

# Vote 25

## Economic Development

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	90.3	86.4	–	3.9	96.1	102.0
Growth Path and Social Dialogue	37.0	36.4	–	0.6	39.8	42.3
Investment, Competition and Trade	918.1	19.9	898.0	0.2	959.5	1 042.1
<b>Total expenditure estimates</b>	<b>1 045.4</b>	<b>142.7</b>	<b>898.0</b>	<b>4.7</b>	<b>1 095.4</b>	<b>1 186.5</b>

Executive authority Minister of Economic Development  
Accounting officer Director-General of Economic Development  
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*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://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.*

### 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, as captured in outcome 4 of government's 2014-2019 medium-term strategic framework. This includes the implementation of certain aspects of the National Development Plan (NDP), the national infrastructure plan, and the framework's outcome 6 (an efficient, competitive and responsive economic infrastructure network) and outcome 7 (comprehensive rural development and land reform).

The department is also responsible for 5 public entities, comprising 3 regulatory bodies (the Competition Commission, the Competition Tribunal and the International Trade Administration Commission of South Africa) and 2 development finance institutions (the Industrial Development Corporation of South Africa 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 Corporation 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	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of analytical and public policy advocacy reports on socioeconomic development and the new growth path produced per year	Growth Path and Social Dialogue	Outcome 4: Decent employment through inclusive growth	5	5	4	4	4	4	4
Number of reports on black women and youth with access to employment and entrepreneurship opportunities per year	Growth Path and Social Dialogue		4	3	3	3	3	3	3
Number of reports on support provided to provinces per year <sup>1</sup>	Growth Path and Social Dialogue		9	10	10	10	10	10	10
Number of quarterly Cabinet-level progress reports on infrastructural strategic integrated projects per year	Investment, Competition and Trade	Outcome 6: An efficient, competitive and responsive economic infrastructure network	72	72	69	64	64	64	64
Number of infrastructure projects unblocked, fast-tracked or facilitated, or project assessments completed per year <sup>1</sup>	Investment, Competition and Trade		22	9	8	8	8	8	8
Number of investment initiatives facilitated, fast-tracked and/or unblocked per year	Investment, Competition and Trade	Outcome 4: Decent employment through inclusive growth	16	13	14	14	14	14	14
Number of ministerial and departmental oversight engagements with trade and competition authorities held per year	Investment, Competition and Trade		7	8	6	5	5	5	5

1. Indicator changed to align with the department's 2018/19 annual performance plan, which was finalised after the 2018 Estimates of National Expenditure had been published.

## Expenditure analysis

In contributing to South Africa's economic growth and long-term vision detailed in the NDP, the Economic Development Department will, over the medium term, continue to focus on providing support to development finance institutions and regulatory bodies, facilitating infrastructure initiatives, providing black women and youth with access to employment and entrepreneurship opportunities, and supporting provinces in economic planning.

### **Providing support to development finance institutions and regulatory bodies**

The department realises its mandate largely through its entities, and oversees them to enhance their impact on economic transformation, job creation and industrial development. Over the MTEF period, transfers to entities account for an estimated 86.1 per cent (R2.9 billion) of the department's total expenditure. The Competition Commission is set to receive the largest transfer (R935.7 million), followed by the Small Enterprise Finance Agency (R764.9 million), the Industrial Development Corporation (R701.3 million), the International Trade Administration Commission (R338.8 million), and the Competition Tribunal (R114.6 million). Spending on compensation of employees, by comparison, accounts for an estimated 9.2 per cent (R314.6 million) of total expenditure.

Cabinet-approved reductions of R48.2 million to the department's baseline over the medium term result in a reduction on transfers to the Competition Commission of R32.4 million, the Competition Tribunal of R2.8 million, the Industrial Development Corporation of R4 million, and the International Trade Administration Commission of R3.1 million. These are mainly due to the freeze on salary increases for senior management staff

earning more than R1.5 million per year, and a 2.8 per cent increase for senior managers earning between R1 million and R1.49 million per year; as well as to offset higher than inflation growth in spending on goods and services.

The Competition Amendment Bill is in Parliament. The bill seeks to amend the Competition Act (1998) by clarifying determinations on prohibited practices, strengthening the role of market inquiries, strengthening penalties to discourage abuses of dominance and price discrimination, and stimulating the growth of small, medium and micro enterprises (SMMEs) and firms owned and controlled by historically disadvantaged people, among other things. Following the ongoing amendment to the act, the department has appointed a panel of experts to assess the implications of the amendments on the capacity of competition authorities. This panel will also consider international best practice in the design models for and the funding of competition authorities.

#### ***Facilitating interventions in infrastructure initiatives***

The department will continue to provide secretariat services to the Presidential Infrastructure Coordinating Commission in its implementation of 18 national strategic infrastructure projects such as the construction of power plants, schools, health care facilities, roads, ports, water pipelines and bus route systems. The nature of this support includes unblocking or facilitating applications for permits or licences to accelerate the implementation of projects. Key infrastructure projects, which are in the 18 national strategic infrastructure projects, are expected to be unblocked over the medium term through the easing of regulatory challenges. This will be done by engaging and coordinating with all parties involved in the planning and adjudication of projects, and overcoming challenges such as by-laws. Through these interventions, municipal services will be made available for new and existing investments in the water and sanitation, logistics, housing, health, transport, energy, agri-logistics, education, and ICT sectors. Over the MTEF period, in the *Investment, Competition and Trade* programme, R82.7 million is allocated for the secretariat's work, and R165 million to the technical project management unit to enhance its capacity to assist departments with project preparation and make projects more appealing to investors.

#### ***Providing black women and youth with access to employment and entrepreneurship opportunities***

The meaningful growth of the South African economy requires social partnerships and the provision of support to women and young people, particularly those who have been historically disadvantaged. In recognition of this, the department plans to deliver 9 initiatives in support of women and young people over the medium term. These include engaging and mobilising economic stakeholders to channel investments towards women and young people; easing regulatory challenges in employment-generating sectors such as manufacturing, retail and ICT; coordinating the advancement of social accords; and producing reports on the facilitation of employment and entrepreneurship opportunities for black women and youth. Funding for these initiatives is provided in the *Growth Path and Job Drivers* subprogramme, which has an allocation of R77.3 million over the medium term, in the *Growth Path and Social Dialogue* programme.

