

# Vote 29

## Mineral Resources

### 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	345.5	329.7	3.7	12.0	365.7	387.9
Mine Health and Safety	218.6	213.4	4.4	0.8	230.6	249.9
Mineral Regulation	443.7	254.6	189.0	0.0	474.0	502.2
Mineral Policy and Promotion	997.5	116.4	881.0	0.2	1 052.7	902.9
<b>Total expenditure estimates</b>	<b>2 005.2</b>	<b>914.2</b>	<b>1 078.0</b>	<b>13.0</b>	<b>2 123.0</b>	<b>2 042.8</b>

Executive authority Minister of Mineral Resources  
 Accounting officer Director-General of Mineral Resources  
 Website address [www.dmr.gov.za](http://www.dmr.gov.za)

*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 and regulate the minerals and mining sector for transformation, growth and development. Ensure that all South Africans derive sustainable benefits from the country's mineral wealth.*

### Mandate

The mandate of the Department of Mineral Resources is broadly informed by:

- the Mineral and Petroleum Resources Development Act (2002), which provides the regulatory framework for equitable access to and the sustainable development of mineral resources and related matters
- the Mine Health and Safety Act (1996), which governs mine health and safety
- the 1998 White Paper on Minerals and Mining Policy for South Africa, which ensures the transparent and efficient regulation of the development of South Africa's mineral resources and minerals industry to meet national objectives and bring optimum benefits to the nation.

### Selected performance indicators

**Table 29.1 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 occupational health and safety inspections and mine audits conducted per year	Mine Health and Safety	Outcome 4: Decent employment through inclusive growth	8 005	9 869	9 952	8 396	8 396	8 396	8 396
Number of mining rights and permits granted or issued to historically disadvantaged South Africans per year	Mineral Regulation		204	175	178	120	150	150	150
Number of industry workshops on compliance issues conducted per year	Mineral Regulation		15	14	8	9	9	9	9

**Table 29.1 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 social and labour plan verification inspections per year	Mineral Regulation	Outcome 4: Decent employment through inclusive growth	270	275	306	212	212	212	212	
Number of environmental verification inspections conducted per year	Mineral Regulation		1 889	1 465	1 583	1 275	1 275	1 275	1 275	
Number of mine economics verification audits per year	Mineral Regulation		595	501	487	425	425	425	425	
Number of mineral legislation compliance inspections conducted per year	Mineral Regulation		502	264	212	150	150	150	150	
Number of consultations or engagements and conflict management sessions with stakeholders and the mining industry per year <sup>1</sup>	Mineral Regulation		341	342	306	150	150	150	150	
Number of procurement opportunities facilitated for black industrialists in the mining sector per year	Mineral Regulation		5	5	10	10	10	10	10	
Number of publications per year	Mineral Policy and Promotion		14	23	14	13	19	13	13	
Number of legislative instruments reviewed and amended per year	Mineral Policy and Promotion		2	4	1	3	2	2	2	
Number of derelict and ownerless mines rehabilitated per year	Mineral Policy and Promotion		Outcome 10: Protect and enhance our environmental assets and natural resources	50	45	43	45	43	43	43
Number of new and established small, medium and micro enterprises supported per year	Mineral Policy and Promotion		Outcome 7: Comprehensive rural development and land reform	125	103	96	80	40	80	80
Number of mining investment promotion events/forums/workshops per year <sup>1</sup>	Mineral Policy and Promotion	Outcome 4: Decent employment through inclusive growth	38	60	56	46	13	46	46	

1. As the mining charter has been finalised, investor certainty is expected to improve, resulting in fewer seminars and events being required.

## Expenditure analysis

Chapters 3, 4 and 5 of the National Development Plan detail a vision for South Africa in which a responsible mining sector prioritises the welfare of its human resources and the environment, and contributes significantly to GDP. This vision is expressed through outcome 4 (decent employment through inclusive growth), outcome 6 (an efficient, competitive and responsive economic infrastructure network) and outcome 10 (protect and enhance our environmental assets and natural resources) of government's 2014-2019 medium-term strategic framework. In line with these guiding policies, over the medium term, the Department of Mineral Resources will contribute to the sustainable growth and socioeconomic development of the mining sector by focusing on promoting investment in the sector, transforming the sector through skills development, and rehabilitating derelict mines.

The department has a total allocation of R6.2 billion over the medium term, 52.2 per cent (R3.2 billion) of which is for transfers to its entities, which carry out a significant portion of its functions. Due to the labour-intensive nature of the department's work, which requires inspections to be conducted to ensure that mining companies comply with legislative requirements, expenditure on compensation of employees accounts for an estimated 34.2 per cent (R2.1 billion) of the department's total budget over the MTEF period. This allocation will enable the department to conduct an estimated 30 099 mandatory inspections over the period ahead to monitor and enforce compliance.

### **Promoting investment in the mining sector**

The finalisation of the mining charter is expected to improve investor confidence in the sector despite general slowdown in global demand for mining commodities and low mining production. To leverage this improved confidence and increase the mining sector's contribution to GDP to ensure real mining investment in South Africa, more attention will be devoted to attracting domestic and foreign investment into the sector. With this imperative in mind, the department plans to conduct 105 mining promotional events and workshops both locally and internationally through an allocation of R245.7 million over the MTEF in the *Mineral Promotion and International Coordination* subprogramme in the *Mineral Policy and Promotion* programme. An additional R92.4 million over the medium term has been reprioritised from the programme to the Petroleum Agency South Africa to promote the exploration and optimal development of onshore and offshore oil and gas resources.

### **Transforming the mining sector**

Accelerating transformation in the mining sector remains a key priority. The department will facilitate this process by monitoring and enforcing compliance with the mining charter, and issuing a targeted 450 mining licences over the medium term to historically disadvantaged South Africans, with special focus on empowering women in the sector. This is set to result in spending of R245.7 million over the MTEF period in the *Mineral Regulation* programme, which is allocated 22.5 per cent (R1.4 billion) of the department's total budget over the same period. To provide financial and technical support to 200 new and established small, medium and micro enterprises (SMMEs), particularly those in small-scale mining, an estimated R98.7 million over the medium term is allocated in the *Mineral Policy and Promotion* programme.

The department aims to adopt a more proactive approach to engaging the mining industry, communities and stakeholders about the quality, sustainability and transformation of the industry. In this regard, the department intends to conduct 450 stakeholder engagements and consultations with the sector over the medium term at a projected cost of R90.1 million in the *Mineral Regulation* programme. These are engagements and consultations envisaged to facilitate communication between stakeholders and communities living in mining areas, and address mining charter objectives such as the provision of housing.

Further expenditure of R62 million over the MTEF period in the same programme will facilitate a targeted 636 inspections to ensure that mining companies comply with their social labour plans. These plans commit companies to invest in the upgrading of human settlements and skills development for mineworkers and the surrounding communities, in line with regulation 46 of the Mineral and Petroleum Resources Development Act (2002).

### **Rehabilitating derelict mines and protecting the environment**

Through the department's activities to rehabilitate old mines and minimise the impact of mining on the environment, it aims to improve the wellbeing of nearby communities by creating environmentally habitable areas, and reducing human and animal exposure to asbestos fibres. These efforts also contribute to a reduction in occupational health incidents, as the department enforces compliance with mine health and safety legislation, and prosecutes mines that do not comply. To conduct a targeted 25 188 occupational health and safety inspections and mine audits over the MTEF period, the *Mine Health and Safety* programme is set to receive an allocation of R699 million.

