



2019
BUDGET
ESTIMATES OF
NATIONAL EXPENDITURE

VOTE
34

TRADE AND INDUSTRY



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



**Estimates of
National Expenditure**

2019

National Treasury

Republic of South Africa



ISBN: 978-0-621-47021-5

RP: 17/2019

The 2019 Estimates of National Expenditure is compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za. Compared to this Estimates of National Expenditure publication, the e-publications for each vote contain more comprehensive coverage of all public entities. Also included are tables containing information on programme specific personnel expenditure, conditional grants to provinces and municipalities, public private partnerships and information on donor funding. Expenditure information at the level of site service delivery is included, where appropriate.

Foreword

The Estimates of National Expenditure (ENE) publications are an integral part of the comprehensive annual budget process. The economic climate has made it necessary to focus on reprioritising existing resources towards areas where the most value can be derived for all South Africans. The budgets shown in this document reflect the outcome of a robust negotiation process, led by a committee of senior officials in central government departments, under the political guidance of the Ministers' Committee on the Budget. There was also wide-ranging intergovernmental consultation on budgets in the provincial and local spheres of government. Ultimately, these decisions are considered and endorsed by Cabinet.

The ENE publications present the detail of national government's expenditure estimates for the three-year 2019 medium-term expenditure framework period, most importantly for 2019/20 allocations contained in the Appropriation Bill, 2019, as tabled by the Minister of Finance, for Parliament's consideration and adoption.

The abridged ENE provides extensive information on the priorities, spending plans and service delivery commitments of all 40 national government votes, as well as for associated government agencies. The e-publications for each vote contain more detail on goods and services, transfers and subsidies, donor funding, public entities, and lower-level spending information on service delivery.

This information in these chapters ensures that Parliament, the public, civil society, the media, government departments, public entities and the executive can keep state institutions accountable and ensure that public funds are spent to achieve the outcomes for which they were intended. Since its launch in February 2018, the Vulekamali online portal has become the main source of transparent, user-friendly information, including information contained in ENE publications, for anybody who wants to know more about how government compiles its budget and spends public funds. The website, www.vulekamali.gov.za, continues to evolve, and now also provides geospatial information on government's infrastructure projects, which are focal in this year's budget as a key impetus for economic growth. I encourage you to be active citizens and use this information to hold government accountable for obtaining the best possible outcomes with the funds entrusted to it.

I wish to thank the executive for the political leadership shown in the budget process, our government colleagues for all of their efforts and contributions, and my team at the department for working diligently to bring it all together.



Dondo Mogajane
Director-General: National Treasury

Introduction

The Estimates of National Expenditure publications

The Estimates of National Expenditure (ENE) publications describe in detail government's expenditure plans over the next three financial years, also known as the medium-term expenditure framework (MTEF) period. The 2019 MTEF period is from 2019/20 to 2021/22.

The ENE publications contain information on how government institutions have spent their budgets in previous years. They explain how these institutions intend to use their allocations over the medium term to achieve their goals, and the outputs and outcomes their spending is expected to lead to. The publications include tables depicting non-financial performance indicators and targets, departmental receipts, personnel, significant as well as detailed expenditure trends and estimates by programme, subprogramme and economic classification for each department and for entities that report to the vote's executive authority. Explanatory narratives set out the institution's purpose (and that of its programmes), its mandate and programme-level objectives and descriptions of subprogrammes. A more in-depth narrative analyses the institution's expected expenditure over the MTEF period. Summary data tables at the end of each vote contain data on provincial and municipal conditional grants, public-private partnerships, donor funding, infrastructure, and expenditure at the level of site service delivery, where applicable.

A separate 2019 ENE Overview publication is also available on www.treasury.gov.za and summarises the ENE information across all votes. The 2019 ENE Overview contains a narrative explanation and budget-wide summary tables; and it also has a write-up on how to interpret the information that is contained in each section of the publications.

Trade and Industry

National Treasury

Republic of South Africa



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Vote 34

Trade and Industry

Budget summary

| R million | 2019/20 | | | | 2020/21 | 2021/22 |
|--|-----------------|------------------|-------------------------|-----------------------------|-----------------|----------------|
| | Total | Current payments | Transfers and subsidies | Payments for capital assets | Total | Total |
| MTEF allocation | | | | | | |
| Administration | 803.5 | 796.1 | – | 7.4 | 836.1 | 881.9 |
| International Trade and Economic Development | 130.4 | 101.5 | 28.2 | 0.7 | 134.6 | 142.9 |
| Special Economic Zones and Economic Transformation | 171.5 | 96.1 | 74.9 | 0.5 | 181.6 | 193.2 |
| Industrial Development | 2 100.8 | 142.6 | 1 957.3 | 0.9 | 2 058.2 | 1 860.7 |
| Consumer and Corporate Regulation | 328.3 | 81.1 | 247.1 | 0.2 | 346.2 | 368.8 |
| Incentive Development and Administration | 6 026.1 | 185.4 | 5 826.6 | 14.1 | 6 554.2 | 5 506.5 |
| Trade and Investment South Africa | 440.5 | 241.4 | 196.8 | 2.3 | 456.3 | 486.5 |
| Investment South Africa | 58.0 | 57.6 | – | 0.5 | 60.8 | 65.4 |
| Total expenditure estimates | 10 059.0 | 1 701.8 | 8 330.8 | 26.5 | 10 627.9 | 9 505.9 |

Executive authority Minister of Trade and Industry
Accounting officer Director-General of Trade and Industry
Website address www.thedti.gov.za

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

Vote purpose

Lead and facilitate access to sustainable economic activity and employment for all South Africans through an understanding of the economy, knowledge of economic opportunities and potential, and anticipation of future economic trends. Catalyse economic transformation and development, and provide a predictable, competitive, equitable and socially responsible environment for investment, enterprise and trade for economic citizens. Contribute to achieving government's vision of an adaptive and restructured economy, characterised by accelerated economic growth, employment creation and greater equity.

Mandate

The mandate of the Department of Trade and Industry is derived from a wide legislative framework that includes:

- the Companies Act (2008)
- the Manufacturing Development Act (1993)
- the Broad-Based Black Economic Empowerment Act (2003)
- the Consumer Protection Act (2008).

Selected performance indicators

Table 34.1 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 quarterly reports on industrial policy action plan prepared for the minister's review meetings per year | Industrial Development | Outcome 4: Decent employment through inclusive growth | 3 ¹ | 3 ¹ | 4 | 4 | 4 | 4 | 4 |
| Number of designation requests submitted for the minister's approval per year | Industrial Development | | 2 | 4 | 4 | 2 ² | 2 ² | 2 ² | 2 ² |
| Value of projected investment to be leveraged from approved projects per year | Incentive Development and Administration | | R14.4bn | R13bn | R36.8bn | R15bn ³ | R25bn | R20bn | R15bn |
| Number of new jobs supported from approved enterprises per year | Incentive Development and Administration | | 6 850 | 8 059 | 15 401 | 10 000 | 8 000 ⁴ | 8 500 ⁴ | 8 000 ⁴ |
| Number of jobs retained from approved enterprises per year | Incentive Development and Administration | | 28 000 | 34 592 | 28 209 | 20 000 | 10 000 ⁴ | 10 500 ⁴ | 15 000 ⁴ |
| Number of enterprises/projects approved for financial support across all incentives per year | Incentive Development and Administration | | – ⁵ | – ⁵ | 848 | 850 | 900 | 950 | 950 |

1. No implementation report tabled in the first quarters of 2015/16 and 2016/17 as no minister's review meetings took place.
2. Decreases are due to the department focusing on impact analyses for approved designations.
3. Decrease is attributed to the conclusion of the section 12I tax incentive scheme.
4. Projections based on allocated budget for schemes.
5. No historical data available.

Expenditure analysis

The National Development Plan recognises that the main driver for eradicating poverty and inequality is creating employment through increased production. This is given expression by outcome 4 (decent employment through inclusive growth), outcome 7 (comprehensive rural development and land reform) and outcome 11 (create a better South Africa, a better Africa and a better world) of government's 2014-2019 medium-term strategic framework, with which the work of the Department of Trade and Industry is closely aligned. This work entails implementing the industrial policy action plan through the promotion of industrialisation and the expansion of production in value-added sectors with the aim of creating employment opportunities. As such, over the medium term, the department will focus on providing industrial finance and incentives, developing industrial infrastructure and strengthening South Africa's export capabilities.

The department has a total budget of R30.2 billion over the MTEF period, of which 82 per cent (R24.8 billion) is expected to be transferred to public corporations and private enterprises, and departmental agencies and accounts for incentive programmes. Spending on compensation of employees accounts for 10.7 per cent (R3.3 billion) of the department's budget, increasing at an average annual rate of 5 per cent, from R987.5 million in 2018/19 to R1.1 billion in 2021/22. Cabinet has approved reductions to the department's baseline budget amounting to R78.5 million over the MTEF period, which will be effected mainly on the department's manufacturing development incentives and transfers to entities. The department plans to mitigate the impact of these reductions through the rationalisation of funds among its incentive schemes.

Providing industrial finance and incentives

Part of the department's mandate is to provide or facilitate industrial financing to maximise productivity in identified economic sectors. This funding is mainly budgeted for in the *Industrial Development* programme and the *Incentive Development and Administration* programme.

Activities in the *Industrial Development* programme involve developing industrial policies, strategies and programmes that seek to strengthen identified economic sectors. Key initiatives that are currently implemented through funding from the programme include the clothing and textiles competitiveness programme; Intsimbi future production technologies initiatives, which facilitate the development of technical skills in the manufacturing sector; and the National Cleaner Production Centre, which supports South African industry to improve competitiveness and reduce environmental waste through the implementation of resource efficient and cleaner production methodologies. Funding for the clothing and textiles competitiveness programme constitutes 38.7 per cent (R2.3 billion) of total spending in the *Industrial Development* programme over the MTEF period. R600 million over the same period is reprioritised towards the clothing and textiles competitiveness programme to increase investment, competitiveness and exports in the sector.

The *Incentive Development and Administration* programme is responsible for the administration of key incentive measures such as grants, loans and tax allowances. The programme aims to promote industrialisation, sustain inclusive economic growth and transform the South African economy by supporting industrial enterprise development and monitoring compliance with the Broad-Based Black Economic Empowerment Amendment Act (2013). As part of the programme, over the medium term, the department plans to attract private-sector investment amounting to R60 billion by implementing the black industrialists programme and other incentives in sectors such as agro-processing, metals fabrication, and chemicals and plastics.

Through its incentives, the department aims to provide financial support to an estimated 2 800 enterprises or projects to support an estimated 60 000 jobs over the period ahead. Manufacturing incentives account for 59.7 per cent (R10.6 billion) of the *Incentive Development and Administration* programme's budget over the MTEF period, with the department expecting to support 1 200 manufacturing enterprises over the same period. However, allocations for manufacturing incentives are expected to decrease at an average annual rate of 8.3 per cent, from R3.5 billion in 2018/19 to R2.7 billion in 2021/22. Allocations to the *Incentive Development and Administration* programme are also expected to decrease, from R5.6 billion in 2018/19 to R5.5 billion in 2021/22, at an average annual rate of 0.4 per cent. This decrease is due to allocations to the economic competitiveness and support package being made only up to 2020/21.

Developing industrial infrastructure

The department promotes industrialisation by spending on infrastructure projects in the *Infrastructure Investment Support* subprogramme in the *Incentive Development and Administration* programme. Activities carried out in the programme relate to facilitating the establishment of special economic zones and industrial parks. This includes supporting the implementation of infrastructure development and critical infrastructure projects. Through the special economic zones incentive, the department provides financial support for bulk infrastructure and top structures to improve industrialisation, regional development, exports and employment, as well as attract foreign and domestic direct investment. Over the medium term, the department plans to designate an additional special economic zone in Mogwase (North West) to focus on renewable energy and technology, agro-processing, logistics, and mineral beneficiation. Allocations for the special economic zones incentive are expected to increase at an average annual rate of 21.7 per cent, from R900 million in 2018/19 to R1.6 billion in 2021/22.

The critical infrastructure programme contributes to lowering the cost of doing business in South Africa. Over the MTEF period, the department plans to revitalise roads, and bulk water and electricity supply in 26 industrial parks across the country, and in the process support an estimated 85 000 jobs. Activities will also involve supporting 40 strategic critical infrastructure projects such as power substations, cogeneration power plants, bulk infrastructure, and technical testing facilities for aerospace and defence. This work will be carried out at an estimated cost of R706.1 million over the medium term in the *Infrastructure Investment Support* subprogramme.

Strengthening export capabilities

In line with the department's continuing effort to build capacity to increase South African exports, over the medium term, it plans to continue implementing the integrated national export strategy. An estimated 2 674 South African companies will be assisted to participate at 15 national pavilions, trade missions, and trade and

investment initiatives with the emphasis on increasing support to women-owned enterprises. To carry out these activities, R761.8 million over the MTEF period is allocated to the export marketing and investment assistance programme in the *Incentive Development and Administration* programme.

Expenditure trends

Table 34.2 Vote expenditure trends by programme and economic classification

| Programmes | | | | | | | | | | | | | | |
|---|----------------|------------------------|-----------------|-----------------|------------------------|-----------------|----------------|------------------------|-----------------|----------------|------------------------|------------------|------------------------------------|---|
| 1. Administration | | | | | | | | | | | | | | |
| 2. International Trade and Economic Development | | | | | | | | | | | | | | |
| 3. Special Economic Zones and Economic Transformation | | | | | | | | | | | | | | |
| 4. Industrial Development | | | | | | | | | | | | | | |
| 5. Consumer and Corporate Regulation | | | | | | | | | | | | | | |
| 6. Incentive Development and Administration | | | | | | | | | | | | | | |
| 7. Trade and Investment South Africa | | | | | | | | | | | | | | |
| 8. Investment South Africa | | | | | | | | | | | | | | |
| Programme | | | | | | | | | | | | | | |
| R million | 2015/16 | | | 2016/17 | | | 2017/18 | | | 2018/19 | | | 2015/16 - 2018/19 | |
| | 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 (%) |
| Programme 1 | 689.7 | 768.3 | 727.6 | 736.6 | 777.1 | 699.1 | 731.8 | 814.6 | 772.7 | 760.6 | 837.3 | 837.3 | 104.0% | 95.0% |
| Programme 2 | 164.8 | 116.6 | 113.6 | 126.4 | 118.7 | 116.0 | 119.8 | 119.8 | 121.1 | 124.9 | 124.8 | 124.8 | 88.7% | 99.1% |
| Programme 3 | 263.2 | 89.7 | 92.5 | 108.3 | 121.9 | 97.6 | 119.4 | 118.4 | 95.7 | 165.4 | 146.3 | 146.3 | 65.8% | 90.7% |
| Programme 4 | 1 973.5 | 1 964.3 | 1 953.6 | 1 735.7 | 1 727.0 | 1 722.2 | 1 819.3 | 1 819.3 | 1 838.8 | 1 622.6 | 2 029.8 | 2 029.8 | 105.5% | 100.1% |
| Programme 5 | 294.5 | 296.4 | 287.4 | 313.5 | 294.3 | 295.4 | 298.6 | 298.6 | 298.7 | 314.6 | 330.3 | 330.3 | 99.2% | 99.4% |
| Programme 6 | 5 795.6 | 5 827.6 | 5 795.8 | 6 922.4 | 6 891.7 | 6 895.2 | 5 746.5 | 5 674.4 | 5 600.5 | 6 009.0 | 5 567.9 | 5 567.9 | 97.5% | 99.6% |
| Programme 7 | 364.1 | 386.8 | 462.9 | 336.5 | 410.9 | 454.6 | 388.5 | 425.2 | 456.2 | 411.6 | 411.6 | 411.6 | 119.0% | 109.2% |
| Programme 8 | 48.3 | 48.3 | 38.3 | 48.1 | 47.8 | 69.2 | 50.9 | 72.9 | 64.5 | 53.8 | 83.8 | 83.8 | 127.3% | 101.2% |
| Total | 9 593.7 | 9 497.8 | 9 471.7 | 10 327.5 | 10 389.5 | 10 349.4 | 9 274.8 | 9 343.2 | 9 248.2 | 9 462.6 | 9 531.8 | 9 531.8 | 99.9% | 99.6% |
| Change to 2018 Budget estimate | | | | | | | | | | 69.1 | | | | |
| Economic classification | | | | | | | | | | | | | | |
| Current payments | 1 475.7 | 1 561.0 | 1 485.7 | 1 529.0 | 1 582.2 | 1 505.5 | 1 511.7 | 1 663.6 | 1 590.5 | 1 603.5 | 1 682.1 | 1 682.1 | 102.4% | 96.5% |
| Compensation of employees | 897.7 | 897.7 | 874.2 | 930.3 | 930.3 | 915.5 | 902.4 | 947.7 | 946.8 | 987.5 | 987.5 | 987.5 | 100.2% | 99.0% |
| Goods and services | 577.9 | 663.3 | 611.5 | 598.7 | 651.9 | 590.0 | 609.3 | 715.9 | 643.7 | 616.0 | 694.6 | 694.6 | 105.7% | 93.2% |
| Transfers and subsidies | 8 083.9 | 7 901.2 | 7 936.5 | 8 765.3 | 8 774.0 | 8 818.1 | 7 735.1 | 7 656.1 | 7 631.4 | 7 829.4 | 7 821.6 | 7 821.6 | 99.4% | 100.2% |
| Departmental agencies and accounts | 761.5 | 591.9 | 591.9 | 601.4 | 856.0 | 856.0 | 747.6 | 727.6 | 727.6 | 696.5 | 702.0 | 702.0 | 102.5% | 100.0% |
| Higher education institutions | 12.5 | 0.0 | - | - | - | - | - | - | - | - | - | - | - | - |
| Foreign governments and international organisations | 31.7 | 31.7 | 33.2 | 33.6 | 32.6 | 29.8 | 36.3 | 33.3 | 28.5 | 38.4 | 38.2 | 38.2 | 92.6% | 95.6% |
| Public corporations and private enterprises | 7 131.6 | 7 128.6 | 7 157.7 | 7 970.2 | 7 720.4 | 7 765.2 | 6 789.0 | 6 724.0 | 6 699.1 | 6 894.7 | 6 875.7 | 6 875.7 | 99.0% | 100.2% |
| Non-profit institutions | 144.1 | 146.6 | 148.9 | 158.1 | 163.1 | 163.1 | 160.8 | 169.8 | 173.8 | 198.9 | 203.9 | 203.9 | 104.2% | 100.9% |
| Households | 2.5 | 2.4 | 4.8 | 2.1 | 1.9 | 3.9 | 1.3 | 1.4 | 2.5 | 0.8 | 1.7 | 1.7 | 192.9% | 173.4% |
| Payments for capital assets | 34.2 | 35.7 | 37.4 | 33.2 | 33.3 | 16.1 | 28.0 | 23.5 | 25.1 | 29.7 | 28.1 | 28.1 | 85.4% | 88.6% |
| Machinery and equipment | 24.1 | 30.7 | 33.0 | 20.6 | 25.4 | 11.1 | 19.9 | 20.9 | 17.1 | 22.1 | 20.5 | 20.5 | 94.1% | 83.7% |
| Software and other intangible assets | 10.1 | 5.0 | 4.4 | 12.6 | 7.9 | 5.0 | 8.1 | 2.6 | 8.1 | 7.6 | 7.6 | 7.6 | 65.6% | 109.2% |
| Payments for financial assets | - | - | 12.1 | - | - | 9.7 | - | - | 1.1 | - | - | - | - | - |
| Total | 9 593.7 | 9 497.8 | 9 471.7 | 10 327.5 | 10 389.5 | 10 349.4 | 9 274.8 | 9 343.2 | 9 248.2 | 9 462.6 | 9 531.8 | 9 531.8 | 99.9% | 99.6% |

Expenditure estimates

Table 34.3 Vote expenditure estimates by programme and economic classification

| Programmes | | | | | | | | |
|---|------------------|-------------------------|---------------------------------|----------------------------------|-----------------|----------------|-------------------------|---------------------------------|
| 1. Administration | | | | | | | | |
| 2. International Trade and Economic Development | | | | | | | | |
| 3. Special Economic Zones and Economic Transformation | | | | | | | | |
| 4. Industrial Development | | | | | | | | |
| 5. Consumer and Corporate Regulation | | | | | | | | |
| 6. Incentive Development and Administration | | | | | | | | |
| 7. Trade and Investment South Africa | | | | | | | | |
| 8. Investment South Africa | | | | | | | | |
| 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 | 837.3 | 2.9% | 7.9% | 803.5 | 836.1 | 881.9 | 1.7% | 8.5% |
| Programme 2 | 124.8 | 2.3% | 1.2% | 130.4 | 134.6 | 142.9 | 4.6% | 1.3% |
| Programme 3 | 146.3 | 17.7% | 1.1% | 171.5 | 181.6 | 193.2 | 9.7% | 1.7% |
| Programme 4 | 2 029.8 | 1.1% | 19.5% | 2 100.8 | 2 058.2 | 1 860.7 | -2.9% | 20.3% |
| Programme 5 | 330.3 | 3.7% | 3.1% | 328.3 | 346.2 | 368.8 | 3.7% | 3.5% |
| Programme 6 | 5 567.9 | -1.5% | 61.8% | 6 026.1 | 6 554.2 | 5 506.5 | -0.4% | 59.5% |
| Programme 7 | 411.6 | 2.1% | 4.6% | 440.5 | 456.3 | 486.5 | 5.7% | 4.5% |
| Programme 8 | 83.8 | 20.2% | 0.7% | 58.0 | 60.8 | 65.4 | -7.9% | 0.7% |
| Total | 9 531.8 | 0.1% | 100.0% | 10 059.0 | 10 627.9 | 9 505.9 | -0.1% | 100.0% |
| Change to 2018 Budget estimate | | | | (34.1) | (39.8) | (4.6) | | |
| Economic classification | | | | | | | | |
| Current payments | 1 682.1 | 2.5% | 16.2% | 1 701.8 | 1 762.7 | 1 870.0 | 3.6% | 17.7% |
| Compensation of employees | 987.5 | 3.2% | 9.6% | 1 046.8 | 1 073.5 | 1 143.2 | 5.0% | 10.7% |
| Goods and services | 694.6 | 1.5% | 6.6% | 655.0 | 689.3 | 726.8 | 1.5% | 7.0% |
| Transfers and subsidies | 7 821.6 | -0.3% | 83.4% | 8 330.8 | 8 835.5 | 7 604.1 | -0.9% | 82.0% |
| Departmental agencies and accounts | 702.0 | 5.9% | 7.5% | 730.3 | 770.4 | 812.8 | 5.0% | 7.6% |
| Foreign governments and international organisations | 38.2 | 6.4% | 0.3% | 40.6 | 42.8 | 45.2 | 5.7% | 0.4% |
| Public corporations and private enterprises | 6 875.7 | -1.2% | 73.8% | 7 395.9 | 7 861.6 | 6 573.5 | -1.5% | 72.3% |
| Non-profit institutions | 203.9 | 11.6% | 1.8% | 163.1 | 159.7 | 171.7 | -5.6% | 1.8% |
| Households | 1.7 | -10.0% | 0.0% | 0.9 | 0.9 | 1.0 | -17.1% | 0.0% |
| Payments for capital assets | 28.1 | -7.7% | 0.3% | 26.5 | 29.7 | 31.7 | 4.2% | 0.3% |
| Machinery and equipment | 20.5 | -12.6% | 0.2% | 12.0 | 14.5 | 15.6 | -8.6% | 0.2% |
| Software and other intangible assets | 7.6 | 15.4% | 0.1% | 14.5 | 15.3 | 16.1 | 28.4% | 0.1% |
| Total | 9 531.8 | 0.1% | 100.0% | 10 059.0 | 10 627.9 | 9 505.9 | -0.1% | 100.0% |

Expenditure trends and estimates for significant spending items

Table 34.4 Expenditure trends and estimates for significant spending items

| R thousand | Audited outcome | | | Adjusted appropriation 2018/19 | Average growth rate (%) | Expenditure/ Total: Average (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Expenditure/ Total: Average (%) |
|-----------------------------------|------------------|------------------|------------------|--------------------------------|-------------------------|---------------------------------|----------------------------------|------------------|------------------|-------------------------|---------------------------------|
| | 2015/16 | 2016/17 | 2017/18 | | | | 2019/20 | 2020/21 | 2021/22 | | |
| Infrastructure Investment Support | 949 722 | 1 660 170 | 1 780 278 | 1 125 183 | 5.8% | 14.3% | 1 391 511 | 1 484 743 | 1 883 008 | 18.7% | 14.8% |
| Manufacturing Incentives | 3 983 465 | 4 361 494 | 2 924 544 | 3 482 228 | -4.4% | 38.2% | 3 769 573 | 4 177 306 | 2 681 565 | -8.3% | 35.5% |
| Customised Sector Programmes | 1 200 509 | 962 970 | 940 154 | 1 000 257 | -5.9% | 10.6% | 1 061 931 | 1 117 693 | 865 037 | -4.7% | 10.2% |
| Industrial Competitiveness | 753 107 | 759 275 | 898 685 | 1 029 520 | 11.0% | 8.9% | 1 038 883 | 940 534 | 995 621 | -1.1% | 10.1% |
| Services Investment Incentives | 803 171 | 814 209 | 821 588 | 848 542 | 1.8% | 8.5% | 743 173 | 762 648 | 804 770 | -1.7% | 8.0% |
| Total | 7 689 974 | 8 558 118 | 7 365 249 | 7 485 730 | -0.9% | 80.6% | 8 005 071 | 8 482 924 | 7 230 001 | -1.2% | 78.6% |

Goods and services expenditure trends and estimates

Table 34.5 Vote goods and services expenditure trends and estimates

| R thousand | 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 | | |
| Administrative fees | 3 318 | 1 989 | 5 900 | 5 524 | 18.5% | 0.7% | 6 693 | 6 633 | 6 545 | 5.8% | 0.9% |
| Advertising | 23 752 | 15 993 | 22 045 | 26 811 | 4.1% | 3.5% | 29 323 | 30 308 | 31 975 | 6.0% | 4.3% |
| Minor assets | 1 093 | 801 | 2 112 | 416 | -27.5% | 0.2% | 492 | 534 | 562 | 10.5% | 0.1% |
| Audit costs: External | 8 778 | 9 105 | 9 987 | 9 064 | 1.1% | 1.5% | 10 984 | 12 219 | 12 891 | 12.5% | 1.6% |
| Bursaries: Employees | 1 592 | 2 980 | 3 433 | 4 080 | 36.8% | 0.5% | 4 736 | 4 365 | 4 561 | 3.8% | 0.6% |
| Catering: Departmental activities | 1 883 | 2 085 | 2 098 | 5 334 | 41.5% | 0.4% | 5 098 | 5 765 | 6 007 | 4.0% | 0.8% |
| Communication | 12 799 | 10 660 | 9 569 | 11 727 | -2.9% | 1.8% | 12 302 | 13 428 | 14 047 | 6.2% | 1.9% |
| Computer services | 25 801 | 16 406 | 43 729 | 25 361 | -0.6% | 4.4% | 25 377 | 26 462 | 27 934 | 3.3% | 3.8% |
| Consultants: Business and advisory services | 28 352 | 21 167 | 21 483 | 68 783 | 34.4% | 5.5% | 61 018 | 62 067 | 65 390 | -1.7% | 9.3% |
| Legal services | 21 070 | 20 124 | 10 500 | 13 395 | -14.0% | 2.6% | 16 530 | 17 883 | 18 873 | 12.1% | 2.4% |
| Contractors | 16 914 | 8 912 | 16 285 | 22 009 | 9.2% | 2.5% | 30 266 | 29 504 | 30 546 | 11.5% | 4.1% |
| Agency and support/outsourced services | 1 579 | 1 830 | 1 330 | 307 | -42.1% | 0.2% | 53 | 142 | 151 | -21.1% | - |
| Entertainment | 1 323 | 1 086 | 1 321 | 1 247 | -2.0% | 0.2% | 1 296 | 1 363 | 1 434 | 4.8% | 0.2% |
| Fleet services (including government motor transport) | 873 | 766 | 1 263 | 1 219 | 11.8% | 0.2% | 1 230 | 1 349 | 1 422 | 5.3% | 0.2% |
| Consumable supplies | 1 462 | 880 | 914 | 2 676 | 22.3% | 0.2% | 2 843 | 3 101 | 3 257 | 6.8% | 0.4% |
| Consumables: Stationery, printing and office supplies | 16 280 | 11 105 | 7 761 | 11 617 | -10.6% | 1.8% | 9 162 | 10 160 | 10 806 | -2.4% | 1.5% |
| Operating leases | 281 191 | 305 848 | 322 401 | 302 556 | 2.5% | 47.7% | 249 667 | 263 808 | 278 471 | -2.7% | 39.6% |
| Rental and hiring | 199 | 2 048 | 2 269 | 836 | 61.4% | 0.2% | 376 | 578 | 871 | 1.4% | 0.1% |
| Property payments | 12 283 | 14 737 | 8 462 | 10 046 | -6.5% | 1.8% | 10 329 | 10 826 | 11 422 | 4.4% | 1.5% |
| Transport provided: Departmental activity | - | 1 | - | 5 | - | - | - | - | 27 | 75.4% | - |
| Travel and subsistence | 95 984 | 88 828 | 99 058 | 105 607 | 3.2% | 15.3% | 110 063 | 116 233 | 122 524 | 5.1% | 16.4% |
| Training and development | 8 155 | 3 921 | 9 942 | 12 772 | 16.1% | 1.4% | 12 031 | 13 634 | 14 378 | 4.0% | 1.9% |
| Operating payments | 28 223 | 25 702 | 22 127 | 26 387 | -2.2% | 4.0% | 30 350 | 33 096 | 34 917 | 9.8% | 4.5% |
| Venues and facilities | 18 573 | 23 013 | 19 738 | 26 790 | 13.0% | 3.5% | 24 791 | 25 800 | 27 788 | 1.2% | 3.8% |
| Total | 611 477 | 589 987 | 643 727 | 694 569 | 4.3% | 100.0% | 655 010 | 689 258 | 726 799 | 1.5% | 100.0% |

Transfers and subsidies expenditure trends and estimates

Table 34.6 Vote transfers and subsidies trends and estimates

| R thousand | 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 | | |
| Households | | | | | | | | | | | |
| Social benefits | | | | | | | | | | | |
| Current | 2 837 | 2 655 | 2 011 | 1 745 | -15.0% | - | 893 | 942 | 994 | -17.1% | - |
| Employee social benefits | 2 837 | 2 655 | 2 011 | 1 745 | -15.0% | - | 893 | 942 | 994 | -17.1% | - |
| Departmental agencies and accounts | | | | | | | | | | | |
| Departmental agencies (non-business entities) | | | | | | | | | | | |
| Current | 437 280 | 693 241 | 581 243 | 578 909 | 9.8% | 7.1% | 600 274 | 633 256 | 668 087 | 4.9% | 7.6% |
| Council for Geoscience | 1 077 | 1 131 | 1 188 | 1 257 | 5.3% | - | 1 327 | 1 400 | 1 477 | 5.5% | - |
| National Productivity Institute | 8 094 | 8 523 | 8 949 | 9 231 | 4.5% | 0.1% | 9 748 | 10 284 | 10 850 | 5.5% | 0.1% |
| Independent Regulatory Board for Auditors | 500 | - | - | - | -100.0% | - | - | - | - | - | - |
| Broad-Based Black Economic Empowerment Commission | - | - | - | 34 500 | - | 0.1% | 61 700 | 65 093 | 68 673 | 25.8% | 0.7% |
| South African National Accreditation System | 26 025 | 22 208 | 30 313 | 31 032 | 6.0% | 0.3% | 31 669 | 33 399 | 35 237 | 4.3% | 0.4% |
| National Metrology Institute of South Africa: Operations | 96 296 | 101 400 | 106 470 | 109 698 | 4.4% | 1.3% | 115 057 | 121 385 | 128 061 | 5.3% | 1.5% |
| National Regulator for Compulsory Specifications | 91 732 | 86 418 | 128 745 | 146 104 | 16.8% | 1.4% | 139 501 | 147 173 | 155 268 | 2.0% | 1.8% |
| National Credit Regulator | 66 727 | 69 577 | 73 056 | 75 361 | 4.1% | 0.9% | 79 580 | 83 957 | 88 575 | 5.5% | 1.0% |
| National Gambling Board | 31 983 | 30 121 | 31 627 | 32 624 | 0.7% | 0.4% | 33 797 | 35 639 | 37 599 | 4.8% | 0.4% |
| National Consumer Tribunal | 46 029 | 46 151 | 48 459 | 52 688 | 4.6% | 0.6% | 52 239 | 55 113 | 58 145 | 3.3% | 0.7% |
| National Consumer Commission | 54 596 | 56 643 | 52 614 | 69 674 | 8.5% | 0.7% | 58 304 | 61 508 | 64 890 | -2.3% | 0.8% |
| Companies Tribunal | 14 221 | 15 069 | 15 822 | 16 740 | 5.6% | 0.2% | 17 352 | 18 305 | 19 312 | 4.9% | 0.2% |
| National Research Foundation | - | 256 000 | 84 000 | - | - | 1.1% | - | - | - | - | - |

Table 34.6 Vote transfers and subsidies trends and estimates

| | 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 | 2021/22 |
| R thousand | | | | | | | | | | | |
| Capital | 154 599 | 162 793 | 146 333 | 123 086 | -7.3% | 1.8% | 129 979 | 137 128 | 144 670 | 5.5% | 1.6% |
| National Metrology Institute of South Africa | 154 599 | 162 793 | 146 333 | 123 086 | -7.3% | 1.8% | 129 979 | 137 128 | 144 670 | 5.5% | 1.6% |
| Households | | | | | | | | | | | |
| Other transfers to households | | | | | | | | | | | |
| Current | 1 992 | 1 230 | 452 | - | -100.0% | - | - | - | - | - | - |
| Gifts and donations | 188 | 421 | 259 | - | -100.0% | - | - | - | - | - | - |
| Employee social benefits | - | 600 | 88 | - | - | - | - | - | - | - | - |
| Bursaries for non-employees | 1 669 | 205 | - | - | -100.0% | - | - | - | - | - | - |
| Other transfers to households | 135 | 4 | 105 | - | -100.0% | - | - | - | - | - | - |
| Foreign governments and international organisations | | | | | | | | | | | |
| Current | 33 237 | 29 843 | 28 457 | 38 226 | 4.8% | 0.4% | 40 577 | 42 808 | 45 162 | 5.7% | 0.5% |
| Organisation for the Prohibition of Chemical Weapons | 4 278 | 3 516 | 3 543 | 5 472 | 8.6% | 0.1% | 5 778 | 6 096 | 6 431 | 5.5% | 0.1% |
| World Trade Organisation | 17 267 | 14 159 | 12 908 | 15 341 | -3.9% | 0.2% | 16 200 | 17 091 | 18 031 | 5.5% | 0.2% |
| United Nations Industrial Development Organisation | 6 405 | 5 969 | 6 021 | 7 159 | 3.8% | 0.1% | 7 560 | 7 976 | 8 415 | 5.5% | 0.1% |
| Treaty organisations for metrology | - | 1 631 | 1 644 | 1 702 | - | - | 2 009 | 2 119 | 2 236 | 9.5% | - |
| World Intellectual Property Organisation | 5 287 | 4 568 | 4 341 | 5 473 | 1.2% | 0.1% | 5 779 | 6 097 | 6 432 | 5.5% | 0.1% |
| Export consultancy trust funds: International Bank for Reconstruction and Development (World Bank) | - | - | - | 1 540 | - | - | 1 626 | 1 715 | 1 809 | 5.5% | - |
| Export consultancy trust funds: International Finance Corporation | - | - | - | 1 539 | - | - | 1 625 | 1 714 | 1 808 | 5.5% | - |
| Public corporations and private enterprises | | | | | | | | | | | |
| Other transfers to private enterprises | | | | | | | | | | | |
| Current | 304 075 | 205 169 | 198 603 | 295 370 | -1.0% | 3.1% | 311 911 | 329 066 | 347 165 | 5.5% | 3.9% |
| Various institutions: Export market and investment assistance | 281 248 | 184 409 | 162 372 | 227 725 | -6.8% | 2.7% | 240 478 | 253 704 | 267 658 | 5.5% | 3.0% |
| Various institutions: Support programme for industrial innovation | 22 827 | 20 760 | 36 231 | 67 645 | 43.6% | 0.5% | 71 433 | 75 362 | 79 507 | 5.5% | 0.9% |
| Capital | 74 203 | 64 187 | 38 836 | 120 071 | 17.4% | 0.9% | 122 891 | 129 650 | 136 781 | 4.4% | 1.6% |
| Various institutions: Critical infrastructure programme | 74 203 | 64 187 | 38 836 | 120 071 | 17.4% | 0.9% | 122 891 | 129 650 | 136 781 | 4.4% | 1.6% |
| Non-profit institutions | | | | | | | | | | | |
| Current | 148 850 | 163 107 | 173 814 | 203 930 | 11.1% | 2.1% | 163 101 | 159 731 | 171 710 | -5.6% | 2.1% |
| Black Business Council | 1 000 | 1 000 | 1 500 | 1 500 | 14.5% | - | 1 500 | 1 583 | 1 702 | 4.3% | - |
| Intsimbi future production technologies initiatives | 70 353 | 74 082 | 75 786 | 116 136 | 18.2% | 1.0% | 76 045 | 68 711 | 73 864 | -14.0% | 1.0% |
| Automotive supply chain competitiveness initiative | 14 000 | 15 000 | 13 127 | 7 984 | -17.1% | 0.2% | 8 813 | 9 298 | 9 995 | 7.8% | 0.1% |
| Trade and industrial policy strategies | 20 772 | 22 712 | 24 423 | 27 086 | 9.3% | 0.3% | 27 763 | 28 465 | 30 600 | 4.1% | 0.3% |
| Centurion Aerospace Village | 17 517 | 18 445 | 25 367 | 15 490 | -4.0% | 0.2% | 16 357 | 17 257 | 18 551 | 6.2% | 0.2% |
| Proudly South African campaign | 25 208 | 31 868 | 33 611 | 35 734 | 12.3% | 0.4% | 32 623 | 34 417 | 36 998 | 1.2% | 0.4% |
| Public corporations and private enterprises | | | | | | | | | | | |
| Other transfers to public corporations | | | | | | | | | | | |
| Current | 1 492 874 | 1 499 352 | 1 564 666 | 1 773 395 | 5.9% | 19.7% | 1 547 278 | 1 492 126 | 1 257 692 | -10.8% | 18.6% |
| Protechnik Laboratories: Operations | 2 797 | 2 945 | 3 093 | 3 272 | 5.4% | - | 3 455 | 3 645 | 3 845 | 5.5% | - |
| Council for Scientific and Industrial Research | 1 572 | 1 655 | 1 738 | 1 839 | 5.4% | - | 1 942 | 2 049 | 2 162 | 5.5% | - |
| Industrial Development Corporation | 1 000 937 | 758 266 | 723 440 | 803 640 | -7.1% | 10.2% | 838 399 | 881 023 | 612 979 | -8.6% | 9.6% |
| Council for Scientific and Industrial Research: National Cleaner Production Centre | 55 000 | 58 870 | 62 951 | 58 008 | 1.8% | 0.7% | 61 592 | 65 255 | 68 844 | 5.9% | 0.8% |
| Council for Scientific and Industrial Research: National foundry technology network | 16 384 | 19 689 | 18 678 | 17 457 | 2.1% | 0.2% | 27 995 | 28 590 | 30 162 | 20.0% | 0.3% |
| South African Bureau of Standards | 216 215 | 212 361 | 302 494 | 375 931 | 20.2% | 3.4% | 420 384 | 307 411 | 324 319 | -4.8% | 4.4% |
| Industrial Development Corporation: Industrial financing | - | 250 000 | 250 000 | 300 000 | - | 2.5% | - | - | - | -100.0% | 0.9% |
| Export Credit Insurance Corporation of South Africa | 199 969 | 171 566 | 188 272 | 183 248 | -2.9% | 2.3% | 193 511 | 204 153 | 215 381 | 5.5% | 2.4% |
| Various institutions: One-stop shop | - | 24 000 | 14 000 | 30 000 | - | 0.2% | - | - | - | -100.0% | 0.1% |
| Capital | 759 829 | 1 554 797 | 1 725 975 | 1 012 767 | 10.1% | 15.7% | 1 280 266 | 1 367 181 | 1 758 877 | 20.2% | 16.6% |
| Protechnik Laboratories: Capital | 1 158 | 1 219 | 1 279 | 1 354 | 5.4% | - | 1 430 | 1 509 | 1 592 | 5.5% | - |
| Council for Scientific and Industrial Research: Aerospace industry | 21 534 | 17 781 | 19 020 | 20 413 | -1.8% | 0.2% | 21 556 | 22 742 | 23 993 | 5.5% | 0.3% |
| South African Bureau of Standards: Small business technical consulting: Membership fees | 1 537 | - | - | - | -100.0% | - | - | - | - | - | - |
| Various institutions: Critical infrastructure programme | - | 125 797 | 140 257 | 91 000 | - | 1.1% | 100 000 | 105 500 | 111 303 | 6.9% | 1.3% |
| Various institutions: Special economic zones | 735 600 | 1 410 000 | 1 565 419 | 900 000 | 7.0% | 14.3% | 1 157 280 | 1 237 430 | 1 621 989 | 21.7% | 15.1% |

