

Vote 23

Defence

Budget summary

R million	2022/23				2023/24	2024/25
	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total	Total
MTEF allocation						
Administration	5 635.6	116.2	27.5	5 779.3	5 708.5	5 893.5
Force Employment	3 381.9	228.3	90.1	3 700.3	3 644.4	3 768.2
Landward Defence	14 851.1	683.0	16.3	15 550.4	15 142.3	15 497.7
Air Defence	5 858.4	314.8	28.2	6 201.3	5 986.3	6 167.6
Maritime Defence	3 472.2	1 183.2	7.0	4 662.4	4 595.3	4 704.0
Military Health Support	5 359.3	156.7	9.6	5 525.6	5 362.6	5 482.4
Defence Intelligence	550.0	601.4	–	1 151.3	1 150.6	1 191.9
General Support	4 657.4	1 384.8	477.2	6 519.4	6 369.9	6 572.4
Total expenditure estimates	43 765.8	4 668.4	655.9	49 090.1	47 959.8	49 277.7

Executive authority: Minister of Defence and Military Veterans
 Accounting officer: Secretary for Defence
 Website: www.dod.mil.za

The Estimates of National Expenditure is available at www.treasury.gov.za. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Defend and protect the Republic of South Africa, its territorial integrity and its people, in accordance with the Constitution and the principles of international law regulating the use of force.

Mandate

The Department of Defence derives its mandate from section 200 of the Constitution; the Defence Act (2002), as amended by the Defence Amendment Act (2010); the 1996 White Paper on Defence; and the 2015 South African Defence Review. The department is required to provide, manage, prepare and employ defence capabilities that are commensurate with the needs of South Africa.

Selected performance indicators

Table 23.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Number of reserve force person days per year	Administration	Priority 6: Social cohesion and safer communities	2 574 127	2 739 564	3 355 353	2 601 591	1 985 307	1 988 352	1 987 213
Percentage compliance with the Southern African Development Community standby force pledge per year	Force Employment	Priority 7: A better Africa and world	100% (32)	100% (32)	87.5% (28/32)	100%	100%	100%	100%
Percentage compliance with external operations per year	Force Employment		100% (2)	100% (2)	100% (2)	100%	100%	100%	100%
Percentage compliance with internal operations per year	Force Employment	Priority 6: Social cohesion and safer communities	100% (4)	100% (4)	100% (4)	100%	100%	100%	100%
Number of joint, interdepartmental, interagency and multinational military exercises conducted per year	Force Employment		3	1	0	2	4	3	2
Number of landward subunits deployed on border safeguarding per year	Force Employment		15	15	15	15	15	15	15
Number of hours flown per year	Air Defence		17 870	16 233	13 726	17 100	12 000	12 000	12 000
Number of hours at sea per year	Maritime Defence		7 704	6 613	6 818	8 000	8 000	8 000	8 000
Number of maritime coastal patrols conducted per year	Maritime Defence	– ¹	– ¹	3	4	4	4	4	

1. No historical data available.

Expenditure overview

Over the medium term, the department will focus on sustaining South Africa's defence capabilities, safeguarding the country's borders and territorial integrity, supporting peace on the continent, and providing support to the South African Police Service when required to ensure national security and internal stability.

As the department's work is labour intensive, an estimated 62.7 per cent (R91.3 billion) of its total budget of R146.3 billion over the medium term is allocated to compensation of employees. This includes an additional allocation of R1.3 billion in 2022/23 to provide for cost-of-living adjustments arising from the 2021 public sector wage agreement.

To sustain South Africa's defence capabilities and rejuvenate the South African National Defence Force into one that is young and deployable, the department will implement various human resource reforms over the medium term. These include reducing the number of personnel in the department from 73 153 in 2021/22 to 72 597 in 2024/25, as older personnel exit, and reducing the number of reserve force person days from 2.6 million in 2021/22 to 2 million in 2024/25; recruiting military skills development system personnel only every alternate year; and capping all discretionary allowances.

These reforms are expected to lead to a decrease of R4.5 billion in spending on compensation of employees over the medium term. However, an additional R1.8 billion is allocated over the same period to offer employee-initiated severance packages and early retirement without penalising pension benefits. This is expected to yield savings for the department, which will enable it to address other cost pressures such as investments in technology to assist with border safeguarding and mid-life upgrades of navy vessels over the period ahead.

South Africa's national security hinges on the stability, unity and prosperity of the African continent, particularly the Southern African Development Community (SADC) region. As such, the department will continue to participate in operations to support peace in the Democratic Republic of the Congo and northern Mozambique as part of the SADC standby force. These deployments will also assist the department in achieving 100 per cent compliance with its SADC standby force pledge and external operations. To maintain these deployment activities, R2.7 billion is allocated over the medium term in the *Force Employment* programme.

South Africa has a duty to safeguard its borders against the possibility of transnational crime, international crime syndicates and cartels, the illegal flow of undocumented migrants, and illicit economic activities. In fulfilling these duties over the MTEF period, the department will continue to deploy 15 landward subunits along South Africa's borders with Zimbabwe, Eswatini, Mozambique, Lesotho, Botswana and Namibia. For this purpose, R3.7 billion is allocated over the medium term in the *Force Employment* programme.

The public unrest in July 2021 highlighted the need to strengthen law enforcement agencies, including the South African National Defence Force, to ensure they are equipped to respond quickly to such incidents. To this end, the department plans to set up a rapid response capability unit, which will support the South African Police Service, when needed, with a brigade of between 2 000 and 5 000 soldiers comprising paratroopers and members of the South African Air Force and South African Military Health Service. The unit will be set up at a projected cost of R50 million in 2022/23 in the *Force Employment* programme.

Expenditure trends and estimates

Table 23.2 Vote expenditure trends and estimates by programme and economic classification

Programmes												
1. Administration												
2. Force Employment												
3. Landward Defence												
4. Air Defence												
5. Maritime Defence												
6. Military Health Support												
7. Defence Intelligence												
8. General Support												
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
	2018/19	2019/20	2020/21				2021/22	2022/23	2023/24			2024/25
	R million							2021/22 - 2024/25				
Programme 1	5 065.7	5 340.6	5 325.0	5 571.4	3.2%	10.6%	5 779.3	5 708.5	5 893.5	1.9%	11.8%	
Programme 2	3 168.7	3 491.5	4 660.9	4 475.1	12.2%	7.9%	3 700.3	3 644.4	3 768.2	-5.6%	8.0%	
Programme 3	16 427.5	16 763.7	17 186.6	15 194.7	-2.6%	32.6%	15 550.4	15 142.3	15 497.7	0.7%	31.5%	
Programme 4	6 257.4	6 701.1	7 684.8	6 369.6	0.6%	13.4%	6 201.3	5 986.3	6 167.6	-1.1%	12.7%	
Programme 5	4 503.9	4 709.4	4 737.5	4 492.8	-0.1%	9.2%	4 662.4	4 595.3	4 704.0	1.5%	9.5%	
Programme 6	5 090.6	5 362.9	5 487.1	5 474.3	2.5%	10.7%	5 525.6	5 362.6	5 482.4	0.0%	11.2%	
Programme 7	938.2	1 002.4	1 130.9	776.3	-6.1%	1.9%	1 151.3	1 150.6	1 191.9	15.4%	2.2%	
Programme 8	6 413.0	6 858.1	7 873.2	6 442.1	0.2%	13.7%	6 519.4	6 369.9	6 572.4	0.7%	13.3%	
Total	47 865.0	50 229.7	54 086.2	48 796.4	0.6%	100.0%	49 090.1	47 959.8	49 277.7	0.3%	100.0%	
Change to 2021 Budget estimate				2 527.7			2 313.1	800.0	-			
Economic classification												
Current payments	40 382.8	42 763.2	44 441.5	44 946.9	3.6%	85.8%	43 765.8	42 887.3	44 824.4	-0.1%	90.4%	
Compensation of employees	30 012.0	31 803.0	32 759.9	31 014.2	1.1%	62.5%	30 679.6	29 649.0	30 980.5	0.0%	62.7%	
Goods and services ¹	10 370.8	10 960.2	11 681.6	13 932.7	10.3%	23.4%	13 086.2	13 238.3	13 843.9	-0.2%	27.7%	
<i>of which:</i>												
<i>Computer services</i>	623.9	716.4	741.6	1 002.9	17.1%	1.5%	963.3	958.2	1 003.5	0.0%	2.0%	
<i>Contractors</i>	1 714.9	1 681.3	1 656.3	3 062.5	21.3%	4.0%	2 486.0	2 575.9	2 779.9	-3.2%	5.6%	
<i>Inventory: Food and food supplies</i>	1 188.9	1 311.1	1 554.2	1 171.1	-0.5%	2.6%	1 107.3	1 091.7	1 130.1	-1.2%	2.3%	
<i>Inventory: Fuel, oil and gas</i>	485.6	729.9	449.7	891.6	22.4%	1.3%	796.0	1 201.7	1 074.9	6.4%	2.0%	
<i>Operating leases</i>	1 589.0	1 735.2	2 209.4	1 681.0	1.9%	3.6%	1 737.4	1 749.8	1 830.8	2.9%	3.6%	
<i>Property payments</i>	843.0	1 065.2	709.0	1 914.9	31.5%	2.3%	1 833.0	1 789.9	1 888.1	-0.5%	3.8%	
Transfers and subsidies¹	6 027.9	6 021.8	8 169.0	3 243.8	-18.7%	11.7%	4 668.4	4 424.9	3 782.3	5.3%	8.3%	
Provinces and municipalities	0.2	0.1	0.1	0.2	-3.2%	0.0%	0.2	0.2	0.2	11.3%	0.0%	
Departmental agencies and accounts	4 296.7	4 353.3	6 277.4	1 549.7	-28.8%	8.2%	1 983.3	1 924.0	1 999.8	8.9%	3.8%	
Foreign governments and international organisations	-	-	22.1	31.5	0.0%	0.0%	-	-	-	-100.0%	0.0%	
Public corporations and private enterprises	1 423.4	1 469.2	1 708.3	1 478.6	1.3%	3.0%	1 481.1	1 490.6	1 557.5	1.7%	3.1%	
Non-profit institutions	9.1	9.6	9.8	10.2	4.1%	0.0%	10.4	10.8	11.3	3.5%	0.0%	
Households	298.6	189.7	151.1	173.7	-16.5%	0.4%	1 193.3	999.2	213.4	7.1%	1.3%	
Payments for capital assets	1 442.9	1 417.7	1 466.7	605.7	-25.1%	2.5%	655.9	647.6	671.0	3.5%	1.3%	
Buildings and other fixed structures	614.9	811.0	864.4	419.7	-12.0%	1.3%	428.7	390.3	399.3	-1.6%	0.8%	
Machinery and equipment	573.2	383.0	502.9	182.6	-31.7%	0.8%	222.0	253.9	267.8	13.6%	0.5%	
Specialised military assets	0.0	-	-	1.1	240.8%	0.0%	1.1	1.1	1.3	7.0%	0.0%	
Biological assets	0.4	1.0	-	-	-100.0%	0.0%	0.0	-	-	0.0%	0.0%	
Software and other intangible assets	254.5	222.6	99.4	2.3	-79.1%	0.3%	4.1	2.3	2.5	2.8%	0.0%	
Payments for financial assets	11.4	27.0	9.0	-	-100.0%	0.0%	-	-	-	0.0%	0.0%	
Total	47 865.0	50 229.7	54 086.2	48 796.4	0.6%	100.0%	49 090.1	47 959.8	49 277.7	0.3%	100.0%	

1. Tables with expenditure trends, annual budget, adjusted appropriation and audited outcome are available at www.treasury.gov.za and www.vulekamali.gov.za.

Transfers and subsidies expenditure trends and estimates

Table 23.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2021/22	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2018/19	2019/20	2020/21		2018/19	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25	2021/22 - 2024/25
Households											
Social benefits											
Current	168 784	143 673	145 981	173 712	1.0%	2.7%	1 193 345	999 238	213 442	7.1%	16.0%
Employee social benefits	168 784	143 673	145 981	173 712	1.0%	2.7%	1 193 345	999 238	213 442	7.1%	16.0%
Provinces and municipalities											
Municipal bank accounts											
Current	180	141	136	164	-3.1%	-	190	199	226	11.3%	-
Employee social benefits	-	-	2	-	-	-	-	-	-	-	-
Vehicle licences	180	141	134	164	-3.1%	-	190	199	226	11.3%	-
Households											
Other transfers to households											
Current	129 842	45 999	5 165	-	-100.0%	0.8%	-	-	-	-	-
Claims against the state	129 842	45 999	5 165	-	-100.0%	0.8%	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	4 296 682	4 353 301	6 277 417	1 549 651	-28.8%	70.2%	1 983 322	1 924 034	1 999 790	8.9%	46.3%
Safety and Security Sector Education and Training Authority	25 993	25 371	28 624	24 049	-2.6%	0.4%	25 319	25 552	25 531	2.0%	0.6%
Claims against the state	9	-	1	-	-100.0%	-	-	-	-	-	-
Communication	8	943	3	164	173.7%	-	138	146	150	-2.9%	-
Special defence account	4 270 672	4 326 987	6 243 889	1 519 938	-29.1%	69.7%	1 951 865	1 892 336	1 974 109	9.1%	45.5%
Castle Control Board	-	-	4 900	5 500	-	-	6 000	6 000	-	-100.0%	0.1%
Public corporations and private enterprises											
Other transfers to private enterprises											
Current	-	115	330 114	-	-	1.4%	-	-	-	-	-
Claims against the state	-	115	330 114	-	-	1.4%	-	-	-	-	-
Non-profit institutions											
Current	9 073	9 550	9 811	10 232	4.1%	0.2%	10 449	10 802	11 337	3.5%	0.3%
Reserve Force Council	8 326	8 742	8 995	9 179	3.3%	0.2%	9 354	9 822	10 313	4.0%	0.2%
St John Ambulance Brigade	747	808	816	1 053	12.1%	-	1 095	980	1 024	-0.9%	-
Public corporations and private enterprises											
Other transfers to public corporations											
Current	632	1 069	43	-	-100.0%	-	-	-	-	-	-
Claims against the state	632	1 069	43	-	-100.0%	-	-	-	-	-	-
Public corporations and private enterprises											
Subsidies on products and production											
Current	1 422 725	1 467 968	1 378 186	1 478 555	1.3%	24.5%	1 481 079	1 490 595	1 557 537	1.7%	37.3%
Armaments Corporation of South Africa	1 422 725	1 467 968	1 378 186	1 478 555	1.3%	24.5%	1 481 079	1 490 595	1 557 537	1.7%	37.3%
Foreign governments and international organisations											
Current	-	-	22 139	31 469	-	0.2%	-	-	-	-100.0%	0.2%
Southern African Development Community Secretariat	-	-	-	21 298	-	0.1%	-	-	-	-100.0%	0.1%
Foreign governments and international organisations	-	-	22 139	10 171	-	0.1%	-	-	-	-100.0%	0.1%
Total	6 027 918	6 021 816	8 168 992	3 243 783	-18.7%	100.0%	4 668 385	4 424 868	3 782 332	5.3%	100.0%

