial Policy Strategies and Automotive Supply Chain Competitiveness Initiative: Support to local automobile industry activities	23	10	-	33
Compensation of employees: 2015 public sector wage agreement	-	-	17	17
Goods and services: Cost containment measures	-15	-20	-39	-73
Industrial Development Corporation, clothing and textile incentive, and Council for Scientific and Industrial Research: Non-priority projects	-26	-81	-88	-195
Compensation of employees: Reduction	-20	-95	-145	-260
Special economic zones: Unsustainable interventions	-120	-80	-120	-320
Special economic zones: Reduction	-230	-130	-	-360
Cooperative Governance and Traditional Affairs	-64	-290	-413	-768
Community work programme: Employees for planning, monitoring and reporting, private and public partnerships, community and stakeholder facilitation, special projects and capacity building	22	27	26	75
Goods and services: Reduction	-5	-5	-7	-17
Community work programme: Alignment of planned growth to institutional capacity	-82	-82	-83	-247
Community work programme: Cost containment measures	-	-229	-350	-579
Environmental Affairs	-37	123	202	287
Natural resource management programmes: Policy development in wildlife economy, Working on Waste, youth and environmental services	-	120	164	284
Public private partnership unitary payment: Head office building	47	66	68	181
Asbestos remediation in distressed mining towns	-	58	119	178
Compensation of employees: 2015 public sector wage agreement	23	60	74	156
Convention on International Trade in Endangered Species (CITES) regulations enforcement at ports of entry and exit	34	39	41	114
Municipal service payments	33	35	37	105
Waste Management Bureau: Establishment and operational costs	25	26	28	79
Hosting of the CITES Wild Fauna and Flora Conference of the Parties (COP) 17	48	-	-	48
Oceans and coasts research laboratories: Operations and maintenance	10	10	10	30
Waste management programmes and projects: Licencing of waste disposal facilities	5	6	6	17
National Regulator for Compulsory Specifications: Delaying the implementation of the new compulsory specification plastic bags	-5	-6	-6	-17
South African Weather Services: Compensation of employees: Reduction	-10	-10	-10	-30
Expanded public works programme: Reduction	-25	-25	-35	-85
Travel and subsistence: Reduction	-25	-25	-25	-75
Business and advisory services: Postponement of research work	-34	-35	-37	-106
South African National Parks, South African National Biodiversity Institute and iSimangaliso Wetland Park Authority: Cost containment measures	-69	-22	-23	-114
Compensation of employees: Reduction	-	-55	-85	-140
Infrastructure, planning, agency, support and outsourced services: Cost containment measures	-94	-119	-124	-337
Labour	-150	-131	-122	-403
Compensation of employees: 2015 public sector wage agreement	11	57	87	156
National minimum wage institutions: 70 employees and associated costs, staff training and development, communication, fleet services, travel and subsistence and advertising	-	35	37	72
Motor vehicles: Reduction	-3	-3	-3	-9
Office of the chief operations officer: Vacant posts	-7	-7	-14	-28
Goods and services: Cost containment measures	-13	-12	-16	-41
Compensation of employees: Reduction	-139	-201	-213	-553
National Treasury	-555	-180	219	-516
Provincial equitable share: Compensation of employees: 2015 public sector wage agreement	145	381	457	983
Government Employees Pensions Fund: Reduction of debt owed by government	112	91	53	256
Government Pensions Administration Agency: Cost containment measures	-4	-4	-4	-12
Goods and services: Cost containment measures	-4	-4	-5	-13
Provincial equitable share: Reduction	-91	-61	-48	-200
Provincial equitable share: Compensation of employees: Reduction	-	-97	-135	-231
Pensions: Reduced backlogs	-108	-87	-49	-244
Jobs Fund: Reduction	-605	-400	-50	-1 055
Rural Development and Land Reform	-1	-1	-1	-2
Goods and services: Cost containment measures	-1	-1	-1	-2
Science and Technology	-133	-46	-66	-245
Research and development	-	36	39	75
Implementation of the ICT roadmap	12	20	24	56
Compensation of employees: 2015 public sector wage agreement	7	19	23	49
HIV prevention: Transfer to the South African National AIDS Council	-	15	30	45
Goods and services: Cost containment measures	-5	-5	-6	-16
Compensation of employees: Reduction	-	-21	-32	-53
Sector budget support, general budget support and international partnerships: Reduction	-12	-20	-24	-56
Economic competitiveness and support package: Industry innovation partnerships: Spending not aligned to programme objectives	-55	-40	-	-95
Square Kilometre Array: Reduction	-80	-50	-120	-250

Table 1.8 Economic Affairs

Function ¹ by Vote	2016/17	2017/18	2018/19 ³	MTEF total
R million				
Energy	189	-27	-34	127
Nuclear new build programme: Procurement advisory services	200	–	–	200
Compensation of employees: 2015 public sector wage agreement	3	13	22	38
Learnership programmes, special training and development	2	2	–	4
Goods and services: Cost containment measures	-14	-15	-14	-43
Compensation of employees: Reduction	-2	-27	-42	-71
Telecommunications and Postal Services	872	361	402	1 635
South Africa Connect: Broadband digital development: Implementation phase rollout	68	172	477	717
South African Post Office: Recapitalisation	650	–	–	650
South African Post Office: Distribution of set top boxes for broadcasting digital migration	240	240	–	480
Ikamva National eSkills Institute: Establishment	40	42	44	126
Sentech: Migration to digital signals	–	53	60	113
Compensation of employees: 2015 public sector wage agreement	4	12	18	33
Compensation of employees: Reduction	–	-17	-27	-44
Goods and services: Cost containment measures	-22	-27	-49	-98
South Africa Connect: Surplus funds for broadband digital readiness	-108	-114	-121	-343
Transport	564	1 955	2 889	5 408
Moloto Road upgrade	200	800	1 300	2 300
Strengthening national non-toll road network	–	960	1 300	2 260
Provincial roads maintenance grant: Funding of key performing provinces	65	798	1 002	1 864
South African National Roads Agency Limited: Gauteng freeway improvement project	425	463	505	1 394
Compensation of employees: 2015 public sector wage agreement	27	38	52	117
Upgrading of the satellite tracking system for ships	100	–	–	100
National Ports Regulator: Independent evaluation of the regulatory asset base	10	–	–	10
Maritime Safety Authority: Development of maritime policy and new funding model	2	2	2	6
Interim rail economic regulator: Capacity	2	2	2	5
Road safety awareness	–	2	2	3
Compensation of employees: Reduction	–	-34	-54	-88
Goods and services: Cost containment measures	-65	-71	-80	-216
South African National Roads Agency Limited: Reduction	-200	-153	-240	-593
Provincial roads maintenance grant: Funds for coal haulage not required	–	-852	-901	-1 753
Water and Sanitation	-1 174	-1 843	-1 761	-4 778
Compensation of employees: 2015 public sector wage agreement	43	96	124	264
Software and other intangible assets	1	19	20	40
Gauging equipment for monitoring dam sites and disaster prevention planning	9	5	5	20
Goods and services: Including contractors, consumables, and consultants	11	–	–	11
Higher education institutions: Increase	1	1	1	4
Households: Employee social benefits	1	1	1	3
Water Research Commission: Research	1	–	1	2
Office equipment	1	–	–	1
Energy Sector Education and Training Authority: Transfer reduction	-1	-0	-0	-1
Water Boards: Reduction	-0	-1	-1	-1
Buildings and other fixed structures: Reduction	-2	-2	-2	-6
Compensation of employees: Reduction in support posts	-14	–	–	-14
Land and sub-soil assets: Correction of allocation	–	-29	-30	-59
Travel, subsistence and telephone costs: Cost containment measures	–	-40	-36	-76
Machinery and equipment: Alignment of planned growth to institutional capacity	-39	-29	-31	-100
Goods and services reduction and cost containment measures	-48	-64	-93	-205
Compensation of employees: Reduction	–	-99	-155	-254
Water Trading Entity: Adequacy of accumulated surplus	-1 140	-1 702	-1 566	-4 407
Net change to function baseline	-608	-120	2 685	1 957

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3. The modifications made to the 2018/19 function baseline throughout the course of the 2016 MTEF budget process are shown. The first 2016 MTEF estimates for 2018/19 are shown in italics. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.

Human Settlements and Municipal Infrastructure

The Human Settlements and Municipal Infrastructure function seeks to boost investment in local industries in order to promote more efficient and competitive markets, as well as to provide infrastructure to low income communities. The baseline of the function decreases by R2.6 billion over the MTEF period, from R568.6 billion to R566 billion. The function comprises 15.1 per cent of non-interest expenditure allocated to a vote.

Table 1.9 Human Settlements and Municipal Infrastructure

Function ¹ by Vote	2016/17	2017/18	2018/19 ³	MTEF total
R million				
2015 MTEF function baseline²	179 172	189 205	200 173	568 550
2016 MTEF function baseline²	175 342	189 218	201 425	565 985
Annual growth rate (percentage)	2.7%	7.9%	6.5%	5.7%
Net change from the 2015 Baseline (percentage)	-2.1%	0.0%	0.6%	-0.5%
Cooperative Governance and Traditional Affairs	-481	1 047	2 379	2 945
Local government equitable share: Free basic services to poor households	-300	1 500	3 000	4 200
Municipal systems improvement indirect grant: Establishment	84	103	115	303
Municipal finance projects: Contractors and consultants	20	15	10	45
Municipal demarcation transition grant: Demarcation costs at affected municipalities	247	62	-	309
2016 local government elections: Once-off gratuity for non-returning councillors	309	-	-	309
National Disaster Management Centre: Disaster verification and management	20	40	44	104
Municipal Infrastructure Support Agency: Construction contracting support	31	50	-	81
Municipal systems improvement grant: Conversion to indirect grant	-124	-134	-142	-400
Municipal systems improvement grant: Reduction	-134	-145	-153	-433
Municipal infrastructure grant: Reduction	-634	-444	-495	-1 573
Energy	-338	-178	-297	-814
Integrated national electrification programme: Non-grid electrification oversight, monitoring and evaluation	2	4	4	11
Goods and services: Cost containment measures	-0	-0	-1	-1
Integrated national electrification programme: Reprioritisation towards oversight, monitoring and evaluation	-	-2	-1	-3
Integrated national electrification programme: Reduction	-340	-180	-300	-820
Human Settlements	-2 515	-680	-671	-3 866
Compensation of employees: 2015 public sector wage agreement	40	52	38	130
Human settlements project and programme capacity: Goods and services	25	22	-	48
Machinery and equipment	1	1	1	4
Goods and services: Cost containment measures	-	-	-3	-3
National upgrading support programme: Consultancy services	-15	-16	-18	-49
Goods and services: Cost containment measures	-17	-17	-21	-54
Compensation of employees: Reduction	-1	-30	-44	-75
Municipal human settlements capacity grant: Reduction	-100	-115	-122	-337
Urban settlements development grant: Reduction	-236	-236	-335	-807
Social Housing Regulatory Authority: Restructuring of the capital grant	-612	-342	-169	-1 123
Human settlements development grant: Reduction	-1 600	-	-	-1 600
Transport	-681	-182	-204	-1 067
Provincial transport operations grant: Subsidies for affordable public transport services	250	250	200	700
National Public Transport Regulator: Establishment	7	7	8	22
Compensation of employees: 2015 public sector wage agreement	7	6	7	20
Consultants: Cost containment measures	-2	-2	-2	-7
Goods and services: Cost containment measures	-6	-6	-8	-20
Taxi recapitalisation programme: Reduction	-16	-18	-19	-53
Passenger Rail Agency of South Africa: Moderation of growth rate	-350	-170	-190	-710
Public transport network grant: Reduction	-570	-250	-200	-1 020
Water and Sanitation	58	-323	-340	-606
Regional bulk infrastructure grant: New direct grant	2 000	2 000	2 200	6 200
Municipal water infrastructure grant: New direct grant	1 200	1 500	1 600	4 300
Regional bulk infrastructure indirect grant	200	250	311	761
Extension of the bucket eradication programme to 2016/17	350	-	-	350
Water Boards: Magalies Water	-	49	5	53
Goods and services: Including contractors, consumables and consultants	15	17	17	49
Compensation of employees: 2015 public sector wage agreement	7	7	8	22
Machinery and equipment	2	1	1	5
Goods and services: Cost containment measures	-8	-9	-11	-28
Payments for capital assets: Water infrastructure development programme: Reduction	-15	-11	-11	-36
Accelerated community infrastructure programme: Reduction	-23	-24	-24	-72
Water Boards: Alignment of planned growth to institutional capacity	-155	-	-	-155
Regional bulk infrastructure grant: Reduction	-150	-135	-140	-425
Water services infrastructure grant: Reduction	-120	-170	-180	-470
Municipal water infrastructure grant: Indirect component: Conversion to Municipal water infrastructure grant	-1 200	-1 500	-1 600	-4 300
Regional bulk infrastructure grant: Indirect component: Reduction and conversion to regional bulk infrastructure grant	-2 045	-2 299	-2 516	-6 859
National Treasury	128	329	386	843
Provincial equitable share: Compensation of employees: 2015 public sector wage agreement	188	494	593	1 275
Goods and services: Cost containment measures	-1	-1	-1	-2
Provincial equitable share: Reduction	-59	-39	-32	-131
Provincial equitable share: Compensation of employees: Reduction	-	-125	-175	-300
Net change to function baseline	-3 830	13	1 252	-2 565

1. The estimate of the provincial equitable share allocated to this function is included. This amount is in fact determined by provincial budgetary processes and is thus subject to change.
2. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline shown in the Budget Review publication, which includes revenue generated from other sources.
3. The modifications made to the 2018/19 function baseline throughout the course of the 2016 MTEF budget process are shown. The first 2016 MTEF estimates for 2018/19 are shown in italics. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.