Table 34.6 Vote transfers and subsidies 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 | | |
| Public corporations and private enterprises | | | | | | | | | | | |
| Subsidies on products and production | | | | | | | | | | | |
| Current | 4 526 712 | 4 441 734 | 3 171 053 | 3 674 097 | -6.7% | 49.1% | 4 133 589 | 4 543 578 | 3 072 995 | -5.8% | 47.3% |
| Various institutions: Services sector development incentives | 789 663 | 801 038 | 812 498 | 832 069 | 1.8% | 10.0% | 725 025 | 743 168 | 784 042 | -2.0% | 9.5% |
| Various institutions: Manufacturing development incentives | 3 607 049 | 3 590 696 | 2 338 306 | 2 841 028 | -7.6% | 38.4% | 3 408 564 | 3 800 410 | 2 288 953 | -6.9% | 37.9% |
| Various institutions: Industrial development zones (other) | 130 000 | 50 000 | 20 249 | 1 000 | -80.3% | 0.6% | - | - | - | -100.0% | - |
| Total | 7 936 488 | 8 818 108 | 7 631 443 | 7 821 596 | -0.5% | 100.0% | 8 330 759 | 8 835 466 | 7 604 133 | -0.9% | 100.0% |

Personnel information

Table 34.7 Vote personnel numbers and cost by salary level and programme¹

| Programmes | | | | | | | | | | | | | | | | | | | |
|---|---|--|--------------|--------------|------------------|--------------|--------------|----------------------------------|--------------|----------------|------------|-------------------|----------------|-------------------------|---------------------------------|----------------|------------|--------------|---------------|
| 1. Administration | | | | | | | | | | | | | | | | | | | |
| 2. International Trade and Economic Development | | | | | | | | | | | | | | | | | | | |
| 3. Special Economic Zones and Economic Transformation | | | | | | | | | | | | | | | | | | | |
| 4. Industrial Development | | | | | | | | | | | | | | | | | | | |
| 5. Consumer and Corporate Regulation | | | | | | | | | | | | | | | | | | | |
| 6. Incentive Development and Administration | | | | | | | | | | | | | | | | | | | |
| 7. Trade and Investment South Africa | | | | | | | | | | | | | | | | | | | |
| 8. Investment South Africa | | | | | | | | | | | | | | | | | | | |
| Number of posts estimated for 31 March 2019 | | Number and cost ² of personnel posts filled/planned for on funded establishment | | | | | | | | | | Number | | | | | | | |
| Number of funded posts | Number of posts additional to the establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | Average growth rate (%) | Average: Salary level/Total (%) | | | | |
| | | 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 | | | |
| Trade and Industry | 1 434 | 106 | 1 413 | 946.8 | 0.7 | 1 392 | 987.5 | 0.7 | 1 364 | 1 046.8 | 0.8 | 1 319 | 1 073.5 | 0.8 | 1 297 | 1 143.2 | 0.9 | -2.3% | 100.0% |
| Salary level | | | | | | | | | | | | | | | | | | | |
| 1 – 6 | 190 | 86 | 207 | 41.9 | 0.2 | 206 | 42.1 | 0.2 | 201 | 44.0 | 0.2 | 197 | 46.2 | 0.2 | 196 | 51.0 | 0.3 | -1.6% | 14.9% |
| 7 – 10 | 579 | 5 | 579 | 276.4 | 0.5 | 574 | 296.3 | 0.5 | 553 | 307.6 | 0.6 | 538 | 322.0 | 0.6 | 514 | 331.2 | 0.6 | -3.6% | 40.6% |
| 11 – 12 | 309 | 5 | 313 | 265.0 | 0.8 | 315 | 290.7 | 0.9 | 307 | 303.3 | 1.0 | 301 | 318.7 | 1.1 | 297 | 336.5 | 1.1 | -1.9% | 22.7% |
| 13 – 16 | 254 | 10 | 241 | 297.2 | 1.2 | 224 | 287.2 | 1.3 | 230 | 315.9 | 1.4 | 210 | 305.1 | 1.5 | 217 | 337.7 | 1.6 | -1.1% | 16.4% |
| Other | 102 | - | 73 | 66.3 | 0.9 | 73 | 71.1 | 1.0 | 73 | 76.0 | 1.0 | 73 | 81.4 | 1.1 | 73 | 87.0 | 1.2 | - | 5.4% |
| Programme | 1 434 | 106 | 1 413 | 946.8 | 0.7 | 1 392 | 987.5 | 0.7 | 1 364 | 1 046.8 | 0.8 | 1 319 | 1 073.5 | 0.8 | 1 297 | 1 143.2 | 0.9 | -2.3% | 100.0% |
| Programme 1 | 472 | 31 | 463 | 283.7 | 0.6 | 456 | 297.2 | 0.7 | 451 | 318.4 | 0.7 | 431 | 324.9 | 0.8 | 420 | 342.6 | 0.8 | -2.7% | 32.7% |
| Programme 2 | 96 | 1 | 97 | 75.6 | 0.8 | 101 | 79.6 | 0.8 | 96 | 81.9 | 0.9 | 92 | 83.2 | 0.9 | 90 | 88.8 | 1.0 | -3.8% | 7.1% |
| Programme 3 | 124 | 33 | 125 | 66.3 | 0.5 | 129 | 77.9 | 0.6 | 124 | 79.1 | 0.6 | 123 | 84.1 | 0.7 | 122 | 90.3 | 0.7 | -1.8% | 9.3% |
| Programme 4 | 149 | 8 | 150 | 110.7 | 0.7 | 148 | 116.8 | 0.8 | 146 | 123.1 | 0.8 | 139 | 124.3 | 0.9 | 141 | 133.7 | 0.9 | -1.6% | 10.7% |
| Programme 5 | 78 | 7 | 78 | 58.6 | 0.8 | 75 | 59.4 | 0.8 | 71 | 61.1 | 0.9 | 70 | 64.2 | 0.9 | 70 | 71.4 | 1.0 | -2.3% | 5.3% |
| Programme 6 | 212 | 12 | 212 | 131.9 | 0.6 | 209 | 145.4 | 0.7 | 205 | 153.4 | 0.7 | 197 | 159.1 | 0.8 | 187 | 163.7 | 0.9 | -3.6% | 14.9% |
| Programme 7 | 251 | 11 | 226 | 185.0 | 0.8 | 214 | 174.2 | 0.8 | 212 | 189.8 | 0.9 | 209 | 191.8 | 0.9 | 209 | 207.4 | 1.0 | -0.8% | 15.7% |
| Programme 8 | 52 | 3 | 62 | 34.9 | 0.6 | 60 | 37.0 | 0.6 | 59 | 40.1 | 0.7 | 58 | 41.7 | 0.7 | 58 | 45.3 | 0.8 | -1.1% | 4.4% |

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

Departmental receipts

Table 34.8 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 | | |
| Departmental receipts | 61 979 | 98 092 | 106 646 | 73 728 | 73 648 | 5.9% | 100.0% | 77 865 | 78 545 | 77 054 | 1.5% | 100.0% |
| Tax receipts | 2 985 | 4 862 | 4 239 | 4 800 | 4 800 | 17.2% | 5.0% | 5 500 | 5 600 | 5 000 | 1.4% | 6.8% |
| Sales of goods and services produced by department | 535 | 610 | 637 | 610 | 530 | -0.3% | 0.7% | 721 | 671 | 691 | 9.2% | 0.9% |
| Sales by market establishments of which: | | | | | | | | | | | | |
| Rental of parking | 259 | 262 | 263 | 250 | 262 | 0.4% | 0.3% | 350 | 290 | 300 | 4.6% | 0.4% |
| Administrative fees | - | - | - | - | - | - | - | 1 | 1 | 1 | - | - |

Table 34.8 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 | | | 2021/22 |
| of which: | | | | | | | | | | | | | |
| Request information in terms of the Promotion of Access to Information Act (2000) | - | - | - | - | - | - | - | 1 | 1 | 1 | - | - | - |
| Other sales | 276 | 348 | 374 | 360 | 268 | -1.0% | 0.4% | 370 | 380 | 390 | 13.3% | 0.5% | |
| of which: | | | | | | | | | | | | | |
| Commission on hand | 181 | 187 | 189 | 300 | 188 | 1.3% | 0.2% | 300 | 290 | 290 | 15.5% | 0.3% | |
| Academic services | 95 | 161 | 185 | 60 | 80 | -5.6% | 0.2% | 70 | 90 | 100 | 7.7% | 0.1% | |
| Sales of scrap, waste, arms and other used current goods | 3 | 14 | 15 | 5 | 5 | 18.6% | - | 6 | 6 | 6 | 6.3% | - | |
| of which: | | | | | | | | | | | | | |
| Wastepaper: Recycling of paper | 3 | 14 | 15 | - | - | -100.0% | - | 1 | 1 | 1 | - | - | |
| Cellphones: Old pool phones | - | - | - | 5 | 5 | - | - | 5 | 5 | 5 | - | - | |
| Fines, penalties and forfeits | 28 | 365 | 40 008 | 60 | 60 | 28.9% | 11.9% | 140 | 140 | 140 | 32.6% | 0.2% | |
| Interest, dividends and rent on land | 3 561 | 2 708 | 1 390 | 1 650 | 1 650 | -22.6% | 2.7% | 1 700 | 1 800 | 1 817 | 3.3% | 2.3% | |
| Interest | 3 561 | 2 708 | 1 390 | 1 650 | 1 650 | -22.6% | 2.7% | 1 700 | 1 800 | 1 817 | 3.3% | 2.3% | |
| Sales of capital assets | 360 | - | 487 | 350 | 350 | -0.9% | 0.4% | 400 | 360 | 400 | 4.6% | 0.5% | |
| Transactions in financial assets and liabilities | 54 507 | 89 533 | 59 870 | 66 253 | 66 253 | 6.7% | 79.4% | 69 398 | 69 968 | 69 000 | 1.4% | 89.4% | |
| Total | 61 979 | 98 092 | 106 646 | 73 728 | 73 648 | 5.9% | 100.0% | 77 865 | 78 545 | 77 054 | 1.5% | 100.0% | |

Programme 1: Administration

Programme purpose

Provide strategic leadership, management and support services to the department, and conduct research on industrial development, growth and equity.

Expenditure trends and estimates

Table 34.9 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 | | | 2021/22 | 2018/19 - 2021/22 |
| R thousand | | | | | | | | | | | | | |
| Ministry | 32 109 | 26 170 | 28 426 | 34 310 | 2.2% | 4.0% | 42 730 | 38 868 | 39 214 | 4.6% | 4.6% | | |
| Office of the Director-General | 93 585 | 95 955 | 89 570 | 117 691 | 7.9% | 13.1% | 128 365 | 132 333 | 139 255 | 5.8% | 15.4% | | |
| Corporate Services | 478 647 | 443 702 | 508 063 | 504 546 | 1.8% | 63.7% | 460 256 | 482 421 | 511 213 | 0.4% | 58.3% | | |
| Office Accommodation | 2 433 | 2 589 | 2 336 | 2 227 | -2.9% | 0.3% | 2 352 | 2 481 | 2 617 | 5.5% | 0.3% | | |
| Financial Management | 51 422 | 60 571 | 68 197 | 81 975 | 16.8% | 8.6% | 73 226 | 78 030 | 82 435 | 0.2% | 9.4% | | |
| Marketing Communication and Media Relations | 69 365 | 70 152 | 76 104 | 96 531 | 11.6% | 10.3% | 96 546 | 101 978 | 107 205 | 3.6% | 12.0% | | |
| Total | 727 561 | 699 139 | 772 696 | 837 280 | 4.8% | 100.0% | 803 475 | 836 111 | 881 939 | 1.7% | 100.0% | | |
| Change to 2018 | | | | 76 637 | | | 2 037 | (3 926) | - | | | | |
| Budget estimate | | | | | | | | | | | | | |
| Economic classification | | | | | | | | | | | | | |
| Current payments | 697 450 | 687 246 | 747 549 | 815 169 | 5.3% | 97.1% | 796 107 | 826 634 | 871 500 | 2.3% | 98.5% | | |
| Compensation of employees | 264 726 | 269 929 | 283 738 | 297 197 | 3.9% | 36.7% | 318 398 | 324 917 | 342 627 | 4.9% | 38.2% | | |
| Goods and services ¹ | 432 724 | 417 317 | 463 811 | 517 972 | 6.2% | 60.3% | 477 709 | 501 717 | 528 873 | 0.7% | 60.3% | | |
| of which: | | | | | | | | | | | | | |
| Advertising | 20 857 | 14 346 | 19 491 | 24 895 | 6.1% | 2.6% | 27 275 | 28 089 | 29 634 | 6.0% | 3.3% | | |
| Computer services | 24 711 | 15 450 | 42 762 | 24 677 | - | 3.5% | 24 801 | 25 854 | 27 293 | 3.4% | 3.1% | | |
| Consultants: Business and advisory services | 9 792 | 9 050 | 8 568 | 36 220 | 54.7% | 2.1% | 32 843 | 32 418 | 34 185 | -1.9% | 4.0% | | |
| Contractors | 11 606 | 6 550 | 13 170 | 11 330 | -0.8% | 1.4% | 21 541 | 20 333 | 20 898 | 22.6% | 2.2% | | |
| Operating leases | 255 990 | 275 285 | 290 453 | 294 108 | 4.7% | 36.7% | 241 309 | 254 985 | 269 147 | -2.9% | 31.5% | | |
| Travel and subsistence | 20 783 | 16 893 | 17 031 | 35 638 | 19.7% | 3.0% | 35 650 | 37 805 | 39 922 | 3.9% | 4.4% | | |
| Transfers and subsidies ¹ | 2 572 | 2 643 | 672 | 206 | -56.9% | 0.2% | - | - | - | -100.0% | - | - | |
| Households | 2 572 | 2 643 | 672 | 206 | -56.9% | 0.2% | - | - | - | -100.0% | - | - | |
| Payments for capital assets | 27 539 | 9 250 | 23 385 | 21 905 | -7.3% | 2.7% | 7 368 | 9 477 | 10 439 | -21.9% | 1.5% | | |
| Machinery and equipment | 25 721 | 4 893 | 15 317 | 19 405 | -9.0% | 2.2% | 4 629 | 6 589 | 7 392 | -27.5% | 1.1% | | |
| Software and other intangible assets | 1 818 | 4 357 | 8 068 | 2 500 | 11.2% | 0.6% | 2 739 | 2 888 | 3 047 | 6.8% | 0.3% | | |
| Payments for financial assets | - | - | 1 090 | - | - | - | - | - | - | - | - | - | |
| Total | 727 561 | 699 139 | 772 696 | 837 280 | 4.8% | 100.0% | 803 475 | 836 111 | 881 939 | 1.7% | 100.0% | | |
| Proportion of total programme expenditure to vote expenditure | 7.7% | 6.8% | 8.4% | 8.8% | - | - | 8.0% | 7.9% | 9.3% | - | - | | |

Table 34.9 Administration expenditure trends and estimates by subprogramme and economic classification

| Details of transfers and subsidies | | | Adjusted appropriation | Average growth rate (%) | Average: Expenditure/Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/Total (%) |
|--------------------------------------|---------|---------|------------------------|-------------------------|--------------------------------|----------------------------------|---------|---------|-------------------------|--------------------------------|
| Audited outcome | | | | | | 2018/19 | 2019/20 | 2020/21 | | |
| R thousand | 2015/16 | 2016/17 | 2017/18 | 2015/16 - 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2018/19 | 2021/22 | |
| Households | | | | | | | | | | |
| Social benefits | | | | | | | | | | |
| Current | 811 | 1 713 | 503 | 206 | -36.7% | 0.1% | – | – | – | |
| Employee social benefits | 811 | 1 713 | 503 | 206 | -36.7% | 0.1% | – | – | – | |
| Households | | | | | | | | | | |
| Other transfers to households | | | | | | | | | | |
| Current | 1 761 | 930 | 169 | – | -100.0% | 0.1% | – | – | – | |
| Employee social benefits | – | 600 | 88 | – | – | – | – | – | – | |
| Bursaries for non-employees | 1 669 | 205 | – | – | -100.0% | 0.1% | – | – | – | |
| Gifts and donations | 88 | 121 | 69 | – | -100.0% | – | – | – | – | |
| Other transfers to households | 4 | 4 | 12 | – | -100.0% | – | – | – | – | |

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

Personnel information

Table 34.10 Administration personnel numbers and cost by salary level¹

| Number of posts estimated for 31 March 2019 | | Number and cost ² of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Number | | | | |
|---|---|--|------|-----------|------------------|---------|-----------|----------------------------------|-------|-----------|--------|-------------------|-----------|-------------------------|---------------------------------|-----------|--------|-------|-----|-------|--------|
| Number of funded posts | Number of posts additional to the establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | Average growth rate (%) | Average: Salary level/Total (%) | | | | | | |
| | | 2017/18 | | 2018/19 | | 2019/20 | | 2020/21 | | 2021/22 | | 2018/19 - 2021/22 | | | | | | | | | |
| Administration | Salary level | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | | | | |
| | | 472 | | 31 | 463 | 283.7 | 0.6 | 456 | 297.2 | 0.7 | 451 | 318.4 | 0.7 | 431 | 324.9 | 0.8 | 420 | 342.6 | 0.8 | -2.7% | 100.0% |
| 1 – 6 | 107 | 24 | 97 | 23.4 | 0.2 | 96 | 23.8 | 0.2 | 93 | 24.7 | 0.3 | 91 | 26.0 | 0.3 | 87 | 26.8 | 0.3 | – | – | -3.2% | 20.9% |
| 7 – 10 | 198 | – | 198 | 92.4 | 0.5 | 198 | 99.9 | 0.5 | 196 | 106.5 | 0.5 | 186 | 108.8 | 0.6 | 181 | 113.8 | 0.6 | – | – | -2.9% | 43.3% |
| 11 – 12 | 103 | 3 | 106 | 89.6 | 0.8 | 105 | 95.5 | 0.9 | 103 | 100.2 | 1.0 | 100 | 104.2 | 1.0 | 96 | 106.7 | 1.1 | – | – | -2.9% | 23.0% |
| 13 – 16 | 62 | 4 | 60 | 73.9 | 1.2 | 55 | 73.3 | 1.3 | 57 | 81.9 | 1.4 | 52 | 80.5 | 1.5 | 54 | 89.5 | 1.7 | – | – | -0.6% | 12.4% |
| Other | 2 | – | 2 | 4.4 | 2.2 | 2 | 4.8 | 2.4 | 2 | 5.1 | 2.5 | 2 | 5.5 | 2.7 | 2 | 5.8 | 2.9 | – | – | – | 0.5% |

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

2. Rand million.

Programme 2: International Trade and Economic Development

Programme purpose

Build an equitable global trading system that facilitates development by strengthening trade and investment links with key economies and by fostering African development, including through regional and continental integration and development cooperation, in line with the New Partnership for Africa's Development.

Objectives

- Promote African economic integration and development at the bilateral, regional and continental levels over the medium term by:
 - advancing development integration in the Southern African Customs Union and the Southern African Development Community (SADC) free-trade area through the implementation of the Africa regional development programme
 - finalising negotiations on the tripartite free-trade area involving the SADC, the East African Community and the Common Market for Eastern and Southern Africa regions
 - advancing South Africa's trade, industrial policy and economic development objectives through cooperation with key economies to address tariff and non-tariff barriers that inhibit South Africa's value-added exports.

Subprogrammes

- International Trade Development* facilitates bilateral and multilateral trade relations and agreements.

- *African Multilateral Economic Development* facilitates multilateral African trade relations aimed at deepening regional integration.

Expenditure trends and estimates

Table 34.11 International Trade and Economic Development expenditure trends and estimates by subprogramme and economic classification

| Subprogramme | Audited outcome | | | Adjusted appropriation | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
|--|-----------------|----------------|----------------|------------------------|-------------------------|---------------------------------|----------------------------------|-------------------|----------------|-------------------------|---------------------------------|
| | 2015/16 | 2016/17 | 2017/18 | | | | 2018/19 | 2015/16 - 2018/19 | 2019/20 | | |
| R thousand | | | | | | | | | | | |
| International Trade Development | 98 575 | 98 934 | 99 308 | 105 159 | 2.2% | 84.5% | 110 040 | 114 417 | 120 905 | 4.8% | 84.6% |
| African Multilateral Economic Development | 14 985 | 17 090 | 21 813 | 19 614 | 9.4% | 15.5% | 20 365 | 20 138 | 22 044 | 4.0% | 15.4% |
| Total | 113 560 | 116 024 | 121 121 | 124 773 | 3.2% | 100.0% | 130 405 | 134 555 | 142 949 | 4.6% | 100.0% |
| Change to 2018 | | | | (163) | | | (3 472) | (3 437) | - | | |
| Budget estimate | | | | | | | | | | | |
| Economic classification | | | | | | | | | | | |
| Current payments | 86 084 | 92 371 | 98 981 | 98 077 | 4.4% | 79.0% | 101 514 | 103 977 | 110 763 | 4.1% | 77.8% |
| Compensation of employees | 68 905 | 74 158 | 75 564 | 79 638 | 4.9% | 62.7% | 81 855 | 83 205 | 88 773 | 3.7% | 62.6% |
| Goods and services ¹ | 17 179 | 18 213 | 23 417 | 18 439 | 2.4% | 16.2% | 19 659 | 20 772 | 21 990 | 6.0% | 15.2% |
| of which: | | | | | | | | | | | |
| Communication | 655 | 446 | 163 | 225 | -30.0% | 0.3% | 616 | 828 | 686 | 45.0% | 0.4% |
| Legal services | 171 | 284 | - | 414 | 34.3% | 0.2% | 1 864 | 1 967 | 2 075 | 71.1% | 1.2% |
| Contractors | 22 | 21 | 872 | 1 213 | 280.6% | 0.4% | 528 | 555 | 586 | -21.5% | 0.5% |
| Rental and hiring | 101 | 130 | 681 | 763 | 96.2% | 0.4% | 285 | 482 | 770 | 0.3% | 0.4% |
| Travel and subsistence | 14 298 | 12 597 | 19 483 | 11 990 | -5.7% | 12.3% | 13 081 | 14 125 | 14 407 | 6.3% | 10.1% |
| Venues and facilities | 951 | 1 673 | 890 | 2 598 | 39.8% | 1.3% | 2 299 | 1 870 | 2 473 | -1.6% | 1.7% |
| Transfers and subsidies¹ | 26 843 | 22 970 | 22 140 | 26 696 | -0.2% | 20.7% | 28 190 | 29 741 | 31 376 | 5.5% | 21.8% |
| Departmental agencies and accounts | 1 077 | 1 131 | 1 188 | 1 257 | 5.3% | 1.0% | 1 327 | 1 400 | 1 477 | 5.5% | 1.0% |
| Foreign governments and international organisations | 21 545 | 17 675 | 16 451 | 20 813 | -1.1% | 16.1% | 21 978 | 23 187 | 24 462 | 5.5% | 17.0% |
| Public corporations and private enterprises | 3 955 | 4 164 | 4 372 | 4 626 | 5.4% | 3.6% | 4 885 | 5 154 | 5 437 | 5.5% | 3.8% |
| Households | 266 | - | 129 | - | -100.0% | 0.1% | - | - | - | - | - |
| Payments for capital assets | 633 | 683 | - | - | -100.0% | 0.3% | 701 | 837 | 810 | - | 0.4% |
| Machinery and equipment | 633 | 683 | - | - | -100.0% | 0.3% | 701 | 837 | 810 | - | 0.4% |
| Total | 113 560 | 116 024 | 121 121 | 124 773 | 3.2% | 100.0% | 130 405 | 134 555 | 142 949 | 4.6% | 100.0% |
| Proportion of total programme expenditure to vote expenditure | 1.2% | 1.1% | 1.3% | 1.3% | - | - | 1.3% | 1.3% | 1.5% | - | - |
| Details of transfers and subsidies | | | | | | | | | | | |
| Households | | | | | | | | | | | |
| Social benefits | | | | | | | | | | | |
| Current | 262 | - | 129 | - | -100.0% | 0.1% | - | - | - | - | - |
| Employee social benefits | 262 | - | 129 | - | -100.0% | 0.1% | - | - | - | - | - |
| Departmental agencies and accounts | | | | | | | | | | | |
| Departmental agencies (non-business entities) | | | | | | | | | | | |
| Current | 1 077 | 1 131 | 1 188 | 1 257 | 5.3% | 1.0% | 1 327 | 1 400 | 1 477 | 5.5% | 1.0% |
| Council for Geoscience | 1 077 | 1 131 | 1 188 | 1 257 | 5.3% | 1.0% | 1 327 | 1 400 | 1 477 | 5.5% | 1.0% |
| Households | | | | | | | | | | | |
| Other transfers to households | | | | | | | | | | | |
| Current | 4 | - | - | - | -100.0% | - | - | - | - | - | - |
| Other transfers to households | 4 | - | - | - | -100.0% | - | - | - | - | - | - |
| Foreign governments and international organisations | | | | | | | | | | | |
| Current | 21 545 | 17 675 | 16 451 | 20 813 | -1.1% | 16.1% | 21 978 | 23 187 | 24 462 | 5.5% | 17.0% |
| Organisation for the Prohibition of Chemical Weapons | 4 278 | 3 516 | 3 543 | 5 472 | 8.6% | 3.5% | 5 778 | 6 096 | 6 431 | 5.5% | 4.5% |
| World Trade Organisation | 17 267 | 14 159 | 12 908 | 15 341 | -3.9% | 12.6% | 16 200 | 17 091 | 18 031 | 5.5% | 12.5% |
| Public corporations and private enterprises | | | | | | | | | | | |
| Public corporations | | | | | | | | | | | |
| Other transfers to public corporations | | | | | | | | | | | |
| Current | 2 797 | 2 945 | 3 093 | 3 272 | 5.4% | 2.5% | 3 455 | 3 645 | 3 845 | 5.5% | 2.7% |
| Protechnik Laboratories: Operations | 2 797 | 2 945 | 3 093 | 3 272 | 5.4% | 2.5% | 3 455 | 3 645 | 3 845 | 5.5% | 2.7% |
| Capital | 1 158 | 1 219 | 1 279 | 1 354 | 5.4% | 1.1% | 1 430 | 1 509 | 1 592 | 5.5% | 1.1% |
| Protechnik Laboratories: Capital | 1 158 | 1 219 | 1 279 | 1 354 | 5.4% | 1.1% | 1 430 | 1 509 | 1 592 | 5.5% | 1.1% |

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

Personnel information

Table 34.12 International Trade and Economic Development personnel numbers and cost by salary level¹

| Number of posts estimated for 31 March 2019 | | | Number and cost ² of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | Number | | | | |
|--|---|---|--|------|-----------|------------------|------|-----------|----------------------------------|------|-----------|--------|---------|-----------|-------------------------|---------------------------------|-----|---------|--------|
| Number of funded posts | Number of posts additional to the establishment | | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | Average growth rate (%) | Average: Salary level/Total (%) | | | |
| | | | 2017/18 | | | 2018/19 | | | 2019/20 | | 2020/21 | | 2021/22 | | | | | | |
| | | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | | | | |
| International Trade and Economic Development | | | 97 | 75.6 | 0.8 | 101 | 79.6 | 0.8 | 96 | 81.9 | 0.9 | 92 | 83.2 | 0.9 | 90 | 88.8 | 1.0 | -3.8% | 100.0% |
| Salary level | 96 | 1 | 97 | 75.6 | 0.8 | 101 | 79.6 | 0.8 | 96 | 81.9 | 0.9 | 92 | 83.2 | 0.9 | 90 | 88.8 | 1.0 | -3.8% | 100.0% |
| 1-6 | 1 | - | 1 | 0.3 | 0.3 | 1 | 0.3 | 0.3 | 1 | 0.3 | 0.3 | - | - | - | - | - | - | -100.0% | 0.5% |
| 7-10 | 43 | - | 43 | 22.6 | 0.5 | 45 | 21.7 | 0.5 | 42 | 22.0 | 0.5 | 43 | 24.1 | 0.6 | 40 | 24.3 | 0.6 | -3.9% | 44.9% |
| 11-12 | 25 | - | 26 | 24.3 | 0.9 | 28 | 27.4 | 1.0 | 27 | 28.3 | 1.0 | 25 | 28.3 | 1.1 | 25 | 30.2 | 1.2 | -3.7% | 27.7% |
| 13-16 | 27 | 1 | 27 | 28.4 | 1.1 | 27 | 30.3 | 1.1 | 26 | 31.3 | 1.2 | 24 | 30.9 | 1.3 | 25 | 34.3 | 1.4 | -2.5% | 26.9% |

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

2. Rand million.

Programme 3: Special Economic Zones and Economic Transformation

Programme purpose

Drive economic transformation and increase participation in industrialisation.

Objectives

- Facilitate broad-based economic participation through the implementation of the Broad-Based Black Economic Empowerment Amendment Act (2013) by implementing the black industrialists framework and action plan by March 2022.
- Facilitate the transformation of the economy to promote industrial development, investment, competitiveness and employment creation by March 2022, by:
 - developing and implementing a strategy for special economic zones
 - revitalising 26 industrial parks.

Subprogrammes

- *Enterprise Competitiveness* fosters and stimulates industrialisation and structural change through the development and deployment of technologies and skills development programmes.
- *Equity and Empowerment* promotes broad-based black economic empowerment (BEE) and the growth of the economy through the black industrialists programme.
- *Spatial Industrial Economic Development (Special Economic Zones)* promotes a more spatially balanced regional economy through the development of policies, strategies and programmes, and special economic zones, clusters and incubators, among other things.

Expenditure trends and estimates

Table 34.13 Special Economic Zones and Economic Transformation 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 | | | 2021/22 |
| | R thousand | | | | | | | | | | | |
| Enterprise Competitiveness | 23 327 | 24 942 | 24 986 | 28 042 | 6.3% | 23.4% | 28 299 | 31 658 | 33 558 | 6.2% | 17.6% | |
| Equity and Empowerment | 30 888 | 32 166 | 32 010 | 64 909 | 28.1% | 37.0% | 95 146 | 98 146 | 103 833 | 17.0% | 52.3% | |
| Spatial Industrial Economic Development (Special Economic Zones) | 38 309 | 40 481 | 38 703 | 53 325 | 11.7% | 39.5% | 48 013 | 51 767 | 55 791 | 1.5% | 30.2% | |
| Total | 92 524 | 97 589 | 95 699 | 146 276 | 16.5% | 100.0% | 171 458 | 181 571 | 193 182 | 9.7% | 100.0% | |
| Change to 2018 Budget estimate | | | | (19 136) | | | (3 386) | (490) | - | | | |

Table 34.13 Special Economic Zones and Economic Transformation expenditure trends and estimates by subprogramme and economic classification

| Economic classification | 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 | 2018/19 - 2021/22 |
| R thousand | | | | | | | | | | | |
| Current payments | 65 544 | 74 495 | 82 800 | 99 206 | 14.8% | 74.5% | 96 104 | 102 072 | 109 278 | 3.3% | 58.7% |
| Compensation of employees | 54 845 | 60 349 | 66 334 | 77 857 | 12.4% | 60.0% | 79 094 | 84 128 | 90 347 | 5.1% | 47.9% |
| Goods and services ¹ | 10 699 | 14 146 | 16 466 | 21 349 | 25.9% | 14.5% | 17 010 | 17 944 | 18 931 | -3.9% | 10.9% |
| <i>of which:</i> | | | | | | | | | | | |
| <i>Catering: Departmental activities</i> | 168 | 250 | 209 | 413 | 35.0% | 0.2% | 391 | 466 | 492 | 6.0% | 0.3% |
| <i>Communication</i> | 452 | 258 | 52 | 437 | -1.1% | 0.3% | 292 | 528 | 558 | 8.5% | 0.3% |
| <i>Consultants: Business and advisory services</i> | 3 193 | 4 223 | 1 794 | 8 175 | 36.8% | 4.0% | 6 863 | 7 775 | 8 203 | 0.1% | 4.5% |
| <i>Travel and subsistence</i> | 5 431 | 6 753 | 9 928 | 7 885 | 13.2% | 6.9% | 7 549 | 7 117 | 7 508 | -1.6% | 4.3% |
| <i>Operating payments</i> | 442 | 197 | 723 | 646 | 13.5% | 0.5% | 703 | 377 | 397 | -15.0% | 0.3% |
| <i>Venues and facilities</i> | 152 | 546 | 887 | 2 870 | 166.3% | 1.0% | 490 | 446 | 471 | -45.3% | 0.6% |
| Transfers and subsidies¹ | 11 303 | 11 683 | 12 461 | 47 070 | 60.9% | 19.1% | 74 890 | 79 009 | 83 387 | 21.0% | 41.1% |
| Departmental agencies and accounts | 8 594 | 8 523 | 8 949 | 43 731 | 72.0% | 16.2% | 71 448 | 75 377 | 79 523 | 22.1% | 39.0% |
| Public corporations and private enterprises | 1 572 | 1 655 | 1 738 | 1 839 | 5.4% | 1.6% | 1 942 | 2 049 | 2 162 | 5.5% | 1.2% |
| Non-profit institutions | 1 000 | 1 000 | 1 500 | 1 500 | 14.5% | 1.2% | 1 500 | 1 583 | 1 702 | 4.3% | 0.9% |
| Households | 137 | 505 | 274 | - | -100.0% | 0.2% | - | - | - | - | - |
| Payments for capital assets | 3 740 | 1 726 | 438 | - | -100.0% | 1.4% | 464 | 490 | 517 | - | 0.2% |
| Machinery and equipment | 3 740 | 1 051 | 419 | - | -100.0% | 1.2% | 464 | 490 | 517 | - | 0.2% |
| Software and other intangible assets | - | 675 | 19 | - | - | 0.2% | - | - | - | - | - |
| Payments for financial assets | 11 937 | 9 685 | - | - | -100.0% | 5.0% | - | - | - | - | - |
| Total | 92 524 | 97 589 | 95 699 | 146 276 | 16.5% | 100.0% | 171 458 | 181 571 | 193 182 | 9.7% | 100.0% |
| Proportion of total programme expenditure to vote expenditure | 1.0% | 0.9% | 1.0% | 1.5% | - | - | 1.7% | 1.7% | 2.0% | - | - |
| Details of transfers and subsidies | | | | | | | | | | | |
| Households | | | | | | | | | | | |
| Social benefits | | | | | | | | | | | |
| Current | 137 | 305 | 192 | - | -100.0% | 0.1% | - | - | - | - | - |
| Employee social benefits | 137 | 305 | 192 | - | -100.0% | 0.1% | - | - | - | - | - |
| Departmental agencies and accounts | | | | | | | | | | | |
| Departmental agencies (non-business entities) | | | | | | | | | | | |
| Current | 8 594 | 8 523 | 8 949 | 43 731 | 72.0% | 16.2% | 71 448 | 75 377 | 79 523 | 22.1% | 39.0% |
| National Productivity Institute | 8 094 | 8 523 | 8 949 | 9 231 | 4.5% | 8.1% | 9 748 | 10 284 | 10 850 | 5.5% | 5.8% |
| Independent Regulatory Board for Auditors | 500 | - | - | - | -100.0% | 0.1% | - | - | - | - | - |
| Broad-Based Black Economic Empowerment Commission | - | - | - | 34 500 | - | 8.0% | 61 700 | 65 093 | 68 673 | 25.8% | 33.2% |
| Households | | | | | | | | | | | |
| Other transfers to households | | | | | | | | | | | |
| Current | - | 200 | 82 | - | - | 0.1% | - | - | - | - | - |
| Gifts and donations | - | 200 | 82 | - | - | 0.1% | - | - | - | - | - |
| Non-profit institutions | | | | | | | | | | | |
| Current | 1 000 | 1 000 | 1 500 | 1 500 | 14.5% | 1.2% | 1 500 | 1 583 | 1 702 | 4.3% | 0.9% |
| Black Business Council | 1 000 | 1 000 | 1 500 | 1 500 | 14.5% | 1.2% | 1 500 | 1 583 | 1 702 | 4.3% | 0.9% |
| Public corporations and private enterprises | | | | | | | | | | | |
| Public corporations | | | | | | | | | | | |
| Other transfers to public corporations | | | | | | | | | | | |
| Current | 1 572 | 1 655 | 1 738 | 1 839 | 5.4% | 1.6% | 1 942 | 2 049 | 2 162 | 5.5% | 1.2% |
| Council for Scientific and Industrial Research | 1 572 | 1 655 | 1 738 | 1 839 | 5.4% | 1.6% | 1 942 | 2 049 | 2 162 | 5.5% | 1.2% |

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

Personnel information

Table 34.14 Special Economic Zones and Economic Transformation personnel numbers and cost by salary level¹

| Number of posts estimated for 31 March 2019 | | | Number and cost ² of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | Number | | | | |
|--|---|----|--|------|-----------|------------------|------|-----------|----------------------------------|------|-----------|--------|---------|-----------|-------------------------|---------------------------------|-----------|-------------------|--------|
| Number of funded posts | Number of posts additional to the establishment | | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | Average growth rate (%) | Average: Salary level/Total (%) | | | |
| | | | 2017/18 | | | 2018/19 | | | 2019/20 | | 2020/21 | | 2021/22 | | | | | | |
| Special Economic Zones and Economic Transformation | | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | 2018/19 - 2021/22 | |
| Salary level | 124 | 33 | 125 | 66.3 | 0.5 | 129 | 77.9 | 0.6 | 124 | 79.1 | 0.6 | 123 | 84.1 | 0.7 | 122 | 90.3 | 0.7 | -1.8% | 100.0% |
| 1-6 | 31 | 28 | 47 | 5.4 | 0.1 | 48 | 7.4 | 0.2 | 47 | 7.4 | 0.2 | 47 | 8.0 | 0.2 | 48 | 8.9 | 0.2 | - | 38.2% |
| 7-10 | 33 | 1 | 30 | 13.6 | 0.5 | 29 | 14.4 | 0.5 | 27 | 14.3 | 0.5 | 27 | 15.4 | 0.6 | 26 | 16.2 | 0.6 | -3.6% | 21.9% |
| 11-12 | 28 | 2 | 24 | 19.4 | 0.8 | 25 | 21.5 | 0.9 | 24 | 22.1 | 0.9 | 23 | 22.9 | 1.0 | 21 | 22.3 | 1.1 | -5.6% | 18.7% |
| 13-16 | 32 | 2 | 24 | 28.0 | 1.2 | 27 | 34.5 | 1.3 | 26 | 35.3 | 1.4 | 26 | 37.9 | 1.5 | 27 | 42.9 | 1.6 | - | 21.3% |

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

2. Rand million.

Programme 4: Industrial Development

Programme purpose

Design and implement policies, strategies and programmes to strengthen the ability of the manufacturing and other sectors of the economy to create decent jobs and increase value addition and competitiveness in both domestic and export markets.

Objectives

- Support the growth and diversification of South Africa's manufacturing sector by:
 - facilitating diversification beyond the current reliance on traditional commodities and non-tradable services over the medium term
 - promoting the long-term intensification of South Africa's industrialisation process and movement towards a knowledge economy on an ongoing basis
 - promoting a labour-intensive industrialisation path, with particular emphasis on tradable labour-intensive goods and services and economic linkages that catalyse employment creation, on an ongoing basis
 - promoting a broad-based industrialisation path characterised by the increased participation of historically disadvantaged people and marginalised regions in the mainstream industrial economy on an ongoing basis
 - contributing to industrial development in Africa, with an emphasis on building the continent's productive capacity, on an ongoing basis.

Subprogrammes

- *Industrial Competitiveness* develops policies, strategies and programmes to strengthen the ability of manufacturing and other value-adding sectors to create decent jobs and increase value addition and competitiveness in domestic and export markets, as set out in the industrial policy action plan.
- *Customised Sector Programmes* develops and implements high-impact sector strategies focused on manufacturing and other value-adding sectors to create decent jobs, and increase value addition and competitiveness in domestic and export markets, as set out in the industrial policy action plan.