Personnel information

Table 23.4 Vote personnel numbers and cost by salary level and programme¹

Programmes		Number and cost ² of personnel posts filled/planned for on funded establishment												Average growth rate (%)	Average Salary level/ Total (%)			
Number of funded posts	Number of posts estimated for 31 March 2022	Actual			Revised estimate			Medium-term expenditure estimate										
		2020/21		2021/22		2022/23		2023/24		2024/25		2021/22 - 2024/25						
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Defence	73 153	72 221	32 759.9	0.5	73 153	31 014.2	0.4	73 098	30 679.6	0.4	72 864	29 649.0	0.4	72 597	30 980.5	0.4	-0.3%	100.0%
1 – 6	47 012	46 487	13 999.0	0.3	47 012	14 074.7	0.3	46 392	13 960.8	0.3	46 331	13 162.2	0.3	45 881	13 687.2	0.3	-0.8%	63.6%
7 – 10	24 425	24 260	13 052.3	0.5	24 425	12 536.4	0.5	24 982	12 591.4	0.5	24 813	12 506.8	0.5	24 981	13 128.3	0.5	0.8%	34.0%
11 – 12	1 318	1 101	1 107.1	1.0	1 318	1 257.3	1.0	1 331	1 235.1	0.9	1 328	1 194.4	0.9	1 339	1 271.4	0.9	0.5%	1.8%
13 – 16	396	371	564.4	1.5	396	572.2	1.4	391	565.5	1.4	390	547.0	1.4	394	578.4	1.5	-0.2%	0.5%
Other	–	–	4 037.2	–	–	2 573.7	–	–	2 326.8	–	–	2 238.7	–	–	2 315.2	–	–	–
Programme	73 153	72 221	32 759.9	0.5	73 153	31 014.2	0.4	73 098	30 679.6	0.4	72 864	29 649.0	0.4	72 597	30 980.5	0.4	-0.3%	100.0%
Programme 1	4 067	3 655	2 060.0	0.6	4 067	2 092.2	0.5	4 069	2 129.0	0.5	4 068	2 055.9	0.5	4 065	2 148.2	0.5	-0.0%	5.6%
Programme 2	2 265	2 004	2 891.0	1.4	2 265	2 741.0	1.2	2 287	2 377.8	1.0	2 407	2 333.1	1.0	2 519	2 437.9	1.0	3.6%	3.2%
Programme 3	36 007	36 379	14 009.4	0.4	36 007	12 782.1	0.4	36 197	12 765.2	0.4	36 095	12 304.3	0.3	35 928	12 856.9	0.4	-0.1%	49.4%
Programme 4	9 408	9 361	4 120.0	0.4	9 408	3 858.3	0.4	9 431	3 861.1	0.4	9 213	3 729.8	0.4	9 149	3 897.4	0.4	-0.9%	12.8%
Programme 5	6 236	6 108	2 501.9	0.4	6 236	2 392.3	0.4	6 081	2 392.2	0.4	6 001	2 312.6	0.4	5 970	2 416.5	0.4	-1.4%	8.3%
Programme 6	7 334	7 140	4 066.3	0.6	7 334	3 862.9	0.5	7 228	3 852.1	0.5	7 295	3 732.8	0.5	7 186	3 900.5	0.5	-0.7%	10.0%
Programme 7	904	891	456.8	0.5	904	445.8	0.5	901	448.7	0.5	902	432.0	0.5	905	451.4	0.5	0.0%	1.2%
Programme 8	6 932	6 683	2 654.4	0.4	6 932	2 839.5	0.4	6 904	2 853.4	0.4	6 883	2 748.5	0.4	6 875	2 871.9	0.4	-0.3%	9.5%

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

2. Rand million.

Departmental receipts

Table 23.5 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 (%)
	2018/19	2019/20	2020/21					2021/22	2022/23	2023/24		
Departmental receipts	814 391	1 289 155	923 605	1 207 696	1 207 696	14.0%	100.0%	1 231 850	1 256 490	1 319 314	3.0%	100.0%
Sales of goods and services produced by department	366 268	763 993	397 483	560 611	560 611	15.2%	49.3%	469 824	479 222	503 182	-3.5%	40.1%
Administrative fees	12	23	14	27	27	31.0%	–	28	29	30	3.6%	–
of which:												
Request for information: Receipt	12	23	14	27	27	31.0%	–	28	29	30	3.6%	–
Other sales	366 256	763 970	397 469	560 584	560 584	15.2%	49.3%	469 796	479 193	503 152	-3.5%	40.1%
of which:												
Rental capital assets	122 583	123 772	131 899	2 539	2 539	-72.5%	9.0%	104 590	106 682	112 016	253.4%	6.5%
Sale of goods	18 957	20 008	18 056	73 902	73 902	57.4%	3.1%	14 180	14 464	15 187	-41.0%	2.3%
Services rendered	224 716	620 190	247 514	484 143	484 143	29.2%	37.2%	351 026	358 047	375 949	-8.1%	31.3%
Sales of scrap, waste, arms and other used current goods	1 334	766	642	1 548	1 548	5.1%	0.1%	1 579	1 611	1 692	3.0%	0.1%
of which:												
Sales: Scrap and waste	1 334	766	642	1 548	1 548	5.1%	0.1%	1 579	1 611	1 692	3.0%	0.1%
Transfers received	320 609	356 875	421 144	532 320	532 320	18.4%	38.5%	644 966	657 865	690 758	9.1%	50.4%
Fines, penalties and forfeits	2 227	1 804	1 547	1 338	1 338	-15.6%	0.2%	1 365	1 392	1 462	3.0%	0.1%
Interest, dividends and rent on land	4 622	6 010	4 283	4 389	4 389	-1.7%	0.5%	4 477	4 567	4 795	3.0%	0.4%
Interest	4 622	6 010	4 283	4 389	4 389	-1.7%	0.5%	4 477	4 567	4 795	3.0%	0.4%
Sales of capital assets	18 924	2 504	5 947	30 466	30 466	17.2%	1.4%	31 075	31 697	33 282	3.0%	2.5%
Transactions in financial assets and liabilities	100 407	157 203	92 559	77 024	77 024	-8.5%	10.1%	78 564	80 136	84 143	3.0%	6.4%
Total	814 391	1 289 155	923 605	1 207 696	1 207 696	14.0%	100.0%	1 231 850	1 256 490	1 319 314	3.0%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 23.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2018/19	2019/20	2020/21		2021/22	2018/19 - 2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25	Average Expenditure/ Total (%)
R million											
Ministry	125.6	108.9	86.7	127.4	0.5%	2.1%	126.6	124.4	130.0	0.7%	2.2%
Departmental Direction	41.6	42.0	36.7	44.9	2.6%	0.8%	45.0	44.0	46.0	0.8%	0.8%
Policy and Planning	106.8	109.6	103.8	117.2	3.2%	2.1%	122.8	116.9	118.9	0.5%	2.1%
Financial Services	397.7	395.1	376.0	420.1	1.8%	7.5%	430.5	417.8	436.6	1.3%	7.4%
Human Resources Support Services	851.0	871.7	885.8	954.0	3.9%	16.7%	1 023.5	995.1	992.1	1.3%	17.3%
Legal Services	314.4	318.4	310.7	348.6	3.5%	6.1%	371.9	360.8	365.4	1.6%	6.3%
Inspection and Audit Services	123.7	131.6	131.8	144.3	5.3%	2.5%	148.7	144.2	150.7	1.4%	2.6%
Acquisition Services	206.9	80.9	68.1	70.3	-30.2%	2.0%	75.4	71.4	70.8	0.2%	1.3%
Communication Services	107.5	109.4	105.8	120.2	3.8%	2.1%	122.7	118.3	122.3	0.6%	2.1%
South African National Defence Force Command and Control	166.3	195.0	177.9	182.1	3.1%	3.4%	184.3	177.9	184.6	0.5%	3.2%
Religious Services	14.9	14.2	13.3	20.3	10.8%	0.3%	20.5	19.8	20.7	0.7%	0.4%
Defence Reserve Direction	29.2	32.5	30.3	36.8	8.1%	0.6%	37.3	36.6	38.2	1.2%	0.6%
Defence Foreign Relations	316.0	302.4	222.0	269.2	-5.2%	5.2%	272.8	266.2	275.6	0.8%	4.7%
Office Accommodation	2 263.9	2 629.2	2 776.0	2 716.1	6.3%	48.8%	2 797.2	2 815.2	2 941.6	2.7%	49.1%
Total	5 065.7	5 340.6	5 325.0	5 571.4	3.2%	100.0%	5 779.3	5 708.5	5 893.5	1.9%	100.0%
Change to 2021 Budget estimate				57.3			155.9	68.3	0.0		
Economic classification											
Current payments	4 907.6	5 247.8	5 229.7	5 492.1	3.8%	98.0%	5 635.6	5 560.1	5 805.5	1.9%	98.0%
Compensation of employees	2 053.7	2 109.7	2 060.0	2 092.2	0.6%	39.0%	2 129.0	2 055.9	2 148.2	0.9%	36.7%
Goods and services	2 853.9	3 138.1	3 169.6	3 399.9	6.0%	59.0%	3 506.6	3 504.3	3 657.3	2.5%	61.3%
<i>of which:</i>											
Advertising	66.5	70.7	55.4	75.3	4.2%	1.3%	78.0	78.6	80.5	2.3%	1.4%
Computer services	62.5	59.6	63.3	78.7	8.0%	1.2%	84.5	79.7	84.1	2.2%	1.4%
Operating leases	1 573.9	1 716.3	2 205.3	1 619.2	1.0%	33.4%	1 674.0	1 683.8	1 760.8	2.8%	29.4%
Property payments	736.6	980.5	617.8	1 250.7	19.3%	16.8%	1 268.2	1 268.7	1 332.9	2.1%	22.3%
Travel and subsistence	144.9	134.3	69.2	123.3	-5.2%	2.2%	123.5	123.4	122.0	-0.4%	2.1%
Operating payments	41.8	32.6	18.4	58.7	12.0%	0.7%	70.3	66.6	68.6	5.4%	1.2%
Transfers and subsidies	63.4	51.2	54.2	49.4	-8.0%	1.0%	116.2	120.6	55.0	3.7%	1.5%
Provinces and municipalities	0.0	0.0	0.0	0.0	-2.3%	-	0.1	0.1	0.1	15.4%	-
Departmental agencies and accounts	26.0	25.4	28.6	24.1	-2.6%	0.5%	25.3	25.6	25.5	2.0%	0.4%
Public corporations and private enterprises	-	0.1	0.0	-	-	-	-	-	-	-	-
Non-profit institutions	8.3	8.7	9.0	9.2	3.3%	0.2%	9.4	9.8	10.3	4.0%	0.2%
Households	29.0	16.9	16.5	16.1	-17.8%	0.4%	81.4	85.2	19.1	5.9%	0.9%
Payments for capital assets	90.5	41.1	37.1	30.0	-30.8%	0.9%	27.5	27.8	33.0	3.3%	0.5%
Buildings and other fixed structures	0.4	0.2	-	-	-100.0%	-	-	-	-	-	-
Machinery and equipment	32.5	35.0	36.6	28.7	-4.1%	0.6%	25.2	26.6	31.6	3.3%	0.5%
Software and other intangible assets	57.7	5.9	0.5	1.3	-71.9%	0.3%	2.3	1.2	1.4	2.2%	-
Payments for financial assets	4.1	0.4	4.1	-	-100.0%	-	-	-	-	-	-
Total	5 065.7	5 340.6	5 325.0	5 571.4	3.2%	100.0%	5 779.3	5 708.5	5 893.5	1.9%	100.0%
Proportion of total programme expenditure to vote expenditure	10.6%	10.6%	9.8%	11.4%	-	-	11.8%	11.9%	12.0%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	28.6	16.9	16.4	16.1	-17.5%	0.4%	81.4	85.2	19.1	5.9%	0.9%
Employee social benefits	28.6	16.9	16.4	16.1	-17.5%	0.4%	81.4	85.2	19.1	5.9%	0.9%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	26.0	25.4	28.6	24.0	-2.6%	0.5%	25.3	25.6	25.5	2.0%	0.4%
Safety and Security Sector Education and Training Authority	26.0	25.4	28.6	24.0	-2.6%	0.5%	25.3	25.6	25.5	2.0%	0.4%
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	0.0	0.0	0.0	0.0	-2.3%	-	0.1	0.1	0.1	15.4%	-
Vehicle licences	0.0	0.0	0.0	0.0	-2.3%	-	0.1	0.1	0.1	15.4%	-
Non-profit institutions											
Current	8.3	8.7	9.0	9.2	3.3%	0.2%	9.4	9.8	10.3	4.0%	0.2%
Reserve Force Council	8.3	8.7	9.0	9.2	3.3%	0.2%	9.4	9.8	10.3	4.0%	0.2%

Personnel information

Table 23.7 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2022		Number and cost ² of personnel posts filled/planned for on funded establishment															Average growth rate (%)	Average: Salary level/ Total (%)	
		Actual			Revised estimate			Medium-term expenditure estimate											
Number of funded posts	Number of posts additional to the establishment	2020/21			2021/22			2022/23		2023/24		2024/25		2021/22 - 2024/25					
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Administration																			
Salary level	4 067	–	3 655	2 060.0	0.6	4 067	2 092.2	0.5	4 069	2 129.0	0.5	4 068	2 055.9	0.5	4 065	2 148.2	0.5	-0.0%	100.0%
1 – 6	1 501	–	1 313	401.7	0.3	1 501	428.4	0.3	1 479	427.2	0.3	1 481	413.7	0.3	1 481	433.2	0.3	-0.4%	36.5%
7 – 10	1 920	–	1 779	958.3	0.5	1 920	968.5	0.5	1 931	983.6	0.5	1 930	951.6	0.5	1 928	995.3	0.5	0.1%	47.4%
11 – 12	504	–	438	433.2	1.0	504	462.3	0.9	515	479.4	0.9	515	463.4	0.9	515	484.9	0.9	0.7%	12.6%
13 – 16	140	–	123	165.0	1.3	140	173.0	1.2	142	179.2	1.3	140	170.9	1.2	139	177.1	1.3	-0.2%	3.4%
Other	–	–	–	101.7	–	–	60.0	–	–	59.6	–	–	56.4	–	–	57.6	–	–	–

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

2. Rand million.

Programme 2: Force Employment

Programme purpose

Provide and employ defence capabilities, including an operational capability, to successfully conduct all operations as well as joint, interdepartmental, interagency and multinational military exercises.

