

Vote 25

Economic Development

Budget summary

R million	2017/18				2018/19	2019/20
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	80.7	80.2	–	0.5	79.4	84.6
Growth Path and Social Dialogue	35.6	35.1	–	0.6	39.6	42.4
Investment, Competition and Trade	681.0	24.5	656.2	0.2	725.8	777.2
Total expenditure estimates	797.2	139.8	656.2	1.2	844.7	904.3

Executive authority: Minister of Economic Development
 Accounting officer: Director General of Economic Development
 Website address: www.economic.gov.za

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

Vote purpose

Promote economic development policy formulation and planning for the benefit of all South Africans.

Mandate

The Economic Development Department was established in 2009 and has assumed responsibilities relating to the creation of decent employment through inclusive growth. This includes the implementation of certain aspects of the National Development Plan (NDP), the new growth path and the national infrastructure plan, as captured in outcome 4 (decent employment through inclusive growth), outcome 6 (an efficient, competitive and responsive economic infrastructure network) and outcome 7 (comprehensive rural development and land reform) of government's 2014-2019 medium-term strategic framework.

The department is also responsible for five public entities, three of which are regulatory bodies and two are development finance institutions. The entities are: the Competition Commission, the Competition Tribunal, the International Trade Administration Commission of South Africa, the Industrial Development Corporation and the Small Enterprise Finance Agency.

In line with these responsibilities, the department's mandate includes the administration of the following legislation:

- the Industrial Development Act (1940)
- the Competition Act (1998)
- the International Trade Administration Act (2002)
- the Infrastructure Development Act (2014).

Selected performance indicators

Table 25.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of analytical and public policy advocacy reports on socioeconomic development and the new growth path produced per year ¹	Growth Path and Social Dialogue	Outcome 4: Decent employment through inclusive growth	– ²	6	5	4	4	4	3 ³
Number of spatial, local and provincial initiatives to promote employment, empowerment and development per year	Growth Path and Social Dialogue		– ²	6	8	10	10	10	10
Number of quarterly Cabinet-level progress reports on strategic integrated projects per year	Investment, Competition and Trade		71	72	72	60	72	72	72

Table 25.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of infrastructure projects unblocked ⁴ , fast-tracked or facilitated per year	Investment, Competition and Trade	Outcome 4: Decent employment through inclusive growth	8	14	22	8	8	8	8
Number of Cabinet and presidential infrastructure coordinating committee strategic decisions on infrastructure implemented per year ¹	Investment, Competition and Trade		-2	5	8	4	4	4	4
Number of ministerial and departmental oversight engagements with the Industrial Development Corporation held per year ²	Investment, Competition and Trade		6	4	8	4	4	4	4
Number of agricultural, manufacturing and trade initiatives unblocked per year ¹	Investment, Competition and Trade		-2	13	16	12	12	14	14
Number of case studies and monitoring reports produced on the funding allocations on township enterprises by development finance institutions and government departments per year ¹	Investment, Competition and Trade		-2	4	3	4	4	4	4
Number of ministerial/parliamentary monitoring reports on development finance institutions funding impact produced per year ¹	Investment, Competition and Trade		-2	4	6	4	4	4	4
Number of ministerial and departmental oversight engagements with trade and competition authorities held per year ¹	Investment, Competition and Trade		-2	-2	7	4	4	5	5

1. Indicators reworded to make them specific, measurable, assignable, realistic and time related.

2. No historical data available.

3. Target decreases over the medium term to align with implementation.

4. Unblocking is a core departmental activity. It entails making processes required to implement projects smoother and minimising unnecessary delays.

Expenditure analysis

The Economic Development Department aims to drive the priorities of job creation, inclusive economic growth and industrialisation, and support the implementation of economic policy. These priorities are captured in outcome 4 (decent employment through inclusive growth) of government's 2014-2019 medium-term strategic framework. Over the medium term, the department will focus on supporting provinces in their economic planning, facilitating interventions in infrastructure initiatives, and providing support to development finance institutions and regulatory bodies.

The department expects to transfer 82.2 per cent of its total budget over the MTEF period to its public entities, which implement the policies it develops. The bulk of the department's operational budget is largely spent on compensation of employees for the skilled personnel required to drive its policy and coordination interventions. The department's allocation for spending on compensation of employees has been reduced by R1 million in 2017/18, R1 million in 2018/19 and R1.1 million in 2019/20, as part of Cabinet-approved reductions to the compensation ceiling. The department's allocations for spending on goods and services, and payments for capital assets were reduced by R1.2 million and R73 000 by 2019/20.

Supporting provinces' economic planning

Over the medium term, the department aims to support provinces and selected municipalities, particularly in Mpumalanga, Limpopo, KwaZulu-Natal and Gauteng, with economic planning. The support is to be provided through a number of spatial, local and provincial economic development initiatives. The department currently supports initiatives for economic development through the coordination of private-sector participation in technical and vocational education and training, specifically in Mpumalanga, and provincial oversight visits in collaboration with the National Council of Provinces. Over the MTEF period, the department expects to support 30 economic development initiatives to promote employment, empowerment and development in all provinces. Support to provinces on economic planning is budgeted for in the *Growth Path and Social Dialogue* programme. The increase in activities over the medium term, such as support for the implementation of the youth employment accord, is expected to increase spending in the programme at an average annual rate of 11 per cent, from R31 million in 2016/17 to R42.4 million in 2019/20.

Facilitating interventions in infrastructure initiatives

The department provides secretariat support to the Presidential Infrastructure Coordinating Commission, which monitors and drives the implementation of the national infrastructure plan. Over the medium term, the secretariat's work accounts for R44.6 million of spending in the *Investment, Competition and Trade* programme, which has a total budget of R2.2 billion. The department expects to provide 72 quarterly progress reports per year to Cabinet on the strategic integrated projects, and to unblock, fast-track or facilitate 24 national infrastructure projects over the medium term. This is expected to involve smoothing and minimising delays in processes for water-use licence applications, air emission licences, environmental impact assessments, and developing and promoting an infrastructure project pipeline.