Expenditure trends and estimates

Table 34.15 Industrial Development expenditure trends and estimates by subprogramme and economic classification

| Subprogramme | Audited outcome | | | Adjusted appropriation | Average growth rate (%) | Average: Expenditure/Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/Total (%) |
|--|------------------|------------------|------------------|------------------------|-------------------------|--------------------------------|----------------------------------|------------------|------------------|-------------------------|--------------------------------|
| | 2015/16 | 2016/17 | 2017/18 | | | | 2018/19 | 2019/20 | 2020/21 | | |
| R thousand | | | | | | | | | | | |
| Industrial Competitiveness | 753 107 | 759 275 | 898 685 | 1 029 520 | 11.0% | 45.6% | 1 038 883 | 940 534 | 995 621 | -1.1% | 49.7% |
| Customised Sector Programmes | 1 200 509 | 962 970 | 940 154 | 1 000 257 | -5.9% | 54.4% | 1 061 931 | 1 117 693 | 865 037 | -4.7% | 50.3% |
| Total | 1 953 616 | 1 722 245 | 1 838 839 | 2 029 777 | 1.3% | 100.0% | 2 100 814 | 2 058 227 | 1 860 658 | -2.9% | 100.0% |
| Change to 2018 Budget estimate | | | | 407 209 | | | 425 629 | 291 598 | (2 111) | | |
| Economic classification | | | | | | | | | | | |
| Current payments | 118 126 | 112 027 | 120 291 | 133 117 | 4.1% | 6.4% | 142 577 | 144 911 | 155 446 | 5.3% | 7.2% |
| Compensation of employees | 99 602 | 101 878 | 110 727 | 116 790 | 5.4% | 5.7% | 123 063 | 124 307 | 133 709 | 4.6% | 6.2% |
| Goods and services ¹ | 18 524 | 10 149 | 9 564 | 16 327 | -4.1% | 0.7% | 19 514 | 20 604 | 21 737 | 10.0% | 1.0% |
| <i>of which:</i> | | | | | | | | | | | |
| Administrative fees | – | – | 443 | 442 | – | – | 906 | 928 | 525 | 5.9% | – |
| Communication | 567 | 396 | 142 | 839 | 14.0% | – | 688 | 757 | 817 | -0.9% | – |
| Consultants: Business and advisory services | 7 083 | 1 009 | – | 797 | -51.7% | 0.1% | 1 500 | 1 296 | 1 280 | 17.1% | 0.1% |
| Travel and subsistence | 7 671 | 6 230 | 6 851 | 11 476 | 14.4% | 0.4% | 11 739 | 12 409 | 13 449 | 5.4% | 0.6% |
| Operating payments | 1 741 | 1 618 | 893 | 1 454 | -5.8% | 0.1% | 2 567 | 3 464 | 3 655 | 36.0% | 0.1% |
| Venues and facilities | 423 | 254 | 703 | 167 | -26.6% | – | 676 | 765 | 876 | 73.8% | – |
| Transfers and subsidies¹ | 1 834 994 | 1 609 662 | 1 718 548 | 1 896 660 | 1.1% | 93.6% | 1 957 302 | 1 912 349 | 1 704 192 | -3.5% | 92.8% |
| Departmental agencies and accounts | 368 652 | 372 819 | 411 861 | 409 920 | 3.6% | 20.7% | 416 206 | 439 085 | 463 236 | 4.2% | 21.5% |
| Foreign governments and international organisations | 6 405 | 7 600 | 7 665 | 8 861 | 11.4% | 0.4% | 9 569 | 10 095 | 10 651 | 6.3% | 0.5% |
| Public corporations and private enterprises | 1 311 607 | 1 066 967 | 1 126 583 | 1 275 449 | -0.9% | 63.4% | 1 369 926 | 1 305 021 | 1 060 297 | -6.0% | 62.2% |
| Non-profit institutions | 147 850 | 162 107 | 172 314 | 202 430 | 11.0% | 9.1% | 161 601 | 158 148 | 170 008 | -5.7% | 8.6% |
| Households | 480 | 169 | 125 | – | -100.0% | – | – | – | – | – | – |
| Payments for capital assets | 349 | 556 | – | – | -100.0% | – | 935 | 967 | 1 020 | – | – |
| Machinery and equipment | 349 | 556 | – | – | -100.0% | – | 935 | 967 | 1 020 | – | – |
| Payments for financial assets | 147 | – | – | – | -100.0% | – | – | – | – | – | – |
| Total | 1 953 616 | 1 722 245 | 1 838 839 | 2 029 777 | 1.3% | 100.0% | 2 100 814 | 2 058 227 | 1 860 658 | -2.9% | 100.0% |
| Proportion of total programme expenditure to vote expenditure | 20.6% | 16.6% | 19.9% | 21.3% | – | – | 20.9% | 19.4% | 19.6% | – | – |
| Details of transfers and subsidies | | | | | | | | | | | |
| Households | | | | | | | | | | | |
| Social benefits | | | | | | | | | | | |
| Current | 380 | 169 | 117 | – | -100.0% | – | – | – | – | – | – |
| Employee social benefits | 380 | 169 | 117 | – | -100.0% | – | – | – | – | – | – |
| Departmental agencies and accounts | | | | | | | | | | | |
| Departmental agencies (non-business entities) | | | | | | | | | | | |
| Current | 214 053 | 210 026 | 265 528 | 286 834 | 10.2% | 12.9% | 286 227 | 301 957 | 318 566 | 3.6% | 14.8% |
| South African National Accreditation System | 26 025 | 22 208 | 30 313 | 31 032 | 6.0% | 1.5% | 31 669 | 33 399 | 35 237 | 4.3% | 1.6% |
| National Metrology Institute of South Africa: Operations | 96 296 | 101 400 | 106 470 | 109 698 | 4.4% | 5.5% | 115 057 | 121 385 | 128 061 | 5.3% | 5.9% |
| National Regulator for Compulsory Specifications | 91 732 | 86 418 | 128 745 | 146 104 | 16.8% | 6.0% | 139 501 | 147 173 | 155 268 | 2.0% | 7.3% |
| Capital | 154 599 | 162 793 | 146 333 | 123 086 | -7.3% | 7.8% | 129 979 | 137 128 | 144 670 | 5.5% | 6.6% |
| National Metrology Institute of South Africa | 154 599 | 162 793 | 146 333 | 123 086 | -7.3% | 7.8% | 129 979 | 137 128 | 144 670 | 5.5% | 6.6% |
| Households | | | | | | | | | | | |
| Other transfers to households | | | | | | | | | | | |
| Current | 100 | – | 8 | – | -100.0% | – | – | – | – | – | – |
| Gifts and donations | 100 | – | 8 | – | -100.0% | – | – | – | – | – | – |
| Non-profit institutions | | | | | | | | | | | |
| Current | 147 850 | 162 107 | 172 314 | 202 430 | 11.0% | 9.1% | 161 601 | 158 148 | 170 008 | -5.7% | 8.6% |
| Intsimbi future production technologies initiatives | 70 353 | 74 082 | 75 786 | 116 136 | 18.2% | 4.5% | 76 045 | 68 711 | 73 864 | -14.0% | 4.2% |
| Automotive supply chain competitiveness initiative | 14 000 | 15 000 | 13 127 | 7 984 | -17.1% | 0.7% | 8 813 | 9 298 | 9 995 | 7.8% | 0.4% |
| Trade and industrial policy strategies | 20 772 | 22 712 | 24 423 | 27 086 | 9.3% | 1.3% | 27 763 | 28 465 | 30 600 | 4.1% | 1.4% |
| Centurion Aerospace Village | 17 517 | 18 445 | 25 367 | 15 490 | -4.0% | 1.0% | 16 357 | 17 257 | 18 551 | 6.2% | 0.8% |
| Proudly South African campaign | 25 208 | 31 868 | 33 611 | 35 734 | 12.3% | 1.7% | 32 623 | 34 417 | 36 998 | 1.2% | 1.7% |

Table 34.15 Industrial Development expenditure trends and estimates by subprogramme and economic classification

| 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 |
| Foreign governments and international organisations | | | | | | | | | | | | |
| Current | 6 405 | 7 600 | 7 665 | 8 861 | 11.4% | 0.4% | 9 569 | 10 095 | 10 651 | 6.3% | 0.5% | |
| United Nations Industrial Development Organisation | 6 405 | 5 969 | 6 021 | 7 159 | 3.8% | 0.3% | 7 560 | 7 976 | 8 415 | 5.5% | 0.4% | |
| Treaty organisations for metrology | – | 1 631 | 1 644 | 1 702 | – | 0.1% | 2 009 | 2 119 | 2 236 | 9.5% | 0.1% | |
| Public corporations and private enterprises | | | | | | | | | | | | |
| Public corporations | | | | | | | | | | | | |
| Other transfers to public corporations | | | | | | | | | | | | |
| Current | 1 288 536 | 1 049 186 | 1 107 563 | 1 255 036 | -0.9% | 62.3% | 1 348 370 | 1 282 279 | 1 036 304 | -6.2% | 61.1% | |
| Industrial Development Corporation | 1 000 937 | 758 266 | 723 440 | 803 640 | -7.1% | 43.6% | 838 399 | 881 023 | 612 979 | -8.6% | 39.0% | |
| Council for Scientific and Industrial Research: National Cleaner Production Centre | 55 000 | 58 870 | 62 951 | 58 008 | 1.8% | 3.1% | 61 592 | 65 255 | 68 844 | 5.9% | 3.2% | |
| Council for Scientific and Industrial Research: National foundry technology network | 16 384 | 19 689 | 18 678 | 17 457 | 2.1% | 1.0% | 27 995 | 28 590 | 30 162 | 20.0% | 1.3% | |
| South African Bureau of Standards | 216 215 | 212 361 | 302 494 | 375 931 | 20.2% | 14.7% | 420 384 | 307 411 | 324 319 | -4.8% | 17.7% | |
| Capital | 23 071 | 17 781 | 19 020 | 20 413 | -4.0% | 1.1% | 21 556 | 22 742 | 23 993 | 5.5% | 1.1% | |
| Council for Scientific and Industrial Research: Aerospace industry | 21 534 | 17 781 | 19 020 | 20 413 | -1.8% | 1.0% | 21 556 | 22 742 | 23 993 | 5.5% | 1.1% | |
| South African Bureau of Standards: Small business technical consulting (membership fees) | 1 537 | – | – | – | -100.0% | – | – | – | – | – | – | |

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

Personnel information

Table 34.16 Industrial Development personnel numbers and cost by salary level¹

| Number of posts estimated for 31 March 2019 | | Number and cost ² of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | Number | | | | | |
|---|---|--|------------|--------------|------------------|------------|--------------|----------------------------------|------------|--------------|------------|------------|--------------|-------------------------|---------------------------------|--------------|------------|--------------|---------------|
| Number of funded posts | Number of posts additional to the establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | Average growth rate (%) | Average: Salary level/Total (%) | | | | |
| | | 2017/18 | | Unit cost | 2018/19 | | Unit cost | 2019/20 | | 2020/21 | | 2021/22 | | | | | | | |
| | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | | |
| Industrial Development | | | | | | | | | | | | | | | | | | | |
| Salary level | 149 | 8 | 150 | 110.7 | 0.7 | 148 | 116.8 | 0.8 | 146 | 123.1 | 0.8 | 139 | 124.3 | 0.9 | 141 | 133.7 | 0.9 | -1.6% | 100.0% |
| 1–6 | 9 | 7 | 9 | 2.1 | 0.2 | 9 | 1.5 | 0.2 | 11 | 2.6 | 0.2 | 11 | 2.8 | 0.3 | 13 | 4.9 | 0.4 | 13.0% | 7.7% |
| 7–10 | 55 | – | 56 | 25.6 | 0.5 | 55 | 27.1 | 0.5 | 52 | 27.8 | 0.5 | 49 | 27.8 | 0.6 | 49 | 29.6 | 0.6 | -3.8% | 35.7% |
| 11–12 | 42 | – | 44 | 36.5 | 0.8 | 44 | 39.3 | 0.9 | 44 | 42.0 | 1.0 | 43 | 44.0 | 1.0 | 44 | 48.2 | 1.1 | – | 30.5% |
| 13–16 | 43 | 1 | 41 | 46.5 | 1.1 | 40 | 48.8 | 1.2 | 39 | 50.7 | 1.3 | 36 | 49.7 | 1.4 | 35 | 51.0 | 1.5 | -4.4% | 26.1% |

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

2. Rand million.

Programme 5: Consumer and Corporate Regulation

Programme purpose

Develop and implement coherent, predictable and transparent regulatory solutions that facilitate easy access to redress and efficient regulation for economic citizens.

Objectives

- Increase access to economic opportunities for small businesses and historically disadvantaged individuals by developing and reviewing related policies, bills and regulations, and conducting assessments of the impact of regulations on businesses and economic citizens, on an ongoing basis.
- Develop efficient regulation to reduce the regulatory burden on businesses, and increase confidence and

certainty in South African business regulation by developing and reviewing related policies, bills and regulations, and conducting assessments of the impact of the regulations on businesses and economic citizens, on an ongoing basis.

- Create a business regulatory environment that promotes competitive, fair and efficient markets by developing and reviewing related policies, bills and regulations, and conducting assessments of the impact of the regulations on business and economic citizens, on an ongoing basis.
- Provide access to redress for economic citizens to increase confidence in markets by conducting research on the impact of the current legislation on economic citizens; developing and reviewing related policies, bills and regulations; and conducting assessments of the impact of the regulations on business and economic citizens on an ongoing basis.
- Promote the awareness of rights, duties and responsibilities to increase activism and public participation by conducting capacity-building sessions, workshops, and education and awareness campaigns on an ongoing basis.
- Share and exchange regulatory experience with partners and stakeholders nationally and internationally to promote simple, appropriate and more effective regulatory solutions by holding consultations, seminars and conferences on policy issues on an ongoing basis.

Subprogrammes

- *Policy and Legislative Development* develops policies, laws and regulatory frameworks.
- *Enforcement and Compliance* conducts trend analyses, social impact assessments for policies and legislation and market surveys; drafts and implements legislation; monitors and evaluates the effectiveness of regulation; and oversees the performance of the department's regulatory entities (National Consumer Tribunal, National Credit Regulator, National Gambling Board, National Consumer Commission, Companies and Intellectual Property Commission, Companies Tribunal, and National Lotteries Commission).
- *Regulatory Services* oversees the development of policies, laws, regulatory frameworks and the implementation of the divisional mandate, and provides strategic support to divisional business units respectively.

Expenditure trends and estimates

Table 34.17 Consumer and Corporate 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 (%) 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 thousand | | | | | | | | | | | |
| Policy and Legislative Development | 14 741 | 17 168 | 18 689 | 17 821 | 6.5% | 5.6% | 19 484 | 18 620 | 20 527 | 4.8% | 5.6% |
| Enforcement and Compliance | 39 319 | 40 273 | 39 881 | 44 246 | 4.0% | 13.5% | 46 696 | 50 101 | 54 042 | 6.9% | 14.2% |
| Regulatory Services | 233 360 | 237 940 | 240 136 | 268 280 | 4.8% | 80.8% | 262 139 | 277 457 | 294 254 | 3.1% | 80.2% |
| Total | 287 420 | 295 381 | 298 706 | 330 347 | 4.7% | 100.0% | 328 319 | 346 178 | 368 823 | 3.7% | 100.0% |
| Change to 2018 | | | | 15 759 | | | (4 254) | (3 789) | (2 489) | | |
| Budget estimate | | | | | | | | | | | |
| Economic classification | | | | | | | | | | | |
| Current payments | 68 236 | 73 058 | 72 488 | 77 651 | 4.4% | 24.0% | 81 118 | 85 409 | 93 712 | 6.5% | 24.6% |
| Compensation of employees | 54 479 | 59 582 | 58 593 | 59 398 | 2.9% | 19.1% | 61 059 | 64 238 | 71 376 | 6.3% | 18.6% |
| Goods and services ¹ | 13 757 | 13 476 | 13 895 | 18 253 | 9.9% | 4.9% | 20 059 | 21 171 | 22 336 | 7.0% | 6.0% |
| <i>of which:</i> | | | | | | | | | | | |
| Advertising | 1 981 | 692 | 1 450 | 1 756 | -3.9% | 0.5% | 1 844 | 1 945 | 2 052 | 5.3% | 0.6% |
| Catering: Departmental activities | 140 | 303 | 622 | 784 | 77.6% | 0.2% | 778 | 822 | 857 | 3.0% | 0.2% |
| Consultants: Business and advisory services | 1 462 | 1 269 | 1 920 | 3 938 | 39.1% | 0.7% | 4 535 | 4 460 | 4 717 | 6.2% | 1.3% |
| Legal services | 865 | 3 655 | 3 019 | 1 961 | 31.4% | 0.8% | 1 581 | 2 002 | 2 112 | 2.5% | 0.6% |
| Travel and subsistence | 6 226 | 6 122 | 5 550 | 7 353 | 5.7% | 2.1% | 8 809 | 9 286 | 9 794 | 10.0% | 2.6% |
| Operating payments | 663 | 369 | 464 | 721 | 2.8% | 0.2% | 801 | 845 | 892 | 7.4% | 0.2% |
| Transfers and subsidies¹ | 219 105 | 222 196 | 226 194 | 252 673 | 4.9% | 75.9% | 247 051 | 260 619 | 274 953 | 2.9% | 75.4% |
| Departmental agencies and accounts | 213 556 | 217 561 | 221 578 | 247 087 | 5.0% | 74.2% | 241 272 | 254 522 | 268 521 | 2.8% | 73.6% |
| Foreign governments and international organisations | 5 287 | 4 568 | 4 341 | 5 473 | 1.2% | 1.6% | 5 779 | 6 097 | 6 432 | 5.5% | 1.7% |
| Households | 262 | 67 | 275 | 113 | -24.4% | 0.1% | - | - | - | -100.0% | - |

Table 34.17 Consumer and Corporate Regulation expenditure trends and estimates by subprogramme and economic classification

| R thousand | 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 (%) 2018/19 - 2021/22 |
|--|-----------------|----------------|----------------|-----------------------------------|--|--|----------------------------------|----------------|----------------|--|--|
| | 2015/16 | 2016/17 | 2017/18 | | | | 2019/20 | 2020/21 | 2021/22 | | |
| Payments for capital assets | 78 | 127 | 24 | 23 | -33.4% | - | 150 | 150 | 158 | 90.1% | - |
| Machinery and equipment | 78 | 127 | 24 | 23 | -33.4% | - | 150 | 150 | 158 | 90.1% | - |
| Payments for financial assets | 1 | - | - | - | -100.0% | - | - | - | - | - | - |
| Total | 287 420 | 295 381 | 298 706 | 330 347 | 4.7% | 100.0% | 328 319 | 346 178 | 368 823 | 3.7% | 100.0% |
| Proportion of total programme expenditure to vote expenditure | 3.0% | 2.9% | 3.2% | 3.5% | - | - | 3.3% | 3.3% | 3.9% | - | - |
| Details of transfers and subsidies | | | | | | | | | | | |
| Households | | | | | | | | | | | |
| Social benefits | | | | | | | | | | | |
| Current | 135 | 67 | 182 | 113 | -5.8% | - | - | - | - | -100.0% | - |
| Employee social benefits | 135 | 67 | 182 | 113 | -5.8% | - | - | - | - | -100.0% | - |
| Departmental agencies and accounts | | | | | | | | | | | |
| Departmental agencies (non-business entities) | | | | | | | | | | | |
| Current | 213 556 | 217 561 | 221 578 | 247 087 | 5.0% | 74.2% | 241 272 | 254 522 | 268 521 | 2.8% | 73.6% |
| National Credit Regulator | 66 727 | 69 577 | 73 056 | 75 361 | 4.1% | 23.5% | 79 580 | 83 957 | 88 575 | 5.5% | 23.8% |
| National Gambling Board | 31 983 | 30 121 | 31 627 | 32 624 | 0.7% | 10.4% | 33 797 | 35 639 | 37 599 | 4.8% | 10.2% |
| National Consumer Tribunal | 46 029 | 46 151 | 48 459 | 52 688 | 4.6% | 16.0% | 52 239 | 55 113 | 58 145 | 3.3% | 15.9% |
| National Consumer Commission | 54 596 | 56 643 | 52 614 | 69 674 | 8.5% | 19.3% | 58 304 | 61 508 | 64 890 | -2.3% | 18.5% |
| Companies Tribunal | 14 221 | 15 069 | 15 822 | 16 740 | 5.6% | 5.1% | 17 352 | 18 305 | 19 312 | 4.9% | 5.2% |
| Households | | | | | | | | | | | |
| Other transfers to households | | | | | | | | | | | |
| Current | 127 | - | 93 | - | -100.0% | - | - | - | - | - | - |
| Other transfers to households | 127 | - | 93 | - | -100.0% | - | - | - | - | - | - |
| Foreign governments and international organisations | | | | | | | | | | | |
| Current | 5 287 | 4 568 | 4 341 | 5 473 | 1.2% | 1.6% | 5 779 | 6 097 | 6 432 | 5.5% | 1.7% |
| World Intellectual Property Organisation | 5 287 | 4 568 | 4 341 | 5 473 | 1.2% | 1.6% | 5 779 | 6 097 | 6 432 | 5.5% | 1.7% |

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

Personnel information

Table 34.18 Consumer and Corporate Regulation personnel numbers and cost by salary level¹

| Consumer and Corporate Regulation | Number of posts estimated for 31 March 2019 | | Number and cost ² of personnel posts filled/planned for on funded establishment | | | | | | | | | | Number | | | | | | |
|-----------------------------------|---|---|--|---------|---------|------------------|---------|-------------------|----------------------------------|------|-----|----|-------------------------|---------------------------------|----|------|-----|-------|--------|
| | Number of funded posts | Number of posts additional to the establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | Average growth rate (%) | Average: Salary level/Total (%) | | | | | |
| | | | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2018/19 - 2021/22 | | | | | | | | | | | |
| Salary level | 78 | 7 | 78 | 58.6 | 0.8 | 75 | 59.4 | 0.8 | 71 | 61.1 | 0.9 | 70 | 64.2 | 0.9 | 70 | 71.4 | 1.0 | -2.3% | 100.0% |
| 1-6 | 7 | 6 | 6 | 1.4 | 0.2 | 5 | 0.8 | 0.2 | 5 | 0.9 | 0.2 | 5 | 1.0 | 0.2 | 5 | 1.0 | 0.2 | - | 7.0% |
| 7-10 | 34 | 1 | 34 | 17.8 | 0.5 | 32 | 16.9 | 0.5 | 29 | 16.5 | 0.6 | 29 | 17.8 | 0.6 | 27 | 18.6 | 0.7 | -5.5% | 40.9% |
| 11-12 | 10 | - | 11 | 9.6 | 0.9 | 12 | 11.7 | 1.0 | 11 | 11.6 | 1.1 | 11 | 12.4 | 1.1 | 10 | 12.2 | 1.2 | -5.9% | 15.4% |
| 13-16 | 27 | - | 27 | 29.8 | 1.1 | 26 | 30.0 | 1.2 | 26 | 32.1 | 1.2 | 25 | 33.1 | 1.3 | 28 | 39.5 | 1.4 | 2.5% | 36.7% |

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

2. Rand million.

Programme 6: Incentive Development and Administration

Programme purpose

Stimulate and facilitate the development of sustainable and competitive enterprises through the efficient provision of effective and accessible incentive measures that support national priorities.

Objectives

- Support industrial development that enhances productivity and bolsters competitiveness through designing, administering, monitoring and evaluating incentive programmes based on industrial policies and sector strategies developed by providing financial support in labour-intensive sectors on an ongoing basis.

- Contribute to the accelerated growth of manufacturing and internationally traded services over the medium term by administering infrastructure development programmes through industrial parks infrastructure support and administering the critical infrastructure programme and the special economic zones fund to:
 - attract foreign direct investment
 - develop growth-oriented domestic businesses, leading to increased employment, exports and regional development.

Subprogrammes

- *Broadening Participation Incentives* provides incentive programmes that promote broader participation in the mainstream economy of businesses owned by individuals from historically disadvantaged communities and marginalised regions.
- *Manufacturing Incentives* provides incentives to promote additional investment in the manufacturing sector. The manufacturing investment cluster comprises the manufacturing competitive enhancement programme, the capital projects feasibility programme, the automotive investment scheme, the export marketing and investment assistance scheme, the sector-specific assistance scheme, and the section 12I tax incentive scheme.
- *Services Investment Incentives* provides incentive programmes that promote increased investment and job creation in the services sector. The programmes include the business process services programme, and the film and television production incentive support programme for South African and foreign productions.
- *Infrastructure Investment Support* provides grants for 2 industrial infrastructure initiatives, the special economic zones and the critical infrastructure programme, which are aimed at enhancing infrastructure and industrial development, and increasing investment and exports of value-added commodities.
- *Product and Systems Development* reviews, monitors and develops incentive programmes to support the industrial policy action plan, and develops sector strategies to address market failures.
- *Strategic Partnership and Customer Care* facilitates access to targeted enterprises by reviewing the success of incentive schemes and improving them where possible.

Expenditure trends and estimates

Table 34.19 Incentive Development and Administration expenditure trends and estimates by subprogramme and economic classification

| Subprogramme | Audited outcome | | | Adjusted appropriation 2018/19 | Average growth rate (%) | | Medium-term expenditure estimate | | | Average growth rate (%) 2018/19 - 2021/22 | Average Expenditure/ Total (%) |
|---|------------------|------------------|------------------|-----------------------------------|-------------------------|---------------|----------------------------------|------------------|------------------|--|--------------------------------|
| | 2015/16 | 2016/17 | 2017/18 | | 2015/16 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | | |
| R thousand | | | | | | | | | | | |
| Broadening Participation Incentives | 26 648 | 25 536 | 41 930 | 72 296 | 39.5% | 0.7% | 76 434 | 80 735 | 85 227 | 5.6% | 1.3% |
| Manufacturing Incentives | 3 983 465 | 4 361 494 | 2 924 544 | 3 482 228 | -4.4% | 61.8% | 3 769 573 | 4 177 306 | 2 681 565 | -8.3% | 59.7% |
| Services Investment Incentives | 803 171 | 814 209 | 821 588 | 848 542 | 1.8% | 13.8% | 743 173 | 762 648 | 804 770 | -1.7% | 13.4% |
| Infrastructure Investment Support | 949 722 | 1 660 170 | 1 780 278 | 1 125 183 | 5.8% | 23.1% | 1 391 511 | 1 484 743 | 1 883 008 | 18.7% | 24.9% |
| Product and Systems Development | 14 873 | 15 400 | 13 989 | 17 763 | 6.1% | 0.3% | 21 840 | 23 461 | 24 970 | 12.0% | 0.4% |
| Strategic Partnership and Customer Care | 17 906 | 18 377 | 18 199 | 21 845 | 6.9% | 0.3% | 23 530 | 25 313 | 26 923 | 7.2% | 0.4% |
| Total | 5 795 785 | 6 895 186 | 5 600 528 | 5 567 857 | -1.3% | 100.0% | 6 026 061 | 6 554 206 | 5 506 463 | -0.4% | 100.0% |
| Change to 2018 Budget estimate | | | | (441 159) | | | (458 501) | (335 459) | – | | |
| Economic classification | | | | | | | | | | | |
| Current payments | 151 232 | 141 602 | 151 816 | 181 301 | 6.2% | 2.6% | 185 420 | 193 189 | 199 568 | 3.3% | 3.2% |
| Compensation of employees | 126 464 | 126 834 | 131 948 | 145 360 | 4.8% | 2.2% | 153 438 | 159 149 | 163 657 | 4.0% | 2.6% |
| Goods and services ¹ | 24 768 | 14 768 | 19 868 | 35 941 | 13.2% | 0.4% | 31 982 | 34 040 | 35 911 | – | 0.6% |
| of which: | | | | | | | | | | | |
| Communication | 573 | 276 | 77 | 684 | 6.1% | – | 722 | 764 | 807 | 5.7% | – |
| Consultants: Business and advisory services | 5 108 | 2 763 | 7 271 | 17 746 | 51.5% | 0.1% | 12 404 | 13 086 | 13 806 | -8.0% | 0.2% |
| Legal services | 3 918 | 1 395 | 2 486 | 3 771 | -1.3% | – | 3 982 | 4 201 | 4 432 | 5.5% | 0.1% |
| Operating leases | 792 | 898 | 1 017 | 917 | 5.0% | – | 969 | 1 023 | 1 079 | 5.6% | – |
| Travel and subsistence | 9 695 | 8 828 | 8 082 | 10 304 | 2.1% | 0.2% | 11 245 | 12 161 | 12 829 | 7.6% | 0.2% |
| Venues and facilities | 411 | – | 82 | 891 | 29.4% | – | 941 | 993 | 1 048 | 5.6% | – |

Table 34.19 Incentive Development and Administration expenditure trends and estimates by subprogramme and economic classification

| Economic classification | 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 | |
| R thousand | | | | | | | | | | | | |
| Transfers and subsidies¹ | 5 641 276 | 6 753 112 | 5 448 658 | 5 381 384 | -1.6% | 97.3% | 5 826 564 | 6 346 166 | 5 291 227 | -0.6% | 96.6% | |
| Departmental agencies and accounts | – | 256 000 | 84 000 | – | – | 1.4% | – | – | – | – | – | |
| Public corporations and private enterprises | 5 640 590 | 6 496 887 | 5 364 168 | 5 380 538 | -1.6% | 95.9% | 5 825 671 | 6 345 224 | 5 290 233 | -0.6% | 96.6% | |
| Households | 686 | 225 | 490 | 846 | 7.2% | – | 893 | 942 | 994 | 5.5% | – | |
| Payments for capital assets | 3 277 | 472 | 17 | 5 172 | 16.4% | – | 14 077 | 14 851 | 15 668 | 44.7% | 0.2% | |
| Machinery and equipment | 679 | 472 | 17 | 63 | -54.7% | – | 2 346 | 2 475 | 2 611 | 246.1% | – | |
| Software and other intangible assets | 2 598 | – | – | 5 109 | 25.3% | – | 11 731 | 12 376 | 13 057 | 36.7% | 0.2% | |
| Payments for financial assets | – | – | 37 | – | – | – | – | – | – | – | – | |
| Total | 5 795 785 | 6 895 186 | 5 600 528 | 5 567 857 | -1.3% | 100.0% | 6 026 061 | 6 554 206 | 5 506 463 | -0.4% | 100.0% | |
| Proportion of total programme expenditure to vote expenditure | 61.2% | 66.6% | 60.6% | 58.4% | – | – | 59.9% | 61.7% | 57.9% | – | – | |
| Details of transfers and subsidies | | | | | | | | | | | | |
| Households | | | | | | | | | | | | |
| Social benefits | | | | | | | | | | | | |
| Current | 686 | 225 | 490 | 846 | 7.2% | – | 893 | 942 | 994 | 5.5% | – | |
| Employee social benefits | 686 | 225 | 490 | 846 | 7.2% | – | 893 | 942 | 994 | 5.5% | – | |
| Departmental agencies and accounts | | | | | | | | | | | | |
| Departmental agencies (non-business entities) | | | | | | | | | | | | |
| Current | – | 256 000 | 84 000 | – | – | 1.4% | – | – | – | – | – | |
| National Research Foundation | – | 256 000 | 84 000 | – | – | 1.4% | – | – | – | – | – | |
| Public corporations and private enterprises | | | | | | | | | | | | |
| Private enterprises | | | | | | | | | | | | |
| Other transfers to private enterprises | | | | | | | | | | | | |
| Current | 304 075 | 205 169 | 198 603 | 295 370 | -1.0% | 4.2% | 311 911 | 329 066 | 347 165 | 5.5% | 5.4% | |
| Various institutions: Export market and investment assistance | 281 248 | 184 409 | 162 372 | 227 725 | -6.8% | 3.6% | 240 478 | 253 704 | 267 658 | 5.5% | 4.2% | |
| Various institutions: Support programme for industrial innovation | 22 827 | 20 760 | 36 231 | 67 645 | 43.6% | 0.6% | 71 433 | 75 362 | 79 507 | 5.5% | 1.2% | |
| Capital | 74 203 | 64 187 | 38 836 | 120 071 | 17.4% | 1.2% | 122 891 | 129 650 | 136 781 | 4.4% | 2.2% | |
| Various institutions: Critical infrastructure programme | 74 203 | 64 187 | 38 836 | 120 071 | 17.4% | 1.2% | 122 891 | 129 650 | 136 781 | 4.4% | 2.2% | |
| Public corporations and private enterprises | | | | | | | | | | | | |
| Public corporations | | | | | | | | | | | | |
| Other transfers to public corporations | | | | | | | | | | | | |
| Current | – | 250 000 | 250 000 | 300 000 | – | 3.4% | – | – | – | -100.0% | 1.3% | |
| Industrial Development Corporation: Industrial financing | – | 250 000 | 250 000 | 300 000 | – | 3.4% | – | – | – | -100.0% | 1.3% | |
| Capital | 735 600 | 1 535 797 | 1 705 676 | 991 000 | 10.4% | 20.8% | 1 257 280 | 1 342 930 | 1 733 292 | 20.5% | 22.5% | |
| Various institutions: Critical infrastructure programme | – | 125 797 | 140 257 | 91 000 | – | 1.5% | 100 000 | 105 500 | 111 303 | 6.9% | 1.7% | |
| Various institutions: Special economic zones | 735 600 | 1 410 000 | 1 565 419 | 900 000 | 7.0% | 19.3% | 1 157 280 | 1 237 430 | 1 621 989 | 21.7% | 20.8% | |
| Public corporations and private enterprises | | | | | | | | | | | | |
| Private enterprises | | | | | | | | | | | | |
| Private enterprises (subsidies on products and production) | | | | | | | | | | | | |
| Current | 4 526 712 | 4 441 734 | 3 171 053 | 3 674 097 | -6.7% | 66.3% | 4 133 589 | 4 543 578 | 3 072 995 | -5.8% | 65.2% | |
| Various institutions: Services sector development incentives | 789 663 | 801 038 | 812 498 | 832 069 | 1.8% | 13.6% | 725 025 | 743 168 | 784 042 | -2.0% | 13.0% | |
| Various institutions: Manufacturing development incentives | 3 607 049 | 3 590 696 | 2 338 306 | 2 841 028 | -7.6% | 51.9% | 3 408 564 | 3 800 410 | 2 288 953 | -6.9% | 52.2% | |
| Various institutions: Industrial development zones (other) | 130 000 | 50 000 | 20 249 | 1 000 | -80.3% | 0.8% | – | – | – | -100.0% | – | |

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

Personnel information

Table 34.20 Incentive Development and Administration personnel numbers and cost by salary level¹

| Number of posts estimated for 31 March 2019 | | | Number and cost ² of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | Number | | | | |
|---|---|----|--|-------|-----------|------------------|-------|-----------|----------------------------------|-------|-----------|---------|-------|-----------|-------------------------|---------------------------------|-----------|-------------------|-----------|
| Number of funded posts | Number of posts additional to the establishment | | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | Average growth rate (%) | Average: Salary level/Total (%) | | | |
| | | | 2017/18 | | Unit cost | 2018/19 | | Unit cost | 2019/20 | | Unit cost | 2020/21 | | Unit cost | | | 2021/22 | | Unit cost |
| Incentive Development and Administration | | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | 2018/19 - 2021/22 | |
| Salary level | 212 | 12 | 212 | 131.9 | 0.6 | 209 | 145.4 | 0.7 | 205 | 153.4 | 0.7 | 197 | 159.1 | 0.8 | 187 | 163.7 | 0.9 | -3.6% | 100.0% |
| 1 – 6 | 19 | 12 | 17 | 3.6 | 0.2 | 18 | 3.8 | 0.2 | 18 | 4.1 | 0.2 | 17 | 4.2 | 0.2 | 17 | 4.5 | 0.3 | -1.9% | 8.8% |
| 7 – 10 | 119 | – | 120 | 57.0 | 0.5 | 118 | 65.7 | 0.6 | 114 | 68.0 | 0.6 | 109 | 70.4 | 0.6 | 98 | 67.9 | 0.7 | -6.0% | 55.0% |
| 11 – 12 | 47 | – | 48 | 39.3 | 0.8 | 48 | 46.3 | 1.0 | 47 | 48.5 | 1.0 | 47 | 52.0 | 1.1 | 49 | 58.0 | 1.2 | 0.7% | 23.9% |
| 13 – 16 | 27 | – | 27 | 32.0 | 1.2 | 25 | 29.5 | 1.2 | 26 | 32.7 | 1.3 | 24 | 32.6 | 1.4 | 23 | 33.2 | 1.4 | -2.7% | 12.3% |

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

2. Rand million.

Programme 7: Trade and Investment South Africa

Programme purpose

Support export development and promote exports through targeted strategies, and effectively manage a network of foreign offices.

Objectives

- Develop new exporters and create an export culture in the economy over the medium term by:
 - training 800 emerging exporters through the global exporter passport programme in all provinces
 - reaching 700 clients through the export help desk and disseminating 960 trade enquiries.
- Increase exports by promoting and facilitating South African exports of value-added goods and services towards 6 per cent by 2030 through conducting 15 national pavilions and funding 30 outward selling missions per year.
- Enhance the promotion of exports and investment by placing 48 foreign economic representatives in foreign economic missions to promote South Africa's comparative advantage in goods and services internationally over the medium term.
- Facilitate markets for South African manufactured goods and services by convening and managing bilateral engagements with at least 20 countries through joint cooperation commissions, binational commissions or joint trade and investment committees by March 2020.
- Facilitate South African investments to the rest of Africa by undertaking scoping, technical and investment missions as well as managing flagship events such as the Africa Investment Forum and World Economic Forum on Africa by March 2020.

Subprogrammes

- *Trade Invest Africa* facilitates deeper and broader bilateral African trade and investment relations with African economies, and supports the deepening of regional integration through an outward investment-led trade approach.
- *Export Promotion and Marketing* promotes the export of South African value-added goods and services to increase market share in targeted high-growth markets and sustain market share in traditional markets.
- *Trade and Investment South Africa Executive Management Unit* promotes trade, and administers and provides corporate services to the department's foreign office network of foreign economic representatives to enable South African businesses to access global markets.
- *Export Development and Support* manages the national exporter development programme, which is designed to contribute to positioning South Africa as a reliable trade partner, and improve and expand the country's exporter base.