Agriculture, Rural Development and Land Reform

The Agriculture, Rural Development and Land Reform function seeks to boost investment in local industries in order to promote more sustainable agriculture, rural development and social and economic advancement in communities. The baseline of the function decreases by R568 million over the MTEF period, from R78 billion to R77.4 billion. The function comprises 2.1 per cent of non-interest expenditure allocated to a vote.

Table 1.10 Agriculture, Rural Development and Land reform

Function ¹ by Vote				
R million	2015/16	2016/17	2018/19 ³	MTEF total
2015 MTEF function baseline²	24 566	25 973	27 463	78 002
2016 MTEF function baseline²	24 389	25 797	27 249	77 434
Annual growth rate (percentage)	4.3%	5.8%	5.6%	5.2%
Net change from the 2015 Baseline (percentage)	-0.7%	-0.7%	-0.8%	-0.7%
Agriculture, Forestry and Fisheries	-10	-71	-129	-210
Compensation of employees: 2015 public sector wage agreement	94	186	220	499
Comprehensive agricultural support programme: Grant monitoring and evaluation	10	20	30	60
Primary animal health care services in rural areas: Recruitment of veterinarian graduates	12	12	13	38
Agriculture policy action plan: Implementation	5	6	6	16
University of Fort Hare: Termination of animal traction project contract	-5	-6	-6	-16
Comprehensive agricultural support programme grant: Top-slicing the grant to ensure proper project development and planning	-10	-20	-30	-60
Marine Living Resources Fund: Reduction	-27	-30	-32	-88
Goods and services: Cost containment measures	-39	-40	-47	-126
Comprehensive agricultural support programme grant: Reduction	-50	-50	-50	-150
Compensation of employees: Reduction	-	-149	-234	-383
Rural Development and Land Reform	-267	-339	-356	-962
Extension of Security of Tenure Act (1997) and the Land Rights Management Facility Bill (2015): Implementation	87	198	209	493
Compensation of employees: 2015 public sector wage agreement	57	144	177	378
National Geomatics Council: Capacitation	4	4	4	12
Registration of deeds trading account: Reduction	-4	-4	-4	-12
National Rural Youth Service Corps and rural infrastructure: Reduction	-125	-125	-125	-375
Compensation of employees: Reduction	-156	-317	-355	-828
Goods and services: Cost containment measures	-130	-238	-262	-630
National Treasury	100	233	271	603
Provincial equitable share: Compensation of employees: 2015 public sector wage agreement	130	340	407	877
Provincial equitable share: Reduction	-31	-20	-16	-68
Provincial equitable share: Compensation of employees: Reduction	-	-86	-120	-206
Net change to function baseline	-177	-177	-214	-568

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

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

3. The modifications made to the 2018/19 function baseline throughout the course of the 2016 MTEF budget process are shown. The first 2016 MTEF estimates for 2018/19 are shown in italics. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.

General Public Services

The General Public Services function aims to deliver an efficient public service through the improvement of general government administrative services. The baseline of the function increases by R10 billion over the MTEF period, from R192.2 billion to R202.2 billion. The function comprises 5.4 per cent of non-interest expenditure allocated to a vote.

Table 1.11 General Public Services

Function ¹ by Vote				
R million	2016/17	2017/18	2018/19 ³	MTEF total
2015 MTEF function baseline²	61 039	64 246	66 963	192 248
2016 MTEF function baseline²	64 233	67 975	70 035	202 243
Annual growth rate (percentage)	-27.0%	5.8%	3.0%	-6.0%
Net change from the 2015 Baseline (percentage)	5.2%	5.8%	4.6%	5.2%
Communications	1	12	26	39
Filling of critical posts	-	10	20	30
Government Communication and Information System: Compensation of employees: 2015 public sector wage agreement	1	9	15	25
Compensation of employees: 2015 public sector wage agreement	-	-	1	1
Goods and services: Cost containment measures	-0	-0	-1	-2
Compensation of employees: Reduction	-	-1	-2	-4
Government Communication and Information System: Compensation of employees: Reduction	-	-5	-8	-12

Table 1.11 General Public ServicesFunction¹ by Vote

R million	2016/17	2017/18	2018/19 ³	MTEF total
Cooperative Governance and Traditional Affairs	79	42	24	144
Filling of critical posts	40	40	40	120
South African Local Government Association: Operations	30	31	33	94
Department of Traditional Affairs: Compensation of employees: 2015 public sector wage agreement	5	8	9	22
Back-to-Basics strategy: Implementation	6	6	7	19
Municipal Demarcation Board: Additional mandate on demarcations	10	-	-	10
United Cities and Local Government of Africa: No longer hosted by South Africa	-6	-6	-7	-19
Goods and services: Cost containment measures	-6	-6	-8	-20
Compensation of employees: Reduction	-	-31	-50	-81
Home Affairs	70	114	-175	9
Compensation of employees: 2015 public sector wage agreement	91	232	280	604
Scanners for the 2019 national government elections	-	180	-	180
Lindela Detention Centre: Reduction	-	-28	-31	-59
Goods and services: Cost containment measures	-22	-15	-28	-65
Compensation of employees: Reduction	-	-254	-397	-651
International Relations and Cooperation	-153	-734	-836	-1 723
Compensation of employees: 2015 public sector wage agreement	-	-	172	172
Goods and services: Cost containment measures	-55	-55	-71	-181
Missions: Rationalisation	-10	-75	-130	-215
African Renaissance Fund: Reduction	-88	-300	-307	-695
Compensation of employees: Reduction	-	-304	-499	-804
National Treasury	3 685	4 586	4 398	12 668
New Development Bank: Capital contribution	3 750	4 500	4 500	12 750
Provincial equitable share: Compensation of employees: 2015 public sector wage agreement	246	644	772	1 662
Chief Procurement Office: Capacitation	67	86	93	246
Direct charge: National revenue fund payments	145	-	-	145
Secret Services: Compensation of employees: 2015 public sector wage agreement	19	36	38	94
Compensation of employees: 2015 public sector wage agreement	24	27	29	81
Travel, subsistence and consultants: Cost containment measures	-1	-1	-3	-5
Infrastructure delivery improvement programme: Reduction	-9	-9	-10	-27
Goods and services: Cost containment measures	-27	-27	-35	-89
Common Monetary Area compensation: Revised projections	-31	-47	-50	-128
Provincial equitable share: Reduction	-73	-49	-38	-160
Compensation of employees: Reduction	-2	-75	-122	-199
Provincial equitable share: Compensation of employees: Reduction	-	-163	-227	-391
South African Revenue Service: Reduction	-424	-337	-549	-1 311
Parliament	4	-15	-45	-57
Compensation of employees: 2015 public sector wage agreement	37	95	115	247
Goods and services: Cost containment measures	-33	-37	-40	-110
Compensation of employees: Reduction	-	-73	-121	-194
Planning, Monitoring and Evaluation	55	87	126	268
Compensation of employees and goods and services: Expansion of monitoring and evaluation function	50	100	150	300
Compensation of employees: 2015 public sector wage agreement	4	10	12	25
Goods and services: Support for increased capacity	4	4	6	14
Evaluation of business incentive programmes in the Departments of Trade and Industry and Science and Technology	5	-	-	5
Goods and services: Cost containment measures	-4	-4	-5	-12
National Planning Commission: Reduction	-4	-4	-6	-14
Compensation of employees: Reduction	-	-19	-32	-51
Public Enterprises	0	-10	-17	-27
Compensation of employees: 2015 public sector wage agreement	2	7	12	22
Goods and services: Cost containment measures	-2	-2	-3	-8
Compensation of employees: Reduction	-	-15	-25	-41
Public Service and Administration	-208	-139	-152	-499
Presidential Remuneration Review Commission: Accommodation, personnel and operational costs	15	10	-	25
Government Employees Housing Scheme: Establishment and operating costs	3	5	5	13
Compensation of employees: 2015 public sector wage agreement	-	-	5	5
Public Service Commission: Compensation of employees: 2015 public sector wage agreement	-	-	5	5
National School of Government: Compensation of employees: 2015 public sector wage agreement	-	-	4	4
Public Service Commission: Compensation of employees: Reduction	-	-5	-7	-12
Legal services unit: Reduction of unit's planned expansion	-3	-5	-5	-13
Goods and services: Cost containment measures	-4	-4	-5	-13
National School of Government trading account: Reduction	-91	-	-	-91
Compensation of employees: Reduction	-29	-37	-43	-108
Transfer of the Public Service Sector Education and Training Authority funding to the Department of Higher Education and Training	-99	-104	-110	-312
Public Works	-337	-83	-74	-493
Compensation of employees: 2015 public sector wage agreement	46	119	159	325
Property Management Trading Entity: Accommodation costs: Correction of allocation from the allocation in the Economic Affairs function	49	54	60	164
Goods and services: Cost containment measures	-8	-8	-10	-25
Construction Industry Development Board: Reduction	-10	-15	-20	-45
Border control operational coordinating committee: Reduction	-76	-76	-76	-228
Compensation of employees: Reduction	-52	-122	-158	-331
Property Management Trading Entity: Reduction	-288	-36	-28	-352

Table 1.11 General Public Services

Function ¹ by Vote	2016/17	2017/18	2018/19 ³	MTEF total
R million				
Statistics South Africa	-10	-110	-169	-289
Compensation of employees: 2015 public sector wage agreement	9	10	10	29
Goods and services: Cost containment measures	-19	-12	-15	-45
Compensation of employees: Reduction	-	-108	-164	-272
The Presidency	9	-16	-26	-33
e-Cabinet project: Implementation	19	22	24	66
Compensation of employees: 2015 public sector wage agreement	-	3	13	16
Goods and services: Cost containment measures	-10	-13	-16	-39
Compensation of employees: Reduction	-	-29	-48	-76
Women	1	-4	-7	-11
Compensation of employees: 2015 public sector wage agreement	1	3	5	10
Goods and services: Cost containment measures	-0	-1	-2	-3
Compensation of employees: Reduction	-	-7	-11	-18
Net change to function baseline	3 194	3 729	3 072	9 995

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

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

3. The modifications made to the 2018/19 function baseline throughout the course of the 2016 MTEF budget process are shown. The first 2016 MTEF estimates for 2018/19 are shown in italics. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.

2014/15 expenditure outcome

The spending outcome of the previous financial year, that is 2014/15, is summarised in order to provide the actual spending information in relation to the planned budget as it was tabled in Parliament. Spending outcomes should be viewed against the service delivery performance targets in institutional plans to determine value for money.

National government expenditure for 2014/15 amounted to R626.2 billion out of a total adjusted appropriation of R636.6 billion. The adjusted appropriation excludes direct charges against the National Revenue Fund as these are amounts spent in terms of statutes that do not require parliamentary approval for legal authorisation, such as debt service costs. The underspending for 2014/15, calculated as the difference between the appropriated and actual expenditure, amounted to R10.5 billion or 1.6 per cent and mainly comprised underspending by the following votes:

- Cooperative Governance and Traditional Affairs: R4 billion, mainly due to the local government equitable share funding of R2.9 billion withheld from municipalities that failed to pay or make arrangements to pay their Eskom and various Water Board accounts.
- Water and Sanitation: R2 billion, mainly on the regional bulk infrastructure grant, municipal water infrastructure grant and rural household infrastructure grant, which amount to R1.8 billion in underspending. This was due to the slow appointment of implementing agents, labour strikes, adverse weather conditions and poor performance by contractors.
- Energy: R1.2 billion, mainly due to delays in implementing the solar water heater project, due to the project being redrafted and re-engineered during the year.
- Health: R745.9 million, of which R328.3 million is from the national health grant: national health insurance component, due to difficulties in contracting private medical doctors and other health professionals. Underspending on goods and services of R6.3 million is attributable to delays in awarding tenders for consultancy services for the on-site monitoring of infrastructure projects, as well as for public private partnership feasibility studies.
- Social Development: R737.2 million, mainly due to fewer applications received for social assistance grants than originally anticipated.
- National Treasury: R521.4 million, mainly because R252 million was not transferred to the Postbank of South Africa, as it revised its project implementation plan. Underspending on transfers and subsidies amounted to R155 million, mainly due to fewer than anticipated Jobs Fund projects approved.