Objectives

- Ensure successful joint force employment by:
 - providing and employing a special operations capability in accordance with national requirements by March 2025
 - ensuring full participation in the number of peace missions, as instructed by the president, by March 2025
 - conducting 9 joint interdepartmental, interagency and multinational military force preparation exercises, excluding special forces exercises, by March 2025
 - conducting internal operations in the interest of protecting the territorial integrity and sovereignty of South Africa on an ongoing basis
 - supporting other government departments and complying with international obligations on an ongoing basis.

Subprogrammes

- *Strategic Direction* formulates and controls strategies, policies and plans for the employment of forces to promote peace, stability and security in the region and on the continent.
- *Operational Direction* provides operational direction to joint and multinational task forces and joint tactical headquarters through an operational-level headquarters.
- *Special Operations* provides and employs a special operations capability within the approved special forces mandate for the South African National Defence Force.
- *Regional Security* provides for the external deployment of forces in support of South Africa's commitment to regional, continental and global security.
- *Support to the People* provides for the internal deployment of forces in support of the South African Police Service and other government departments. This includes safeguarding borders, assisting during disasters, and conducting search and rescue missions.

Expenditure trends and estimates

Table 23.8 Force Employment expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2018/19	2019/20	2020/21		2021/22	2018/19 - 2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25	Average Expenditure/ Total (%)
R million											
Strategic Direction	159.4	175.9	157.3	181.6	4.4%	4.3%	212.3	205.9	193.1	2.1%	5.1%
Operational Direction	356.6	373.1	368.2	377.3	1.9%	9.3%	388.4	382.4	394.7	1.5%	9.9%
Special Operations	834.3	954.9	1 541.8	1 048.1	7.9%	27.7%	967.6	956.4	986.3	-2.0%	25.4%
Regional Security	852.2	886.2	673.0	1 371.1	17.2%	23.9%	902.7	893.5	933.7	-12.0%	26.3%
Support to the People	966.3	1 101.4	1 920.6	1 497.1	15.7%	34.7%	1 229.3	1 206.2	1 260.4	-5.6%	33.3%
Total	3 168.7	3 491.5	4 660.9	4 475.1	12.2%	100.0%	3 700.3	3 644.4	3 768.2	-5.6%	100.0%
Change to 2021				878.6			113.8	38.2	0.0		
Budget estimate											
Economic classification											
Current payments	2 854.7	3 197.1	3 795.9	4 080.9	12.6%	88.2%	3 381.9	3 335.2	3 494.4	-5.0%	91.7%
Compensation of employees	2 093.1	2 338.5	2 891.0	2 741.0	9.4%	63.7%	2 377.8	2 333.1	2 437.9	-3.8%	63.4%
Goods and services	761.6	858.6	904.9	1 339.9	20.7%	24.5%	1 004.1	1 002.1	1 056.6	-7.6%	28.2%
<i>of which:</i>											
Contractors	115.4	149.1	133.3	276.7	33.8%	4.3%	236.6	230.8	259.5	-2.1%	6.4%
Fleet services (including government motor transport)	21.3	25.5	23.4	83.4	57.5%	1.0%	55.9	54.0	59.6	-10.6%	1.6%
Inventory: Food and food supplies	168.3	200.7	389.7	209.4	7.6%	6.1%	162.2	172.1	192.4	-2.8%	4.7%
Inventory: Fuel, oil and gas	48.3	73.2	65.6	172.3	52.8%	2.3%	72.0	76.4	76.9	-23.6%	2.6%
Travel and subsistence	167.1	189.9	140.3	205.6	7.2%	4.4%	217.6	209.4	199.0	-1.1%	5.3%
Operating payments	127.6	52.3	18.4	87.6	-11.8%	1.8%	78.8	78.8	71.6	-6.5%	2.0%
Transfers and subsidies	213.9	260.5	712.3	300.4	12.0%	9.4%	228.3	225.0	195.4	-13.4%	6.1%
Provinces and municipalities	0.1	0.0	0.0	0.0	-54.8%	-	0.0	0.0	0.0	40.9%	-
Departmental agencies and accounts	191.9	241.7	692.8	260.6	10.7%	8.8%	163.2	167.2	174.7	-12.5%	4.9%
Foreign governments and international organisations	-	-	-	21.3	-	0.1%	-	-	-	-100.0%	0.1%
Public corporations and private enterprises	9.3	9.8	10.3	10.3	3.3%	0.3%	9.7	10.3	12.0	5.1%	0.3%
Households	12.5	8.9	9.2	8.2	-13.1%	0.2%	55.5	47.5	8.7	1.8%	0.8%
Payments for capital assets	100.1	33.9	152.7	93.9	-2.1%	2.4%	90.1	84.3	78.4	-5.8%	2.2%
Buildings and other fixed structures	5.8	4.1	8.0	74.8	134.4%	0.6%	70.3	17.3	9.7	-49.5%	1.1%
Machinery and equipment	94.2	29.7	144.7	18.0	-42.4%	1.8%	18.7	65.8	67.4	55.3%	1.1%
Specialised military assets	-	-	-	1.1	-	-	1.1	1.1	1.3	7.0%	-
Payments for financial assets	0.1	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Total	3 168.7	3 491.5	4 660.9	4 475.1	12.2%	100.0%	3 700.3	3 644.4	3 768.2	-5.6%	100.0%
Proportion of total programme expenditure to vote expenditure	6.6%	7.0%	8.6%	9.2%	-	-	7.5%	7.6%	7.6%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	12.5	8.7	9.0	8.2	-12.9%	0.2%	55.5	47.5	8.7	1.8%	0.8%
Employee social benefits	12.5	8.7	9.0	8.2	-12.9%	0.2%	55.5	47.5	8.7	1.8%	0.8%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	191.9	241.7	692.8	260.6	10.7%	8.8%	163.2	167.2	174.7	-12.5%	4.9%
Communication	0.0	0.0	-	0.1	227.1%	-	0.1	0.1	0.1	-8.7%	-
Special defence account	191.9	241.7	692.8	260.4	10.7%	8.8%	163.1	167.2	174.7	-12.5%	4.9%
Households											
Other transfers to households											
Current	0.1	0.3	0.2	-	-100.0%	-	-	-	-	-	-
Claims against the state	0.1	0.3	0.2	-	-100.0%	-	-	-	-	-	-
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	0.1	0.0	0.0	0.0	-54.8%	-	0.0	0.0	0.0	40.9%	-
Vehicle licences	0.1	0.0	0.0	0.0	-54.8%	-	0.0	0.0	0.0	40.9%	-
Public corporations and private enterprises											
Public corporations											
Public corporations (subsidies on products and production)											
Current	9.3	9.8	10.3	10.3	3.3%	0.3%	9.7	10.3	12.0	5.1%	0.3%
Armaments Corporation of South Africa	9.3	9.8	10.3	10.3	3.3%	0.3%	9.7	10.3	12.0	5.1%	0.3%
Foreign governments and international organisations											
Current	-	-	-	21.3	-	0.1%	-	-	-	-100.0%	0.1%
Southern African Development Community Secretariat	-	-	-	21.3	-	0.1%	-	-	-	-100.0%	0.1%

Personnel information

Table 23.9 Force Employment personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2022		Number and cost ² of personnel posts filled/planned for on funded establishment															Average growth rate (%)	Average: Salary level/ Total (%)	
		Actual			Revised estimate			Medium-term expenditure estimate											
Number of funded posts	Number of posts additional to the establishment	2020/21			2021/22			2022/23			2023/24			2024/25			2021/22 - 2024/25		
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Force Employment																			
Salary level	2 265	–	2 004	2 891.0	1.4	2 265	2 741.0	1.2	2 287	2 377.8	1.0	2 407	2 333.1	1.0	2 519	2 437.9	1.0	3.6%	100.0%
1–6	1 140	–	1 006	351.6	0.3	1 140	560.5	0.5	1 177	426.9	0.4	1 277	422.4	0.3	1 356	458.9	0.3	6.0%	52.2%
7–10	1 046	–	933	529.2	0.6	1 046	826.6	0.8	1 029	628.0	0.6	1 049	617.9	0.6	1 082	658.5	0.6	1.1%	44.4%
11–12	62	–	48	47.9	1.0	62	86.2	1.4	64	65.9	1.0	64	62.9	1.0	64	64.4	1.0	1.1%	2.7%
13–16	17	–	17	22.0	1.3	17	30.7	1.8	17	23.1	1.4	17	20.5	1.2	17	23.0	1.4	–	0.7%
Other	–	–	–	1 940.2	–	–	1 236.9	–	–	1 233.8	–	–	1 209.4	–	–	1 233.1	–	–	–

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

2. Rand million.

Programme 3: Landward Defence

Programme purpose

Provide prepared and supported landward defence capabilities for the defence and protection of South Africa.

Objectives

- Defend and protect South Africa and its territory over the medium term by:
 - providing 1 infantry capability for external deployment and for internal safety and security, including border safeguarding, per year
 - exercising 1 tank and armoured car capability, and providing 1 squadron for internal deployment per year
 - exercising 1 composite artillery capability and providing 1 battery for internal deployment per year
 - exercising 1 air defence artillery capability and providing 1 battery for internal deployment per year
 - providing 1 sustained composite engineer capability for external deployment, and for internal safety and security; and exercising 1 field engineer capability per year
 - providing 1 signal capability for external deployment and for internal signal support, and exercising 1 composite signal capability per year.

Subprogrammes

- Strategic Direction* directs, orchestrates and controls the South African Army in achieving its mission to prepare and provide supported landward capabilities for the defence and protection of South Africa.
- Infantry Capability* provides combat-ready infantry capabilities through training, preparing, exercising and supporting mechanised, motorised, specialised and airborne infantry units.
- Armour Capability* provides combat-ready armour capabilities through training, preparing, exercising and supporting tank and armoured car units.
- Artillery Capability* provides combat-ready artillery capabilities through training, preparing, exercising and supporting composite and light artillery units.
- Air Defence Artillery Capability* provides combat-ready air defence artillery capabilities through training, preparing, exercising and supporting air defence artillery units.
- Engineering Capability* provides combat-ready engineering capabilities to ensure mobility and establish infrastructure during exercises and deployments through training, preparing, exercising and supporting field and construction engineering units.
- Operational Intelligence* provides combat-ready operational intelligence capabilities to enable the successful planning and execution of operations through training, preparing, exercising and supporting intelligence units.
- Command and Control Capability* provides combat-ready tactical command and control capabilities for integrated forces during force preparation and force employment.

- *Support Capability* provides first-line, second-line and third-line support capabilities to units and bases, and ensures support to deployed combat units through training, preparing, exercising and supporting first-line and second-line maintenance units and workshops.
- *General Training Capability* provides general training capabilities through basic military training, junior leader training, common landward training, and command and management training at the training depot and decentralised units, the South African Army gymnasium, the combat training centre and the South African Army College.
- *Signal Capability* provides combat-ready signal capabilities to ensure command, control and communications during exercises and deployments through training, preparing, exercising and supporting signal units.