Expenditure trends and estimates

Table 34.21 Trade and Investment South Africa 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 | | 2015/16 - 2018/19 | Average: Expenditure/ Total (%) | 2019/20 | 2020/21 | 2021/22 | 2018/19 - 2021/22 | Average: Expenditure/ Total (%) |
| R thousand | | | | | | | | | | | |
| Trade Invest Africa | 18 466 | 20 073 | 20 200 | 20 244 | 3.1% | 4.4% | 24 715 | 26 559 | 29 061 | 12.8% | 5.6% |
| Export Promotion and Marketing | 41 480 | 40 820 | 44 423 | 42 527 | 0.8% | 9.5% | 45 679 | 50 442 | 53 414 | 7.9% | 10.7% |
| Trade and Investment South Africa Executive Management Unit | 386 010 | 377 713 | 373 260 | 330 348 | -5.1% | 82.2% | 347 040 | 354 779 | 378 182 | 4.6% | 78.6% |
| Export Development and Support | 16 955 | 15 982 | 18 271 | 18 483 | 2.9% | 3.9% | 23 022 | 24 486 | 25 805 | 11.8% | 5.1% |
| Total | 462 911 | 454 588 | 456 154 | 411 602 | -3.8% | 100.0% | 440 456 | 456 266 | 486 462 | 5.7% | 100.0% |
| Change to 2018 Budget estimate | | | | - | | | 7 033 | 16 264 | - | | |
| Economic classification | | | | | | | | | | | |
| Current payments | 260 865 | 279 875 | 266 458 | 224 150 | -4.9% | 57.8% | 241 354 | 246 216 | 264 861 | 5.7% | 54.4% |
| Compensation of employees | 177 801 | 195 296 | 184 955 | 174 231 | -0.7% | 41.0% | 189 758 | 191 781 | 207 435 | 6.0% | 42.5% |
| Goods and services ¹ | 83 064 | 84 579 | 81 503 | 49 919 | -15.6% | 16.8% | 51 596 | 54 435 | 57 426 | 4.8% | 11.9% |
| of which: | | | | | | | | | | | |
| Communication | 2 494 | 2 165 | 1 815 | 1 106 | -23.7% | 0.4% | 1 126 | 1 188 | 1 253 | 4.2% | 0.3% |
| Consultants: Business and advisory services | 1 493 | 1 359 | 956 | 1 269 | -5.3% | 0.3% | 2 199 | 2 321 | 2 449 | 24.5% | 0.5% |
| Operating leases | 23 577 | 28 704 | 29 835 | 6 848 | -33.8% | 5.0% | 6 888 | 7 267 | 7 668 | 3.8% | 1.6% |
| Travel and subsistence | 23 992 | 22 894 | 21 991 | 14 820 | -14.8% | 4.7% | 15 309 | 16 151 | 17 040 | 4.8% | 3.5% |
| Operating payments | 14 769 | 14 730 | 11 576 | 10 813 | -9.9% | 2.9% | 11 710 | 12 354 | 13 033 | 6.4% | 2.7% |
| Venues and facilities | 4 631 | 4 811 | 3 794 | 6 938 | 14.4% | 1.1% | 9 008 | 9 504 | 10 026 | 13.1% | 2.0% |
| Transfers and subsidies¹ | 200 251 | 171 700 | 188 635 | 186 907 | -2.3% | 41.9% | 196 762 | 207 582 | 218 998 | 5.4% | 45.1% |
| Foreign governments and international organisations | - | - | - | 3 079 | - | 0.2% | 3 251 | 3 429 | 3 617 | 5.5% | 0.7% |
| Public corporations and private enterprises | 199 969 | 171 566 | 188 272 | 183 248 | -2.9% | 41.6% | 193 511 | 204 153 | 215 381 | 5.5% | 44.4% |
| Households | 282 | 134 | 363 | 580 | 27.2% | 0.1% | - | - | - | -100.0% | - |
| Payments for capital assets | 1 794 | 2 998 | 1 046 | 545 | -32.8% | 0.4% | 2 340 | 2 468 | 2 603 | 68.4% | 0.4% |
| Machinery and equipment | 1 794 | 2 998 | 1 046 | 545 | -32.8% | 0.4% | 2 340 | 2 468 | 2 603 | 68.4% | 0.4% |
| Payments for financial assets | 1 | 15 | 15 | - | -100.0% | - | - | - | - | - | - |
| Total | 462 911 | 454 588 | 456 154 | 411 602 | -3.8% | 100.0% | 440 456 | 456 266 | 486 462 | 5.7% | 100.0% |
| Proportion of total programme expenditure to vote expenditure | 4.9% | 4.4% | 4.9% | 4.3% | - | - | 4.4% | 4.3% | 5.1% | - | - |
| Details of transfers and subsidies | | | | | | | | | | | |
| Households | | | | | | | | | | | |
| Social benefits | | | | | | | | | | | |
| Current | 282 | 134 | 363 | 580 | 27.2% | 0.1% | - | - | - | -100.0% | - |
| Employee social benefits | 282 | 134 | 363 | 580 | 27.2% | 0.1% | - | - | - | -100.0% | - |
| Foreign governments and international organisations | | | | | | | | | | | |
| Current | - | - | - | 3 079 | - | 0.2% | 3 251 | 3 429 | 3 617 | 5.5% | 0.7% |
| Export consultancy trust funds: International Bank for Reconstruction and Development (World Bank) | - | - | - | 1 540 | - | 0.1% | 1 626 | 1 715 | 1 809 | 5.5% | 0.4% |
| Export consultancy trust funds: International Finance Corporation | - | - | - | 1 539 | - | 0.1% | 1 625 | 1 714 | 1 808 | 5.5% | 0.4% |
| Public corporations and private enterprises | | | | | | | | | | | |
| Public corporations | | | | | | | | | | | |
| Other transfers to public corporations | | | | | | | | | | | |
| Current | 199 969 | 171 566 | 188 272 | 183 248 | -2.9% | 41.6% | 193 511 | 204 153 | 215 381 | 5.5% | 44.4% |
| Export Credit Insurance Corporation of South Africa | 199 969 | 171 566 | 188 272 | 183 248 | -2.9% | 41.6% | 193 511 | 204 153 | 215 381 | 5.5% | 44.4% |

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

Personnel information

Table 34.22 Trade and Investment South Africa personnel numbers and cost by salary level¹

| Number of posts estimated for 31 March 2019 | | | Number and cost ² of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | Number | | | | |
|---|---|----|--|-------|-----------|------------------|---------|-----------|----------------------------------|-------|-----------|--------|-------------------|-----------|-------------------------|---------------------------------|-----|-------|--------|
| Number of funded posts | Number of posts additional to the establishment | | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | Average growth rate (%) | Average: Salary level/Total (%) | | | |
| | | | 2017/18 | | 2018/19 | | 2019/20 | | 2020/21 | | 2021/22 | | 2018/19 - 2021/22 | | | | | | |
| Trade and Investment South Africa | | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | | | |
| Salary level | 251 | 11 | 226 | 185.0 | 0.8 | 214 | 174.2 | 0.8 | 212 | 189.8 | 0.9 | 209 | 191.8 | 0.9 | 209 | 207.4 | 1.0 | -0.8% | 100.0% |
| 1 – 6 | 15 | 9 | 16 | 4.0 | 0.2 | 16 | 2.5 | 0.2 | 14 | 2.2 | 0.2 | 14 | 2.3 | 0.2 | 14 | 2.5 | 0.2 | -4.4% | 6.9% |
| 7 – 10 | 71 | – | 74 | 36.0 | 0.5 | 74 | 38.8 | 0.5 | 70 | 39.8 | 0.6 | 72 | 44.1 | 0.6 | 71 | 47.0 | 0.7 | -1.4% | 34.0% |
| 11 – 12 | 37 | – | 38 | 33.7 | 0.9 | 36 | 34.4 | 1.0 | 35 | 36.0 | 1.0 | 36 | 39.3 | 1.1 | 36 | 42.0 | 1.2 | – | 16.9% |
| 13 – 16 | 28 | 2 | 27 | 49.5 | 1.8 | 17 | 32.1 | 1.9 | 22 | 41.0 | 1.9 | 16 | 30.1 | 1.9 | 17 | 34.8 | 2.0 | – | 8.5% |
| Other | 100 | – | 71 | 61.8 | 0.9 | 71 | 66.3 | 0.9 | 71 | 70.9 | 1.0 | 71 | 75.9 | 1.1 | 71 | 81.1 | 1.1 | – | 33.6% |

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

2. Rand million.

Programme 8: Investment South Africa

Programme purpose

Support foreign direct investment flows and promote domestic investment by providing a one-stop shop for investment promotion, investor facilitation and aftercare support for investors.

Objectives

- Increase the quality and quantum of South Africa's fixed investment from R50 billion in 2018/19 to R60 billion in 2021/22 by:
 - marketing and promoting the country to ensure investment opportunities through dedicated investment promotion, facilitation and aftercare services
 - coordinating and leading the establishment of one-stop shops on behalf of government to facilitate investment for all investors
 - coordinating and leading the investment climate reform with the World Bank on the ease of doing business
 - developing a pipeline of potential projects and contributing to South Africa being a preferred destination for investment
 - undertaking aftercare forums with investors to retain and expand investment.
- Provide a dedicated service to all investors over the medium term by:
 - facilitating the entire investment value chain
 - developing an investment pipeline of possible projects through lead creation, marketing, project development, facilitation and aftercare.
- Provide specialist advisory services and policy advocacy to improve the investment climate by fast-tracking and unblocking investor issues to reduce red tape in government over the medium term.

Subprogrammes

- *Investment Promotion* facilitates an increase in the quality and quantity of foreign direct investment, and domestic and outward investment, by providing investment attraction, targeted lead generation and recruitment support.
- *Investment and Interdepartmental Clearing House* promotes and facilitates investment, and provides support services to the investment and interdepartmental clearing house. This subprogramme also provides a specialist advisory service, fast-tracks and unblocks processes, and reduces red tape for investors.

- *Investment Support and Aftercare* provides specialist advisory services through research, information marketing, aftercare and policy advocacy to facilitate new investment, and retain and expand existing investment.

Expenditure trends and estimates

Table 34.23 Investment South Africa expenditure trends and estimates by subprogramme and economic classification

| Subprogramme | 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 | | | | | | | | | | | |
| Investment Promotion | 31 919 | 45 244 | 49 941 | 44 903 | 12.0% | 67.2% | 48 848 | 50 943 | 54 935 | 7.0% | 74.5% |
| Investment and Interdepartmental Clearing House | 6 066 | 24 000 | 14 516 | 34 472 | 78.5% | 30.9% | 4 598 | 4 931 | 5 245 | -46.6% | 18.4% |
| Investment Support and Aftercare | 297 | – | 48 | 4 471 | 146.9% | 1.9% | 4 593 | 4 926 | 5 240 | 5.4% | 7.2% |
| Total | 38 282 | 69 244 | 64 505 | 83 846 | 29.9% | 100.0% | 58 039 | 60 800 | 65 420 | -7.9% | 100.0% |
| Change to 2018 Budget estimate | | | | 30 000 | | | 812 | (582) | – | | |
| Economic classification | | | | | | | | | | | |
| Current payments | 38 115 | 44 811 | 50 134 | 53 416 | 11.9% | 72.9% | 57 585 | 60 321 | 64 915 | 6.7% | 88.1% |
| Compensation of employees | 27 353 | 27 472 | 34 931 | 37 047 | 10.6% | 49.6% | 40 104 | 41 746 | 45 320 | 6.9% | 61.3% |
| Goods and services ¹ | 10 762 | 17 339 | 15 203 | 16 369 | 15.0% | 23.3% | 17 481 | 18 575 | 19 595 | 6.2% | 26.9% |
| of which: | | | | | | | | | | | |
| Communication | 171 | 80 | 20 | 193 | 4.1% | 0.2% | 203 | 213 | 224 | 5.1% | 0.3% |
| Consultants: Business and advisory services | 6 | 1 206 | 688 | 393 | 303.1% | 0.9% | 415 | 438 | 462 | 5.5% | 0.6% |
| Contractors | – | – | 30 | 6 703 | – | 2.6% | 7 078 | 7 467 | 7 878 | 5.5% | 10.9% |
| Travel and subsistence | 7 888 | 8 511 | 10 142 | 6 141 | -8.0% | 12.8% | 6 681 | 7 179 | 7 575 | 7.2% | 10.3% |
| Operating payments | 509 | 125 | 980 | 724 | 12.5% | 0.9% | 765 | 807 | 851 | 5.5% | 1.2% |
| Venues and facilities | 1 412 | 1 487 | 992 | 1 719 | 6.8% | 2.2% | 1 815 | 1 915 | 2 020 | 5.5% | 2.8% |
| Transfers and subsidies¹ | 144 | 24 142 | 14 135 | 30 000 | 492.8% | 26.7% | – | – | – | -100.0% | 11.2% |
| Public corporations and private enterprises | – | 24 000 | 14 000 | 30 000 | – | 26.6% | – | – | – | -100.0% | 11.2% |
| Households | 144 | 142 | 135 | – | -100.0% | 0.2% | – | – | – | – | – |
| Payments for capital assets | 23 | 291 | 236 | 430 | 165.4% | 0.4% | 454 | 479 | 505 | 5.5% | 0.7% |
| Machinery and equipment | 23 | 291 | 236 | 430 | 165.4% | 0.4% | 454 | 479 | 505 | 5.5% | 0.7% |
| Total | 38 282 | 69 244 | 64 505 | 83 846 | 29.9% | 100.0% | 58 039 | 60 800 | 65 420 | -7.9% | 100.0% |
| Proportion of total programme expenditure to vote expenditure | 0.4% | 0.7% | 0.7% | 0.9% | – | – | 0.6% | 0.6% | 0.7% | – | – |
| Details of transfers and subsidies | | | | | | | | | | | |
| Households | | | | | | | | | | | |
| Social benefits | | | | | | | | | | | |
| Current | 144 | 42 | 35 | – | -100.0% | 0.1% | – | – | – | – | – |
| Employee social benefits | 144 | 42 | 35 | – | -100.0% | 0.1% | – | – | – | – | – |
| Households | | | | | | | | | | | |
| Other transfers to households | | | | | | | | | | | |
| Current | – | 100 | 100 | – | – | 0.1% | – | – | – | – | – |
| Gifts and donations | – | 100 | 100 | – | – | 0.1% | – | – | – | – | – |
| Public corporations and private enterprises | | | | | | | | | | | |
| Public corporations | | | | | | | | | | | |
| Other transfers to public corporations | | | | | | | | | | | |
| Current | – | 24 000 | 14 000 | 30 000 | – | 26.6% | – | – | – | -100.0% | 11.2% |
| Various institutions: One-stop shop | – | 24 000 | 14 000 | 30 000 | – | 26.6% | – | – | – | -100.0% | 11.2% |

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

Personnel information

Table 34.24 Investment South Africa personnel numbers and cost by salary level¹

| Number of posts estimated for 31 March 2019 | | Number and cost ² of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Number | | |
|---|---|--|------|-----------|------------------|------|-----------|----------------------------------|------|-----------|---------|------|-----------|---------|------|-----------|-------------------------|---------------------------------|-------|
| Number of funded posts | Number of posts additional to the establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | Average growth rate (%) | Average: Salary level/Total (%) | |
| | | 2017/18 | | | 2018/19 | | | 2019/20 | | | 2020/21 | | | 2021/22 | | | | | |
| | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | | |
| Investment South Africa | | 62 | 34.9 | 0.6 | 60 | 37.0 | 0.6 | 59 | 40.1 | 0.7 | 58 | 41.7 | 0.7 | 58 | 45.3 | 0.8 | -1.1% | 100.0% | |
| Salary level | 52 | 3 | | | | | | | | | | | | | | | | | |
| 1 – 6 | 1 | – | 14 | 1.7 | 0.1 | 13 | 2.0 | 0.2 | 12 | 1.9 | 0.2 | 12 | 2.0 | 0.2 | 12 | 2.2 | 0.2 | -2.6% | 20.9% |
| 7 – 10 | 26 | 3 | 24 | 11.3 | 0.5 | 23 | 11.8 | 0.5 | 23 | 12.6 | 0.5 | 23 | 13.6 | 0.6 | 22 | 13.8 | 0.6 | -1.5% | 38.7% |
| 11 – 12 | 17 | – | 16 | 12.8 | 0.8 | 17 | 14.6 | 0.9 | 16 | 14.6 | 0.9 | 16 | 15.7 | 1.0 | 16 | 16.8 | 1.0 | -2.0% | 27.7% |
| 13 – 16 | 8 | – | 8 | 9.2 | 1.1 | 7 | 8.7 | 1.2 | 8 | 10.9 | 1.4 | 7 | 10.4 | 1.5 | 8 | 12.5 | 1.6 | 4.6% | 12.8% |

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

2. Rand million.

Entities

Export Credit Insurance Corporation of South Africa

Mandate

The Export Credit Insurance Corporation of South Africa was established in terms of the Export Credit and Foreign Investments Insurance Act (1957) to facilitate and encourage South Africa's export trade by underwriting export credit loans and investments outside South Africa. The corporation is mandated to evaluate export credit and foreign investment risks, provide export credit and foreign investment insurance cover on behalf of the South African government, and manage the subsidised interest rate arrangement for participating financial institutions to enable them to provide loans to South African firms that invest in capital projects abroad.

Selected performance indicators

Table 34.25 Export Credit Insurance Corporation of South Africa 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 |
| Number of research projects to identify new opportunities per year | Improve business development | Outcome 4: Decent employment through inclusive growth | 2 | 2 | 3 | 2 | 3 | 3 | 3 |
| Value of project approvals per year | Improve business development | | US\$377m | US\$479m | US\$496m | US\$450m- US\$550m | US\$550m- US\$575m | US\$500m- US\$600m | US\$600m- US\$625m |
| Percentage increase/decrease in basic own funds per year | Increase capital base | | 21% (R923 617/ R4 324 239) | -32% ¹ (-R1 677 981/ R5 247 857) | 13% (R460 169/ R3 569 876) | 8% | 8% | 8% | 8% |

1. Decrease due to the corporation absorbing interest make-up liability from October 2016, resulting in reprioritisations of own funds.

Expenditure analysis

The Export Credit Insurance Corporation of South Africa provides comprehensive export credit and investment insurance solutions in support of South African exports. The corporation aims to assist South African exporters doing business in risky sectors or countries, and thereby contributes to the expansion of exports, economic growth and the creation of local jobs. Over the medium term, the corporation will focus on building and leveraging strategic partnerships in the public and private sectors with a view of entering markets beyond its current reach in Southern and West Africa. The corporation also aims to expand through providing customer-centric solutions, expediting its credit approval process and offering customers competitive prices. Accordingly, over the period ahead, the corporation plans to approve projects that are worth between US\$1.7 million and US\$1.8 million, and conduct 9 studies to identify new opportunities.

The corporation's expenditure is expected to increase at an average annual rate of 0.8 per cent, from R562.4 million in 2018/19 to R575.4 million in 2021/22. Total revenue is projected to be R3.6 billion over the medium term, 84.3 per cent (R3 billion) of which is expected to be generated through insurance premiums and investment income, with the remainder derived from transfers from the department. Revenue from insurance

premiums and investment income is expected to decrease at an average annual rate of 11.9 per cent, from R1.4 billion in 2018/19 to R956.4 million in 2021/22, due to fluctuations in foreign currency.

The corporation's interest make-up liability scheme is a subsidised interest rate arrangement, that enables participating financial institutions to provide loans to South African exporters at subsidised rates, allowing exporters to access new markets and diversify exports. Transfers from the department for the scheme are projected to increase at an average annual rate of 5.5 per cent, from R183.2 million in 2018/19 to R215.4 million in 2021/22.

Programmes/Objectives/Activities

Table 34.26 Export Credit Insurance Corporation of South Africa expenditure trends and estimates by programme/objective/activity

| | 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 | | |
| R thousand | | | | | | | | | | | |
| Administration | 357 062 | 130 241 | 159 789 | 387 460 | 2.8% | 31.3% | 134 873 | 181 907 | 243 306 | -14.4% | 37.5% |
| Improve knowledge and skills | 9 204 | 17 723 | 13 498 | 19 200 | 27.8% | 1.7% | 19 732 | 20 602 | 21 739 | 4.2% | 3.0% |
| Advance transformation to draw from a diverse talent pool and build an inclusive economy | - | - | 21 323 | 23 876 | - | 1.7% | 47 768 | 19 261 | 25 061 | 1.6% | 4.0% |
| Build and leverage strategic partnerships to advance business | 4 866 | 2 519 | 2 880 | 3 697 | -8.8% | 0.4% | 3 512 | 3 780 | 4 014 | 2.8% | 0.6% |
| Enhance business processes to improve operational efficiency | 3 476 | 42 414 | 26 194 | 36 677 | 119.3% | 3.0% | 42 765 | 45 097 | 47 626 | 9.1% | 6.3% |
| Communicate to create better awareness and understanding of the corporation and its role | 9 853 | 15 236 | 14 644 | 10 541 | 2.3% | 1.3% | 8 875 | 9 656 | 10 473 | -0.2% | 1.5% |
| Escalate business development initiatives to grow the business | 4 484 | 12 550 | 11 121 | 11 357 | 36.3% | 1.1% | 11 173 | 11 874 | 12 570 | 3.4% | 1.7% |
| Increase stakeholder/customer satisfaction | 167 531 | 2 138 928 | 54 998 | 80 849 | -21.6% | 31.1% | 63 267 | 52 050 | 42 378 | -19.4% | 8.8% |
| Increase capital base to underwrite more business to fulfil the corporation's mandate | 599 815 | 53 271 | 498 026 | (11 296) | -126.6% | 28.5% | 694 045 | 362 009 | 168 186 | -346.0% | 36.5% |
| Total | 1 156 290 | 2 412 881 | 802 474 | 562 359 | -21.4% | 100.0% | 1 026 010 | 706 237 | 575 353 | 0.8% | 100.0% |

Statements of historical financial performance and position

Table 34.27 Export Credit Insurance Corporation of South Africa statements of historical financial performance and position

| Statement of financial performance | Budget | Audited outcome | Budget | Audited outcome | Budget | Audited outcome | Budget estimate | Revised estimate | Average Outcome/ Budget (%) |
|--|------------------|------------------|------------------|--------------------|----------------|------------------|------------------|------------------|-----------------------------|
| | 2015/16 | 2015/16 | 2016/17 | 2016/17 | 2017/18 | 2017/18 | 2018/19 | 2018/19 | 2015/16 - 2018/19 |
| R thousand | | | | | | | | | |
| Revenue | | | | | | | | | |
| Non-tax revenue | 958 074 | 979 341 | 838 727 | 1 178 561 | 775 801 | 1 576 355 | 848 070 | 1 398 390 | 150.0% |
| Sale of goods and services other than capital assets | 565 322 | 621 102 | 526 383 | 477 949 | 563 131 | 886 948 | 609 634 | 847 278 | 125.1% |
| of which: | | | | | | | | | |
| Sales by market establishment | 565 322 | 621 102 | 526 383 | 477 949 | 563 131 | 886 948 | 609 634 | 847 278 | 125.1% |
| Other non-tax revenue | 392 752 | 358 239 | 312 344 | 700 612 | 212 670 | 689 407 | 238 436 | 551 112 | 198.9% |
| Transfers received | 165 447 | 165 447 | 171 566 | - | 177 644 | 188 272 | 183 248 | 183 248 | 76.9% |
| Total revenue | 1 123 521 | 1 144 788 | 1 450 779 | 1 178 561 | 953 445 | 1 764 627 | 1 031 318 | 1 581 638 | 124.4% |
| Expenses | | | | | | | | | |
| Current expenses | 155 957 | 633 784 | 2 411 892 | 2 282 639 | 847 926 | 642 685 | 634 424 | 174 899 | 92.2% |
| Compensation of employees | 53 232 | 46 946 | 86 158 | 79 720 | 100 499 | 82 251 | 110 350 | 107 825 | 90.4% |
| Goods and services | 99 526 | 584 957 | 2 322 960 | 2 200 495 | 744 683 | 557 772 | 520 644 | 64 266 | 92.4% |
| Depreciation | 3 199 | 1 878 | 2 773 | 2 417 | 2 744 | 2 659 | 3 430 | 2 807 | 80.4% |
| Interest, dividends and rent on land | - | 2 | 1 | 8 | - | 2 | - | 1 | 1 295.8% |
| Transfers and subsidies | 165 447 | 165 446 | - | - | - | - | - | - | 100.0% |
| Total expenses | 545 997 | 1 156 290 | 2 411 892 | 2 412 880 | 901 606 | 802 474 | 761 031 | 562 359 | 106.8% |
| Surplus/(Deficit) | 577 524 | (11 502) | (961 112) | (1 234 319) | 51 839 | 962 153 | 270 287 | 1 019 278 | |

Table 34.28 Export Credit Insurance Corporation of South Africa statements of historical financial performance and position

| Statement of financial position | | | | | | | | | Average: Outcome/ Budget (%) |
|-------------------------------------|------------------|--------------------|------------------|--------------------|------------------|--------------------|--------------------|---------------------|---------------------------------------|
| | Budget | Audited outcome | Budget | Audited outcome | Budget | Audited outcome | Budget estimate | Revised estimate | 2015/16 - 2018/19 |
| R thousand | 2015/16 | | 2016/17 | | 2017/18 | | 2018/19 | | |
| Carrying value of assets | 17 950 | 14 471 | 10 800 | 11 663 | 9 882 | 8 778 | 11 204 | 6 332 | 82.8% |
| <i>of which:</i> | | | | | | | | | |
| <i>Acquisition of assets</i> | (13 214) | (4 736) | (2 812) | (936) | (3 356) | (1 145) | (4 752) | (1 461) | 34.3% |
| Investments | 6 726 826 | 7 072 662 | 7 731 693 | 6 685 901 | 7 296 256 | 6 715 775 | 7 483 155 | 7 260 145 | 94.9% |
| Receivables and prepayments | 1 519 710 | 1 878 703 | 1 779 761 | 1 578 303 | 1 507 063 | 1 648 511 | 1 680 316 | 1 925 936 | 108.4% |
| Cash and cash equivalents | 2 636 | 439 961 | 1 944 | 284 615 | 1 417 | 154 467 | 2 058 | 46 580 | 11 490.4% |
| Taxation | 1 020 | 26 516 | 412 159 | – | – | 11 988 | – | 11 988 | 12.2% |
| Total assets | 8 268 143 | 9 432 312 | 9 936 358 | 8 560 482 | 8 814 618 | 8 539 519 | 9 176 733 | 9 250 981 | 98.9% |
| Accumulated surplus/(deficit) | 552 738 | 1 933 636 | 3 311 567 | 656 603 | 3 310 455 | 2 036 478 | 3 584 029 | 4 706 932 | 86.8% |
| Capital and reserves | 4 226 990 | 3 314 220 | 814 769 | 2 913 273 | 316 051 | 1 993 567 | 316 051 | 343 628 | 150.9% |
| Trade and other payables | 35 415 | 27 106 | 41 385 | 38 832 | 47 492 | 51 573 | 80 696 | 52 542 | 83.0% |
| Taxation | 38 350 | 43 357 | – | 78 607 | 23 044 | 39 435 | 23 044 | – | 191.1% |
| Provisions | 3 414 650 | 4 113 993 | 4 060 771 | 3 240 145 | 3 726 723 | 3 245 583 | 3 980 060 | 2 952 313 | 89.3% |
| Derivatives financial instruments | – | – | 1 707 866 | 1 633 022 | 1 390 854 | 1 172 883 | 1 192 855 | 1 195 567 | 93.2% |
| Total equity and liabilities | 8 268 143 | 9 432 312 | 9 936 358 | 8 560 482 | 8 814 619 | 8 539 519 | 9 176 734 | 9 250 981 | 98.9% |

Statements of estimates of financial performance and position**Table 34.29 Export Credit Insurance Corporation of South Africa statements of estimates of financial performance and position**

| Statement of financial performance | | | | | | | | |
|--|---------------------|----------------------------------|---|----------------------|-------------------|-------------------|----------------------------------|---|
| | Revised estimate | Average growth rate (%) | Average: Expen- diture/ Total (%) | Medium-term estimate | | | Average growth rate (%) | Average: Expen- diture/ Total (%) |
| R thousand | 2018/19 | 2015/16 - 2018/19 | | 2019/20 | 2020/21 | 2021/22 | 2018/19 - 2021/22 | |
| Revenue | | | | | | | | |
| Non-tax revenue | 1 398 390 | 12.6% | 90.8% | 1 128 509 | 930 268 | 956 412 | -11.9% | 84.3% |
| Sale of goods and services other than capital assets | 847 278 | 10.9% | 49.7% | 874 159 | 476 987 | 482 392 | -17.1% | 50.7% |
| <i>of which:</i> | | | | | | | | |
| <i>Sales by market establishment</i> | 847 278 | 10.9% | 49.7% | 874 159 | 476 987 | 482 392 | -17.1% | 50.7% |
| Other non-tax revenue | 551 112 | 15.4% | 41.2% | 254 350 | 453 281 | 474 021 | -4.9% | 33.6% |
| Transfers received | 183 248 | 3.5% | 9.2% | 193 511 | 204 153 | 215 381 | 5.5% | 15.7% |
| Total revenue | 1 581 638 | 11.4% | 100.0% | 1 322 020 | 1 134 421 | 1 171 793 | -9.5% | 100.0% |
| Expenses | | | | | | | | |
| Current expenses | 174 899 | -34.9% | 65.2% | 891 885 | 524 329 | 332 048 | 23.8% | 62.5% |
| Compensation of employees | 107 825 | 31.9% | 9.2% | 114 846 | 122 319 | 130 279 | 6.5% | 17.6% |
| Goods and services | 64 266 | -52.1% | 55.7% | 773 943 | 399 248 | 199 643 | 45.9% | 44.5% |
| Depreciation | 2 807 | 14.3% | 0.3% | 3 096 | 2 762 | 2 126 | -8.8% | 0.4% |
| Interest, dividends and rent on land | 1 | -20.1% | 0.0% | – | – | – | -100.0% | 0.0% |
| Total expenses | 562 359 | -21.4% | 100.0% | 1 026 758 | 706 236 | 575 354 | 0.8% | 100.0% |
| Surplus/(Deficit) | 1 019 278 | | | 295 262 | 428 185 | 596 439 | | |
| Statement of financial position | | | | | | | | |
| Carrying value of assets | 6 332 | -24.1% | 0.1% | 6 047 | 4 614 | 2 488 | -26.8% | 0.0% |
| <i>of which:</i> | | | | | | | | |
| <i>Acquisition of assets</i> | (1 461) | -32.4% | -0.0% | (2 810) | (1 330) | – | -100.0% | -0.0% |
| Investments | 7 260 145 | 0.9% | 77.6% | 8 703 470 | 8 990 667 | 9 730 206 | 10.3% | 84.3% |
| Receivables and prepayments | 1 925 936 | 0.8% | 19.6% | 1 750 492 | 1 351 452 | 1 087 064 | -17.4% | 15.1% |
| Cash and cash equivalents | 46 580 | -52.7% | 2.6% | 45 786 | 42 517 | 42 429 | -3.1% | 0.4% |
| Taxation | 11 988 | -23.2% | 0.1% | 11 988 | 11 988 | 11 988 | – | 0.1% |
| Total assets | 9 250 981 | -0.6% | 100.0% | 10 517 782 | 10 401 238 | 10 874 175 | 5.5% | 100.0% |
| Accumulated surplus/(deficit) | 4 706 932 | 34.5% | 25.7% | 5 002 194 | 5 430 379 | 6 026 818 | 8.6% | 51.5% |
| Capital and reserves | 343 628 | -53.0% | 24.1% | 343 628 | 343 628 | 343 628 | – | 3.4% |
| Deferred income | – | – | – | 143 522 | 131 577 | 128 310 | – | 1.0% |
| Trade and other payables | 52 542 | 24.7% | 0.5% | 74 816 | 70 052 | 66 870 | 8.4% | 0.6% |
| Provisions | 2 952 313 | -10.5% | 37.8% | 4 000 192 | 3 702 818 | 3 725 673 | 8.1% | 35.0% |
| Derivatives financial instruments | 1 195 567 | – | 11.4% | 953 430 | 722 783 | 582 875 | -21.3% | 8.6% |
| Total equity and liabilities | 9 250 981 | -0.6% | 100.0% | 10 517 782 | 10 401 238 | 10 874 175 | 5.5% | 100.0% |

Personnel information

Table 34.30 Export Credit Insurance Corporation of South Africa personnel numbers and cost by salary level

| Number of posts estimated for 31 March 2019 | | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Number | | |
|---|---|--|------|-----------|------------------|------|-----------|----------------------------------|------|-----------|--------|---------|-----------|-------------------------|---------------------------------|-------------------|--------|------|-----------|
| Number of funded posts | Number of posts on approved establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | Average growth rate (%) | Average: Salary level/Total (%) | | | | |
| | | 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 |
| Export Credit Insurance Corporation of South Africa | | 90 | 85 | 82.3 | 1.0 | 90 | 107.8 | 1.2 | 90 | 114.8 | 1.3 | 90 | 122.3 | 1.4 | 90 | 130.3 | 1.4 | 6.5% | 100.0% |
| Salary level | | 9 | 10 | 1.6 | 0.2 | 9 | 1.9 | 0.2 | 9 | 2.0 | 0.2 | 9 | 2.1 | 0.2 | 9 | 2.2 | 0.2 | 6.5% | 10.0% |
| 1-6 | 9 | 9 | 10 | 1.6 | 0.2 | 9 | 1.9 | 0.2 | 9 | 2.0 | 0.2 | 9 | 2.1 | 0.2 | 9 | 2.2 | 0.2 | 6.5% | 10.0% |
| 7-10 | 40 | 40 | 41 | 20.6 | 0.5 | 40 | 25.6 | 0.6 | 40 | 27.2 | 0.7 | 40 | 29.0 | 0.7 | 40 | 30.9 | 0.8 | 6.5% | 44.4% |
| 11-12 | 14 | 14 | 14 | 13.3 | 0.9 | 14 | 15.2 | 1.1 | 14 | 16.2 | 1.2 | 14 | 17.3 | 1.2 | 14 | 18.4 | 1.3 | 6.5% | 15.6% |
| 13-16 | 23 | 23 | 16 | 29.8 | 1.9 | 23 | 47.5 | 2.1 | 23 | 50.6 | 2.2 | 23 | 53.9 | 2.3 | 23 | 57.4 | 2.5 | 6.5% | 25.6% |
| 17-22 | 4 | 4 | 4 | 17.0 | 4.2 | 4 | 17.7 | 4.4 | 4 | 18.8 | 4.7 | 4 | 20.0 | 5.0 | 4 | 21.3 | 5.3 | 6.5% | 4.4% |

1. Rand million.

National Lotteries Commission

Mandate

The National Lotteries Commission was established in terms of the National Lotteries Act (1997) and is mandated to regulate the national lottery as well as other lotteries, including fundraising society lotteries and promotional competitions. The commission also advises the Minister of Trade and Industry on policy matters relating to the national lottery and other lotteries. The commission ensures the protection of all participants, maximises revenue for good causes in a responsible manner, administers the National Lottery Distribution Trust Fund, and distributes funds for good causes to the distributing agencies in an equitable and expeditious manner.

Selected performance indicators

Table 34.31 National Lotteries Commission 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 operator ticket sales per year | Administration | Outcome 11: Create a better South Africa, a better Africa and a better world | R4.4bn | R5.8bn | R6bn | R6.4bn | R6.9bn | R7.3bn | R7.3bn |
| Value of National Lottery Distribution Trust Fund grant commitments per year | Administration | | R2.2bn | R1.5bn | R1.4bn | R1.4bn | R1.2bn | R1.3bn | R1.3bn |
| Actual cash disbursed per year | Administration | | R2bn | R1.7bn | R2bn | R2.1bn | R2.2bn | R2.3bn | R2.3bn |
| Value of contribution to the National Lottery Distribution Trust Fund per year | Administration | | R1.1bn | R1.5bn | R1.4bn | R1.5bn | R1.6bn | R1.7bn | R1.7bn |

Expenditure analysis

The National Lotteries Commission ensures the protection of all participants and that funds raised through the national lottery are distributed fairly and speedily to disadvantaged communities across South Africa. Over the medium term, the commission intends to focus on monitoring the performance of the national lottery operator and its compliance with the National Lotteries Act (1997) and its licence agreement.

The commission distributes funds according to the National Lotteries Act (1997) and lottery regulations. Over the MTEF period, grant allocations from the National Lottery Distribution Trust Fund will be disbursed as follows: 47 per cent (R574 million) for charities; 28 per cent (R342 million) for sport and recreation activities; 23 per cent (R281 million) for arts, culture and national heritage institutions; and 2 per cent (R24 million) for miscellaneous activities.

The commission intends to increase grant allocations from R1.2 billion in 2019/20 to R1.3 billion in 2021/22, based on the share of national lottery proceeds to the National Lottery Distribution Trust Fund. Accordingly, expenditure is expected to increase at an average annual rate of 3.2 per cent, from R497.6 million in 2018/19 to R547.2 million in 2021/22. The commission is expected to receive 99.3 per cent (R1.7 billion) of its revenue from proceeds of the national lottery, with the remainder generated from fees for regulating other South African

lotteries and interest income.

Programmes/Objectives/Activities

Table 34.32 National Lotteries Commission expenditure trends and estimates by programme/objective/activity

| | Audited outcome | | | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | 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 | 2018/19 - 2021/22 | |
| R thousand | | | | | | | | | | | |
| Administration | 229 717 | 324 370 | 406 386 | 474 295 | 27.3% | 87.5% | 467 056 | 493 732 | 521 465 | 3.2% | 95.1% |
| Grant funding | 85 542 | 22 464 | 21 822 | 21 310 | -37.1% | 10.2% | 24 715 | 23 659 | 24 149 | 4.3% | 4.6% |
| Compliance and regulation | 26 462 | 1 272 | 2 473 | 1 945 | -58.1% | 2.3% | 1 453 | 1 525 | 1 609 | -6.1% | 0.3% |
| Total | 341 721 | 348 106 | 430 681 | 497 551 | 13.3% | 100.0% | 493 224 | 518 917 | 547 223 | 3.2% | 100.0% |

Statements of historical financial performance and position

Table 34.33 National Lotteries Commission statements of historical financial performance and position

| Statement of financial performance | | | | | | | | | |
|--|-----------------|----------------|-----------------|----------------|-----------------|----------------|-----------------|------------------|------------------------------|
| | Audited outcome | | Audited outcome | | Audited outcome | | Budget estimate | Revised estimate | Average: Outcome/ Budget (%) |
| | Budget | 2015/16 | Budget | 2016/17 | Budget | 2017/18 | 2018/19 | 2018/19 | 2015/16 - 2018/19 |
| R thousand | | | | | | | | | |
| Revenue | | | | | | | | | |
| Non-tax revenue | 1 838 | 3 495 | 3 323 | 3 323 | 3 108 | 3 994 | 3 001 | 3 941 | 130.9% |
| Sale of goods and services other than capital assets | 1 440 | 2 274 | 2 500 | 2 500 | 2 500 | 2 500 | 2 500 | 2 500 | 109.3% |
| <i>of which:</i> | | | | | | | | | |
| Administrative fees | 1 440 | 2 274 | 2 500 | 2 500 | 2 500 | 2 500 | 2 500 | 2 500 | 109.3% |
| Other non-tax revenue | 398 | 1 221 | 823 | 823 | 608 | 1 494 | 501 | 1 441 | 213.7% |
| Transfers received | 379 848 | 338 226 | 344 708 | 344 783 | 463 049 | 426 687 | 509 206 | 498 046 | 94.8% |
| Total revenue | 381 686 | 341 721 | 348 031 | 348 106 | 466 157 | 430 681 | 512 207 | 501 987 | 95.0% |
| Expenses | | | | | | | | | |
| Current expenses | 381 686 | 341 720 | 348 031 | 348 106 | 466 157 | 430 681 | 507 795 | 497 551 | 95.0% |
| Compensation of employees | 165 999 | 179 191 | 197 847 | 197 822 | 244 630 | 252 892 | 262 478 | 276 581 | 104.1% |
| Goods and services | 209 729 | 154 148 | 142 115 | 142 215 | 211 821 | 166 784 | 240 901 | 210 583 | 83.7% |
| Depreciation | 5 957 | 8 381 | 8 069 | 8 069 | 9 706 | 11 005 | 4 416 | 10 387 | 134.4% |
| Total expenses | 381 686 | 341 720 | 348 031 | 348 106 | 466 157 | 430 681 | 507 795 | 497 551 | 95.0% |
| Surplus/(Deficit) | - | - | - | - | - | - | 4 412 | 4 436 | |
| Statement of financial position | | | | | | | | | |
| Carrying value of assets | 172 019 | 99 812 | 131 690 | 131 691 | 287 718 | 145 681 | 296 341 | 145 681 | 58.9% |
| <i>of which:</i> | | | | | | | | | |
| Acquisition of assets | (112 845) | (44 335) | (37 572) | (37 572) | (45 860) | (25 819) | (36 150) | (60 688) | 72.5% |
| Receivables and prepayments | 2 178 | 3 397 | 4 307 | 3 961 | 1 218 | 3 812 | 909 | 909 | 140.3% |
| Cash and cash equivalents | 9 964 | 7 948 | 12 278 | 12 278 | 10 314 | 9 986 | 11 860 | 9 986 | 90.5% |
| Total assets | 184 161 | 111 157 | 148 275 | 147 930 | 299 250 | 159 479 | 309 110 | 156 576 | 61.1% |
| Deferred income | 20 000 | 17 917 | 15 417 | 15 419 | 15 000 | 12 917 | 12 500 | 12 500 | 93.4% |
| Trade and other payables | 152 040 | 70 704 | 111 448 | 111 101 | 268 220 | 114 249 | 278 175 | 125 641 | 52.1% |
| Provisions | 12 121 | 22 537 | 21 410 | 21 410 | 16 030 | 32 313 | 18 435 | 18 435 | 139.3% |
| Total equity and liabilities | 184 161 | 111 158 | 148 275 | 147 930 | 299 250 | 159 479 | 309 110 | 156 576 | 61.1% |

Statements of estimates of financial performance and position

Table 34.34 National Lotteries Commission 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 thousand | | | | | | | | | |
| Revenue | | | | | | | | | |
| Non-tax revenue | 3 941 | 4.1% | 0.9% | 3 926 | 4 038 | 4 122 | 1.5% | 0.7% | |
| Sale of goods and services other than capital assets | 2 500 | 3.2% | 0.6% | 2 500 | 2 500 | 2 500 | - | 0.4% | |
| <i>of which:</i> | | | | | | | | | |
| Administrative fees | 2 500 | 3.2% | 0.6% | 2 500 | 2 500 | 2 500 | - | 0.4% | |
| Other non-tax revenue | 1 441 | 5.7% | 0.3% | 1 426 | 1 538 | 1 622 | 4.0% | 0.3% | |
| Transfers received | 498 046 | 13.8% | 99.1% | 548 832 | 567 567 | 611 783 | 7.1% | 99.3% | |
| Total revenue | 501 987 | 13.7% | 100.0% | 552 758 | 571 605 | 615 905 | 7.1% | 100.0% | |

Table 34.34 National Lotteries Commission statements of estimates of financial performance and position

| Statement of financial performance | | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
|--|----------------|-------------------------|---------------------------------|----------------------|----------------|-------------------|-------------------------|---------------------------------|
| Revised estimate | 2018/19 | 2015/16 - 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2018/19 - 2021/22 | | |
| R thousand | | | | | | | | |
| Expenses | | | | | | | | |
| Current expenses | 497 551 | 13.3% | 100.0% | 493 224 | 518 917 | 547 223 | 3.2% | 100.0% |
| Compensation of employees | 276 581 | 15.6% | 55.9% | 302 740 | 319 693 | 337 276 | 6.8% | 60.1% |
| Goods and services | 210 583 | 11.0% | 41.8% | 176 324 | 184 271 | 194 172 | -2.7% | 37.3% |
| Depreciation | 10 387 | 7.4% | 2.4% | 14 160 | 14 953 | 15 775 | 14.9% | 2.7% |
| Total expenses | 497 551 | 13.3% | 100.0% | 493 224 | 518 917 | 547 223 | 3.2% | 100.0% |
| Surplus/(Deficit) | 4 436 | | | 59 534 | 52 688 | 68 681 | | |
| Statement of financial position | | | | | | | | |
| Carrying value of assets | 145 681 | 13.4% | 90.8% | 145 681 | 145 681 | 145 681 | - | 93.0% |
| of which: | | | | | | | | |
| Acquisition of assets | (60 688) | 11.0% | -30.1% | (45 658) | - | - | -100.0% | -17.0% |
| Receivables and prepayments | 909 | -35.6% | 2.2% | 960 | 1 013 | 1 068 | 5.5% | 0.6% |
| Cash and cash equivalents | 9 986 | 7.9% | 7.0% | 9 986 | 9 986 | 9 986 | - | 6.4% |
| Total assets | 156 576 | 12.1% | 100.0% | 156 627 | 156 680 | 156 735 | 0.0% | 100.0% |
| Deferred income | 12 500 | -11.3% | 10.7% | 13 200 | 13 927 | 14 692 | 5.5% | 8.7% |
| Trade and other payables | 125 641 | 21.1% | 72.6% | 123 960 | 122 215 | 120 375 | -1.4% | 78.5% |
| Provisions | 18 435 | -6.5% | 16.7% | 19 467 | 20 538 | 21 668 | 5.5% | 12.8% |
| Total equity and liabilities | 156 576 | 12.1% | 100.0% | 156 627 | 156 680 | 156 735 | 0.0% | 100.0% |

Personnel information**Table 34.35 National Lotteries Commission personnel numbers and cost by salary level**

| Number of posts estimated for 31 March 2019 | | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | Number | | | | |
|---|---|--|-------|-----------|------------------|---------|-----------|----------------------------------|-------|-----------|--------|-------------------|-----------|-------------------------|--------------------------------|-----------|------|--------|
| Number of funded posts | Number of posts on approved establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | Average growth rate (%) | Average Salary level/Total (%) | | | |
| | | 2017/18 | | 2018/19 | | 2019/20 | | 2020/21 | | 2021/22 | | 2018/19 - 2021/22 | | | | | | |
| National Lotteries Commission | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | |
| Salary level | 304 | 304 | 252.9 | 0.8 | 304 | 276.6 | 0.9 | 304 | 302.7 | 1.0 | 304 | 319.7 | 1.1 | 304 | 337.3 | 1.1 | 6.8% | 100.0% |
| 1 - 6 | 35 | 35 | 7.6 | 0.2 | 35 | 8.4 | 0.2 | 35 | 8.7 | 0.2 | 35 | 9.3 | 0.3 | 35 | 9.9 | 0.3 | 5.8% | 11.5% |
| 7 - 10 | 149 | 149 | 87.1 | 0.6 | 149 | 94.8 | 0.6 | 149 | 100.8 | 0.7 | 149 | 108.7 | 0.7 | 149 | 116.3 | 0.8 | 7.0% | 49.0% |
| 11 - 12 | 63 | 63 | 59.9 | 1.0 | 63 | 65.9 | 1.0 | 63 | 72.2 | 1.1 | 63 | 75.7 | 1.2 | 63 | 78.8 | 1.3 | 6.1% | 20.7% |
| 13 - 16 | 52 | 52 | 85.1 | 1.6 | 52 | 93.3 | 1.8 | 52 | 105.8 | 2.0 | 52 | 109.6 | 2.1 | 52 | 115.1 | 2.2 | 7.2% | 17.1% |
| 17 - 22 | 5 | 5 | 13.1 | 2.6 | 5 | 14.1 | 2.8 | 5 | 15.2 | 3.0 | 5 | 16.4 | 3.3 | 5 | 17.2 | 3.4 | 6.7% | 1.6% |

1. Rand million.

Companies and Intellectual Property Commission**Mandate**

The Companies and Intellectual Property Commission was established in terms of section 185 of the Companies Act (2008) to register companies, close corporations, cooperatives, trademarks, patents, designs and copyright; and enforce rules and regulations.