The department expects to conduct 3 825 environmental verification management inspections over the medium term to ensure compliance with the National Environmental Management Act (1998) at an estimated cost of R723 million; and rehabilitate 129 dangerous derelict and ownerless mine sites, including asbestos sites, at an estimated cost of R445 million. This spending is in the *Mineral Regulation and Administration* subprogramme in the *Mineral Regulation* programme. An additional R8.3 million through the expanded public works programme is earmarked for Mintek for the rehabilitation of the derelict and ownerless mines.

## Expenditure trends

**Table 29.2 Vote expenditure trends by programme and economic classification**

Programmes														
1. Administration 2. Mine Health and Safety 3. Mineral Regulation 4. Mineral Policy and Promotion														
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	293.2	308.9	359.1	310.9	345.8	361.1	317.7	339.9	362.5	327.0	335.0	335.0	113.5%	106.6%
Programme 2	175.8	184.4	171.5	184.9	189.9	189.6	189.4	194.1	203.7	205.0	205.0	205.0	101.9%	99.5%
Programme 3	260.4	263.7	246.2	270.8	265.1	258.8	364.6	379.3	370.1	393.6	393.6	393.6	98.4%	97.5%
Programme 4	889.0	881.5	861.7	902.5	868.3	851.7	907.7	866.1	840.5	965.0	957.0	957.0	95.8%	98.3%
<b>Total</b>	<b>1 618.5</b>	<b>1 638.5</b>	<b>1 638.5</b>	<b>1 669.1</b>	<b>1 669.1</b>	<b>1 661.1</b>	<b>1 779.4</b>	<b>1 779.4</b>	<b>1 776.7</b>	<b>1 890.7</b>	<b>1 890.7</b>	<b>1 890.7</b>	<b>100.1%</b>	<b>99.8%</b>
Change to 2018 Budget estimate														
<b>Economic classification</b>														
<b>Current payments</b>	<b>806.1</b>	<b>800.1</b>	<b>805.2</b>	<b>831.4</b>	<b>863.9</b>	<b>858.6</b>	<b>846.7</b>	<b>871.0</b>	<b>867.3</b>	<b>876.9</b>	<b>871.1</b>	<b>871.1</b>	<b>101.2%</b>	<b>99.9%</b>
Compensation of employees	528.4	548.4	526.3	572.1	564.4	558.8	572.8	590.8	588.4	617.6	617.6	617.6	100.0%	98.7%
Goods and services	277.7	251.7	279.0	259.2	299.5	299.8	273.9	280.3	278.9	259.2	253.4	253.4	103.8%	102.4%
<b>Transfers and subsidies</b>	<b>800.9</b>	<b>826.9</b>	<b>819.7</b>	<b>824.1</b>	<b>791.6</b>	<b>791.3</b>	<b>921.1</b>	<b>896.8</b>	<b>896.7</b>	<b>1 001.5</b>	<b>1 007.3</b>	<b>1 007.3</b>	<b>99.1%</b>	<b>99.8%</b>
Departmental agencies and accounts	377.8	394.8	393.4	433.5	433.5	433.5	430.9	440.9	440.7	452.2	471.9	471.9	102.7%	99.9%
Public corporations and private enterprises	421.8	430.8	423.7	389.1	356.6	356.6	488.8	454.4	454.4	547.7	533.8	533.8	95.7%	99.6%
Households	1.4	1.4	2.5	1.4	1.4	1.2	1.5	1.5	1.6	1.6	1.6	1.6	116.6%	116.6%
<b>Payments for capital assets</b>	<b>11.5</b>	<b>11.5</b>	<b>10.6</b>	<b>13.6</b>	<b>13.6</b>	<b>9.9</b>	<b>11.7</b>	<b>11.7</b>	<b>12.7</b>	<b>12.4</b>	<b>12.4</b>	<b>12.4</b>	<b>92.7%</b>	<b>92.7%</b>
Buildings and other fixed structures	2.9	2.5	1.1	3.9	3.9	0.2	1.8	1.8	0.3	2.0	2.0	2.0	33.3%	34.6%
Machinery and equipment	8.6	8.9	9.3	9.8	9.8	9.8	9.8	9.8	11.6	10.4	10.4	10.4	106.5%	105.8%
Software and other intangible assets	–	0.1	0.1	–	–	–	–	–	0.8	–	–	–	–	714.6%
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>2.9</b>	<b>–</b>	<b>–</b>	<b>1.3</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>1 618.5</b>	<b>1 638.5</b>	<b>1 638.5</b>	<b>1 669.1</b>	<b>1 669.1</b>	<b>1 661.1</b>	<b>1 779.4</b>	<b>1 779.4</b>	<b>1 776.7</b>	<b>1 890.7</b>	<b>1 890.7</b>	<b>1 890.7</b>	<b>100.1%</b>	<b>99.8%</b>

## Expenditure estimates

**Table 29.3 Vote expenditure estimates by programme and economic classification**

Programmes								
1. Administration 2. Mine Health and Safety 3. Mineral Regulation 4. Mineral Policy and Promotion								
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	335.0	2.7%	20.3%	345.5	365.7	387.9	5.0%	17.8%
Programme 2	205.0	3.6%	11.0%	218.6	230.6	249.9	6.8%	11.2%
Programme 3	393.6	14.3%	18.2%	443.7	474.0	502.2	8.5%	22.5%
Programme 4	957.0	2.8%	50.4%	997.5	1 052.7	902.9	-1.9%	48.5%
<b>Total</b>	<b>1 890.7</b>	<b>4.9%</b>	<b>100.0%</b>	<b>2 005.2</b>	<b>2 123.0</b>	<b>2 042.8</b>	<b>2.6%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(10.8)	(16.7)	(13.1)		
<b>Economic classification</b>								
<b>Current payments</b>	<b>871.1</b>	<b>2.9%</b>	<b>48.8%</b>	<b>914.2</b>	<b>976.1</b>	<b>1 036.9</b>	<b>6.0%</b>	<b>47.1%</b>
Compensation of employees	617.6	4.0%	32.9%	665.2	715.6	762.1	7.3%	34.2%
Goods and services	253.4	0.2%	15.9%	249.0	260.5	274.8	2.7%	12.9%

**Table 29.3 Vote expenditure estimates by programme and economic classification**

Economic classification	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure 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>Transfers and subsidies</b>	<b>1 007.3</b>	<b>6.8%</b>	<b>50.5%</b>	<b>1 078.0</b>	<b>1 133.2</b>	<b>991.4</b>	<b>-0.5%</b>	<b>52.2%</b>
Departmental agencies and accounts	471.9	6.1%	25.0%	482.0	503.2	327.1	-11.5%	22.1%
Public corporations and private enterprises	533.8	7.4%	25.4%	594.4	628.2	662.5	7.5%	30.0%
Households	1.6	5.4%	0.1%	1.7	1.8	1.9	5.5%	0.1%
<b>Payments for capital assets</b>	<b>12.4</b>	<b>2.3%</b>	<b>0.7%</b>	<b>13.0</b>	<b>13.7</b>	<b>14.5</b>	<b>5.6%</b>	<b>0.7%</b>
Buildings and other fixed structures	2.0	-7.9%	0.1%	2.1	2.2	2.3	6.1%	0.1%
Machinery and equipment	10.4	5.4%	0.6%	11.0	11.6	12.2	5.5%	0.6%
<b>Total</b>	<b>1 890.7</b>	<b>4.9%</b>	<b>100.0%</b>	<b>2 005.2</b>	<b>2 123.0</b>	<b>2 042.8</b>	<b>2.6%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 29.4 Expenditure trends and estimates for significant spending items**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Council for Geoscience	342 914	378 598	366 988	405 983	5.8%	21.5%	414 062	435 734	251 402	-14.8%	18.7%
Mintek	414 742	356 416	367 256	420 368	0.5%	22.4%	436 022	460 401	485 405	4.9%	22.4%
<b>Total</b>	<b>757 656</b>	<b>735 014</b>	<b>734 244</b>	<b>826 351</b>	<b>6.3%</b>	<b>43.9%</b>	<b>850 084</b>	<b>896 135</b>	<b>736 807</b>	<b>-9.9%</b>	<b>41.1%</b>