Expenditure trends and estimates

Table 23.10 Landward Defence 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 (%)
	2018/19	2019/20	2020/21				2021/22	2022/23	2023/24		
R million											
Strategic Direction	494.1	496.1	467.2	387.4	-7.8%	2.8%	832.9	540.1	591.6	15.2%	3.8%
Infantry Capability	6 803.8	6 723.4	6 716.0	5 682.6	-5.8%	39.5%	5 783.6	5 847.1	6 046.1	2.1%	38.1%
Armour Capability	504.9	534.0	568.6	509.7	0.3%	3.2%	520.8	499.2	515.2	0.4%	3.3%
Artillery Capability	498.5	645.0	770.3	557.7	3.8%	3.8%	574.6	547.2	565.3	0.5%	3.7%
Air Defence Artillery Capability	538.6	484.0	547.6	374.7	-11.4%	3.0%	382.5	366.2	377.7	0.3%	2.4%
Engineering Capability	835.2	882.2	983.5	848.6	0.5%	5.4%	864.4	828.8	855.6	0.3%	5.5%
Operational Intelligence	215.7	237.9	274.4	227.0	1.7%	1.5%	232.6	221.8	228.8	0.3%	1.5%
Command and Control Capability	221.4	232.1	228.0	218.0	-0.5%	1.4%	222.4	214.0	221.5	0.5%	1.4%
Support Capability	4 455.8	4 553.0	4 573.0	4 507.7	0.4%	27.6%	4 210.9	4 232.4	4 191.4	-2.4%	27.9%
General Training Capability	415.0	491.9	570.3	479.3	4.9%	3.0%	495.1	470.7	483.8	0.3%	3.1%
Signal Capability	1 444.5	1 484.2	1 487.8	1 401.8	-1.0%	8.9%	1 430.5	1 374.9	1 420.7	0.4%	9.2%
Total	16 427.5	16 763.7	17 186.6	15 194.7	-2.6%	100.0%	15 550.4	15 142.3	15 497.7	0.7%	100.0%
Change to 2021				671.3			1 018.2	308.7	(2.0)		
Budget estimate											
Economic classification											
Current payments	14 465.7	15 287.1	15 634.7	14 930.4	1.1%	92.0%	14 851.1	14 619.1	15 277.9	0.8%	97.2%
Compensation of employees	12 823.2	13 611.6	14 009.4	12 782.1	-0.1%	81.2%	12 765.2	12 304.3	12 856.9	0.2%	82.6%
Goods and services	1 642.4	1 675.5	1 625.3	2 148.3	9.4%	10.8%	2 085.9	2 314.7	2 421.0	4.1%	14.6%
<i>of which:</i>											
Computer services	27.0	63.4	38.9	49.3	22.3%	0.3%	47.1	43.1	48.0	-0.9%	0.3%
Contractors	139.4	100.5	76.6	623.9	64.8%	1.4%	600.0	452.7	604.4	-1.1%	3.7%
Inventory: Food and food supplies	670.8	750.1	777.8	708.7	1.8%	4.4%	674.3	667.7	686.6	-1.0%	4.5%
Inventory: Fuel, oil and gas	193.7	196.9	182.6	247.4	8.5%	1.3%	241.4	630.6	508.9	27.2%	2.7%
Property payments	30.1	23.0	18.7	43.1	12.7%	0.2%	39.6	29.7	40.4	-2.2%	0.2%
Travel and subsistence	339.1	371.3	254.3	251.0	-9.5%	1.9%	270.9	295.8	304.6	6.7%	1.8%
Transfers and subsidies	1 882.0	1 427.1	1 464.3	248.5	-49.1%	7.7%	683.0	506.3	202.0	-6.7%	2.7%
Provinces and municipalities	0.0	0.0	0.0	0.0	-27.9%	-	0.0	0.0	0.0	18.6%	-
Departmental agencies and accounts	1 711.3	1 318.0	1 393.4	174.5	-53.3%	7.0%	161.6	113.6	113.2	-13.4%	0.9%
Public corporations and private enterprises	27.8	21.7	15.0	6.0	-40.0%	0.1%	2.6	1.7	1.7	-33.8%	-
Households	142.8	87.4	55.9	68.0	-21.9%	0.5%	518.7	391.0	87.0	8.6%	1.7%
Payments for capital assets	78.7	25.6	86.8	15.8	-41.5%	0.3%	16.3	16.8	17.8	4.1%	0.1%
Buildings and other fixed structures	6.1	1.8	1.7	0.6	-53.2%	-	0.5	0.5	0.6	-0.5%	-
Machinery and equipment	72.6	23.8	85.2	15.2	-40.7%	0.3%	15.9	16.4	17.2	4.3%	0.1%
Payments for financial assets	1.2	23.8	0.8	-	-100.0%	-	-	-	-	-	-
Total	16 427.5	16 763.7	17 186.6	15 194.7	-2.6%	100.0%	15 550.4	15 142.3	15 497.7	0.7%	100.0%
Proportion of total programme expenditure to vote expenditure	34.3%	33.4%	31.8%	31.1%	-	-	31.7%	31.6%	31.4%	-	-

Table 23.10 Landward Defence expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation 2021/22	Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22	Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/Total (%) 2021/22 - 2024/25
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25		
R million											
Details of transfers and subsidies											
Households											
Social benefits											
Current	61.1	47.7	51.4	68.0	3.6%	0.3%	518.7	391.0	87.0	8.6%	1.7%
Employee social benefits	61.1	47.7	51.4	68.0	3.6%	0.3%	518.7	391.0	87.0	8.6%	1.7%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 711.3	1 318.0	1 393.4	174.4	-53.3%	7.0%	161.6	113.5	113.2	-13.4%	0.9%
Special defence account	1 711.3	1 318.0	1 393.4	174.4	-53.3%	7.0%	161.6	113.5	113.2	-13.4%	0.9%
Households											
Other transfers to households											
Current	81.7	39.7	4.4	-	-100.0%	0.2%	-	-	-	-	-
Claims against the state	81.7	39.7	4.4	-	-100.0%	0.2%	-	-	-	-	-
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Current	-	0.0	0.1	-	-	-	-	-	-	-	-
Claims against the state	-	0.0	0.1	-	-	-	-	-	-	-	-
Public corporations and private enterprises											
Public corporations											
Public corporations (subsidies on products and production)											
Current	27.8	21.7	14.9	6.0	-40.0%	0.1%	2.6	1.7	1.7	-33.8%	-
Armaments Corporation of South Africa	27.8	21.7	14.9	6.0	-40.0%	0.1%	2.6	1.7	1.7	-33.8%	-

Personnel information

Table 23.11 Landward Defence personnel numbers and cost by salary level¹

Salary level	Number of posts estimated for 31 March 2022		Number and cost ² of personnel posts filled/planned for on funded establishment												Average growth rate (%) 2021/22 - 2024/25	Average: Salary level/Total (%)			
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate										
			2020/21	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25											
Landward Defence			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
36 007	-	-	36 379	14 009.4	0.4	36 007	12 782.1	0.4	36 197	12 765.2	0.4	36 095	12 304.3	0.3	35 928	12 856.9	0.4	-0.1%	100.0%
1 - 6	27 993	-	28 068	8 412.9	0.3	27 993	8 290.6	0.3	27 702	8 314.7	0.3	27 784	7 675.4	0.3	27 502	7 966.3	0.3	-0.6%	76.9%
7 - 10	7 817	-	8 157	4 061.8	0.5	7 817	3 409.8	0.4	8 308	3 618.8	0.4	8 131	3 850.3	0.5	8 238	4 045.0	0.5	1.8%	22.5%
11 - 12	162	-	120	110.9	0.9	162	130.4	0.8	151	121.6	0.8	146	109.9	0.8	152	138.0	0.9	-2.1%	0.4%
13 - 16	35	-	34	40.3	1.2	35	35.9	1.0	36	36.9	1.0	34	36.5	1.1	36	41.6	1.2	0.9%	0.1%
Other	-	-	-	1 383.5	-	-	915.4	-	-	673.3	-	-	632.2	-	-	666.0	-	-	-

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

2. Rand million.

Programme 4: Air Defence

Programme purpose

Provide prepared and supported air defence capabilities for the defence and protection of South Africa.

Objectives

- Defend and protect South Africa and its airspace over the medium term by providing:
 - 4 helicopter squadrons and 1 combat support helicopter squadron per year
 - 3 medium transport squadrons (1 VIP squadron, 1 maritime and transport squadron, and 1 light transport squadron), and 9 reserve squadrons per year
 - 1 air combat squadron per year
 - ongoing 24-hour air command and control capability.

Subprogrammes

- Strategic Direction* provides strategic direction to the programme by formulating and controlling strategies, policies and plans through the air force office to prepare and provide the capabilities required by the Chief of the South African National Defence Force.

- *Operational Direction* provides operational direction to the programme through air command.
- *Helicopter Capability* provides and sustains operationally ready light utility helicopters, medium transport helicopters and combat support helicopters crewed by appropriately qualified personnel.
- *Transport and Maritime Capability* provides and sustains operationally ready transport and maritime aircraft crewed by appropriately qualified personnel.
- *Air Combat Capability* provides and sustains operationally ready fighter aircraft crewed by appropriately qualified personnel.
- *Operational Support and Intelligence Capability* prepares, develops, provides and supports protection and intelligence systems and counterintelligence to the South African Air Force through protection squadrons, intelligence subsystems and intelligence training unique to the air force.
- *Command and Control Capability* supplies and maintains operationally ready command and control elements in support of air battle space operations.
- *Base Support Capability* provides air base infrastructure facilities to squadrons and resident units on bases, including the maintenance of all relevant systems and personnel, to support flying operations.
- *Command Post* renders command and control over all missions flown.
- *Training Capability* provides for the general education, training and development of air force personnel.
- *Technical Support Services* establishes, maintains and prepares optimised technical and tactical logistic support capabilities to provide support to system groups and manage air service units.

Expenditure trends and estimates

Table 23.12 Air Defence expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2018/19	2019/20	2020/21		2018/19 - 2021/22	2021/22	2022/23	2023/24	2024/25		
R million											
Strategic Direction	19.3	23.6	20.5	23.3	6.5%	0.3%	25.5	23.6	25.9	3.6%	0.4%
Operational Direction	141.7	252.4	166.1	145.5	0.9%	2.6%	158.4	172.5	180.2	7.4%	2.7%
Helicopter Capability	928.3	761.9	1 398.8	1 207.9	9.2%	15.9%	768.5	883.3	918.6	-8.7%	15.3%
Transport and Maritime Capability	565.8	564.7	933.4	738.6	9.3%	10.4%	1 049.5	714.6	722.4	-0.7%	13.0%
Air Combat Capability	519.7	649.5	717.6	346.9	-12.6%	8.3%	304.3	388.7	404.9	5.3%	5.8%
Operational Support and Intelligence Capability	354.5	361.6	362.3	384.8	2.8%	5.4%	345.8	382.4	341.8	-3.9%	5.9%
Command and Control Capability	426.3	645.8	673.0	373.9	-4.3%	7.8%	342.6	366.8	394.6	1.8%	6.0%
Base Support Capability	2 140.6	2 246.3	2 254.0	1 934.3	-3.3%	31.7%	2 093.7	1 949.0	2 049.0	1.9%	32.5%
Command Post	65.5	66.8	61.6	71.5	3.0%	1.0%	64.6	72.2	65.6	-2.9%	1.1%
Training Capability	463.7	457.0	450.8	450.2	-1.0%	6.7%	450.7	430.7	456.5	0.5%	7.2%
Technical Support Services	632.3	671.3	647.0	692.7	3.1%	9.8%	597.7	602.5	608.1	-4.2%	10.1%
Total	6 257.4	6 701.1	7 684.8	6 369.6	0.6%	100.0%	6 201.3	5 986.3	6 167.6	-1.1%	100.0%
Change to 2021 Budget estimate				400.4			286.6	83.8	(0.0)		

Table 23.12 Air Defence expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation 2021/22	Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/ Total (%) 2018/19 - 2021/22	Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average Expenditure/ Total (%) 2021/22 - 2024/25
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25		
	R million										
Current payments	5 741.4	6 015.8	5 840.5	6 081.1	1.9%	87.7%	5 858.4	5 769.1	6 025.2	-0.3%	96.0%
Compensation of employees	3 930.7	4 132.8	4 120.0	3 858.3	-0.6%	59.4%	3 861.1	3 729.8	3 897.4	0.3%	62.1%
Goods and services	1 810.7	1 883.1	1 720.5	2 222.8	7.1%	28.3%	1 997.3	2 039.3	2 127.8	-1.4%	33.9%
<i>of which:</i>											
Computer services	42.0	35.4	41.1	40.3	-1.4%	0.6%	27.8	40.6	40.5	0.1%	0.6%
Contractors	1 075.3	1 061.5	1 120.9	1 596.2	14.1%	18.0%	1 124.3	1 380.9	1 381.5	-4.7%	22.2%
Inventory: Fuel, oil and gas	129.0	248.2	123.5	176.6	11.0%	2.5%	198.4	219.1	201.8	4.5%	3.2%
Travel and subsistence	102.1	118.2	63.7	81.0	-7.4%	1.4%	175.5	90.7	95.6	5.7%	1.8%
Training and development	35.8	39.4	28.7	66.2	22.7%	0.6%	144.1	47.3	104.7	16.5%	1.5%
Operating payments	164.6	96.8	71.2	77.5	-22.2%	1.5%	169.8	85.0	86.9	3.9%	1.7%
Transfers and subsidies	461.0	651.7	1 804.3	265.1	-16.8%	11.8%	314.8	186.9	110.0	-25.4%	3.5%
Provinces and municipalities	0.0	0.0	0.0	0.0	-	-	0.0	0.0	0.0	7.7%	-
Departmental agencies and accounts	440.6	630.6	1 453.7	242.6	-18.0%	10.2%	169.6	79.3	85.1	-29.5%	2.3%
Public corporations and private enterprises	-	0.1	330.0	-	-	1.2%	-	-	-	-	-
Households	20.4	21.0	20.5	22.5	3.4%	0.3%	145.2	107.6	24.9	3.3%	1.2%
Payments for capital assets	54.6	32.8	39.4	23.3	-24.7%	0.6%	28.2	30.3	32.4	11.5%	0.5%
Buildings and other fixed structures	2.1	2.9	4.3	0.0	-80.7%	-	0.0	0.0	0.0	10.1%	-
Machinery and equipment	52.0	28.9	35.1	23.3	-23.4%	0.5%	28.1	30.2	32.4	11.5%	0.5%
Specialised military assets	0.0	-	-	-	-100.0%	-	-	-	-	-	-
Biological assets	-	1.0	-	-	-	-	-	-	-	-	-
Software and other intangible assets	0.5	0.0	-	-	-100.0%	-	-	-	-	-	-
Payments for financial assets	0.6	0.8	0.7	-	-100.0%	-	-	-	-	-	-
Total	6 257.4	6 701.1	7 684.8	6 369.6	0.6%	100.0%	6 201.3	5 986.3	6 167.6	-1.1%	100.0%
Proportion of total programme expenditure to vote expenditure	13.1%	13.3%	14.2%	13.1%	-	-	12.6%	12.5%	12.5%	-	-