Selected performance indicators**Table 34.36 Companies and Intellectual Property Commission 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 |
| Percentage of website performance for round-the-clock e-services per year | Administration | | 95% | 96% | 94% | 95% | 95% | 95% | 95% |
| Average number of days to register a company from the date of receipt of a complete application per year | Business regulations and reputation | | 6 | 3 | 2 | 2 | 2 | 1 | 1 |
| Average number of days to register a cooperative from the date of receipt of a complete application per year | Business regulations and reputation | Entity mandate | 15 | 2 | 2 | 3 | 2 | 1 | 1 |
| Percentage of companies with an active business status to file annual returns by the end of the reporting period per year | Business regulations and reputation | | 52% (558 954/ 1 075 904) | 48.5% (626 721/ 1 291 141) | 47.5% (663 442/ 1 396 813) | 44% | 52% | 54% | 54% |
| Number of education and awareness events on intellectual property enforcement conducted per year | Innovation and creativity promotion | | -1 | 6 | 8 | 6 | 8 | 1 | 1 |

1. No historical data available.

Expenditure analysis

The Companies and Intellectual Property Commission is mandated to create a reputable business environment by effectively regulating the behaviour of companies and the intellectual property system. To this end, over the medium term, the commission aims to provide its full bouquet of services globally, around the clock, by 2021/22. This will be achieved by upgrading the commission's ICT systems at an estimated cost of R1.3 billion over the MTEF period in the administration programme. Of this amount, R168.8 million is for maintaining secure, accurate, and accessible registration services for companies, and R13.7 million is for training and mentoring staff to use the system more effectively to handle queries and develop their capabilities in intellectual property services.

The commission's total expenditure over the period is R1.7 billion, increasing at an average annual rate of 3.1 per cent, from R553.8 million in 2018/19 to R607.2 million in 2021/22. The commission generates revenue from fees charged for the registration of companies, cooperatives, trademarks, patents and copyrights, constituting an estimated 93.1 per cent (R1.7 billion) of its projected revenue over the medium term. The remainder is generated from interest income from invested funds. The commission's overall revenue is projected to increase at an average annual rate of 3.3 per cent, from R553.8 million in 2018/19 to R610.6 million in 2021/22.

Programmes/Objectives/Activities

Table 34.37 Companies and Intellectual Property Commission expenditure trends and estimates by programme/objective/activity

| R thousand | Audited outcome | | | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | 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 | 2018/19 - 2021/22 | |
| Administration | 289 741 | 291 466 | 357 695 | 415 331 | 12.8% | 75.8% | 425 791 | 428 993 | 455 390 | 3.1% | 75.0% |
| Business regulations and reputation | 37 225 | 75 265 | 71 810 | 83 066 | 30.7% | 14.7% | 85 158 | 85 799 | 91 080 | 3.1% | 15.0% |
| Innovation and creativity promotion | 24 817 | 44 843 | 47 873 | 55 377 | 30.7% | 9.5% | 56 772 | 57 199 | 60 719 | 3.1% | 10.0% |
| Total | 351 783 | 411 574 | 477 378 | 553 774 | 16.3% | 100.0% | 567 721 | 571 991 | 607 189 | 3.1% | 100.0% |

Statements of historical financial performance and position

Table 34.38 Companies and Intellectual Property Commission statements of historical financial performance and position

| Statement of financial performance | | | | | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|-----------------|------------------|-------------------|------------------------------|
| R thousand | Budget | Audited outcome | Budget | Audited outcome | Budget | Audited outcome | Budget estimate | Revised estimate | Average: Outcome/ Budget (%) |
| | 2015/16 | 2016/17 | 2016/17 | 2017/18 | 2017/18 | 2018/19 | 2018/19 | 2015/16 - 2018/19 | |
| Revenue | | | | | | | | | |
| Non-tax revenue | 512 946 | 547 916 | 533 944 | 596 153 | 705 287 | 597 051 | 712 615 | 553 774 | 93.1% |
| Sale of goods and services other than capital assets | 470 446 | 438 987 | 488 944 | 468 025 | 571 873 | 484 463 | 574 615 | 502 959 | 90.0% |
| <i>of which:</i> | | | | | | | | | |
| Administrative fees | 470 446 | 438 987 | 488 944 | 468 025 | 571 873 | 484 463 | 574 615 | 502 959 | 90.0% |
| Other non-tax revenue | 42 500 | 108 929 | 45 000 | 128 128 | 133 414 | 112 588 | 138 000 | 50 815 | 111.6% |
| Total revenue | 512 946 | 547 916 | 533 944 | 596 153 | 705 287 | 597 051 | 712 615 | 553 774 | 93.1% |
| Expenses | | | | | | | | | |
| Current expenses | 370 080 | 351 783 | 508 934 | 411 574 | 589 379 | 477 378 | 600 851 | 553 774 | 86.7% |
| Compensation of employees | 243 646 | 231 432 | 328 434 | 253 103 | 354 704 | 323 754 | 383 076 | 319 898 | 86.1% |
| Goods and services | 117 634 | 110 323 | 176 000 | 147 824 | 212 735 | 136 911 | 209 775 | 216 726 | 85.4% |
| Depreciation | 8 800 | 10 028 | 4 500 | 10 647 | 21 940 | 16 713 | 8 000 | 17 150 | 126.1% |
| Total expenses | 370 080 | 351 783 | 508 934 | 411 574 | 589 379 | 477 378 | 600 851 | 553 774 | 86.7% |
| Surplus/(Deficit) | 142 866 | 196 133 | 25 010 | 184 579 | 115 908 | 119 673 | 111 764 | - | |
| Statement of financial position | | | | | | | | | |
| Carrying value of assets | 76 692 | 39 197 | 391 692 | 55 343 | 418 034 | 63 834 | 437 059 | 75 000 | 17.6% |
| <i>of which:</i> | | | | | | | | | |
| Acquisition of assets | (23 129) | (6 080) | (20 050) | (27 132) | (23 700) | (25 435) | (31 800) | (31 800) | 91.7% |
| Investments | - | - | - | - | - | 374 | - | - | - |
| Inventory | - | - | - | 81 | - | 70 | - | - | - |
| Receivables and prepayments | 2 000 | 4 595 | 1 500 | 8 329 | 1 000 | 12 921 | 850 | 10 300 | 675.6% |
| Cash and cash equivalents | 1 382 456 | 1 593 874 | 1 087 892 | 1 551 849 | 1 080 923 | 666 531 | 1 080 923 | 679 862 | 97.0% |
| Total assets | 1 461 148 | 1 637 666 | 1 481 084 | 1 615 602 | 1 499 957 | 743 730 | 1 518 832 | 765 162 | 79.9% |

Table 34.38 Companies and Intellectual Property Commission statements of historical financial performance and position

| Statement of financial position | | | | | | | | | |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|-----------------|------------------|------------------|-----------------------------|
| R thousand | 2015/16 | | 2016/17 | | 2017/18 | | 2018/19 | | Average: Outcome/Budget (%) |
| | Budget | Audited outcome | Budget | Audited outcome | Budget | Audited outcome | Budget estimate | Revised estimate | |
| Accumulated surplus/(deficit) | 1 313 392 | 1 505 870 | 1 330 788 | 1 255 505 | 1 342 026 | 585 026 | 1 353 264 | 550 162 | 73.0% |
| Trade and other payables | 45 000 | 22 576 | 45 000 | 120 998 | 50 000 | 126 172 | 55 000 | 132 000 | 206.0% |
| Provisions | 37 756 | 26 605 | 40 296 | 29 251 | 42 931 | 32 532 | 45 568 | 33 000 | 72.9% |
| Derivatives financial instruments | 65 000 | 82 615 | 65 000 | 209 848 | 65 000 | - | 65 000 | 50 000 | 131.7% |
| Total equity and liabilities | 1 461 148 | 1 637 666 | 1 481 084 | 1 615 602 | 1 499 957 | 743 730 | 1 518 832 | 765 162 | 79.9% |

Statements of estimates of financial performance and position**Table 34.39 Companies and Intellectual Property Commission statements of estimates of financial performance and position**

| Statement of financial performance | | | | | | | | | |
|--|------------------|-------------------------|--------------------------------|----------------------|-------------------|------------------|-------------------------|--------------------------------|---------|
| R thousand | 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 |
| Revenue | | | | | | | | | |
| Non-tax revenue | 553 774 | 0.4% | 100.0% | 579 171 | 582 729 | 610 616 | 3.3% | 100.0% | |
| Sale of goods and services other than capital assets | 502 959 | 4.6% | 82.6% | 528 107 | 554 512 | 582 238 | 5.0% | 93.1% | |
| <i>of which:</i> | | | | | | | | | |
| Administrative fees | 502 959 | 4.6% | 82.6% | 528 107 | 554 512 | 582 238 | 5.0% | 93.1% | |
| Other non-tax revenue | 50 815 | -22.4% | 17.4% | 51 064 | 28 217 | 28 378 | -17.7% | 6.9% | |
| Total revenue | 553 774 | 0.4% | 100.0% | 579 171 | 582 729 | 610 616 | 3.3% | 100.0% | |
| Expenses | | | | | | | | | |
| Current expenses | 553 774 | 16.3% | 100.0% | 567 721 | 571 991 | 607 189 | 3.1% | 100.0% | |
| Compensation of employees | 319 898 | 11.4% | 63.2% | 355 087 | 394 146 | 437 502 | 11.0% | 65.3% | |
| Goods and services | 216 726 | 25.2% | 33.8% | 194 186 | 158 968 | 150 686 | -11.4% | 31.5% | |
| Depreciation | 17 150 | 19.6% | 3.0% | 18 448 | 18 877 | 19 001 | 3.5% | 3.2% | |
| Total expenses | 553 774 | 16.3% | 100.0% | 567 721 | 571 991 | 607 189 | 3.1% | 100.0% | |
| Surplus/(Deficit) | - | | | 11 450 | 10 738 | 3 427 | | | |
| Statement of financial position | | | | | | | | | |
| Carrying value of assets | 75 000 | 24.1% | 6.1% | 414 676 | 443 850 | 450 000 | 81.7% | 30.8% | |
| <i>of which:</i> | | | | | | | | | |
| Acquisition of assets | (31 800) | 73.6% | -2.4% | (38 200) | (41 256) | (41 256) | 9.1% | -3.7% | |
| Receivables and prepayments | 10 300 | 30.9% | 1.0% | 10 900 | 11 500 | 12 100 | 5.5% | 1.1% | |
| Cash and cash equivalents | 679 862 | -24.7% | 93.0% | 693 459 | 707 328 | 721 475 | 2.0% | 68.2% | |
| Total assets | 765 162 | -22.4% | 100.0% | 1 119 035 | 1 162 678 | 1 183 575 | 15.7% | 100.0% | |
| Accumulated surplus/(deficit) | 550 162 | -28.5% | 80.1% | 871 335 | 896 858 | 900 475 | 17.8% | 75.7% | |
| Trade and other payables | 132 000 | 80.2% | 10.8% | 152 200 | 157 220 | 159 400 | 6.5% | 14.5% | |
| Provisions | 33 000 | 7.4% | 3.0% | 35 500 | 38 600 | 43 700 | 9.8% | 3.6% | |
| Derivatives financial instruments | 50 000 | -15.4% | 6.1% | 60 000 | 70 000 | 80 000 | 17.0% | 6.2% | |
| Total equity and liabilities | 765 162 | -22.4% | 100.0% | 1 119 035 | 1 162 678 | 1 183 575 | 15.7% | 100.0% | |

Personnel information**Table 34.40 Companies and Intellectual Property Commission personnel numbers and cost by salary level**

| Number of posts estimated for 31 March 2019 | | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | Number | | | | | |
|---|---|--|-------------|------------------|------------------|-------------|------------------|----------------------------------|-------------|------------------|---------------|-------------|------------------|-------------------------|---------------------------------|------------------|-----|-----------|--------|
| Number of funded posts | Number of posts on approved establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | Average growth rate (%) | Average: Salary level/Total (%) | | | | |
| | | 2017/18 | | Unit cost | 2018/19 | | Unit cost | 2019/20 | | Unit cost | 2020/21 | | Unit cost | | | 2021/22 | | Unit cost | |
| Companies and Intellectual Property Commission | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | | |
| Salary level | 538 | 538 | 520 | 323.8 | 0.6 | 538 | 319.9 | 0.6 | 538 | 355.1 | 0.7 | 681 | 394.1 | 0.6 | 681 | 437.5 | 0.6 | 11.0% | 100.0% |
| 7 - 10 | 359 | 359 | 355 | 151.3 | 0.4 | 359 | 145.9 | 0.4 | 359 | 153.9 | 0.4 | 419 | 166.6 | 0.4 | 419 | 180.4 | 0.4 | 7.3% | 64.1% |
| 11 - 12 | 123 | 123 | 115 | 121.2 | 1.1 | 123 | 119.2 | 1.0 | 123 | 141.7 | 1.2 | 183 | 160.6 | 0.9 | 183 | 183.4 | 1.0 | 15.4% | 24.9% |
| 13 - 16 | 56 | 56 | 50 | 51.2 | 1.0 | 56 | 54.7 | 1.0 | 56 | 59.4 | 1.1 | 79 | 66.9 | 0.8 | 79 | 73.8 | 0.9 | 10.5% | 11.0% |

1. Rand million.

Companies Tribunal

Mandate

The Companies Tribunal was established in 2011 as a juristic person in terms of the Companies Act (2008) and became operational in 2012. It is mandated to mediate and adjudicate disputes between companies, and make orders. The tribunal is enjoined to deliver on this mandate in a manner that is simple, ethical, efficient, equitable, transparent, accountable and impartial, without fear, favour or prejudice.

Selected performance indicators

Table 34.41 Companies Tribunal 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 |
| Number of seminars hosted per year | Administration | Entity mandate | 1 | 3 | 1 | 1 | 1 | 1 | 1 |
| Number of outreach and/or exhibition programmes participated in per year | Administration | | 7 | 12 | 8 | 8 | 8 | 8 | 8 |
| Percentage of decisions and orders issued within 40 working days after the final date of hearing per year | Adjudicate and resolve disputes in a credible and just manner | | 80% (4/5) | 80% (12/15) | 100% (9) | 90% | 90% | 90% | 90% |
| Percentage of decisions and orders issued within 30 days after the date of allocation or final submission by parties per year | Adjudicate and resolve disputes in a credible and just manner | | 88% (168/191) | 98% (150/153) | 96% (109/113) | 90% | 90% | 90% | 90% |
| Percentage of cases finalised in terms of alternative dispute resolution per year within 25 working days after the date of final hearing or final submission by parties | Adjudicate and resolve disputes in a credible and just manner | | 100% (14) | 79% (15/19) | 100% (16) | 85% | 90% | 90% | 90% |

Expenditure analysis

Over the medium term, the Companies Tribunal will continue to facilitate the resolution of company disputes through mediation, conciliation and arbitration, thereby contributing to the creation of a just, fair and ethical regulatory business environment. Through its work, the tribunal aims to support sustainable enterprise development and a business environment that attracts investment. To enable better interaction between tribunal members and clients while allowing for cases to be managed more efficiently, over the medium term, the tribunal plans to finalise its implementation of the electronic case management system. The system will also enable the generation of electronic reports. Over the same period, the tribunal plans to continue focusing on promoting a professional and competitive business environment through adjudications and dispute resolutions. Implementation of the electronic case management system is budgeted for under goods and services.

Expenditure is expected to decrease at an average annual rate of 5.1 per cent, from R22.6 million in 2018/19 to R19.3 million in 2021/22, due to the expected depletion of the tribunal's accumulated surpluses by 2021/22. The tribunal derives 84.4 per cent (R55.3 million) of its revenue through transfers from the department, with the balance generated from interest income.

Programmes/Objectives/Activities

Table 34.42 Companies Tribunal expenditure trends and estimates by programme/objective/activity

| | Audited outcome | | | Revised estimate | 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 thousand | | | | | | | | | | | |
| Administration | 15 110 | 16 399 | 17 771 | 19 726 | 9.3% | 80.9% | 18 919 | 18 234 | 19 196 | -0.9% | 89.2% |
| Adjudicate and resolve disputes in a credible and just manner | 5 000 | 4 226 | 3 966 | 2 891 | -16.7% | 19.1% | 3 133 | 3 352 | 128 | -64.6% | 10.8% |
| Total | 20 110 | 20 625 | 21 737 | 22 617 | 4.0% | 100.0% | 22 052 | 21 586 | 19 324 | -5.1% | 100.0% |

Statements of historical financial performance and position**Table 34.43 Companies Tribunal statements of historical financial performance and position**

| Statement of financial performance | | | | | | | | | |
|--|---------------|-----------------|----------------|-----------------|---------------|-----------------|-----------------|------------------|-----------------------------|
| R thousand | Budget | Audited outcome | Budget | Audited outcome | Budget | Audited outcome | Budget estimate | Revised estimate | Average: Outcome/Budget (%) |
| | 2015/16 | | 2016/17 | | 2017/18 | | 2018/19 | | 2015/16 - 2018/19 |
| Revenue | | | | | | | | | |
| Non-tax revenue | 4 488 | 2 554 | 2 649 | 2 649 | 8 030 | 2 652 | 4 231 | 5 877 | 70.8% |
| Other non-tax revenue | 4 488 | 2 554 | 2 649 | 2 649 | 8 030 | 2 652 | 4 231 | 5 877 | 70.8% |
| Transfers received | 14 221 | 14 221 | 15 069 | 15 069 | 15 822 | 15 822 | 16 740 | 16 740 | 100.0% |
| Total revenue | 18 709 | 16 775 | 17 718 | 17 718 | 23 852 | 18 474 | 20 971 | 22 617 | 93.0% |
| Expenses | | | | | | | | | |
| Current expenses | 18 709 | 20 110 | 20 607 | 20 625 | 23 852 | 21 737 | 20 971 | 22 617 | 101.1% |
| Compensation of employees | 11 233 | 10 217 | 11 725 | 11 725 | 14 310 | 12 333 | 15 269 | 13 309 | 90.6% |
| Goods and services | 7 284 | 9 712 | 8 659 | 8 677 | 9 322 | 9 102 | 5 504 | 8 959 | 118.5% |
| Depreciation | 192 | 181 | 223 | 223 | 220 | 302 | 198 | 349 | 126.7% |
| Total expenses | 18 709 | 20 110 | 20 607 | 20 625 | 23 852 | 21 737 | 20 971 | 22 617 | 101.1% |
| Surplus/(Deficit) | - | (3 335) | (2 889) | (2 907) | - | (3 263) | - | - | |
| Statement of financial position | | | | | | | | | |
| Carrying value of assets | 250 | 633 | 866 | 866 | 2 370 | 1 762 | 1 890 | 2 185 | 101.3% |
| <i>of which:</i> | | | | | | | | | |
| Acquisition of assets | (19) | (498) | (458) | (458) | (500) | (1 200) | (90) | (300) | 230.2% |
| Inventory | 15 | 11 | 15 | 15 | 3 | 28 | - | - | 164.5% |
| Accrued investment interest | - | - | - | - | - | 6 | - | - | - |
| Receivables and prepayments | 15 | 240 | 148 | 148 | 1 | 344 | - | - | 446.3% |
| Cash and cash equivalents | 21 630 | 18 462 | 15 082 | 15 082 | 3 799 | 11 509 | - | 7 476 | 129.7% |
| Total assets | 21 910 | 19 346 | 16 111 | 16 111 | 6 173 | 13 649 | 1 890 | 9 661 | 127.5% |
| Accumulated surplus/(deficit) | 20 746 | 17 974 | 15 085 | 15 067 | 4 656 | 11 804 | - | 7 771 | 130.0% |
| Trade and other payables | 501 | 439 | 70 | 676 | 550 | 1 351 | 870 | 870 | 167.6% |
| Provisions | 663 | 933 | 956 | 368 | 967 | 494 | 1 020 | 1 020 | 78.1% |
| Total equity and liabilities | 21 910 | 19 346 | 16 111 | 16 111 | 6 173 | 13 649 | 1 890 | 9 661 | 127.5% |

Statements of estimates of financial performance and position**Table 34.44 Companies Tribunal statements of estimates of financial performance and position**

| Statement of financial performance | | | | | | | | | |
|--|------------------|-------------------------|--------------------------------|----------------------|---------------|---------------|-------------------------|--------------------------------|--|
| R thousand | 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 | | |
| Revenue | | | | | | | | | |
| Non-tax revenue | 5 877 | 32.0% | 17.6% | 4 700 | 3 281 | 12 | -87.3% | 15.6% | |
| Other non-tax revenue | 5 877 | 32.0% | 17.6% | 4 700 | 3 281 | 12 | -87.3% | 15.6% | |
| Transfers received | 16 740 | 5.6% | 82.4% | 17 352 | 18 305 | 19 312 | 4.9% | 84.4% | |
| Total revenue | 22 617 | 10.5% | 100.0% | 22 052 | 21 586 | 19 324 | -5.1% | 100.0% | |
| Expenses | | | | | | | | | |
| Current expenses | 22 617 | 4.0% | 100.0% | 22 052 | 21 586 | 19 324 | -5.1% | 100.0% | |
| Compensation of employees | 13 309 | 9.2% | 55.8% | 15 952 | 16 031 | 16 710 | 7.9% | 73.0% | |
| Goods and services | 8 959 | -2.7% | 43.0% | 5 922 | 5 395 | 2 444 | -35.1% | 26.0% | |
| Depreciation | 349 | 24.5% | 1.2% | 178 | 160 | 169 | -21.5% | 1.0% | |
| Total expenses | 22 617 | 4.0% | 100.0% | 22 052 | 21 586 | 19 324 | -5.1% | 100.0% | |
| Surplus/(Deficit) | - | | | - | - | - | | | |
| Statement of financial position | | | | | | | | | |
| Carrying value of assets | 2 185 | 51.1% | 11.0% | 1 801 | 1 585 | 1 354 | -14.7% | 65.1% | |
| <i>of which:</i> | | | | | | | | | |
| Acquisition of assets | (300) | -15.5% | -4.3% | (100) | (100) | (400) | 10.1% | -10.3% | |
| Cash and cash equivalents | 7 476 | -26.0% | 87.7% | 2 976 | - | - | -100.0% | 34.9% | |
| Total assets | 9 661 | -20.7% | 100.0% | 4 777 | 1 585 | 1 354 | -48.1% | 100.0% | |
| Accumulated surplus/(deficit) | 7 771 | -24.4% | 88.3% | 3 271 | - | - | -100.0% | 37.2% | |
| Trade and other payables | 870 | 25.6% | 6.3% | 485 | 550 | 800 | -2.8% | 28.2% | |
| Provisions | 1 020 | 3.0% | 5.3% | 1 021 | 1 035 | 554 | -18.4% | 34.5% | |
| Total equity and liabilities | 9 661 | -20.7% | 100.0% | 4 777 | 1 585 | 1 354 | -48.1% | 100.0% | |

Personnel information**Table 34.45 Companies Tribunal personnel numbers and cost by salary level**

| Number of posts estimated for 31 March 2019 | | | Number and cost ¹ of personnel posts filled / planned for on funded establishment | | | | | | | | | | | | | | | Number | | |
|---|---|----|--|----|------|------------------|--------|------|----------------------------------|--------|---------|-----------|---------|------|-------------------------|---------------------------------|-------------------|-----------|-------|--------|
| Number of funded posts | Number of posts on approved establishment | | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | Average growth rate (%) | Average: Salary level/Total (%) | | | | |
| | | | 2017/18 | | | 2018/19 | | | 2019/20 | | 2020/21 | | 2021/22 | | | | 2018/19 - 2021/22 | | | |
| Companies Tribunal | Salary level | 19 | 17 | 17 | 12.3 | 0.7 | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | 7.9% | 100.0% |
| | | 3 | – | 3 | 0.1 | 0.0 | 2 | 0.1 | 0.1 | 2 | 0.1 | 0.1 | 2 | 0.1 | 0.1 | 2 | 0.1 | 0.1 | 3.3% | 11.8% |
| | | 3 | 4 | 3 | 1.5 | 0.5 | 3 | 1.6 | 0.5 | 4 | 2.1 | 0.5 | 4 | 2.2 | 0.6 | 3 | 2.4 | 0.8 | 14.0% | 20.5% |
| | | 7 | 7 | 6 | 4.4 | 0.7 | 6 | 4.5 | 0.7 | 6 | 5.4 | 0.9 | 6 | 5.8 | 1.0 | 6 | 6.1 | 1.0 | 10.4% | 35.4% |
| | | 6 | 6 | 5 | 6.3 | 1.3 | 6 | 7.1 | 1.2 | 6 | 8.3 | 1.4 | 5 | 7.9 | 1.6 | 5 | 8.2 | 1.6 | 4.8% | 32.3% |

1. Rand million.

National Consumer Commission**Mandate**

The National Consumer Commission was established in terms of section 85 of the Consumer Protection Act (2008), with jurisdiction across South Africa. The act seeks to promote a fair, accessible and sustainable marketplace for consumer products and services, and for that purpose to establish national norms and standards relating to consumer protection. It further seeks to provide for improved standards of consumer information, prohibit certain unfair marketing and business practices, promote responsible consumer behaviour, and promote a consistent legislative enforcement framework relating to consumer transactions and agreements.

Selected performance indicators**Table 34.46 National Consumer Commission 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 |
| Percentage of complaints referred or issued with non-referrals per year | Promote consumer protection and safety | Outcome 11: Create a better South Africa, a better Africa and a better world | 97% (6 567/ 6 794) | 99% (7 259/ 7 297) | 98% (6 967/ 7 142) | 95% | 95% | 95% | 95% |
| Number of investigations conducted that have recommendations produced per year | Promote consumer protection and safety | | 12 | 33 | 12 | 12 | 12 | 12 | 12 |
| Percentage of matters approved for further enforcement in the National Consumer Tribunal per year | Promote consumer protection and safety | | – ¹ | – ¹ | 100% (9) | 90% | 90% | 90% | 90% |
| Number of reports on all product recalls in line with published guidelines as agreed with the supplier per year | Promote consumer protection and safety | | 1 | 4 | 4 | 4 | 4 | 4 | 4 |
| Percentage of requests for explanatory notes and/or non-binding opinions on the interpretation of provisions of the Consumer Protection Act (2008) provided per year | Promote reform of consumer policy and compliance with consumer protection legislation | | 100% (165) | 100% (225) | 100% (186) | 90% | 90% | 90% | 90% |
| Number of consumer awareness initiatives conducted per year | Promote public awareness of consumer protection matters | | 25 | 24 | 24 | 24 | 24 | 24 | 24 |
| Number of business compliance initiatives conducted per year | Promote public awareness of consumer protection matters | | 15 | 12 | 12 | 12 | 12 | 12 | 12 |
| Number of newsletters published and distributed to consumers per year | Promote public awareness of consumer protection matters | | – ¹ | 3 | 4 | 4 | 4 | 4 | 4 |

1. No historical data available.

Expenditure analysis

The National Consumer Commission ensures consumer safety through regulating the marketing of goods and services to consumers, and facilitating a protective consumer environment that is well coordinated and responsive to consumer needs. Over the MTEF period, the commission will continue to focus on: providing dispute resolution in matters arising from consumer transactions; conducting education and awareness campaigns; and conducting investigations and inspections to facilitate the resolution of disputes between consumers and suppliers in a speedy, cost-effective, fair and transparent manner, while enforcing the Consumer Protection Act (2008). Accordingly, over the period ahead, the commission expects to conduct 36 investigations on consumer products and ensure that 95 per cent of consumers requesting advice on disputes receive responses within 20 days. These activities will be carried out at a projected cost of R77.7 million over the MTEF period.

Total expenditure amounts to R190.7 million over the period ahead, decreasing at an average annual rate of 2.1 per cent, from R71.5 million in 2018/19 to R67 million in 2021/22. The decrease is due to a once-off allocation of R13.8 million in 2018/19 for the opt-out register project. The commission derives 97 per cent (R184.7 million) of its revenue over the medium term from transfers from the department, with the remainder generated from interest on investments.

Programmes/Objectives/Activities

Table 34.47 National Consumer Commission expenditure trends and estimates by programme/objective/activity

| R thousand | 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 | 28 982 | 34 775 | 33 544 | 40 825 | 12.1% | 53.9% | 27 333 | 28 872 | 30 324 | -9.4% | 48.3% |
| Promote consumer protection and safety | 17 562 | 19 562 | 20 310 | 23 076 | 9.5% | 31.5% | 24 528 | 25 803 | 27 362 | 5.8% | 38.6% |
| Promote reform of consumer policy and compliance with consumer protection legislation | 10 605 | 8 000 | 7 817 | 7 561 | -10.7% | 13.5% | 7 766 | 8 242 | 8 722 | 4.9% | 12.4% |
| Promote public awareness of consumer protection matters | – | 1 455 | 1 345 | – | – | 1.1% | 565 | 582 | 582 | – | 0.7% |
| Total | 57 149 | 63 792 | 63 016 | 71 462 | 7.7% | 100.0% | 60 192 | 63 499 | 66 990 | -2.1% | 100.0% |

Statements of historical financial performance and position

Table 34.48 National Consumer Commission statements of historical financial performance and position

| Statement of financial performance | | | | | | | | | Average: Outcome/ Budget (%) 2015/16 - 2018/19 |
|--|---------------|-----------------|---------------|-----------------|---------------|-----------------|-----------------|------------------|---|
| R thousand | Budget | Audited outcome | Budget | Audited outcome | Budget | Audited outcome | Budget estimate | Revised estimate | |
| | 2015/16 | 2016/17 | 2016/17 | 2017/18 | 2017/18 | 2018/19 | 2018/19 | 2018/19 | |
| Revenue | | | | | | | | | |
| Non-tax revenue | 1 000 | 1 507 | 1 606 | 5 528 | 1 695 | 9 797 | 1 788 | 1 788 | 305.8% |
| Other non-tax revenue | 1 000 | 1 507 | 1 606 | 5 528 | 1 695 | 9 797 | 1 788 | 1 788 | 305.8% |
| Transfers received | 54 596 | 54 596 | 56 643 | 56 643 | 52 614 | 52 614 | 55 865 | 69 674 | 106.3% |
| Total revenue | 55 596 | 56 103 | 58 249 | 62 171 | 54 309 | 62 411 | 57 653 | 71 462 | 111.7% |
| Expenses | | | | | | | | | |
| Current expenses | 55 596 | 57 149 | 58 249 | 63 792 | 54 309 | 63 016 | 57 653 | 71 462 | 113.1% |
| Compensation of employees | 38 787 | 36 468 | 40 381 | 40 816 | 42 617 | 42 286 | 44 979 | 44 979 | 98.7% |
| Goods and services | 16 354 | 19 194 | 16 020 | 21 597 | 9 737 | 19 613 | 10 606 | 25 272 | 162.5% |
| Depreciation | 455 | 1 487 | 1 848 | 1 379 | 1 955 | 1 117 | 2 068 | 1 211 | 82.1% |
| Total expenses | 55 596 | 57 149 | 58 249 | 63 792 | 54 309 | 63 016 | 57 653 | 71 462 | 113.1% |
| Surplus/(Deficit) | – | (1 046) | – | (1 621) | – | (605) | – | – | |
| Statement of financial position | | | | | | | | | |
| Carrying value of assets | 4 723 | 2 812 | 4 700 | 3 791 | 5 194 | 2 890 | 4 800 | 4 800 | 73.6% |
| of which: | | | | | | | | | |
| Acquisition of assets | (3 800) | (1 266) | (500) | (780) | (1 300) | (470) | (950) | (950) | 52.9% |
| Receivables and prepayments | 84 | 727 | 86 | 330 | 50 | 681 | 50 | 50 | 662.2% |
| Cash and cash equivalents | 9 000 | 10 304 | 7 708 | 10 883 | 7 308 | 7 802 | 7 462 | 7 462 | 115.8% |
| Total assets | 13 807 | 13 843 | 12 494 | 15 004 | 12 552 | 11 373 | 12 312 | 12 312 | 102.7% |
| Accumulated surplus/(deficit) | 10 607 | 9 172 | 8 915 | 9 371 | 8 915 | 8 765 | 8 915 | 8 915 | 97.0% |
| Trade and other payables | 1 600 | 2 801 | 1 400 | 3 303 | 1 200 | 895 | 1 000 | 1 000 | 153.8% |
| Provisions | 900 | 1 702 | 1 100 | 2 330 | 1 200 | 1 713 | 1 300 | 1 300 | 156.6% |
| Derivatives financial instruments | 700 | 168 | 1 079 | – | 1 237 | – | 1 097 | 1 097 | 30.8% |
| Total equity and liabilities | 13 807 | 13 843 | 12 494 | 15 004 | 12 552 | 11 373 | 12 312 | 12 312 | 102.7% |

Statements of estimates of financial performance and position

Table 34.49 National Consumer Commission 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 (%) |
|--|--|------------------|-------------------------|--------------------------------|----------------------|---------------|---------------|-------------------------|--------------------------------|
| R thousand | | 2018/19 | 2015/16 - 2018/19 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2018/19 - 2021/22 | 2018/19 - 2021/22 |
| Revenue | | | | | | | | | |
| Non-tax revenue | | 1 788 | 5.9% | 7.4% | 1 888 | 1 991 | 2 100 | 5.5% | 3.0% |
| Other non-tax revenue | | 1 788 | 5.9% | 7.4% | 1 888 | 1 991 | 2 100 | 5.5% | 3.0% |
| Transfers received | | 69 674 | 8.5% | 92.6% | 58 304 | 61 508 | 64 890 | -2.3% | 97.0% |
| Total revenue | | 71 462 | 8.4% | 100.0% | 60 192 | 63 499 | 66 990 | -2.1% | 100.0% |
| Expenses | | | | | | | | | |
| Current expenses | | 71 462 | 7.7% | 100.0% | 60 192 | 63 499 | 66 990 | -2.1% | 100.0% |
| Compensation of employees | | 44 979 | 7.2% | 64.5% | 46 809 | 49 618 | 52 848 | 5.5% | 74.4% |
| Goods and services | | 25 272 | 9.6% | 33.5% | 11 970 | 12 390 | 12 569 | -20.8% | 23.4% |
| Depreciation | | 1 211 | -6.6% | 2.1% | 1 413 | 1 491 | 1 573 | 9.1% | 2.2% |
| Total expenses | | 71 462 | 7.7% | 100.0% | 60 192 | 63 499 | 66 990 | -2.1% | 100.0% |
| Surplus/(Deficit) | | - | | | - | - | - | | |
| Statement of financial position | | | | | | | | | |
| Carrying value of assets | | 4 800 | 19.5% | 27.5% | 4 800 | 3 600 | 4 000 | -5.9% | 36.9% |
| <i>of which:</i> | | | | | | | | | |
| Acquisition of assets | | (950) | -9.1% | -6.5% | (950) | (950) | (950) | - | -8.2% |
| Receivables and prepayments | | 50 | -59.0% | 3.5% | 50 | 220 | 20 | -26.3% | 0.8% |
| Cash and cash equivalents | | 7 462 | -10.2% | 69.0% | 7 462 | 6 995 | 6 995 | -2.1% | 62.3% |
| Total assets | | 12 312 | -3.8% | 100.0% | 12 312 | 10 815 | 11 015 | -3.6% | 100.0% |
| Accumulated surplus/(deficit) | | 8 915 | -0.9% | 69.5% | 8 915 | 8 196 | 8 196 | -2.8% | 73.8% |
| Trade and other payables | | 1 000 | -29.1% | 14.6% | 1 000 | 700 | 1 000 | - | 7.9% |
| Provisions | | 1 300 | -8.6% | 13.4% | 1 300 | 1 100 | 1 000 | -8.4% | 10.1% |
| Derivatives financial instruments | | 1 097 | 86.9% | 2.5% | 1 097 | 819 | 819 | -9.3% | 8.2% |
| Total equity and liabilities | | 12 312 | -3.8% | 100.0% | 12 312 | 10 815 | 11 015 | -3.6% | 100.0% |

Personnel information

Table 34.50 National Consumer Commission personnel numbers and cost by salary level

| Number of posts estimated for 31 March 2019 | | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Number | | |
|---|---|--|------|-----------|------------------|---------|-----------|----------------------------------|------|-----------|--------|-------------------|-----------|-------------------------|---------------------------------|-----------|--------|--------|-------|
| Number of funded posts | Number of posts on approved establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | Average growth rate (%) | Average: Salary level/Total (%) | | | | |
| | | 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 | | | |
| National Consumer Commission | | 85 | 42.3 | 0.5 | 85 | 45.0 | 0.5 | 85 | 46.8 | 0.6 | 85 | 49.6 | 0.6 | 85 | 52.8 | 0.6 | 5.5% | 100.0% | |
| Salary level | | 85 | | | 85 | | | 85 | | | 85 | | | 85 | | | | | |
| 1 – 6 | 37 | 37 | 37 | 9.1 | 0.2 | 37 | 8.8 | 0.2 | 37 | 9.3 | 0.3 | 37 | 11.1 | 0.3 | 37 | 12.2 | 0.3 | 11.6% | 43.5% |
| 7 – 10 | 18 | 18 | 18 | 6.7 | 0.4 | 18 | 7.4 | 0.4 | 18 | 8.3 | 0.5 | 18 | 8.8 | 0.5 | 18 | 10.5 | 0.6 | 12.5% | 21.2% |
| 11 – 12 | 13 | 13 | 13 | 7.3 | 0.6 | 13 | 7.7 | 0.6 | 13 | 8.1 | 0.6 | 13 | 8.6 | 0.7 | 13 | 9.1 | 0.7 | 5.4% | 15.3% |
| 13 – 16 | 17 | 17 | 17 | 19.2 | 1.1 | 17 | 21.1 | 1.2 | 17 | 21.1 | 1.2 | 17 | 21.1 | 1.2 | 17 | 21.1 | 1.2 | 0.0% | 20.0% |

1. Rand million.

National Consumer Tribunal

Mandate

The National Consumer Tribunal was established in terms of the National Credit Act (2005) as an independent adjudicative entity. It is mandated to review decisions made by the National Credit Regulator and the National Consumer Commission, as well as to adjudicate on applications and referrals in terms of the National Credit Act (2005) and the Consumer Protection Act (2008). Various parties can bring cases before the tribunal, including the National Credit Regulator, the National Consumer Commission, consumers, credit providers, debt counsellors and credit bureaus. If the tribunal adjudicates on a matter of prohibited conduct, it may impose remedies and/or administrative penalties, as provided for in the acts.