#### ***Supporting provinces in economic planning***

Over the medium term, the department plans to hold 30 coordination and planning support engagements with provincial and local governments to improve their economic development plans, and assess the alignment of these plans with the NDP. These engagements are intended to help identify and support the implementation of common initiatives such as skills development, employment creation, local procurement and the green economy; and responses to sector-wide industrial conflict and the uncertain global economic environment. The provision of economic planning support to provinces is also budgeted for in the *Growth Path and Job Drivers* subprogramme.

## Expenditure trends

**Table 25.2 Vote expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. Growth Path and Social Dialogue														
3. Investment, Competition and Trade														
Programme														
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	83.2	83.2	83.1	79.2	89.2	90.4	80.7	86.5	83.7	86.5	86.4	86.4	104.2%	99.5%
Programme 2	27.9	27.9	26.7	36.0	33.1	27.8	35.6	32.8	31.1	34.4	34.5	34.5	89.7%	93.6%
Programme 3	774.7	774.7	773.9	559.4	552.3	546.9	681.0	795.0	797.3	951.7	951.8	951.8	103.5%	99.9%
<b>Total</b>	<b>885.8</b>	<b>885.8</b>	<b>883.7</b>	<b>674.7</b>	<b>674.7</b>	<b>665.1</b>	<b>797.2</b>	<b>914.2</b>	<b>912.1</b>	<b>1 072.6</b>	<b>1 072.6</b>	<b>1 072.6</b>	<b>103.0%</b>	<b>99.6%</b>
Change to 2018 Budget estimate														
Economic classification														
<b>Current payments</b>	<b>150.3</b>	<b>140.9</b>	<b>128.4</b>	<b>143.0</b>	<b>142.5</b>	<b>133.5</b>	<b>139.8</b>	<b>139.3</b>	<b>132.6</b>	<b>135.2</b>	<b>135.0</b>	<b>135.0</b>	<b>93.2%</b>	<b>95.0%</b>
Compensation of employees	96.1	87.8	79.4	94.0	94.0	85.0	90.1	90.0	88.5	90.8	90.8	90.8	92.6%	94.8%
Goods and services	54.2	53.1	49.0	49.0	48.5	48.5	49.7	49.2	44.1	44.4	44.2	44.2	94.2%	95.3%
<b>Transfers and subsidies</b>	<b>733.2</b>	<b>742.3</b>	<b>750.4</b>	<b>528.8</b>	<b>528.8</b>	<b>528.8</b>	<b>656.2</b>	<b>773.3</b>	<b>778.4</b>	<b>932.9</b>	<b>933.1</b>	<b>933.1</b>	<b>104.9%</b>	<b>100.4%</b>
Departmental agencies and accounts	326.8	330.8	338.8	315.7	315.7	315.7	387.5	387.5	392.5	419.1	419.1	419.1	101.2%	100.9%
Public corporations and private enterprises	406.4	411.4	411.4	213.1	213.1	213.1	268.8	385.8	385.8	513.8	513.8	513.8	108.7%	100.0%
Households	–	0.1	0.2	–	–	0.1	–	0.0	0.1	–	0.2	0.2	–	171.5%
<b>Payments for capital assets</b>	<b>2.2</b>	<b>2.6</b>	<b>4.9</b>	<b>2.9</b>	<b>3.4</b>	<b>2.8</b>	<b>1.2</b>	<b>1.7</b>	<b>1.0</b>	<b>4.5</b>	<b>4.5</b>	<b>4.5</b>	<b>122.2%</b>	<b>108.9%</b>
Machinery and equipment	1.8	2.1	3.4	2.5	3.3	1.5	0.8	1.4	0.9	4.0	4.0	4.0	108.6%	90.5%
Software and other intangible assets	0.5	0.5	1.6	0.4	0.1	1.3	0.4	0.3	0.1	0.5	0.5	0.5	190.2%	258.2%
<b>Total</b>	<b>885.8</b>	<b>885.8</b>	<b>883.7</b>	<b>674.7</b>	<b>674.7</b>	<b>665.1</b>	<b>797.2</b>	<b>914.2</b>	<b>912.1</b>	<b>1 072.6</b>	<b>1 072.6</b>	<b>1 072.6</b>	<b>103.0%</b>	<b>99.6%</b>

## 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 (%)
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Programme 1	86.4	1.2%	9.7%	90.3	96.1	102.0	5.7%	8.5%
Programme 2	34.5	7.3%	3.4%	37.0	39.8	42.3	7.1%	3.5%
Programme 3	951.8	7.1%	86.9%	918.1	959.5	1 042.1	3.1%	88.0%
<b>Total</b>	<b>1 072.6</b>	<b>6.6%</b>	<b>100.0%</b>	<b>1 045.4</b>	<b>1 095.4</b>	<b>1 186.5</b>	<b>3.4%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				29.1	28.1	59.5		
Economic classification								
<b>Current payments</b>	<b>135.0</b>	<b>-1.4%</b>	<b>15.0%</b>	<b>142.7</b>	<b>152.2</b>	<b>161.8</b>	<b>6.2%</b>	<b>13.4%</b>
Compensation of employees	90.8	1.1%	9.7%	97.7	105.0	111.8	7.2%	9.2%
Goods and services	44.2	-5.9%	5.3%	45.0	47.2	50.0	4.2%	4.2%
<b>Transfers and subsidies</b>	<b>933.1</b>	<b>7.9%</b>	<b>84.6%</b>	<b>898.0</b>	<b>938.0</b>	<b>1 019.2</b>	<b>3.0%</b>	<b>86.1%</b>
Departmental agencies and accounts	419.1	8.2%	41.5%	438.5	462.5	488.0	5.2%	41.1%
Public corporations and private enterprises	513.8	7.7%	43.1%	459.5	475.5	531.3	1.1%	45.0%
Households	0.2	39.5%	0.0%	–	–	–	-100.0%	0.0%
<b>Payments for capital assets</b>	<b>4.5</b>	<b>20.2%</b>	<b>0.4%</b>	<b>4.7</b>	<b>5.1</b>	<b>5.4</b>	<b>6.2%</b>	<b>0.4%</b>
Machinery and equipment	4.0	24.2%	0.3%	4.2	4.6	4.8	6.3%	0.4%
Software and other intangible assets	0.5	-1.4%	0.1%	0.5	0.5	0.6	5.5%	0.0%
<b>Total</b>	<b>1 072.6</b>	<b>6.6%</b>	<b>100.0%</b>	<b>1 045.4</b>	<b>1 095.4</b>	<b>1 186.5</b>	<b>3.4%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 25.4 Expenditure trends and estimates for significant spending items**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total vote (%)
Competition Commission	231 045	208 541	263 354	281 788	6.8%	27.9%	295 438	311 559	328 695	5.3%	27.7%
Competition Tribunal	19 102	20 115	30 041	35 086	22.5%	3.0%	36 172	38 166	40 265	4.7%	3.4%
International Trade Administration Commission	88 701	87 001	99 065	102 191	4.8%	10.7%	106 928	112 814	119 019	5.2%	10.0%
Small Enterprise Finance Agency	406 397	213 124	223 780	228 837	-17.4%	30.3%	241 453	254 732	268 742	5.5%	22.6%
<b>Total</b>	<b>745 245</b>	<b>528 781</b>	<b>616 240</b>	<b>647 902</b>	<b>16.7%</b>	<b>71.9%</b>	<b>679 991</b>	<b>717 271</b>	<b>756 721</b>	<b>20.7%</b>	<b>63.7%</b>