Details of transfers and subsidies

Households											
Social benefits											
Current	20.3	20.8	20.3	22.5	3.6%	0.3%	145.2	107.6	24.9	3.3%	1.2%
Employee social benefits	20.3	20.8	20.3	22.5	3.6%	0.3%	145.2	107.6	24.9	3.3%	1.2%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	440.6	630.6	1 453.7	242.6	-18.0%	10.2%	169.6	79.3	85.1	-29.5%	2.3%
Communication	0.0	0.0	0.0	0.0	11.9%	-	0.0	0.0	0.0	-	-
Special defence account	440.6	630.6	1 453.7	242.6	-18.0%	10.2%	169.6	79.3	85.1	-29.5%	2.3%
Households											
Other transfers to households											
Current	0.1	0.2	0.3	-	-100.0%	-	-	-	-	-	-
Claims against the state	0.1	0.2	0.3	-	-100.0%	-	-	-	-	-	-
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Current	-	0.1	330.0	-	-	1.2%	-	-	-	-	-
Claims against the state	-	0.1	330.0	-	-	1.2%	-	-	-	-	-

Personnel information**Table 23.13 Air Defence personnel numbers and cost by salary level¹**

Air Defence	Number of posts estimated for 31 March 2022	Number of funded posts	Number of posts additional to the establishment	Number and cost ² of personnel posts filled/planned for on funded establishment												Average growth rate (%)	Average Salary level/ Total (%)			
				Actual			Revised estimate			Medium-term expenditure estimate										
				2020/21	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25											
				Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	9 408			9 361	4 120.0	0.4	9 408	3 858.3	0.4	9 431	3 861.1	0.4	9 213	3 729.8	0.4	9 149	3 897.4	0.4	-0.9%	100.0%
1-6	5 336			5 330	1 648.8	0.3	5 336	1 524.6	0.3	5 313	1 508.2	0.3	5 174	1 490.8	0.3	5 082	1 533.5	0.3	-1.6%	56.2%
7-10	3 920			3 908	2 231.1	0.6	3 920	2 105.8	0.5	3 970	2 129.8	0.5	3 895	2 021.3	0.5	3 915	2 128.3	0.5	-0.0%	42.2%
11-12	126			99	108.2	1.1	126	131.2	1.0	122	127.0	1.0	119	124.8	1.0	125	137.0	1.1	-0.3%	1.3%
13-16	26			24	32.7	1.4	26	33.6	1.3	26	33.9	1.3	25	33.1	1.3	27	38.7	1.4	1.3%	0.3%
Other	-			-	99.1	-	-	63.1	-	-	62.3	-	-	59.8	-	-	59.9	-	-	-

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

2. Rand million.

Programme 5: Maritime Defence

Programme purpose

Provide prepared and supported maritime defence capabilities for the defence and protection of South Africa.

Objectives

- Defend and protect South Africa and its maritime zones over the medium term by providing:
 - a surface combat and patrol capability of 3 frigates, 1 combat support vessel, 2 offshore patrol vessels and 3 inshore patrol vessels per year
 - a subsurface combat capability of 2 submarines per year
 - a mine warfare capability of 2 vessels per year to ensure safe access to South Africa's harbours and mine clearance, where required
 - a maritime reaction squadron capability, comprising an operational boat division, an operational diving division and a naval reaction division per year
 - ongoing hydrographic survey capability to ensure safe navigation by charting areas and to meet international obligations.

Subprogrammes

- *Maritime Direction* provides strategic direction to the programme by formulating and controlling strategies, policies, plans and advice to prepare and provide maritime defence capabilities.
- *Maritime Combat Capability* provides mission-ready and supported maritime combat capabilities in accordance with the approved force design of the department.
- *Maritime Logistic Support Capability* sustains the availability of force structure elements in the naval force design to ensure compliance with ordered operational commitments.
- *Maritime Human Resources and Training Capability* ensures that maritime combat and support capability requirements are met in terms of qualified personnel.
- *Base Support Capability* provides a general base support capability to ships, submarines, shore units and other identified clients to ensure that the fleet complies with specified operational readiness levels.

Expenditure trends and estimates

Table 23.14 Maritime Defence expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2021/22	Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2021/22	Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/ Total (%) 2021/22 - 2024/25
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25		
R million											
Maritime Direction	657.4	690.3	701.6	723.1	3.2%	15.0%	770.6	751.4	681.9	-1.9%	15.9%
Maritime Combat Capability	1 758.1	1 898.9	1 911.6	1 577.6	-3.5%	38.7%	1 676.3	1 681.4	1 668.2	1.9%	35.8%
Maritime Logistic Support Capability	957.0	1 013.3	1 039.7	1 168.5	6.9%	22.7%	1 185.8	1 160.3	1 286.6	3.3%	26.0%
Maritime Human Resources and Training Capability	531.9	533.3	512.9	497.2	-2.2%	11.3%	514.5	503.0	496.7	–	10.9%
Base Support Capability	599.5	573.6	571.7	526.5	-4.2%	12.3%	515.2	499.2	570.4	2.7%	11.4%
Total	4 503.9	4 709.4	4 737.5	4 492.8	-0.1%	100.0%	4 662.4	4 595.3	4 704.0	1.5%	100.0%
Change to 2021 Budget estimate				214.7			191.4	83.8	(10.1)		

Table 23.14 Maritime Defence expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2018/19	2019/20	2020/21				2021/22	2022/23	2023/24		
R million											
Current payments	3 056.6	3 188.0	2 962.1	3 539.8	5.0%	69.1%	3 472.2	3 368.2	3 519.5	-0.2%	75.3%
Compensation of employees	2 434.9	2 522.5	2 501.9	2 392.3	-0.6%	53.4%	2 392.2	2 312.6	2 416.5	0.3%	51.6%
Goods and services	621.7	665.5	460.3	1 147.5	22.7%	15.7%	1 080.0	1 055.6	1 103.0	-1.3%	23.8%
<i>of which:</i>											
Contractors	249.1	252.1	200.8	411.6	18.2%	6.0%	376.6	366.0	382.4	-2.4%	8.3%
Inventory: Food and food supplies	90.9	122.9	76.4	108.6	6.1%	2.2%	108.8	104.8	109.5	0.3%	2.3%
Inventory: Fuel, oil and gas	52.8	119.5	33.9	215.5	59.8%	2.3%	210.4	203.8	213.0	-0.4%	4.6%
Inventory: Materials and supplies	12.7	6.5	5.2	87.0	89.9%	0.6%	87.1	84.0	87.8	0.3%	1.9%
Inventory: Other supplies	62.9	17.4	28.7	77.4	7.2%	1.0%	77.5	74.7	78.0	0.3%	1.7%
Travel and subsistence	63.7	68.2	32.8	49.7	-7.9%	1.2%	44.3	46.0	48.1	-1.1%	1.0%
Transfers and subsidies	1 435.2	1 500.5	1 749.0	946.3	-13.0%	30.5%	1 183.2	1 219.6	1 176.7	7.5%	24.5%
Provinces and municipalities	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Departmental agencies and accounts	1 134.7	1 187.2	1 396.3	606.6	-18.8%	23.4%	738.2	769.4	803.9	9.8%	15.8%
Public corporations and private enterprises	283.7	298.4	339.5	325.7	4.7%	6.8%	340.2	351.2	356.8	3.1%	7.4%
Households	16.8	14.8	13.2	14.0	-5.8%	0.3%	104.9	99.1	16.0	4.5%	1.3%
Payments for capital assets	10.0	20.7	26.2	6.7	-12.7%	0.3%	7.0	7.4	7.7	5.1%	0.2%
Buildings and other fixed structures	0.0	-	2.6	-	-100.0%	-	-	-	-	-	-
Machinery and equipment	9.9	20.7	22.5	6.0	-15.4%	0.3%	6.4	6.7	7.0	5.2%	0.1%
Software and other intangible assets	0.1	-	1.1	0.6	130.3%	-	0.7	0.7	0.7	4.2%	-
Payments for financial assets	2.1	0.2	0.2	-	-100.0%	-	-	-	-	-	-
Total	4 503.9	4 709.4	4 737.5	4 492.8	-0.1%	100.0%	4 662.4	4 595.3	4 704.0	1.5%	100.0%
Proportion of total programme expenditure to vote expenditure	9.4%	9.4%	8.8%	9.2%	-	-	9.5%	9.6%	9.5%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	13.6	14.7	13.1	14.0	1.0%	0.3%	104.9	99.1	16.0	4.5%	1.3%
Employee social benefits	13.6	14.7	13.1	14.0	1.0%	0.3%	104.9	99.1	16.0	4.5%	1.3%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 134.7	1 187.2	1 396.3	606.6	-18.8%	23.4%	738.2	769.4	803.9	9.8%	15.8%
Special defence account	1 134.7	1 187.2	1 396.3	606.6	-18.8%	23.4%	738.2	769.4	803.9	9.8%	15.8%
Households											
Other transfers to households											
Current	3.2	-	-	-	-100.0%	-	-	-	-	-	-
Claims against the state	3.2	-	-	-	-100.0%	-	-	-	-	-	-
Public corporations and private enterprises											
Public corporations											
Public corporations (subsidies on products and production)											
Current	283.7	298.4	339.5	325.7	4.7%	6.8%	340.2	351.2	356.8	3.1%	7.4%
Armaments Corporation of South Africa	283.7	298.4	339.5	325.7	4.7%	6.8%	340.2	351.2	356.8	3.1%	7.4%

Personnel information**Table 23.15 Maritime Defence personnel numbers and cost by salary level¹**

Maritime Defence	Number of posts estimated for 31 March 2022	Number of funded posts	Number of posts additional to the establishment	Number and cost ² of personnel posts filled/planned for on funded establishment												Average growth rate (%)	Average Salary level/ Total (%)			
				Actual		Revised estimate		Medium-term expenditure estimate												
				2020/21	Unit cost	2021/22	Unit cost	2022/23		2023/24		2024/25		2021/22 - 2024/25						
Salary level	6 236	-	-	6 108	2 501.9	0.4	6 236	2 392.3	0.4	6 081	2 392.2	0.4	6 001	2 312.6	0.4	5 970	2 416.5	0.4	-1.4%	100.0%
1 - 6	3 985	-	-	3 926	1 284.5	0.3	3 985	1 142.9	0.3	3 787	1 152.7	0.3	3 694	1 103.5	0.3	3 627	1 152.1	0.3	-3.1%	62.1%
7 - 10	2 146	-	-	2 093	1 095.7	0.5	2 146	1 100.3	0.5	2 188	1 095.7	0.5	2 202	1 067.6	0.5	2 236	1 116.7	0.5	1.4%	36.1%
11 - 12	82	-	-	67	64.0	1.0	82	77.4	0.9	88	74.8	0.9	87	73.9	0.8	89	75.4	0.8	2.8%	1.4%
13 - 16	23	-	-	22	27.2	1.2	23	28.4	1.2	18	25.9	1.4	18	27.4	1.5	18	28.7	1.6	-7.8%	0.3%
Other	-	-	-	-	30.4	-	-	43.3	-	-	43.1	-	-	40.2	-	-	43.6	-	-	-

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

2. Rand million.

Programme 6: Military Health Support

Programme purpose

Provide prepared and supported health capabilities and services for the defence and protection of South Africa.

Objectives

- Ensure prepared and supported health capabilities and services over the medium term by providing:
 - a health support capability of 5 medical battalion groups and 1 specialist medical battalion group for deployed and contingency forces
 - a comprehensive, multidisciplinary military health service to an estimated 302 000 principal members and their beneficiaries per year.

Subprogrammes

- *Strategic Direction* formulates strategy, policies and plans, and provides advice from the Surgeon-General's office to prepare and provide the capabilities required by the Chief of the South African National Defence Force.
- *Mobile Military Health Support* provides health support for deployed and contingency forces and health services to provincial hospitals and the Department of Health, as and when ordered.
- *Area Military Health Service* provides a comprehensive, self-supporting, multidisciplinary geographic military health service through a formation headquarters, and commands and controls area military health units to ensure a healthy military community. The military hospitals also attend to health care activities, medical support and health activities in the specialist aviation environment.
- *Specialist/Tertiary Health Service* provides a specialist health service to develop and maintain tertiary military health capabilities within the parameters of relevant legislation, as contained in the South African military health service strategy.
- *Military Health Product Support Capability* provides for the warehousing of pharmaceuticals, sundries, military health mobilisation equipment and unique stock; the procurement of unique military health products, materials and services; an asset management service; military health product systems; and cooperative common military health logistics.
- *Military Health Maintenance Capability* provides general base support services to identified military health service units to sustain and maintain the approved force design and structure.
- *Military Health Training Capability* provides a military health training service to develop and maintain military health training capabilities within the parameters of relevant legislation and policies.