Selected performance indicators**Table 34.51 National Consumer Tribunal 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 |
| Average number of days from the date of complete filing of debt rearrangement agreement to the date of issuing order to filing parties per year | Adjudication | Outcome 4: Decent employment through inclusive growth | 75 | 71 | 70 | 70 | 70 | 65 | 60 |
| Average number of days from date of close of pleadings of non-debt rearrangement agreement to date of issuing notice of set down to filing parties per year | Adjudication | | 70 | 16 | 16 | 25 | 20 | 15 | 15 |
| Average number of days from the date of final adjudication of non-debt rearrangement agreement to the date of issuing judgment to filing parties per year | Adjudication | | -1 | 22 | 24 | 20 | 20 | 20 | 20 |

1. No historical data available.

Expenditure analysis

The National Consumer Tribunal will continue to provide services stipulated in the National Credit Act (2005) and the Consumer Protection Act (2008), and build administrative and adjudicative capabilities to enhance service delivery. Over the medium term, the tribunal will focus on adjudication, as it is anticipating cases relating to the National Credit Act (2005) to increase from 25 100 in 2018/19 to 62 226 in 2021/22 due to an additional number of cases expected to arise as a result of provisions in the National Credit Amendment Bill, which is currently before Parliament. The tribunal plans to spend R9.1 million over the same period on ICT infrastructure to enhance its case management system, allowing for cases to be filed electronically and adjudicated remotely.

Expenditure is expected to increase at an average annual rate of 3.7 per cent, from R68.1 million in 2018/19 to R76.1 million in 2021/22. However, spending on goods and services is expected to decrease at an average annual rate of 2.9 per cent, from R30.4 million in 2018/19 to R27.8 million in 2021/22, due to increased use of the electronic case management system to reduce the cost of cases. As a result, spending in the adjudication programme, which accounts for an estimated 40.5 per cent (R81.7 million) of the tribunal's total budget over the period ahead, is expected to decrease at an average annual rate of 3 per cent, from R32.2 million in 2018/19 to R29.4 million in 2021/22.

The tribunal derives 76.8 per cent (R165.5 million) of its revenue over the medium term from transfers from the department. Other sources of revenue include filing fees and interest income. Revenue increases at an average annual rate of 3.3 per cent, from R52.7 million in 2018/19 to R58.1 million in 2021/22.

Programmes/Objectives/Activities**Table 34.52 National Consumer Tribunal expenditure trends and estimates by programme/objective/activity**

| R thousand | Audited outcome | | | Revised estimate | 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 |
| Administration | 24 306 | 30 196 | 33 987 | 35 961 | 13.9% | 55.4% | 40 818 | 44 362 | 46 657 | 9.1% | 59.5% |
| Adjudication | 17 797 | 21 743 | 30 418 | 32 180 | 21.8% | 44.6% | 25 396 | 26 896 | 29 400 | -3.0% | 40.5% |
| Total | 42 103 | 51 939 | 64 405 | 68 141 | 17.4% | 100.0% | 66 214 | 71 258 | 76 057 | 3.7% | 100.0% |

Statements of historical financial performance and position

Table 34.53 National Consumer Tribunal statements of historical financial performance and position

| Statement of financial performance | | | | | | | | | |
|--|---------|-----------------|---------|-----------------|---------|-----------------|-----------------|------------------|-----------------------------|
| R thousand | Budget | Audited outcome | Budget | Audited outcome | Budget | Audited outcome | Budget estimate | Revised estimate | Average: Outcome/Budget (%) |
| | 2015/16 | | 2016/17 | | 2017/18 | | 2018/19 | | 2015/16 - 2018/19 |
| Revenue | | | | | | | | | |
| Non-tax revenue | 6 802 | 3 703 | 6 790 | 6 790 | 14 835 | 6 958 | 18 152 | 18 152 | 76.4% |
| Sale of goods and services other than capital assets | 1 260 | 2 230 | 4 597 | 4 597 | 13 882 | 4 977 | 11 254 | 11 254 | 74.4% |
| <i>of which:</i> | | | | | | | | | |
| <i>Administrative fees</i> | 1 260 | 2 230 | 4 597 | 4 597 | 13 882 | 4 977 | 11 254 | 11 254 | 74.4% |
| Other non-tax revenue | 5 542 | 1 473 | 2 193 | 2 193 | 953 | 1 981 | 6 898 | 6 898 | 80.5% |
| Transfers received | 43 029 | 46 030 | 46 151 | 46 151 | 48 459 | 48 459 | 49 988 | 52 688 | 103.0% |
| Total revenue | 49 831 | 49 733 | 52 941 | 52 941 | 63 294 | 55 417 | 68 140 | 70 840 | 97.7% |
| Expenses | | | | | | | | | |
| Current expenses | 49 831 | 42 103 | 51 939 | 51 939 | 63 294 | 64 405 | 68 141 | 68 141 | 97.2% |
| Compensation of employees | 26 065 | 23 984 | 23 443 | 23 443 | 31 994 | 31 752 | 36 713 | 36 713 | 98.0% |
| Goods and services | 22 936 | 16 987 | 27 103 | 27 138 | 30 278 | 30 991 | 30 374 | 30 374 | 95.3% |
| Depreciation | 730 | 1 080 | 1 358 | 1 358 | 1 022 | 1 662 | 1 054 | 1 054 | 123.8% |
| Interest, dividends and rent on land | 100 | 52 | 35 | - | - | - | - | - | 38.5% |
| Total expenses | 49 831 | 42 103 | 51 939 | 51 939 | 63 294 | 64 405 | 68 141 | 68 141 | 97.2% |
| Surplus/(Deficit) | - | 7 630 | 1 002 | 1 002 | - | (8 988) | (1) | 2 699 | |
| Statement of financial position | | | | | | | | | |
| Carrying value of assets | 3 428 | 4 551 | 5 078 | 5 078 | 4 203 | 7 453 | 4 705 | 4 705 | 125.1% |
| <i>of which:</i> | | | | | | | | | |
| <i>Acquisition of assets</i> | (730) | (2 595) | (1 792) | (1 792) | (1 022) | (3 372) | (1 093) | (1 093) | 190.9% |
| Inventory | 32 | 49 | 69 | 69 | 35 | 62 | 40 | 40 | 125.0% |
| Receivables and prepayments | 32 | 996 | 601 | 601 | 35 | 547 | 40 | 40 | 308.5% |
| Cash and cash equivalents | 6 249 | 17 750 | 18 160 | 18 160 | 6 249 | 8 512 | 6 249 | 6 249 | 137.3% |
| Total assets | 9 741 | 23 346 | 23 908 | 23 908 | 10 522 | 16 574 | 11 034 | 11 034 | 135.6% |
| Accumulated surplus/(deficit) | 4 517 | 14 907 | 15 909 | 15 909 | 4 381 | 6 922 | 4 608 | 4 608 | 144.0% |
| Finance lease | 255 | 218 | 190 | 191 | 283 | 689 | 300 | 300 | 136.0% |
| Trade and other payables | 1 690 | 5 371 | 5 023 | 5 023 | 1 872 | 5 500 | 1 981 | 1 981 | 169.2% |
| Provisions | 3 279 | 2 850 | 2 785 | 2 785 | 3 986 | 3 463 | 4 145 | 4 145 | 93.3% |
| Total equity and liabilities | 9 741 | 23 346 | 23 907 | 23 908 | 10 522 | 16 574 | 11 034 | 11 034 | 135.6% |

Statements of estimates of financial performance and position

Table 34.54 National Consumer Tribunal statements of estimates of financial performance and position

| Statement of financial performance | | | | | | | | | |
|--|------------------|-------------------------|---------------------------------|----------------------|---------|---------|-------------------------|---------------------------------|--|
| R thousand | 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 | | |
| Revenue | | | | | | | | | |
| Non-tax revenue | 18 152 | 69.9% | 14.6% | 13 976 | 16 145 | 17 912 | -0.4% | 23.2% | |
| Sale of goods and services other than capital assets | 11 254 | 71.5% | 9.5% | 5 467 | 9 021 | 13 230 | 5.5% | 13.5% | |
| <i>of which:</i> | | | | | | | | | |
| <i>Administrative fees</i> | 11 254 | 71.5% | 9.5% | 5 467 | 9 021 | 13 230 | 5.5% | 13.5% | |
| Other non-tax revenue | 6 898 | 67.3% | 5.1% | 8 509 | 7 124 | 4 682 | -12.1% | 9.7% | |
| Transfers received | 52 688 | 4.6% | 85.4% | 52 239 | 55 113 | 58 145 | 3.3% | 76.8% | |
| Total revenue | 70 840 | 12.5% | 100.0% | 66 215 | 71 258 | 76 057 | 2.4% | 100.0% | |
| Expenses | | | | | | | | | |
| Current expenses | 68 141 | 17.4% | 100.0% | 66 214 | 71 258 | 76 057 | 3.7% | 100.0% | |
| Compensation of employees | 36 713 | 15.2% | 51.3% | 41 054 | 43 876 | 46 519 | 8.2% | 59.7% | |
| Goods and services | 30 374 | 21.4% | 46.3% | 23 615 | 25 583 | 27 786 | -2.9% | 38.2% | |
| Depreciation | 1 054 | -0.8% | 2.3% | 1 545 | 1 799 | 1 752 | 18.5% | 2.2% | |
| Total expenses | 68 141 | 17.4% | 100.0% | 66 214 | 71 258 | 76 057 | 3.7% | 100.0% | |
| Surplus/(Deficit) | 2 699 | | | 1 | - | - | | | |
| Statement of financial position | | | | | | | | | |
| Carrying value of assets | 4 705 | 1.1% | 32.1% | 4 705 | 4 705 | 4 705 | - | 42.6% | |
| <i>of which:</i> | | | | | | | | | |
| <i>Acquisition of assets</i> | (1 093) | -25.0% | -12.2% | (5 522) | (2 762) | (2 932) | 38.9% | -27.9% | |
| Inventory | 40 | -6.5% | 0.3% | 40 | 40 | 40 | - | 0.4% | |
| Receivables and prepayments | 40 | -65.8% | 2.6% | 40 | 40 | 40 | - | 0.4% | |
| Cash and cash equivalents | 6 249 | -29.4% | 65.0% | 6 249 | 6 249 | 6 249 | - | 56.6% | |
| Total assets | 11 034 | -22.1% | 100.0% | 11 034 | 11 034 | 11 034 | - | 100.0% | |

Table 34.54 National Consumer Tribunal statements of estimates of financial performance and position

| Statement of financial position | Revised estimate | Average: | | Medium-term estimate | | | Average growth rate (%) | Average: Expenditure/Total (%) |
|-------------------------------------|------------------|-------------------------|-----------------------|----------------------|---------------|---------------|-------------------------|--------------------------------|
| | | Average growth rate (%) | Expenditure/Total (%) | 2019/20 | 2020/21 | 2021/22 | | |
| R thousand | | 2018/19 | 2015/16 - 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2018/19 - 2021/22 | |
| Accumulated surplus/(deficit) | 4 608 | -32.4% | 53.5% | 4 608 | - | - | -100.0% | 20.9% |
| Capital reserve fund | - | - | - | - | 4 608 | 4 608 | - | 20.9% |
| Finance lease | 300 | 11.2% | 2.2% | 300 | 300 | 300 | - | 2.7% |
| Trade and other payables | 1 981 | -28.3% | 23.8% | 1 981 | 1 981 | 1 981 | - | 18.0% |
| Provisions | 4 145 | 13.3% | 20.6% | 4 145 | 4 145 | 4 145 | - | 37.6% |
| Total equity and liabilities | 11 034 | -22.1% | 100.0% | 11 034 | 11 034 | 11 034 | - | 100.0% |

Personnel information

Table 34.55 National Consumer Tribunal personnel numbers and cost by salary level

| National Consumer Tribunal | Number of posts estimated for 31 March 2019 | | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | Number | | | | |
|----------------------------|---|---|--|------|-----------|------------------|------|-----------|----------------------------------|------|-----------|--------|---------|-----------|-------------------------|---------------------------------|-------------------|-------|--------|
| | Number of funded posts | Number of posts on approved establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | Average growth rate (%) | Average: Salary level/Total (%) | | | |
| | | | 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 | | | | | |
| Salary level | 55 | 55 | 55 | 31.8 | 0.6 | 55 | 36.7 | 0.7 | 65 | 41.1 | 0.6 | 65 | 43.9 | 0.7 | 65 | 46.5 | 0.7 | 8.2% | 100.0% |
| 1 – 6 | 4 | 4 | 4 | 4.1 | 1.0 | 4 | 5.8 | 1.5 | 12 | 6.7 | 0.6 | 12 | 7.5 | 0.6 | 12 | 8.0 | 0.7 | 10.9% | 15.7% |
| 7 – 10 | 29 | 29 | 29 | 10.6 | 0.4 | 29 | 12.6 | 0.4 | 31 | 15.0 | 0.5 | 31 | 15.9 | 0.5 | 31 | 16.8 | 0.5 | 10.0% | 49.0% |
| 11 – 12 | 9 | 9 | 9 | 7.2 | 0.8 | 9 | 7.7 | 0.9 | 9 | 8.1 | 0.9 | 9 | 8.6 | 1.0 | 9 | 9.1 | 1.0 | 6.0% | 14.5% |
| 13 – 16 | 12 | 12 | 12 | 7.7 | 0.6 | 12 | 8.3 | 0.7 | 12 | 8.8 | 0.7 | 12 | 9.3 | 0.8 | 12 | 9.9 | 0.8 | 6.0% | 19.3% |
| 17 – 22 | 1 | 1 | 1 | 2.1 | 2.1 | 1 | 2.3 | 2.3 | 1 | 2.4 | 2.4 | 1 | 2.5 | 2.5 | 1 | 2.7 | 2.7 | 6.0% | 1.6% |

1. Rand million.

National Credit Regulator

Mandate

The National Credit Regulator was established in terms of the National Credit Act (2005) and is responsible for the regulation of the South African credit industry. It is tasked with carrying out education, research, policy development, the registration of industry participants and the investigation of complaints; and ensuring the enforcement of the act. The regulator is mandated to promote the development of an accessible credit market, particularly to address the needs of historically disadvantaged persons, low-income individuals, and remote, isolated or low-density communities.

Selected performance indicators

Table 34.56 National Credit Regulator 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 |
| Number of reports produced on the study of the impact of affordability assessment regulations on consumers per year | Promote increased access to credit through responsible credit granting | Entity mandate | - ¹ | - ¹ | - ¹ | 1 | 1 | 1 | 1 |
| Number of investigations, desktop compliance monitoring, audits, raids or evaluations conducted to enforce regulations on cost of credit per year (including credit life) | Promote increased access to credit through responsible credit granting | | 15 | 52 | 50 | 280 ¹ | 300 ¹ | 320 ¹ | 340 |
| Percentage of enforcement action taken where necessary on investigations, compliance monitoring, audits, raids or evaluations conducted on the cost of credit per year | Promote increased access to credit through responsible credit granting | | - ² | - ² | - ² | 70% | 75% | 80% | 85% |

Table 34.56 National Credit Regulator 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 |
| Number of reports on the impact of total cost of credit and credit life insurance regulations on consumers per year | Promote increased access to credit through responsible credit granting | | – ² | – ² | – ² | 1 | 1 | 1 | 1 |
| Number of credit provider investigations, compliance monitoring, audits, raids or evaluations relating to reckless lending and/or collection of prescribed debt conducted to enforce regulations per year | Protect consumers from abuse and unfair practices in the consumer credit market and address overindebtedness | | 40 | 61 | 70 | 280 | 300 | 320 | 340 |
| Percentage of enforcement action where necessary on investigations, compliance monitoring, audits, raids, and complaints evaluations conducted on reckless lending per year | Protect consumers from abuse and unfair practices in the consumer credit market and address overindebtedness | Entity mandate | – ² | – ² | – ² | 70% | 75% | 80% | 85% |
| Number of multimedia awareness campaigns ³ conducted on deceptive and unfair practices and consumer rights per year | Protect consumers from abuse and unfair practices in the consumer credit market and address overindebtedness | | – ² | 42 | 35 | 80 | 85 | 90 | 95 |
| Number of credit bureaus monitored per year | Continually enhance consumer credit market regulatory framework | | – ² | 6 | 8 | 8 | 10 | 12 | 14 |

1. Prior to 2018/19, only investigations were considered in the indicator. The indicator now includes other compliance monitoring exercises, audits, raids and complaints evaluations.

2. No historical data available.

3. Campaigns include radio and television interviews, newspaper articles, community outreach programmes and social media.

Expenditure analysis

Over the medium term, the National Credit Regulator will continue to implement the National Credit Act (2005) by focusing on responsible lending and consumer protection, awareness and outreach campaigns, and enabling consumers to reach its services. Accordingly, over the period, the regulator plans to conduct 180 investigations into the cost of credit, 210 inspections for reckless lending, and 24 raids on unregistered credit providers and unlawful credit agreements. The regulator also plans to conduct 36 regular inspections on credit bureaus to ensure improvement in the quality and accuracy of consumer credit information, and monitor whether relevant information is considered before consumers are granted credit; and launch 300 awareness campaigns and outreach programmes in all provinces.

As these activities are consultative in nature, they require travel and hired facilities. As a result, spending on goods and services is expected to increase at an average annual rate of 7.4 per cent, from R41.6 million in 2018/19 to R51.6 million in 2021/22, constituting an estimated 30.5 per cent (R144.9 million) of the regulator's total budget over the period.

To enable consumers to reach its services, over the MTEF period, the regulator will continue to use payment distribution agents, who are responsible for the distribution of payments to creditors of consumers under debt counselling; and alternative dispute resolution agents, who assist consumers with the resolution of credit consumer disputes. Activities related to protecting consumers from abuse and unfair practices in the consumer credit market and addressing overindebtedness account for an estimated 32.5 per cent (R160.6 million) of the regulator's total budget over the period ahead, increasing at an average annual rate of 12.8 per cent, from R39.2 million in 2018/19 to R56.3 million in 2021/22.

Expenditure is expected to increase at an average annual rate of 5.9 per cent, from R137.6 million in 2018/19 to R163.3 million in 2020/21. The regulator derives 53.6 per cent (R252.1 million) of its projected revenue over the medium term from transfers from the department, and 46.4 per cent (R221.8 million) from registrants' fees.

Programmes/Objectives/Activities

Table 34.57 National Credit Regulator expenditure trends and estimates by programme/objective/activity

| R thousand | Audited outcome | | | Revised estimate 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 | | |
| Administration | 34 693 | 38 589 | 38 331 | 50 512 | 13.3% | 32.3% | 50 301 | 51 189 | 53 472 | 1.9% | 33.7% |
| Promote increased access to credit through responsible credit granting | 7 310 | 5 915 | 5 675 | 11 049 | 14.8% | 6.0% | 10 695 | 12 282 | 11 972 | 2.7% | 7.5% |
| Protect consumers from abuse and unfair practices in the consumer credit market and address overindebtedness | 30 816 | 38 525 | 30 703 | 39 199 | 8.4% | 27.9% | 49 462 | 54 833 | 56 294 | 12.8% | 32.5% |
| Continually enhance consumer credit market regulatory framework | 16 595 | 16 111 | 17 014 | 20 450 | 7.2% | 14.0% | 22 825 | 20 027 | 20 920 | 0.8% | 13.8% |
| Ensure effective implementation of the National Credit Act (2005) | 24 783 | 19 759 | 26 039 | – | -100.0% | 14.6% | – | – | – | – | – |
| Registration of entities or persons | – | – | 11 050 | 16 404 | – | 5.1% | 19 254 | 19 745 | 20 662 | 8.0% | 12.4% |
| Total | 114 197 | 118 899 | 128 812 | 137 614 | 6.4% | 100.0% | 152 537 | 158 076 | 163 320 | 5.9% | 100.0% |

Statements of historical financial performance and position

Table 34.58 National Credit Regulator statements of historical financial performance and position

| Statement of financial performance | | | | | | | | | |
|--|-----------------|----------------|-----------------|----------------|-----------------|----------------|-----------------|------------------|--|
| R thousand | Audited outcome | | Audited outcome | | Audited outcome | | Budget estimate | Revised estimate | Average: Outcome/Budget (%) 2015/16 - 2018/19 |
| | Budget | 2015/16 | Budget | 2016/17 | Budget | 2017/18 | | | |
| Revenue | | | | | | | | | |
| Non-tax revenue | 58 051 | 40 499 | 50 829 | 50 829 | 57 662 | 61 532 | 62 250 | 62 253 | 94.0% |
| Sale of goods and services other than capital assets | 55 051 | 32 900 | 34 029 | 34 029 | 55 162 | 46 057 | 59 750 | 41 576 | 75.8% |
| <i>of which:</i> | | | | | | | | | |
| Administrative fees | 55 051 | 32 900 | 34 029 | 34 029 | 55 162 | 46 057 | 59 750 | 41 576 | 75.8% |
| Other non-tax revenue | 3 000 | 7 599 | 16 800 | 16 800 | 2 500 | 15 475 | 2 500 | 20 677 | 244.2% |
| Transfers received | 66 727 | 66 727 | 69 577 | 69 577 | 73 056 | 73 057 | 75 361 | 75 361 | 100.0% |
| Total revenue | 124 778 | 107 226 | 120 406 | 120 406 | 130 718 | 134 589 | 137 611 | 137 614 | 97.3% |
| Expenses | | | | | | | | | |
| Current expenses | 124 778 | 114 197 | 118 899 | 118 899 | 130 718 | 128 812 | 137 612 | 137 614 | 97.6% |
| Compensation of employees | 69 302 | 72 267 | 70 121 | 76 947 | 81 810 | 84 534 | 81 326 | 84 613 | 105.2% |
| Goods and services | 50 275 | 35 529 | 43 408 | 32 774 | 43 176 | 35 198 | 48 061 | 41 598 | 78.5% |
| Depreciation | 5 197 | 6 399 | 5 370 | 9 178 | 5 730 | 9 080 | 8 223 | 11 403 | 147.1% |
| Interest, dividends and rent on land | 4 | 2 | – | – | 2 | – | 2 | – | 24.4% |
| Total expenses | 124 778 | 114 197 | 118 899 | 118 899 | 130 718 | 128 812 | 137 612 | 137 614 | 97.6% |
| Surplus/(Deficit) | – | (6 971) | 1 507 | 1 507 | – | 5 777 | (1) | – | |
| Statement of financial position | | | | | | | | | |
| Carrying value of assets | 22 990 | 18 143 | 18 920 | 18 920 | 25 346 | 17 816 | 26 614 | 26 614 | 86.8% |
| <i>of which:</i> | | | | | | | | | |
| Acquisition of assets | (23 598) | (2 815) | (6 329) | (6 329) | (5 520) | (4 292) | (5 641) | (5 641) | 46.4% |
| Investments | – | – | 6 | 6 | – | – | – | – | 100.0% |
| Receivables and prepayments | 850 | 562 | 420 | 420 | 2 940 | 2 931 | 2 940 | 2 940 | 95.8% |
| Cash and cash equivalents | 46 000 | 44 970 | 61 289 | 61 289 | 49 581 | 64 009 | 52 060 | 52 060 | 106.4% |
| Total assets | 69 840 | 63 675 | 80 635 | 80 635 | 77 867 | 84 756 | 81 613 | 81 614 | 100.2% |
| Accumulated surplus/(deficit) | 4 748 | 3 750 | 5 257 | 5 257 | 5 462 | 11 034 | 8 224 | 8 225 | 119.3% |
| Finance lease | 27 | 9 | – | – | 40 | – | 43 | 43 | 47.2% |
| Trade and other payables | 8 529 | 12 694 | 21 583 | 21 584 | 8 900 | 14 770 | 8 400 | 8 400 | 121.2% |
| Provisions | 4 988 | 7 673 | 8 473 | 8 473 | 8 905 | 7 855 | 9 225 | 9 225 | 105.2% |
| Derivatives financial instruments | 51 547 | 39 549 | 45 321 | 45 321 | 54 561 | 51 097 | 55 721 | 55 721 | 92.5% |
| Total equity and liabilities | 69 839 | 63 675 | 80 634 | 80 635 | 77 867 | 84 756 | 81 613 | 81 614 | 100.2% |

Statements of estimates of financial performance and position

Table 34.59 National Credit Regulator 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 | | |
| R thousand | | | | | | | | | |
| Revenue | | | | | | | | | |
| Non-tax revenue | | 62 253 | 15.4% | 42.7% | 72 957 | 74 118 | 74 745 | 6.3% | 46.4% |
| Sale of goods and services other than capital assets | | 41 576 | 8.1% | 30.8% | 48 527 | 49 499 | 49 993 | 6.3% | 31.0% |
| <i>of which:</i> | | | | | | | | | |
| Administrative fees | | 41 576 | 8.1% | 30.8% | 48 527 | 49 499 | 49 993 | 6.3% | 31.0% |
| Other non-tax revenue | | 20 677 | 39.6% | 11.9% | 24 430 | 24 619 | 24 752 | 6.2% | 15.4% |
| Transfers received | | 75 361 | 4.1% | 57.3% | 79 580 | 83 957 | 88 575 | 5.5% | 53.6% |
| Total revenue | | 137 614 | 8.7% | 100.0% | 152 537 | 158 075 | 163 320 | 5.9% | 100.0% |
| Expenses | | | | | | | | | |
| Current expenses | | 137 614 | 6.4% | 100.0% | 152 537 | 158 075 | 163 320 | 5.9% | 100.0% |
| Compensation of employees | | 84 613 | 5.4% | 63.8% | 94 768 | 97 611 | 100 538 | 5.9% | 61.7% |
| Goods and services | | 41 598 | 5.4% | 29.1% | 43 643 | 49 708 | 51 572 | 7.4% | 30.5% |
| Depreciation | | 11 403 | 21.2% | 7.2% | 14 126 | 10 757 | 11 210 | -0.6% | 7.8% |
| Total expenses | | 137 614 | 6.4% | 100.0% | 152 537 | 158 075 | 163 320 | 5.9% | 100.0% |
| Surplus/(Deficit) | | - | | | - | - | - | | |
| Statement of financial position | | | | | | | | | |
| Carrying value of assets | | 26 614 | 13.6% | 26.4% | 26 614 | 26 614 | 25 522 | -1.4% | 29.3% |
| <i>of which:</i> | | | | | | | | | |
| Acquisition of assets | | (5 641) | 26.1% | -6.1% | (6 046) | (6 252) | (6 378) | 4.2% | -6.7% |
| Receivables and prepayments | | 2 940 | 73.6% | 2.1% | 2 940 | 2 940 | 3 261 | 3.5% | 3.4% |
| Cash and cash equivalents | | 52 060 | 5.0% | 71.5% | 61 644 | 61 644 | 68 364 | 9.5% | 67.3% |
| Total assets | | 81 614 | 8.6% | 100.0% | 91 198 | 91 198 | 97 147 | 6.0% | 100.0% |
| Accumulated surplus/(deficit) | | 8 225 | 29.9% | 8.9% | 16 858 | 11 698 | 8 980 | 3.0% | 12.7% |
| Finance lease | | 43 | 68.4% | 0.0% | 43 | - | - | -100.0% | 0.0% |
| Trade and other payables | | 8 400 | -12.9% | 18.6% | 7 900 | 9 000 | 9 982 | 5.9% | 9.8% |
| Provisions | | 9 225 | 6.3% | 10.8% | 9 562 | 10 500 | 11 645 | 8.1% | 11.3% |
| Derivatives financial instruments | | 55 721 | 12.1% | 61.7% | 56 835 | 60 000 | 66 540 | 6.1% | 66.2% |
| Total equity and liabilities | | 81 614 | 8.6% | 100.0% | 91 198 | 91 198 | 97 147 | 6.0% | 100.0% |

Personnel information

Table 34.60 National Credit Regulator personnel numbers and cost by salary level

| Number of posts estimated for 31 March 2019 | | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | Number | | | | | | |
|---|---|--|------------|-------------|------------------|------------|-------------|----------------------------------|------------|-------------|------------|------------|-------------------------|---------------------------------|------------|-------------------|------------|-------------|---------------|
| | | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | Average growth rate (%) | Average: Salary level/Total (%) | | | | | |
| Number of funded posts | Number of posts on approved establishment | 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 | | | |
| National Credit Regulator | | | | | | | | | | | | | | | | | | | |
| Salary level | 186 | 184 | 161 | 84.5 | 0.5 | 186 | 84.6 | 0.5 | 186 | 94.8 | 0.5 | 186 | 97.6 | 0.5 | 186 | 100.5 | 0.5 | 5.9% | 100.0% |
| 1-6 | 39 | 39 | 36 | 6.6 | 0.2 | 39 | 6.7 | 0.2 | 39 | 7.5 | 0.2 | 39 | 9.8 | 0.3 | 39 | 8.6 | 0.2 | 8.6% | 21.0% |
| 7-10 | 114 | 112 | 100 | 50.6 | 0.5 | 114 | 45.1 | 0.4 | 114 | 50.1 | 0.4 | 114 | 48.5 | 0.4 | 114 | 49.9 | 0.4 | 3.4% | 61.3% |
| 11-12 | 27 | 27 | 19 | 17.0 | 0.9 | 27 | 22.0 | 0.8 | 27 | 24.9 | 0.9 | 27 | 26.4 | 1.0 | 27 | 28.3 | 1.0 | 8.7% | 14.5% |
| 13-16 | 5 | 5 | 5 | 7.6 | 1.5 | 5 | 7.9 | 1.6 | 5 | 8.9 | 1.8 | 5 | 9.4 | 1.9 | 5 | 10.2 | 2.0 | 8.7% | 2.7% |
| 17-22 | 1 | 1 | 1 | 2.7 | 2.7 | 1 | 2.8 | 2.8 | 1 | 3.3 | 3.3 | 1 | 3.3 | 3.3 | 1 | 3.6 | 3.6 | 8.2% | 0.5% |

1. Rand million.

National Empowerment Fund

Mandate

The National Empowerment Fund was established in terms of the National Empowerment Fund Act (1998) to promote and facilitate black economic equality and economic transformation. In providing financial and non-financial support to black businesses and structuring accessible retail savings products for black people, the fund is mandated to implement the empowerment codes of good practice for BEE. The fund has 5 core divisions: small, medium and micro enterprises; rural development; venture capital; corporate finance; and funds to empower women.

Selected performance indicators**Table 34.61 National Empowerment Fund 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 approvals by the uMnotho Fund per year | Fund management | Outcome 4: Decent employment through inclusive growth | R355m | R286m | R239m | R141m | R361m | R461m | R530m |
| Value of approvals by the iMbewu Fund per year | Fund management | | R255m | R184m | R339m | R114m | R242m | R308m | R354m |
| Value of approvals by the Rural and Community Development Fund per year | Fund management | | R88m | R278m | R13m | R42m | R106m | R135m | R155m |
| Value of approvals by the Strategic Projects Fund per year | Fund management | | R121m | R108m | R44m | R56m | R75m | R95m | R110m |
| Value of approvals by the Women Empowerment Fund per year | Fund management | | R252m | R210m | R221m | R118m | R261m | R332m | R382m |
| Job opportunities supported per year | Fund management | | 4 983 | 5 069 | 3 609 | 2 597 | 3 612 | 5 015 | 5 871 |

Expenditure analysis

Over the medium term, the National Empowerment Fund intends to focus on: facilitating greater participation in the economy by historically disadvantaged groups by providing financial and non-financial assistance to business ventures established and managed by black people who have the potential to create employment; intensifying the participation of black women in the economy; facilitating investment across all provinces; and encouraging and promoting a culture of saving.

The fund targets labour-intensive sectors such as manufacturing, agro-processing, minerals beneficiation, infrastructure and tourism. Business funding is provided through the uMnotho Fund, the iMbewu Fund, the Rural and Community Development Fund, the Women Empowerment Fund, and the Strategic Projects Fund. In total, planned funding approvals are projected to increase from R471 million in 2018/19 to R1.5 billion in 2021/22 to support an estimated 14 498 job opportunities over the MTEF period.

The largest of the funds, the uMnotho Fund, provides funding to new ventures, acquisitions and expansion projects, and is expected to increase approvals from R141 million in 2018/19 to R530 million in 2020/22. The fund supports new black entrepreneurs and existing black-owned enterprises with capital for expansion.

The Women Empowerment Fund provides financial and non-financial support to enterprises that are owned by black women. Approvals on this fund will value increase from R118 million in 2018/19 to R382 million in 2021/22. The Rural and Community Development Fund, which provides funding to aspiring rural entrepreneurs and facilitates skills transfer and operational involvement by community groups, is expected to approve R438 million over the medium term. The Strategic Projects Fund, which seeks to promote the participation of black people in early phases of projects, is expected to grant approvals worth R280 million over the medium term.

Total expenditure over the period is projected to be R1.3 billion, decreasing at an average annual rate of 1.5 per cent, from R529 million in 2018/19 to R506 million in 2021/22. The decrease is due to an anticipated decrease in the provision for impairment losses expected over the MTEF period. Spending on goods and services constitutes 54.4 per cent (R675.1 million) of total expenditure, with compensation of employees accounting for 45.1 per cent (R634.9 million) of spending over the medium term. The fund generates all its revenue from interest on loans, dividend income from listed and unlisted shares, and interest income.

Programmes/Objectives/Activities**Table 34.62 National Empowerment Fund expenditure trends and estimates by programme/objective/activity**

| R thousand | Audited outcome | | | Revised estimate | 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 | | |
| Administration | 1 337 778 | 749 384 | 474 852 | 529 020 | -26.6% | 100.0% | 380 040 | 431 051 | 506 031 | -1.5% | 100.0% |
| Total | 1 337 778 | 749 384 | 474 852 | 529 020 | -26.6% | 100.0% | 380 040 | 431 051 | 506 031 | -1.5% | 100.0% |

Statements of historical financial performance and position**Table 34.63 National Empowerment Fund statements of historical financial performance and position**

| Statement of financial performance | | | | | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------------------|
| R thousand | Audited outcome | | Budget | | Audited outcome | | Budget estimate | | Average: Outcome/ Budget (%) |
| | 2015/16 | 2016/17 | 2016/17 | 2017/18 | 2017/18 | 2018/19 | 2018/19 | | |
| Revenue | | | | | | | | | |
| Non-tax revenue | 433 477 | 590 579 | 432 107 | 432 107 | 433 170 | 410 278 | 435 992 | 430 067 | 107.4% |
| Other non-tax revenue | 433 477 | 590 579 | 432 107 | 432 107 | 433 170 | 410 278 | 435 992 | 430 067 | 107.4% |
| Total revenue | 433 477 | 590 579 | 432 107 | 432 107 | 433 170 | 410 278 | 435 992 | 430 067 | 107.4% |
| Expenses | | | | | | | | | |
| Current expenses | 428 449 | 1 337 778 | 749 384 | 749 384 | 431 000 | 474 852 | 431 852 | 529 020 | 151.5% |
| Compensation of employees | 183 273 | 159 897 | 154 856 | 154 856 | 179 273 | 162 560 | 188 141 | 183 870 | 93.7% |
| Goods and services | 241 949 | 1 176 482 | 593 292 | 593 292 | 249 754 | 311 270 | 240 805 | 343 253 | 182.9% |
| Depreciation | 3 227 | 1 399 | 1 236 | 1 236 | 1 973 | 1 022 | 2 906 | 1 897 | 59.5% |
| Total expenses | 428 449 | 1 337 778 | 749 384 | 749 384 | 431 000 | 474 852 | 431 852 | 529 020 | 151.5% |
| Surplus/(Deficit) | 5 028 | (747 200) | (317 277) | (317 277) | 2 170 | (64 574) | 4 140 | (98 953) | |
| Statement of financial position | | | | | | | | | |
| Carrying value of assets | 7 529 | 2 113 | 2 042 | 2 042 | 5 568 | 3 064 | 8 163 | 4 868 | 51.9% |
| <i>of which:</i> | | | | | | | | | |
| Acquisition of assets | (7 500) | (1 172) | (2 434) | (2 434) | (5 500) | (2 194) | (5 500) | (3 700) | 45.4% |
| Investments | 2 860 735 | 2 438 805 | 2 314 971 | 2 314 971 | 2 029 401 | 2 458 536 | 2 196 494 | 1 973 657 | 97.7% |
| Loans | 1 813 634 | 1 344 764 | 1 510 043 | 1 510 043 | 2 026 220 | 1 359 297 | 2 622 813 | 1 723 688 | 74.5% |
| Receivables and prepayments | 110 783 | 87 583 | 1 512 | 1 512 | 1 512 | 48 023 | 1 512 | 2 506 | 121.1% |
| Cash and cash equivalents | 1 113 495 | 1 418 767 | 1 344 523 | 1 344 523 | 1 012 559 | 1 133 802 | 150 418 | 1 099 050 | 138.0% |
| Total assets | 5 906 176 | 5 292 033 | 5 173 091 | 5 173 091 | 5 075 262 | 5 002 722 | 4 979 401 | 4 803 769 | 95.9% |
| Accumulated surplus/(deficit) | 3 387 745 | 2 635 517 | 2 318 240 | 2 318 240 | 2 320 411 | 2 253 666 | 2 324 550 | 2 154 713 | 90.4% |
| Capital and reserves | 2 468 431 | 2 468 431 | 2 468 431 | 2 468 431 | 2 468 431 | 2 468 431 | 2 468 431 | 2 468 431 | 100.0% |
| Trade and other payables | 50 000 | 178 835 | 377 171 | 377 171 | 277 171 | 271 376 | 177 171 | 171 376 | 113.3% |
| Derivatives financial instruments | – | 9 249 | 9 249 | 9 249 | 9 249 | 9 249 | 9 249 | 9 249 | 133.3% |
| Total equity and liabilities | 5 906 176 | 5 292 033 | 5 173 091 | 5 173 091 | 5 075 262 | 5 002 722 | 4 979 401 | 4 803 769 | 95.9% |

Statements of estimates of financial performance and position**Table 34.64 National Empowerment Fund statements of estimates of financial performance and position**

| Statement of financial performance | | | | | | | | | |
|------------------------------------|------------------|-------------------------|---------------------------------|----------------------|----------------|----------------|-------------------------|---------------------------------|---------|
| R thousand | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) | |
| | | | | 2018/19 | 2019/20 | 2020/21 | | | 2021/22 |
| Revenue | | | | | | | | | |
| Non-tax revenue | 430 067 | -10.0% | 100.0% | 437 349 | 491 108 | 556 424 | 9.0% | 100.0% | |
| Other non-tax revenue | 430 067 | -10.0% | 100.0% | 437 349 | 491 108 | 556 424 | 9.0% | 100.0% | |
| Total revenue | 430 067 | -10.0% | 100.0% | 437 349 | 491 108 | 556 424 | 9.0% | 100.0% | |
| Expenses | | | | | | | | | |
| Current expenses | 529 020 | -26.6% | 100.0% | 380 040 | 431 051 | 506 031 | -1.5% | 100.0% | |
| Compensation of employees | 183 870 | 4.8% | 25.4% | 193 854 | 213 870 | 227 131 | 7.3% | 45.1% | |
| Goods and services | 343 253 | -33.7% | 74.4% | 183 717 | 214 856 | 276 533 | -7.0% | 54.4% | |
| Depreciation | 1 897 | 10.7% | 0.2% | 2 469 | 2 325 | 2 367 | 7.7% | 0.5% | |
| Total expenses | 529 020 | -26.6% | 100.0% | 380 040 | 431 051 | 506 031 | -1.5% | 100.0% | |
| Surplus/(Deficit) | (98 953) | | | 57 309 | 60 057 | 50 393 | | | |

Table 34.64 National Empowerment Fund statements of estimates of financial performance and position

| Statement of financial position | 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 | | |
| R thousand | | | | | | | | |
| Carrying value of assets | 4 868 | 32.1% | 0.1% | 6 019 | 6 195 | 6 028 | 7.4% | 0.1% |
| of which: | | | | | | | | |
| Acquisition of assets | (3 700) | 46.7% | -0.0% | (3 620) | (2 500) | (2 200) | -15.9% | -0.1% |
| Investments | 1 973 657 | -6.8% | 45.3% | 2 072 325 | 2 211 712 | 2 373 153 | 6.3% | 43.6% |
| Loans | 1 723 688 | 8.6% | 29.4% | 2 028 039 | 2 498 123 | 3 056 642 | 21.0% | 46.7% |
| Receivables and prepayments | 2 506 | -69.4% | 0.7% | 2 506 | 2 506 | 2 506 | - | 0.1% |
| Cash and cash equivalents | 1 099 050 | -8.2% | 24.6% | 642 941 | 83 350 | - | -100.0% | 9.5% |
| Total assets | 4 803 769 | -3.2% | 100.0% | 4 751 830 | 4 801 886 | 5 438 329 | 4.2% | 100.0% |
| Accumulated surplus/(deficit) | 2 154 713 | -6.5% | 46.1% | 2 212 023 | 2 272 079 | 2 322 471 | 2.5% | 45.4% |
| Capital and reserves | 2 468 431 | -0.0% | 48.8% | 2 468 431 | 2 468 431 | 2 468 431 | - | 50.0% |
| Borrowings | - | - | - | - | - | 611 627 | - | 2.8% |
| Trade and other payables | 171 376 | -1.4% | 4.9% | 71 376 | 61 376 | 35 800 | -40.7% | 1.8% |
| Derivatives financial instruments | 9 249 | -0.0% | 0.2% | - | - | - | -100.0% | 0.0% |
| Total equity and liabilities | 4 803 769 | -3.2% | 100.0% | 4 751 830 | 4 801 886 | 5 438 329 | 4.2% | 100.0% |

Personnel information**Table 34.65 National Empowerment Fund personnel numbers and cost by salary level**

| Number of posts estimated for 31 March 2019 | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Number | | | |
|---|--|---|---------|-------|-----------|------------------|---------|-----------|----------------------------------|-------|-------------------|--------|-------|-----------|-------------------------|---------------------------------|-----------|------|--------|
| | Number of funded posts | Number of posts on approved establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | Average growth rate (%) | Average: Salary level/Total (%) | | | |
| 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 | | |
| National Empowerment Fund | | | | | | | | | | | | | | | | | | | |
| Salary level | 161 | 161 | 161 | 162.6 | 1.0 | 161 | 183.9 | 1.1 | 161 | 193.9 | 1.2 | 165 | 213.9 | 1.3 | 165 | 227.1 | 1.4 | 7.3% | 100.0% |
| 1 - 6 | 17 | 17 | 17 | 3.9 | 0.2 | 17 | 4.1 | 0.2 | 17 | 4.3 | 0.3 | 17 | 4.6 | 0.3 | 17 | 4.9 | 0.3 | 5.9% | 10.4% |
| 7 - 10 | 89 | 89 | 89 | 72.9 | 0.8 | 89 | 89.4 | 1.0 | 89 | 94.2 | 1.1 | 93 | 108.1 | 1.2 | 93 | 114.7 | 1.2 | 8.7% | 55.8% |
| 11 - 12 | 26 | 26 | 26 | 28.3 | 1.1 | 26 | 29.7 | 1.1 | 26 | 31.3 | 1.2 | 26 | 33.2 | 1.3 | 26 | 35.3 | 1.4 | 5.9% | 16.0% |
| 13 - 16 | 26 | 26 | 26 | 45.0 | 1.7 | 26 | 47.3 | 1.8 | 26 | 49.8 | 1.9 | 26 | 52.9 | 2.0 | 26 | 56.2 | 2.2 | 5.9% | 16.0% |
| 17 - 22 | 3 | 3 | 3 | 12.5 | 4.2 | 3 | 13.4 | 4.5 | 3 | 14.2 | 4.7 | 3 | 15.1 | 5.0 | 3 | 16.1 | 5.4 | 6.4% | 1.8% |

1. Rand million.

National Gambling Board**Mandate**

The National Gambling Board was established in terms of the National Gambling Act (2004), which makes provision for the coordination of concurrent national and provincial legislative competence over matters relating to casinos, racing, gambling and wagering; and provides for the regulation and development of uniform norms and standards. The board's mandate is derived from the National Gambling Act (2004), legislation that prohibits money laundering and the financing of terrorism, the Broad-Based Black Economic Empowerment Act (2003), the codes of good practice for BEE, and the Employment Equity Act (1998).