## Goods and services expenditure trends and estimates

**Table 29.5 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 (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Administrative fees	2 618	3 248	2 484	6 143	32.9%	1.3%	6 394	6 684	7 058	4.7%	2.5%
Advertising	846	5 453	5 813	2 428	42.1%	1.3%	4 703	4 802	5 067	27.8%	1.6%
Minor assets	1 614	968	1 482	4 831	44.1%	0.8%	3 828	4 099	4 327	-3.6%	1.6%
Audit costs: External	6 465	6 247	7 013	4 924	-8.7%	2.2%	5 100	5 422	5 720	5.1%	2.0%
Bursaries: Employees	979	1 234	1 246	1 973	26.3%	0.5%	2 047	2 127	2 237	4.3%	0.8%
Catering: Departmental activities	1 528	951	1 435	4 002	37.8%	0.7%	3 317	3 390	3 578	-3.7%	1.4%
Communication	13 723	17 281	12 703	8 582	-14.5%	4.7%	7 951	8 559	9 028	1.7%	3.3%
Computer services	23 446	26 872	23 850	25 480	2.8%	9.0%	27 842	29 287	30 851	6.6%	10.9%
Consultants: Business and advisory services	5 461	8 237	2 134	5 512	0.3%	1.9%	6 467	6 595	6 958	8.1%	2.5%
Legal services	6 476	11 213	13 561	4 097	-14.2%	3.2%	2 882	3 063	3 232	-7.6%	1.3%
Contractors	1 875	1 057	4 481	10 004	74.7%	1.6%	4 148	4 362	4 603	-22.8%	2.2%
Agency and support/outsourced services	-	-	-	10	-	-	10	11	11	3.2%	-
Entertainment	-	-	5	164	-	-	85	78	82	-20.6%	-
Fleet services (including government motor transport)	10 503	10 518	10 657	6 395	-15.2%	3.4%	12 329	13 027	13 739	29.0%	4.4%
Inventory: Clothing material and accessories	-	53	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	16	19	-	51	47.2%	-	2	2	2	-66.0%	-
Inventory: Materials and supplies	67	218	-	-	-100.0%	-	-	-	-	-	-
Inventory: Medical supplies	2	2	-	-	-100.0%	-	-	-	-	-	-
Consumable supplies	1 740	2 063	2 251	3 991	31.9%	0.9%	3 801	4 004	4 225	1.9%	1.5%
Consumables: Stationery, printing and office supplies	4 683	4 673	3 887	10 895	32.5%	2.2%	10 427	10 893	11 490	1.8%	4.2%
Operating leases	94 177	89 325	88 614	44 449	-22.1%	28.5%	37 408	39 522	41 695	-2.1%	15.7%
Rental and hiring	1 002	232	1 118	2 110	28.2%	0.4%	2 516	2 558	2 700	8.6%	1.0%
Property payments	5 860	6 259	6 562	8 042	11.1%	2.4%	8 347	9 886	10 431	9.1%	3.5%
Travel and subsistence	71 021	68 383	69 141	70 048	-0.5%	25.1%	72 015	74 131	78 228	3.8%	28.4%
Training and development	5 410	4 892	4 749	8 751	17.4%	2.1%	6 197	6 391	6 736	-8.4%	2.7%
Operating payments	12 883	23 740	9 654	11 032	-5.0%	5.2%	13 024	13 790	14 555	9.7%	5.0%
Venues and facilities	6 581	6 643	6 081	9 516	13.1%	2.6%	8 140	7 792	8 228	-4.7%	3.2%
<b>Total</b>	<b>278 976</b>	<b>299 781</b>	<b>278 921</b>	<b>253 430</b>	<b>-3.2%</b>	<b>100.0%</b>	<b>248 980</b>	<b>260 475</b>	<b>274 781</b>	<b>2.7%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 29.6** Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
R thousand											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>1 762</b>	<b>1 059</b>	<b>1 573</b>	<b>1 295</b>	<b>-9.8%</b>	<b>0.2%</b>	<b>1 368</b>	<b>1 443</b>	<b>1 522</b>	<b>5.5%</b>	<b>0.1%</b>
Employee social benefits	1 762	1 059	1 573	1 295	-9.8%	0.2%	1 368	1 443	1 522	5.5%	0.1%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>358 408</b>	<b>396 629</b>	<b>405 319</b>	<b>468 541</b>	<b>9.3%</b>	<b>46.3%</b>	<b>478 479</b>	<b>499 459</b>	<b>323 157</b>	<b>-11.6%</b>	<b>42.0%</b>
Mine Health and Safety Council	–	–	6 162	4 803	–	0.3%	4 386	351	4 874	0.5%	0.3%
Council for Geoscience	307 881	341 708	330 574	311 613	0.4%	36.7%	410 553	432 032	247 496	-7.4%	33.3%
Council for Geoscience: Economic competitiveness and support package	–	–	–	90 000	–	2.6%	–	–	–	-100.0%	2.1%
Council for Geoscience: Expanded public works programme	–	–	1 000	1 047	–	0.1%	–	–	–	-100.0%	–
Mining Qualifications Authority	–	1 716	1 718	1 973	–	0.2%	1 996	2 147	2 286	5.0%	0.2%
South African Diamond and Precious Metals Regulator	50 527	53 205	65 865	59 105	5.4%	6.5%	61 544	64 929	68 501	5.0%	6.0%
<b>Capital</b>	<b>35 033</b>	<b>36 890</b>	<b>35 414</b>	<b>3 323</b>	<b>-54.4%</b>	<b>3.1%</b>	<b>3 509</b>	<b>3 702</b>	<b>3 906</b>	<b>5.5%</b>	<b>0.3%</b>
Council for Geoscience	35 033	36 890	35 414	3 323	-54.4%	3.1%	3 509	3 702	3 906	5.5%	0.3%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>833</b>	<b>122</b>	<b>40</b>	<b>311</b>	<b>-28.0%</b>	<b>–</b>	<b>328</b>	<b>346</b>	<b>365</b>	<b>5.5%</b>	<b>–</b>
Employee ex-gratia payments	20	120	40	311	149.6%	–	328	346	365	5.5%	–
Other transfers to households	813	2	–	–	-100.0%	–	–	–	–	–	–
<b>Public corporations and private enterprises</b>											
<b>Subsidies on products and production</b>											
<b>Current</b>	<b>–</b>	<b>–</b>	<b>87 138</b>	<b>98 439</b>	<b>–</b>	<b>5.3%</b>	<b>133 652</b>	<b>141 373</b>	<b>149 148</b>	<b>14.9%</b>	<b>12.4%</b>
Petroleum Agency South Africa	–	–	87 138	98 439	–	5.3%	127 446	134 826	142 241	13.1%	11.9%
Various institutions: Water management solutions subsidies for marginal mines	–	–	–	–	–	–	6 206	6 547	6 907	–	0.5%
<b>Public corporations and private enterprises</b>											
<b>Subsidies on products and production</b>											
<b>Current</b>	<b>8 993</b>	<b>200</b>	<b>–</b>	<b>14 976</b>	<b>18.5%</b>	<b>0.7%</b>	<b>24 683</b>	<b>26 453</b>	<b>27 908</b>	<b>23.1%</b>	<b>2.2%</b>
Industrial Development Corporation	8 993	–	–	14 976	19.0%	0.7%	24 683	26 453	27 908	23.1%	2.2%
State Diamond Trader	100	200	–	–	-100.0%	–	–	–	–	–	–
<b>Public corporations and private enterprises</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>362 145</b>	<b>315 152</b>	<b>310 705</b>	<b>389 213</b>	<b>2.4%</b>	<b>39.2%</b>	<b>372 840</b>	<b>393 743</b>	<b>415 082</b>	<b>2.2%</b>	<b>37.3%</b>
Mintek	362 145	315 152	310 705	319 213	-4.1%	37.2%	370 208	390 968	412 155	8.9%	35.5%
Mintek: Economic competitiveness and support package	–	–	–	70 000	–	2.0%	–	–	–	-100.0%	1.7%
Mintek: Expanded public works programme	–	–	–	–	–	–	2 632	2 775	2 927	–	0.2%
<b>Capital</b>	<b>52 597</b>	<b>41 264</b>	<b>56 551</b>	<b>31 155</b>	<b>-16.0%</b>	<b>5.2%</b>	<b>63 182</b>	<b>66 658</b>	<b>70 323</b>	<b>31.2%</b>	<b>5.5%</b>
Mintek	52 597	41 264	56 551	31 155	-16.0%	5.2%	63 182	66 658	70 323	31.2%	5.5%
<b>Total</b>	<b>819 771</b>	<b>791 316</b>	<b>896 740</b>	<b>1 007 253</b>	<b>7.1%</b>	<b>100.0%</b>	<b>1 078 041</b>	<b>1 133 177</b>	<b>991 411</b>	<b>-0.5%</b>	<b>100.0%</b>