The strategic integrated project steering committee was established in the department to unblock, fast-track, localise and lead the implementation of the Saldanha-Northern Cape development corridor, one of the 18 identified strategic infrastructure projects overseen by the commission. As the chair of the Saldanha-Northern Cape development corridor (strategic integrated project 5) the department will drive the corridor's implementation over the medium term. The Saldanha-Northern Cape development corridor promotes integrated rail and port expansion and back-of-port industrial capacity, strengthens maritime support capacity for oil and gas along the African West Coast, and expands iron ore mining production and beneficiation. Through the Industrial Development Corporation, the department will continue to facilitate and coordinate quarterly meetings on strategic integrated projects.

Strategic support to development finance institutions and regulatory bodies

Over the medium term, the department plans to undertake 14 engagements with trade and competition regulatory bodies to monitor progress in implementing their annual performance plans, and improve administrative efficiencies within the institutions. The department will monitor progress on the various market enquiries planned for conclusion in 2017/18, and that the conditions in the Coca-Cola, Anheuser-Busch InBev, Clicks and Edcon mergers are implemented as agreed. It will periodically report on the impact of the conditions in terms of employment creation and development. The department plans to engage in 40 unblocking initiatives over the medium term, ranging from easing regulatory challenges to ensuring municipal services are made available for new and existing investments.

The department oversees and provides strategic direction to the Industrial Development Corporation and regulatory bodies reporting to it. This work is managed through the *Investment, Competition and Trade* programme, in which expenditure is expected to increase at an average annual rate of 12.4 per cent, from R546.9 million in 2016/17 to R777.2 million in 2019/20. This growth takes into account Cabinet-approved additional funding of R150.4 million to the Competition Commission for capacity building, R45 million to the Industrial Development Corporation for the Presidential Infrastructure Coordinating Commission's technical unit and technical project management team, and R95 million for the Steel Development Fund.

Expenditure trends

Table 25.2 Vote expenditure trends by programme and economic classification

Programme	2013/14			2014/15			2015/16			2016/17			2013/14 - 2016/17	
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million														
Programme 1	63.6	95.8	91.3	79.5	94.9	87.4	83.2	83.2	83.1	79.2	89.2	88.1	114.6%	96.4%
Programme 2	44.1	36.3	35.6	38.3	20.9	22.0	27.9	27.9	26.7	36.0	33.1	31.0	78.8%	97.7%
Programme 3	663.8	639.4	644.5	579.1	581.1	585.5	774.7	774.7	773.9	559.4	552.3	546.9	99.0%	100.1%
Total	771.5	771.5	771.4	696.9	696.9	694.9	885.8	885.8	883.7	674.7	674.7	666.0	99.6%	99.6%
Change to 2016 Budget estimate														

Table 25.2 Vote expenditure trends by programme and economic classification

Economic classification	2013/14			2014/15			2015/16			2016/17			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate		
R million														
Current payments	151.0	157.0	139.7	160.8	132.0	116.3	150.3	140.9	128.4	143.0	142.5	133.9	85.7%	90.6%
Compensation of employees	98.0	72.4	70.9	107.8	76.9	75.7	96.1	87.8	79.4	94.0	94.0	85.4	78.6%	94.0%
Goods and services	53.0	84.5	68.8	53.0	55.0	40.6	54.2	53.1	49.0	49.0	48.5	48.5	98.9%	85.8%
Transfers and subsidies	612.6	612.6	628.1	533.9	560.5	575.9	733.2	742.3	750.4	528.8	528.8	528.8	103.1%	101.6%
Departmental agencies and accounts	381.6	381.6	273.6	291.3	291.6	306.8	326.8	330.8	338.8	315.7	315.7	315.7	-	-
Public corporations and private enterprises	231.0	231.0	354.0	242.6	268.8	268.8	406.4	411.4	411.4	213.1	213.1	213.1	114.1%	110.9%
Non-profit institutions	-	-	-	-	-	0.1	-	-	0.1	-	-	-	-	-
Households	-	-	0.5	-	-	0.2	-	0.1	0.2	-	-	-	-	1 066.7%
Payments for capital assets	7.9	1.9	3.6	2.2	4.4	2.7	2.2	2.6	4.9	2.9	3.4	3.4	96.0%	118.7%
Machinery and equipment	6.3	1.9	2.5	1.7	4.0	2.7	1.8	2.1	3.4	2.5	3.3	3.3	96.3%	105.4%
Software and other intangible assets	1.6	0.0	1.1	0.5	0.5	-	0.5	0.5	1.6	0.4	0.1	0.1	94.8%	252.4%
Total	771.5	771.5	771.4	696.9	696.9	694.9	885.8	885.8	883.7	674.7	674.7	666.0	99.6%	99.6%

Expenditure estimates

Table 25.3 Vote expenditure estimates by programme and economic classification

Programmes									
1. Administration									
2. Growth Path and Social Dialogue									
3. Investment, Competition and Trade									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
				2016/17	2017/18	2018/19			2019/20
R million									
Programme 1	88.1	-2.7%	11.6%	80.7	79.4	84.6	-1.3%	10.4%	
Programme 2	31.0	-5.1%	3.8%	35.6	39.6	42.4	11.0%	4.6%	
Programme 3	546.9	-5.1%	84.6%	681.0	725.8	777.2	12.4%	85.0%	
Total	666.0	-4.8%	100.0%	797.2	844.7	904.3	10.7%	100.0%	
Change to 2016 Budget estimate				83.0	93.7	109.4			
Economic classification									
Current payments	133.9	-5.2%	17.2%	139.8	138.2	147.7	3.3%	17.4%	
Compensation of employees	85.4	5.6%	10.3%	90.1	90.8	97.7	4.6%	11.3%	
Goods and services	48.5	-16.9%	6.9%	49.7	47.4	50.0	1.0%	6.1%	
Transfers and subsidies	528.8	-4.8%	82.3%	656.2	703.4	753.3	12.5%	82.2%	
Departmental agencies and accounts	315.7	-6.1%	40.9%	387.5	421.7	453.3	12.8%	49.1%	
Public corporations and private enterprises	213.1	-2.6%	41.4%	268.8	281.8	300.0	12.1%	33.1%	
Payments for capital assets	3.4	21.0%	0.5%	1.2	3.1	3.3	-1.2%	0.3%	
Machinery and equipment	3.3	20.3%	0.4%	0.8	2.6	2.8	-5.4%	0.3%	
Software and other intangible assets	0.1	48.3%	0.1%	0.4	0.5	0.5	64.7%	0.0%	
Total	666.0	-4.8%	100.0%	797.2	844.7	904.3	10.7%	100.0%	