Overview of 2016 MTEF expenditure

Consolidated expenditure, excluding debt-service costs, amounts to R4.24 trillion over the 2016 MTEF period. It is distributed as follows: R1.32 trillion in 2016/17, R1.41 trillion in 2017/18, and R1.52 trillion in 2018/19. Of this amount, R3.76 trillion provides for the main budget non-interest expenditure allocated to a vote and is divided between the three spheres of government as follows: R1.79 trillion for national departments, R1.63 trillion for provincial government and R344.1 billion for local government. On average, 88.6 per cent of total main budget expenditure is non-interest expenditure. The expenditure ceiling amounts to R3.73 trillion and is allocated between the three spheres of government as follows: R1.76 trillion for national departments, R1.63 trillion for provincial government and R344.1 billion for local government. It grows at an average annual rate of 7.5 per cent over the 2016 MTEF period.

A contingency reserve is included within the expenditure ceiling. It amounts to R6 billion in 2016/17, R10 billion in 2017/18 and R15 billion in 2018/19, to allow for unforeseen expenditure as well as emerging government policy priorities. A provisional allocation is also included within the ceiling totalling R267 million in 2016/17, R489 million in 2017/18 and R17.8 billion in 2018/19. Provisional funding has not been allocated to a specific vote and further work on the performance outcomes impact of certain areas of spending is under way.

The details of main budget expenditure allocated to a vote are discussed in the pages of this publication, with a summary provided in the tables below.

Summary tables

Table 1: Main budget framework 2012/13 to 2018/19

Table 2: Departmental receipts per vote 2012/13 to 2018/19

Table 3: Expenditure by national vote 2012/13 to 2018/19

Table 4: Expenditure by economic classification 2012/13 to 2018/19

Table 5: Amounts to be appropriated from the National Revenue Fund for 2016/17

Table 6a: Conditional grants to provinces 2012/13 to 2018/19

Table 6b: Conditional grants to municipalities 2012/13 to 2018/19

Table 7: Training expenditure per vote 2012/13 to 2018/19

Table 8a: Infrastructure expenditure per vote 2012/13 to 2018/19

Table 8b: Nature of infrastructure investment 2012/13 to 2018/19

Table 9: Personnel expenditure per vote 2012/13 to 2018/19

Table 10: Personnel numbers and cost per vote 2014/15 to 2018/19

Table 1 Main budget framework: 2012/13 to 2018/19

R million	Audited outcome			Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Revenue (National Revenue Fund)							
Tax revenue (gross)	813 825.8	900 013.5	986 294.9	1 069 700.0	1 174 787.8	1 296 477.1	1 434 737.3
Departmental and other receipts, and repayments	28 467.7	30 626.1	30 899.6	55 840.8	26 656.8	18 895.7	16 942.1
Less: Southern African Customs Union (SACU) payments	-42 151.3	-43 374.4	-51 737.7	-51 021.9	-39 448.3	-51 068.0	-62 981.3
Total revenue	800 142.2	887 265.1	965 456.8	1 074 518.9	1 161 996.2	1 264 304.7	1 388 698.1
<i>Percentage of GDP</i>	24.0%	24.6%	25.1%	26.4%	26.5%	26.6%	26.9%
Expenditure							
Debt-service costs	88 121.1	101 184.7	114 798.4	129 111.2	147 720.0	161 927.0	178 556.0
<i>Percentage of GDP</i>	2.6%	2.8%	3.0%	3.2%	3.4%	3.4%	3.5%
Current payments ¹	162 299.9	179 338.4	187 885.2	198 280.3	211 935.9	221 748.5	233 774.8
Transfers and subsidies	696 421.8	749 172.6	807 991.6	874 045.1	932 959.8	1 009 503.6	1 076 096.4
Payments for capital assets ¹	13 876.1	14 077.3	16 080.5	16 404.3	14 408.5	13 013.0	13 773.5
Payments for financial assets	4 776.5	3 985.6	5 281.6	29 476.5	5 047.2	5 019.1	5 045.0
Provisional allocation not assigned to votes	–	–	–	–	266.8	489.4	17 789.4
Total	965 495.6	1 047 758.6	1 132 037.2	1 247 317.4	1 312 338.1	1 411 700.5	1 525 035.0
Contingency reserve	–	–	–	–	6 000.0	10 000.0	15 000.0
Total expenditure	965 495.6	1 047 758.6	1 132 037.2	1 247 317.4	1 318 338.1	1 421 700.5	1 540 035.0
<i>Percentage of GDP</i>	29.0%	29.0%	29.5%	30.6%	30.0%	29.9%	29.8%
Main budget balance²	-165 353.3	-160 493.5	-166 580.4	-172 798.6	-156 341.9	-157 395.8	-151 336.9
<i>Percentage of GDP</i>	-5.0%	-4.4%	-4.3%	-4.2%	-3.6%	-3.3%	-2.9%
<i>GDP</i>	3 327 630.0	3 609 844.0	3 843 776.0	4 073 217.9	4 388 417.1	4 750 724.1	5 161 329.9

1. Excludes conditional grants to provinces and local government; these are included in transfers and subsidies.

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

Table 2 Departmental receipts per vote: 2012/13 to 2018/19¹

R million	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimates		
	2012/13	2013/14	2014/15	2015/16		2016/17	2017/18	2018/19
1 The Presidency	9.0	0.9	1.7	3.0	3.0	0.5	0.5	0.5
2 Parliament	38.0	52.4	49.1	30.7	30.7	36.1	22.2	15.0
3 Communications	943.6	1 205.2	976.5	1 025.1	1 025.1	1 025.8	1 026.3	1 026.4
4 Cooperative Governance and Traditional Affairs	1.0	1.2	1.9	1.1	1.1	1.2	1.3	1.3
5 Home Affairs	712.1	741.6	767.1	921.9	921.9	989.9	1 071.2	1 163.2
6 International Relations and Cooperation	46.7	36.6	35.1	41.8	39.6	42.7	44.4	47.4
7 National Treasury	15 735.3	15 351.1	18 246.1	13 157.4	19 726.1	16 390.2	8 036.2	5 460.6
8 Planning, Monitoring and Evaluation	0.1	0.1	0.1	0.3	0.3	0.1	0.2	0.2
9 Public Enterprises	0.5	0.4	0.2	1.2	1.2	0.1	0.1	0.1
10 Public Service and Administration	0.5	1.3	1.0	1.5	1.5	0.8	0.9	1.0
11 Public Works	53.8	55.5	16.1	1.9	1.9	1.5	1.4	1.4
12 Statistics South Africa	2.7	1.4	5.0	2.9	3.3	1.4	1.4	1.5
13 Women	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
14 Basic Education	8.0	27.2	57.6	12.1	10.1	7.1	2.1	2.2
15 Higher Education and Training	10.9	11.9	11.6	14.1	14.7	11.5	12.2	12.8
16 Health	33.8	71.6	66.1	44.6	52.4	54.9	58.5	60.6
17 Social Development	44.4	89.0	62.9	57.8	57.8	88.4	96.6	105.9
18 Correctional Services	127.0	117.1	139.8	124.4	124.4	125.8	131.0	136.9
19 Defence and Military Veterans	1 044.5	853.5	923.8	818.2	818.2	842.7	868.0	894.0
20 Independent Police Investigative Directorate	0.2	0.3	0.7	0.2	0.2	0.2	0.2	0.2
21 Justice and Constitutional Development	457.3	416.1	337.6	301.0	301.0	358.2	376.4	398.2
22 Office of the Chief Justice and Judicial Administration	–	–	–	0.4	0.8	0.8	0.8	0.8
23 Police	342.0	386.3	389.4	343.8	343.8	296.7	305.3	308.2
24 Agriculture, Forestry and Fisheries	198.0	809.6	191.7	206.3	206.3	216.6	227.5	238.9
25 Economic Development	668.7	1 097.5	930.7	668.7	668.7	908.3	951.3	980.8
26 Energy	390.1	43.5	5.3	4.0	4.4	4.8	5.0	5.2
27 Environmental Affairs	18.5	29.6	32.0	11.0	26.8	27.3	27.4	27.6
28 Labour	15.7	22.6	11.2	12.8	12.5	12.3	11.6	11.8
29 Mineral Resources	93.4	109.0	46.2	34.4	34.4	27.6	30.3	33.4
30 Science and Technology	1.2	1.7	1.6	0.4	0.2	0.1	0.1	0.1
31 Small Business Development	–	–	–	0.2	0.1	0.1	0.1	0.1
32 Telecommunications and Postal Services	2 050.2	1 710.0	1 670.2	27 633.9	27 633.9	508.1	508.1	508.1
33 Tourism	1.5	4.2	3.5	1.9	1.9	1.8	1.8	1.8
34 Trade and Industry	135.3	71.7	82.6	82.0	36.2	85.4	93.9	96.3
35 Transport	178.3	747.0	322.1	210.3	210.3	80.9	84.9	85.0
36 Water and Sanitation	26.0	66.0	15.3	19.1	19.1	18.1	19.2	18.7
37 Arts and Culture	1.9	0.5	3.3	3.2	3.2	0.8	0.8	0.8
38 Human Settlements	1.0	0.8	1.0	1.7	1.7	0.5	0.5	0.5
39 Rural Development and Land Reform	79.6	104.6	87.4	91.4	72.1	93.2	97.8	99.3
40 Sport and Recreation South Africa	8.7	0.2	0.1	0.3	0.3	0.3	0.3	0.4
Total departmental receipts as per Estimates of National Expenditure	23 479.5	24 239.2	25 493.6	45 886.8	52 411.0	22 262.8	14 117.9	11 747.1
<i>Less: Parliament (retained departmental receipts)</i>	38.0	52.4	49.1	30.7	30.7	36.1	22.2	15.0
<i>Plus: South African Revenue Service departmental receipts collection</i>	5 026.1	6 439.3	5 455.0	3 200.0	3 460.5	4 430.0	4 800.0	5 210.0
Total departmental receipts as per Budget Review	28 467.7	30 626.1	30 899.6	49 056.1	55 840.8	26 656.8	18 895.7	16 942.1