## Goods and services expenditure trends and estimates

**Table 25.5 Vote goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
Administrative fees	794	466	358	358	-23.3%	1.1%	376	394	415	5.0%	0.8%
Advertising	2 705	444	481	1 243	-22.8%	2.6%	1 312	1 385	1 461	5.5%	2.9%
Minor assets	174	42	51	138	-7.4%	0.2%	145	153	161	5.3%	0.3%
Audit costs: External	2 669	2 609	3 443	3 447	8.9%	6.5%	3 640	3 840	4 051	5.5%	8.0%
Bursaries: Employees	209	270	213	331	16.6%	0.6%	331	330	348	1.7%	0.7%
Catering: Departmental activities	1 351	244	374	426	-31.9%	1.3%	472	511	539	8.2%	1.0%
Communication	1 130	1 668	1 490	1 853	17.9%	3.3%	1 955	2 062	2 174	5.5%	4.3%
Computer services	326	779	1 265	899	40.2%	1.8%	946	998	1 052	5.4%	2.1%
Consultants: Business and advisory services	833	1 807	2 363	3 757	65.2%	4.7%	3 055	3 223	3 399	-3.3%	7.2%
Legal services	6 636	18 918	9 193	9 233	11.6%	23.7%	11 072	11 529	12 337	10.1%	23.7%
Contractors	460	96	156	634	11.3%	0.7%	667	702	739	5.2%	1.5%
Agency and support/outourced services	21	280	30	238	124.6%	0.3%	252	266	281	5.7%	0.6%
Entertainment	-	1	-	25	-	-	26	27	28	3.8%	0.1%
Fleet services (including government motor transport)	917	1 059	1 172	721	-7.7%	2.1%	760	801	844	5.4%	1.7%
Inventory: Clothing material and accessories	-	-	-	112	-	0.1%	119	125	132	5.6%	0.3%
Inventory: Materials and supplies	-	-	-	8	-	-	8	8	8	-	-
Inventory: Medical supplies	-	-	-	4	-	-	4	4	4	-	-
Consumable supplies	98	112	109	176	21.6%	0.3%	186	196	207	5.6%	0.4%
Consumables: Stationery, printing and office supplies	703	656	727	862	7.0%	1.6%	900	948	1 000	5.1%	2.0%
Operating leases	10 924	9 592	13 509	12 521	4.7%	25.1%	11 122	11 734	12 379	-0.4%	25.6%
Rental and hiring	90	-	1	121	10.4%	0.1%	127	133	140	5.0%	0.3%
Property payments	-	-	-	47	-	-	49	51	53	4.1%	0.1%
Transport provided: Departmental activity	55	-	-	27	-21.1%	-	28	29	30	3.6%	0.1%
Travel and subsistence	11 295	6 964	7 885	6 008	-19.0%	17.3%	6 349	6 721	7 091	5.7%	14.0%
Training and development	348	808	234	211	-15.4%	0.9%	243	183	193	-2.9%	0.4%
Operating payments	987	1 421	894	629	-13.9%	2.1%	653	692	730	5.1%	1.5%
Venues and facilities	6 263	239	161	187	-69.0%	3.7%	174	184	193	1.1%	0.4%
<b>Total</b>	<b>48 988</b>	<b>48 475</b>	<b>44 109</b>	<b>44 216</b>	<b>-3.4%</b>	<b>100.0%</b>	<b>44 971</b>	<b>47 229</b>	<b>49 989</b>	<b>4.2%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

Table 25.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22		
<b>Households</b>											
<b>Social benefits</b>											
Current	150	30	130	210	11.9%	-	-	-	-	-100.0%	-
Households	150	30	130	210	11.9%	-	-	-	-	-100.0%	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
Current	338 848	315 657	392 460	419 065	7.3%	49.0%	438 538	462 539	487 979	5.2%	47.7%
Competition Commission	231 045	208 541	263 354	281 788	6.8%	32.9%	295 438	311 559	328 695	5.3%	32.1%
Competition Tribunal	19 102	20 115	30 041	35 086	22.5%	3.5%	36 172	38 166	40 265	4.7%	4.0%
International Trade	88 701	87 001	99 065	102 191	4.8%	12.6%	106 928	112 814	119 019	5.2%	11.6%
Administration Commission											
<b>Households</b>											
<b>Other transfers to households</b>											
Current	1	35	-	10	115.4%	-	-	-	-	-100.0%	-
Households	1	35	-	10	115.4%	-	-	-	-	-100.0%	-
<b>Public corporations and private enterprises</b>											
<b>Other transfers to public corporations</b>											
Current	411 397	213 124	385 780	513 837	7.7%	51.0%	459 453	475 482	531 268	1.1%	52.3%
Small Enterprise Finance Agency	406 397	213 124	223 780	228 837	-17.4%	35.8%	241 453	254 732	268 742	5.5%	26.2%
Industrial Development Corporation	5 000	-	162 000	285 000	284.9%	15.1%	218 000	220 750	262 526	-2.7%	26.0%
<b>Total</b>	<b>750 396</b>	<b>528 846</b>	<b>778 370</b>	<b>933 122</b>	<b>7.5%</b>	<b>100.0%</b>	<b>897 991</b>	<b>938 021</b>	<b>1 019 247</b>	<b>3.0%</b>	<b>100.0%</b>