## Personnel information

**Table 29.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

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	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost								
<b>Mineral Resources</b>	<b>1 167</b>	<b>4</b>	<b>1 118</b>	<b>588.4</b>	<b>0.5</b>	<b>1 100</b>	<b>617.6</b>	<b>0.6</b>	<b>1 103</b>	<b>665.2</b>	<b>0.6</b>	<b>1 103</b>	<b>715.6</b>	<b>0.6</b>	<b>1 096</b>	<b>762.1</b>	<b>0.7</b>	<b>-0.1%</b>	<b>100.0%</b>
Salary level	1 167	4	1 118	588.4	0.5	1 100	617.6	0.6	1 103	665.2	0.6	1 103	715.6	0.6	1 096	762.1	0.7	-0.1%	100.0%
1 – 6	264	–	262	51.2	0.2	253	50.9	0.2	254	54.9	0.2	254	59.5	0.2	254	64.2	0.3	0.1%	23.1%
7 – 10	550	1	526	257.8	0.5	520	264.6	0.5	521	286.5	0.5	522	309.7	0.6	519	330.7	0.6	-0.1%	47.3%
11 – 12	262	1	249	211.1	0.8	241	225.1	0.9	241	240.6	1.0	241	258.1	1.1	237	272.8	1.2	-0.6%	21.8%
13 – 16	89	2	78	65.1	0.8	84	74.5	0.9	85	80.5	0.9	84	85.4	1.0	84	91.4	1.1	–	7.7%
Other	2	–	3	3.2	1.1	2	2.5	1.2	2	2.6	1.3	2	2.8	1.4	2	3.0	1.5	–	0.2%
<b>Programme</b>	<b>1 167</b>	<b>4</b>	<b>1 118</b>	<b>588.4</b>	<b>0.5</b>	<b>1 100</b>	<b>617.6</b>	<b>0.6</b>	<b>1 103</b>	<b>665.2</b>	<b>0.6</b>	<b>1 103</b>	<b>715.6</b>	<b>0.6</b>	<b>1 096</b>	<b>762.1</b>	<b>0.7</b>	<b>-0.1%</b>	<b>100.0%</b>
Programme 1	365	4	358	170.0	0.5	360	186.9	0.5	360	199.8	0.6	359	213.9	0.6	357	227.7	0.6	-0.3%	32.6%
Programme 2	303	–	292	165.9	0.6	274	166.3	0.6	274	178.3	0.7	277	192.4	0.7	275	205.1	0.7	0.1%	25.0%
Programme 3	386	–	361	185.6	0.5	361	193.2	0.5	363	209.4	0.6	363	226.4	0.6	361	241.0	0.7	–	32.9%
Programme 4	113	–	107	66.8	0.6	105	71.2	0.7	106	77.6	0.7	104	82.9	0.8	103	88.3	0.9	-0.6%	9.5%

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

2. Rand million

## Departmental receipts

**Table 29.8 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		
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22				
<b>Departmental receipts</b>	<b>29 763</b>	<b>38 072</b>	<b>38 912</b>	<b>43 027</b>	<b>39 682</b>	<b>10.1%</b>	<b>100.0%</b>	<b>41 072</b>	<b>42 486</b>	<b>43 940</b>	<b>3.5%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>6 486</b>	<b>10 148</b>	<b>11 642</b>	<b>12 002</b>	<b>11 477</b>	<b>21.0%</b>	<b>27.1%</b>	<b>12 313</b>	<b>12 320</b>	<b>12 326</b>	<b>2.4%</b>	<b>29.0%</b>
Sales by market establishments	478	473	453	495	435	-3.1%	1.3%	475	476	476	3.0%	1.1%
of which:												
Market establishment: Rental parking: Covered and open	478	473	453	495	435	-3.1%	1.3%	475	476	476	3.0%	1.1%
Administrative fees	5 428	9 073	10 518	10 776	10 338	24.0%	24.1%	11 133	11 138	11 144	2.5%	26.2%
of which:												
Application fees in relation to the Mineral and Petroleum Resources Development Act (2002)	1 084	1 791	1 502	2 458	1 015	-2.2%	3.7%	1 577	1 577	1 578	15.8%	3.4%
Requested information: Promotion of Access to Information Act (2000)	23	30	29	25	30	9.3%	0.1%	30	30	30	–	0.1%
Environmental authorisation application fees	4 321	7 252	8 987	8 293	9 293	29.1%	20.4%	9 526	9 531	9 536	0.9%	22.7%
Other sales	580	602	671	731	704	6.7%	1.7%	705	706	706	0.1%	1.7%
of which:												
Services rendered: Commission on insurance and garnishee	210	224	238	244	252	6.3%	0.6%	250	251	251	-0.1%	0.6%
Services rendered: Marking of exam paper	345	351	398	454	427	7.4%	1.0%	418	418	418	-0.7%	1.0%
Services rendered: Photocopies and faxes	24	26	34	33	24	–	0.1%	36	36	36	14.5%	0.1%
Replacement of lost office property	1	1	1	–	1	–	–	1	1	1	–	–
Sales of scrap, waste, arms and other used current goods	–	1	–	2	–	–	–	–	–	–	–	–
of which:												
Sales: Scrap	–	1	–	2	–	–	–	–	–	–	–	–