Goods and services expenditure trends and estimates

Table 25.4 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
Administrative fees	662	523	794	548	-6.1%	1.2%	586	628	663	6.6%	1.2%
Advertising	20 087	6 138	2 705	142	-80.8%	14.1%	1 520	1 343	1 418	115.3%	2.3%
Minor assets	225	62	174	120	-18.9%	0.3%	128	138	145	6.5%	0.3%
Audit costs: External	3 210	3 037	2 669	2 781	-4.7%	5.7%	3 477	3 721	3 640	9.4%	7.0%
Bursaries: Employees	123	97	209	120	-0.8%	0.3%	132	144	152	8.2%	0.3%
Catering: Departmental activities	1 396	410	1 351	887	-14.0%	2.0%	1 378	1 476	1 559	20.7%	2.7%
Communication	2 340	1 471	1 130	1 769	-8.9%	3.2%	2 105	2 253	2 380	10.4%	4.3%
Computer services	1 102	1 612	326	930	-5.5%	1.9%	1 215	1 299	1 372	13.8%	2.5%
Consultants: Business and advisory services	4 166	372	833	1 809	-24.3%	3.5%	1 750	1 957	1 989	3.2%	3.8%
Legal services	6 764	3 355	6 636	14 045	27.6%	14.9%	4 020	4 253	4 491	-31.6%	13.7%

Table 25.4 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16		2013/14 - 2016/17	2016/17	2017/18	2018/19	2019/20		
Contractors	705	237	460	673	-1.5%	1.0%	1 901	742	782	5.1%	2.1%
Agency and support/outsourced services	129	202	21	208	17.3%	0.3%	223	238	252	6.6%	0.5%
Entertainment	24	9	-	22	-2.9%	-	23	25	26	5.7%	-
Fleet services (including government motor transport)	976	1 085	917	644	-12.9%	1.8%	907	971	1 026	16.8%	1.8%
Inventory: Clothing material and accessories	7	429	-	12	19.7%	0.2%	155	166	176	144.8%	0.3%
Inventory: Materials and supplies	10	4	-	11	3.2%	-	12	8	8	-10.1%	-
Inventory: Medical supplies	-	-	-	-	-	-	-	4	4	-	-
Consumable supplies	329	100	98	153	-22.5%	0.3%	164	176	186	6.7%	0.3%
Consumables: Stationery, printing and office supplies	1 730	1 035	703	1 616	-2.2%	2.5%	1 741	1 864	1 968	6.8%	3.7%
Operating leases	9 238	9 185	10 924	10 604	4.7%	19.3%	12 816	9 247	10 055	-1.8%	21.8%
Rental and hiring	310	10	90	122	-26.7%	0.3%	131	141	148	6.7%	0.3%
Property payments	56	-	-	40	-10.6%	-	43	47	49	7.0%	0.1%
Transport provided: Departmental activity	69	1	55	23	-30.7%	0.1%	25	27	28	6.8%	0.1%
Travel and subsistence	11 840	9 561	11 295	7 657	-13.5%	19.5%	10 700	11 667	12 321	17.2%	21.6%
Training and development	323	221	348	980	44.8%	0.9%	1 037	1 098	1 159	5.8%	2.2%
Operating payments	1 546	1 068	987	1 336	-4.7%	2.4%	1 431	1 529	1 614	6.5%	3.0%
Venues and facilities	1 428	343	6 263	1 237	-4.7%	4.5%	2 098	2 245	2 370	24.2%	4.1%
Total	68 795	40 567	48 988	48 489	-11.0%	100.0%	49 718	47 407	49 981	1.0%	100.0%

Transfers and subsidies expenditure trends and estimates

Table 25.5 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16		2013/14 - 2016/17	2016/17	2017/18	2018/19	2019/20		
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	273 603	306 820	338 848	315 657	4.9%	49.7%	387 460	421 685	453 307	12.8%	59.7%
Public Service Sector Education and Training Authority	-	323	-	-	-	-	-	-	-	-	-
Competition Commission	176 888	198 212	231 045	208 541	5.6%	32.8%	258 354	281 788	305 576	13.6%	39.9%
Competition Tribunal	16 945	19 911	19 102	20 115	5.9%	3.1%	30 041	35 086	37 051	22.6%	4.6%
International Trade Administration Commission	79 770	88 374	88 701	87 001	2.9%	13.8%	99 065	104 811	110 680	8.4%	15.2%
Public corporations and private enterprises											
Subsidies on products and production											
Current	9 000	-	-	-	-100.0%	0.4%	-	-	-	-	-
Small Enterprise Finance Agency	9 000	-	-	-	-100.0%	0.4%	-	-	-	-	-
Public corporations and private enterprises											
Other transfers to public corporations											
Current	344 979	268 845	411 397	213 124	-14.8%	49.9%	268 780	281 759	300 018	12.1%	40.3%
Small Enterprise Finance Agency	236 979	268 845	406 397	213 124	-3.5%	45.3%	223 780	236 759	250 018	5.5%	35.0%
Industrial Development Corporation	108 000	-	5 000	-	-100.0%	4.6%	45 000	45 000	50 000	-	5.3%
Non-profit institutions											
Current	-	60	-	-	-	-	-	-	-	-	-
Non-profit organisations	-	60	-	-	-	-	-	-	-	-	-
Households											
Social benefits											
Current	303	211	150	-	-100.0%	-	-	-	-	-	-
Households	303	211	150	-	-100.0%	-	-	-	-	-	-
Households											
Other transfers to households											
Current	190	9	1	-	-100.0%	-	-	-	-	-	-
Households	190	9	1	-	-100.0%	-	-	-	-	-	-
Total	628 075	575 945	750 396	528 781	-5.6%	100.0%	656 240	703 444	753 325	12.5%	100.0%