## Personnel information

Table 25.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

Programmes																			
1. Administration																			
2. Growth Path and Social Dialogue																			
3. Investment, Competition and Trade																			
Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> 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 (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
<b>Economic Development</b>																			
Salary level	133	1	122	88.5	0.7	115	90.8	0.8	114	97.7	0.9	114	105.0	0.9	114	111.8	1.0	-0.3%	100.0%
1-6	19	-	18	4.5	0.3	17	4.5	0.3	17	4.9	0.3	17	5.3	0.3	17	5.7	0.3	-	14.9%
7-10	37	-	36	15.5	0.4	36	16.9	0.5	36	18.3	0.5	36	19.8	0.5	36	21.1	0.6	-	31.5%
11-12	28	-	26	22.3	0.9	24	22.7	0.9	24	24.7	1.0	24	26.5	1.1	24	28.2	1.2	-	21.0%
13-16	47	1	40	41.8	1.0	36	42.0	1.2	35	44.7	1.3	35	48.0	1.4	35	51.1	1.5	-0.9%	30.9%
Other	2	-	2	4.4	2.2	2	4.7	2.4	2	5.1	2.5	2	5.5	2.7	2	5.8	2.9	-	1.8%
<b>Programme</b>	<b>133</b>	<b>1</b>	<b>122</b>	<b>88.5</b>	<b>0.7</b>	<b>115</b>	<b>90.8</b>	<b>0.8</b>	<b>114</b>	<b>97.7</b>	<b>0.9</b>	<b>114</b>	<b>105.0</b>	<b>0.9</b>	<b>114</b>	<b>111.8</b>	<b>1.0</b>	<b>-0.3%</b>	<b>100.0%</b>
Programme 1	77	-	72	43.5	0.6	66	42.7	0.6	66	46.0	0.7	66	49.4	0.7	66	52.6	0.8	-	57.8%
Programme 2	28	-	32	29.0	0.9	32	32.3	1.0	32	34.8	1.1	32	37.4	1.2	32	39.8	1.2	-	28.0%
Programme 3	28	1	18	16.0	0.9	17	15.8	0.9	16	17.0	1.1	16	18.3	1.1	16	19.4	1.2	-2.0%	14.2%

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

2. Rand million

## Departmental receipts

**Table 25.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
<b>Departmental receipts</b>	<b>50 296</b>	<b>137 336</b>	<b>167 560</b>	<b>284 964</b>	<b>284 964</b>	<b>78.3%</b>	<b>100.0%</b>	<b>173 397</b>	<b>173 451</b>	<b>175 530</b>	<b>-14.9%</b>	<b>100.0%</b>
Sales of goods and services produced by department	35	30	31	49	49	11.9%	-	57	66	75	15.2%	-
Sales by market establishments of which:												
Rental: Parking	35	17	16	35	35	-	-	40	45	50	12.6%	-
Other sales of which:	-	13	15	14	14	-	-	17	21	25	21.3%	-
Commission on insurance garnishee	-	13	15	14	14	-	-	17	21	25	21.3%	-
Fines, penalties and forfeits	-	117 000	117 400	234 000	234 000	-	73.2%	123 000	123 000	125 000	-18.9%	74.9%
Interest, dividends and rent on land	50 278	20 259	50 123	50 860	50 860	0.4%	26.8%	50 280	50 320	50 380	-0.3%	25.0%
Interest	278	259	123	860	860	45.7%	0.2%	280	320	380	-23.8%	0.2%
Dividends of which:	50 000	20 000	50 000	50 000	50 000	-	26.6%	50 000	50 000	50 000	-	24.8%
Dividends from the Industrial Development Corporation	50 000	20 000	50 000	50 000	50 000	-	26.6%	50 000	50 000	50 000	-	24.8%
Transactions in financial assets and liabilities	(17)	47	6	55	55	-247.9%	-	60	65	75	10.9%	-
<b>Total</b>	<b>50 296</b>	<b>137 336</b>	<b>167 560</b>	<b>284 964</b>	<b>284 964</b>	<b>78.3%</b>	<b>100.0%</b>	<b>173 397</b>	<b>173 451</b>	<b>175 530</b>	<b>-14.9%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