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

Table 3 Expenditure by national vote: 2012/13 to 2018/19

R million	Audited outcome			Adjusted appropriation
	2012/13	2013/14	2014/15	2015/16
1 The Presidency	342.7	391.5	421.3	475.9
2 Parliament	1 297.9	1 535.5	1 667.8	1 594.2
3 Communications	1 257.9	1 348.4	1 287.2	1 290.9
4 Cooperative Governance and Traditional Affairs	53 434.4	56 401.6	59 563.7	70 815.5
5 Home Affairs	5 395.0	6 861.6	7 069.5	7 348.7
6 International Relations and Cooperation	5 233.7	5 915.5	6 066.5	6 510.9
7 National Treasury	21 019.0	25 107.1	26 182.5	28 726.1
8 Planning, Monitoring and Evaluation	644.9	670.3	740.6	754.2
9 Public Enterprises	1 364.3	269.4	296.1	23 302.6
10 Public Service and Administration	678.4	785.8	787.8	847.6
11 Public Works	7 203.9	6 022.7	6 022.0	6 312.2
12 Statistics South Africa	1 761.7	1 728.4	2 156.4	2 323.3
13 Women	150.7	161.6	177.5	189.1
14 Basic Education	14 885.9	17 011.1	19 528.9	21 286.4
15 Higher Education and Training	33 520.2	36 397.3	39 053.5	42 016.8
16 Health	28 261.5	30 224.5	33 539.0	36 211.1
17 Social Development	111 144.8	117 110.8	127 860.5	137 893.6
18 Correctional Services	17 313.6	18 650.6	19 529.3	20 588.6
19 Defence and Military Veterans	37 702.2	40 447.5	42 842.4	45 088.2
20 Independent Police Investigative Directorate	171.4	193.1	232.4	234.8
21 Justice and Constitutional Development	12 311.2	13 048.6	14 218.0	15 010.8
22 Office of the Chief Justice and Judicial Administration	597.1	679.1	680.2	783.4
23 Police	63 156.6	68 791.4	72 507.2	76 720.8
24 Agriculture, Forestry and Fisheries	5 813.2	6 111.3	6 628.9	6 408.8
25 Economic Development	673.5	771.4	694.9	885.8
26 Energy	6 659.0	6 477.1	6 220.1	7 267.6
27 Environmental Affairs	4 942.7	5 200.3	5 675.1	5 943.3
28 Labour	2 034.6	2 371.4	2 419.9	2 704.2
29 Mineral Resources	1 173.6	1 387.2	1 475.2	1 638.5
30 Science and Technology	4 973.3	6 169.5	6 389.0	7 466.1
31 Small Business Development	851.6	1 052.4	1 125.5	1 127.5
32 Telecommunications and Postal Services	1 017.9	1 701.5	1 568.1	1 405.3
33 Tourism	1 372.0	1 512.7	1 557.6	1 794.2
34 Trade and Industry	7 434.8	8 327.9	8 659.8	9 497.8
35 Transport	39 328.2	43 036.8	49 147.1	53 615.1
36 Water and Sanitation	8 907.9	10 505.9	11 616.7	15 746.5
37 Arts and Culture	2 659.3	2 806.5	3 454.2	3 826.0
38 Human Settlements	24 196.9	27 443.3	29 358.2	30 543.4
39 Rural Development and Land Reform	8 919.6	9 454.1	9 395.8	9 197.4
40 Sport and Recreation South Africa	1 054.1	1 073.0	966.8	980.9
Total appropriation by vote	540 861.0	585 155.6	628 783.3	706 374.0
Plus:				
Direct charges against the National Revenue Fund				
President and deputy president salaries (The Presidency)	2.6	2.6	4.8	5.7
Members' remuneration (Parliament)	389.1	401.9	479.8	503.1
Debt-service costs (National Treasury)	88 121.1	101 184.7	114 798.4	127 902.0
Provincial equitable share (National Treasury)	310 740.7	336 495.3	359 921.8	386 500.0
General fuel levy sharing with metropolitan municipalities (National Treasury)	9 039.7	9 613.4	10 190.2	10 658.9
National Revenue Fund payments (National Treasury) ¹	2 587.2	516.3	1 525.5	681.7
Skills levy and sector education and training authorities (Higher Education and Training)	11 694.5	12 090.2	13 838.8	15 800.0
Magistrates' salaries (Justice and Constitutional Development)	1 314.8	1 510.0	1 622.4	1 830.8
Judges' salaries (Office of the Chief Justice and Judicial Administration)	744.8	788.7	872.2	873.7
Total direct charges against the National Revenue Fund	424 634.5	462 603.0	503 253.9	544 756.0
Provisional allocation not assigned to votes	-	-	-	-
Total	965 495.6	1 047 758.6	1 132 037.2	1 251 130.0
Contingency reserve	-	-	-	-
National government projected underspending	-	-	-	-3 000.0
Local government repayment to the National Revenue Fund	-	-	-	-1 200.0
Total	965 495.6	1 047 758.6	1 132 037.2	1 246 930.0

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

Table 3 Expenditure by national vote: 2012/13 to 2018/19

Revised estimate	Medium-term expenditure estimates			R million
	2015/16	2016/17	2017/18	
448.3	499.7	500.3	520.0	1 The Presidency
1 594.2	1 659.6	1 731.2	1 802.3	2 Parliament
1 288.6	1 345.4	1 431.0	1 526.9	3 Communications
69 415.5	72 994.0	78 557.2	84 258.5	4 Cooperative Governance and Traditional Affairs
7 348.7	7 167.1	7 060.4	7 173.7	5 Home Affairs
6 510.9	5 888.7	5 913.0	6 182.6	6 International Relations and Cooperation
28 704.6	28 471.4	31 127.0	32 310.5	7 National Treasury
749.2	827.7	907.8	994.3	8 Planning, Monitoring and Evaluation
23 282.6	274.0	279.5	289.9	9 Public Enterprises
830.3	770.4	900.9	948.7	10 Public Service and Administration
6 252.2	6 528.8	7 221.2	7 661.8	11 Public Works
2 260.1	2 489.1	2 168.3	2 200.4	12 Statistics South Africa
189.1	196.9	207.4	216.9	13 Women
21 088.4	22 269.6	23 471.0	24 829.6	14 Basic Education
41 929.3	49 188.3	52 316.1	55 334.8	15 Higher Education and Training
35 753.8	38 563.3	42 778.1	46 734.2	16 Health
136 943.6	148 937.7	161 520.1	174 808.5	17 Social Development
20 588.6	21 577.3	23 048.9	24 700.7	18 Correctional Services
45 088.2	47 169.7	48 744.6	50 725.7	19 Defence and Military Veterans
234.8	246.1	255.5	267.0	20 Independent Police Investigative Directorate
14 850.8	16 049.7	16 983.2	17 845.2	21 Justice and Constitutional Development
783.4	865.0	1 009.0	1 060.9	22 Office of the Chief Justice and Judicial Administration
76 220.8	80 984.9	87 252.2	92 954.3	23 Police
6 398.8	6 333.0	6 706.3	6 999.0	24 Agriculture, Forestry and Fisheries
885.8	674.7	714.3	751.0	25 Economic Development
7 257.9	7 545.2	8 129.0	8 486.4	26 Energy
5 943.3	6 430.1	6 660.6	6 756.8	27 Environmental Affairs
2 682.8	2 847.9	3 032.0	3 224.2	28 Labour
1 638.5	1 669.1	1 847.2	1 824.6	29 Mineral Resources
7 461.1	7 429.0	7 562.5	7 756.4	30 Science and Technology
1 115.2	1 325.4	1 459.5	1 540.0	31 Small Business Development
1 205.3	2 417.4	1 636.3	1 751.1	32 Telecommunications and Postal Services
1 769.2	2 009.5	2 067.3	2 172.6	33 Tourism
9 497.8	10 327.5	9 290.5	8 631.4	34 Trade and Industry
53 615.1	56 015.2	61 100.7	65 453.3	35 Transport
15 294.5	15 245.3	16 038.3	17 159.7	36 Water and Sanitation
3 761.0	4 070.9	4 492.7	4 542.9	37 Arts and Culture
30 543.4	30 690.9	34 566.3	36 620.0	38 Human Settlements
9 187.4	10 124.3	10 549.5	11 078.8	39 Rural Development and Land Reform
979.4	1 028.6	1 075.0	1 135.0	40 Sport and Recreation South Africa
701 592.3	721 148.2	772 311.7	821 230.4	Total appropriation by vote
				Plus:
				Direct charges against the National Revenue Fund
5.7	6.0	6.4	6.7	President and deputy president salaries (The Presidency)
503.1	529.8	556.3	588.6	Members' remuneration (Parliament)
129 111.2	147 720.0	161 927.0	178 556.0	Debt-service costs (National Treasury)
386 500.0	410 698.6	441 831.1	469 051.1	Provincial equitable share (National Treasury)
10 658.9	11 223.8	11 785.0	12 468.6	General fuel levy sharing with metropolitan municipalities (National Treasury)
681.7	145.0	–	–	National Revenue Fund payments (National Treasury) ¹
15 800.0	17 639.6	19 687.1	22 057.5	Skills levy and sector education and training authorities (Higher Education and Training)
1 590.8	2 040.2	2 140.5	2 264.7	Magistrates' salaries (Justice and Constitutional Development)
873.7	920.1	966.1	1 022.1	Judges' salaries (Office of the Chief Justice and Judicial Administration)
545 725.1	590 923.1	638 899.5	686 015.2	Total direct charges against the National Revenue Fund
–	266.8	489.4	17 789.4	Provisional allocation not assigned to votes
1 247 317.4	1 312 338.1	1 411 700.5	1 525 035.0	Total
–	6 000.0	10 000.0	15 000.0	Contingency reserve
–	–	–	–	National government projected underspending
–	–	–	–	Local government repayment to the National Revenue Fund
1 247 317.4	1 318 338.1	1 421 700.5	1 540 035.0	Total

Table 4 Expenditure by economic classification: 2012/13 to 2018/19

R million	Audited outcome			Adjusted appropriation
	2012/13	2013/14	2014/15	2015/16
Current payments				
Compensation of employees	110 683.6	120 620.4	129 542.2	138 039.1
Salaries and wages	93 025.0	100 541.8	108 758.5	113 459.2
Social contributions	17 658.6	20 078.6	20 783.7	24 579.9
Goods and services	51 523.5	58 660.6	58 239.8	61 928.8
Interest and rent on land	88 214.0	101 242.1	114 901.6	128 007.1
Interest (including interest on unitary payments (PPP))	88 211.2	101 240.8	114 899.9	127 999.0
Rent on land	2.8	1.3	1.8	8.1
Total current payments	250 421.1	280 523.1	302 683.6	327 975.0
Transfers and subsidies to:				
Provinces and municipalities	457 167.3	493 238.8	527 383.2	572 872.6
Provinces	380 928.6	410 583.7	439 547.9	471 768.1
Provincial revenue funds	380 928.6	410 572.2	439 544.4	471 768.1
Provincial agencies and funds	–	11.5	3.5	–
Municipalities	76 238.7	82 655.0	87 835.3	101 104.5
Municipal bank accounts	76 238.6	82 655.0	87 835.3	101 104.5
Municipal agencies and funds	0.1	0.0	0.1	0.1
Departmental agencies and accounts	74 980.7	80 563.0	87 561.7	94 636.1
Social security funds	17.0	18.7	30.8	21.4
Departmental agencies (non-business entities)	74 963.7	80 544.3	87 530.8	94 614.7
Higher education institutions	21 120.7	22 581.2	24 452.3	26 422.7
Foreign governments and international organisations	1 396.3	1 932.2	1 802.4	1 778.5
Public corporations and private enterprises	25 030.1	28 002.8	32 215.7	35 331.4
Public corporations	20 469.0	21 736.2	26 203.1	28 987.3
Subsidies on products or production	9 498.5	9 350.1	9 890.4	10 538.2
Other transfers to public corporations	10 970.5	12 386.1	16 312.7	18 449.1
Private enterprises	4 561.0	6 266.6	6 012.6	6 344.1
Subsidies on products or production	3 996.5	5 224.7	5 128.5	5 483.2
Other transfers to private enterprises	564.6	1 041.9	884.1	860.9
Non-profit institutions	2 413.0	2 875.4	3 186.5	3 432.2
Households	114 313.8	119 979.3	131 389.7	142 031.1
Social benefits	107 862.5	113 815.3	124 458.1	134 528.7
Other transfers to households	6 451.3	6 164.0	6 931.6	7 502.5
Total transfers and subsidies	696 421.8	749 172.6	807 991.6	876 504.6
Payments for capital assets				
Buildings and other fixed structures	8 590.5	8 927.9	10 920.2	13 178.8
Buildings	4 893.1	4 737.7	6 380.7	5 576.6
Other fixed structures	3 697.4	4 190.2	4 539.5	7 602.2
Machinery and equipment	5 103.0	4 890.5	4 847.9	3 873.0
Transport equipment	2 276.0	2 291.7	2 070.1	1 773.9
Other machinery and equipment	2 827.0	2 598.8	2 777.8	2 099.1
Heritage assets	0.0	0.1	2.0	–
Specialised military assets	22.6	0.2	4.4	12.1
Biological assets	6.2	4.8	3.4	12.7
Land and subsoil assets	91.8	58.2	226.7	–
Software and other intangible assets	61.9	195.5	75.9	121.7
Total payments for capital assets	13 876.1	14 077.3	16 080.5	17 198.4
Total payments for financial assets	4 776.5	3 985.6	5 281.6	29 452.0
Provisional allocation not assigned to votes	–	–	–	–
Total	965 495.6	1 047 758.6	1 132 037.2	1 251 130.0
Contingency reserve	–	–	–	–
National government projected underspending	–	–	–	-3 000.0
Local government repayment to the National Revenue Fund	–	–	–	-1 200.0
Total	965 495.6	1 047 758.6	1 132 037.2	1 246 930.0