Personnel information

Table 25.6 Vote personnel numbers and cost by salary level and programme¹

Number of posts estimated for 31 March 2017		Number and cost ² of personnel posts filled / planned for on funded establishment										Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate				Average growth rate (%)	Average: Salary level/Total (%)				
		2015/16		2016/17		2017/18		2018/19		2019/20				2016/17 - 2019/20			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	
Economic Development		138	79.4	0.6	129	85.4	0.7	127	90.1	0.7	126	90.8	0.7	126	97.7	0.8	
Salary level																	
1 – 6	18	1	19	3.0	0.2	18	3.1	0.2	18	3.7	0.2	18	3.6	0.2	18	3.9	0.2
7 – 10	40	–	40	12.3	0.3	40	15.9	0.4	40	15.1	0.4	40	16.2	0.4	40	16.6	0.4
11 – 12	35	–	35	23.7	0.7	33	25.6	0.8	33	28.5	0.9	33	27.6	0.8	33	30.6	0.9
13 – 16	44	–	44	37.6	0.9	36	37.2	1.0	34	39.1	1.2	33	40.5	1.2	33	43.6	1.3
Other	1	–	2	2.9	1.4	2	3.6	1.8	2	3.7	1.8	2	2.8	1.4	2	3.0	1.5
Programme	138	2	140	79.4	0.6	129	85.4	0.7	127	90.1	0.7	126	90.8	0.7	126	97.7	0.8
Programme 1	78	2	80	41.7	0.5	75	44.7	0.6	75	44.9	0.6	75	42.7	0.6	75	46.0	0.6
Programme 2	29	–	29	22.3	0.8	28	25.8	0.9	28	29.5	1.1	28	32.3	1.2	28	34.8	1.2
Programme 3	31	–	31	15.4	0.5	26	14.8	0.6	24	15.6	0.7	23	15.8	0.7	23	17.0	0.7

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

2. Rand million.

Departmental receipts

Table 25.7 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2013/14	2014/15	2015/16					2016/17	2017/18	2018/19		
R thousand												
Departmental receipts	1 097 542	930 728	726 791	908 376	908 376	-6.1%	100.0%	921 338	950 825	997 391	3.2%	100.0%
Sales of goods and services produced by department	23	85	35	20	20	-4.6%	–	21	22	30	14.5%	–
Sales by market establishments	23	85	35	14	14	-15.3%	–	21	22	30	28.9%	–
of which:												
Rental: Parking	23	85	35	14	14	-15.3%	–	21	22	30	28.9%	–
Other sales	–	–	–	6	6	–	–	–	–	–	-100.0%	–
of which:												
Commission on insurance garnishee	–	–	–	6	6	–	–	–	–	–	-100.0%	–
Fines, penalties and forfeits	1 037 454	880 361	676 495	858 159	858 159	-6.1%	94.2%	901 067	930 500	977 025	4.4%	97.1%
Interest, dividends and rent on land	50 229	50 237	50 278	50 150	50 150	-0.1%	5.5%	20 200	20 250	20 280	-26.1%	2.9%
Interest	229	237	278	150	150	-13.2%	–	200	250	280	23.1%	–
Dividends	50 000	50 000	50 000	50 000	50 000	–	5.5%	20 000	20 000	20 000	-26.3%	2.9%
of which:												
Dividends from the Industrial Development Corporation	50 000	50 000	50 000	50 000	50 000	–	5.5%	20 000	20 000	20 000	-26.3%	2.9%
Transactions in financial assets and liabilities	9 836	45	(17)	47	47	-83.2%	0.3%	50	53	56	6.0%	–
Total	1 097 542	930 728	726 791	908 376	908 376	-6.1%	100.0%	921 338	950 825	997 391	3.2%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 25.8 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million					2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
Ministry	21.0	19.8	20.2	21.4	0.6%	23.5%	27.5	25.3	27.1	8.2%	30.4%
Office of the Director General	10.8	12.6	14.6	11.3	1.5%	14.0%	10.1	10.4	11.2	-0.4%	12.9%
Corporate Management Services	46.1	42.2	36.6	43.1	-2.2%	47.9%	31.7	30.1	32.0	-9.5%	41.0%
Financial Management	13.4	12.8	11.8	13.4	0.1%	14.6%	11.4	13.5	14.4	2.3%	15.8%
Total	91.3	87.4	83.1	89.2	-0.8%	100.0%	80.7	79.4	84.6	-1.7%	100.0%
Change to 2016 Budget estimate				10.0			(0.0)	(0.0)	(0.0)		
Economic classification											
Current payments	88.7	74.5	80.0	86.2	-1.0%	93.8%	80.2	77.0	82.2	-1.6%	97.5%
Compensation of employees	38.1	39.5	41.7	45.8	6.3%	47.0%	44.9	42.7	46.0	0.1%	53.7%
Goods and services ¹	50.6	35.0	38.3	40.4	-7.3%	46.8%	35.3	34.3	36.2	-3.5%	43.8%
of which:											
Audit costs: External	3.2	3.0	2.7	2.8	-4.7%	3.3%	3.5	3.7	3.6	9.4%	4.1%
Communication	1.7	1.3	1.1	1.3	-8.1%	1.5%	1.6	1.7	1.8	11.6%	2.0%
Legal services	2.5	3.4	6.6	13.9	78.2%	7.5%	4.0	4.3	4.5	-31.4%	8.0%
Consumables: Stationery, printing and office supplies	1.3	1.0	0.6	1.3	-1.1%	1.2%	1.3	1.4	1.5	6.5%	1.7%
Operating leases	9.2	9.2	10.9	10.6	4.7%	11.4%	12.8	9.2	10.1	-1.8%	12.8%
Travel and subsistence	7.3	7.1	9.0	5.4	-9.8%	8.2%	6.5	6.8	7.2	10.0%	7.7%
Transfers and subsidies¹	0.2	10.5	0.1	-	-100.0%	3.1%	-	-	-	-	-
Departmental agencies and accounts	-	10.4	-	-	-	3.0%	-	-	-	-	-
Households	0.2	0.1	0.1	-	-100.0%	0.1%	-	-	-	-	-
Payments for capital assets	2.4	2.4	3.0	3.1	8.8%	3.1%	0.5	2.3	2.4	-7.4%	2.5%
Machinery and equipment	2.4	2.4	3.0	3.0	7.9%	3.1%	0.4	2.3	2.4	-6.9%	2.4%
Software and other intangible assets	0.0	-	0.1	0.1	58.3%	0.1%	0.0	0.0	0.1	-22.8%	0.1%
Total	91.3	87.4	83.1	89.2	-0.8%	100.0%	80.7	79.4	84.6	-1.7%	100.0%
Proportion of total programme expenditure to vote expenditure	11.8%	12.6%	9.4%	13.2%	-	-	10.1%	9.4%	9.4%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	-	10.1	-	-	-	2.9%	-	-	-	-	-
Competition Commission	-	10.1	-	-	-	2.9%	-	-	-	-	-

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

Programme 2: Growth Path and Social Dialogue

Programme purpose

Strengthen the economic development capacity of government. Align economic development policies aimed at broadening participation in the economy to create decent work opportunities.