Selected performance indicators**Table 34.66 National Gambling Board 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 |
| Number of research reports on the impact of gambling presented to the accounting authority per year | Stakeholder and liaison | | 1 | 1 | 1 | 1 | 1 | 1 |
| Number of consolidated three-tier compliance evaluation assessments produced per year | Compliance monitoring | | 10 | 10 | 10 | 9 | 9 | 9 |
| Number of reports on the intervention and support provided to regulators and law enforcement agencies per year | Compliance monitoring | Entity mandate | 8 | 8 | 8 | 8 | 8 | 8 |
| Number of compliance evaluation assessments conducted on the issuance of national licences by provincial licensing authorities per year | Compliance monitoring | | 9 | 9 | 10 | 9 | 9 | 9 |

Expenditure analysis

Over the medium term, the National Gambling Board will focus on strengthening its oversight function in line with the national gambling policy and the National Gambling Act (2004), maintaining national gambling registers, conducting research on the socioeconomic impact of gambling, and monitoring market share and conduct in the gambling sector. To strengthen its oversight function, over the MTEF period, the board intends to monitor and evaluate compliance with legislation, issue licences, and prohibit and restrict gambling activities. These activities are carried out in the compliance monitoring programme at a projected cost of R26.3 million over the period ahead.

National gambling registers enable the board to maintain data on the number of gambling machines and devices registered in the country, details of persons excluded from gambling activities and illegal gambling operatives. Activities related to maintaining these registers are carried out in the technical compliance programme at a projected cost of R491.3 million over the MTEF period, accounting for the bulk of the board's expenditure. The board will continue to conduct research on the socioeconomic impact of gambling and advise the Minister of Trade and Industry on policy changes required to deal with the negative effects of gambling and illegal gambling. Accordingly, over the period ahead, the board expects to conduct 4 targeted educational campaigns and 4 public awareness programmes to educate the public about the dangers of irresponsible and illegal gambling.

The board will also continue to monitor market share and conduct in the gambling sector and publish 5 reports on gambling statistics, trends and behaviour patterns in the country for the benefit of the gambling population, other stakeholders and the general population. In 2019/20, research is expected to be conducted to determine the impact of the fourth industrial revolution on gambling and gambling regulation. To support these activities, the stakeholder and liaison programme is allocated R56.6 million over the medium term.

Goods and services account for 84.7 per cent (R562.8 million) of total expenditure over the period, increasing at an average annual rate of 2.5 per cent, from R182.1 million in 2018/19 to R196 million in 2021/22. This increase is largely due to the implementation of the national central electronic monitoring system, which manages and monitors significant events in the limited payout machine industry. Spending on compensation of employees is expected to increase by 9.8 per cent, from R26.4 million in 2018/19 to R35 million in 2021/22, due to cost of living adjustments.

Expenditure increases at an average annual rate of 3.4 per cent, from R211.1 million in 2018/19 to R233.6 million in 2021/22. The board derives 15.3 per cent (R107 million) of its revenue over the medium term from transfers from the department, while 84.7 per cent (R590.8 million) is generated from other sources such as the national central electronic monitoring system, which accounts for 78.2 per cent (R501 million) of revenue over the same period. Revenue is expected to increase at an average annual rate of 4.9 per cent, from R213.8 million in 2018/19 to R247 million in 2021/22.

Programmes/Objectives/Activities

Table 34.67 National Gambling Board expenditure trends and estimates by programme/objective/activity

| | Audited outcome | | | Revised estimate 2018/19 | Average growth rate (%) | | Medium-term expenditure estimate | | | Average growth rate (%) | |
|-------------------------|-----------------|---------------|---------------|-----------------------------|-------------------------|---------------------------------|----------------------------------|----------------|----------------|-------------------------|---------------------------------|
| | 2015/16 | 2016/17 | 2017/18 | | 2015/16 - 2018/19 | Average: Expenditure/ Total (%) | 2019/20 | 2020/21 | 2021/22 | 2018/19 - 2021/22 | Average: Expenditure/ Total (%) |
| R thousand | | | | | | | | | | | |
| Administration | 19 117 | 20 877 | 28 702 | 30 860 | 17.3% | 42.4% | 29 824 | 31 233 | 33 005 | 2.3% | 14.2% |
| Stakeholder and liaison | 3 438 | 10 868 | 8 807 | 21 932 | 85.5% | 15.2% | 20 624 | 18 084 | 17 854 | -6.6% | 9.0% |
| Compliance monitoring | 5 088 | 7 120 | 3 623 | 6 428 | 8.1% | 11.0% | 8 165 | 8 758 | 9 340 | 13.3% | 3.7% |
| Technical compliance | – | – | 47 728 | 151 866 | – | 31.4% | 152 712 | 165 181 | 173 411 | 4.5% | 73.1% |
| Total | 27 643 | 38 865 | 88 860 | 211 086 | 96.9% | 100.0% | 211 325 | 223 256 | 233 610 | 3.4% | 100.0% |

Statements of historical financial performance and position

Table 34.68 National Gambling Board statements of historical financial performance and position

| Statement of financial performance | | | | | | | | | |
|--|---------------|-----------------|---------------|-----------------|---------------|-----------------|-----------------|------------------|-----------------------------|
| R thousand | Budget | Audited outcome | Budget | Audited outcome | Budget | Audited outcome | Budget estimate | Revised estimate | Average: Outcome/Budget (%) |
| | 2015/16 | | 2016/17 | | 2017/18 | | 2018/19 | | 2015/16 - 2018/19 |
| Revenue | | | | | | | | | |
| Non-tax revenue | 8 789 | 8 743 | 17 659 | 19 156 | 52 568 | 70 915 | 146 024 | 181 211 | 124.4% |
| Other non-tax revenue | 8 789 | 8 743 | 17 659 | 19 156 | 52 568 | 70 915 | 146 024 | 181 211 | 124.4% |
| Transfers received | 31 983 | 31 983 | 30 121 | 30 121 | 31 627 | 31 627 | 32 624 | 32 624 | 100.0% |
| Total revenue | 40 772 | 40 726 | 47 780 | 49 277 | 84 195 | 102 542 | 178 648 | 213 835 | 115.6% |
| Expenses | | | | | | | | | |
| Current expenses | 39 035 | 27 643 | 47 371 | 38 865 | 78 514 | 88 860 | 169 657 | 211 086 | 109.5% |
| Compensation of employees | 11 346 | 11 626 | 21 254 | 18 826 | 19 042 | 19 297 | 25 071 | 26 399 | 99.3% |
| Goods and services | 25 477 | 13 867 | 23 975 | 17 866 | 57 184 | 67 227 | 141 914 | 182 100 | 113.1% |
| Depreciation | 2 212 | 2 150 | 2 142 | 2 173 | 2 288 | 2 336 | 2 672 | 2 587 | 99.3% |
| Total expenses | 39 035 | 27 643 | 47 371 | 38 865 | 78 514 | 88 860 | 169 657 | 211 086 | 109.5% |
| Surplus/(Deficit) | 1 737 | 13 083 | 409 | 10 412 | 5 681 | 13 682 | 8 991 | 2 749 | |
| Statement of financial position | | | | | | | | | |
| Carrying value of assets | 13 681 | 11 750 | 14 502 | 10 806 | 15 372 | 13 048 | 16 295 | 16 294 | 86.7% |
| <i>of which:</i> | | | | | | | | | |
| Acquisition of assets | (1 642) | (968) | (2 400) | (1 033) | (2 302) | (4 498) | (890) | (890) | 102.1% |
| Inventory | 21 | 42 | 22 | 34 | 24 | 15 | 25 | 25 | 125.1% |
| Receivables and prepayments | 1 453 | 1 063 | 1 540 | 1 284 | 1 633 | 22 481 | 1 731 | 1 731 | 417.8% |
| Cash and cash equivalents | 9 769 | 26 439 | 10 355 | 34 546 | 10 976 | 31 003 | 11 635 | 11 635 | 242.5% |
| Total assets | 24 925 | 39 294 | 26 420 | 46 670 | 28 006 | 66 547 | 29 686 | 29 685 | 167.1% |
| Accumulated surplus/(deficit) | 9 627 | 22 050 | 10 205 | 27 428 | 10 817 | 30 733 | 11 466 | 11 465 | 217.7% |
| Trade and other payables | 14 325 | 15 435 | 15 184 | 16 542 | 16 095 | 33 102 | 17 061 | 17 061 | 131.1% |
| Provisions | 973 | 1 809 | 1 031 | 2 700 | 1 093 | 2 712 | 1 159 | 1 159 | 196.9% |
| Total equity and liabilities | 24 925 | 39 294 | 26 420 | 46 670 | 28 006 | 66 547 | 29 686 | 29 685 | 167.1% |

Statements of estimates of financial performance and position

Table 34.69 National Gambling Board statements of estimates of financial performance and position

| Statement of financial performance | | | | | | | | | |
|--|------------------|-------------------------|--------------------------------|----------------------|----------------|----------------|-------------------------|--------------------------------|--|
| R thousand | 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 | | |
| Revenue | | | | | | | | | |
| Non-tax revenue | 181 211 | 174.7% | 53.6% | 181 546 | 199 889 | 209 377 | 4.9% | 84.7% | |
| Other non-tax revenue | 181 211 | 174.7% | 53.6% | 181 546 | 199 889 | 209 377 | 4.9% | 84.7% | |
| Transfers received | 32 624 | 0.7% | 46.4% | 33 797 | 35 639 | 37 599 | 4.8% | 15.3% | |
| Total revenue | 213 835 | 73.8% | 100.0% | 215 343 | 235 528 | 246 976 | 4.9% | 100.0% | |
| Expenses | | | | | | | | | |
| Current expenses | 211 086 | 96.9% | 100.0% | 211 325 | 223 256 | 233 610 | 3.4% | 100.0% | |
| Compensation of employees | 26 399 | 31.4% | 31.2% | 30 004 | 32 386 | 34 956 | 9.8% | 14.0% | |
| Goods and services | 182 100 | 135.9% | 64.5% | 178 649 | 188 198 | 195 982 | 2.5% | 84.7% | |
| Depreciation | 2 587 | 6.4% | 4.3% | 2 672 | 2 672 | 2 672 | 1.1% | 1.2% | |
| Total expenses | 211 086 | 96.9% | 100.0% | 211 325 | 223 256 | 233 610 | 3.4% | 100.0% | |
| Surplus/(Deficit) | 2 749 | | | 4 018 | 12 272 | 13 366 | | | |
| Statement of financial position | | | | | | | | | |
| Carrying value of assets | 16 294 | 11.5% | 31.9% | 17 208 | 17 208 | 17 208 | 1.8% | 54.9% | |
| <i>of which:</i> | | | | | | | | | |
| Acquisition of assets | (890) | -2.8% | -3.6% | (890) | (890) | (890) | - | -2.9% | |
| Inventory | 25 | -15.9% | 0.1% | 27 | 27 | 27 | 2.6% | 0.1% | |
| Receivables and prepayments | 1 731 | 17.6% | 11.3% | 1 828 | 1 828 | 1 828 | 1.8% | 5.8% | |
| Cash and cash equivalents | 11 635 | -23.9% | 56.8% | 12 287 | 12 287 | 12 287 | 1.8% | 39.2% | |
| Total assets | 29 685 | -8.9% | 100.0% | 31 350 | 31 350 | 31 350 | 1.8% | 100.0% | |
| Accumulated surplus/(deficit) | 11 465 | -19.6% | 49.9% | 12 109 | 12 109 | 12 109 | 1.8% | 38.6% | |
| Trade and other payables | 17 061 | 3.4% | 45.5% | 18 017 | 18 017 | 18 017 | 1.8% | 57.5% | |
| Provisions | 1 159 | -13.8% | 4.6% | 1 224 | 1 224 | 1 224 | 1.8% | 3.9% | |
| Total equity and liabilities | 29 685 | -8.9% | 100.0% | 31 350 | 31 350 | 31 350 | 1.8% | 100.0% | |

Personnel information

Table 34.70 National Gambling Board personnel numbers and cost by salary level

| Number of posts estimated for 31 March 2019 | | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Number | | |
|---|---|--|------|-----------|------------------|------|-----------|----------------------------------|------|-----------|--------|---------|-----------|-------------------------|---------------------------------|-------------------|--------|-------|--------|
| Number of funded posts | Number of posts on approved establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | Average growth rate (%) | Average: Salary level/Total (%) | | | | |
| | | 2017/18 | | | 2018/19 | | | 2019/20 | | 2020/21 | | 2021/22 | | | | 2018/19 - 2021/22 | | | |
| National Gambling Board | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | | |
| Salary level | 32 | 32 | 29 | 19.3 | 0.7 | 32 | 26.4 | 0.8 | 32 | 30.0 | 0.9 | 32 | 32.4 | 1.0 | 32 | 35.0 | 1.1 | 9.8% | 100.0% |
| 1 – 6 | 3 | 3 | 3 | 0.3 | 0.1 | 3 | 0.7 | 0.2 | 3 | 0.8 | 0.3 | 3 | 0.8 | 0.3 | 3 | 0.9 | 0.3 | 8.0% | 9.4% |
| 7 – 10 | 16 | 16 | 15 | 6.4 | 0.4 | 16 | 9.6 | 0.6 | 16 | 10.4 | 0.6 | 16 | 11.2 | 0.7 | 16 | 12.1 | 0.8 | 7.9% | 50.0% |
| 11 – 12 | 6 | 6 | 4 | 3.1 | 0.8 | 6 | 5.3 | 0.9 | 6 | 7.3 | 1.2 | 6 | 7.9 | 1.3 | 6 | 8.5 | 1.4 | 16.6% | 18.8% |
| 13 – 16 | 7 | 7 | 7 | 9.5 | 1.4 | 7 | 10.7 | 1.5 | 7 | 11.6 | 1.7 | 7 | 12.5 | 1.8 | 7 | 13.5 | 1.9 | 7.9% | 21.9% |

1. Rand million.

National Metrology Institute of South Africa

Mandate

The National Metrology Institute of South Africa is mandated by the Measurement Units and Measurement Standards Act (2006) to ensure that South Africa has a scientifically valid and internationally comparable and accepted measurement system, and that the international system of units is correctly applied. Without this measurement infrastructure, it is difficult to manufacture to international specifications and tolerances, and ensure the integrity of export and import commodities. It is also of paramount importance for health and safety, and law enforcement. To fulfil this mandate, the institute:

- develops and maintains national measurement standards for South Africa
- ensures that national measurement standards are traceable to the international system of units
- benchmarks national measurement standards against the measurement standards of other countries
- submits calibration and measurement capabilities to the international database as the entry for South Africa
- disseminates the national traceability through calibration and certified reference materials to calibration and testing laboratories in Southern Africa.

Selected performance indicators

Table 34.71 National Metrology Institute of South Africa 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 |
| Number of national measurement standards maintained and submitted to the department for gazetting per year | Keep, maintain and disseminate national measurements | Outcome 6: An efficient, competitive and responsive economic infrastructure network | 50 | 56 | 58 | 60 | 62 | 64 | 66 |
| Number of improved national measurement standards, secondary standards, reference materials and methods per year | Keep, maintain and disseminate national measurements | | 10 | 18 | 15 | 16 | 19 | 20 | 20 |
| Number of calibration and measurement capabilities published in the key comparison database per year | Keep, maintain and disseminate national measurements | | 382 | 475 | 480 | 533 | 550 | 500 | 500 |

Table 34.71 National Metrology Institute of South Africa 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 |
| Number of courses presented to the industry per year | Keep, maintain and disseminate national measurements | Outcome 5: A skilled and capable workforce to support an inclusive growth path | 6 | 17 | 14 | 16 | 16 | 18 | 20 |
| Number of laboratories accredited to ISO 17025, ISO 17034, ISO 17043 and/or peer reviewed quality system per year | Keep, maintain and disseminate national measurements | Outcome 6: An efficient, competitive and responsive economic infrastructure network | - ¹ | 20 | 20 | 21 | 21 | 22 | 22 |
| Number of industry and/or regional metrologists trained in accurate measurements per year | Keep, maintain and disseminate national measurements | | 49 | 49 | 146 | 96 | 97 | 100 | 110 |

1. No historical data available.

Expenditure analysis

The National Metrology Institute of South Africa will continue supporting trade by ensuring that South Africa's measuring systems are internationally accepted. Over the medium term, the institute will focus on the harmonisation of measures and standards, which is the key issue in implementing free-trade agreements with countries or economic trade blocs; and producing reference measurements for the food and feed industry required in support of material production and environmental, industrial and applied monitoring. The institute provides services to more than 1 300 accredited laboratories in South Africa, measurement and measurement assistance to more than 400 industrial companies to ensure compliance with international standards and, increasingly, metrology services to state-owned companies.

Manufacturing of primary gas reference mixtures for air pollution monitoring and certified matrix reference materials is expected to increase from 100 to more than 200 by 2020/21. This is supported by the more than 535 South African calibration and measurement capabilities published in the international database of internationally accepted services. Spending on keeping, maintaining and disseminating national measurements is expected to increase at an average annual rate of 6.5 per cent, from R127.5 million in 2018/19 to R154 million in 2021/22.

The institute's expenditure is expected to increase at an average annual rate of 6.4 per cent, from R204.8 million in 2018/19 to R246.5 million in 2021/22. The institute derives 85.2 per cent of its revenue from transfers from the department, which are expected to increase at an average annual rate of 5.4 per cent, from R232.8 million in 2018/19 to R272.7 million in 2021/22. The remaining revenue is generated from interest income.

Programmes/Objectives/Activities

Table 34.72 National Metrology Institute of South Africa expenditure trends and estimates by programme/objective/activity

| R thousand | Audited outcome | | | Revised estimate 2018/19 | Average growth rate (%) 2015/16 - 2018/19 | Average: Expenditure/Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) 2018/19 - 2021/22 | Average: Expenditure/Total (%) |
|--|-----------------|----------------|----------------|-----------------------------|--|--------------------------------|----------------------------------|----------------|----------------|--|--------------------------------|
| | 2015/16 | 2016/17 | 2017/18 | | | | 2019/20 | 2020/21 | 2021/22 | | |
| Administration | 63 804 | 92 641 | 74 424 | 77 293 | 6.6% | 41.6% | 82 016 | 87 121 | 92 547 | 6.2% | 37.6% |
| Keep, maintain and disseminate national measurements | 77 727 | 91 677 | 149 859 | 127 505 | 17.9% | 58.4% | 135 717 | 144 556 | 153 980 | 6.5% | 62.4% |
| Total | 141 531 | 184 318 | 224 283 | 204 798 | 13.1% | 100.0% | 217 733 | 231 677 | 246 527 | 6.4% | 100.0% |

Statements of historical financial performance and position

Table 34.73 National Metrology Institute of South Africa statements of historical financial performance and position

| Statement of financial performance | | | | | | | | | |
|--|-----------|-----------------|-----------|-----------------|-----------|-----------------|-----------------|------------------|-----------------------------|
| R thousand | Budget | Audited outcome | Budget | Audited outcome | Budget | Audited outcome | Budget estimate | Revised estimate | Average: Outcome/Budget (%) |
| | 2015/16 | | 2016/17 | | 2017/18 | | 2018/19 | | 2015/16 - 2018/19 |
| Revenue | | | | | | | | | |
| Non-tax revenue | 22 285 | 27 785 | 25 651 | 28 066 | 36 010 | 31 500 | 35 461 | 40 372 | 107.0% |
| Sale of goods and services other than capital assets | 9 135 | 11 928 | 13 151 | 12 089 | 20 010 | 16 365 | 21 150 | 31 561 | 113.4% |
| <i>of which:</i> | | | | | | | | | |
| <i>Sales by market establishment</i> | 9 135 | 11 928 | 13 151 | 12 089 | 20 010 | 16 365 | 21 150 | 31 561 | 113.4% |
| Other non-tax revenue | 13 150 | 15 857 | 12 500 | 15 977 | 16 000 | 15 135 | 14 311 | 8 811 | 99.7% |
| Transfers received | 250 895 | 250 895 | 264 193 | 264 193 | 252 803 | 252 803 | 232 784 | 232 784 | 100.0% |
| Total revenue | 273 180 | 278 680 | 289 844 | 292 259 | 288 813 | 284 303 | 268 245 | 273 156 | 100.7% |
| Expenses | | | | | | | | | |
| Current expenses | 131 661 | 141 531 | 161 221 | 184 318 | 184 262 | 224 283 | 194 764 | 204 798 | 112.4% |
| Compensation of employees | 79 774 | 72 336 | 90 228 | 101 154 | 111 302 | 114 554 | 117 646 | 122 653 | 102.9% |
| Goods and services | 51 887 | 54 354 | 70 993 | 59 399 | 72 960 | 75 010 | 77 118 | 82 145 | 99.2% |
| Depreciation | – | 14 841 | – | 23 765 | – | 34 719 | – | – | – |
| Total expenses | 131 661 | 141 531 | 161 221 | 184 318 | 184 262 | 224 283 | 194 764 | 204 798 | 112.4% |
| Surplus/(Deficit) | 141 519 | 137 149 | 128 623 | 107 941 | 104 551 | 60 020 | 73 481 | 68 358 | |
| Statement of financial position | | | | | | | | | |
| Carrying value of assets | 112 526 | 191 699 | 128 624 | 345 118 | 104 551 | 406 163 | 73 481 | 68 358 | 241.3% |
| <i>of which:</i> | | | | | | | | | |
| <i>Acquisition of assets</i> | (140 546) | (102 594) | (128 623) | (178 462) | (104 551) | (96 324) | (73 481) | (68 358) | 99.7% |
| Investments | – | – | – | 1 640 | – | – | – | – | – |
| Inventory | – | 273 | – | 370 | – | 172 | – | – | – |
| Receivables and prepayments | 420 | 14 328 | – | 15 263 | – | 22 825 | – | – | 12 480.0% |
| Cash and cash equivalents | 16 851 | 229 904 | – | 198 719 | – | 189 882 | – | – | 3 670.4% |
| Total assets | 129 797 | 436 204 | 128 624 | 561 110 | 104 551 | 619 042 | 73 481 | 68 358 | 386.0% |
| Accumulated surplus/(deficit) | 125 897 | 421 021 | 128 624 | 525 562 | 104 551 | 585 580 | 73 481 | 68 358 | 370.0% |
| Trade and other payables | 1 653 | 15 183 | – | 20 334 | – | 10 628 | – | – | 2 791.6% |
| Provisions | 2 247 | – | – | 15 214 | – | 22 834 | – | – | 1 693.3% |
| Total equity and liabilities | 129 797 | 436 204 | 128 624 | 561 110 | 104 551 | 619 042 | 73 481 | 68 358 | 386.0% |

Statements of estimates of financial performance and position

Table 34.74 National Metrology Institute of South Africa statements of estimates of financial performance and position

| Statement of financial performance | | | | | | | | | |
|--|------------------|-------------------------|--------------------------------|----------------------|----------|----------|-------------------------|--------------------------------|--|
| R thousand | 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 | | |
| Revenue | | | | | | | | | |
| Non-tax revenue | 40 372 | 13.3% | 11.4% | 42 632 | 44 977 | 47 449 | 5.5% | 14.8% | |
| Sale of goods and services other than capital assets | 31 561 | 38.3% | 6.4% | 33 328 | 35 161 | 37 094 | 5.5% | 11.6% | |
| <i>of which:</i> | | | | | | | | | |
| <i>Sales by market establishment</i> | 31 561 | 38.3% | 6.4% | 33 328 | 35 161 | 37 094 | 5.5% | 11.6% | |
| Other non-tax revenue | 8 811 | -17.8% | 4.9% | 9 304 | 9 816 | 10 355 | 5.5% | 3.2% | |
| Transfers received | 232 784 | -2.5% | 88.6% | 245 036 | 258 513 | 272 731 | 5.4% | 85.2% | |
| Total revenue | 273 156 | -0.7% | 100.0% | 287 668 | 303 490 | 320 180 | 5.4% | 100.0% | |
| Expenses | | | | | | | | | |
| Current expenses | 204 798 | 13.1% | 100.0% | 217 733 | 231 677 | 246 527 | 6.4% | 100.0% | |
| Compensation of employees | 122 653 | 19.2% | 54.2% | 131 239 | 140 425 | 150 255 | 7.0% | 60.4% | |
| Goods and services | 82 145 | 14.8% | 36.0% | 86 494 | 91 252 | 96 272 | 5.4% | 39.6% | |
| Total expenses | 204 798 | 13.1% | 100.0% | 217 733 | 231 677 | 246 527 | 6.4% | 100.0% | |
| Surplus/(Deficit) | 68 358 | | | 69 935 | 71 813 | 73 653 | | | |
| Statement of financial position | | | | | | | | | |
| Carrying value of assets | 68 358 | -29.1% | 67.8% | 69 935 | 71 813 | 73 653 | 2.5% | 100.0% | |
| <i>of which:</i> | | | | | | | | | |
| <i>Acquisition of assets</i> | (68 358) | -12.7% | -42.7% | (69 935) | (71 813) | (73 653) | 2.5% | -100.0% | |
| Total assets | 68 358 | -46.1% | 100.0% | 69 935 | 71 813 | 73 653 | 2.5% | 100.0% | |
| Accumulated surplus/(deficit) | 68 358 | -45.4% | 96.2% | 69 935 | 71 813 | 73 653 | 2.5% | 100.0% | |
| Total equity and liabilities | 68 358 | -46.1% | 100.0% | 69 935 | 71 813 | 73 653 | 2.5% | 100.0% | |

Personnel information

Table 34.75 National Metrology Institute of South Africa personnel numbers and cost by salary level

| Number of posts estimated for 31 March 2019 | | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | Number | | | |
|--|---|--|------|-----------|------------------|------|-----------|----------------------------------|------|-----------|--------|---------|-----------|-------------------------|---------------------------------|-------------------|-----|------|--------|
| Number of funded posts | Number of posts on approved establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | Average growth rate (%) | Average: Salary level/Total (%) | | | | |
| | | 2017/18 | | | 2018/19 | | | 2019/20 | | 2020/21 | | 2021/22 | | | | 2018/19 - 2021/22 | | | |
| National Metrology Institute of South Africa | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | | |
| Salary level | 197 | 208 | 188 | 114.6 | 0.6 | 197 | 122.7 | 0.6 | 197 | 131.2 | 0.7 | 197 | 140.4 | 0.7 | 197 | 150.3 | 0.8 | 7.0% | 100.0% |
| 1 – 6 | 33 | 34 | 32 | 3.5 | 0.1 | 33 | 4.0 | 0.1 | 33 | 4.3 | 0.1 | 33 | 4.6 | 0.1 | 33 | 4.9 | 0.1 | 6.8% | 16.8% |
| 7 – 10 | 102 | 109 | 98 | 47.9 | 0.5 | 102 | 55.0 | 0.5 | 102 | 59.0 | 0.6 | 102 | 63.2 | 0.6 | 102 | 67.8 | 0.7 | 7.2% | 51.8% |
| 11 – 12 | 40 | 43 | 37 | 31.0 | 0.8 | 40 | 35.7 | 0.9 | 40 | 38.1 | 1.0 | 40 | 40.7 | 1.0 | 40 | 43.5 | 1.1 | 6.8% | 20.3% |
| 13 – 16 | 22 | 22 | 21 | 32.1 | 1.5 | 22 | 28.0 | 1.3 | 22 | 29.9 | 1.4 | 22 | 31.9 | 1.5 | 22 | 34.1 | 1.5 | 6.8% | 11.2% |

1. Rand million.

National Regulator for Compulsory Specifications

Mandate

The National Regulator for Compulsory Specifications was established in terms of the National Regulator for Compulsory Specifications (2008) as a public entity that administers compulsory specifications, otherwise known as technical regulations, on behalf of the Minister of Trade and Industry. The regulator is mandated to protect the health and safety of the public and the environment by administering and maintaining compulsory specifications, implementing a regulatory and compliance system, and engaging in market surveillance to ensure compliance.

Selected performance indicators

Table 34.76 National Regulator for Compulsory Specifications 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 |
| Number of inspections performed in accordance with compulsory specification and procedures per year | Maximise compliance with all specifications and technical regulations | Outcome 10: Protect and enhance our environmental assets and natural resources | 19 940 | 20 261 | 21 446 | 20 930 | 21 500 | 21 600 | 21 920 |
| Number of compulsory specifications/technical regulations (new and amended) submitted to the department per year | Develop, maintain and administer compulsory specifications and technical regulations | | 8 | 5 | 5 | 10 ¹ | 10 | 12 | 12 |

1. Increase due to recruitment of 2 additional resources.

Expenditure analysis

The National Regulator for Compulsory Specifications prescribes safety and environmental requirements for imported and exported services and products. The regulator contributes to fair trade by developing compulsory specifications and technical regulations, and conducting market surveillance to enforce compliance. Over the medium term, the regulator will continue to focus on carrying out its oversight function of developing compulsory specifications and technical regulations, and enforcing compliance with the National Regulator for Compulsory Specifications (2008). Accordingly, the regulator plans to conduct 71 455 inspections of compulsory specifications at ports of entry and local manufacturers. Spending on maximising compliance is expected to amount to R996.2 million over the medium term.

The regulator plans to implement a modernisation project that covers the upgrade, integration or replacement of legacy applications, driven by factors such as rising costs and a need for organisational agility. This includes the implementation of an enterprise resource planning system for support functions (such as human resources, supply chain management and financial accounting), approvals for field services and an inspection system, enabling the regulator to operate in a secure ICT environment. As a result, spending on goods and services is expected to increase at an average annual rate of 5.7 per cent, from R94.8 million in 2018/19 to R112.1 million in 2021/22.

The regulator is conducting an organisational review in line with its legislative mandate to identify and address challenges to improve business operations and employee satisfaction. Expected to be finalised in 2019/20, the review will assist in redesigning functions and enhancing the effectiveness of the organisation. Consultation costs associated with the project amount to R2.6 million.

Expenditure is expected to increase at an average annual rate of 7.6 per cent, from R421 million in 2018/19 to R523.9 million in 2021/22. Levies charged to manufacturers account for 69.4 per cent (R1 billion) of the regulator's total revenue over the medium term, while 30.6 per cent (R441.9 million) is derived from transfers from the department.

Programmes/Objectives/Activities

Table 34.77 National Regulator for Compulsory Specifications expenditure trends and estimates by programme/objective/activity

| R thousand | Audited outcome | | | Revised estimate 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 | | |
| Administration | 36 746 | 44 405 | 42 231 | 53 682 | 13.5% | 12.6% | 58 074 | 61 268 | 64 638 | 6.4% | 12.4% |
| Maximise compliance with all specifications and technical regulations | 198 450 | 209 583 | 232 270 | 284 000 | 12.7% | 65.8% | 314 464 | 331 759 | 350 006 | 7.2% | 67.0% |
| Develop, maintain and administer compulsory specifications and technical regulations | 7 884 | 6 337 | 7 446 | 9 479 | 6.3% | 2.2% | 11 017 | 11 623 | 12 262 | 9.0% | 2.3% |
| Inform and educate stakeholders on the regulator's mandate | 9 099 | 5 218 | 6 155 | 7 698 | -5.4% | 2.0% | 10 705 | 11 294 | 11 915 | 15.7% | 2.2% |
| Ensure an optimally capacitated institution | 56 132 | 61 077 | 58 295 | 66 127 | 5.6% | 17.4% | 76 414 | 80 617 | 85 051 | 8.8% | 16.1% |
| Total | 308 311 | 326 620 | 346 397 | 420 986 | 10.9% | 100.0% | 470 674 | 496 561 | 523 872 | 7.6% | 100.0% |

Statements of historical financial performance and position

Table 34.78 National Regulator for Compulsory Specifications statements of historical financial performance and position

| Statement of financial performance | | | | | | | | | | Average: Outcome/ Budget (%) 2015/16 - 2018/19 |
|--|----------------|-----------------|----------------|-----------------|----------------|-----------------|-----------------|------------------|---------------|---|
| R thousand | Budget | Audited outcome | Budget | Audited outcome | Budget | Audited outcome | Budget estimate | Revised estimate | | |
| | 2015/16 | 2016/17 | 2016/17 | 2017/18 | 2017/18 | 2018/19 | 2018/19 | 2018/19 | | |
| Revenue | | | | | | | | | | |
| Non-tax revenue | 264 951 | 218 195 | 288 185 | 272 732 | 277 161 | 302 162 | 288 882 | 288 882 | 96.7% | |
| Sale of goods and services other than capital assets | 223 866 | 201 613 | 236 383 | 250 905 | 240 532 | 281 840 | 277 984 | 277 984 | 103.4% | |
| <i>of which:</i> | | | | | | | | | | |
| <i>Sales by market establishment</i> | 223 866 | 201 613 | 236 383 | 250 905 | 240 532 | 281 840 | 277 984 | 277 984 | 103.4% | |
| Other non-tax revenue | 41 085 | 16 582 | 51 801 | 21 827 | 36 629 | 20 322 | 10 898 | 10 898 | 49.6% | |
| Transfers received | 91 732 | 91 732 | 86 418 | 86 418 | 128 745 | 128 745 | 132 104 | 146 104 | 103.2% | |
| Total revenue | 356 683 | 309 927 | 374 603 | 359 150 | 405 906 | 430 907 | 420 986 | 434 986 | 98.5% | |
| Expenses | | | | | | | | | | |
| Current expenses | 356 388 | 308 311 | 374 447 | 326 620 | 403 227 | 346 397 | 420 986 | 420 986 | 90.2% | |
| Compensation of employees | 254 842 | 239 843 | 272 924 | 258 177 | 298 643 | 280 262 | 321 065 | 321 065 | 95.8% | |
| Goods and services | 97 521 | 66 021 | 97 095 | 63 911 | 100 202 | 60 866 | 94 849 | 94 849 | 73.3% | |
| Depreciation | 4 025 | 2 447 | 4 428 | 4 272 | 4 382 | 5 085 | 5 072 | 5 072 | 94.2% | |
| Interest, dividends and rent on land | - | - | - | 260 | - | 184 | - | - | - | |
| Total expenses | 356 388 | 308 311 | 374 447 | 326 620 | 403 227 | 346 397 | 420 986 | 420 986 | 90.2% | |
| Surplus/(Deficit) | 295 | 1 616 | 156 | 32 530 | 2 679 | 84 510 | - | 14 000 | | |
| Statement of financial position | | | | | | | | | | |
| Carrying value of assets | 44 166 | 29 369 | 167 670 | 24 108 | 181 338 | 22 130 | 181 338 | 27 130 | 17.9% | |
| <i>of which:</i> | | | | | | | | | | |
| <i>Acquisition of assets</i> | (30 400) | (14 896) | (21 268) | (2 248) | (12 548) | (3 118) | (5 000) | (5 000) | 36.5% | |
| Investments | 328 | 328 | 328 | 328 | 328 | 328 | 328 | 328 | 100.0% | |
| Receivables and prepayments | 11 030 | 21 333 | 11 691 | 32 188 | 12 393 | 72 742 | 10 000 | 72 742 | 441.1% | |
| Cash and cash equivalents | 188 181 | 199 846 | 68 738 | 229 037 | 42 604 | 286 642 | 55 832 | 286 642 | 282.0% | |
| Total assets | 243 705 | 250 876 | 248 427 | 285 661 | 236 663 | 381 842 | 247 498 | 386 842 | 133.7% | |

Table 34.78 National Regulator for Compulsory Specifications statements of historical financial performance and position

| Statement of financial position | 2015/16 | | 2016/17 | | 2017/18 | | 2018/19 | | Average: Outcome/Budget (%) |
|-------------------------------------|----------------|-----------------|----------------|-----------------|----------------|-----------------|-----------------|------------------|-----------------------------|
| | Budget | Audited outcome | Budget | Audited outcome | Budget | Audited outcome | Budget estimate | Revised estimate | |
| R thousand | 2015/16 | | 2016/17 | | 2017/18 | | 2018/19 | | 2015/16 - 2018/19 |
| Accumulated surplus/(deficit) | 182 541 | 184 128 | 182 697 | 183 862 | 157 190 | 300 902 | 20 998 | 305 902 | 179.4% |
| Capital and reserves | - | - | - | 32 531 | - | - | - | - | - |
| Accrued interest | - | - | - | 827 | - | 932 | - | - | - |
| Trade and other payables | 25 580 | 21 012 | 28 012 | 17 300 | 40 000 | 18 927 | 192 000 | 18 927 | 26.7% |
| Provisions | 35 583 | 45 736 | 37 718 | 50 209 | 39 473 | 61 081 | 34 500 | 62 013 | 148.7% |
| Derivatives financial instruments | - | - | - | 932 | - | - | - | - | - |
| Total equity and liabilities | 243 705 | 250 876 | 248 427 | 285 661 | 236 663 | 381 842 | 247 498 | 386 842 | 133.7% |