**Table 29.8 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		
Fines, penalties and forfeits	847	990	1 293	1 874	1 949	32.0%	3.5%	1 362	1 400	1 402	-10.4%	3.7%
Interest, dividends and rent on land	22 268	23 881	23 576	27 038	24 145	2.7%	64.1%	24 876	26 244	27 688	4.7%	61.6%
Interest	28	265	189	82	82	43.1%	0.4%	199	210	222	39.4%	0.4%
Rent on land	22 240	23 616	23 387	26 956	24 063	2.7%	63.7%	24 677	26 034	27 466	4.5%	61.2%
Transactions in financial assets and liabilities	162	3 052	2 401	2 111	2 111	135.3%	5.3%	2 521	2 522	2 524	6.1%	5.8%
<b>Total</b>	<b>29 763</b>	<b>38 072</b>	<b>38 912</b>	<b>43 027</b>	<b>39 682</b>	<b>10.1%</b>	<b>100.0%</b>	<b>41 072</b>	<b>42 486</b>	<b>43 940</b>	<b>3.5%</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 29.9 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		
R million											
Ministry	33.1	35.1	34.4	27.3	-6.2%	9.2%	30.7	31.3	33.3	6.9%	8.5%
Corporate Services	180.3	187.8	181.8	133.2	-9.6%	48.2%	137.3	147.5	156.6	5.6%	40.1%
Department Management	15.6	12.5	15.5	30.1	24.5%	5.2%	24.1	24.2	25.7	-5.1%	7.3%
Financial Administration	95.4	93.5	97.6	96.8	0.5%	27.0%	102.9	109.6	116.3	6.3%	29.7%
Internal Audit	12.4	10.6	10.1	12.9	1.5%	3.2%	13.8	14.3	15.2	5.5%	3.9%
Office Accommodation	22.3	21.5	22.9	34.8	16.0%	7.2%	36.7	38.8	40.9	5.5%	10.5%
<b>Total</b>	<b>359.1</b>	<b>361.1</b>	<b>362.5</b>	<b>335.0</b>	<b>-2.3%</b>	<b>100.0%</b>	<b>345.5</b>	<b>365.7</b>	<b>387.9</b>	<b>5.0%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				8.0			-	0.0	(0.1)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>348.4</b>	<b>349.6</b>	<b>349.8</b>	<b>320.0</b>	<b>-2.8%</b>	<b>96.5%</b>	<b>329.7</b>	<b>349.1</b>	<b>370.3</b>	<b>5.0%</b>	<b>95.5%</b>
Compensation of employees	161.0	162.3	170.0	186.9	5.1%	48.0%	199.8	213.9	227.7	6.8%	57.8%
Goods and services <sup>1</sup>	187.4	187.4	179.8	133.1	-10.8%	48.5%	129.9	135.2	142.7	2.3%	37.7%
of which:											
Audit costs: External	6.5	6.2	7.0	4.9	-8.7%	1.7%	5.1	5.4	5.7	5.1%	1.5%
Computer services	23.0	24.3	23.1	17.8	-8.2%	6.2%	19.7	20.7	21.8	7.0%	5.6%
Fleet services (including government motor transport)	7.2	6.4	6.2	2.7	-28.3%	1.6%	5.0	5.1	5.4	26.5%	1.3%
Operating leases	93.6	88.8	88.2	44.1	-22.2%	22.2%	37.2	39.3	41.5	-2.0%	11.3%
Property payments	5.6	6.3	6.6	7.2	9.0%	1.8%	8.3	9.9	10.4	13.2%	2.5%
Travel and subsistence	21.5	20.0	20.5	19.2	-3.8%	5.7%	20.2	19.4	20.4	2.2%	5.5%
<b>Transfers and subsidies<sup>1</sup></b>	<b>1.8</b>	<b>2.9</b>	<b>3.3</b>	<b>3.6</b>	<b>26.2%</b>	<b>0.8%</b>	<b>3.7</b>	<b>3.9</b>	<b>4.2</b>	<b>5.3%</b>	<b>1.1%</b>
Departmental agencies and accounts	-	1.7	1.7	2.0	-	0.4%	2.0	2.1	2.3	5.0%	0.6%
Households	1.8	1.2	1.6	1.6	-3.4%	0.4%	1.7	1.8	1.9	5.5%	0.5%
<b>Payments for capital assets</b>	<b>8.8</b>	<b>8.4</b>	<b>9.3</b>	<b>11.4</b>	<b>8.9%</b>	<b>2.7%</b>	<b>12.0</b>	<b>12.7</b>	<b>13.4</b>	<b>5.6%</b>	<b>3.5%</b>
Buildings and other fixed structures	1.1	0.2	0.3	2.0	19.7%	0.2%	2.1	2.2	2.3	6.1%	0.6%
Machinery and equipment	7.6	8.3	8.3	9.5	7.7%	2.4%	10.0	10.5	11.1	5.5%	2.9%
Software and other intangible assets	0.1	-	0.8	-	-100.0%	0.1%	-	-	-	-	-
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>359.1</b>	<b>361.1</b>	<b>362.5</b>	<b>335.0</b>	<b>-2.3%</b>	<b>100.0%</b>	<b>345.5</b>	<b>365.7</b>	<b>387.9</b>	<b>5.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>21.9%</b>	<b>21.7%</b>	<b>20.4%</b>	<b>17.7%</b>	<b>-</b>	<b>-</b>	<b>17.2%</b>	<b>17.2%</b>	<b>19.0%</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>											
Current	-	1.7	1.7	2.0	-	0.4%	2.0	2.1	2.3	5.0%	0.6%
Mining Qualifications Authority	-	1.7	1.7	2.0	-	0.4%	2.0	2.1	2.3	5.0%	0.6%

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: Mine Health and Safety

### Programme purpose

Ensure the safe mining of minerals under healthy working conditions.

### Objectives

- Promote health and safety in the mining sector over the medium term by:
  - reducing occupational fatalities and injuries by 20 per cent
  - reducing occupational diseases by 10 per cent
  - conducting ongoing investigations, and 8 396 occupational health and safety inspections and audits per year
  - implementing the occupational health and safety improvement strategy, and enforcing the guidelines issued by the chief inspector of mines.
- Contribute to skills development in the mining sector by implementing, monitoring and evaluating the certificate of competency model on a continual basis.
- Improve health care in the mining sector over the medium term by ensuring:
  - 80 per cent adherence to prescribed timeframes for resolving medical appeals
  - 100 per cent adherence to prescribed timeframes for appeals to the chief inspector of mines
  - 100 per cent adherence to prescribed timeframes for applications in terms of the Mineral and Petroleum Resources Development Act (2002).

### Subprogrammes

- *Governance Policy and Oversight* develops policy and legislation to guide enforcement work; provides technical support to regional offices; chairs tripartite structures, which include the department, mining companies and labour; and facilitates workshops on HIV and AIDS awareness in the sector.
- *Mine Health and Safety Regions* is responsible for conducting audits and inspections to enforce the Mine Health and Safety Act (1996). This subprogramme is also responsible for providing competency certification through examination services and professional advice.
- *Mine Health and Safety Council* transfers funds annually to the Mine Health and Safety Council, which is tasked with promoting a culture of health and safety in the mining sector.