Table 4 Expenditure by economic classification: 2012/13 to 2018/19

Revised estimate	Medium-term expenditure estimates			R million
	2015/16	2016/17	2017/18	
137 112.0	148 531.0	154 795.8	163 336.1	Current payments
114 042.5	122 876.1	127 835.2	134 780.1	Compensation of employees
23 069.4	25 654.9	26 960.7	28 556.0	Salaries and wages
61 063.2	63 305.3	66 847.4	70 327.3	Social contributions
129 216.2	147 819.6	162 032.3	178 667.4	Goods and services
129 208.2	147 818.6	162 030.9	178 665.9	Interest and rent on land
8.1	1.0	1.3	1.4	Interest (including interest on unitary payments (PPP))
				Rent on land
327 391.4	359 655.9	383 675.5	412 330.8	Total current payments
571 522.1	604 903.6	655 831.2	698 578.2	Transfers and subsidies to:
471 768.1	499 844.4	542 344.1	577 112.2	Provinces and municipalities
471 768.1	499 844.4	542 344.1	577 112.2	Provinces
–	–	–	–	Provincial revenue funds
99 754.0	105 059.2	113 487.1	121 466.0	Provincial agencies and funds
99 754.0	105 059.1	113 487.0	121 465.9	Municipalities
0.1	0.1	0.1	0.1	Municipal bank accounts
94 474.0	104 132.6	112 164.2	119 722.8	Municipal agencies and funds
21.4	22.6	23.7	25.1	Departmental agencies and accounts
94 452.6	104 110.0	112 140.5	119 697.8	Social security funds
26 422.7	28 109.9	31 778.9	33 717.7	Departmental agencies (non-business entities)
1 774.9	1 769.1	1 850.5	1 961.2	Higher education institutions
35 278.6	36 692.3	37 985.6	38 607.7	Foreign governments and international organisations
28 972.3	28 901.7	31 066.4	32 295.7	Public corporations and private enterprises
10 538.2	10 690.3	11 617.6	12 140.1	Public corporations
18 434.1	18 211.4	19 448.8	20 155.6	Subsidies on products or production
6 306.4	7 790.6	6 919.2	6 312.0	Other transfers to public corporations
5 470.4	6 668.7	5 850.4	5 179.5	Private enterprises
835.9	1 121.8	1 068.8	1 132.5	Subsidies on products or production
3 432.2	3 611.9	3 819.2	4 054.5	Other transfers to private enterprises
141 140.6	153 740.5	166 073.9	179 454.2	Non-profit institutions
133 639.8	145 723.5	157 359.8	170 201.9	Households
7 500.7	8 017.0	8 714.2	9 252.3	Social benefits
				Other transfers to households
874 045.1	932 959.8	1 009 503.6	1 076 096.4	Total transfers and subsidies
12 489.1	10 930.3	8 176.1	8 527.8	Payments for capital assets
5 170.6	6 317.9	4 270.3	4 465.6	Buildings and other fixed structures
7 318.4	4 612.4	3 905.8	4 062.3	Buildings
3 767.9	3 419.6	4 753.5	5 145.6	Other fixed structures
1 771.6	1 332.4	2 424.7	2 586.3	Machinery and equipment
1 996.2	2 087.2	2 328.8	2 559.3	Transport equipment
–	–	–	–	Other machinery and equipment
12.1	1.0	1.0	1.0	Heritage assets
12.7	8.0	8.2	8.6	Specialised military assets
–	–	–	–	Biological assets
122.6	49.5	74.2	90.4	Land and subsoil assets
				Software and other intangible assets
16 404.3	14 408.5	13 013.0	13 773.5	Total payments for capital assets
29 476.5	5 047.2	5 019.1	5 045.0	Total payments for financial assets
–	266.8	489.4	17 789.4	Provisional allocation not assigned to votes
1 247 317.4	1 312 338.1	1 411 700.5	1 525 035.0	Total
–	6 000.0	10 000.0	15 000.0	Contingency reserve
–	–	–	–	National government projected underspending
–	–	–	–	Local government repayment to the National Revenue Fund
1 247 317.4	1 318 338.1	1 421 700.5	1 540 035.0	Total

Table 5 Amounts to be appropriated from the National Revenue Fund for 2016/17

R million		Appropriated (including direct charges)	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	To be appropriated	Increase/ Decrease ¹
		2015/16						
1	The Presidency	516.1	491.8	0.0	13.9	–	505.7	-10.3
2	Parliament ²	2 070.1	1 800.2	385.5	3.8	–	2 189.4	119.4
3	Communications	1 280.9	75.1	1 270.2	0.1	–	1 345.4	64.5
4	Cooperative Governance and Traditional Affairs	69 314.2	3 801.7	69 185.0	7.3	–	72 994.0	3 679.9
5	Home Affairs	6 450.8	5 430.4	1 725.9	10.9	–	7 167.1	716.3
6	International Relations and Cooperation	5 698.6	5 084.8	522.7	281.1	–	5 888.7	190.0
7	National Treasury	546 851.1	149 812.3	444 111.4	38.0	4 297.2	598 258.8	51 407.7
8	Planning, Monitoring and Evaluation	717.7	406.6	405.8	15.3	–	827.7	110.0
9	Public Enterprises	267.5	270.1	0.1	3.7	–	274.0	6.5
10	Public Service and Administration	837.0	443.8	323.6	3.0	–	770.4	-66.6
11	Public Works	6 411.1	917.9	5 572.3	38.5	–	6 528.8	117.7
12	Statistics South Africa	2 245.2	2 241.3	16.6	231.1	–	2 489.1	243.9
13	Women	187.0	123.3	69.9	3.7	–	196.9	9.9
14	Basic Education	21 511.1	2 548.5	17 465.0	2 256.1	–	22 269.6	758.5
15	Higher Education and Training	56 627.8	8 215.2	58 605.0	7.7	–	66 827.9	10 200.1
16	Health	36 468.0	2 304.8	35 637.0	621.5	–	38 563.3	2 095.3
17	Social Development	138 168.6	802.3	148 125.1	10.3	–	148 937.7	10 769.1
18	Correctional Services	20 617.6	20 453.1	131.4	992.7	–	21 577.3	959.7
19	Defence and Military Veterans	44 579.4	39 101.1	7 780.8	287.8	–	47 169.7	2 590.4
20	Independent Police Investigative Directorate	234.8	244.7	0.5	0.8	–	246.1	11.3
21	Justice and Constitutional Development	16 864.7	14 367.7	2 442.5	1 279.7	–	18 089.9	1 225.2
22	Office of the Chief Justice and Judicial Administration	1 616.2	1 702.0	57.7	25.4	–	1 785.0	168.9
23	Police	76 377.1	77 007.6	961.0	3 016.3	–	80 984.9	4 607.8
24	Agriculture, Forestry and Fisheries	6 383.0	2 716.1	3 496.1	120.8	–	6 333.0	-50.0
25	Economic Development	885.8	143.0	528.8	2.9	–	674.7	-211.1
26	Energy	7 482.1	739.0	6 802.1	4.1	–	7 545.2	63.1
27	Environmental Affairs	5 948.0	2 268.5	3 999.5	162.1	–	6 430.1	482.1
28	Labour	2 686.9	1 714.8	1 064.6	68.4	–	2 847.9	161.0
29	Mineral Resources	1 618.5	831.4	824.1	13.6	–	1 669.1	50.5
30	Science and Technology	7 482.1	509.7	6 917.0	2.3	–	7 429.0	-53.1
31	Small Business Development	1 103.2	215.5	1 105.8	4.2	–	1 325.4	222.3
32	Telecommunications and Postal Services	1 413.3	708.3	1 054.1	5.0	650.0	2 417.4	1 004.1
33	Tourism	1 800.2	671.1	1 226.1	112.4	–	2 009.5	209.3
34	Trade and Industry	9 593.7	1 529.0	8 765.3	33.2	–	10 327.5	733.8
35	Transport	53 357.3	1 192.1	54 818.8	4.3	–	56 015.2	2 657.9
36	Water and Sanitation	16 446.5	3 315.8	7 483.7	4 445.8	–	15 245.3	-1 201.2
37	Arts and Culture	3 919.9	597.2	3 220.2	253.4	–	4 070.9	151.0
38	Human Settlements	30 943.4	758.9	29 826.5	5.5	100.0	30 690.9	-252.5
39	Rural Development and Land Reform	9 379.7	3 822.7	6 282.2	19.4	–	10 124.3	744.7
40	Sport and Recreation South Africa	988.5	276.6	749.8	2.2	–	1 028.6	40.1
Total		1 217 344.7	359 655.9	932 959.8	14 408.5	5 047.2	1 312 071.3	94 726.6

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

2. This is the executive's proposal for Parliament's budget, as such the economic classification disaggregation of the vote is not appropriated in the 2016 Appropriation Bill.

Table 6a Conditional grants to provinces: 2012/13 to 2018/19¹

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates			
	2012/13	2013/14	2014/15	2015/16		2016/17	2017/18	2018/19	
4	Cooperative Governance and Traditional Affairs	0.9	93.6	86.0	103.2	103.2	111.5	123.4	130.6
11	Public Works	2 308.4	610.2	605.7	552.3	552.3	761.7	809.4	856.3
14	Basic Education	11 205.9	12 326.3	13 549.8	15 631.8	15 631.8	16 213.0	19 717.2	20 850.7
16	Health	25 882.0	27 487.2	30 171.1	31 904.7	31 904.7	33 972.0	37 588.2	41 247.4
17	Social Development	–	–	27.5	47.5	47.5	85.5	376.8	563.9
24	Agriculture, Forestry and Fisheries	2 062.4	2 148.6	2 362.2	2 171.5	2 171.5	2 202.5	2 334.5	2 463.9
35	Transport	12 299.1	13 290.3	14 194.2	14 746.9	14 746.9	15 602.8	16 476.5	17 526.0
37	Arts and Culture	564.6	594.8	1 016.2	1 274.3	1 274.3	1 357.1	1 440.8	1 522.0
38	Human Settlements	15 395.0	17 028.3	17 084.4	18 302.7	18 302.7	18 284.0	21 060.3	22 281.8
40	Sport and Recreation South Africa	469.6	497.6	525.6	533.2	533.2	555.7	585.8	618.4
Total		70 187.9	74 076.9	79 622.6	85 268.1	85 268.1	89 145.8	100 513.0	108 061.1

1. Details provided in the Division of Revenue Act (2016).

Table 6b Conditional grants to municipalities: 2012/13 to 2018/19¹

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates			
	2012/13	2013/14	2014/15	2015/16		2016/17	2017/18	2018/19	
4	Cooperative Governance and Traditional Affairs	13 952.3	14 513.5	15 057.0	15 444.8	15 344.8	15 621.4	16 403.4	17 264.3
7	National Treasury	1 056.3	1 149.2	1 399.0	1 435.3	1 435.3	1 486.5	1 598.3	1 691.0
11	Public Works	661.5	611.3	594.6	587.7	587.7	664.0	716.4	758.0
26	Energy	1 351.4	1 815.5	1 241.6	2 158.2	2 158.2	2 131.9	2 290.3	2 419.5
35	Transport	4 921.7	5 602.2	5 946.1	6 049.9	6 049.9	5 694.2	6 467.2	6 906.8
36	Water and Sanitation	562.4	1 129.2	1 050.8	2 305.0	2 254.5	4 695.0	5 594.9	6 019.1
38	Human Settlements	7 392.2	9 076.9	10 584.7	10 654.3	10 654.3	10 839.5	11 472.2	12 052.1
40	Sport and Recreation South Africa	123.1	120.0	–	–	–	–	–	–
Total		30 021.1	34 017.8	35 873.7	38 635.3	38 484.8	41 132.4	44 542.7	47 110.7