Objectives

- Coordinate job drivers, sector/spatial projects and the implementation of the new growth path for job creation, inclusive growth, industrialisation and social inclusion by ensuring regular reviews of systemic obstacles over the medium term.
- Increase employment at the sectoral and workplace levels through the facilitation of social dialogue and the implementation of social accords; and support productivity, innovation and entrepreneurship by engaging in public policy forums over the medium term.

Subprogrammes

- *Growth Path and Job Drivers* monitors and supports the unblocking of job drivers in the new growth path as central to the implementation of the NDP, and engages with the relevant structures.

- *Social Dialogue, Productivity and Innovation* supports social dialogue to address workplace, sectoral and national economic requirements.

Expenditure trends and estimates

Table 25.9 Growth Path and Social Dialogue expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million											
Growth Path and Job Drivers	23.9	12.8	16.8	21.5	-3.5%	63.8%	25.7	24.9	26.7	7.5%	65.5%
Social Dialogue, Productivity and Innovation	11.7	9.3	9.9	11.6	-0.3%	36.2%	9.9	14.7	15.8	10.8%	34.5%
Total	35.6	22.0	26.7	33.1	-2.4%	100.0%	35.6	39.6	42.4	8.7%	100.0%
Change to 2016 Budget estimate				(2.9)			-	-	(0.0)		
Economic classification											
Current payments	25.3	21.8	24.9	32.9	9.2%	89.4%	35.1	39.0	41.8	8.3%	98.7%
Compensation of employees	17.7	18.4	22.3	27.9	16.3%	73.5%	29.5	32.3	34.8	7.6%	82.6%
Goods and services ¹	7.6	3.4	2.7	5.1	-12.5%	15.9%	5.5	6.7	7.1	11.9%	16.2%
of which:											
Catering: Departmental activities	1.0	0.2	0.5	0.4	-22.7%	1.8%	0.6	0.6	0.7	14.0%	1.5%
Computer services	0.5	1.2	0.0	0.5	-1.1%	2.0%	0.7	0.7	0.8	12.7%	1.8%
Consultants: Business and advisory services	0.4	-	0.3	0.3	-10.9%	0.8%	0.1	0.5	0.6	29.1%	0.9%
Travel and subsistence	2.2	1.2	1.1	1.4	-13.8%	5.0%	1.7	2.2	2.3	17.7%	5.0%
Operating payments	0.7	0.1	0.1	0.4	-21.3%	1.1%	0.4	0.4	0.4	6.5%	1.0%
Venues and facilities	1.1	0.3	0.2	1.0	-4.1%	2.2%	1.1	1.2	1.2	6.6%	3.0%
Transfers and subsidies¹	9.1	0.1	0.1	-	-100.0%	7.9%	-	-	-	-	-
Public corporations and private enterprises	9.0	-	-	-	-100.0%	7.7%	-	-	-	-	-
Households	0.1	0.1	0.1	-	-100.0%	0.2%	-	-	-	-	-
Payments for capital assets	1.2	0.1	1.7	0.1	-50.4%	2.7%	0.6	0.6	0.6	61.9%	1.3%
Machinery and equipment	0.1	0.1	0.2	0.1	13.7%	0.5%	0.2	0.2	0.2	6.8%	0.4%
Software and other intangible assets	1.1	-	1.5	-	-100.0%	2.2%	0.4	0.4	0.4	-	0.8%
Total	35.6	22.0	26.7	33.1	-2.4%	100.0%	35.6	39.6	42.4	8.7%	100.0%
Proportion of total programme expenditure to vote expenditure	4.6%	3.2%	3.0%	4.9%	-	-	4.5%	4.7%	4.7%	-	-
Details of selected transfers and subsidies											
Public corporations and private enterprises											
Public corporations											
Public corporations (subsidies on products and production)											
Current	9.0	-	-	-	-100.0%	7.7%	-	-	-	-	-
Small Enterprise Finance Agency	9.0	-	-	-	-100.0%	7.7%	-	-	-	-	-

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

Programme 3: Investment, Competition and Trade

Programme purpose

Coordinate infrastructure development. Provide oversight and coordinate policy regarding identified development finance institutions and economic regulatory bodies.

Objectives

- Promote investments, expand industrial funding and entrepreneurship, and improve the performance of development finance institutions by ensuring that these institutions support the development of industrial and small, medium and micro enterprises over the medium term.
- Promote competition, trade and other economic regulation by ensuring the promotion of the effective management of competition authorities and trade administration over the medium term.
- Coordinate infrastructure development over the medium term by:
 - providing regular reports required on each strategic infrastructure project
 - unblocking specific projects
 - providing secretariat support to the Presidential Infrastructure Coordinating Commission.

Subprogrammes

- *Development Investment, Industrial Funding and Entrepreneurship* focuses on unblocking productive investments and overseeing the development finance institutions that fall under the department.
- *Competition, Trade and other Economic Regulation* focuses on strengthening the economic regulators and overseeing the regulatory bodies that fall under the department.
- *Infrastructure Development Coordination* provides support to the Presidential Infrastructure Coordinating Commission in line with the Infrastructure Development Act (2014).