### Expenditure trends and estimates

**Table 29.10 Mine Health and Safety expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	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 (%)
R million											
Governance Policy and Oversight	44.9	46.4	45.0	59.8	10.0%	25.5%	65.5	70.8	75.4	8.0%	30.0%
Mine Health and Safety Regions	126.6	143.1	152.5	140.5	3.5%	73.1%	148.7	159.5	169.6	6.5%	68.4%
Mine Health and Safety Council	–	–	6.2	4.8	–	1.4%	4.4	0.4	4.9	0.5%	1.6%
<b>Total</b>	<b>171.5</b>	<b>189.6</b>	<b>203.7</b>	<b>205.0</b>	<b>6.1%</b>	<b>100.0%</b>	<b>218.6</b>	<b>230.6</b>	<b>249.9</b>	<b>6.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				–			(0.7)	(5.0)	(0.6)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>168.6</b>	<b>188.4</b>	<b>196.1</b>	<b>199.5</b>	<b>5.8%</b>	<b>97.8%</b>	<b>213.4</b>	<b>229.4</b>	<b>244.1</b>	<b>7.0%</b>	<b>98.1%</b>
Compensation of employees	141.5	158.0	165.9	166.3	5.5%	82.1%	178.3	192.4	205.1	7.2%	82.1%
Goods and services <sup>1</sup>	27.1	30.3	30.2	33.2	7.0%	15.7%	35.1	37.0	39.0	5.5%	16.0%
of which:											
Communication	1.3	2.9	0.5	1.7	11.6%	0.8%	1.2	1.3	1.4	-7.1%	0.6%
Computer services	0.1	–	–	0.8	81.7%	0.1%	1.0	1.0	1.0	11.8%	0.4%
Consultants: Business and advisory services	0.5	1.4	0.5	2.0	56.3%	0.6%	2.2	2.3	2.4	6.7%	1.0%
Fleet services (including government motor transport)	0.2	0.3	0.3	0.8	62.3%	0.2%	3.2	3.4	3.6	63.7%	1.2%

**Table 29.10 Mine Health and Safety 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					2015/16 - 2018/19					2018/19 - 2021/22	
Consumables: Stationery, printing and office supplies	0.8	0.9	0.7	2.7	49.8%	0.6%	2.3	2.5	2.6	-1.0%	1.1%
Travel and subsistence	21.3	22.7	25.8	20.3	-1.7%	11.7%	20.3	21.4	22.6	3.7%	9.4%
Transfers and subsidies <sup>1</sup>	0.1	–	6.2	4.8	319.6%	1.4%	4.4	0.4	4.9	0.5%	1.6%
Departmental agencies and accounts	–	–	6.2	4.8	–	1.4%	4.4	0.4	4.9	0.5%	1.6%
Households	0.1	–	–	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	0.7	0.3	1.4	0.7	1.3%	0.4%	0.8	0.8	0.9	5.5%	0.4%
Machinery and equipment	0.7	0.3	1.4	0.7	1.3%	0.4%	0.8	0.8	0.9	5.5%	0.4%
Payments for financial assets	2.1	0.9	–	–	-100.0%	0.4%	–	–	–	–	–
<b>Total</b>	<b>171.5</b>	<b>189.6</b>	<b>203.7</b>	<b>205.0</b>	<b>–</b>	<b>100.0%</b>	<b>218.6</b>	<b>230.6</b>	<b>249.9</b>	<b>–</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	10.5%	11.4%	11.5%	10.8%	–	–	10.9%	10.9%	12.2%	–	–
<b>Details of selected transfers and subsidies</b>											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	–	–	6.2	4.8	–	1.4%	4.4	0.4	4.9	–	1.6%
Mine Health and Safety Council	–	–	6.2	4.8	–	1.4%	4.4	0.4	4.9	0.5%	1.6%

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: Mineral Regulation

### Programme purpose

Regulate the minerals and mining sector to promote economic growth, employment, transformation and sustainable development.

### Objectives

- Improve the participation of historically disadvantaged South Africans in the mining sector by issuing mining rights and permits to 450 historically disadvantaged South Africans over the medium term.
- Contribute to the transformation of the mining sector by monitoring and enforcing compliance with procurement requirements that relate to historically disadvantaged South Africans, as prescribed by the mining charter, on an ongoing basis.
- Promote job creation through the development of SMMEs by supporting mining enterprises and local development projects through income-generating projects over the medium term.
- Promote sustainable resource use and the environmental management of mines over the medium term by supporting approved and evaluated work programmes, social and labour plans, and environmental management plans; and conducting 27 industry workshops.
- Monitor and enforce compliance with the statutory obligations of the Mineral and Petroleum Resources Development Act (2002) and the mining charter by conducting 636 mining charter inspections and 3 825 environmental management inspections over the medium term.

### Subprogrammes

- *Mineral Regulation and Administration* administers prospecting and mining rights and licensing; and monitors compliance with the Mineral and Petroleum Resources Development Act (2002), including the compliance of mines with requirements for environmental protection.
- *Management Mineral Regulation* provides overall management to the programme. The subprogramme focuses on the functioning of the mineral resources administration system, ensuring that rights and licences for mining, environmental authorisation and water use are granted within 300 days.

- *South African Diamond and Precious Metals Regulator* implements and enforces the provisions of the Precious Metals Act (2005).
- *Petroleum Agency South Africa* promotes the exploration and optimal development of onshore and offshore oil and gas resources. The agency regulates exploration and production activities, and acts as the custodian of the national petroleum exploration and production database.

## Expenditure trends and estimates

**Table 29.11 Mineral Regulation 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 (%) 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		
R million											
Mineral Regulation and Administration	179.6	189.8	202.2	206.7	4.8%	61.3%	223.5	242.0	257.5	7.6%	51.3%
Management Mineral Regulation	16.1	15.8	14.9	29.4	22.1%	6.0%	31.1	32.2	33.9	5.0%	7.0%
South African Diamond and Precious Metals Regulator	50.5	53.2	65.9	59.1	5.4%	18.0%	61.5	64.9	68.5	5.0%	14.0%
Petroleum Agency South Africa	–	–	87.1	98.4	–	14.6%	127.4	134.8	142.2	13.1%	27.7%
<b>Total</b>	<b>246.2</b>	<b>258.8</b>	<b>370.1</b>	<b>393.6</b>	<b>16.9%</b>	<b>100.0%</b>	<b>443.7</b>	<b>474.0</b>	<b>502.2</b>	<b>8.5%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				–			28.3	29.9	31.4		
<b>Economic classification</b>											
<b>Current payments</b>	<b>195.5</b>	<b>204.8</b>	<b>216.0</b>	<b>236.0</b>	<b>6.5%</b>	<b>67.2%</b>	<b>254.6</b>	<b>274.2</b>	<b>291.4</b>	<b>7.3%</b>	<b>58.2%</b>
Compensation of employees	162.7	173.2	185.6	193.2	5.9%	56.3%	209.4	226.4	241.0	7.7%	48.0%
Goods and services <sup>1</sup>	32.7	31.6	30.3	42.8	9.4%	10.8%	45.2	47.7	50.3	5.5%	10.3%
of which:											
Communication	5.4	3.8	3.5	2.9	-18.7%	1.2%	3.5	3.8	4.0	11.6%	0.8%
Computer services	0.3	0.5	0.8	6.8	181.9%	0.7%	7.2	7.5	7.9	5.0%	1.6%
Fleet services (including government motor transport)	2.7	3.4	3.8	2.5	-1.9%	1.0%	4.2	4.5	4.8	23.6%	0.9%
Consumables: Stationery, printing and office supplies	1.0	1.3	0.9	2.3	32.7%	0.4%	2.5	2.7	2.8	7.2%	0.6%
Travel and subsistence	16.2	13.8	14.3	19.6	6.5%	5.0%	19.5	20.7	21.8	3.8%	4.5%
Venues and facilities	0.1	0.9	0.3	1.6	170.3%	0.2%	2.9	2.5	2.6	19.1%	0.5%
<b>Transfers and subsidies<sup>1</sup></b>	<b>50.5</b>	<b>53.2</b>	<b>153.0</b>	<b>157.5</b>	<b>46.2%</b>	<b>32.6%</b>	<b>189.0</b>	<b>199.8</b>	<b>210.7</b>	<b>10.2%</b>	<b>41.7%</b>
Departmental agencies and accounts	50.5	53.2	65.9	59.1	5.4%	18.0%	61.5	64.9	68.5	5.0%	14.0%
Public corporations and private enterprises	–	–	87.1	98.4	–	14.6%	127.4	134.8	142.2	13.1%	27.7%
Households	(0.1)	0.0	–	–	-100.0%	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>0.3</b>	<b>0.6</b>	<b>1.1</b>	<b>0.0</b>	<b>-48.8%</b>	<b>0.2%</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>4.7%</b>	<b>–</b>
Machinery and equipment	0.3	0.6	1.1	0.0	-48.8%	0.2%	0.0	0.0	0.0	4.7%	–
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.2</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>246.2</b>	<b>258.8</b>	<b>370.1</b>	<b>393.6</b>	<b>–</b>	<b>100.0%</b>	<b>443.7</b>	<b>474.0</b>	<b>502.2</b>	<b>–</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>15.0%</b>	<b>15.6%</b>	<b>20.8%</b>	<b>20.8%</b>	<b>–</b>	<b>–</b>	<b>22.1%</b>	<b>22.3%</b>	<b>24.6%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	50.5	53.2	65.9	59.1	–	18.0%	61.5	64.9	68.5	–	14.0%
South African Diamond and Precious Metals Regulator	50.5	53.2	65.9	59.1	5.4%	18.0%	61.5	64.9	68.5	5.0%	14.0%
Public corporations and private enterprises											
Private enterprises											
Private enterprises (subsidies on products and production)											
Current	–	–	87.1	98.4	–	14.6%	127.4	134.8	142.2	–	27.7%
Petroleum Agency South Africa	–	–	87.1	98.4	-100.0%	14.6%	127.4	134.8	142.2	–	27.7%