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

### Expenditure trends and estimates

**Table 25.9 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 (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
<b>Ministry</b>	<b>20.2</b>	<b>18.4</b>	<b>20.9</b>	<b>23.9</b>	<b>5.8%</b>	<b>24.2%</b>	<b>25.6</b>	<b>27.4</b>	<b>29.1</b>	<b>6.8%</b>	<b>28.3%</b>
Office of the Director General	14.6	11.0	11.0	12.0	-6.4%	14.1%	11.9	12.8	13.5	4.3%	13.4%
Corporate Management Services	36.6	48.3	38.9	36.1	-0.5%	46.5%	37.5	39.6	42.0	5.2%	41.4%
Financial Management	11.8	12.7	12.9	14.4	6.9%	15.1%	15.3	16.4	17.3	6.4%	16.9%
<b>Total</b>	<b>83.1</b>	<b>90.4</b>	<b>83.7</b>	<b>86.4</b>	<b>1.3%</b>	<b>100.0%</b>	<b>90.3</b>	<b>96.1</b>	<b>102.0</b>	<b>5.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			(1.9)	(2.1)	(2.0)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>80.0</b>	<b>87.6</b>	<b>82.6</b>	<b>82.6</b>	<b>1.1%</b>	<b>96.9%</b>	<b>86.4</b>	<b>91.9</b>	<b>97.6</b>	<b>5.7%</b>	<b>95.6%</b>
Compensation of employees	41.7	44.1	43.5	42.7	0.8%	50.1%	46.0	49.4	52.6	7.2%	50.9%
Goods and services <sup>1</sup> of which:	38.3	43.5	39.1	39.9	1.3%	46.8%	40.5	42.4	44.9	4.1%	44.8%
Audit costs: External	2.7	2.6	3.4	3.4	8.9%	3.5%	3.6	3.8	4.1	5.5%	4.0%
Communication	1.1	1.3	1.2	1.6	14.8%	1.5%	1.7	1.8	1.9	5.5%	1.8%
Consultants: Business and advisory services	0.6	0.5	0.4	3.0	74.3%	1.3%	2.3	2.5	2.6	-4.6%	2.8%
Legal services	6.6	18.8	9.2	9.2	11.6%	12.8%	11.1	11.5	12.3	10.1%	11.8%
Operating leases	10.9	9.6	13.5	12.5	4.7%	13.5%	11.1	11.7	12.4	-0.4%	12.7%
Travel and subsistence	9.0	5.3	6.1	5.1	-17.3%	7.4%	5.3	5.6	5.9	5.4%	5.9%
Transfers and subsidies <sup>1</sup>	0.1	0.1	0.1	0.1	-3.4%	0.1%	-	-	-	-100.0%	-
Households	0.1	0.1	0.1	0.1	-3.4%	0.1%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>3.0</b>	<b>2.7</b>	<b>1.0</b>	<b>3.7</b>	<b>6.7%</b>	<b>3.1%</b>	<b>3.9</b>	<b>4.2</b>	<b>4.5</b>	<b>6.3%</b>	<b>4.3%</b>
Machinery and equipment	3.0	1.5	0.9	3.7	7.1%	2.6%	3.9	4.2	4.4	6.4%	4.3%
Software and other intangible assets	0.1	1.3	0.1	0.0	-11.6%	0.4%	0.1	0.1	0.1	5.2%	0.1%
<b>Total</b>	<b>83.1</b>	<b>90.4</b>	<b>83.7</b>	<b>86.4</b>	<b>1.3%</b>	<b>100.0%</b>	<b>90.3</b>	<b>96.1</b>	<b>102.0</b>	<b>5.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>9.4%</b>	<b>13.6%</b>	<b>9.2%</b>	<b>8.1%</b>	<b>-</b>	<b>-</b>	<b>8.6%</b>	<b>8.8%</b>	<b>8.6%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://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 or 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 sectoral and workplace levels through the facilitation of social dialogue and implementation of social accords over the medium term.
- Support productivity, innovation and entrepreneurship by engaging in 12 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 25.10 Growth Path and Social Dialogue expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average Expenditure/ Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/ Total (%) 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Growth Path and Job Drivers	16.8	19.7	22.3	22.4	10.1%	67.6%	24.0	25.8	27.4	7.0%	64.9%
Social Dialogue, Productivity and Innovation	9.9	8.1	8.8	12.1	6.9%	32.4%	13.0	14.0	14.9	7.1%	35.1%
<b>Total</b>	<b>26.7</b>	<b>27.8</b>	<b>31.1</b>	<b>34.5</b>	<b>8.9%</b>	<b>100.0%</b>	<b>37.0</b>	<b>39.8</b>	<b>42.3</b>	<b>7.1%</b>	<b>100.0%</b>
Change to 2018				-			-	-	-		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>24.9</b>	<b>27.8</b>	<b>31.1</b>	<b>33.8</b>	<b>10.7%</b>	<b>98.0%</b>	<b>36.4</b>	<b>39.1</b>	<b>41.6</b>	<b>7.2%</b>	<b>98.3%</b>
Compensation of employees	22.3	25.9	29.0	32.3	13.2%	91.1%	34.8	37.4	39.8	7.2%	93.9%
Goods and services <sup>1</sup>	2.7	1.9	2.1	1.5	-16.8%	6.8%	1.6	1.7	1.8	6.2%	4.4%
of which:											
Catering: Departmental activities	0.5	0.1	0.1	0.1	-39.6%	0.6%	0.1	0.1	0.1	3.6%	0.3%
Communication	0.0	0.2	0.2	0.2	60.3%	0.5%	0.2	0.2	0.2	5.6%	0.5%
Computer services	0.0	0.5	0.2	0.4	188.2%	0.9%	0.4	0.4	0.4	5.2%	1.1%
Rental and hiring	-	-	0.0	0.1	-	0.1%	0.1	0.1	0.1	5.1%	0.3%
Travel and subsistence	1.1	0.8	1.2	0.3	-35.6%	2.9%	0.4	0.4	0.4	12.6%	1.0%
Operating payments	0.1	0.1	0.1	0.1	24.4%	0.2%	0.1	0.1	0.1	4.6%	0.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>-8.0%</b>	<b>0.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Households	0.1	0.0	0.0	0.1	-8.0%	0.2%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>1.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.6</b>	<b>-29.3%</b>	<b>1.9%</b>	<b>0.6</b>	<b>0.7</b>	<b>0.7</b>	<b>5.6%</b>	<b>1.7%</b>
Machinery and equipment	0.2	0.0	0.0	0.2	-1.2%	0.3%	0.2	0.2	0.2	5.6%	0.5%
Software and other intangible assets	1.5	-	-	0.4	-34.5%	1.6%	0.4	0.5	0.5	5.5%	1.2%
<b>Total</b>	<b>26.7</b>	<b>27.8</b>	<b>31.1</b>	<b>34.5</b>	<b>-55.0%</b>	<b>100.0%</b>	<b>37.0</b>	<b>39.8</b>	<b>42.3</b>	<b>-</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>3.0%</b>	<b>4.2%</b>	<b>3.4%</b>	<b>3.2%</b>	<b>-</b>	<b>-</b>	<b>3.5%</b>	<b>3.6%</b>	<b>3.6%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://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 they support the development of industrial enterprises and SMMEs over the medium term.
- Promote competition, trade and other economic regulation by promoting the effective management of competition authorities and trade administration over the medium term.
- Coordinate infrastructure development over the medium term by:
  - providing regular reports 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 25.11 Investment, Competition and Trade expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Development Investment, Industrial Funding and Entrepreneurship	415.5	220.6	261.7	263.1	-14.1%	37.8%	281.0	296.6	312.9	6.0%	29.8%
Competition, Trade and other Economic Regulation	343.1	318.1	395.9	423.3	7.3%	48.2%	443.1	467.4	493.1	5.2%	47.2%
Infrastructure Development Coordination	15.3	8.1	139.7	265.4	158.6%	14.0%	194.0	195.6	236.0	-3.8%	23.0%
<b>Total</b>	<b>773.9</b>	<b>546.9</b>	<b>797.3</b>	<b>951.8</b>	<b>7.1%</b>	<b>100.0%</b>	<b>918.1</b>	<b>959.5</b>	<b>1 042.1</b>	<b>3.1%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				–			31.0	30.2	61.5		
<b>Economic classification</b>											
<b>Current payments</b>	<b>23.4</b>	<b>18.1</b>	<b>18.9</b>	<b>18.6</b>	<b>-7.4%</b>	<b>2.6%</b>	<b>19.9</b>	<b>21.3</b>	<b>22.6</b>	<b>6.9%</b>	<b>2.1%</b>
Compensation of employees	15.4	15.0	16.0	15.8	0.7%	2.0%	17.0	18.3	19.4	7.2%	1.8%
Goods and services <sup>1</sup>	8.0	3.1	2.9	2.8	-29.4%	0.5%	2.9	3.0	3.2	4.6%	0.3%
of which:											
Advertising	2.2	0.0	0.0	0.5	-39.1%	0.1%	0.5	0.6	0.6	5.9%	0.1%
Consultants: Business and advisory services	–	1.3	1.9	0.7	–	0.1%	0.7	0.7	0.8	1.9%	0.1%
Contractors	0.0	–	–	0.4	350.6%	–	0.4	0.4	0.4	5.4%	–
Inventory: Clothing material and accessories	–	–	–	0.1	–	–	0.1	0.1	0.1	5.4%	–
Consumables: Stationery, printing and office supplies	0.1	0.0	0.1	0.1	6.8%	–	0.1	0.1	0.1	5.4%	–
Travel and subsistence	1.2	0.8	0.6	0.6	-19.4%	0.1%	0.7	0.7	0.7	4.4%	0.1%