Expenditure trends and estimates

Table 25.10 Investment, Competition and Trade expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million											
Development Investment, Industrial Funding and Entrepreneurship	347.7	273.6	415.5	220.9	-14.0%	49.2%	258.1	271.2	289.8	9.5%	38.0%
Competition, Trade and other Economic Regulation	277.5	302.1	343.1	319.5	4.8%	48.6%	391.6	425.9	457.8	12.7%	58.3%
Infrastructure Development Coordination	19.4	9.8	15.3	11.9	-14.9%	2.2%	31.3	28.7	29.6	35.3%	3.7%
Total	644.5	585.5	773.9	552.3	-5.0%	100.0%	681.0	725.8	777.2	12.1%	100.0%
Change to 2016 Budget estimate				(7.1)			83.0	93.7	109.4		
Economic classification											
Current payments	25.7	19.9	23.4	23.4	-3.1%	3.6%	24.5	22.1	23.6	0.3%	3.4%
Compensation of employees	15.1	17.7	15.4	20.3	10.5%	2.7%	15.6	15.8	17.0	-5.8%	2.5%
Goods and services ¹	10.6	2.2	8.0	3.1	-33.9%	0.9%	8.9	6.4	6.7	29.4%	0.9%
of which:											
<i>Advertising</i>	0.1	–	2.2	0.0	-9.0%	0.1%	1.4	–	–	-100.0%	0.1%
<i>Consultants: Business and advisory services</i>	2.7	0.0	–	0.9	-30.1%	0.1%	1.0	0.7	0.7	-9.5%	0.1%
<i>Contractors</i>	0.0	0.1	0.0	0.3	101.8%	–	1.5	0.4	0.4	4.6%	0.1%
<i>Travel and subsistence</i>	2.3	1.3	1.2	0.9	-28.0%	0.2%	2.5	2.7	2.9	49.2%	0.3%
<i>Operating payments</i>	0.4	0.1	0.1	0.4	0.2%	–	0.4	0.5	0.5	6.5%	0.1%
<i>Venues and facilities</i>	0.2	0.0	3.6	0.0	-83.5%	0.1%	1.0	1.1	1.1	939.1%	0.1%
Transfers and subsidies¹	618.8	565.4	750.2	528.8	-5.1%	96.4%	656.2	703.4	753.3	12.5%	96.5%
Departmental agencies and accounts	273.6	296.4	338.8	315.7	4.9%	47.9%	387.5	421.7	453.3	12.8%	57.7%
Public corporations and private enterprises	345.0	268.8	411.4	213.1	-14.8%	48.4%	268.8	281.8	300.0	12.1%	38.9%
Non-profit institutions	–	0.1	–	–	–	–	–	–	–	–	–
Households	0.2	0.1	–	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	–	0.1	0.2	0.2	–	–	0.2	0.2	0.2	6.8%	–
Machinery and equipment	–	0.1	0.2	0.2	–	–	0.2	0.2	0.2	6.8%	–
Total	644.5	585.5	773.9	552.3	-5.0%	100.0%	681.0	725.8	777.2	12.1%	100.0%
Proportion of total programme expenditure to vote expenditure	83.6%	84.2%	87.6%	81.9%	–	–	85.4%	85.9%	85.9%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	273.6	296.4	338.8	315.7	4.9%	47.9%	387.5	421.7	453.3	12.8%	57.7%
Competition Commission	176.9	188.1	231.0	208.5	5.6%	31.5%	258.4	281.8	305.6	13.6%	38.5%
Competition Tribunal	16.9	19.9	19.1	20.1	5.9%	3.0%	30.0	35.1	37.1	22.6%	4.5%
International Trade Administration Commission	79.8	88.4	88.7	87.0	2.9%	13.5%	99.1	104.8	110.7	8.4%	14.7%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	345.0	268.8	411.4	213.1	-14.8%	48.4%	268.8	281.8	300.0	12.1%	38.9%
Small Enterprise Finance Agency	237.0	268.8	406.4	213.1	-3.5%	44.0%	223.8	236.8	250.0	5.5%	33.8%
Industrial Development Corporation	108.0	–	5.0	–	-100.0%	4.4%	45.0	45.0	50.0	–	5.1%

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

Entity¹

Industrial Development Corporation

Mandate

The Industrial Development Corporation is a national development finance institution established in terms of the Industrial Development Act (1940) with the objective of leading industrial capacity development. This entails aligning its priorities with those identified in terms of government policies and programmes related to industrial development, including relevant elements of the NDP, the new growth path and the industrial policy action plan.

Selected performance indicators

Table 25.11 Industrial Development Corporation performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Value of funding disbursed per year	Administration	Outcome 4: Decent employment through inclusive growth	R11.2bn	R10.9bn	R11.4bn	R13.3bn	R18.5bn	R20.5bn	R22.3bn
Number of jobs expected to be created or saved per year	Administration		19 689	20 388	18 010	17 607	22 000	24 000	27 000
Actual number of jobs created or saved in South Africa	Administration		20 366	20 000	17 959	20 000	20 000	20 000	20 000
Value of funding to black industrialists per year	Administration		– ¹	R2.1bn	R4.5bn	R2.3bn	R5.5bn	R5.5bn	R5.5bn
Funding for localisation initiatives per year	Administration		– ¹	R2.8bn	R4.5bn	R2.1bn	R4.4bn	R5.1bn	R5.7bn
Turnaround time for non-complex transactions	Administration	Outcome 12: An efficient, effective and development-oriented public service	18 days	14 days	16.5 days	16.5 days	15 days	15 days	15 days

1. No historical data available.

Expenditure analysis

Over the medium term, the Industrial Development Corporation will continue to focus on the development of industrial capacity that is balanced with long-term sustainability. This is in line with outcome 4 (decent employment through inclusive growth) of government's 2014-2019 medium-term strategic framework, which acknowledges the NDP's identification of developmental finance institutions playing a critical role in promoting industrial policy through providing appropriate support mechanisms for identified industries in partnership with the private sector.

The corporation's strategy is aimed at strengthening industrialisation efforts by focusing on value chains in sectors that have significant potential for economic growth, some of which include agro-processing and agriculture, metals and mining, chemicals and pharmaceuticals, and clothing and textiles. The corporation will drive the development of industrial capacity through direct investments in individual companies, and indirectly by acting as a catalyst for the creation or revitalisation of industries and the creation of employment in related businesses.

The corporation aims to increase its funding approvals and disbursements over the medium term, from R13.3 billion in 2016/17 to R22.3 billion in 2019/20. The highest portion of capital will be allocated to priority value chains such as metals and mining, chemicals and pharmaceuticals, and agro-processing and agriculture. Investments in these sectors account for 81.7 per cent of the corporation's total expenditure over the medium term. The number of jobs to be created or saved will increase to 17 607 with a total of 73 000 jobs targeted over the medium term.

The black industrialist programme, which facilitates the participation of black industrialists in productive sectors of the economy, remains a focus area for the corporation over the MTEF period. The programme seeks to facilitate the participation of black industrialists in the productive sectors of the economy. Since the programme's inception in 2015, R4.5 billion funding has been approved for black industrialists. The corporation aims to disburse approximately R16.5 billion over the medium term.

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

Revenue is primarily generated from interest income on loans, accounting for 50 per cent of the corporation's total revenue over the medium term. Other revenue streams include equity investments and income from fees. Total revenue is expected to increase at an average rate of 4.6 per cent over the medium term, from R23.3 billion in 2016/17 to R26.7 billion in 2019/20, mainly as a result of increased interest income from higher-value loans granted and an increase in dividend income from equity investments.