Statements of estimates of financial performance and position**Table 34.79 National Regulator for Compulsory Specifications 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 thousand | 2018/19 | | 2015/16 - 2018/19 | | 2019/20 | | 2020/21 | | 2021/22 | | 2018/19 - 2021/22 | |
| Revenue | 288 882 | 9.8% | 70.7% | 331 173 | 349 387 | 368 604 | 8.5% | 69.4% | | | | |
| Sale of goods and services other than capital assets | 277 984 | 11.3% | 66.1% | 321 146 | 338 809 | 357 444 | 8.7% | 67.1% | | | | |
| <i>of which:</i> | | | | | | | | | | | | |
| <i>Sales by market establishment</i> | 277 984 | 11.3% | 66.1% | 321 146 | 338 809 | 357 444 | 8.7% | 67.1% | | | | |
| Other non-tax revenue | 10 898 | -13.1% | 4.7% | 10 027 | 10 578 | 11 160 | 0.8% | 2.2% | | | | |
| Transfers received | 146 104 | 16.8% | 29.3% | 139 501 | 147 173 | 155 268 | 2.0% | 30.6% | | | | |
| Total revenue | 434 986 | 12.0% | 100.0% | 470 674 | 496 560 | 523 872 | 6.4% | 100.0% | | | | |
| Expenses | | | | | | | | | | | | |
| Current expenses | 420 986 | 10.9% | 100.0% | 470 674 | 496 561 | 523 871 | 7.6% | 100.0% | | | | |
| Compensation of employees | 321 065 | 10.2% | 78.5% | 364 596 | 384 649 | 405 805 | 8.1% | 77.2% | | | | |
| Goods and services | 94 849 | 12.8% | 20.3% | 100 737 | 106 277 | 112 122 | 5.7% | 21.7% | | | | |
| Depreciation | 5 072 | 27.5% | 1.2% | 5 341 | 5 635 | 5 944 | 5.4% | 1.2% | | | | |
| Total expenses | 420 986 | 10.9% | 100.0% | 470 674 | 496 561 | 523 871 | 7.6% | 100.0% | | | | |
| Surplus/(Deficit) | 14 000 | | | - | - | - | | | | | | |
| Statement of financial position | | | | | | | | | | | | |
| Carrying value of assets | 27 130 | -2.6% | 8.2% | 32 630 | 161 394 | 193 284 | 92.4% | 26.3% | | | | |
| <i>of which:</i> | | | | | | | | | | | | |
| <i>Acquisition of assets</i> | (5 000) | -30.5% | -2.2% | (128 764) | (30 712) | (805) | -45.6% | -10.4% | | | | |
| Investments | 328 | - | 0.1% | 328 | 328 | 346 | 1.8% | 0.1% | | | | |
| Receivables and prepayments | 72 742 | 50.5% | 14.4% | 72 742 | 65 742 | 72 792 | 0.0% | 18.0% | | | | |
| Cash and cash equivalents | 286 642 | 12.8% | 77.3% | 295 601 | 163 361 | 129 399 | -23.3% | 55.6% | | | | |
| Total assets | 386 842 | 15.5% | 100.0% | 401 301 | 390 825 | 395 821 | 0.8% | 100.0% | | | | |
| Accumulated surplus/(deficit) | 305 902 | 18.4% | 73.9% | 321 198 | 325 243 | 325 250 | 2.1% | 81.1% | | | | |
| Trade and other payables | 18 927 | -3.4% | 6.1% | 23 521 | 8 000 | 12 550 | -12.8% | 4.0% | | | | |
| Provisions | 62 013 | 10.7% | 17.0% | 56 582 | 57 582 | 58 022 | -2.2% | 14.9% | | | | |
| Total equity and liabilities | 386 842 | 15.5% | 100.0% | 401 301 | 390 825 | 395 822 | 0.8% | 100.0% | | | | |

Personnel information

Table 34.80 National Regulator for Compulsory Specifications personnel numbers and cost by salary level

| Number of posts estimated for 31 March 2019 | | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Number | | |
|--|---|--|------|-----------|------------------|------|-----------|----------------------------------|------|-----------|--------|---------|-----------|-------------------------|--------------------------------|-------------------|--------|-------|--------|
| Number of funded posts | Number of posts on approved establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | Average growth rate (%) | Average Salary level/Total (%) | | | | |
| | | 2017/18 | | | 2018/19 | | | 2019/20 | | 2020/21 | | 2021/22 | | | | 2018/19 - 2021/22 | | | |
| National Regulator for Compulsory Specifications | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | | |
| Salary level | 303 | 303 | 296 | 280.3 | 0.9 | 319 | 321.1 | 1.0 | 322 | 364.6 | 1.1 | 322 | 384.6 | 1.2 | 322 | 405.8 | 1.3 | 8.1% | 100.0% |
| 7 – 10 | 23 | 23 | 23 | 19.1 | 0.8 | 23 | 12.9 | 0.6 | 25 | 21.7 | 0.9 | 25 | 23.3 | 0.9 | 25 | 25.6 | 1.0 | 25.5% | 7.6% |
| 11 – 12 | 91 | 91 | 91 | 76.4 | 0.8 | 96 | 85.2 | 0.9 | 90 | 83.9 | 0.9 | 90 | 74.2 | 0.8 | 90 | 78.2 | 0.9 | -2.8% | 28.5% |
| 13 – 16 | 189 | 189 | 182 | 179.4 | 1.0 | 200 | 222.9 | 1.1 | 207 | 259.0 | 1.3 | 207 | 287.2 | 1.4 | 207 | 302.0 | 1.5 | 10.7% | 63.9% |
| 17 – 22 | – | – | – | 5.5 | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |

1. Rand million.

South African Bureau of Standards

Mandate

The South African Bureau of Standards was established as a statutory body in terms of the Standards Act (2008), and is part of South Africa's standardisation, quality assurance, accreditation and metrology technical infrastructure. The bureau is mandated to provide standardisation and conformity assessment services to protect the integrity of the South African market, protect consumers, create a competitive advantage for South African industry, and facilitate access by South Africans to local and international markets. The bureau is the sole publisher of South African national standards and is responsible for the technical work of the industrial policy action plan.

Selected performance indicators

Table 34.81 South African Bureau of Standards 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 |
| Percentage of deliverables completed as per industrialisation policy action plan | Development of South African national standards | Entity mandate | – ¹ | – ¹ | 77.8% (7/9) | 80% | 80% | 80% | 80% |
| Number of small, medium and micro enterprises, and black industrialists that received design, innovation and conformity assessment services per year | Conformity assessment | Outcome 4: Decent employment through inclusive growth | 50 | 55 | 73 | 75 | 80 | 90 | 100 |
| Revenue from conformity assessment services per year | Conformity assessment | Entity mandate | 543 953 | 500 574 | 516 361 | 560 391 | 615 527 | 748 171 | 847 197 |

1. No historical data available.

Expenditure analysis

The South African Bureau of Standards will continue to provide conformity assessment and standardisation services to protect the integrity of the South African market and its consumers. Over the medium term, the bureau will focus on revitalising the testing operations and facilities in key targeted sectors, as inadequate investment in testing infrastructure has resulted in a significant loss of capacity and capabilities; improving the standard development process, and digitising processes where necessary to enable industrialisation and faster turnaround times; and renewing its infrastructure, targeting vital testing capabilities in areas of high socioeconomic impact, including electronic, footwear, cement, pharmaceutical and microbiology.

R50 million has been set aside to upgrade the most critical laboratories in the short term. Over the MTEF period, R565 million has been allocated in the goods and services budget for the testing infrastructure renewal programme. Over the medium term, the bureau expects to roll out a local content verification programme for key sectors designated for local procurement. Related expenditure is expected to increase at an average annual rate of 65.3 per cent, from R37 million in 2018/19 to R167 million in 2021/22. Due to these projects, the bureau's

expenditure is expected to increase at an average annual rate of 9.5 per cent, from R867.4 million in 2018/19 to R1.1 billion in 2021/22. The bureau expects to derive 72.1 per cent (R2.4 billion) of its revenue over the medium term from services rendered, while transfers from the department account for 27.9 per cent (R888.1 million).

Programmes/objectives/activities

Table 34.82 South African Bureau of Standards expenditure trends and estimates by programme/objective/activity

| | 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 | | |
| R thousand | | | | | | | | | | | |
| Conformity assessment | 630 609 | 624 649 | 686 432 | 667 925 | 1.9% | 77.0% | 765 891 | 819 446 | 877 520 | 9.5% | 77.0% |
| Development of South African national standards | 188 364 | 186 690 | 206 523 | 199 510 | 1.9% | 23.0% | 228 773 | 244 770 | 262 116 | 9.5% | 23.0% |
| Total | 818 972 | 811 339 | 892 955 | 867 435 | 1.9% | 100.0% | 994 664 | 1 064 216 | 1 139 636 | 9.5% | 100.0% |

Statements of historical financial performance and position

Table 34.83 South African Bureau of Standards statements of historical financial performance and position

| Statement of financial performance | | | | | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|---|
| | Audited outcome | | Audited outcome | | Audited outcome | | Budget estimate | Revised estimate | Average Outcome/Budget (%) 2015/16 - 2018/19 |
| | Budget | 2015/16 | Budget | 2016/17 | Budget | 2017/18 | | | |
| R thousand | | | | | | | | | |
| Revenue | | | | | | | | | |
| Non-tax revenue | 591 043 | 640 462 | 575 723 | 575 723 | 647 264 | 592 708 | 624 378 | 607 622 | 99.1% |
| Sale of goods and services other than capital assets | 554 243 | 544 650 | 500 892 | 500 892 | 563 262 | 516 358 | 573 223 | 560 391 | 96.8% |
| <i>of which:</i> | | | | | | | | | |
| <i>Sales by market establishment</i> | 554 243 | 544 650 | 500 892 | 500 892 | 563 262 | 516 358 | 573 223 | 560 391 | 96.8% |
| Other non-tax revenue | 36 800 | 95 812 | 74 831 | 74 831 | 84 002 | 76 350 | 51 155 | 47 231 | 119.2% |
| Transfers received | 227 339 | 200 865 | 191 227 | 191 227 | 250 663 | 252 078 | 243 118 | 243 118 | 97.3% |
| Total revenue | 869 819 | 841 327 | 766 950 | 766 950 | 897 928 | 844 786 | 867 495 | 850 739 | 97.1% |
| Expenses | | | | | | | | | |
| Current expenses | 869 818 | 818 972 | 811 338 | 811 338 | 897 927 | 872 629 | 867 496 | 867 436 | 97.8% |
| Compensation of employees | 529 983 | 497 888 | 525 414 | 525 414 | 581 647 | 551 554 | 565 149 | 565 149 | 97.2% |
| Goods and services | 287 232 | 269 748 | 251 097 | 251 096 | 265 582 | 282 709 | 253 352 | 253 292 | 100.0% |
| Depreciation | 52 603 | 51 336 | 34 784 | 34 784 | 50 699 | 38 259 | 48 995 | 48 995 | 92.7% |
| Interest, dividends and rent on land | – | – | 43 | 43 | – | 107 | – | – | 348.8% |
| Total expenses | 869 818 | 818 972 | 811 338 | 811 338 | 897 927 | 892 956 | 867 496 | 867 436 | 98.4% |
| Surplus/(Deficit) | – | 22 355 | (44 388) | (44 388) | – | (48 170) | – | (16 696) | |
| Statement of financial position | | | | | | | | | |
| Carrying value of assets | 486 210 | 732 191 | 409 120 | 734 165 | 749 971 | 712 153 | 1 027 017 | 827 282 | 112.5% |
| <i>of which:</i> | | | | | | | | | |
| <i>Acquisition of assets</i> | (152 986) | (52 240) | (75 000) | (42 732) | (64 527) | (24 886) | (326 041) | (154 000) | 44.3% |
| Investments | 331 604 | 407 244 | 365 891 | 427 338 | 413 092 | 430 525 | 315 937 | – | 88.7% |
| Inventory | 2 178 | 1 563 | 1 657 | 1 640 | 1 738 | 2 708 | 1 842 | 3 183 | 122.6% |
| Receivables and prepayments | 164 633 | 139 310 | 124 859 | 147 167 | 154 525 | 165 520 | 162 251 | 173 796 | 103.2% |
| Cash and cash equivalents | 127 171 | 162 775 | 103 617 | 91 943 | 130 737 | 125 995 | 138 528 | 642 188 | 204.6% |
| Taxation | 20 371 | 20 327 | 20 371 | 19 809 | 19 809 | – | 19 809 | – | 49.9% |
| Total assets | 1 132 167 | 1 463 410 | 1 025 515 | 1 422 062 | 1 469 872 | 1 436 901 | 1 665 384 | 1 646 449 | 112.8% |
| Accumulated surplus/(deficit) | 494 523 | 863 516 | 407 866 | 819 128 | 509 890 | 770 958 | 517 391 | 853 220 | 171.4% |
| Capital and reserves | 138 930 | 77 112 | 87 672 | 56 211 | 82 343 | 66 838 | 98 188 | 71 826 | 66.8% |
| Capital reserve fund | 274 996 | – | 256 596 | – | 309 095 | – | 301 594 | – | – |
| Borrowings | – | – | – | – | – | – | 150 000 | – | – |
| Deferred income | – | 274 918 | – | 281 474 | – | 290 426 | 256 430 | 382 383 | 479.4% |
| Trade and other payables | 109 098 | 131 459 | 151 119 | 93 657 | 177 813 | 121 385 | 218 560 | 188 165 | 81.4% |
| Taxation | – | 5 780 | – | 3 684 | 4 321 | 3 919 | – | 13 043 | 611.6% |
| Provisions | 114 620 | 101 263 | 105 451 | 157 689 | 367 076 | 173 246 | 103 958 | 127 512 | 81.0% |
| Derivatives financial instruments | – | 9 362 | 16 811 | 10 219 | 19 334 | 10 129 | 19 263 | 10 300 | 72.2% |
| Total equity and liabilities | 1 132 167 | 1 463 410 | 1 025 515 | 1 422 062 | 1 469 872 | 1 436 901 | 1 665 384 | 1 646 449 | 112.8% |

Statements of estimates of financial performance and position

Table 34.84 South African Bureau of Standards 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 | | |
| R thousand | | | | | | | | | |
| Revenue | | | | | | | | | |
| Non-tax revenue | | 607 622 | -1.7% | 73.2% | 660 625 | 794 192 | 896 943 | 13.9% | 72.1% |
| Sale of goods and services other than capital assets | | 560 391 | 1.0% | 64.3% | 615 527 | 748 171 | 847 197 | 14.8% | 67.4% |
| <i>of which:</i> | | | | | | | | | |
| <i>Sales by market establishment</i> | | 560 391 | 1.0% | 64.3% | 615 527 | 748 171 | 847 197 | 14.8% | 67.4% |
| Other non-tax revenue | | 47 231 | -21.0% | 8.9% | 45 098 | 46 021 | 49 747 | 1.7% | 4.7% |
| Transfers received | | 243 118 | 6.6% | 26.8% | 334 118 | 269 280 | 284 676 | 5.4% | 27.9% |
| Total revenue | | 850 739 | 0.4% | 100.0% | 994 743 | 1 063 472 | 1 181 619 | 11.6% | 100.0% |
| Expenses | | | | | | | | | |
| Current expenses | | 867 436 | 1.9% | 99.4% | 994 664 | 1 064 216 | 1 139 636 | 9.5% | 100.0% |
| Compensation of employees | | 565 149 | 4.3% | 63.1% | 645 535 | 690 722 | 739 072 | 9.4% | 65.0% |
| Goods and services | | 253 292 | -2.1% | 31.2% | 298 258 | 319 062 | 342 322 | 10.6% | 29.8% |
| Depreciation | | 48 995 | -1.5% | 5.1% | 50 871 | 54 432 | 58 242 | 5.9% | 5.2% |
| Total expenses | | 867 436 | 1.9% | 100.0% | 994 664 | 1 064 216 | 1 139 636 | 9.5% | 100.0% |
| Surplus/(Deficit) | | (16 696) | | | 80 | (743) | 41 983 | | |
| Statement of financial position | | | | | | | | | |
| Carrying value of assets | | 827 282 | 4.2% | 50.4% | 1 017 561 | 1 423 179 | 1 899 937 | 31.9% | 67.1% |
| <i>of which:</i> | | | | | | | | | |
| <i>Acquisition of assets</i> | | (154 000) | 43.4% | -4.4% | (307 059) | (195 100) | (213 650) | 11.5% | -11.8% |
| Inventory | | 3 183 | 26.8% | 0.2% | 3 374 | 3 576 | 3 791 | 6.0% | 0.2% |
| Receivables and prepayments | | 173 796 | 7.7% | 10.5% | 182 486 | 191 610 | 201 190 | 5.0% | 10.1% |
| Cash and cash equivalents | | 642 188 | 58.0% | 16.3% | 501 830 | 208 324 | 250 791 | -26.9% | 22.6% |
| Total assets | | 1 646 449 | 4.0% | 100.0% | 1 705 251 | 1 826 689 | 2 355 709 | 12.7% | 100.0% |
| Accumulated surplus/(deficit) | | 853 220 | -0.4% | 55.5% | 853 299 | 853 972 | 895 955 | 1.6% | 46.7% |
| Capital and reserves | | 71 826 | -2.3% | 4.6% | 73 826 | 72 326 | 70 826 | -0.5% | 3.9% |
| Deferred income | | 382 383 | 11.6% | 20.5% | 398 999 | 477 622 | 917 775 | 33.9% | 27.9% |
| Trade and other payables | | 188 165 | 12.7% | 8.9% | 223 199 | 282 259 | 329 111 | 20.5% | 13.5% |
| Taxation | | 13 043 | 31.2% | 0.4% | 16 826 | - | - | -100.0% | 0.4% |
| Provisions | | 127 512 | 8.0% | 9.5% | 128 249 | 129 074 | 129 992 | 0.6% | 7.0% |
| Derivatives financial instruments | | 10 300 | 3.2% | 0.7% | 10 853 | 11 436 | 12 050 | 5.4% | 0.6% |
| Total equity and liabilities | | 1 646 449 | 4.0% | 100.0% | 1 705 251 | 1 826 689 | 2 355 709 | 12.7% | 100.0% |

Personnel information

Table 34.85 South African Bureau of Standards personnel numbers and cost by salary level

| Number of posts estimated for 31 March 2019 | | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Number | | | |
|---|---|--|---------|---------|------------------|---------|---------|----------------------------------|-------------------|-------|-------|-----|-------|-------------------------|---------------------------------|-------|--------|------|-------|--------|
| Number of funded posts | Number of posts on approved establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | Average growth rate (%) | Average: Salary level/Total (%) | | | | | |
| | | 2017/18 | 2018/19 | 2019/20 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2018/19 - 2021/22 | | | | | | | | | | | |
| South African Bureau of Standards | | 1 069 | 1 069 | 1 069 | 551.6 | 0.5 | 1 069 | 565.1 | 0.5 | 1 069 | 645.5 | 0.6 | 1 069 | 690.7 | 0.6 | 1 069 | 739.1 | 0.7 | 9.4% | 100.0% |
| Salary level | | | | | | | | | | | | | | | | | | | | |
| 1-6 | 257 | 257 | 257 | 49.6 | 0.2 | 257 | 48.2 | 0.2 | 257 | 55.1 | 0.2 | 257 | 58.9 | 0.2 | 257 | 63.0 | 0.2 | 9.4% | 24.0% | |
| 7-10 | 423 | 423 | 423 | 180.0 | 0.4 | 423 | 174.9 | 0.4 | 423 | 199.7 | 0.5 | 423 | 213.7 | 0.5 | 423 | 228.7 | 0.5 | 9.4% | 39.6% | |
| 11-12 | 358 | 358 | 358 | 249.9 | 0.7 | 358 | 272.0 | 0.8 | 358 | 310.7 | 0.9 | 358 | 332.5 | 0.9 | 358 | 355.7 | 1.0 | 9.4% | 33.5% | |
| 13-16 | 20 | 20 | 20 | 40.2 | 2.0 | 20 | 39.1 | 2.0 | 20 | 44.6 | 2.2 | 20 | 47.8 | 2.4 | 20 | 51.1 | 2.6 | 9.4% | 1.9% | |
| 17-22 | 11 | 11 | 11 | 31.9 | 2.9 | 11 | 31.0 | 2.8 | 11 | 35.4 | 3.2 | 11 | 37.9 | 3.4 | 11 | 40.5 | 3.7 | 9.4% | 1.0% | |

1. Rand million.

South African National Accreditation System

Mandate

The South African National Accreditation System was established in terms of the Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act (2006). It is mandated to accredit or monitor for

compliance with good laboratory practices, promote accreditation as a means of facilitating international trade to enhance South Africa's economic performance and transformation, promote the competence and equivalence of accredited bodies, and promote the competence and equivalence of good laboratory practice facilities compliant with the act.

Selected performance indicators

Table 34.86 South African National Accreditation System 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 |
| Number of registrations of previously disadvantaged assessors per year | Provision of accreditation services | Outcome 12: An efficient, effective and development oriented public service | 90 | 220 | 270 | 280 | 306 | 316 | 326 |
| Number of accredited organisations in the fields of testing, inspection, calibration, certification bodies and other conformity assessment services | Provision of accreditation services | Outcome 11: Create a better South Africa, a better Africa and a better world | 1 550 | 1 505 | 1 521 | 1 550 | 1 725 | 1 776 | 1 827 |
| Number of regional and international forums attended per year in order to promote the acceptance of system-accredited results | Marketing/Corporate services | Outcome 4: Decent employment through inclusive growth | -1 | -1 | -1 | 10 | 10 | 10 | 10 |

1. No historical data available.

Expenditure analysis

The South African National Accreditation System is responsible for accrediting calibration, testing and verification laboratories, certification bodies, inspection bodies and ratings agencies. Its work contributes to industrial development, the protection of health and the environment, and the improvement of safety standards. Over the medium term, the entity will focus on: operationalising accreditation programmes in the areas identified in the industrial policy action plan and by other government organisations. These include IT, organic agricultural production, the energy efficiency of buildings and the South African nuclear energy industrial framework.

Expenditure related to increasing access to accreditation services and improving the quality of the entity's own services is expected to increase at an average annual rate of 7.7 per cent, from R50.8 million in 2018/19 to R63.5 million in 2021/22, and accounts for 50.2 per cent (R180.6 million) of total spending over the medium term. The entity's overall expenditure is expected to increase at an average annual rate of 6.3 per cent, from R104.5 million in 2018/19 to R125.7 million in 2021/22. Over the medium term, the entity expects to derive 71.4 per cent (R257.7 million) of its revenue from fees for accreditation, new applications, and commercial training, and the remainder from transfers from the department.

Programmes/Objectives/Activities

Table 34.87 South African National Accreditation System expenditure trends and estimates by programme/objective/activity

| | Audited outcome | | | Revised estimate | Average growth rate (%) | | Medium-term expenditure estimate | | | Average growth rate (%) | |
|---|-----------------|---------------|---------------|------------------|-------------------------|-------------------|----------------------------------|----------------|----------------|-------------------------|---------------|
| | 2015/16 | 2016/17 | 2017/18 | | 2015/16 - 2018/19 | 2018/19 - 2021/22 | 2019/20 | 2020/21 | 2021/22 | 2018/19 - 2021/22 | 2021/22 |
| R thousand | | | | | | | | | | | |
| Administration | 31 370 | 32 425 | 33 744 | 38 990 | 7.5% | 38.0% | 40 842 | 43 429 | 46 817 | 6.3% | 36.9% |
| Provision of accreditation services | 43 044 | 45 672 | 49 589 | 50 784 | 5.7% | 52.7% | 57 177 | 59 941 | 63 505 | 7.7% | 50.2% |
| New programme development projects and related activities | 2 876 | 3 091 | 2 573 | 4 935 | 19.7% | 3.7% | 4 836 | 5 102 | 5 383 | 2.9% | 4.4% |
| Marketing/Corporate services | 2 652 | 3 367 | 5 340 | 9 817 | 54.7% | 5.6% | 9 984 | 9 454 | 9 974 | 0.5% | 8.5% |
| Total | 79 942 | 84 555 | 91 246 | 104 526 | 9.3% | 100.0% | 112 839 | 117 926 | 125 679 | 6.3% | 100.0% |

Statements of historical financial performance and position

Table 34.88 South African National Accreditation System statements of historical financial performance and position

| Statement of financial performance | | | | | | | | | |
|--|-------------------|--------------------|-------------------|--------------------|-------------------|--------------------|-------------------------------|---------------------|---------------------------------------|
| R thousand | Budget 2015/16 | Audited outcome | Budget 2016/17 | Audited outcome | Budget 2017/18 | Audited outcome | Budget estimate 2018/19 | Revised estimate | Average: Outcome/ Budget (%) |
| Revenue | | | | | | | | | |
| Non-tax revenue | 58 806 | 56 056 | 68 702 | 66 140 | 69 789 | 74 312 | 72 698 | 72 698 | 99.7% |
| Sale of goods and services other than capital assets | 41 366 | 44 961 | 46 559 | 60 068 | 55 365 | 67 237 | 60 260 | 60 260 | 114.2% |
| <i>of which:</i> | | | | | | | | | |
| Administrative fees | 41 366 | 44 961 | 46 559 | 60 068 | 55 365 | 67 237 | 60 260 | 60 260 | 114.2% |
| Other non-tax revenue | 17 440 | 11 095 | 22 143 | 6 072 | 14 424 | 7 075 | 12 438 | 12 438 | 55.2% |
| Transfers received | 26 025 | 26 025 | 22 208 | 22 208 | 30 313 | 30 313 | 31 828 | 31 828 | 100.0% |
| Total revenue | 84 831 | 82 081 | 90 910 | 88 348 | 100 102 | 104 625 | 104 526 | 104 526 | 99.8% |
| Expenses | | | | | | | | | |
| Current expenses | 84 301 | 79 942 | 90 347 | 84 555 | 99 504 | 90 648 | 103 213 | 103 894 | 95.1% |
| Compensation of employees | 42 064 | 40 833 | 46 321 | 46 117 | 49 533 | 50 131 | 53 093 | 53 093 | 99.6% |
| Goods and services | 41 427 | 38 119 | 42 817 | 37 668 | 49 234 | 39 161 | 49 202 | 49 883 | 90.2% |
| Depreciation | 531 | 711 | 1 209 | 770 | 737 | 1 356 | 918 | 918 | 110.6% |
| Interest, dividends and rent on land | 279 | 279 | – | – | – | – | – | – | 100.0% |
| Transfers and subsidies | 530 | – | 563 | – | 598 | 598 | 632 | 632 | 52.9% |
| Total expenses | 84 831 | 79 942 | 90 910 | 84 555 | 100 102 | 91 246 | 103 845 | 104 526 | 94.9% |
| Surplus/(Deficit) | – | 2 139 | – | 3 793 | – | 13 379 | 681 | – | |
| Statement of financial position | | | | | | | | | |
| Carrying value of assets | 71 016 | 4 762 | 71 253 | 4 490 | 4 823 | 5 445 | 71 305 | 78 456 | 42.7% |
| <i>of which:</i> | | | | | | | | | |
| Acquisition of assets | (66 600) | (567) | (67 700) | (536) | (1 320) | (1 905) | (74 550) | (74 550) | 36.9% |
| Receivables and prepayments | 1 809 | 1 973 | 1 200 | 1 404 | 1 300 | 10 527 | 1 200 | 1 200 | 274.2% |
| Cash and cash equivalents | 23 381 | 94 903 | 12 825 | 98 190 | 97 397 | 106 859 | 11 118 | 22 732 | 223.0% |
| Total assets | 96 206 | 101 638 | 85 278 | 104 084 | 103 520 | 122 831 | 83 623 | 102 388 | 116.9% |
| Accumulated surplus/(deficit) | 77 920 | 80 059 | 64 724 | 75 754 | 90 767 | 89 133 | 64 724 | 91 288 | 112.8% |
| Capital and reserves | – | – | – | 8 098 | – | 8 098 | – | – | – |
| Finance lease | 1 840 | 2 182 | – | – | – | – | – | – | 118.6% |
| Deferred income | 5 000 | 8 151 | 8 000 | 8 577 | 8 800 | 8 024 | 9 000 | 9 100 | 109.9% |
| Trade and other payables | 9 896 | 9 702 | 11 104 | 9 590 | 2 003 | 15 407 | 8 449 | – | 110.3% |
| Provisions | 1 550 | 1 544 | 1 450 | 2 065 | 1 950 | 2 169 | 1 450 | 2 000 | 121.5% |
| Total equity and liabilities | 96 206 | 101 638 | 85 278 | 104 084 | 103 520 | 122 831 | 83 623 | 102 388 | 116.9% |

Statements of estimates of financial performance and position

Table 34.89 South African National Accreditation System statements of estimates of financial performance and position

| Statement of financial performance | | | | | | | | |
|--|--------------------------------|---|--|----------------------|----------------|----------------|---|--|
| R thousand | Revised estimate 2018/19 | Average growth rate (%) 2015/16 - 2018/19 | Average: Expen- diture/ Total (%) 2015/16 - 2018/19 | Medium-term estimate | | | Average growth rate (%) 2018/19 - 2021/22 | Average: Expen- diture/ Total (%) 2018/19 - 2021/22 |
| | | | | 2019/20 | 2020/21 | 2021/22 | | |
| Revenue | | | | | | | | |
| Non-tax revenue | 72 698 | 9.1% | 70.9% | 82 098 | 84 770 | 90 699 | 7.7% | 71.4% |
| Sale of goods and services other than capital assets | 60 260 | 10.3% | 61.2% | 71 659 | 76 675 | 82 043 | 10.8% | 62.7% |
| <i>of which:</i> | | | | | | | | |
| Administrative fees | 60 260 | 10.3% | 61.2% | 71 659 | 76 675 | 82 043 | 10.8% | 62.7% |
| Other non-tax revenue | 12 438 | 3.9% | 9.8% | 10 438 | 8 094 | 8 656 | -11.4% | 8.7% |
| Transfers received | 31 828 | 6.9% | 29.1% | 31 669 | 33 399 | 35 237 | 3.4% | 28.6% |
| Total revenue | 104 526 | 8.4% | 100.0% | 113 767 | 118 169 | 125 935 | 6.4% | 100.0% |
| Expenses | | | | | | | | |
| Current expenses | 103 894 | 9.1% | 99.7% | 112 839 | 117 926 | 125 678 | 6.6% | 99.8% |
| Compensation of employees | 53 093 | 9.1% | 52.8% | 58 180 | 62 016 | 64 988 | 7.0% | 51.7% |
| Goods and services | 49 883 | 9.4% | 45.7% | 53 690 | 54 888 | 59 612 | 6.1% | 47.3% |
| Depreciation | 918 | 8.9% | 1.0% | 969 | 1 022 | 1 078 | 5.5% | 0.9% |
| Transfers and subsidies | 632 | – | 0.3% | – | – | – | -100.0% | 0.2% |
| Total expenses | 104 526 | 9.3% | 100.0% | 112 839 | 117 926 | 125 678 | 6.3% | 100.0% |
| Surplus/(Deficit) | – | | | 928 | 243 | 257 | | |
| Statement of financial position | | | | | | | | |
| Carrying value of assets | 78 456 | 154.5% | 22.5% | 81 487 | 82 515 | 87 053 | 3.5% | 80.2% |
| <i>of which:</i> | | | | | | | | |
| Acquisition of assets | (74 550) | 408.5% | -18.9% | (2 250) | (2 050) | (2 163) | -69.3% | -19.8% |
| Receivables and prepayments | 1 200 | -15.3% | 3.3% | 1 200 | 1 200 | 1 200 | – | 1.2% |
| Cash and cash equivalents | 22 732 | -37.9% | 74.2% | 20 296 | 17 980 | 15 537 | -11.9% | 18.6% |
| Total assets | 102 388 | 0.2% | 100.0% | 102 983 | 101 695 | 103 790 | 0.5% | 100.0% |
| Accumulated surplus/(deficit) | 91 288 | 4.5% | 78.3% | 91 633 | 90 095 | 91 552 | 0.1% | 88.7% |
| Deferred income | 9 100 | 3.7% | 7.9% | 9 300 | 9 500 | 10 023 | 3.3% | 9.2% |
| Provisions | 2 000 | 9.0% | 1.8% | 2 050 | 2 100 | 2 216 | 3.5% | 2.0% |
| Total equity and liabilities | 102 388 | 0.2% | 100.0% | 102 983 | 101 695 | 103 790 | 0.5% | 100.0% |

Personnel information**Table 34.90 South African National Accreditation System personnel numbers and cost by salary level**

| Number of posts estimated for 31 March 2019 | | | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | Number | | | | |
|---|---|----|--|------|-----------|------------------|------|-----------|----------------------------------|------|-----------|--------|---------|-----------|-------------------------|---------------------------------|-------------------|--------|--------|
| Number of funded posts | Number of posts on approved establishment | | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | Average growth rate (%) | Average: Salary level/Total (%) | | | |
| | | | 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 |
| South African National Accreditation System | | | 83 | 50.1 | 0.6 | 83 | 53.1 | 0.6 | 84 | 58.2 | 0.7 | 84 | 62.0 | 0.7 | 84 | 65.0 | 0.8 | 7.0% | 100.0% |
| Salary level | | | | | | | | | | | | | | | | | | | |
| 1 – 6 | 3 | 3 | 3 | 0.6 | 0.2 | 3 | 0.6 | 0.2 | 3 | 0.7 | 0.2 | 3 | 0.7 | 0.2 | 3 | 0.8 | 0.3 | 8.4% | 3.6% |
| 7 – 10 | 57 | 57 | 57 | 23.0 | 0.4 | 57 | 23.9 | 0.4 | 57 | 26.3 | 0.5 | 57 | 28.5 | 0.5 | 57 | 30.5 | 0.5 | 8.4% | 68.1% |
| 11 – 12 | 5 | 5 | 5 | 4.0 | 0.8 | 5 | 4.3 | 0.9 | 5 | 4.7 | 0.9 | 5 | 5.1 | 1.0 | 5 | 5.5 | 1.1 | 8.4% | 6.0% |
| 13 – 16 | 18 | 18 | 18 | 22.6 | 1.3 | 18 | 24.2 | 1.3 | 19 | 26.5 | 1.4 | 19 | 27.6 | 1.5 | 19 | 28.3 | 1.5 | 5.2% | 22.4% |

1. Rand million.

Additional tables

Table 34.A Summary of departmental public-private partnership projects¹

| Project description: | Project annual unitary fee at time of contract | Budgeted expenditure | Medium-term expenditure estimate | | |
|---|--|-------------------------|----------------------------------|----------------|----------------|
| | | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
| R thousand | | | | | |
| Projects signed in terms of Treasury Regulation 16 | – | 225 716 | 238 644 | 252 618 | 266 649 |
| Public private-partnership unitary charge ¹ | – | 225 716 | 238 644 | 252 618 | 266 649 |
| <i>Of which:</i> | | | | | |
| Services provided by the operator | – | 225 716 | 238 644 | 252 618 | 266 649 |
| Total | – | 225 716 | 238 644 | 252 618 | 266 649 |

1. Only payments that have received National Treasury approval.

Disclosure notes for projects signed in terms of Treasury Regulation 16

| | |
|---|---|
| Project name | Department of Trade and Industry public-private partnership campus |
| Brief description | Department of Trade and Industry public-private partnership campus, Robert Sobukwe Street, Pretoria |
| Date public-private partnership agreement was signed | 1 August 2003 |
| Duration of public-private partnership agreement | 25 years |
| Variations and amendments to public-private partnership agreement | Variation orders as per allowed schedules, but no formal amendment to date was signed on the public-private partnership agreement |
| Cost implications of variations and amendments | Costed for each variation order. Strategic space strategy will inform over the medium term the quantum of variation orders to be executed |
| Significant contingent fiscal obligations including termination payments, guarantees, warranties and indemnities, and maximum estimated value of such liabilities | |

Table 34.B Summary of donor funding

| Donor | Project | Programme | Period of commitment | Amount committed | Main economic classification | Spending focus | Audited outcome | | | Estimate | Medium-term expenditure estimate | | |
|-------------------------------------|--------------------------------------|--|----------------------|------------------|---|---|-----------------|----------------|----------|---------------|----------------------------------|----------|----------|
| | | | | | | | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
| R thousand | | | | | | | | | | | | | |
| Foreign In cash | | | | | | | | | | | | | |
| African Development Bank | Enterprise development pilot project | Special Economic Zones and Economic Transformation | 2015-2018 | 20 000 | Public corporations and private enterprises | Improve capacity of local municipalities in planning and implementing local economic development programmes. Improve SMME access to innovative production technology in pilot districts. Increased SMME participation in manufacturing | – | 829 | – | – | – | – | – |
| European Union | Employment creation Fund (ECF) | Incentive Development and Administration | 2009-2019 | 1 053 104 | Public corporations and private enterprises | Enhance the efficiency and effectiveness of the Economic sectors, Employment and Infrastructure Development Cluster in meeting the objectives in areas of decent employment creation through inclusive economic growth and job creation opportunities | – | 293 140 | – | 56 451 | 63 328 | – | – |
| European Union | SWEEP | Industrial Development | 2007-2016 | 33 855 | Public corporations and private enterprises | Greater social and economic equity and intergration | – | 1 678 | – | – | – | – | – |
| Local In cash | | | | | | | | | | | | | |
| Development Bank of Southern Africa | Monyetla | Industrial Development | 2012-15 | 217 300 | Departmental agencies and accounts | Promote employer-led skills | 71 000 | – | – | – | – | – | – |
| Total | | | | 1 324 259 | | | 71 000 | 295 647 | – | 56 451 | 63 328 | – | – |

Table 34.C Summary of expenditure on infrastructure

| Project name | 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 |
| R thousand | | | | | | | | | | |
| Infrastructure transfers to other spheres, agencies and departments | | | | | | | | | | |
| Mega projects (total project cost of at least R1 billion over the project life cycle) | | | | | | | | | | |
| Critical infrastructure programme | Development of infrastructure projects to supporting investment in mining, tourism, manufacturing and services | On-going | 1 473 171 | 74 203 | 190 000 | 179 093 | 211 071 | 222 891 | 235 150 | 248 083 |
| Special economic zones: Investment incentives | Development of infrastructure for special economic zone | On-going | 3 719 450 | 735 600 | 1 410 000 | 1 565 419 | 900 000 | 1 157 280 | 1 237 430 | 1 621 989 |
| Centurion Aerospace Village | Construction of aerospace industry infrastructure | Construction | 407 279 | 17 517 | 18 445 | 25 367 | 15 490 | 16 357 | 17 257 | 18 206 |
| Industrial development zone: Other | Development of infrastructure for industrial zone | On-going | – | 130 000 | 50 000 | 5 477 | 1 000 | – | – | – |
| Total | | | 5 599 900 | 957 320 | 1 668 445 | 1 775 356 | 1 127 561 | 1 396 528 | 1 489 837 | 1 888 278 |

Table 34.D Service Investment Incentives

| R thousand | Audited outcome | | | Adjusted appropriation | Medium-term estimates | | |
|--|-----------------|---------|---------|------------------------|-----------------------|---------|---------|
| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
| Business Process Outsourcing | 321 663 | 287 778 | 349 998 | 349 998 | 351 933 | 371 289 | 391 710 |
| Film and Television Production Incentive | 468 000 | 513 260 | 462 500 | 462 500 | 373 092 | 393 612 | 415 261 |

Table 34.E Manufacturing Development Incentive

| R thousand | Audited outcome | | | Adjusted appropriation | Medium-term estimates | | |
|--|-----------------|-----------|-----------|------------------------|-----------------------|-----------|-----------|
| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
| Small Medium Enterprise Development programme | - | - | - | - | - | - | - |
| Enterprise Investment Programme | 730 024 | 460 000 | 162 125 | 350 175 | 510 233 | 538 296 | 567 902 |
| Automotive Production and development Production: Production Allowance | 555 217 | 2 014 463 | 1 582 399 | 1 529 837 | 1 553 188 | 1 737 783 | 1 833 361 |
| Small Medium Manufacturing Development Programme | - | - | - | - | - | - | - |
| Manufacturing competitiveness Enhancement Programme | 2 321 808 | 1 114 670 | 573 652 | 774 026 | 1 008 770 | 1 202 373 | - |
| Supplier Cluster Development | - | - | - | 350 | 129 994 | 43 881 | 46 294 |
| Technology and human resources for industry program | - | 1 563 | 20 130 | 183 299 | 202 740 | 213 891 | 225 655 |



2019 BUDGET

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