**Table 25.11 Investment, Competition and Trade expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million	750.2	528.8	778.3	933.0	7.5%	97.4%	898.0	938.0	1 019.2	3.0%	97.9%
<b>Transfers and subsidies<sup>1</sup></b>											
Departmental agencies and accounts	338.8	315.7	392.5	419.1	7.3%	47.8%	438.5	462.5	488.0	5.2%	46.7%
Public corporations and private enterprises	411.4	213.1	385.8	513.8	7.7%	49.7%	459.5	475.5	531.3	1.1%	51.1%
Households	–	–	0.1	0.1	–	–	–	–	–	-100.0%	–
<b>Payments for capital assets</b>	<b>0.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.2</b>	<b>-5.8%</b>	<b>–</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>6.0%</b>	<b>–</b>
Machinery and equipment	0.2	0.0	0.0	0.2	-5.8%	–	0.2	0.2	0.2	6.0%	–
<b>Total</b>	<b>773.9</b>	<b>546.9</b>	<b>797.3</b>	<b>951.8</b>	<b>–</b>	<b>100.0%</b>	<b>918.1</b>	<b>959.5</b>	<b>1 042.1</b>	<b>–</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>87.6%</b>	<b>82.2%</b>	<b>87.4%</b>	<b>88.7%</b>	<b>–</b>	<b>–</b>	<b>87.8%</b>	<b>87.6%</b>	<b>87.8%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>338.8</b>	<b>315.7</b>	<b>392.5</b>	<b>419.1</b>	<b>7.7%</b>	<b>47.8%</b>	<b>438.5</b>	<b>462.5</b>	<b>488.0</b>	<b>1.1%</b>	<b>46.7%</b>
Competition Commission	231.0	208.5	263.4	281.8	–	32.1%	295.4	311.6	328.7	–	31.4%
Competition Tribunal	19.1	20.1	30.0	35.1	–	3.4%	36.2	38.2	40.3	-100.0%	3.9%
International Trade Administration Commission	88.7	87.0	99.1	102.2	-5.8%	12.3%	106.9	112.8	119.0	6.0%	11.4%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>411.4</b>	<b>213.1</b>	<b>385.8</b>	<b>513.8</b>	<b>–</b>	<b>49.7%</b>	<b>459.5</b>	<b>475.5</b>	<b>531.3</b>	<b>–</b>	<b>51.1%</b>
Small Enterprise Finance Agency	406.4	213.1	223.8	228.8	–	34.9%	241.5	254.7	268.7	–	25.7%
Industrial Development Corporation	5.0	–	162.0	285.0	–	14.7%	218.0	220.8	262.5	–	25.5%

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

## Entity

### Industrial Development Corporation

#### Mandate

The Industrial Development Corporation is a development finance institution established in terms of the Industrial Development Act (1940) with the objective of leading industrial capacity development. The corporation aligns 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 25.12 Industrial Development Corporation performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Value of funding disbursed per year	Administration	Outcome 4: Decent employment through inclusive growth	R11.4bn	R11bn	R15.4bn	R17.2bn	R16.6bn	R18.3bn	R22.6bn
Number of jobs expected to be created or saved per year	Administration		18 010	20 155	29 885	28 262	32 501	35 767	39 361
Value of funding to black industrialists per year	Administration		R4.5bn	R4.9bn	R7.8bn	R5.5bn	R5.5bn	R5.9bn	R6.2bn
Funding for localisation initiatives per year	Administration		R4.7bn	R4.8bn	R7bn	R4.7bn	R4.9bn	R5.2bn	R5.2bn

#### Expenditure analysis

As a development finance institution, the Industrial Development Corporation aims to contribute to balanced, sustainable economic growth and the economic empowerment of the South African population. By developing

value chains in sectors that have significant potential for economic growth, the corporation plans to undertake direct investments in individual companies, and act as a catalyst for the creation or revitalisation of industries and jobs. As such, the corporation's focus over the medium term will continue to be on developing industrial capacity while ensuring long-term sustainability.

Loans to enterprises in priority sectors such as metals and mining, chemicals and pharmaceuticals, clothing and textiles, and agro-processing and agriculture are expected to account for 62 per cent (R35.7 billion) of the corporation's total loan disbursement of R57.5 billion over the medium term. Through the corporation's support, an estimated 107 629 jobs will be created or saved over the same period.

To underscore the corporation's commitment to transformation, an estimated R17.6 billion of this enterprise funding over the medium term is allocated to supporting 49 black industrialists. The corporation also anticipates the approval of R3.8 billion over the MTEF period in funding for enterprises that empower women, and R3.2 billion for youth ventures.