Programmes/objectives/activities

Table 25.12 Industrial Development Corporation expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2013/14	2014/15	2015/16	2016/17	2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
Administration	18 378.0	20 478.0	19 185.0	21 780.1	5.8%	100.0%	22 636.8	23 667.3	24 952.0	4.6%	100.0%
Total	18 378.0	20 478.0	19 185.0	21 780.1	5.8%	100.0%	22 636.8	23 667.3	24 952.0	4.6%	100.0%

Statements of historical financial performance and position

Table 25.13 Industrial Development Corporation statements of historical financial performance and position

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	Budget	2013/14	Budget	2014/15	Budget	2015/16	2016/17	2016/17	2013/14 - 2016/17
Revenue									
Non-tax revenue	18 546.0	19 790.0	20 697.7	21 443.2	19 967.9	19 531.6	23 110.0	23 110.0	101.9%
Sale of goods and services other than capital assets	6 500.0	13 908.0	13 629.7	14 005.2	14 615.9	13 932.6	15 670.0	15 670.0	114.1%
of which:									
Administrative fees	–	545.0	710.1	707.0	684.8	467.0	–	–	123.2%
Sales by market establishment	–	–	–	–	33.1	–	–	–	–
Other sales	6 500.0	13 363.0	12 919.6	13 298.2	13 898.0	13 465.6	15 670.0	15 670.0	113.9%
Other non-tax revenue	12 046.0	5 882.0	7 068.0	7 438.0	5 352.0	5 599.0	7 440.0	7 440.0	82.6%
Transfers received	339.0	231.0	242.6	242.6	407.1	406.4	–	213.1	110.6%
Total revenue	18 885.0	20 021.0	21 011.1	22 131.0	20 375.0	19 938.0	23 063.0	23 276.1	102.4%
Expenses									
Current expenses	11 018.8	17 740.0	19 269.9	20 309.0	20 297.6	18 692.0	21 447.8	21 447.8	108.5%
Compensation of employees	1 919.9	843.0	887.8	885.2	926.0	840.0	975.9	887.4	73.4%
Goods and services	7 800.4	15 337.0	17 112.5	17 423.9	16 431.5	15 812.0	17 663.8	17 752.3	112.4%
Depreciation	383.5	534.0	495.5	598.0	576.2	723.0	618.2	618.2	119.3%
Interest, dividends and rent on land	915.0	1 026.0	774.2	1 402.0	2 363.9	1 317.0	2 190.0	2 190.0	95.1%
Transfers and subsidies	55.5	–	–	–	–	–	–	–	–
Total expenses	11 227.8	18 378.0	19 755.2	20 478.0	20 577.9	19 185.0	21 780.1	21 780.1	108.8%
Surplus/(Deficit)	7 657.0	1 643.0	1 256.0	1 653.0	(203.0)	753.0	1 283.0	1 496.0	
Statement of financial position									
Carrying value of assets	5 241.0	9 401.0	5 646.0	10 557.0	10 540.6	11 456.0	11 168.9	11 168.9	130.6%
of which:									
Acquisition of assets	(1 630.3)	(1 549.0)	(1 728.1)	(1 268.0)	(1 675.3)	(2 548.0)	(1 757.8)	(1 757.8)	104.9%
Investments	95 231.0	92 363.0	92 652.0	73 179.0	97 751.3	71 704.0	103 052.3	103 052.3	87.6%
Inventory	2 100.0	3 854.0	2 310.0	3 853.0	4 249.0	3 599.0	4 461.5	4 461.5	120.2%
Loans	23 500.0	20 818.0	33 608.0	22 412.0	17 985.0	23 928.0	16 408.7	16 408.7	91.3%
Receivables and prepayments	1 450.0	3 813.0	1 595.0	3 702.0	4 203.8	3 305.0	4 414.0	4 414.0	130.6%
Cash and cash equivalents	3 636.0	7 877.0	5 655.4	8 257.0	10 152.0	6 865.0	9 810.0	9 810.0	112.2%
Taxation	120.0	396.0	132.0	325.0	433.5	422.0	461.2	461.2	139.9%
Derivatives financial instruments	–	71.0	–	4.0	–	69.0	–	–	–
Total assets	131 278.0	138 593.0	141 598.4	122 289.0	145 315.3	121 348.0	149 776.5	149 776.5	93.7%
Accumulated surplus/(deficit)	37 719.0	37 415.0	39 763.4	39 187.0	40 269.9	39 717.0	42 537.3	42 537.3	99.1%
Capital and reserves	55 320.0	69 569.0	55 485.4	50 735.0	69 856.5	45 100.0	66 249.8	66 249.8	93.8%
Borrowings	25 876.0	21 456.0	33 938.0	24 049.0	23 991.7	28 022.0	29 233.9	29 233.9	90.9%
Trade and other payables	2 286.0	3 560.0	2 514.6	3 748.0	3 924.9	3 727.0	4 121.1	4 121.1	118.0%
Taxation	9 500.0	5 528.0	9 310.0	3 372.0	6 094.6	3 340.0	6 399.4	6 399.4	59.5%
Provisions	300.0	1 015.0	530.0	1 124.0	1 119.0	1 357.0	1 175.0	1 175.0	149.5%
Managed funds (e.g. poverty alleviation fund)	57.0	24.0	57.0	18.0	30.0	26.0	30.0	30.0	56.3%
Derivatives financial instruments	–	26.0	–	56.0	28.7	59.0	30.1	30.1	291.2%
Total equity and liabilities	131 058.0	138 593.0	141 598.4	122 289.0	145 315.3	121 348.0	149 776.5	149 776.5	93.7%