1. Details provided in the Division of Revenue Act (2016).

Table 7 Training expenditure per vote: 2012/13 to 2018/19

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates			
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	
1	The Presidency	2.3	1.8	2.0	3.0	3.3	3.5	3.7
2	Parliament	5.9	7.6	10.8	10.7	18.0	16.3	17.2
3	Communications	–	–	–	0.3	0.3	0.5	0.4
4	Cooperative Governance and Traditional Affairs	1.7	3.7	–	2.7	3.5	3.4	3.4
5	Home Affairs	8.6	18.5	8.8	28.7	31.1	34.5	36.8
6	International Relations and Cooperation	12.0	9.1	13.3	23.4	22.8	22.8	22.9
7	National Treasury	10.5	6.0	9.3	9.1	9.7	10.1	10.6
8	Planning, Monitoring and Evaluation	1.6	0.9	1.5	0.9	1.2	1.4	1.6
9	Public Enterprises	2.0	2.2	2.6	1.8	1.8	1.9	2.0
10	Public Service and Administration	4.9	3.4	3.3	4.8	4.0	4.4	4.4
11	Public Works	13.3	10.2	14.7	10.1	9.0	9.5	10.0
12	Statistics South Africa	17.6	4.3	7.4	12.3	12.8	13.6	14.4
13	Women	0.1	0.6	0.7	0.6	0.7	0.8	0.9
14	Basic Education	1.1	1.0	0.5	1.3	1.5	1.5	1.5
15	Higher Education and Training	1.8	1.0	1.3	2.6	2.5	2.9	3.0
16	Health	5.9	5.9	5.9	7.7	8.7	9.2	9.9
17	Social Development	4.3	3.0	7.3	8.2	7.8	8.3	8.8
18	Correctional Services	116.6	135.6	144.3	134.2	142.7	151.9	160.4
19	Defence and Military Veterans	109.9	159.3	256.8	194.6	277.2	273.1	301.9
20	Independent Police Investigative Directorate	0.8	1.2	2.0	1.6	1.8	1.9	2.2
21	Justice and Constitutional Development	16.8	10.6	14.8	75.9	80.9	89.3	95.4
22	Office of the Chief Justice and Judicial Administration	0.3	0.1	0.3	4.6	5.5	6.4	6.8
23	Police	1 623.7	1 668.5	1 710.7	1 838.5	1 883.7	1 934.2	1 985.7
24	Agriculture, Forestry and Fisheries	32.1	34.5	39.1	35.5	33.8	40.2	39.9
25	Economic Development	0.4	0.3	0.2	0.1	0.9	1.0	1.1
26	Energy	2.1	4.0	0.8	4.4	4.7	5.1	5.5
27	Environmental Affairs	7.4	12.5	25.8	26.6	28.4	29.0	30.4
28	Labour	11.9	20.8	13.1	13.2	15.1	15.9	16.8
29	Mineral Resources	2.3	3.0	3.0	5.5	5.7	5.8	6.0
30	Science and Technology	6.1	5.2	3.4	7.5	5.3	5.6	5.9
31	Small Business Development	0.8	1.3	–	–	0.3	0.4	0.4
32	Telecommunications and Postal Services	3.9	3.8	6.9	5.3	5.6	5.9	6.2
33	Tourism	3.0	4.3	2.8	2.5	2.7	2.9	3.1
34	Trade and Industry	15.6	9.2	7.2	13.6	14.0	14.5	14.7
35	Transport	5.2	5.4	5.7	6.0	4.4	4.7	5.1
36	Water and Sanitation	31.8	22.4	37.3	41.5	45.6	50.2	55.2
37	Arts and Culture	2.0	1.8	1.8	2.2	2.4	2.5	2.9
38	Human Settlements	2.6	1.9	8.4	12.3	4.8	5.2	5.3
39	Rural Development and Land Reform	21.0	21.9	2.6	–	23.7	26.1	28.8
40	Sport and Recreation South Africa	1.6	1.1	1.3	1.3	1.3	1.3	1.4
Total		2 111.8	2 208.1	2 377.9	2 555.0	2 729.3	2 817.6	2 932.8

Table 8a Infrastructure expenditure per vote: 2012/13 to 2018/19¹

R million		Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
		2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
4	Cooperative Governance and Traditional Affairs	13 879.2	14 224.4	14 745.4	14 955.8	14 914.0	15 991.3	16 893.7
5	Home Affairs	27.6	98.5	–	103.2	154.7	196.2	142.2
6	International Relations and Cooperation	113.0	202.9	103.6	149.2	231.7	223.7	305.0
7	National Treasury	578.1	585.9	590.4	607.0	624.0	663.4	701.9
11	Public Works	713.0	567.4	422.4	–	702.4	748.2	804.6
14	Basic Education	6 860.7	8 319.6	10 070.6	11 695.7	12 218.3	13 165.6	13 919.0
15	Higher Education and Training	1 799.9	2 150.0	2 700.0	3 301.2	3 396.7	3 537.6	3 708.0
16	Health	6 190.6	5 473.5	5 794.3	6 278.5	6 065.8	6 718.9	7 024.8
17	Social Development	–	–	27.5	62.5	85.5	–	–
18	Correctional Services	744.5	583.1	854.7	775.8	788.9	838.3	874.2
19	Defence and Military Veterans	1 381.7	603.4	268.7	940.5	996.7	1 047.7	1 245.2
21	Justice and Constitutional Development	621.2	387.6	712.3	661.5	911.1	956.1	1 011.2
23	Police	691.6	868.1	884.8	998.7	1 051.4	1 103.9	1 167.9
24	Agriculture, Forestry and Fisheries	555.2	461.5	684.0	418.1	165.0	153.3	162.1
26	Energy	4 589.1	3 566.1	4 122.7	5 760.2	5 639.0	6 153.0	6 401.2
27	Environmental Affairs	337.5	405.7	–	722.1	846.2	485.1	412.0
28	Labour	8.6	1.5	1.9	0.3	28.0	–	–
30	Science and Technology	483.7	579.1	984.7	1 046.3	1 011.5	1 096.6	1 136.0
32	Telecommunications and Postal Services	–	884.2	–	226.7	450.3	616.6	950.5
34	Trade and Industry	949.5	1 043.2	805.9	973.1	1 668.4	974.3	1 606.6
35	Transport	25 016.6	26 712.7	39 327.2	38 507.3	39 733.2	44 036.0	47 462.5
36	Water and Sanitation	5 685.8	5 400.6	6 255.5	7 253.9	7 683.3	7 295.1	7 999.1
37	Arts and Culture	225.5	350.3	414.2	559.6	559.4	572.3	584.3
38	Human Settlements	23 434.6	26 723.2	27 966.6	29 289.3	29 547.8	33 301.3	35 340.0
39	Rural Development and Land Reform	4.7	2.2	4.9	23.5	4.5	–	–
Total		94 892.0	100 194.8	117 742.4	125 310.1	129 477.9	139 874.4	149 852.0

Table 8b Nature of infrastructure investment: 2012/13 to 2018/19¹

R million		Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
		2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	New infrastructure assets	4 251.7	4 619.6	5 894.7	7 028.1	7 943.8	5 625.6	6 620.0
	Existing infrastructure assets	5 063.1	4 276.2	3 873.5	6 109.4	6 918.3	6 509.8	6 593.0
	Upgrading and additions	3 601.1	3 135.7	2 693.7	4 104.8	4 737.1	4 368.7	4 326.8
	Rehabilitation, renovations and refurbishment	1 271.0	660.9	785.0	1 532.7	1 908.3	1 894.2	2 073.2
	Maintenance and repair	191.0	479.6	394.8	472.0	272.8	246.8	193.1
	Infrastructure transfers	85 577.3	91 299.0	107 974.2	112 172.6	114 615.9	127 739.0	136 638.9
	Current	398.2	384.6	670.8	58.6	779.1	808.6	868.4
	Capital	85 179.1	90 914.4	107 303.4	112 114.0	113 836.7	126 930.4	135 770.5
	Total Infrastructure	94 892.0	100 194.8	117 742.4	125 310.1	129 477.9	139 874.4	149 852.0
	<i>Current infrastructure²</i>	589.2	864.2	1 065.6	530.6	1 051.9	1 055.4	1 061.5
	<i>Capital infrastructure³</i>	94 302.8	99 330.6	116 676.8	124 779.5	128 425.9	138 819.0	148 790.5

1. Amounts include: mega infrastructure projects and programmes for which the total cost is at least R1 billion over the project life cycle; large projects and programmes for which the total cost is at least R250 million but less than R1 billion over the project life cycle; and small projects and programmes for which the total cost is less than R250 million over the project life cycle. Amounts also include: infrastructure transfers to other spheres, agencies and entities; and maintenance and repair projects.
2. Current infrastructure refers to the maintenance and repairs of existing infrastructure assets and is aimed at maintaining the capacity and effectiveness of an asset at the designed level.
3. Capital infrastructure refers to the construction, replacement, upgrade, rehabilitation, renovation and refurbishment of infrastructure resulting in a new asset or an increase in the capacity, effectiveness and value of an existing one.

Table 9 Personnel expenditure per vote: 2012/13 to 2018/19

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates			Average personnel expenditure growth rate (%)	
	2012/13	2013/14	2014/15	2015/16		2016/17	2017/18	2018/19	2012/13 -2018/19	
1	The Presidency	227.8	245.8	269.0	301.8	295.8	329.0	321.9	332.7	6.5%
2	Parliament	973.1	1 066.6	1 358.6	1 224.1	1 224.1	1 308.6	1 356.7	1 406.9	6.3%
3	Communications	23.7	24.7	39.8	56.0	50.7	59.2	70.9	74.8	21.1%
4	Cooperative Governance and Traditional Affairs	216.6	226.8	234.4	271.8	271.8	320.5	342.7	343.3	8.0%
5	Home Affairs	2 137.7	2 385.8	2 600.2	2 899.4	2 899.4	3 146.8	3 233.7	3 328.4	7.7%
6	International Relations and Cooperation	2 185.1	2 470.3	2 754.7	2 980.7	2 980.7	2 767.4	2 563.5	2 655.8	3.3%
7	National Treasury	561.5	602.1	671.5	733.4	739.3	817.6	808.2	816.9	6.4%
8	Planning, Monitoring and Evaluation	118.2	138.9	161.1	192.3	192.3	246.6	279.2	319.0	18.0%
9	Public Enterprises	102.7	124.9	141.2	153.1	153.1	168.4	168.8	173.5	9.1%
10	Public Service and Administration	194.2	230.7	229.1	276.0	240.7	272.8	278.8	291.9	7.0%
11	Public Works	1 374.6	1 471.5	1 591.8	475.0	465.0	470.8	488.4	520.6	-14.9%
12	Statistics South Africa	1 074.9	1 080.1	1 184.6	1 288.8	1 270.8	1 470.7	1 367.3	1 373.9	4.2%
13	Women	44.9	48.9	57.7	65.1	65.1	72.6	72.8	74.8	8.9%
14	Basic Education	325.2	371.7	412.7	439.9	439.9	472.1	482.0	506.0	7.6%
15	Higher Education and Training	5 927.8	6 605.4	7 139.8	7 317.2	7 236.2	7 839.9	8 429.8	8 961.8	7.1%
16	Health	554.3	628.0	686.3	774.3	774.3	873.4	878.3	954.3	9.5%
17	Social Development	307.4	339.3	377.5	423.6	423.6	458.9	465.5	478.4	7.7%
18	Correctional Services	11 337.8	12 190.1	12 611.5	13 155.1	13 155.1	14 821.4	15 952.2	17 228.0	7.2%
19	Defence and Military Veterans	19 688.4	21 332.7	23 005.8	24 890.4	24 890.4	26 884.6	26 448.0	27 116.7	5.5%
20	Independent Police Investigative Directorate	96.0	105.0	119.5	159.6	159.6	178.5	186.2	195.8	12.6%
21	Justice and Constitutional Development	7 185.0	7 919.5	8 523.0	9 365.3	9 154.7	10 070.2	10 578.0	11 067.6	7.5%
22	Office of the Chief Justice and Judicial Administration	1 014.4	1 099.8	1 203.5	1 323.8	1 323.8	1 411.9	1 524.0	1 609.1	8.0%
23	Police	46 800.4	51 241.8	54 332.2	58 277.1	57 777.1	62 070.4	66 196.8	70 655.4	7.1%
24	Agriculture, Forestry and Fisheries	1 419.1	1 525.0	1 661.6	1 763.0	1 763.0	2 055.4	2 129.2	2 201.9	7.6%
25	Economic Development	62.1	70.9	75.7	87.8	87.8	94.0	91.1	91.8	6.7%
26	Energy	201.5	228.5	264.3	289.5	292.7	310.8	314.1	327.5	8.4%
27	Environmental Affairs	560.8	659.2	787.8	930.7	930.7	1 001.6	1 046.6	1 090.8	11.7%
28	Labour	820.5	866.1	997.8	1 052.9	1 052.9	1 132.2	1 221.5	1 307.9	8.1%
29	Mineral Resources	395.9	435.3	484.6	548.4	548.4	572.1	579.1	604.8	7.3%
30	Science and Technology	221.8	241.6	276.0	295.3	295.3	309.2	319.0	331.4	6.9%
31	Small Business Development	47.1	55.3	73.8	111.5	99.2	136.7	139.1	143.1	20.4%
32	Telecommunications and Postal Services	148.2	158.5	175.5	198.5	198.5	213.7	217.1	226.8	7.4%
33	Tourism	171.2	202.4	231.5	250.1	250.1	265.5	274.9	285.8	8.9%
34	Trade and Industry	623.5	734.0	815.3	897.7	897.7	930.3	912.5	938.4	7.1%
35	Transport	287.8	304.4	345.9	389.8	389.8	437.1	439.0	457.8	8.0%
36	Water and Sanitation	1 055.5	1 139.7	1 275.7	1 428.4	1 372.3	1 667.2	1 670.2	1 739.7	8.7%
37	Arts and Culture	172.7	190.8	206.3	220.4	218.9	238.3	235.0	256.4	6.8%
38	Human Settlements	222.9	240.2	290.9	320.8	320.8	383.5	387.5	381.2	9.4%
39	Rural Development and Land Reform	1 727.8	1 541.3	1 791.6	2 114.7	2 114.7	2 142.6	2 219.0	2 351.9	5.3%
40	Sport and Recreation South Africa	73.7	76.6	82.4	95.8	95.8	108.6	107.3	113.3	7.4%
Total		110 683.6	120 620.4	129 542.2	138 039.1	137 112.0	148 531.0	154 795.8	163 336.1	6.7%