The corporation is expected to generate 82 per cent (R49.4 billion) of its revenue over the medium term through interest on loans. Revenue of R9.9 billion is set to be generated through equity investments and income from fees. Total revenue is expected to increase from R17.4 billion in 2018/19 to R20.5 billion in 2020/21 at an average annual rate of 6 per cent, mainly due to a projected increase in interest income from higher-value loans and dividend income from equity investments. In 2021/22, total revenue is expected to decrease to R19.3 billion due to the anticipated sale of dividend-paying equities.

### Programmes/Objectives/Activities

**Table 25.13 Industrial Development Corporation expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	19 185.0	18 773.0	16 154.0	12 888.1	-12.4%	100.0%	16 967.0	16 640.7	17 416.8	10.6%	100.0%
<b>Total</b>	<b>19 185.0</b>	<b>18 773.0</b>	<b>16 154.0</b>	<b>12 888.1</b>	<b>-12.4%</b>	<b>100.0%</b>	<b>16 967.0</b>	<b>16 640.7</b>	<b>17 416.8</b>	<b>10.6%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 25.14 Industrial Development Corporation statements of historical financial performance and position**

Statement of financial performance									
R million	2015/16		2016/17		2017/18		2018/19		Average: Outcome/ Budget (%) 2015/16 - 2018/19
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>19 967.9</b>	<b>19 001.6</b>	<b>23 110.0</b>	<b>20 138.9</b>	<b>18 308.0</b>	<b>18 773.2</b>	<b>21 438.0</b>	<b>17 148.2</b>	<b>90.6%</b>
Sale of goods and services other than capital assets	14 615.9	12 908.6	15 670.0	12 767.9	9 969.0	2 383.0	11 134.0	3 131.0	60.7%
of which:									
Administrative fees	684.8	-	-	-	-	-	-	-	-
Sales by market establishment	33.1	-	-	-	-	-	-	-	-
Other sales	13 898.0	12 908.6	15 670.0	12 767.9	9 969.0	2 383.0	11 134.0	3 131.0	61.6%
Other non-tax revenue	5 352.0	6 093.0	7 440.0	7 371.0	8 339.0	16 390.2	10 304.0	14 017.2	139.6%
Transfers received	407.1	406.4	213.1	213.1	223.8	223.8	228.8	228.8	99.9%
<b>Total revenue</b>	<b>20 375.0</b>	<b>19 408.0</b>	<b>23 276.1</b>	<b>20 973.0</b>	<b>18 531.8</b>	<b>19 378.0</b>	<b>21 666.8</b>	<b>17 377.0</b>	<b>92.0%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>20 297.6</b>	<b>18 988.0</b>	<b>21 447.8</b>	<b>18 773.0</b>	<b>17 035.0</b>	<b>16 154.0</b>	<b>20 339.0</b>	<b>12 781.7</b>	<b>84.3%</b>
Compensation of employees	926.0	840.0	887.4	3 229.0	1 260.7	885.5	1 287.8	1 132.0	139.5%
Goods and services	16 431.5	16 108.0	17 752.3	12 207.0	13 137.3	11 876.5	15 906.8	8 696.6	77.3%
Depreciation	576.2	723.0	618.2	730.0	730.0	964.0	730.0	1 010.0	129.1%
Interest, dividends and rent on land	2 363.9	1 317.0	2 190.0	2 607.0	1 907.0	2 428.0	2 414.5	1 943.1	93.5%
<b>Total expenses</b>	<b>20 577.9</b>	<b>19 185.0</b>	<b>21 780.1</b>	<b>18 773.0</b>	<b>17 434.0</b>	<b>16 154.0</b>	<b>20 744.0</b>	<b>12 888.1</b>	<b>83.2%</b>
<b>Surplus/(Deficit)</b>	<b>(203.0)</b>	<b>223.0</b>	<b>1 496.0</b>	<b>2 200.0</b>	<b>1 098.0</b>	<b>3 224.0</b>	<b>923.0</b>	<b>4 489.0</b>	

**Table 25.14 Industrial Development Corporation statements of historical financial performance and position**

Statement of financial position	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	Budget		Budget		Budget				
R million	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
Carrying value of assets	10 540.6	11 456.0	11 168.9	10 074.0	7 837.8	8 148.0	8 124.0	-	78.8%
of which:									
Acquisition of assets	(1 675.3)	(2 548.0)	(1 757.8)	(934.0)	(1 844.4)	(1 741.0)	(1 951.4)	-	72.3%
Investments	97 751.3	71 704.0	103 052.3	104 669.0	110 645.5	111 632.0	121 375.0	101 935.5	90.1%
Inventory	4 249.0	3 599.0	4 461.5	2 771.0	2 201.2	1 748.0	2 700.0	-	59.6%
Loans	17 985.0	23 928.0	16 408.7	-	30 936.0	-	34 840.0	19 390.2	43.2%
Receivables and prepayments	4 203.8	3 305.0	4 414.0	2 704.0	1 664.8	3 621.0	1 700.0	16 011.8	214.0%
Cash and cash equivalents	10 152.0	6 865.0	9 810.0	7 699.0	8 749.0	6 156.0	5 871.0	7 026.3	80.2%
Non-current assets held for sale	-	-	-	1 676.0	-	4 508.0	-	-	-
Taxation	433.5	422.0	461.2	169.0	-	487.0	153.0	-	102.9%
Derivatives financial instruments	-	69.0	-	76.0	-	142.0	-	-	-
<b>Total assets</b>	<b>145 315.3</b>	<b>121 348.0</b>	<b>149 776.5</b>	<b>129 838.0</b>	<b>162 034.3</b>	<b>136 442.0</b>	<b>174 763.0</b>	<b>144 363.9</b>	<b>84.2%</b>
Accumulated surplus/(deficit)	40 269.9	39 717.0	42 537.3	43 729.0	45 438.7	46 938.0	22 364.6	89 563.5	146.0%
Capital and reserves	69 856.5	45 100.0	66 249.8	44 561.0	65 265.9	44 765.0	98 607.2	-	44.8%
Capital reserve fund	-	-	-	-	-	-	326.2	-	-
Borrowings	23 991.7	28 022.0	29 233.9	103.0	39 466.0	19.0	44 995.0	38 880.3	48.7%
Trade and other payables	3 924.9	3 727.0	4 121.1	4 053.0	2 552.4	3 383.0	1 401.6	-	93.0%
Taxation	6 094.6	3 340.0	6 399.4	4 879.0	8 345.0	4 599.0	5 573.0	6 866.0	74.5%
Provisions	1 119.0	1 357.0	1 175.0	1 725.0	898.6	1 272.0	1 136.4	-	100.6%
Managed funds (e.g. poverty alleviation fund)	30.0	26.0	30.0	-	30.0	-	-	3 672.7	4 109.7%
Derivatives financial instruments	28.7	59.0	30.1	30 788.0	37.6	35 466.0	7.0	5 381.4	69 359.5%
<b>Total equity and liabilities</b>	<b>145 315.3</b>	<b>121 348.0</b>	<b>149 776.5</b>	<b>129 838.0</b>	<b>162 034.3</b>	<b>136 442.0</b>	<b>174 410.9</b>	<b>144 363.9</b>	<b>84.2%</b>