Statements of estimates of financial performance and position

Table 25.14 Industrial Development Corporation statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate	2013/14	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	
R million								
Revenue								
Non-tax revenue	23 110.0	5.3%	98.2%	25 546.8	25 089.3	26 343.8	4.5%	99.0%
Sale of goods and services other than capital assets	15 670.0	4.1%	67.5%	16 555.8	17 331.0	18 197.6	5.1%	67.0%
of which:								
Administrative fees	–	-100.0%	2.1%	313.0	794.7	834.5	–	1.9%
Sales by market establishment	–	–	–	–	14.8	15.5	–	0.0%
Other sales	15 670.0	5.5%	65.4%	16 242.8	16 521.5	17 347.6	3.4%	65.1%
Other non-tax revenue	7 440.0	8.1%	30.8%	8 991.0	7 758.3	8 146.2	3.1%	32.0%
Transfers received	213.1	-2.6%	1.3%	223.8	293.6	308.3	13.1%	1.0%
Total revenue	23 276.1	5.1%	100.0%	25 770.6	25 382.9	26 652.1	4.6%	100.0%
Expenses								
Current expenses	21 447.8	6.5%	97.9%	22 287.9	23 301.0	24 567.3	4.6%	135.3%
Compensation of employees	887.4	1.7%	4.3%	817.2	870.3	926.9	1.5%	3.8%
Goods and services	17 752.3	5.0%	83.1%	18 522.1	19 334.7	20 389.6	4.7%	81.7%
Depreciation	618.2	5.0%	3.1%	649.1	681.5	715.6	5.0%	2.9%
Interest, dividends and rent on land	2 190.0	28.8%	7.3%	2 299.5	2 414.5	2 535.2	5.0%	10.1%
Total expenses	21 780.1	5.8%	100.0%	22 636.8	23 667.3	24 952.0	4.6%	100.0%
Surplus/(Deficit)	1 496.0	(0.0)		3 134.0	1 716.0	1 700.0	4.4%	
Statement of financial position								
Carrying value of assets	11 168.9	5.9%	8.1%	11 834.7	8 643.0	9 127.0	-6.5%	5.9%
of which:								
Acquisition of assets	(1 757.8)	4.3%	-1.4%	(1 844.4)	(1 951.4)	(2 064.6)	5.5%	-1.1%
Investments	103 052.3	3.7%	63.6%	106 088.5	173 022.6	182 711.8	21.0%	77.8%
Inventory	4 461.5	5.0%	3.0%	4 684.6	3 665.9	3 871.2	-4.6%	2.4%
Loans	16 408.7	-7.6%	16.0%	17 592.9	1 791.3	1 891.6	-51.3%	6.0%
Receivables and prepayments	4 414.0	2.9%	2.9%	4 634.7	4 092.4	4 321.5	-0.7%	2.5%
Cash and cash equivalents	9 810.0	7.6%	6.2%	9 688.0	6 803.3	7 184.3	-9.9%	4.9%
Non-current assets held for sale	–	–	–	–	12.6	13.3	–	0.0%
Taxation	461.2	5.2%	0.3%	490.7	727.3	768.1	18.5%	0.3%
Total assets	149 776.5	2.6%	100.0%	155 014.0	198 758.4	209 888.9	11.9%	100.0%
Accumulated surplus/(deficit)	42 537.3	4.4%	30.0%	45 438.7	22 364.6	23 617.0	-17.8%	20.1%
Capital and reserves	66 249.8	-1.6%	43.3%	65 265.9	98 607.2	104 129.2	16.3%	46.4%
Capital reserve fund	–	–	–	–	326.2	344.4	–	0.1%
Borrowings	29 233.9	10.9%	19.4%	31 967.4	60 310.9	63 688.3	29.6%	25.2%
Finance lease	–	–	–	–	14.9	15.7	–	0.0%
Trade and other payables	4 121.1	5.0%	2.9%	4 327.2	3 868.0	4 084.6	-0.3%	2.4%
Taxation	6 399.4	5.0%	3.4%	6 719.3	12 071.5	12 747.5	25.8%	5.2%
Provisions	1 175.0	5.0%	0.9%	1 233.7	762.3	805.0	-11.8%	0.6%
Managed funds (e.g. poverty alleviation fund)	30.0	7.7%	0.0%	30.0	–	–	-100.0%	0.0%
Derivatives financial instruments	30.1	5.0%	0.0%	31.6	433.0	457.2	147.7%	0.1%
Total equity and liabilities	149 776.5	2.6%	100.0%	155 014.0	198 758.4	209 888.9	11.9%	100.0%

Personnel information

Table 25.15 Industrial Development Corporation personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017		Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/Total (%)				
		2015/16		Unit cost	2016/17		Unit cost	2017/18		2018/19		2019/20				2016/17 - 2019/20			
Industrial Development Corporation		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	861	861	850	840.0	1.0	861	887.4	1.0	861	817.2	0.9	861	870.3	1.0	861	926.9	1.1	1.5%	100.0%
1 – 6	219	219	35	10.7	0.3	219	67.5	0.3	219	69.5	0.3	219	74.0	0.3	219	78.8	0.4	5.3%	25.4%
7 – 10	333	333	294	162.9	0.6	333	288.1	0.9	333	264.6	0.8	333	281.8	0.8	333	300.1	0.9	1.4%	38.7%
11 – 12	289	289	241	296.1	1.2	289	465.7	1.6	289	419.8	1.5	289	447.1	1.5	289	476.1	1.6	0.7%	33.6%
13 – 16	8	8	265	320.3	1.2	8	17.4	2.2	8	19.7	2.5	8	21.0	2.6	8	22.4	2.8	8.8%	0.9%
17 – 22	12	12	15	49.9	3.3	12	48.6	4.1	12	43.6	3.6	12	46.4	3.9	12	49.5	4.1	0.6%	1.4%

1. Rand million.

Other entities

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

- The **Competition Commission** is a statutory body constituted in terms of the Competition Act (1998). It is empowered to investigate, control and evaluate restrictive business practices, including the abuse of dominant positions and mergers; and to promote the advocacy of competition issues to achieve equity and efficiency in the South African economy. The commission's total budget for 2017/18 is R320.5 million.
- The **Competition Tribunal** was established in 1999 in terms of the Competition Act (1998). All large corporate mergers and allegations of restrictive practices are brought before the tribunal by the Competition Commission and interested parties for adjudication. The tribunal's total budget for 2017/18 is R47 million.
- The **International Trade Administration Commission of South Africa** is mandated to manage an efficient and effective trade administration system. It was established in terms of the International Trade Administration Act (2002). The commission's total budget for 2017/18 is R100.8 million.
- The **Small Enterprise Finance Agency** was established in 2012 and combines the operations of Khula Enterprise Finance, the South African Micro-Finance Apex Fund and the Industrial Development Corporation's small business operations. The agency's total budget for 2017/18 is R638.9 million.