Expenditure trends and estimates

Table 23.16 Military Health Support expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2021/22	Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22	Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/Total (%) 2021/22 - 2024/25
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25		
R million											
Strategic Direction	218.4	250.5	304.4	251.0	4.8%	4.8%	318.3	301.1	251.4	–	5.1%
Mobile Military Health Support	163.4	225.5	191.0	182.4	3.7%	3.6%	182.5	173.1	180.3	-0.4%	3.3%
Area Military Health Service	1 922.8	1 911.2	1 917.1	2 112.1	3.2%	36.7%	2 048.8	1 990.0	2 074.8	-0.6%	37.7%
Specialist/Tertiary Health Service	2 045.8	2 227.3	2 195.1	2 174.6	2.1%	40.4%	2 224.2	2 164.8	2 230.4	0.8%	40.3%
Military Health Product Support Capability	192.1	268.9	385.7	385.8	26.2%	5.8%	390.2	377.3	372.8	-1.1%	7.0%
Military Health Maintenance Capability	196.1	121.2	121.7	–	-100.0%	2.1%	–	–	–	–	–
Military Health Training Capability	352.1	358.2	372.1	368.3	1.5%	6.8%	361.7	356.3	372.7	0.4%	6.7%
Total	5 090.6	5 362.9	5 487.1	5 474.3	2.5%	100.0%	5 525.6	5 362.6	5 482.4	–	100.0%
Change to 2021 Budget estimate				168.2			284.5	115.8	0.0		

Table 23.16 Military Health Support expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation 2021/22	Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22	Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/Total (%) 2021/22 - 2024/25
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25		
R million											
Current payments	4 966.7	5 229.5	5 384.3	5 439.4	3.1%	98.2%	5 359.3	5 208.4	5 442.3	-	98.2%
Compensation of employees	3 783.7	3 989.4	4 066.3	3 862.9	0.7%	73.3%	3 852.1	3 732.8	3 900.5	0.3%	70.3%
Goods and services	1 183.0	1 240.0	1 318.0	1 576.4	10.0%	24.8%	1 507.1	1 475.6	1 541.8	-0.7%	27.9%
of which:											
Computer services	28.6	28.7	24.3	44.6	16.0%	0.6%	44.8	43.2	45.2	0.4%	0.8%
Contractors	38.8	34.7	33.1	64.0	18.2%	0.8%	61.2	59.8	62.5	-0.8%	1.1%
Agency and support/outsourced services	462.5	505.6	504.8	708.2	15.3%	10.2%	624.5	651.9	681.2	-1.3%	12.2%
Inventory: Food and food supplies	86.2	73.9	99.3	100.5	5.3%	1.7%	111.2	97.4	101.7	0.4%	1.9%
Inventory: Medical supplies	84.7	80.1	116.8	127.4	14.6%	1.9%	127.2	120.9	126.3	-0.3%	2.3%
Inventory: Medicine	247.7	238.4	274.7	253.9	0.8%	4.7%	248.8	240.5	251.3	-0.3%	4.6%
Transfers and subsidies	59.0	64.2	29.7	27.3	-22.7%	0.8%	156.7	145.9	31.4	4.8%	1.7%
Provinces and municipalities	0.0	0.0	0.0	0.0	86.6%	-	0.0	0.0	0.0	-	-
Departmental agencies and accounts	0.0	40.8	12.7	0.0	10.1%	0.3%	0.0	0.0	0.0	5.3%	-
Public corporations and private enterprises	-	-	0.0	-	-	-	-	-	-	-	-
Non-profit institutions	0.7	0.8	0.8	1.1	12.1%	-	1.1	1.0	1.0	-0.9%	-
Households	58.2	22.6	16.2	26.2	-23.4%	0.6%	155.6	144.9	30.4	5.0%	1.6%
Payments for capital assets	64.4	67.8	71.9	7.7	-50.8%	1.0%	9.6	8.3	8.7	4.4%	0.2%
Buildings and other fixed structures	0.1	3.7	0.3	-	-100.0%	-	-	-	-	-	-
Machinery and equipment	63.9	64.0	71.5	7.7	-50.7%	1.0%	8.9	8.3	8.7	4.4%	0.2%
Biological assets	0.4	-	-	-	-100.0%	-	0.0	-	-	-	-
Software and other intangible assets	-	0.1	-	-	-	-	0.7	-	-	-	-
Payments for financial assets	0.5	1.4	1.2	-	-100.0%	-	-	-	-	-	-
Total	5 090.6	5 362.9	5 487.1	5 474.3	2.5%	100.0%	5 525.6	5 362.6	5 482.4	-	100.0%
Proportion of total programme expenditure to vote expenditure	10.6%	10.7%	10.1%	11.2%	-	-	11.3%	11.2%	11.1%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	16.8	17.1	16.1	26.2	16.0%	0.4%	155.6	144.9	30.4	5.0%	1.6%
Employee social benefits	16.8	17.1	16.1	26.2	16.0%	0.4%	155.6	144.9	30.4	5.0%	1.6%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	-	40.8	12.7	-	-	0.2%	-	-	-	-	-
Special defence account	-	40.8	12.7	-	-	0.2%	-	-	-	-	-
Households											
Other transfers to households											
Current	41.4	5.4	0.0	-	-100.0%	0.2%	-	-	-	-	-
Claims against the state	41.4	5.4	0.0	-	-100.0%	0.2%	-	-	-	-	-
Non-profit institutions											
Current	0.7	0.8	0.8	1.1	12.1%	-	1.1	1.0	1.0	-0.9%	-
St John Ambulance Brigade	0.7	0.8	0.8	1.1	12.1%	-	1.1	1.0	1.0	-0.9%	-

Personnel information

Table 23.17 Military Health Support personnel numbers and cost by salary level¹

Military Health Support	Number of posts estimated for 31 March 2022	Number and cost ² of personnel posts filled/planned for on funded establishment												Average growth rate (%)	Average: Salary level/Total (%)			
		Actual		Revised estimate		Medium-term expenditure estimate												
		2020/21	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25											
		Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost					
Salary level	7 334	7 140	4 066.3	0.6	7 334	3 862.9	0.5	7 228	3 852.1	0.5	7 295	3 732.8	0.5	7 186	3 900.5	0.5	-0.7%	100.0%
1 – 6	2 689	2 680	868.5	0.3	2 689	804.4	0.3	2 650	804.8	0.3	2 625	774.3	0.3	2 535	804.5	0.3	-1.9%	36.1%
7 – 10	4 317	4 146	2 557.6	0.6	4 317	2 524.8	0.6	4 246	2 522.9	0.6	4 327	2 447.0	0.6	4 311	2 565.0	0.6	-0.0%	59.2%
11 – 12	214	206	228.8	1.1	214	224.7	1.0	222	221.2	1.0	228	218.6	1.0	225	225.4	1.0	1.7%	3.1%
13 – 16	114	108	226.5	2.1	114	225.2	2.0	110	219.9	2.0	115	214.4	1.9	115	222.1	1.9	0.3%	1.6%
Other	-	-	184.9	-	-	83.9	-	-	83.4	-	-	78.6	-	-	83.5	-	-	-

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

2. Rand million.

Programme 7: Defence Intelligence

Programme purpose

Provide defence intelligence and counterintelligence capabilities.

Objective

- Ensure prepared and supported intelligence services by providing ongoing intelligence, counterintelligence and defence foreign relations capabilities to the department.

Subprogrammes

- *Operations* provides timely defence prediction, intelligence and counterintelligence capabilities and services.
- *Defence Intelligence Support Services* provides human resources, logistics, planning, security, labour relations, training and information support services to the defence intelligence community.

Expenditure trends and estimates

Table 23.18 Defence Intelligence expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2018/19	2019/20	2020/21		2021/22	2018/19	2021/22	2022/23	2023/24		
R million											
Operations	478.5	523.6	642.3	234.8	-21.1%	48.8%	584.0	601.5	628.5	38.8%	48.0%
Defence Intelligence Support Services	459.7	478.8	488.6	541.5	5.6%	51.2%	567.3	549.1	563.4	1.3%	52.0%
Total	938.2	1 002.4	1 130.9	776.3	-6.1%	100.0%	1 151.3	1 150.6	1 191.9	15.4%	100.0%
Change to 2021 Budget estimate				18.3			35.3	9.9	(0.0)		
Economic classification											
Current payments	457.7	479.9	482.6	539.2	5.6%	50.9%	550.0	535.6	559.6	1.2%	51.2%
Compensation of employees	421.4	447.1	456.8	445.8	1.9%	46.0%	448.7	432.0	451.4	0.4%	41.6%
Goods and services	36.2	32.8	25.7	93.4	37.1%	4.9%	101.3	103.6	108.2	5.0%	9.5%
of which:											
Inventory: Food and food supplies	14.9	8.5	7.0	5.9	-26.6%	0.9%	6.4	6.5	6.8	5.0%	0.6%
Inventory: Fuel, oil and gas	3.2	4.7	3.4	4.4	11.1%	0.4%	4.7	4.8	5.1	5.0%	0.4%
Consumables: Stationery, printing and office supplies	1.0	1.5	1.3	1.6	17.7%	0.1%	1.7	1.7	1.8	5.0%	0.2%
Operating leases	2.5	1.5	–	49.2	169.5%	1.4%	53.4	54.6	57.0	5.0%	5.0%
Travel and subsistence	7.3	6.2	4.2	24.4	49.5%	1.1%	26.5	27.1	28.3	5.0%	2.5%
Training and development	1.8	1.8	2.0	1.7	-3.2%	0.2%	1.8	1.8	1.9	5.0%	0.2%
Transfers and subsidies	476.9	521.9	646.4	237.1	-20.8%	48.9%	601.4	615.0	632.3	38.7%	48.8%
Provinces and municipalities	0.0	–	0.0	0.0	71.0%	–	0.0	0.0	0.0	7.7%	–
Departmental agencies and accounts	472.2	518.7	641.9	234.0	-20.9%	48.5%	584.0	601.5	628.5	39.0%	48.0%
Households	4.6	3.2	4.5	3.0	-13.3%	0.4%	17.3	13.5	3.8	7.7%	0.9%
Payments for capital assets	3.6	0.5	1.9	–	-100.0%	0.2%	–	–	–	–	–
Buildings and other fixed structures	–	–	1.1	–	–	–	–	–	–	–	–
Machinery and equipment	3.6	0.5	0.8	–	-100.0%	0.1%	–	–	–	–	–
Payments for financial assets	0.0	0.1	0.0	–	-100.0%	–	–	–	–	–	–
Total	938.2	1 002.4	1 130.9	776.3	-6.1%	100.0%	1 151.3	1 150.6	1 191.9	15.4%	100.0%
Proportion of total programme expenditure to vote expenditure	2.0%	2.0%	2.1%	1.6%	–	–	2.3%	2.4%	2.4%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	4.6	3.2	4.5	3.0	-13.3%	0.4%	17.3	13.5	3.8	7.7%	0.9%
Employee social benefits	4.6	3.2	4.5	3.0	-13.3%	0.4%	17.3	13.5	3.8	7.7%	0.9%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	472.2	518.7	641.9	234.0	-20.9%	48.5%	584.0	601.5	628.5	39.0%	48.0%
Special defence account	472.2	518.7	641.9	234.0	-20.9%	48.5%	584.0	601.5	628.5	39.0%	48.0%

Personnel information

Table 23.19 Defence Intelligence personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2022		Number and cost ² of personnel posts filled/planned for on funded establishment															Average growth rate (%)	Average: Salary level/ Total (%)			
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate													
		2020/21			2021/22			2022/23			2023/24			2024/25			2021/22 - 2024/25				
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Defence Intelligence		904	–	–	891	456.8	0.5	904	445.8	0.5	901	448.7	0.5	902	432.0	0.5	905	451.4	0.5	0.0%	100.0%
Salary level		277	–	–	219	60.2	0.3	277	73.4	0.3	235	74.6	0.3	249	70.5	0.3	260	73.4	0.3	-2.1%	28.3%
1 – 6		552	–	–	619	333.6	0.5	552	297.0	0.5	591	298.0	0.5	578	288.5	0.5	569	300.5	0.5	1.0%	63.4%
7 – 10		57	–	–	35	30.8	0.9	57	48.5	0.9	57	48.9	0.9	57	47.3	0.8	58	50.1	0.9	0.6%	6.3%
11 – 12		18	–	–	18	21.0	1.2	18	20.4	1.1	18	20.5	1.1	18	18.9	1.0	18	20.7	1.2	–	2.0%
13 – 16		–	–	–	–	11.3	–	–	6.5	–	–	6.6	–	–	6.8	–	–	6.7	–	–	–
Other																					

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

2. Rand million.

Programme 8: General Support

Programme purpose

Provide general support capabilities and services to the department.

Objectives

- Provide ongoing logistics services to the department in terms of warehousing for ammunition, main equipment and stores; and provide the defence works capability, the capital works programme and the defence facility refurbishment programme by ensuring:
 - appropriate, ready and sustained centralised common matériel management to the department
 - appropriate, ready and sustained centralised facilities management to the department
 - appropriate, ready and sustained centralised common logistics services and movement management to the department
 - sound logistics strategic direction to the department.
- Provide command and management information systems and related services to the department over the medium term by providing:
 - strategic direction and staff support services to the general support division
 - integrated ICT solutions and enablers
 - an information warfare strategic direction capability
 - maintenance and support for information systems.
- Provide a military policing capability to the department over the medium term by:
 - investigating new and backlog criminal cases reported
 - conducting planned crime prevention operations
 - sustaining 4 regional headquarters, 22 area offices and 22 detachments for crime prevention and the investigation of criminal cases
 - investigating corruption and fraud cases reported
 - sustaining 2 military correctional facilities for detention and rehabilitation
 - sustaining a provost company for operational deployments.

Subprogrammes

- *Joint Logistic Services* provides logistics services to the department for the warehousing of ammunition, main equipment and stores. It also provides the defence works capability, the capital works programme and the defence facility refurbishment programme.
- *Command and Management Information Systems* provides command and management information systems and related services to the department.
- *Military Police* provides a military policing capability to the department.

- *Technology Development* provides for establishing and sustaining selected science and technology capabilities in the defence industry.
- *Departmental Support* provides for the payment of corporate departmental obligations such as transfer payments to public entities, legal fees, external audits and bank charges.