**Statements of estimates of financial performance and position****Table 25.15 Industrial Development Corporation statements of estimates of financial performance and position**

Statement of financial performance	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
R million								
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>17 148.2</b>	<b>-3.4%</b>	<b>97.4%</b>	<b>19 977.5</b>	<b>20 291.3</b>	<b>19 081.5</b>	<b>3.6%</b>	<b>98.7%</b>
Sale of goods and services other than capital assets	3 131.0	-37.6%	39.4%	4 210.0	4 160.0	1 541.0	-21.0%	16.8%
of which:								
Other sales	3 131.0	-37.6%	39.4%	4 210.0	4 160.0	1 541.0	-21.0%	16.8%
Other non-tax revenue	14 017.2	32.0%	57.9%	15 767.5	16 131.3	17 540.5	7.8%	82.0%
<b>Total revenue</b>	<b>17 377.0</b>	<b>-3.6%</b>	<b>100.0%</b>	<b>20 219.0</b>	<b>20 546.0</b>	<b>19 349.0</b>	<b>3.6%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>12 781.7</b>	<b>-12.4%</b>	<b>99.5%</b>	<b>16 729.6</b>	<b>16 446.6</b>	<b>17 030.9</b>	<b>10.0%</b>	<b>98.6%</b>
Compensation of employees	1 132.0	10.5%	9.0%	1 204.6	1 294.7	1 391.6	7.1%	7.9%
Goods and services	8 696.6	-18.6%	72.5%	11 841.8	10 738.9	10 843.3	7.6%	66.0%
Depreciation	1 010.0	11.8%	5.4%	1 060.0	1 110.0	1 160.0	4.7%	6.9%
Interest, dividends and rent on land	1 943.1	13.8%	12.7%	2 623.2	3 303.0	3 636.0	23.2%	17.8%
<b>Total expenses</b>	<b>12 888.1</b>	<b>-12.4%</b>	<b>100.0%</b>	<b>16 967.0</b>	<b>16 640.7</b>	<b>17 416.8</b>	<b>10.6%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>4 489.0</b>			<b>3 252.0</b>	<b>3 905.0</b>	<b>1 932.0</b>		
<b>Statement of financial position</b>								
Investments	101 935.5	12.4%	73.0%	101 813.5	109 779.4	117 162.8	4.8%	67.4%
Loans	19 390.2	-6.8%	8.3%	28 075.7	32 209.7	35 686.4	22.5%	17.8%
Receivables and prepayments	16 011.8	69.2%	4.6%	16 822.2	17 130.9	17 508.8	3.0%	10.6%
Cash and cash equivalents	7 026.3	0.8%	5.2%	6 935.9	6 613.7	5 980.1	-5.2%	4.2%
<b>Total assets</b>	<b>144 363.9</b>	<b>6.0%</b>	<b>100.0%</b>	<b>153 647.3</b>	<b>165 733.7</b>	<b>176 338.1</b>	<b>6.9%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	89 563.5	31.1%	40.7%	91 566.8	98 465.6	101 678.4	4.3%	59.7%
Borrowings	38 880.3	11.5%	12.5%	45 268.7	49 981.1	56 735.0	13.4%	29.7%
Taxation	6 866.0	27.2%	3.7%	6 969.3	7 141.8	7 377.2	2.4%	4.4%
Managed funds (e.g. poverty alleviation fund)	3 672.7	420.8%	0.6%	3 672.7	3 672.7	3 672.7	-	2.3%
Derivatives financial instruments	5 381.4	350.1%	13.4%	6 169.8	6 472.6	6 874.8	8.5%	3.9%
<b>Total equity and liabilities</b>	<b>144 363.9</b>	<b>6.0%</b>	<b>100.0%</b>	<b>153 647.3</b>	<b>165 733.7</b>	<b>176 338.1</b>	<b>6.9%</b>	<b>100.0%</b>

## Personnel information

**Table 25.16 Industrial Development Corporation personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> 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 (%)				
		2017/18		Unit cost	2018/19		Unit cost	2019/20		2020/21		2021/22				2018/19 - 2021/22			
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	859	859	859	885.5	1.0	859	1 132.0	1.3	859	1 204.6	1.4	859	1 294.7	1.5	859	1 391.6	1.6	7.1%	100.0%
1 – 6	35	35	35	73.3	2.1	35	95.1	2.7	35	101.1	2.9	35	108.7	3.1	35	116.9	3.3	7.1%	4.1%
7 – 10	274	274	274	116.3	0.4	274	150.9	0.6	274	160.5	0.6	274	172.5	0.6	274	185.5	0.7	7.1%	31.9%
11 – 12	132	132	132	107.5	0.8	132	139.6	1.1	132	148.5	1.1	132	159.6	1.2	132	171.6	1.3	7.1%	15.4%
13 – 16	391	391	391	513.3	1.3	391	666.0	1.7	391	708.5	1.8	391	761.7	1.9	391	819.0	2.1	7.1%	45.5%
17 – 22	27	27	27	75.2	2.8	27	80.5	3.0	27	86.1	3.2	27	92.1	3.4	27	98.6	3.7	7.0%	3.1%

1. Rand million.

## Other entities

Comprehensive coverage of the following public entities is provided with more detailed information for the vote at [www.treasury.gov.za](http://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 promote the advocacy of competition issues to achieve equity and efficiency in the South African economy. The commission's total budget for 2019/20 is R376.8 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 2019/20 is R59.7 million.
- The **International Trade Administration Commission** 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 2019/20 is R108.9 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 2019/20 is R461.4 million.