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 4: Mineral Policy and Promotion

### Programme purpose

Develop relevant mineral policies that promote South Africa's mining and minerals industries to attract investment.

### Objectives

- Promote investment in the mining, minerals and upstream petroleum sectors over the medium term by:
  - hosting 39 promotional and awareness activities or events for local and foreign investment
  - participating in local and international mining and petroleum conferences and events, engaging with stakeholders in various forums, and leading the implementation of key government priorities on behalf of the department
  - supporting 120 SMMEs, mainly small-scale mining projects
  - ensuring the full implementation of plans for developing the oceans economy (oil and gas exploration) through Operation Phakisa
  - ensuring the full implementation of the shale gas action plan through consultations, advocacy, research and promotional activities for shale gas exploration.
- Manage diplomatic imperatives and relations with foreign countries to benefit South Africa by establishing and implementing bilateral and multilateral partnerships for mining and upstream petroleum development on an ongoing basis.
- Promote the sustainable use and management of mineral resources over the medium term by:
  - participating in technical and strategic partnerships such as the intergovernmental forum on mining, minerals, metals and sustainable development; the Benguela Current Commission; and United Nations programmes
  - reviewing the department's environmental management plan
  - reviewing and amending 6 legislative instruments
  - rehabilitating and closing 129 derelict and ownerless mines.

### Subprogrammes

- *Management* provides overall management for the programme.
- *Mineral Policy* develops new policies, reviews existing policies, and amends legislation to promote investment and achieve transformation in the mining, minerals and upstream petroleum sectors. This entails conducting research, organising consultations with stakeholders, attending parliamentary hearings on related bills, and gazetting the bills once they are assented to. This subprogramme also represents the department in international and regional forums such as the Kimberley Process certification scheme, the African Diamond Producers Association, and the Pan African Mineral Development Company.
- *Mineral Promotion and International Coordination* promotes mineral development and advises on trends in the mining industry to attract additional investment. This subprogramme produces various publications, participates in mining conferences, and supports the implementation of national initiatives for mineral beneficiation.
- *Assistance to Mines* prevents the uncontrolled movement of water into and out of underground mine openings and holdings. This entails providing subsidies to marginal mines to pump extraneous water from underground mine openings; and researching, developing and implementing strategic solutions for mine water management, including managing the decanting of contaminated water.
- *Council for Geoscience* transfers funds annually to the Council for Geoscience.
- *Mintek* transfers funds annually to Mintek.
- *Economic Advisory Services* undertakes macroeconomic research to analyse economic trends and produce departmental reports that inform and advise the minister and departmental management; and participates

in activities to transform the mining and minerals industry and enhance competitiveness. This entails leading and convening meetings of the mining industry growth, development and employment task team stakeholder forum, which researches and analyses the economic impact of the regulatory and legislative framework of the mining and minerals sector through regulatory impact assessments.

- *Mine Environmental Management* provides strategic guidance on the environmental management and closure of mines. This entails managing the rehabilitation of derelict and ownerless mines; and conducting research on the impact of mining on water, air quality and the environment in general.