Expenditure trends and estimates

Table 23.20 General Support 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 (%)
	2018/19	2019/20	2020/21				2021/22	2022/23	2023/24		
R million											
Joint Logistic Services	3 335.8	3 523.3	4 493.3	3 458.9	1.2%	53.7%	3 364.6	3 206.4	3 312.7	-1.4%	51.5%
Command and Management Information Systems	906.0	996.4	930.3	1 027.8	4.3%	14.0%	1 043.5	1 022.6	1 059.5	1.0%	16.0%
Military Police	655.3	719.3	720.0	694.4	1.9%	10.1%	719.4	718.5	703.2	0.4%	10.9%
Technology Development	296.8	440.3	681.5	–	-100.0%	5.1%	133.5	159.4	166.6	–	1.8%
Departmental Support	1 219.1	1 178.9	1 048.1	1 261.0	1.1%	17.1%	1 258.3	1 263.1	1 330.5	1.8%	19.7%
Total	6 413.0	6 858.1	7 873.2	6 442.1	0.2%	100.0%	6 519.4	6 369.9	6 572.4	0.7%	100.0%
Change to 2021 Budget estimate				119.1			227.3	91.6	12.2		
Economic classification											
Current payments	3 932.4	4 117.9	5 111.8	4 843.9	7.2%	65.3%	4 657.4	4 491.6	4 700.0	-1.0%	72.2%
Compensation of employees	2 471.2	2 651.3	2 654.4	2 839.5	4.7%	38.5%	2 853.4	2 748.5	2 871.9	0.4%	43.7%
Goods and services	1 461.2	1 466.6	2 457.3	2 004.4	11.1%	26.8%	1 804.0	1 743.2	1 828.1	-3.0%	28.5%
<i>of which:</i>											
Minor assets	13.7	18.4	50.3	73.4	75.1%	0.6%	69.5	68.4	71.5	-0.9%	1.1%
Audit costs: External	57.8	57.7	46.7	77.0	10.0%	0.9%	80.1	84.1	87.4	4.3%	1.3%
Computer services	447.2	509.3	544.5	767.7	19.7%	8.2%	737.9	730.3	763.8	-0.2%	11.6%
Consultants: Business and advisory services	0.5	0.8	0.6	72.7	421.6%	0.3%	57.8	53.1	54.4	-9.2%	0.9%
Contractors	87.3	79.8	90.0	86.8	-0.2%	1.2%	80.8	79.1	82.4	-1.7%	1.3%
Property payments	25.1	14.6	15.6	505.4	172.2%	2.0%	403.7	371.6	391.9	-8.1%	6.5%
Transfers and subsidies	1 436.8	1 544.7	1 708.9	1 169.8	-6.6%	21.2%	1 384.8	1 405.5	1 379.4	5.6%	20.6%
Provinces and municipalities	0.1	0.1	0.1	0.1	13.7%	–	0.1	0.1	0.1	8.6%	–
Departmental agencies and accounts	320.0	390.8	658.0	7.4	-71.6%	5.0%	141.5	167.5	168.7	184.0%	1.9%
Foreign governments and international organisations	–	–	22.1	10.2	–	0.1%	–	–	–	-100.0%	–
Public corporations and private enterprises	1 102.5	1 139.0	1 013.5	1 136.6	1.0%	15.9%	1 128.6	1 127.4	1 187.0	1.5%	17.7%
Households	14.2	14.8	15.2	15.6	3.0%	0.2%	114.7	110.6	23.6	14.8%	1.0%
Payments for capital assets	1 041.1	1 195.2	1 050.7	428.5	-25.6%	13.5%	477.2	472.7	493.0	4.8%	7.2%
Buildings and other fixed structures	600.3	798.2	846.3	344.2	-16.9%	9.4%	357.9	372.5	389.1	4.2%	5.7%
Machinery and equipment	244.5	180.4	106.6	83.8	-30.0%	2.2%	118.8	99.8	103.5	7.3%	1.6%
Software and other intangible assets	196.2	216.5	97.8	0.4	-87.2%	1.9%	0.4	0.4	0.5	2.7%	–
Payments for financial assets	2.7	0.2	1.9	–	-100.0%	–	–	–	–	–	–
Total	6 413.0	6 858.1	7 873.2	6 442.1	0.2%	100.0%	6 519.4	6 369.9	6 572.4	0.7%	100.0%
Proportion of total programme expenditure to vote expenditure	13.4%	13.7%	14.6%	13.2%	–	–	13.3%	13.3%	13.3%	–	–

Table 23.20 General Support expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation 2021/22	Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22	Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/Total (%) 2021/22 - 2024/25
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25		
R million											
Details of transfers and subsidies											
Households											
Social benefits											
Current	11.3	14.5	15.2	15.6	11.4%	0.2%	114.7	110.6	23.6	14.8%	1.0%
Employee social benefits	11.3	14.5	15.2	15.6	11.4%	0.2%	114.7	110.6	23.6	14.8%	1.0%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	320.0	389.8	658.0	7.4	-71.6%	5.0%	141.4	167.5	168.7	184.1%	1.9%
Special defence account	320.0	389.8	653.1	1.9	-82.0%	4.9%	135.4	161.5	168.7	349.8%	1.8%
Castle Control Board	-	-	4.9	5.5	-	-	6.0	6.0	-	-100.0%	0.1%
Households											
Other transfers to households											
Current	2.5	-	-	-	-100.0%	-	-	-	-	-	-
Claims against the state	2.5	-	-	-	-100.0%	-	-	-	-	-	-
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	0.6	0.9	-	-	-100.0%	-	-	-	-	-	-
Claims against the state	0.6	0.9	-	-	-100.0%	-	-	-	-	-	-
Public corporations and private enterprises											
Public corporations											
Public corporations (subsidies on products and production)											
Current	1 101.9	1 138.1	1 013.5	1 136.6	1.0%	15.9%	1 128.6	1 127.4	1 187.0	1.5%	17.7%
Armaments Corporation of South Africa	1 101.9	1 138.1	1 013.5	1 136.6	1.0%	15.9%	1 128.6	1 127.4	1 187.0	1.5%	17.7%
Foreign governments and international organisations											
Current	-	-	22.1	10.2	-	0.1%	-	-	-	-100.0%	-
Foreign governments and international organisations	-	-	22.1	10.2	-	0.1%	-	-	-	-100.0%	-

Personnel information

Table 23.21 General Support personnel numbers and cost by salary level¹

Number of funded posts	Number of posts estimated for 31 March 2022	Number of posts additional to the establishment	Number and cost ² of personnel posts filled/planned for on funded establishment												Average growth rate (%)	Average: Salary level/Total (%)			
			Actual			Revised estimate			Medium-term expenditure estimate										
			2020/21		2021/22		2022/23		2023/24		2024/25		2021/22 - 2024/25						
General Support																			
Salary level	6 932	-	6 683	2 654.4	0.4	6 932	2 839.5	0.4	6 904	2 853.4	0.4	6 883	2 748.5	0.4	6 875	2 871.9	0.4	-0.3%	100.0%
1 – 6	4 091	-	3 945	970.7	0.2	4 091	1 250.0	0.3	4 049	1 251.7	0.3	4 047	1 211.5	0.3	4 038	1 265.3	0.3	-0.4%	58.8%
7 – 10	2 707	-	2 625	1 284.9	0.5	2 707	1 303.6	0.5	2 719	1 314.5	0.5	2 701	1 262.6	0.5	2 702	1 319.1	0.5	-0.1%	39.2%
11 – 12	111	-	88	83.3	0.9	111	96.5	0.9	112	96.4	0.9	112	93.5	0.8	111	96.1	0.9	-	1.6%
13 – 16	23	-	25	29.6	1.2	23	24.9	1.1	24	26.1	1.1	23	25.4	1.1	24	26.5	1.1	1.4%	0.3%
Other	-	-	-	286.0	-	-	164.5	-	-	164.6	-	-	155.4	-	-	164.9	-	-	-

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

2. Rand million.

Entities

Armaments Corporation of South Africa

Selected performance indicators

Table 23.22 Armaments Corporation of South Africa performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Percentage of capital requirements from the Department of Defence converted into orders placed per year	Management of defence matériel acquisition	Priority 6: Social cohesion and safer communities	100% (R1.4bn)	99.9% (R600.5m/ R600.6m)	98.2% (R233.3m/ R237.6m)	95%	95%	95%	95%

Table 23.22 Armaments Corporation of South Africa performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Percentage of technology requirements executed per year	Management of strategic facilities: Research and development	Priority 6: Social cohesion and safer communities	100% (R231.1m)	100% (R251.7m)	97.5% (R232m/ R238m)	95%	95%	95%	95%
Defence industrial participation credits awarded in terms of contractually agreed milestones per year	Management of defence matériel acquisition		R53m	R116.3m	R95.8m	R130m	R174.3m	R191.2m	R191.2m

Entity overview

The Armaments Corporation of South Africa derives its mandate from the Armaments Corporation of South Africa Act (2003). It is required to meet the acquisition, maintenance and disposal needs of the Department of Defence and other clients in terms of defence matériel and related products and services. The corporation maintains strategic capabilities and technologies and promotes the local defence-related industry, ensuring that the South African National Defence Force receives quality equipment to carry out its mandate.

Over the medium term, in an effort to achieve its strategic goals, the corporation will aim to improve its financial sustainability by reducing its number of personnel – from 1 627 in 2021/22 to 1 462 in 2024/25 – through offering voluntary severance packages, natural attrition and the non-renewal of expired contracts. This is expected to result in a decrease of R161 million over the MTEF period in spending on compensation of employees. Overall spending on compensation of employees is expected to stabilise at R1.1 billion over the medium term.

The corporation expects to derive 75 per cent (R4.5 billion) of its revenue over the medium term through transfers from the department, increasing at an average annual rate of 1.7 per cent. It also expects to generate R179.8 million over the medium term through interest to cover operational costs, and R38.8 million through other revenue streams such as commercialising intellectual property, income from hiring out strategic facilities, and positioning the corporation as the primary procurement agency for government's security cluster.

Programmes/Objectives/Activities

Table 23.23 Armaments Corporation of South Africa expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2018/19	2019/20	2020/21				2021/22	2022/23	2023/24		
Administration	554.4	498.7	622.9	724.7	9.3%	32.2%	834.3	817.8	850.3	5.5%	40.2%
Quality assurance	109.0	179.9	141.2	135.4	7.5%	7.6%	119.0	121.2	127.4	-2.0%	6.3%
Management of defence matériel acquisition	321.2	337.8	288.6	268.7	-5.8%	16.4%	208.4	211.5	222.6	-6.1%	11.4%
Logistics support	226.2	149.5	32.8	30.2	-48.9%	6.0%	24.9	25.4	26.7	-4.0%	1.3%
Management of strategic facilities: Armscor dockyard	295.9	325.2	328.7	356.1	6.4%	17.6%	420.4	432.7	453.9	8.4%	20.7%
Management of strategic facilities: Research and development	308.2	306.5	452.7	426.7	11.5%	20.1%	381.8	393.3	412.4	-1.1%	20.1%
Total	1 814.9	1 797.6	1 866.9	1 941.8	2.3%	100.0%	1 988.8	2 001.8	2 093.3	2.5%	100.0%

Statements of financial performance, cash flow and financial position**Table 23.24 Armaments Corporation of South Africa statements of financial performance**

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2018/19	2019/20	2020/21		2021/22	2018/19 - 2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25	Average: Expenditure/ Total (%)
Revenue											
Non-tax revenue	746.0	625.1	613.0	466.4	-14.5%	30.7%	491.6	513.5	536.6	4.8%	25.0%
Sale of goods and services other than capital assets	381.2	430.3	370.5	349.2	-2.9%	19.2%	341.5	356.7	372.7	2.2%	17.7%
Other non-tax revenue	364.8	194.7	242.5	117.2	-31.5%	11.5%	150.1	156.8	163.8	11.8%	7.3%
Transfers received	1 304.2	1 352.1	1 378.2	1 478.6	4.3%	69.3%	1 481.1	1 490.6	1 557.5	1.7%	75.0%
Total revenue	2 050.2	1 977.2	1 991.2	1 944.9	-1.7%	100.0%	1 972.7	2 004.1	2 094.1	2.5%	100.0%
Expenses											
Current expenses	1 814.9	1 797.6	1 866.9	1 941.8	2.3%	100.0%	1 988.8	2 001.8	2 093.3	2.5%	100.0%
Compensation of employees	1 125.2	1 118.6	1 123.4	1 110.1	-0.4%	60.4%	1 048.9	1 061.3	1 108.9	-	54.0%
Goods and services	603.2	586.7	649.4	731.6	6.6%	34.6%	828.6	824.3	862.9	5.7%	40.4%
Depreciation	86.5	92.4	94.2	100.1	5.0%	5.0%	111.3	116.3	121.5	6.7%	5.6%
Total expenses	1 814.9	1 797.6	1 866.9	1 941.8	2.3%	100.0%	1 988.8	2 001.8	2 093.3	2.5%	100.0%
Surplus/(Deficit)	235.3	179.5	124.3	3.1	-76.4%		(16.1)	2.3	-	-100.0%	
Cash flow statement											
Cash flow from operating activities	250.7	256.2	298.8	50.3	-41.4%	100.0%	95.2	118.6	122.3	34.4%	100.0%
Receipts											
Non-tax receipts	603.4	588.1	531.1	429.7	-10.7%	27.0%	450.7	470.7	491.8	4.6%	23.0%
Sales of goods and services other than capital assets	381.2	430.3	370.5	349.2	-2.9%	19.2%	341.5	356.7	372.7	2.2%	17.7%
Other tax receipts	222.2	157.8	160.6	80.5	-28.7%	7.8%	109.1	114.0	119.1	13.9%	5.3%
Transfers received	1 304.2	1 352.1	1 378.2	1 478.6	4.3%	69.3%	1 481.1	1 490.6	1 557.5	1.7%	75.0%
Financial transactions in assets and liabilities	142.6	36.9	81.9	36.6	-36.4%	3.7%	41.0	42.8	44.7	6.9%	2.1%
Total receipts	2 050.2	1 977.2	1 991.2	1 944.9	-1.7%	100.0%	1 972.7	2 004.1	2 094.1	2.5%	100.0%
Payment											
Current payments	1 799.5	1 721.0	1 692.4	1 894.6	1.7%	100.0%	1 877.5	1 885.5	1 971.8	1.3%	100.0%
Compensation of employees	1 125.2	1 119.4	1 096.3	1 110.1	-0.4%	62.7%	1 048.9	1 061.3	1 108.9	-	56.7%
Goods and services	674.3	601.5	596.2	784.5	5.2%	37.3%	828.6	824.3	862.9	3.2%	43.3%
Total payments	1 799.5	1 721.0	1 692.4	1 894.6	1.7%	100.0%	1 877.5	1 885.5	1 971.8	1.3%	100.0%
Net cash flow from investing activities	(542.7)	272.0	(351.0)	(356.1)	-13.1%	100.0%	(276.9)	(138.5)	(80.6)	-39.0%	100.0%
Acquisition of property, plant, equipment and intangible assets	(34.1)	(36.3)	(51.2)	(301.4)	106.7%	23.0%	(205.9)	(69.2)	(61.9)	-41.0%	71.4%
Acquisition of software and other intangible assets	(5.1)	(3.6)	(5.2)	(54.7)	121.0%	4.1%	(71.0)	(69.2)	(18.7)	-30.0%	28.6%
Proceeds from the sale of property, plant, equipment and intangible assets	0.2	2.0	-	-	-100.0%	0.2%	-	-	-	-	-
Other flows from investing activities	(503.7)	310.0	(294.6)	-	-100.0%	72.7%	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	(292.0)	528.2	(52.3)	(305.8)	1.5%	-1.3%	(181.7)	(19.9)	41.7	-151.5%	-6.0%
Statement of financial position											
Carrying value of assets of which:	1 954.6	1 811.0	1 776.6	2 051.6	1.6%	56.1%	2 144.8	2 167.0	2 114.8	1.0%	64.4%
Acquisition of assets	(34.1)	(36.3)	(51.2)	(301.4)	106.7%	100.0%	(205.9)	(69.2)	(61.9)	-41.0%	100.0%
Investments	1.5	-	-	0.1	-59.8%	-	0.1	0.1	0.1	-	-
Inventory	8.8	10.0	14.0	8.1	-2.4%	0.3%	11.3	11.9	12.5	15.2%	0.3%
Receivables and prepayments	255.9	222.9	102.4	243.9	-1.6%	6.1%	113.9	120.1	126.7	-19.6%	4.6%
Cash and cash equivalents	336.7	864.9	812.7	310.2	-2.7%	16.8%	300.8	285.6	338.1	2.9%	9.4%
Non-current assets held for sale	1.0	-	-	-	-100.0%	-	-	-	-	-	-
Derivatives financial instruments	877.6	557.0	883.2	500.0	-17.1%	20.6%	770.0	770.0	770.0	15.5%	21.2%
Total assets	3 436.1	3 465.9	3 588.9	3 114.0	-3.2%	100.0%	3 340.9	3 354.8	3 362.2	2.6%	100.0%
Accumulated surplus/(deficit)	441.0	596.6	733.0	306.3	-11.4%	15.1%	484.5	386.6	307.7	0.1%	11.3%
Capital and reserves	2 321.7	2 201.3	2 189.2	2 201.3	-1.8%	65.7%	2 201.3	2 300.3	2 369.5	2.5%	68.9%
Deferred income	79.7	95.0	84.7	50.6	-14.1%	2.3%	51.0	41.8	33.6	-12.8%	1.3%
Trade and other payables	183.9	155.8	168.3	156.3	-5.3%	4.9%	159.5	150.7	143.2	-2.9%	4.6%
Taxation	49.2	10.1	17.7	-	-100.0%	0.6%	-	-	-	-	-
Provisions	360.6	407.0	396.0	399.5	3.5%	11.5%	444.7	475.3	508.3	8.4%	13.9%
Total equity and liabilities	3 436.1	3 465.9	3 588.9	3 114.0	-3.2%	100.0%	3 340.9	3 354.8	3 362.2	2.6%	100.0%