Table 10 Personnel numbers and unit cost per vote: 2014/15 to 2018/19

	Number of posts estimated for 31 March 2016		Number and cost of personnel posts filled/ planned for on funded establishment										Average personnel growth rate (%)	Average unit cost growth rate (%)	
	Number of funded posts	Number of posts additional to the establishment	Actual		Revised estimate		Medium-term expenditure estimate								
			2014/15		2015/16		2016/17		2017/18		2018/19				
			Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost			
1	The Presidency	694	80	657	409	657	459	663	496	668	525	692	549	1.7%	6.1%
2	Parliament	1 679	–	1 345	1 010	1 389	881	1 389	942	1 389	1 029	1 389	1 100	–	7.7%
3	Communications	100	14	55	723	73	694	85	696	101	715	103	748	12.2%	2.5%
4	Cooperative Governance and Traditional Affairs	436	–	436	538	429	634	616	569	616	607	616	639	12.8%	0.3%
5	Home Affairs	9 984	76	9 765	266	10 769	269	10 737	293	10 397	335	10 397	358	-1.2%	10.0%
6	International Relations and Cooperation	2 359	1 740	2 358	1 168	2 359	1 264	2 394	1 160	2 398	1 227	2 440	1 346	1.1%	2.1%
7	National Treasury	1 245	37	1 185	567	1 282	577	1 332	614	1 332	662	1 332	704	1.3%	6.9%
8	Planning, Monitoring and Evaluation	372	12	331	487	372	517	451	547	466	599	490	651	9.6%	8.0%
9	Public Enterprises	284	–	259	545	226	677	226	745	226	815	226	880	–	9.1%
10	Public Service and Administration	504	43	431	532	453	570	456	598	468	634	469	693	1.2%	6.8%
11	Public Works ¹	998	–	5 379	296	881	528	859	548	874	593	902	632	0.8%	6.2%
12	Statistics South Africa	3 572	–	3 189	371	4 136	307	14 586	101	3 792	389	3 572	431	-4.8%	11.9%
13	Women	120	2	109	529	115	566	119	610	123	646	124	692	2.5%	6.9%
14	Basic Education	799	4	753	548	758	580	766	616	773	663	789	703	1.3%	6.6%
15	Higher Education and Training	38 026	92	38 002	132	38 111	190	38 118	206	38 118	222	38 118	237	0.0%	7.6%
16	Health	2 000	77	1 884	364	1 993	388	1 962	445	1 962	471	1 962	523	-0.5%	10.4%
17	Social Development	967	134	916	412	938	452	895	513	910	544	915	573	-0.8%	8.3%
18	Correctional Services	42 006	1 162	38 440	328	41 967	313	42 006	360	42 006	401	42 006	434	0.0%	11.4%
19	Defence and Military Veterans	79 446	–	78 011	295	79 446	313	79 777	337	80 179	354	80 746	372	0.5%	5.9%
20	Independent Police Investigative Directorate	414	–	393	304	414	386	418	427	423	474	423	517	0.7%	10.3%
21	Justice and Constitutional Development	26 574	460	23 942	356	26 347	352	27 374	368	27 374	402	27 374	429	1.3%	6.8%
22	Office of the Chief Justice and Judicial Administration	2 272	–	2 107	571	2 272	583	2 200	642	2 309	669	2 312	711	0.6%	6.9%
23	Police	198 042	–	193 694	281	198 042	294	198 062	313	198 062	339	198 062	364	0.0%	7.3%
24	Agriculture, Forestry and Fisheries	6 622	291	5 685	292	6 331	278	6 481	317	6 481	351	6 481	376	0.8%	10.5%
25	Economic Development	166	–	149	508	150	585	147	639	147	676	147	717	-0.7%	7.0%
26	Energy	622	–	583	453	585	500	561	554	570	594	585	627	–	7.8%
27	Environmental Affairs	2 135	276	1 872	421	2 124	438	2 135	469	2 135	516	2 135	551	0.2%	7.9%
28	Labour	3 309	–	3 194	312	3 228	326	3 309	342	3 432	376	3 676	390	4.4%	6.2%
29	Mineral Resources	1 197	24	1 137	426	1 197	458	1 203	476	1 209	516	1 209	559	0.3%	6.9%
30	Science and Technology	481	–	481	574	461	641	470	658	470	723	470	773	0.6%	6.5%
31	Small Business Development	215	–	156	473	178	557	226	605	221	637	221	679	7.5%	6.8%
32	Telecommunications and Postal Services	305	–	300	585	312	636	337	634	337	695	337	754	2.6%	5.8%
33	Tourism	530	–	548	422	530	472	530	501	530	552	530	590	–	7.7%
34	Trade and Industry	1 617	126	1 770	461	1 617	555	1 617	575	1 617	615	1 617	664	–	6.2%
35	Transport	866	28	693	499	715	545	736	594	736	643	736	696	1.0%	8.5%
36	Water and Sanitation	4 994	200	3 637	351	3 974	345	4 511	370	4 511	392	4 525	419	4.4%	6.6%
37	Arts and Culture	512	48	453	455	509	430	512	466	512	495	512	560	0.2%	9.2%
38	Human Settlements	850	–	658	442	660	486	694	553	699	596	673	631	0.7%	9.1%
39	Rural Development and Land Reform	5 376	398	4 563	393	5 077	417	4 790	447	4 869	487	4 940	530	-0.9%	8.4%
40	Sport and Recreation South Africa	211	28	172	479	211	454	222	489	224	516	227	558	2.5%	7.1%
Total		442 901	5 352	429 692	18 580	441 288	19 918	453 972	20 835	443 666	22 696	444 480	24 357	0.2%	6.9%

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

Information contained in the chapters of the Estimates of National Expenditure

The Estimates of National Expenditure (ENE) publications describe in detail the planned spending in all national government votes over the three years of the upcoming medium term expenditure framework period (MTEF).

The abridged ENE publication is tabled in Parliament by the Minister of Finance on the day the main budget is tabled. Through the Appropriation Bill, that the abridged ENE accompanies, the executive seeks Parliament's approval and adoption of its spending plans for the first year of the MTEF period. Once the Appropriation Act has been assented to by the president, funds allocated for the first year of the new MTEF period are then appropriated from the National Revenue Fund in terms of the act. Parliament authorises expenditure annually, hence the spending estimates for the two outer years of the MTEF period are not included in the Appropriation Bill. These forward estimates or indicative allocations do, however, form the basis of the planning of the next year's budget.

The main budget expenditure, determined by the fiscal stance adopted, includes direct charges against the National Revenue Fund. Direct charges constitute spending in terms of a statute, and therefore do not require parliamentary approval. An example is debt-service costs. Such spending is therefore not contained in the Appropriation Bill, nor is it budgeted for in any particular programme within a vote. Main budget expenditure also includes a contingency reserve and provisional allocations not assigned to votes, for expenditure related to emerging government policy priorities and unforeseen circumstances. Similarly, this expenditure is not contained in the Appropriation Bill tabled.

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

The ENE e-publications for individual votes provide more comprehensive coverage of vote specific information, particularly about personnel, goods and services, transfers and subsidies, entities, donor funding, public private partnerships, conditional grants⁷ to provinces and municipalities, and expenditure information at the level of site service delivery, where appropriate. These publications are available at www.treasury.gov.za.

For each vote, the ENE publications follow the format shown below:

Budget summary

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

R million	2016/17					2017/18	2018/19
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	Total	Total
MTEF allocation							
Administration							
Programme name							
Programme name							
Subtotal							
Direct charge against the National Revenue Fund							
Item							
Total expenditure estimates							
Executive authority	Minister						
Accounting officer	Director General / Chief Operating Officer						
Website address							

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

⁷ The terms conditional allocation and allocation-in-kind, as contained in the appropriation legislation, are commonly referred to as conditional grant and indirect grant in the budget documentation that accompanies this legislation.

The **2016/17 Total** shows the total allocation per programme and the total allocation for the vote for 2016/17, and corresponds with the information in the 2016 Appropriation Bill.

The total vote allocation to be appropriated by Parliament is categorised by economic classification, into **current payments, transfers and subsidies, payments for capital assets and payments for financial assets.**

Current payments are payments made by an institution for its operational requirements.

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

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

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

For **2017/18** and **2018/19**, the estimates of expenditure in the vote are shown for the two outer years of the MTEF period.

MTEF allocation shows the expenditure allocation for the upcoming financial year and the expenditure estimates for the two outer years of the MTEF period for each programme.

Direct charge against the National Revenue Fund is an amount spent in terms of a statute and is not budgeted for in any programme in a particular vote, hence it is shown as a separate item.

Total expenditure estimates is the sum of expenditure on programmes plus direct charges.

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

Vote purpose

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

Mandate

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

Selected performance indicators

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

Indicator	Programme	Outcome	Past			Current	Projections		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19

The table presents only a selected set of a department or entity's performance indicators and is not intended to provide a comprehensive view of its performance. The table however contains key indicators linked to government's performance management system, annual performance plans and ministerial service delivery agreements. Managing, monitoring and measuring performance are integral to improving service delivery.

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

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

The **Outcome** column links the indicator to one or more of the 14 outcomes, targeted in government's 2014-2019 medium term strategic framework.

The **Past** column shows what level of performance the institution achieved in the past three financial years.

The **Current** column shows what the institution projects it will have achieved in the current financial year.

The **Projections** column shows what the institution expects to achieve over the three years of the MTEF period.

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

Expenditure analysis

This is a narrative discussion that provides an outline of what the institution aims to achieve over the medium term and how it is planning to spend its budget in support of this. The discussion centres on the institution's primary focus areas, including its policy and spending focus over the period, as contained in its planning documents. A summary is provided of how the institution's objectives and spending items are aligned with the objectives of the national development plan, as set out in the 2014-2019 medium term strategic framework outcomes.

Significant increases or decreases in expenditure, including in the past, are explained in terms of the institution's performance outcomes, service delivery methods, policies, personnel profiles, or any other applicable factors. The average annual estimated growth rates are presented in the tables in nominal, not in real, terms. In instances where inflationary growth has been excluded to calculate real estimated growth, the consumer price index has been used to deflate the rate presented.

A summary of key Cabinet approved changes to the vote's baseline budget is also provided.

Expenditure trends

This table shows audited expenditure for the past three years, and the revised expenditure estimate for the current financial year, by programme and by economic classification. For each year the budget and adjusted appropriations are also provided for comparative purposes, against actual expenditure outcomes.

Programmes														
1. Administration														
2. Programme name														
3. Programme name														
Programme														
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Outcome/Annual budget Average (%)	Outcome/Adjusted appropriation Average (%)
R million	2012/13			2013/14			2014/15			2015/16			2012/13 - 2015/16	
Administration														
Programme 2														
Programme 3														
Subtotal														
Direct charge against the National Revenue Fund														
Total														
Change to 2015 Budget estimate														
Economic classification														
Current payments														
Compensation of employees														
Goods and services														
<i>of which:</i>														
<i>Economic classification item</i>														
<i>Economic classification item</i>														
<i>Economic classification item</i>														
<i>Economic classification item</i>														
<i>Economic classification item</i>														
Transfers and subsidies														
Payments for capital assets														
Payments for financial assets														
Total														

Expenditure over a four year period is set out first by programme and then by economic classification. Expenditure is classified as current payments, transfers and subsidies, payments for capital assets and payments for financial assets. Where programme structures have been changed in recent years, expenditure and budgets have, where possible, been reallocated to the new approved programme structure for all the years shown, for comparability.

Direct charge against the National Revenue Fund is an amount spent in terms of a statute and is not budgeted for in any programme in a particular vote, hence it is shown as a separate item.