## Expenditure trends and estimates

**Table 29.12 Mineral Policy and Promotion 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		
R million											
Management	18.1	26.4	23.9	22.3	7.1%	2.6%	23.3	24.4	26.0	5.2%	2.5%
Mineral Policy	19.2	28.1	18.2	20.0	1.3%	2.4%	21.6	23.1	24.5	7.0%	2.3%
Mineral Promotion and International Coordination	53.1	48.8	43.9	63.8	6.3%	6.0%	76.7	82.1	87.0	10.9%	7.9%
Assistance to Mines	–	–	–	–	–	–	6.2	6.5	6.9	–	0.5%
Council for Geoscience	342.9	378.6	367.0	406.0	5.8%	42.6%	414.1	435.7	251.4	-14.8%	38.5%
Mintek	414.7	356.4	367.3	420.4	0.5%	44.4%	436.0	460.4	485.4	4.9%	46.1%
Economic Advisory Services	4.0	4.0	3.4	4.5	4.3%	0.5%	4.9	5.2	5.5	7.3%	0.5%
Mine Environmental Management	9.6	9.4	16.8	20.1	27.8%	1.6%	14.7	15.3	16.3	-6.8%	1.7%
<b>Total</b>	<b>861.7</b>	<b>851.7</b>	<b>840.5</b>	<b>957.0</b>	<b>3.6%</b>	<b>100.0%</b>	<b>997.5</b>	<b>1 052.7</b>	<b>902.9</b>	<b>-1.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(8.0)			(38.4)	(41.6)	(43.8)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>92.7</b>	<b>115.8</b>	<b>105.4</b>	<b>115.5</b>	<b>7.6%</b>	<b>12.2%</b>	<b>116.4</b>	<b>123.4</b>	<b>131.1</b>	<b>4.3%</b>	<b>12.4%</b>
Compensation of employees	61.0	65.3	66.8	71.2	5.3%	7.5%	77.6	82.9	88.3	7.4%	8.2%
Goods and services <sup>1</sup>	31.7	50.5	38.6	44.3	11.8%	4.7%	38.8	40.5	42.7	-1.2%	4.3%
<i>of which:</i>											
Administrative fees	1.0	1.5	0.8	3.6	51.5%	0.2%	3.8	4.0	4.2	5.9%	0.4%
Advertising	0.4	2.5	5.1	0.6	14.2%	0.2%	2.8	2.9	3.0	74.6%	0.2%
Contractors	0.0	0.0	3.9	7.7	1141.5%	0.3%	2.5	2.6	2.7	-29.2%	0.4%
Rental and hiring	0.5	0.0	0.9	2.0	61.5%	0.1%	2.3	2.4	2.5	7.5%	0.2%
Travel and subsistence	12.0	11.9	8.5	11.1	-2.7%	1.2%	12.0	12.6	13.3	6.4%	1.3%
Operating payments	6.2	20.1	6.8	6.7	2.4%	1.1%	7.4	7.8	8.2	7.0%	0.8%
<b>Transfers and subsidies<sup>1</sup></b>	<b>767.4</b>	<b>735.2</b>	<b>734.2</b>	<b>841.3</b>	<b>3.1%</b>	<b>87.7%</b>	<b>881.0</b>	<b>929.1</b>	<b>771.6</b>	<b>-2.8%</b>	<b>87.5%</b>
Departmental agencies and accounts	342.9	378.6	367.0	406.0	5.8%	42.6%	414.1	435.7	251.4	-14.8%	38.5%
Public corporations and private enterprises	423.7	356.6	367.3	435.3	0.9%	45.1%	466.9	493.4	520.2	6.1%	49.0%
Households	0.7	–	–	–	-100.0%	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>0.8</b>	<b>0.7</b>	<b>0.8</b>	<b>0.2</b>	<b>-40.4%</b>	<b>0.1%</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>5.4%</b>	<b>–</b>
Machinery and equipment	0.8	0.7	0.8	0.2	-40.4%	0.1%	0.2	0.2	0.2	5.4%	–
<b>Payments for financial assets</b>	<b>0.8</b>	<b>0.1</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>861.7</b>	<b>851.7</b>	<b>840.5</b>	<b>957.0</b>	<b>–</b>	<b>100.0%</b>	<b>997.5</b>	<b>1 052.7</b>	<b>902.9</b>	<b>–</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>52.6%</b>	<b>51.3%</b>	<b>47.3%</b>	<b>50.6%</b>	<b>–</b>	<b>–</b>	<b>49.7%</b>	<b>49.6%</b>	<b>44.2%</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>307.9</b>	<b>341.7</b>	<b>331.6</b>	<b>402.7</b>	<b>–</b>	<b>39.4%</b>	<b>410.6</b>	<b>432.0</b>	<b>247.5</b>	<b>–</b>	<b>38.2%</b>
Council for Geoscience	307.9	341.7	330.6	311.6	5.8%	36.8%	410.6	432.0	247.5	-14.8%	35.8%
Council for Geoscience: Economic competitiveness and support package	–	–	–	90.0	–	2.6%	–	–	–	–	2.3%
Council for Geoscience: Expanded public works programme	–	–	1.0	1.0	–	0.1%	–	–	–	–	–
<b>Capital</b>	<b>35.0</b>	<b>36.9</b>	<b>35.4</b>	<b>3.3</b>	<b>0.9%</b>	<b>3.2%</b>	<b>3.5</b>	<b>3.7</b>	<b>3.9</b>	<b>6.1%</b>	<b>0.4%</b>
Council for Geoscience	35.0	36.9	35.4	3.3	–	3.2%	3.5	3.7	3.9	–	0.4%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>362.1</b>	<b>315.2</b>	<b>310.7</b>	<b>389.2</b>	<b>–</b>	<b>39.2%</b>	<b>372.8</b>	<b>393.7</b>	<b>415.1</b>	<b>–</b>	<b>40.2%</b>
Mintek	362.1	315.2	310.7	319.2	–	37.2%	370.2	391.0	412.2	–	38.2%
Mintek: Economic competitiveness and support package	–	–	–	70.0	-100.0%	2.0%	–	–	–	–	1.8%
Mintek: Expanded public works programme	–	–	–	–	3.6%	–	2.6	2.8	2.9	-1.9%	0.2%

**Table 29.12 Mineral Policy and Promotion expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies	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 (%)
R million											
<b>Capital</b>	<b>52.6</b>	<b>41.3</b>	<b>56.6</b>	<b>31.2</b>	<b>-1.3%</b>	<b>5.2%</b>	<b>63.2</b>	<b>66.7</b>	<b>70.3</b>	<b>-4.4%</b>	<b>5.9%</b>
Mintek	52.6	41.3	56.6	31.2	–	5.2%	63.2	66.7	70.3	–	5.9%
<b>Public corporations and private enterprises</b>											
<b>Private enterprises</b>											
<b>Private enterprises (subsidies on products and production)</b>											
<b>Current</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>6.2</b>	<b>6.5</b>	<b>6.9</b>	<b>–</b>	<b>0.5%</b>
Various institutions: Water management solutions subsidies for marginal mines	–	–	–	–	9.4%	–	6.2	6.5	6.9	-15.0%	0.5%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Public corporations (subsidies on products and production)</b>											
<b>Current</b>	<b>9.0</b>	<b>0.2</b>	<b>–</b>	<b>15.0</b>	<b>-54.4%</b>	<b>0.7%</b>	<b>24.7</b>	<b>26.5</b>	<b>27.9</b>	<b>5.5%</b>	<b>2.4%</b>
Industrial Development Corporation	8.9	–	–	15.0	-54.4%	0.7%	24.7	26.5	27.9	5.5%	2.4%
State Diamond Trader	0.1	0.2	–	–	–	–	–	–	–	–	–

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.

## Entities

Comprehensive coverage of the following 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 **Council for Geoscience** was established in terms of the Geoscience Act (1993). Its principal mandate is to develop and publish world-class geoscience knowledge products, and provide geoscience-related services to the South African public and industry. The council's total budget for 2019/20 is R444.6 million.
- **Mintek** develops appropriate and innovative technology for transfer to the minerals industry, and provides the industry with test work, consultancy, and analytical and mineralogical services. The council's total budget for 2019/20 is R571.7 million.
- The **Mine Health and Safety Council** was established in terms of the Mine Health and Safety Act (1996). It is mandated to advise the Minister of Mineral Resources on occupational health and safety at mines, develop legislation, conduct research, and liaise with other statutory bodies on matters relating to occupational health and safety at mines. The council's total budget for 2019/20 is R131.9 million.
- The **South African Diamond and Precious Metals Regulator** was established in terms of section 3 of the Diamonds Act (1986), as amended. It is mandated to regulate control over the possession, purchase, sale, processing and export of diamonds, and the regulation of precious metals. The regulator's total budget for 2019/20 is R118.7 million.
- The **State Diamond Trader** is mandated to buy and sell rough diamonds to promote equitable access to diamonds and the local beneficiation of diamond resources. It generates revenue by selling rough diamonds to clients, mainly diamond polishers and cutters. The trader's total budget for 2019/20 is R594.9 million.

**Additional table: Summary of expenditure on infrastructure**

Project name R million	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<b>Departmental infrastructure</b>										
<b>Small projects (total project cost of less than R250 million over the project life cycle)</b>										
Maintenance of building	Maintenance of buildings of various branches	On-going	–	1.1	0.2	0.3	2.0	2.1	2.2	2.3
<b>Total</b>			–	<b>1.1</b>	<b>0.2</b>	<b>0.3</b>	<b>2.0</b>	<b>2.1</b>	<b>2.2</b>	<b>2.3</b>