Personnel information**Table 23.25 Armaments Corporation of South Africa personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2022			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate										
			2020/21			2021/22			2022/23			2023/24			2024/25			2021/22 - 2024/25	
Armaments Corporation 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	1 627	1 627	1 418	1 123.4	0.8	1 627	1 110.1	0.7	1 462	1 048.9	0.7	1 462	1 061.3	0.7	1 462	1 108.9	0.8	-0.0%	100.0%
1 – 6	296	296	227	44.5	0.2	296	40.9	0.1	284	40.8	0.1	284	41.3	0.1	284	43.2	0.2	1.8%	3.8%
7 – 10	796	796	705	365.6	0.5	796	375.6	0.5	707	359.5	0.5	707	363.7	0.5	707	380.0	0.5	0.4%	34.2%
11 – 12	211	211	188	199.2	1.1	211	197.2	0.9	188	186.6	1.0	188	188.8	1.0	188	197.3	1.0	0.0%	17.8%
13 – 16	310	310	286	472.6	1.7	310	457.2	1.5	271	427.2	1.6	271	432.2	1.6	271	451.6	1.7	-0.4%	40.8%
17 – 22	14	14	12	41.5	3.5	14	39.3	2.8	12	34.8	2.9	12	35.2	2.9	12	36.8	3.1	-2.2%	3.4%

1. Rand million.

Castle Control Board**Selected performance indicators****Table 23.26 Castle Control Board performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Gross revenue generated per year	Increased public profile and positive perception across all sectors of the community	Priority 6: Social cohesion and safer communities	R5.7m	R5.5m	R5.7m	R7.6m	R8.5m	R8.7m	R9.1m
Number of visitors to the Castle of Good Hope per year	Maximising the tourist potential of the Castle of Good Hope		201 756	195 054	14 522	60 000	120 000	125 000	130 000
Number of interns hosted at the Castle of Good Hope per year	Increased public profile and positive perception across all sectors of the community	Priority 2: Economic transformation and job creation	15	23	4	8	12	12	12

Entity overview

The Castle Control Board primarily derives its mandate from the Castle Management Act (1993), which requires the board to preserve and protect the military and cultural heritage of the Castle of Good Hope. Aspects of the board's mandate are also derived from the Defence Endowment Property and Account Act (1922), and the National Heritage Resources Act (1999).

As part of its revenue optimisation strategy, over the medium term, the board aims to unlock the heritage tourism potential of the Castle of Good Hope and increase its accessibility to the broader public. To this end, over the medium term, the board plans to provide a comprehensive range of visitor services, and ensure improved security within the castle precinct. At a projected cost of R500 000 over the period ahead, these interventions are expected to result in the increase of visitors from 60 000 in 2021/22 to 130 000 in 2024/25.

Expenditure is expected to decrease at an average annual rate of 1.2 per cent, from R9.4 million in 2021/22 to R9.1 million in 2024/25. All of the board's revenue is self-generated. Although revenue from operating activities is expected to increase by 32.5 per cent over the medium term, from R3.7 million in 2021/22 to R8.6 million in 2024/25, due to the implementation of the revenue optimisation strategy, this revenue is still well below projected expenditure. Restrictions due to the COVID-19 pandemic have negatively affected the castle's revenue-generating capacity. As such, the entity receives an additional allocation of R12 million over the medium term from the Department of Defence.

Programmes/Objectives/Activities**Table 23.27 Castle Control Board expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2021/22	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/ Total (%)
	2018/19	2019/20	2020/21		2018/19	2021/22	2022/23	2023/24	2024/25		
Administration	6.3	5.3	5.4	8.5	10.5%	90.5%	9.0	9.4	8.0	-1.7%	89.2%
Ensure the preservation, interpretation and showcasing of the castle's history	0.5	0.4	0.4	0.7	9.4%	7.0%	0.7	0.7	0.7	1.9%	7.2%
Maximising the tourist potential of the Castle of Good Hope	0.0	0.0	0.0	0.1	200.9%	0.3%	0.1	0.1	0.0	-43.9%	0.7%
Increased public profile and positive perception across all sectors of the community	0.3	0.1	0.0	0.2	-6.2%	2.3%	0.3	0.3	0.4	15.6%	3.0%
Total	7.1	5.8	5.8	9.4	10.2%	100.0%	10.0	10.5	9.1	-1.2%	100.0%

Statements of financial performance, cash flow and financial position**Table 23.28 Castle Control Board statements of financial performance, cash flow and financial position**

Statement of financial performance											
R million	Audited outcome			Revised estimate 2021/22	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/ Total (%)
	2018/19	2019/20	2020/21		2018/19	2021/22	2022/23	2023/24	2024/25		
Revenue											
Non-tax revenue	5.7	5.5	1.1	3.9	-11.7%	54.4%	4.0	4.5	9.1	32.2%	56.1%
Sale of goods and services other than capital assets	5.6	5.4	0.7	3.7	-12.9%	51.5%	3.7	4.2	8.6	32.5%	52.6%
Other non-tax revenue	0.1	0.1	0.3	0.3	20.8%	2.9%	0.3	0.3	0.5	29.0%	3.5%
Transfers received	3.3	0.3	4.9	5.5	18.1%	45.6%	6.0	6.0	-	-100.0%	43.9%
Total revenue	9.1	5.8	6.0	9.4	1.4%	100.0%	10.0	10.5	9.1	-1.2%	100.0%
Expenses											
Current expenses	7.1	5.8	5.8	9.4	10.2%	100.0%	10.0	10.5	9.1	-1.2%	100.0%
Compensation of employees	4.9	3.6	3.9	6.9	12.1%	67.5%	7.3	7.6	5.5	-6.9%	69.8%
Goods and services	2.0	1.6	1.3	2.3	4.6%	25.4%	2.5	2.6	3.1	10.4%	26.9%
Depreciation	0.2	0.7	0.7	0.3	13.5%	7.1%	0.2	0.3	0.5	18.6%	3.4%
Total expenses	7.1	5.8	5.8	9.4	10.2%	100.0%	10.0	10.5	9.1	-1.2%	100.0%
Surplus/(Deficit)	2.0	-	-	-	-100.0%		-	-	-	-	
Cash flow statement											
Cash flow from operating activities	(0.7)	(0.0)	0.9	2.2	-244.9%	100.0%	1.7	2.0	0.1	-68.5%	100.0%
Receipts											
Non-tax receipts	5.5	5.3	0.8	3.8	-11.4%	63.1%	3.9	4.3	7.9	27.3%	54.9%
Sales of goods and services other than capital assets	5.5	5.3	0.8	2.6	-22.3%	59.5%	2.6	2.9	6.4	35.4%	40.2%
Other tax receipts	0.0	-	0.0	1.3	347.0%	3.5%	1.3	1.4	1.5	6.2%	14.7%
Transfers received	-	-	4.9	5.5	-	36.1%	6.0	6.0	-	-100.0%	43.9%
Financial transactions in assets and liabilities	0.1	-	-	0.1	-7.8%	0.8%	0.1	0.1	0.1	6.2%	1.2%
Total receipts	5.6	5.3	5.7	9.4	18.7%	100.0%	10.0	10.5	8.0	-5.2%	100.0%
Payment											
Current payments	6.4	5.3	4.8	7.2	4.3%	100.0%	8.4	8.5	8.0	3.3%	100.0%
Compensation of employees	4.7	4.0	3.7	5.1	2.6%	74.4%	6.1	6.2	6.4	8.0%	74.1%
Goods and services	1.7	1.3	1.0	2.1	8.7%	25.6%	2.3	2.4	1.5	-10.2%	25.9%
Total payments	6.4	5.3	4.8	7.2	4.3%	100.0%	8.4	8.5	8.0	3.3%	100.0%
Net cash flow from investing activities	(0.0)	-	-	(0.2)	129.8%	-	(0.2)	(0.2)	(0.2)	4.1%	100.0%
Acquisition of property, plant, equipment and intangible assets	(0.0)	-	-	(0.2)	129.8%	-	(0.2)	(0.2)	(0.2)	4.1%	100.0%
Net increase/(decrease) in cash and cash equivalents	(0.7)	(0.0)	0.9	2.0	-240.2%	6.6%	1.5	1.8	(0.1)	-139.2%	13.0%

Table 23.28 Castle Control Board statements of financial performance, cash flow and financial position

Statement of financial position				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome			2021/22				2018/19 - 2021/22	2022/23	2023/24		
R million	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25	2021/22 - 2024/25	
Carrying value of assets	4.7	4.0	3.4	2.2	-22.4%	82.3%	2.2	2.3	2.3	2.4%	60.5%
<i>of which:</i>											
Acquisition of assets	(0.0)	–	–	(0.2)	129.8%	–	(0.2)	(0.2)	(0.2)	4.1%	100.0%
Inventory	0.0	0.0	0.0	0.1	167.2%	0.4%	0.1	0.1	0.1	3.2%	1.4%
Loans	–	0.0	–	–	–	–	–	–	–	–	–
Receivables and prepayments	0.0	0.1	0.0	0.2	118.4%	2.3%	0.2	0.2	0.2	3.9%	6.0%
Cash and cash equivalents	0.1	0.1	1.0	1.1	99.5%	15.0%	1.2	1.2	1.3	5.3%	32.0%
Total assets	4.8	4.2	4.4	3.6	-9.8%	100.0%	3.7	3.9	3.9	3.4%	100.0%
Accumulated surplus/(deficit)	3.5	3.5	3.7	2.3	-13.2%	76.1%	2.4	2.5	3.3	12.6%	69.6%
Trade and other payables	0.6	0.4	0.3	1.0	16.3%	14.2%	1.0	1.1	0.3	-29.7%	23.3%
Provisions	0.7	0.3	0.5	0.3	-27.9%	9.6%	0.3	0.3	0.3	4.3%	7.1%
Total equity and liabilities	4.8	4.2	4.4	3.6	-9.7%	100.0%	3.7	3.9	3.9	3.4%	100.0%

Personnel information**Table 23.29 Castle Control Board personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2022		Number and cost ¹ of personnel posts filled/planned for on funded establishment												Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)			
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate										
		2020/21		2021/22		2022/23		2023/24		2024/25		2021/22 - 2024/25						
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Castle Control Board		19	3.9	0.2	19	6.9	0.4	19	7.3	0.4	19	7.6	0.4	19	5.5	0.3	-6.9%	100.0%
Salary level	22	19	3.9	0.2	19	6.9	0.4	19	7.3	0.4	19	7.6	0.4	19	5.5	0.3	-6.9%	100.0%
1 – 6	16	16	1.7	0.1	16	2.9	0.2	16	3.1	0.2	16	3.2	0.2	16	2.6	0.2	-3.5%	43.5%
7 – 10	4	1	0.3	0.3	1	2.0	2.0	1	2.1	2.1	1	2.2	2.2	1	0.6	0.6	-31.9%	25.0%
11 – 12	1	1	0.9	0.9	1	0.9	0.9	1	0.9	0.9	1	1.0	1.0	1	1.0	1.0	4.4%	14.3%
13 – 16	1	1	1.1	1.1	1	1.0	1.0	1	1.1	1.1	1	1.2	1.2	1	1.3	1.3	7.8%	17.2%

1. Rand million.