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

Adjusted appropriation shows the adjusted total amount that is voted during the course of a financial year. Most changes are made mid-year at the time of the adjustments budget. These adjustments can be made only in terms of the circumstances listed in section 30 of the Public Finance Management Act (1999). All adjustments are included in an adjustments appropriation bill, which Parliament approves before expenditure can take place. Particulars are tabled in acts of Parliament and in accompanying Adjusted Estimates of National Expenditure, and other, publications.

Audited outcomes are presented as they appear in the institution's annual financial statements; however reallocations are made for any subsequent approved budget programme structure changes.

The **Revised estimate** for 2015/16 shows the current estimate of the institution's expenditure for the current financial year. This does not imply a change in the amount voted to an institution in the

2015 adjusted appropriation bill. It is rather an up to date estimate of what the department is likely to spend in the current financial year.

The **Outcome/Annual Budget Average (%)** shows annual audited expenditure as a percentage of annual Budget appropriation, averaged over the three year period.

The **Outcome/Adjusted appropriation budget Average (%)** shows annual audited expenditure as a percentage of annual adjusted budget appropriation, averaged over the three year period.

Significant amounts and trends are discussed in the expenditure analysis section above, particularly in relation to performance and spending achievement.

Expenditure estimates

This table shows the revised expenditure estimate for 2015/16, and expenditure estimates over the three-year MTEF period, by programme and by economic classification.

Programmes								
1. Administration								
2. Programme name								
3. Programme name								
Programme	Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
				2015/16	2012/13 - 2015/16	2016/17		
R million								
Administration								
Programme 2								
Programme 3								
Subtotal								
Direct charge against the National Revenue Fund								
Total								
Change to 2015 Budget estimate								
Economic classification								
Current payments								
Compensation of employees								
Goods and services								
of which:								
Economic classification item								
Economic classification item								
Economic classification item								
Economic classification item								
Economic classification item								
Transfers and subsidies								
Payments for capital assets								
Payments for financial assets								
Total								

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

Direct charge against the National Revenue Fund is an amount spent in terms of a statute and is not budgeted for in any programme in a particular vote, hence it is shown as a separate item.

The **Revised estimate 2015/16** shows the current estimate of the institution's expenditure for the current financial year. This does not imply a change in the amount voted to an institution in the 2015 adjusted appropriation bill. It is rather an up to date estimate of what the department is likely to spend in the current financial year.

The **Average growth rate (%)** is the growth rate per year, averaged over the three year period, expressed as a percentage.

The **Expenditure/total: Average (%)** column shows the proportion an expenditure item comprises of total institutional expenditure, averaged over the three year period, expressed as a percentage.

The **Medium-term expenditure estimate** shows expenditure estimates for 2016/17, 2017/18 and 2018/19. The estimates for 2016/17 are the appropriations proposed in the 2016 Appropriation Bill, which is considered by Parliament. The estimates for 2017/18 and 2018/19 are indicative allocations and will form the basis for planning the 2017 Budget.

Significant amounts and trends are discussed in the expenditure analysis section above, particularly in relation to performance and spending achievement.

Personnel information

Personnel information is set out over a five-year period. The number of posts, the costs to the institution, and the average unit cost of a post are shown as they were estimated before the Cabinet approved budget reductions to lower the national aggregate expenditure ceiling. The compensation of employees budget reduction is also reflected in the table and the new baseline total is given.

Vote personnel numbers and cost by salary level and programme level¹ prior to Cabinet approved reduction, effective from 2017/18²; budget reductions; and aggregate baseline total

Programmes		Number and cost ³ of personnel posts filled / planned for on funded establishment												Number				
Administration														Average growth rate (%)	Salary level/Total: Average (%)			
Programme 2																		
Programme 3																		
Department name	Number of posts estimated for 31 March 2016	Actual 2014/15			Revised estimate 2015/16			Medium-term expenditure estimate 2016/17			Medium-term expenditure estimate 2017/18			Medium-term expenditure estimate 2018/19			2015/16 - 2018/19	
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
Salary level																		
1 – 6																		
7 – 10																		
11 – 12																		
13 – 16																		
Programme																		
Programme 1																		
Programme 2																		
Programme 3																		
Reduction																		
Total																		

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

2. The department's compensation of employees budget has been reduced by Rx million for 2017/18 and 2018/19. After consultation with the Department of Public Service and Administration and National Treasury, the department will finalise, develop and implement a plan to manage its personnel expenditure within this reduced expenditure ceiling.

3. Rand million.

Details are provided of total personnel numbers by **Salary level**.

Number of funded posts refers to the number of posts in an institution's establishment for which provision is made in its budget.

Number of posts additional to the establishment refers to posts that have been budgeted for ad hoc and that do not form part of the institution's approved establishment.

Information is provided on the **Number and Cost** of posts filled or planned to be filled in the total establishment by salary level.

The **Unit cost** is calculated by dividing the cost by the number of posts.

The **Average growth rate (%)** in the number of posts for the three year period is shown, expressed as a percentage.

The **Salary level/Total: Average (%)** column shows what the proportion is of the posts within a salary level to the total posts, on average over the period, expressed as a percentage.

The **Reduction** to an institution's compensation of employees budget is shown.

Total shows the compensation of employees budget baseline. After consultation with the Department of Public Service and Administration and National Treasury, the department will develop and implement a plan to manage its personnel expenditure within this reduced budget.

Personnel information is discussed in the expenditure analysis section above, particularly in relation to performance and spending achievement.

Departmental receipts

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

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

Departmental receipts are set out by **Economic classification item**.

Audited outcome is revenue for the past three years as it has been presented in the institution's annual financial statements.

The **Adjusted estimate** for 2015/16 shows the estimate of the institution's receipts published in the 2015 Adjusted Estimates of National Expenditure publication.

The **Revised estimate** shows the current estimate of institutional receipts for 2015/16.

The **Average growth rate (%)** shows the growth in revenue as a percentage, averaged over a three year period.

The **Receipt item/Total: Average (%)** column shows what proportion, as a percentage, receipts in a particular economic classification item comprise of total departmental revenue, averaged over a three year period.

Information on each programme

Programme purpose

The purpose of each programme is stated as it is set out in the Appropriation Bill. In terms of the Public Finance Management Act (1999), the programme purpose outlines the functions and activities of a programme as per the approved budget programme structure. Programme 1 is always the *Administration* programme, comprising the administrative functions and activities required to keep the department operating. It includes the ministry and deputy ministry, the director general's office and central corporate services.

Objectives

Objectives are stated for each programme, with the exception of the *Administration* programme. A programme objective includes an explanation of its strategic intent, as well as of the specific interventions and progress measures for that objective. Objectives are broadly aligned with institutional strategic plans and annual performance plans, as informed by ministerial service delivery

agreements and the national development plan and articulated in the 2014-2019 medium term strategic framework.

Subprogrammes (per programme)

The key activities carried out by each subprogramme are described. Explanatory notes are provided on transfers to entities or partner organisations, and on subsidies, incentives or financial assistance programmes, where applicable.

Expenditure trends and estimates (per programme)

The table for each programme sets out expenditure by subprogramme and economic classification item over a seven year period.

Subprogramme	Audited outcome			Adjusted appropriation 2015/16	Average growth rate (%)		Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)		Expenditure/Total: Average (%)
	2012/13	2013/14	2014/15		2012/13 - 2015/16	2016/17		2017/18	2018/19	2015/16 - 2018/19			
R million													
Subprogramme name													
Total													
Change to 2015													
Budget estimate													
Economic classification													
Current payments													
Economic classification item													
Transfers and subsidies													
Economic classification item													
Payments for capital assets													
Economic classification item													
Payments for financial assets													
Total													
Proportion of total programme expenditure to vote expenditure													

Expenditure over the seven year period is set out first by Subprogramme and then by Economic classification as current payments, transfers and subsidies, payments for capital assets and payments for financial assets.

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

Adjusted appropriation shows the adjusted total amount that is voted during the course of a financial year. Most changes are made mid-year at the time of the adjustments budget. These adjustments can be made only in terms of the circumstances listed in section 30 of the Public Finance Management Act (1999). All adjustments are included in an adjustments appropriation bill, which Parliament approves before expenditure can take place. Particulars are tabled in acts of Parliament and in accompanying Adjusted Estimates of National Expenditure, and other, publications.

The **Average growth rate (%)** is the growth rate per year averaged over a three year period, shown as a percentage.

The **Expenditure/Total: average (%)** column shows the proportion that a subprogramme or an expenditure item comprises of total programme expenditure, averaged over a three year period, expressed as a percentage.

The **Medium-term expenditure estimate** shows programme expenditure estimates for the 2016 MTEF period. The estimates for 2016/17 are the appropriations proposed in the Appropriation Bill, 2016. The estimates for 2017/18 and 2018/19 are indicative allocations and will form the basis for planning the 2017 Budget.

Significant amounts and trends are discussed in the departmental expenditure analysis section, particularly in relation to performance and spending achievement.

Additional programme information

The ENE e-publications for each vote include personnel information for each programme.

Personnel information (per programme)

Personnel information is set out over a five-year period. The number of posts, the costs to the institution, and the average unit cost of a post are shown as they were estimated before the Cabinet approved budget reductions to lower the national aggregate expenditure ceiling. The compensation of employees budget reduction is also reflected in the table and the new programme baseline total is given.

Programme personnel numbers and cost by salary level¹ prior to Cabinet approved reduction, effective from 2017/18²; budget reductions; and aggregate baseline total

Programme name	Number of posts estimated for 31 March 2016		Number and cost ³ of personnel posts filled / planned for on funded establishment									Number				
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate			Average growth rate (%)	Salary level/Total: Average (%)			
			2014/15		2015/16		2016/17		2017/18		2018/19					
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2015/16 - 2018/19	
Salary level¹																
1 – 6																
7 – 10																
11 – 12																
13 – 16																
Other																
Reduction																
Total																

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

2. The programme's compensation of employees budget has been reduced by Rx million for 2017/18 and 2018/19. After consultation with the Department of Public Service and Administration and National Treasury, the department will finalise, develop and implement a plan to manage its personnel expenditure within this reduced expenditure ceiling.

3. Rand million.

Details are provided of total personnel numbers by **Salary level**.

Number of funded posts refers to the number of posts in an institution's programme establishment for which provision is made in its budget.

Number of posts additional to the establishment refers to posts that have been budgeted for ad hoc and that do not form part of the institution's approved establishment.

Information is provided on the **Number and Cost** of posts filled or planned to be filled in the total programme establishment by salary level.

The **Unit cost** is calculated by dividing the cost by the number of posts.

The **Average growth rate (%)** in the number of posts for the three year period is shown, expressed as a percentage.

The **Salary level/Total: Average (%)** column shows what the proportion is of the posts within a salary level to the total programme posts, on average over the period, expressed as a percentage.

The **Reduction** to the compensation of employees budget is shown.

Total shows the compensation of employees budget baseline.

Programme personnel information is discussed in the expenditure analysis section above, particularly in relation to performance and spending achievement.

Entities

The information provided on entities is similar to what is reported on for a department. However, because the basis of accounting used by entities is different from that used by departments, entities' statements of financial performance and financial position are provided.

Entity accounts are prepared using the accrual basis of accounting, whereas departmental accounts are prepared using a modified cash basis of accounting.

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

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

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

- the entity's legislative mandate
- selected performance indicators relating to the entity's mandate
- an expenditure analysis narrative that provides an outline of what the entity aims to achieve over the medium term and its planned spending in support of this
- expenditure trends and estimates by programme/objective/activity
- statements of historical financial performance and position
- statements of estimates of future financial performance and position
- personnel numbers and costs by salary level.

Additional tables

Summary of expenditure on infrastructure

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

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

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

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

Summary of conditional grants to provinces and municipalities

The table provides details of allocations made by national government to provinces, local government or municipalities, on condition that certain requirements are met. The purpose and conditions of such allocations are specified in the 2016 Division of Revenue Bill.

Summary of departmental public private partnerships projects

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

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

Project signed is a public private partnership project that has reached financial close and is being implemented.

Project in preparation is at some stage of inception, feasibility or procurement, but it has not yet reached financial close.

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

Advisory fee is a cost for the hiring of transaction advisers, who assist government with feasibility studies and procurement in the public private partnership project process.

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

Summary of donor funding

Donor funding is funding received by departments over and above the allocations provided in government's appropriation legislation. Donor funding comprises official development assistance and other local and international donations. Official development assistance is an official resource flow from the international donor community to the South African government in the form of grants and technical cooperation.

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

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

2016 BUDGET

ESTIMATES OF NATIONAL EXPENDITURE

40 Church Square, Pretoria, 0002 | Private Bag X115, Pretoria, 0001 | T (012) 395 6697, F (012) 315 5126



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA