

EMPLOYMENT AND LABOUR

Budget summary

R million	2024/25				2025/26	2026/27
	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total	Total
MTEF allocation						
Administration	940.5	1.1	88.1	1 029.7	1 087.7	1 137.8
Inspection and Enforcement Services	647.8	0.1	13.3	661.2	690.0	721.7
Public Employment Services	386.1	510.4	5.3	901.8	683.0	717.7
Labour Policy and Industrial Relations	156.7	1 103.8	1.8	1 262.2	1 316.3	1 378.8
Total expenditure estimates	2 131.0	1 615.3	108.5	3 854.8	3 777.0	3 955.9
Executive authority	Minister of Employment and Labour					
Accounting officer	Director-General of Employment and Labour					
Website	www.labour.gov.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

Play a significant role in reducing unemployment, poverty and inequality by pursuing the objectives of decent work for all through: employment creation and enterprise development; the setting of standards and the protection of rights at work, including the facilitation of equal opportunities and social dialogue; and the provision of social protection.

Mandate

The Department of Employment and Labour derives its legislative mandate from the Constitution, particularly the Bill of Rights, which is given effect through a number of acts that regulate labour matters in South Africa. Key among these are the Labour Relations Act (1995), the Basic Conditions of Employment Act (1997), the Employment Equity Act (1998), the Occupational Health and Safety Act (1993), and the Employment Services Act (2014).

The mandate of the department is to regulate the labour market through policies and programmes developed in consultation with social partners. These aim to:

- improve economic efficiency and productivity
- facilitate the creation of decent employment
- promote labour standards and fundamental rights at work
- provide adequate social safety nets to protect vulnerable workers
- promote and enforce sound labour relations
- promote equity and eliminate unfair discrimination in the workplace
- eliminate inequality and discrimination in the workplace
- enhance occupational health and safety awareness and compliance in the workplace
- give value to social dialogue in the formulation of sound and responsive legislation and policies to attain labour market flexibility for the competitiveness of enterprises, balanced with the promotion of decent employment.

Selected performance indicators

Table 31.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Number of employers inspected per year to determine compliance with employment law	Inspection and Enforcement Services	Priority 2: Economic transformation and job creation	178 489	252 242	312 792	298 332	298 332	298 332	298 332
Percentage of noncompliant employers inspected who are served with a notice in terms of the law within 14 calendar days of the inspection per year	Inspection and Enforcement Services		99.5% (34 908/ 35 097)	99% (59 743/ 60 478)	98% (72 898/ 74 559)	95%	95%	95%	95%
Percentage of noncompliant employers who failed to comply with the served notice referred for prosecution within 30 calendar days per year	Inspection and Enforcement Services		75% (2 910/ 3 882)	64% (3 752/ 5 869)	79% (6 138/ 7 766)	65%	65%	65%	65%
Number of work seekers registered on the Employment Services of South Africa system per year	Public Employment Services		938 505	936 621	1 069 496	900 000	950 000	1 000 000	1 050 000
Number of registered work seekers provided with employment counselling per year	Public Employment Services		246 454	281 801	325 914	250 000	260 000	270 000	280 000
Number of registered employment opportunities filled by registered work seekers per year	Public Employment Services		37 193	67 058	84 636	60 000	65 000	70 000	75 000
Number of employment opportunities registered on the Employment Services of South Africa database per year	Public Employment Services		83 782	131 522	147 847	110 000	115 000	120 000	125 000
Percentage of collective agreements assessed and verified within the specified number of calendar days of receipt per year	Labour Policy and Industrial Relations		100 % within 180 days (31)	100% within 180 days (26)	100% within 120 days (4)	100% within 120 days	100% within 120 days	100% within 120 days	100% within 120 days
Percentage of labour organisation applications for registration approved or refused within 90 calendar days of receipt per year	Labour Policy and Industrial Relations		100% (122)	100% (134)	100% (132)	100%	100%	100%	100%

Expenditure overview

The department supports the National Development Plan's vision of eliminating poverty and reducing inequality by facilitating the resolution of workplace disputes, improving labour relations, enhancing occupational health and safety, and facilitating job creation. In its efforts to give effect to this vision over the medium term, it will focus on increasing safety and fairness in the workplace, providing support to work seekers, and regulating the workplace to establish minimum working conditions and fair labour practices. The department has a budget of R11.6 billion over the medium term following the implementation of Cabinet-approved net reductions of R697.4 million. Despite these reductions, the department plans to maintain and, in some cases, slightly increase its delivery of core services. Combined, compensation of employees (R4.7 billion) and transfers and subsidies (R4.6 billion) comprise almost 80 per cent of the department's total budget.

Increasing safety and fairness in the workplace

Work in the *Inspection and Enforcement Services* programme is intended to ensure increased compliance with labour laws, guided by 3 pillars: advocacy, inspections and enforcement. Over the MTEF period, activities linked to the advocacy pillar include 12 seminars and 6 conferences that focus on improving fairness in the workplace (especially for young people, people with disabilities and women) and helping workers transition from the informal to the formal economy. As part of the drive to advocate for and measure compliance with labour laws related to occupational health and safety standards, the department, through the *Compliance, Monitoring and Enforcement Services* subprogramme, plans to conduct 894 996 employer inspections over the period ahead at a projected cost of R1.6 billion. The programme will continue to implement the case management system in 2024/25 to ensure that its business processes are fully modernised. This is expected to result in, among other things, more focused inspections.

The department plans to improve and strengthen its enforcement function over the next 3 years. This entails ensuring that 65 per cent of employers who fail to comply with served notices are issued with fines and/or penalties and are referred for prosecution within 30 calendar days; and that 95 per cent of noncompliant employers are served with legal notices within 14 calendar days.

To carry out these activities, the *Inspection and Enforcement Services* programme is allocated R2.1 billion of the department's budget over the medium term, increasing at an average annual rate of 4.5 per cent, from R632.1 million in 2023/24 to R721.7 million in 2026/27.

Providing support to work seekers

Facilitating access to decent employment is central to the department's work. Over the medium term, the department plans to register 3 million work seekers, provide counselling to 810 000 work seekers and place 210 000 work seekers in registered employment opportunities. Expenditure for these activities is within the *Work Seeker Services* subprogramme's budget of R650.2 million over the medium term. This subprogramme is in the *Public Employment Services* programme, which is allocated R2.3 billion of the department's budget over the period ahead, decreasing at an average annual rate of 10.4 per cent, from R997.8 million in 2023/24 to R717.7 million in 2026/27.

The department is allocated R250 million in 2024/25 as part of the presidential employment stimulus to continue the national pathway management network, the innovation fund, and to employ intern counsellors at labour centres. These initiatives are expected to create opportunities for employment, support increased access to relevant education and training interventions, help young people make choices about learning and/or earning, and identify barriers to entry in the labour market.

Following the finalisation of an updated South African national employment policy in 2023, activities in the *Public Employment Services* programme over the period ahead include prioritising drafting a proposed new migration policy and amending the Employment Services Act (2014). The implementation of these amendments is likely to provide more employment opportunities for young South Africans, particularly in the hospitality, tourism and agriculture sectors. To successfully carry out these activities, a targeted 127 employment services practitioners will be needed to deal with labour migration to and from South Africa at a projected cost of R56.7 million over the period ahead.

Emphasis will be placed on implementing an accessible framework for active labour market policies that provide work seeker support, placement and viable employment pathways. This includes, among other things: incentivising employers (in both the public and the private sectors) to employ first-time hires under the age of 35 through free placement and psychometric assessment services; creating viable pathways into the workplace for South African work seekers, in collaboration with the departments of basic education and higher education and training; and working with the national pathway manager to stimulate demand and supply activities. To determine an approach to employment growth in a broader and more sustainable way, the department plans to establish an external employment war room in 2024/25 comprising other national departments, business experts, and labour and community organisations.

To extend the wage subsidy scheme for people with disabilities to all provinces to cover more disability types, including dyslexia, thereby increasing the number of participants to at least 10 000 by 2026/27, the department has budgeted R68.2 million over the period ahead.

The department plans to install Wi-Fi routers in all new youth employment centres, including labour centres, to improve access to the Employment Services of South Africa system at a cost of R10 million.

Regulating the workplace

Over the period ahead, the department plans to conduct annual reviews of the national minimum wage. This includes developing monitoring mechanisms to measure its impact on the economy, collective bargaining and the reduction of income differentials. The Commission for Conciliation, Mediation and Arbitration spearheads the department's efforts in this regard and is set to receive an estimated 77.5 per cent (R3.1 billion) of the *Labour Policy and Industrial Relations* programme's allocation over the medium term.

The department also expects to finalise instruments and systems of the employment equity policy over the period ahead. These include regulations on the Employment Equity Amendment Act (2022), employer reporting forms on employment equity, and proposed employment equity targets. Expenditure for these activities is within the *Employment Equity* subprogramme's allocation of R44.4 million over the MTEF period.

Expenditure trends and estimates

Table 31.2 Vote expenditure trends and estimates by programme and economic classification

Programmes												
1. Administration												
2. Inspection and Enforcement Services												
3. Public Employment Services												
4. Labour Policy and Industrial Relations												
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)	
R million	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24	2024/25	2025/26	2026/27	2023/24 - 2026/27	2023/24 - 2026/27		
Programme 1	854.0	856.4	1 025.5	1 055.5	7.3%	26.6%	1 029.7	1 087.7	1 137.8	2.5%	27.6%	
Programme 2	499.4	546.6	587.9	632.1	8.2%	15.9%	661.2	690.0	721.7	4.5%	17.3%	
Programme 3	598.4	615.9	933.9	997.8	18.6%	22.1%	901.8	683.0	717.7	-10.4%	21.2%	
Programme 4	1 151.3	1 213.2	1 349.9	1 331.3	5.0%	35.4%	1 262.2	1 316.3	1 378.8	1.2%	33.9%	
Subtotal	3 103.1	3 232.2	3 897.1	4 016.7	9.0%	100.0%	3 854.8	3 777.0	3 955.9	-0.5%	100.0%	
Total	3 103.1	3 232.2	3 897.1	4 016.7	9.0%	100.0%	3 854.8	3 777.0	3 955.9	-0.5%	100.0%	
Change to 2023 Budget estimate							(47.6)	(320.5)	(329.3)			
Economic classification												
Current payments	1 738.8	1 813.8	2 076.7	2 161.1	7.5%	54.7%	2 131.0	2 203.9	2 304.8	2.2%	56.4%	
Compensation of employees	1 224.3	1 277.7	1 351.6	1 427.3	5.2%	37.1%	1 501.9	1 546.9	1 617.8	4.3%	39.1%	
Goods and services ¹	514.6	536.0	725.2	733.8	12.6%	17.6%	629.2	657.0	687.1	-2.2%	17.3%	
<i>of which:</i>					0.0%	0.0%				0.0%	0.0%	
Communication	27.6	32.0	30.9	47.4	19.8%	1.0%	42.9	44.7	46.8	-0.4%	1.2%	
Computer services	87.8	60.5	96.7	134.9	15.4%	2.7%	107.7	110.5	116.2	-4.9%	3.0%	
Fleet services (including government motor transport)	33.7	37.9	48.9	33.5	-0.2%	1.1%	23.1	24.1	25.3	-8.9%	0.7%	
Operating leases	156.8	138.1	158.9	163.9	1.5%	4.3%	153.0	159.1	166.3	0.5%	4.1%	
Property payments	71.1	83.6	86.5	83.4	5.5%	2.3%	89.9	94.4	98.6	5.7%	2.3%	
Travel and subsistence	29.4	80.8	125.1	91.3	45.9%	2.3%	79.2	82.5	86.2	-1.9%	2.2%	
Transfers and subsidies¹	1 305.2	1 343.1	1 689.5	1 757.4	10.4%	42.8%	1 615.3	1 447.9	1 520.3	-4.7%	40.6%	
Provinces and municipalities	0.8	0.9	0.9	0.7	-1.4%	0.0%	0.8	0.8	0.8	4.5%	0.0%	
Departmental agencies and accounts	1 047.7	1 113.9	1 451.6	1 491.7	12.5%	35.8%	1 355.7	1 174.0	1 231.2	-6.2%	33.7%	
Foreign governments and international organisations	19.6	16.9	16.6	23.3	6.0%	0.5%	28.2	29.5	30.8	9.7%	0.7%	
Non-profit institutions	231.0	204.3	215.0	237.2	0.9%	6.2%	230.2	243.2	257.0	2.7%	6.2%	
Households	6.1	7.2	5.3	4.4	-10.5%	0.2%	0.4	0.5	0.5	-51.9%	0.0%	
Payments for capital assets	59.0	75.2	130.3	98.2	18.6%	2.5%	108.5	125.2	130.8	10.0%	3.0%	
Buildings and other fixed structures	17.7	14.0	39.7	58.6	49.1%	0.9%	60.3	74.9	78.3	10.2%	1.7%	
Machinery and equipment	31.2	28.8	62.8	39.7	8.4%	1.1%	48.2	50.3	52.5	9.8%	1.2%	
Software and other intangible assets	10.1	32.4	27.8	-	-100.0%	0.5%	-	-	-	0.0%	0.0%	
Payments for financial assets	0.1	0.1	0.6	-	-100.0%	0.0%	-	-	-	0.0%	0.0%	
Total	3 103.1	3 232.2	3 897.1	4 016.7	9.0%	100.0%	3 854.8	3 777.0	3 955.9	-0.5%	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 31.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/ Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
Households											
Social benefits											
Current	5 125	6 831	5 149	4 007	-7.9%	0.3%	448	468	489	-50.4%	0.1%
Employee social benefits	5 125	6 831	5 149	4 007	-7.9%	0.3%	448	468	489	-50.4%	0.1%
Other transfers to households											
Current	990	352	156	379	-27.4%	-	-	-	-	-100.0%	-
Employee social benefits	990	352	131	-	-100.0%	-	-	-	-	-	-
Claims against the state	-	-	25	379	-	-	-	-	-	-100.0%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 047 734	1 113 946	1 433 123	1 476 160	12.1%	83.2%	1 343 164	1 160 707	1 216 156	-6.3%	81.9%
Employee social benefits	120	-	-	-	-100.0%	-	-	-	-	-	-
Non-life insurance	-	15	11	-	-	-	-	-	-	-	-
Communication	1	-	1	-	-100.0%	-	-	-	-	-	-
Departmental agencies	16	1	-	-	-100.0%	-	-	-	-	-	-
Productivity South Africa	56 309	59 853	61 698	62 921	3.8%	4.0%	61 472	64 123	67 055	2.1%	4.0%
Industrial Development Corporation	-	-	-	-	-	-	57 500	-	-	-	0.9%
Government Technical Advisory Centre	-	-	256 241	298 466	-	9.1%	172 500	-	-	-100.0%	7.4%
Commission for Conciliation, Mediation and Arbitration	935 810	994 984	1 046 293	1 041 163	3.6%	65.9%	975 853	1 016 475	1 065 322	0.8%	64.6%
National Economic Development and Labour Council	55 478	59 093	58 884	52 110	-2.1%	3.7%	53 339	56 609	59 202	4.3%	3.5%
National Economic Development and Labour Council (Presidential Climate Commission)	-	-	9 995	21 500	-	0.5%	22 500	23 500	24 577	4.6%	1.5%
Social security funds											
Current	-	-	18 514	15 587	-	0.6%	12 509	13 248	15 039	-1.2%	0.9%
Unemployment Insurance Fund	-	-	-	1	-	-	1	1	1	-	-
Compensation Fund	-	-	18 514	15 586	-	0.6%	12 508	13 247	15 038	-1.2%	0.9%
Provinces and municipalities											
Municipal bank accounts											
Current	770	855	930	737	-1.4%	0.1%	770	804	841	4.5%	-
Vehicle licences	770	855	930	737	-1.4%	0.1%	770	804	841	4.5%	-
Foreign governments and international organisations											
Current	19 557	16 886	16 604	23 325	6.0%	1.3%	28 192	29 456	30 805	9.7%	1.8%
International Labour Organisation	18 471	15 770	15 179	21 500	5.2%	1.2%	26 693	27 890	29 167	10.7%	1.7%
African Regional Labour Administration Centre	1 086	1 116	1 425	1 825	18.9%	0.1%	1 499	1 566	1 638	-3.5%	0.1%
Non-profit institutions											
Current	231 045	204 265	215 030	237 170	0.9%	14.6%	230 233	243 225	256 953	2.7%	15.3%
Supported Employment Enterprises	195 549	162 266	166 486	187 160	-1.5%	11.7%	184 684	195 545	206 997	3.4%	12.2%
Workshops for the Blind	21 996	20 954	-	-	-100.0%	0.7%	-	-	-	-	-
Designated Groups Special Services	-	-	23 784	25 156	-	0.8%	21 657	22 718	23 850	-1.8%	1.5%
Various civil and labour organisations	13 500	21 045	24 760	24 854	22.6%	1.4%	23 892	24 962	26 106	1.7%	1.6%
Total	1 305 221	1 343 135	1 689 506	1 757 365	10.4%	100.0%	1 615 316	1 447 908	1 520 283	-4.7%	100.0%

Personnel information

Table 31.4 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 posts estimated for 31 March 2024		Actual			Revised estimate			Medium-term expenditure estimate											
Number of funded posts	Number of posts additional to the establishment	2022/23			2023/24			2024/25		2025/26		2026/27		2023/24 - 2026/27					
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Employment and Labour	2 848	408	3 239	1 351.6	0.4	3 235	1 427.3	0.4	3 232	1 501.9	0.5	3 113	1 546.9	0.5	3 049	1 617.8	0.5	-2.0%	100.0%
Salary level	2 848	408	3 239	1 351.6	0.4	3 235	1 427.3	0.4	3 232	1 501.9	0.5	3 113	1 546.9	0.5	3 049	1 617.8	0.5	-2.0%	100.0%
1 – 6	1 411	366	1 715	466.3	0.3	1 680	474.9	0.3	1 757	507.8	0.3	1 749	548.2	0.3	1 695	557.8	0.3	0.3%	54.5%
7 – 10	1 112	28	1 174	548.1	0.5	1 203	589.0	0.5	1 117	595.2	0.5	1 013	572.1	0.6	996	592.3	0.6	-6.1%	34.3%
11 – 12	251	9	271	234.2	0.9	266	245.3	0.9	263	262.4	1.0	248	270.1	1.1	247	289.3	1.2	-2.5%	8.1%
13 – 16	72	5	77	98.5	1.3	85	113.5	1.3	93	131.6	1.4	101	151.3	1.5	109	172.7	1.6	8.6%	3.1%
Other	2	–	2	4.4	2.2	2	4.7	2.3	2	5.0	2.5	2	5.3	2.6	2	5.6	2.8	0.0%	0.1%
Programme	2 848	408	3 239	1 351.6	0.4	3 235	1 427.3	0.4	3 232	1 501.9	0.5	3 113	1 546.9	0.5	3 049	1 617.8	0.5	-2.0%	100.0%
Programme 1	951	140	1 135	440.6	0.4	1 109	460.0	0.4	1 051	483.8	0.5	1 069	505.3	0.5	1 023	528.8	0.5	-2.6%	33.7%
Programme 2	1 112	85	1 187	467.4	0.4	1 280	529.0	0.4	1 270	556.8	0.4	1 243	581.2	0.5	1 227	607.8	0.5	-1.4%	39.8%
Programme 3	615	179	734	338.3	0.5	664	327.2	0.5	739	346.4	0.5	630	340.5	0.5	623	355.9	0.6	-2.1%	21.0%
Programme 4	170	4	182	105.2	0.6	182	111.2	0.6	172	114.9	0.7	170	119.8	0.7	175	125.2	0.7	-1.2%	5.5%

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

Departmental receipts

Table 31.5 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 (%)
	2020/21	2021/22	2022/23					2023/24				
Departmental receipts	9 182	9 109	19 008	18 720	23 364	36.5%	100.0%	23 746	24 253	24 759	2.0%	100.0%
Sales of goods and services produced by department	4 766	5 121	8 341	9 356	11 558	34.4%	49.1%	11 759	11 961	12 166	1.7%	49.4%
Sales by market establishments	133	123	126	139	139	1.5%	0.9%	145	148	151	2.8%	0.6%
of which:												
Market establishment: Rental dwellings	–	22	126	25	25	–	0.3%	30	32	34	10.8%	0.1%
Market establishment: Rental parking (covered and open)	133	101	–	114	114	-5.0%	0.6%	115	116	117	0.9%	0.5%
Administrative fees	2 019	2 322	5 398	5 404	7 604	55.6%	28.6%	7 705	7 805	7 905	1.3%	32.3%
of which:												
Occupational health and safety licences	2 019	2 321	5 398	5 400	7 600	55.6%	28.6%	7 700	7 800	7 900	1.3%	32.3%
Request information: Promotion of Access to Information Act (2000)	–	1	–	4	4	–	–	5	5	5	7.7%	–
Other sales	2 614	2 676	2 817	3 813	3 815	13.4%	19.7%	3 909	4 008	4 110	2.5%	16.5%
of which:												
Services rendered: Commission on insurance and garnishee	2 614	2 669	2 817	3 800	3 800	13.3%	19.6%	3 900	4 000	4 100	2.6%	16.4%
Services rendered: Photocopiers and faxes	–	–	–	7	–	–	–	–	–	–	–	–
Replacement of security cards	–	6	–	3	12	–	–	6	5	7	-16.4%	–
Replacement of lost office property	–	1	–	3	3	–	–	3	3	3	–	–
Sales of scrap, waste, arms and other used current goods	8	19	76	37	56	91.3%	0.3%	37	42	43	-8.4%	0.2%
of which:												
Sales: Scrap	8	–	76	6	6	-9.1%	0.1%	7	7	7	5.3%	–
Sales: Wastepaper	–	19	–	31	50	–	0.1%	30	35	36	-10.4%	0.2%
Fines, penalties and forfeits	100	76	1 853	1 450	1 450	143.8%	5.7%	1 500	1 550	1 600	3.3%	6.3%
Interest, dividends and rent on land	785	808	1 502	1 700	2 250	42.0%	8.8%	2 200	2 300	2 400	2.2%	9.5%
Interest	785	808	1 502	1 700	2 250	42.0%	8.8%	2 200	2 300	2 400	2.2%	9.5%
Sales of capital assets	138	636	599	477	1 100	99.8%	4.1%	1 200	1 250	1 300	5.7%	5.0%
Transactions in financial assets and liabilities	3 385	2 449	6 637	5 700	6 950	27.1%	32.0%	7 050	7 150	7 250	1.4%	29.5%
Total	9 182	9 109	19 008	18 720	23 364	36.5%	100.0%	23 746	24 253	24 759	2.0%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 31.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
R million											
Ministry	32.2	32.3	34.5	37.2	5.0%	3.6%	37.4	38.9	40.4	2.8%	3.6%
Management	279.5	311.8	342.0	295.1	1.8%	32.4%	291.8	306.8	323.0	3.1%	28.2%
Corporate Services	222.7	211.4	279.3	321.3	13.0%	27.3%	305.7	318.4	331.7	1.1%	29.6%
Office of the Chief Financial Officer	117.9	113.6	143.2	139.4	5.8%	13.6%	136.5	142.7	149.3	2.3%	13.2%
Office Accommodation	201.8	187.3	226.4	262.5	9.2%	23.2%	258.3	280.9	293.3	3.8%	25.4%
Total	854.0	856.4	1 025.5	1 055.5	7.3%	100.0%	1 029.7	1 087.7	1 137.8	2.5%	100.0%
Change to 2023 Budget estimate							(102.6)	(107.9)	(112.5)		
Economic classification											
Current payments	803.5	814.2	922.2	967.5	6.4%	92.5%	940.5	982.6	1 027.9	2.0%	90.9%
Compensation of employees	393.5	416.6	440.6	460.0	5.3%	45.1%	483.8	505.3	528.8	4.8%	45.9%
Goods and services	410.0	397.5	481.6	507.5	7.4%	47.4%	456.7	477.2	499.0	-0.6%	45.0%
of which:											
Audit costs: External	15.1	17.8	17.2	23.5	16.1%	1.9%	21.1	22.1	23.0	-0.7%	2.1%
Communication	14.0	19.5	17.2	24.1	19.7%	2.0%	21.0	21.9	22.7	-1.9%	2.1%
Computer services	85.5	58.3	93.8	121.7	12.5%	9.5%	103.7	107.4	111.9	-2.8%	10.3%
Operating leases	154.3	136.8	156.2	160.0	1.2%	16.0%	150.2	156.1	163.2	0.6%	14.6%
Property payments	49.2	59.4	60.8	67.1	10.9%	6.2%	72.2	75.9	79.4	5.8%	6.8%
Travel and subsistence	11.0	26.1	40.0	29.1	38.5%	2.8%	23.5	25.1	26.0	-3.8%	2.4%
Transfers and subsidies	4.1	3.3	3.0	2.8	-12.2%	0.3%	1.1	1.1	1.2	-25.2%	0.1%
Provinces and municipalities	0.8	0.9	0.9	0.7	-1.4%	0.1%	0.8	0.8	0.8	4.5%	0.1%
Departmental agencies and accounts	0.1	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Households	3.2	2.4	2.1	2.1	-14.1%	0.3%	0.3	0.3	0.3	-45.8%	0.1%
Payments for capital assets	46.3	38.9	99.7	85.2	22.6%	7.1%	88.1	104.0	108.8	8.5%	9.0%
Buildings and other fixed structures	17.7	14.0	39.7	58.6	49.1%	3.4%	60.3	74.9	78.3	10.2%	6.3%
Machinery and equipment	18.5	20.1	49.7	26.7	13.0%	3.0%	27.8	29.1	30.4	4.5%	2.6%
Software and other intangible assets	10.1	4.8	10.3	-	-100.0%	0.7%	-	-	-	-	-
Payments for financial assets	0.1	0.1	0.6	-	-100.0%	-	-	-	-	-	-
Total	854.0	856.4	1 025.5	1 055.5	7.3%	100.0%	1 029.7	1 087.7	1 137.8	2.5%	100.0%
Proportion of total programme expenditure to vote expenditure	27.5%	26.5%	26.3%	26.3%	-	-	26.7%	28.8%	28.8%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	2.5	2.0	2.0	1.8	-10.0%	0.2%	0.3	0.3	0.3	-43.6%	0.1%
Employee social benefits	2.5	2.0	2.0	1.8	-10.0%	0.2%	0.3	0.3	0.3	-43.6%	0.1%
Other transfers to households											
Current	0.7	0.3	0.1	0.2	-32.2%	-	-	-	-	-100.0%	-
Employee social benefits	0.7	0.3	0.1	-	-100.0%	-	-	-	-	-	-
Claims against the state	-	-	-	0.2	-	-	-	-	-	-100.0%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	0.1	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Employee social benefits	0.1	-	-	-	-100.0%	-	-	-	-	-	-
Non-life insurance	-	0.0	0.0	-	-	-	-	-	-	-	-
Communication	0.0	-	0.0	-	-100.0%	-	-	-	-	-	-
Provinces and municipalities											
Municipal bank accounts											
Current	0.8	0.9	0.9	0.7	-1.4%	0.1%	0.8	0.8	0.8	4.5%	0.1%
Vehicle licences	0.8	0.9	0.9	0.7	-1.4%	0.1%	0.8	0.8	0.8	4.5%	0.1%

Personnel information

Table 31.7 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2024		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 2022/23			Revised estimate 2023/24			Medium-term expenditure estimate											2023/24 - 2026/27
		Number	Cost	Unit cost	Number	Cost	Unit cost	2024/25			2025/26			2026/27					
Administration																			
Salary level	951	140	1 135	440.6	0.4	1 109	460.0	0.4	1 051	483.8	0.5	1 069	505.3	0.5	1 023	528.8	0.5	-2.6%	100.0%
1 – 6	518	121	655	158.2	0.2	632	158.1	0.3	595	156.2	0.3	697	197.5	0.3	635	186.5	0.3	0.2%	60.2%
7 – 10	340	5	369	168.3	0.5	354	171.1	0.5	323	177.4	0.5	229	135.8	0.6	233	146.7	0.6	-13.1%	26.8%
11 – 12	60	9	74	64.2	0.9	81	73.4	0.9	87	83.9	1.0	94	96.0	1.0	101	109.1	1.1	7.6%	8.5%
13 – 16	31	5	36	45.6	1.3	40	52.8	1.3	44	61.4	1.4	48	70.7	1.5	52	81.0	1.6	9.1%	4.3%
Other	2	–	2	4.4	2.2	2	4.7	2.3	2	5.0	2.5	2	5.3	2.6	2	5.6	2.8	–	0.2%

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

2. Rand million.

Programme 2: Inspection and Enforcement Services

Programme purpose

Realise decent work by regulating non-employment and employment conditions through inspection and enforcement to achieve compliance with all labour market policies.

Objectives

- Protect vulnerable workers through quality-oriented inspection and the enforcement of labour legislation by ensuring that employers adhere to decent work principles by the end of 2024/25 by:
 - conducting 298 332 compliance inspections
 - serving 95 per cent of noncompliant employers inspected with a notice in terms of relevant employment law within 14 calendar days of inspection
 - referring for prosecution 65 per cent of employers who fail to comply with a served notice within 30 working days
 - increasing awareness of employment law through formal advocacy sessions at 4 seminars and 2 conferences.

Subprogrammes

- *Management and Support Services: Inspection and Enforcement Services* manages the delegated administrative and financial responsibilities of the office of the deputy director-general and provides corporate support to line-function subprogrammes in the programme.
- *Occupational Health and Safety* promotes health and safety in the workplace by conducting inspections on compliance with the Occupational Health and Safety Act (1993), and regulating dangerous activities and the use of plant and machinery.
- *Registration: Inspection and Enforcement Services* registers incidents relating to employment law, as reported by members of the public, and communicates these to relevant structures within the *Compliance, Monitoring and Enforcement Services* subprogramme for investigation.
- *Compliance, Monitoring and Enforcement Services* ensures that employers and employees comply with labour legislation by conducting regular inspections and following up on reported incidents.
- *Training of Staff: Inspection and Enforcement Services* defrays all expenditure relating to staff training in the programme.
- *Statutory and Advocacy Services* gives effect to the legislative enforcement requirement and educates stakeholders on labour legislation.

Expenditure trends and estimates

Table 31.8 Inspection and Enforcement Services 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 (%)
	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
R million											
Management and Support Services: Inspection and Enforcement Services	4.5	17.5	14.5	7.1	16.8%	1.9%	7.2	7.6	8.1	4.5%	1.1%
Occupational Health and Safety	22.8	10.6	–	31.6	11.5%	2.9%	30.2	31.6	33.4	1.9%	4.7%
Registration: Inspection and Enforcement Services	73.5	90.0	94.4	88.3	6.3%	15.3%	90.0	93.3	99.1	3.9%	13.7%
Compliance, Monitoring and Enforcement Services	391.3	413.6	464.1	488.5	7.7%	77.6%	511.1	534.2	555.5	4.4%	77.2%
Training of Staff: Inspection and Enforcement Services	1.5	6.9	6.1	6.2	61.8%	0.9%	6.5	6.7	7.1	4.5%	1.0%
Statutory and Advocacy Services	6.0	8.0	8.7	10.3	20.2%	1.5%	16.1	16.7	18.4	21.2%	2.3%
Total	499.4	546.6	587.9	632.1	8.2%	100.0%	661.2	690.0	721.7	4.5%	100.0%
Change to 2023 Budget estimate				–			(18.1)	(19.1)	(20.0)		
Economic classification											
Current payments	490.3	524.3	571.1	626.2	8.5%	97.6%	647.8	676.1	707.0	4.1%	98.2%
Compensation of employees	445.3	444.6	467.4	529.0	5.9%	83.2%	556.8	581.2	607.8	4.7%	84.1%
Goods and services	45.0	79.6	103.7	97.2	29.3%	14.4%	91.0	94.9	99.2	0.7%	14.1%
<i>of which:</i>											
Communication	7.5	7.3	7.6	18.3	34.7%	1.8%	17.2	18.1	18.8	0.9%	2.7%
Fleet services (including government motor transport)	6.4	8.2	12.6	9.9	15.4%	1.6%	9.2	9.7	10.4	1.6%	1.4%
Property payments	10.0	11.4	12.1	7.1	-10.9%	1.8%	6.8	7.1	7.3	0.9%	1.0%
Travel and subsistence	11.9	39.4	53.5	30.1	36.2%	6.0%	28.9	29.5	31.1	1.1%	4.4%
Training and development	0.7	0.6	1.2	4.9	89.8%	0.3%	5.1	5.3	5.6	4.5%	0.8%
Venues and facilities	0.2	0.9	1.0	4.6	179.0%	0.3%	4.3	4.5	4.5	-0.6%	0.7%
Transfers and subsidies	2.0	2.9	2.0	1.1	-17.6%	0.4%	0.1	0.1	0.1	-55.5%	0.1%
Provinces and municipalities	0.0	–	–	–	-100.0%	–	–	–	–	–	–
Departmental agencies and accounts	0.0	0.0	–	–	-100.0%	–	–	–	–	–	–
Households	2.0	2.9	2.0	1.1	-17.3%	0.4%	0.1	0.1	0.1	-55.5%	0.1%
Payments for capital assets	7.1	19.4	14.7	4.8	-12.4%	2.0%	13.3	13.8	14.6	44.8%	1.7%
Machinery and equipment	7.1	6.2	7.0	4.8	-12.4%	1.1%	13.3	13.8	14.6	44.8%	1.7%
Software and other intangible assets	–	13.2	7.7	–	–	0.9%	–	–	–	–	–
Total	499.4	546.6	587.9	632.1	8.2%	100.0%	661.2	690.0	721.7	4.5%	100.0%
Proportion of total programme expenditure to vote expenditure	16.1%	16.9%	15.1%	15.7%	–	–	17.2%	18.3%	18.2%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	1.7	2.9	2.0	1.0	-17.6%	0.3%	0.1	0.1	0.1	-53.3%	–
Employee social benefits	1.7	2.9	2.0	1.0	-17.6%	0.3%	0.1	0.1	0.1	-53.3%	–
Other transfers to households											
Current	0.2	–	0.0	0.1	-15.8%	–	–	–	–	-100.0%	–
Employee social benefits	0.2	–	–	–	-100.0%	–	–	–	–	–	–
Claims against the state	–	–	0.0	0.1	–	–	–	–	–	-100.0%	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	0.0	0.0	–	–	-100.0%	–	–	–	–	–	–
Departmental agencies	0.0	0.0	–	–	-100.0%	–	–	–	–	–	–
Provinces and municipalities											
Municipal bank accounts											
Current	0.0	–	–	–	-100.0%	–	–	–	–	–	–
Vehicle licences	0.0	–	–	–	-100.0%	–	–	–	–	–	–

Personnel information

Table 31.9 Inspection and Enforcement Services personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2024			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	2022/23	Actual			Revised estimate			Medium-term expenditure estimate						2023/24 - 2026/27				
			2022/23	2023/24	2024/25	2025/26	2026/27	2023/24 - 2026/27											
Inspection and Enforcement Services			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	1 112	85	1 187	467.4	0.4	1 280	529.0	0.4	1 270	556.8	0.4	1 243	581.2	0.5	1 227	607.8	0.5	-1.4%	100.0%
1 – 6	690	62	730	228.9	0.3	763	249.4	0.3	769	265.3	0.3	740	268.7	0.4	731	278.8	0.4	-1.4%	59.8%
7 – 10	378	23	410	189.0	0.5	466	223.4	0.5	446	227.2	0.5	444	239.5	0.5	433	246.4	0.6	-2.4%	35.7%
11 – 12	33	–	36	35.2	1.0	39	39.9	1.0	42	45.7	1.1	45	51.9	1.2	48	58.7	1.2	7.2%	3.5%
13 – 16	11	–	11	14.4	1.3	12	16.3	1.4	13	18.6	1.4	14	21.2	1.5	15	23.9	1.6	7.7%	1.1%

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

2. Rand million.

Programme 3: Public Employment Services

Programme purpose

Assist companies and workers to adjust to changing labour market conditions.

Objectives

- Provide public employment services by the end of 2024/25 by:
 - registering 950 000 work seekers on the Employment Services of South Africa database
 - providing employment counselling to 260 000 work seekers
 - filling 65 000 registered employment opportunities
 - registering 115 000 work opportunities on the Employment Services of South Africa database.
- Contribute to increasing employment opportunities for people with disabilities over the medium term by providing quarterly funding and monitoring disability organisations on an ongoing basis.

Subprogrammes

- *Management and Support Services: Public Employment Services* manages delegated administrative and financial responsibilities; coordinates all planning, monitoring and evaluation functions; and provides corporate support to line-function subprogrammes in the programme.
- *Employer Services* registers work opportunities, facilitates the employment of foreign nationals where such skills do not exist in South Africa, oversees placements, responds to companies in distress, provides a social plan, and regulates private employment agencies.
- *Work Seeker Services* registers work seekers; retrenched workers; and work, learning, training and income-generating opportunities for the unemployed and underemployed.
- *Designated Groups Special Services* facilitates the transfer of subsidies to national councils and workshops to promote employment for people with disabilities.
- *Supported Employment Enterprises* promotes work and employment opportunities for people with disabilities by improving the administration, production and financial management of supported employment enterprises.
- *Productivity South Africa* transfers funds to Productivity South Africa, which promotes workplace productivity, competitiveness and social plan interventions.
- *Unemployment Insurance Fund* provides for the possible future funding of the Unemployment Insurance Fund.
- *Compensation Fund* provides for costs incurred through claims from civil servants for injuries sustained on duty or occupation-related illnesses and diseases, and for the funding of claims from the Compensation Fund.

- *Training of Staff: Public Employment Services* defrays all expenditure relating to staff training in the programme to easily identify this expenditure for reporting purposes.

Expenditure trends and estimates

Table 31.10 Public Employment Services 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 (%)
	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
R million											
Management and Support Services:	47.5	62.4	332.7	353.6	95.3%	25.3%	282.9	55.4	58.1	-45.2%	22.7%
Public Employment Services											
Employer Services	97.9	104.3	116.0	106.4	2.8%	13.5%	115.5	120.7	126.1	5.8%	14.2%
Work Seeker Services	174.3	204.4	213.1	245.5	12.1%	26.6%	221.5	209.7	219.0	-3.7%	27.1%
Designated Groups Special Services	22.0	21.0	23.8	25.2	4.6%	2.9%	21.7	22.7	23.9	-1.8%	2.8%
Supported Employment Enterprises	199.3	162.3	166.5	187.2	-2.1%	22.7%	184.7	195.5	207.0	3.4%	23.5%
Productivity South Africa	56.3	59.9	61.7	62.9	3.8%	7.7%	61.5	64.1	67.1	2.1%	7.7%
Unemployment Insurance Fund	–	–	–	0.0	–	–	0.0	0.0	0.0	–	–
Compensation Fund	–	–	18.5	15.6	–	1.1%	12.5	13.2	15.0	-1.2%	1.7%
Training of Staff: Public Employment Services	1.1	1.7	1.6	1.5	10.1%	0.2%	1.5	1.6	1.7	4.5%	0.2%
Total	598.4	615.9	933.9	997.8	18.6%	100.0%	901.8	683.0	717.7	-10.4%	100.0%
Change to 2023 Budget estimate				–			215.3	(42.6)	(41.1)		
Economic classification											
Current payments	318.2	356.1	393.5	401.8	8.1%	46.7%	386.1	381.8	398.9	-0.2%	47.5%
Compensation of employees	289.2	314.9	338.3	327.2	4.2%	40.4%	346.4	340.5	355.9	2.8%	41.5%
Goods and services	29.0	41.2	55.2	74.6	37.1%	6.4%	39.7	41.3	43.0	-16.8%	6.0%
of which:											
Minor assets	0.7	0.4	1.5	2.6	57.3%	0.2%	1.8	1.9	2.0	-7.9%	0.3%
Communication	4.2	4.4	5.2	3.8	-2.8%	0.6%	3.6	3.6	4.0	1.5%	0.5%
Computer services	2.0	2.0	2.8	12.6	83.9%	0.6%	2.7	1.8	3.0	-38.3%	0.6%
Fleet services (including government motor transport)	1.4	2.2	3.3	1.4	0.2%	0.3%	2.4	2.4	2.5	21.0%	0.3%
Property payments	10.6	11.6	12.5	7.6	-10.5%	1.3%	8.9	9.3	9.7	8.4%	1.1%
Travel and subsistence	4.3	11.1	20.7	9.0	28.4%	1.4%	9.8	10.1	10.4	4.8%	1.2%
Transfers and subsidies	274.7	244.3	527.7	590.0	29.0%	52.0%	510.4	295.7	313.0	-19.0%	51.8%
Departmental agencies and accounts	56.3	59.9	336.5	377.0	88.5%	26.4%	304.0	77.4	82.1	-39.8%	25.5%
Non-profit institutions	217.5	183.2	190.3	212.3	-0.8%	25.5%	206.3	218.3	230.8	2.8%	26.3%
Households	0.9	1.3	1.0	0.8	-3.8%	0.1%	0.1	0.1	0.1	-55.7%	–
Payments for capital assets	5.5	15.5	12.7	6.0	2.7%	1.3%	5.3	5.6	5.9	-0.6%	0.7%
Machinery and equipment	5.5	2.1	5.0	6.0	2.7%	0.6%	5.3	5.6	5.9	-0.6%	0.7%
Software and other intangible assets	–	13.4	7.8	–	–	0.7%	–	–	–	–	–
Total	598.4	615.9	933.9	997.8	18.6%	100.0%	901.8	683.0	717.7	-10.4%	100.0%
Proportion of total programme expenditure to vote expenditure	19.3%	19.1%	24.0%	24.8%	–	–	23.4%	18.1%	18.1%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	0.8	1.2	0.9	0.8	-3.7%	0.1%	0.1	0.1	0.1	-55.7%	–
Employee social benefits	0.8	1.2	0.9	0.8	-3.7%	0.1%	0.1	0.1	0.1	-55.7%	–
Other transfers to households											
Current	0.0	0.0	0.0	–	-100.0%	–	–	–	–	–	–
Employee social benefits	0.0	0.0	0.0	–	-100.0%	–	–	–	–	–	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	56.3	59.9	317.9	361.4	85.8%	25.3%	291.5	64.1	67.1	-43.0%	23.8%
Productivity South Africa	56.3	59.9	61.7	62.9	3.8%	7.7%	61.5	64.1	67.1	2.1%	7.7%
Industrial Development Corporation	–	–	–	–	–	–	57.5	–	–	–	1.7%
Government Technical Advisory Centre	–	–	256.2	298.5	–	17.6%	172.5	–	–	-100.0%	14.3%
Social security funds											
Current	–	–	18.5	15.6	–	1.1%	12.5	13.2	15.0	-1.2%	1.7%
Unemployment Insurance Fund	–	–	–	0.0	–	–	0.0	0.0	0.0	–	–
Compensation Fund	–	–	18.5	15.6	–	1.1%	12.5	13.2	15.0	-1.2%	1.7%
Non-profit institutions											
Current	217.5	183.2	190.3	212.3	-0.8%	25.5%	206.3	218.3	230.8	2.8%	26.3%
Supported Employment Enterprises	195.5	162.3	166.5	187.2	-1.5%	22.6%	184.7	195.5	207.0	3.4%	23.5%
Workshops for the Blind	22.0	21.0	–	–	-100.0%	1.4%	–	–	–	–	–
Designated Groups Special Services	–	–	23.8	25.2	–	1.6%	21.7	22.7	23.9	-1.8%	2.8%

Personnel information

Table 31.11 Public Employment Services personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2024		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											
		2022/23		2023/24		2024/25		2025/26		2026/27		2023/24 - 2026/27							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Public Employment Services																			
Salary level	615	179	734	338.3	0.5	664	327.2	0.5	739	346.4	0.5	630	340.5	0.5	623	355.9	0.6	-2.1%	100.0%
1 – 6	183	179	308	73.4	0.2	258	60.0	0.2	360	76.6	0.2	264	67.1	0.3	270	73.2	0.3	1.5%	43.4%
7 – 10	282	–	277	134.8	0.5	272	139.7	0.5	257	141.3	0.5	269	155.2	0.6	267	163.6	0.6	-0.7%	40.1%
11 – 12	132	–	131	106.6	0.8	114	100.4	0.9	100	97.1	1.0	73	82.0	1.1	61	77.7	1.3	-18.9%	13.1%
13 – 16	18	–	18	23.5	1.3	20	27.1	1.4	22	31.4	1.4	24	36.2	1.5	26	41.3	1.6	9.1%	3.5%

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

2. Rand million.

Programme 4: Labour Policy and Industrial Relations

Programme purpose

Facilitate the establishment of an equitable and sound labour relations environment. Support institutions of social dialogue and promote South Africa's interests in international labour matters. Conduct research and analysis, and evaluate labour policy. Provide statistical data on the labour market.

Objectives

- Improve the implementation of employment equity and compliance monitoring mechanisms in the labour market by:
 - publishing the 2023/24 employment equity annual report and public register by 30 June 2024
 - developing the 2024/25 employment equity annual report and public register by 31 March 2025.
- Extend protection to vulnerable workers by publishing national minimum wages for all sectors by 31 March 2025.
- Promote sound labour relations and centralised collective bargaining by extending all collective agreements and registering all qualifying labour organisations by 31 March 2025.
- Monitor and evaluate the impact of labour legislation to promote an evidence-based labour policy framework by producing 2 research and 4 labour market trend reports by 31 March 2025.

Subprogrammes

- *Management and Support Services: Labour Policy and Industrial Relations* manages delegated administrative and financial responsibilities; coordinates all planning, monitoring and evaluation functions; and provides corporate support to line-function subprogrammes in the programme.
- *Strengthen Civil Society* transfers funds to various civil society organisations that protect vulnerable workers by providing resources, support and expertise to improve the independence and self-reliance of workers so that they are able to contribute to a stable and well-functioning labour market.
- *Collective Bargaining* manages the implementation of the Labour Relations Act (1995) through policies and practices that promote sound labour relations by registering labour organisations and deregistering those that are noncompliant, publishing and extending collective agreements, supporting and advancing participation in collective bargaining structures, and participating in relevant National Economic Development and Labour Council activities.
- *Employment Equity* promotes equity in the labour market by developing and promoting employment equity policy instruments – as mandated by the amended Employment Equity Act (1998) – to eliminate discrimination and promote equitable representation in the workplace.

- *Employment Standards* protects vulnerable workers in the labour market by administering the Basic Conditions of Employment Act (1997) and publishing national minimum wages for all sectors, as mandated by the National Minimum Wage Act (2018).
- *Commission for Conciliation, Mediation and Arbitration* transfers funds to the Commission for Conciliation, Mediation and Arbitration, which promotes social justice and fairness in the workplace by providing dispute-prevention and resolution services.
- *Research, Policy and Planning* monitors and evaluates the impact of labour legislation and policies on the South African labour market.
- *Labour Market Information and Statistics* collects, collates, analyses and disseminates internal and external labour market statistics on changes in the South African labour market as a result of the implementation of labour legislation.
- *International Labour Matters* contributes to national and global policy formulation and facilitates compliance with international obligations through multilateral and bilateral relations.
- *National Economic Development and Labour Council* transfers funds to the National Economic Development and Labour Council, which promotes economic growth, participation in economic decision-making and social equity through social dialogue; and for the operations of the Presidential Climate Commission.

Expenditure trends and estimates

Table 31.12 Labour Policy and Industrial Relations 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 (%)
	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
R million											
Management and Support Services: Labour Policy and Industrial Relations	13.0	14.2	15.4	15.1	5.0%	1.1%	19.1	20.0	20.9	11.5%	1.4%
Strengthen Civil Society	13.5	21.0	24.8	24.9	22.6%	1.7%	23.9	25.0	26.1	1.7%	1.9%
Collective Bargaining	15.9	16.1	17.7	19.2	6.6%	1.4%	18.4	19.2	20.2	1.7%	1.5%
Employment Equity	8.2	10.1	11.5	13.2	17.0%	0.9%	14.1	14.7	15.5	5.6%	1.1%
Employment Standards	22.0	8.8	11.2	14.2	-13.6%	1.1%	18.0	18.8	19.7	11.7%	1.3%
Commission for Conciliation, Mediation and Arbitration	935.8	995.0	1 046.3	1 041.2	3.6%	79.6%	975.9	1 016.5	1 065.3	0.8%	77.5%
Research, Policy and Planning	7.9	8.9	5.9	12.4	16.4%	0.7%	11.4	11.9	12.4	-	0.9%
Labour Market Information and Statistics	41.5	43.8	46.8	52.6	8.2%	3.7%	52.7	55.0	57.5	3.0%	4.1%
International Labour Matters	38.1	36.4	101.4	65.1	19.6%	4.8%	52.8	55.2	57.4	-4.1%	4.4%
National Economic Development and Labour Council	55.5	59.1	68.9	73.6	9.9%	5.1%	75.8	80.1	83.8	4.4%	5.9%
Total	1 151.3	1 213.2	1 349.9	1 331.3	5.0%	100.0%	1 262.2	1 316.3	1 378.8	1.2%	100.0%
Change to 2023 Budget estimate				-			(142.2)	(150.9)	(155.6)		
Economic classification											
Current payments	126.8	119.2	189.9	165.6	9.3%	11.9%	156.7	163.4	171.1	1.1%	12.4%
Compensation of employees	96.2	101.6	105.2	111.2	4.9%	8.2%	114.9	119.8	125.2	4.1%	8.9%
Goods and services	30.6	17.7	84.7	54.5	21.2%	3.7%	41.8	43.6	45.8	-5.6%	3.5%
of which:											
Consultants: Business and advisory services	3.2	4.9	2.0	7.3	32.0%	0.3%	6.6	6.8	7.3	-	0.5%
Consumables: Stationery, printing and office supplies	2.2	2.5	4.1	4.4	26.0%	0.3%	4.4	4.6	4.9	3.4%	0.3%
Operating leases	2.1	1.2	2.7	2.0	-1.6%	0.2%	2.0	2.1	2.1	2.2%	0.2%
Property payments	1.2	1.3	1.2	1.6	9.8%	0.1%	2.0	2.1	2.2	10.9%	0.1%
Travel and subsistence	2.2	4.2	11.0	23.0	117.7%	0.8%	17.0	17.8	18.7	-6.7%	1.4%
Venues and facilities	0.1	0.2	32.5	5.7	367.0%	0.8%	2.8	3.0	3.1	-18.5%	0.3%
Transfers and subsidies	1 024.4	1 092.6	1 156.8	1 163.4	4.3%	87.9%	1 103.8	1 151.0	1 206.0	1.2%	87.4%
Departmental agencies and accounts	991.3	1 054.1	1 115.2	1 114.8	4.0%	84.7%	1 051.7	1 096.6	1 149.1	1.0%	83.4%
Foreign governments and international organisations	19.6	16.9	16.6	23.3	6.0%	1.5%	28.2	29.5	30.8	9.7%	2.1%
Non-profit institutions	13.5	21.0	24.8	24.9	22.6%	1.7%	23.9	25.0	26.1	1.7%	1.9%
Households	0.1	0.6	0.2	0.5	82.5%	-	-	-	-	-100.0%	-
Payments for capital assets	0.0	1.4	3.2	2.3	333.1%	0.1%	1.8	1.8	1.7	-10.1%	0.1%
Machinery and equipment	0.0	0.4	1.2	2.3	333.1%	0.1%	1.8	1.8	1.7	-10.1%	0.1%
Software and other intangible assets	-	1.0	2.0	-	-	0.1%	-	-	-	-	-
Total	1 151.3	1 213.2	1 349.9	1 331.3	5.0%	100.0%	1 262.2	1 316.3	1 378.8	1.2%	100.0%
Proportion of total programme expenditure to vote expenditure	37.1%	37.5%	34.6%	33.1%	-	-	32.7%	34.8%	34.9%	-	-

Table 31.12 Labour Policy and Industrial Relations expenditure trends and estimates by subprogramme and economic classification (continued)

Details of transfers and subsidies	Audited outcome			Adjusted appropriation 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average Expenditure/ Total (%)
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
	R million										
Households											
Social benefits											
Current	0.1	0.6	0.2	0.5	82.5%	-	-	-	-	-100.0%	-
Employee social benefits	0.1	0.6	0.2	0.5	82.5%	-	-	-	-	-100.0%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	991.3	1 054.1	1 115.2	1 114.8	4.0%	84.7%	1 051.7	1 096.6	1 149.1	1.0%	83.4%
Commission for Conciliation, Mediation and Arbitration	935.8	995.0	1 046.3	1 041.2	3.6%	79.6%	975.9	1 016.5	1 065.3	0.8%	77.5%
National Economic Development and Labour Council	55.5	59.1	58.9	52.1	-2.1%	4.5%	53.3	56.6	59.2	4.3%	4.2%
National Economic Development and Labour Council (Presidential Climate Commission)	-	-	10.0	21.5	-	0.6%	22.5	23.5	24.6	4.6%	1.7%
Foreign governments and international organisations											
Current	19.6	16.9	16.6	23.3	6.0%	1.5%	28.2	29.5	30.8	9.7%	2.1%
International Labour Organisation	18.5	15.8	15.2	21.5	5.2%	1.4%	26.7	27.9	29.2	10.7%	2.0%
African Regional Labour Administration Centre	1.1	1.1	1.4	1.8	18.9%	0.1%	1.5	1.6	1.6	-3.5%	0.1%
Non-profit institutions											
Current	13.5	21.0	24.8	24.9	22.6%	1.7%	23.9	25.0	26.1	1.7%	1.9%
Various civil and labour organisations	13.5	21.0	24.8	24.9	22.6%	1.7%	23.9	25.0	26.1	1.7%	1.9%

Personnel information

Table 31.13 Labour Policy and Industrial Relations personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2024			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										
			2022/23		2023/24		2024/25		2025/26		2026/27			2023/24 - 2026/27					
Labour Policy and Industrial Relations			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	170	4	182	105.2	0.6	182	111.2	0.6	172	114.9	0.7	170	119.8	0.7	175	125.2	0.7	-1.2%	100.0%
1 – 6	20	4	22	5.8	0.3	27	7.5	0.3	33	9.7	0.3	48	14.9	0.3	59	19.4	0.3	29.8%	23.9%
7 – 10	112	-	118	56.1	0.5	110	54.7	0.5	91	49.4	0.5	71	41.6	0.6	63	35.6	0.6	-16.9%	47.9%
11 – 12	26	-	30	28.3	0.9	32	31.6	1.0	34	35.7	1.0	36	40.1	1.1	37	43.7	1.2	5.0%	19.9%
13 – 16	12	-	12	15.1	1.3	13	17.4	1.3	14	20.2	1.4	15	23.2	1.5	16	26.6	1.7	7.2%	8.3%

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

2. Rand million.

Entities

Commission for Conciliation, Mediation and Arbitration

Selected performance indicators

Table 31.14 Commission for Conciliation, Mediation and Arbitration performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Percentage of conciliable cases heard within 30 days of receipt of referral per year	Dispute resolution and enforcement services	Priority 2: Economic transformation and job creation	99.4% (91 296/ 91 810)	99.8% (101 014/ 101 253)	99.9% (131 221/ 131 322)	98%	98%	98%	98%

Table 31.14 Commission for Conciliation, Mediation and Arbitration performance indicators by programme/objective/activity and related priority (continued)

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Percentage of arbitration awards rendered that are sent to parties within 14 days of the conclusion of the arbitration proceedings per year (excluding extensions granted and heads of arguments filed)	Dispute resolution and enforcement services	Priority 2: Economic transformation and job creation	99.9% (13 236/ 13 245)	99.9% (15 938/ 15 946)	99.9% (17 947/ 17 956)	98%	98%	98%	98%
Percentage of disputes of interests resolved per year	Dispute resolution and enforcement services		52.6% (1 628/ 3 097)	58.2% (2 384/ 4 093)	67.9% (2 142/ 3 154)	58%	54%	54%	54%
Percentage of jobs saved compared to employees likely to be retrenched per year (as per cases referred to the commission)	Dispute resolution and enforcement services		42% (58 165/ 138 816)	39.9% (18 715/ 46 953)	50.9% (18 196/ 35 679)	40%	38%	38%	38%

Entity overview

The Commission for Conciliation, Mediation and Arbitration derives its mandate primarily from the Labour Relations Act (1995), as amended. In terms of the act, the commission is expected to advance, among other deliverables, economic development, social justice, labour peace and the democratisation of the workplace. This mandate is extended by other statutes dealing with employment law. Spending on compensation of employees' accounts for an estimated 61.3 per cent (R1.9 billion) of the commission's budget over the period ahead.

The commission anticipates that its caseload will increase by 23 per cent, from 184 075 in 2023/24 to 226 426 in 2024/25, due to the constrained economic environment. In response to the increased caseload, the council has allocated 72.4 per cent (R2.2 billion) of its budget over the period ahead to dispute resolution, enforcement, mediation and capacity-building processes to ensure workplace fairness.

The commission is moving ahead with the implementation of its ICT strategy to improve the efficiency of its hybrid working model. As a result, there is a growing need to acquire tools of trade and enhance certain core systems to improve the efficiency and effectiveness of services rendered. Accordingly, 8.8 per cent (R273.3 million) of the commission's budget over the MTEF period is allocated to fund the ICT strategy.

Cabinet has approved reductions on the department's transfer to the entity amounting to R386 million over the medium term. Expenditure and revenue are expected to increase nominally at an average annual rate of 1 per cent, remaining at R1.0 billion over the period ahead. Revenue is derived almost entirely through transfers from the department, which amount to R3.1 billion over the next 3 years.

Programmes/Objectives/Activities

Table 31.15 Commission for Conciliation, Mediation and Arbitration 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 (%)
	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
Administration	200.5	211.9	251.2	221.5	3.4%	21.8%	206.2	215.9	226.3	0.7%	20.9%
Labour market intervention	11.8	12.6	13.2	15.9	10.6%	1.3%	15.6	16.3	17.0	2.2%	1.6%
Special interventions and support	14.4	14.2	14.7	15.1	1.5%	1.4%	15.4	16.1	16.9	3.8%	1.5%
Dispute resolution and enforcement services	691.0	710.8	757.4	760.5	3.2%	72.0%	715.9	748.9	785.0	1.1%	72.4%
Strategy management and governance	33.2	29.7	36.6	39.9	6.4%	3.4%	35.2	36.8	38.5	-1.3%	3.6%
Total	950.8	979.1	1 073.0	1 053.0	3.5%	100.0%	988.3	1 034.0	1 083.7	1.0%	100.0%

Statement of financial performance

Table 31.16 Commission for Conciliation, Mediation and Arbitration statement of financial performance

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24	2024/25	2025/26	2026/27	2023/24 - 2026/27		
Revenue											
Non-tax revenue	19.7	24.4	33.2	11.8	-15.8%	2.2%	12.5	17.6	18.4	15.9%	1.4%
Sale of goods and services other than capital assets	12.7	6.4	5.8	3.7	-34.0%	0.7%	3.8	4.0	4.2	4.6%	0.4%
Other sales	12.7	6.4	5.8	3.7	-34.0%	0.7%	3.8	4.0	4.2	4.6%	0.4%
Other non-tax revenue	7.0	18.0	27.4	8.1	5.1%	1.5%	8.6	13.6	14.2	20.4%	1.1%
Transfers received	935.8	995.0	1 046.3	1 041.2	3.6%	97.8%	975.9	1 016.5	1 065.3	0.8%	98.6%
Total revenue	955.5	1 019.4	1 079.5	1 053.0	3.3%	100.0%	988.3	1 034.0	1 083.7	1.0%	100.0%
Expenses											
Current expenses	947.1	975.0	1 068.0	1 046.8	3.4%	99.5%	981.9	1 027.3	1 076.7	0.9%	99.4%
Compensation of employees	591.2	592.6	617.7	625.6	1.9%	59.9%	612.2	641.1	670.0	2.3%	61.3%
Goods and services	326.3	355.3	421.6	399.2	7.0%	37.0%	346.7	362.2	381.6	-1.5%	35.8%
Depreciation	29.6	27.1	28.7	22.0	-9.4%	2.7%	23.0	24.0	25.1	4.5%	2.3%
Transfers and subsidies	3.6	4.1	5.0	6.2	19.1%	0.5%	6.4	6.7	7.0	4.5%	0.6%
Total expenses	950.8	979.1	1 073.0	1 053.0	3.5%	100.0%	988.3	1 034.0	1 083.7	1.0%	100.0%
Surplus/(Deficit)	4.7	40.3	6.5	-	-100.0%		-	-	-	-	

Personnel information

Table 31.17 Commission for Conciliation, Mediation and Arbitration personnel numbers and cost by salary level

Number of posts estimated for 31 March 2024		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 approved funded establishment posts	Number of posts on establishment	Actual 2022/23			Revised estimate 2023/24			Medium-term expenditure estimate											
		Number	Cost	Unit cost	Number	Cost	Unit cost	2024/25		2025/26		2026/27		2023/24 - 2026/27					
Commission for Conciliation, Mediation and Arbitration																			
Salary level	974	1 001	910	617.7	0.7	974	625.6	0.6	956	612.2	0.6	956	641.1	0.7	956	670.0	0.7	-0.6%	100.0%
1 – 6	56	60	57	13.7	0.2	56	13.5	0.2	56	13.5	0.2	56	14.2	0.3	56	14.8	0.3	-	5.8%
7 – 10	654	674	615	322.6	0.5	654	326.4	0.5	634	313.8	0.5	634	328.9	0.5	634	343.6	0.5	-1.0%	66.5%
11 – 12	232	233	208	212.5	1.0	232	220.6	1.0	234	222.0	0.9	234	232.3	1.0	234	242.8	1.0	0.3%	24.3%
13 – 16	26	26	26	48.5	1.9	26	47.0	1.8	26	45.4	1.7	26	47.5	1.8	26	49.7	1.9	-	2.7%
17 – 22	6	8	4	20.4	5.1	6	18.0	3.0	6	17.5	2.9	6	18.3	3.0	6	19.1	3.2	-	0.6%

1. Rand million.

Compensation Fund

Selected performance indicators

Table 31.18 Compensation Fund performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets			
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	
Percentage of claims adjudicated within a specified number of working days of receipt per year	Compensation for Occupational Injuries and Diseases Act (1993) services	Priority 4: Consolidating the social wage through reliable and quality basic services	88% within 20 days (18 423/ 20 695)	79% within 30 days (79 291/ 100 427)	80% within 10 days (87 906/ 109 757)	90% within 10 days	90% within 25 days	95% within 30 days	95% within 30 days	
Percentage of received return of earnings of active registered employers assessed per year	Compensation for Occupational Injuries and Diseases Act (1993) services		99% (220 382/ 223 644)	99% (324 176/ 327 701)	99% (353 930/ 354 192)	90%	95%	95%	95%	

Table 31.18 Compensation Fund performance indicators by programme/objective/activity and related priority (continued)

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Percentage of requests for pre-authorisation of specialised medical interventions finalised within 10 working days of receipt per year	Medical benefits		96% (362/ 376)	96% (10 539/ 10 997)	98% (4 808/ 4 905)	95%	95%	95%	95%
Percentage of accepted medical invoices finalised within a specified number of working days of receipt of invoice per year	Medical benefits		87% within 30 days (619 534/ 709 678)	87% within 40 days (619 534/ 709 678)	89% within 30 days (664 507/ 750 133)	90% within 30 days	85% within 25 days	85% within 25 days	85% within 25 days
Percentage of compliant requests for assistive devices finalised within 15 working days of receipt per year	Orthotic and medical rehabilitation		89% (1 127/ 1 260)	94% (1 279/ 1 365)	90% (1 601/ 1 785)	95%	95%	95%	95%
Number of students enrolled at post-school education and training institutions in priority qualifications funded per year	Orthotic and medical rehabilitation	Priority 2: Economic transformation and job creation	473	779	915	920	1 040	1 040	1 040

Entity overview

The Compensation Fund is mandated to administer the Compensation for Occupational Injuries and Diseases Act (1993). The act makes provision for compensating employees who are disabled as a result of occupational injuries sustained and diseases contracted at work, and the compensation of the nominated beneficiaries of employees who die as a result of such injuries or diseases.

Over the medium term, the fund will focus on improving all services provided to beneficiaries and other stakeholders. This is expected to be achieved by improving the turnaround time for the adjudication and processing of all accepted and approved claims from 90 per cent within 10 working days in 2023/24 to 95 per cent within 30 working days in 2026/27. The fund plans to enhance its capacity to deliver services through advocacy sessions aimed at improving performance, administration and operational efficiency targeting beneficiaries and external stakeholders.

Expenditure is expected to increase at an average annual rate of 5 per cent, from R12.4 billion in 2023/24 to R14.3 billion in 2026/27. This is mainly driven by spending on goods and services, which comprises an estimated 24.5 per cent (R12.6 billion) of total projected spending over the period ahead.

The fund is set to derive 44.6 per cent (R35.5 billion) of its revenue over the MTEF period through assessment levies on active registered employers and 55.4 per cent (R41.8 billion) from investments. Revenue (from transfers received) is expected to increase at an average annual rate of 11.8 per cent, from R8.9 billion in 2023/24 to R12.4 billion in 2026/27. This is due to an increase in a number of returns on earnings assessments in 2023/24 and the increase in tariffs of assessment, which came into effect in March 2021 and will be phased in until 2024/25.

Programmes/Objectives/Activities**Table 31.19 Compensation Fund 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 (%)
	2020/21	2021/22	2022/23				2023/24	2020/21 - 2023/24	2024/25		
Administration	5 836.4	4 176.2	9 686.8	4 753.8	-6.6%	46.1%	10 033.1	5 056.7	5 289.3	3.6%	41.8%
Compensation for Occupational Injuries and Diseases Act (1993) services	1 469.4	2 186.5	3 999.8	1 772.9	6.5%	17.7%	2 577.3	2 681.3	2 804.6	16.5%	16.9%
Medical benefits	3 978.1	4 130.3	3 606.2	5 469.2	11.2%	34.7%	5 243.3	5 489.7	5 742.2	1.6%	38.2%
Orthotic and medical rehabilitation	59.4	147.3	191.1	372.4	84.4%	1.5%	454.1	475.5	497.3	10.1%	3.1%
Total	11 343.3	10 640.3	17 483.9	12 368.3	2.9%	100.0%	18 307.8	13 703.2	14 333.5	5.0%	100.0%

Statements of financial performance, cash flow and financial position**Table 31.20 Compensation Fund statements of financial performance, cash flow and financial position**

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2020/21	2021/22	2022/23				2023/24	2020/21 - 2023/24	2024/25		
Revenue											
Non-tax revenue	14 188.2	15 376.8	19 168.1	12 918.4	-3.1%	61.0%	13 299.8	13 924.9	14 565.4	4.1%	55.4%
Other non-tax revenue	14 188.2	15 376.8	19 168.1	12 918.4	-3.1%	61.0%	13 299.8	13 924.9	14 565.4	4.1%	55.4%
Transfers received	9 398.1	10 468.1	10 361.5	8 856.3	-2.0%	39.0%	11 290.7	11 821.4	12 373.8	11.8%	44.6%
Total revenue	23 586.4	25 844.8	29 529.6	21 774.7	-2.6%	100.0%	24 590.5	25 746.3	26 939.2	7.4%	100.0%
Expenses											
Current expenses	5 907.9	4 674.8	9 926.6	5 506.5	-2.3%	49.3%	10 875.8	5 921.8	6 194.2	4.0%	47.6%
Compensation of employees	1 057.3	1 258.7	1 385.5	1 282.3	6.6%	9.9%	1 709.3	1 702.0	1 780.3	11.6%	11.1%
Goods and services	3 413.5	1 647.5	6 190.4	2 535.0	-9.4%	25.4%	7 477.3	2 522.7	2 638.7	1.3%	24.5%
Depreciation	27.1	28.4	27.6	23.0	-5.4%	0.2%	23.0	23.1	24.2	1.7%	0.2%
Interest, dividends and rent on land	1 410.0	1 740.2	2 323.1	1 666.2	5.7%	13.9%	1 666.2	1 674.0	1 751.0	1.7%	11.8%
Transfers and subsidies	5 435.4	5 965.5	7 557.3	6 861.8	8.1%	50.7%	7 432.1	7 781.4	8 139.3	5.9%	52.4%
Total expenses	11 343.3	10 640.3	17 483.9	12 368.3	2.9%	100.0%	18 307.8	13 703.2	14 333.5	5.0%	100.0%
Surplus/(Deficit)	12 243.0	15 204.6	12 045.7	9 406.4	-8.4%		6 282.7	12 043.1	12 605.7	10.3%	
Cash flow statement											
Cash flow from operating activities	493.9	2 463.0	3 112.4	331.5	-12.4%	100.0%	1 740.2	1 731.6	1 730.5	73.5%	100.0%
Receipts											
Non-tax receipts	18.7	108.8	176.0	1 637.3	344.3%	4.7%	1 642.1	1 707.9	1 776.2	2.8%	13.4%
Other tax receipts	18.7	108.8	176.0	1 637.3	344.3%	4.7%	1 642.1	1 707.9	1 776.2	2.8%	13.4%
Transfers received	7 971.0	8 542.1	10 062.8	8 874.9	3.6%	95.1%	11 310.2	11 762.8	12 233.4	11.3%	86.6%
Financial transactions in assets and liabilities	2.4	46.6	9.1	1.1	-23.4%	0.2%	1.1	1.1	1.2	2.6%	-
Total receipts	7 992.0	8 697.5	10 247.8	10 513.2	9.6%	100.0%	12 953.4	13 471.8	14 010.8	10.0%	100.0%
Payment											
Current payments	2 062.7	1 988.7	2 588.6	3 612.2	20.5%	32.8%	4 029.0	4 218.3	4 412.4	6.9%	35.8%
Compensation of employees	1 057.3	1 258.7	1 385.5	1 282.3	6.6%	16.6%	1 709.3	1 789.6	1 871.9	13.4%	14.6%
Goods and services	1 005.1	727.9	1 199.9	2 329.9	32.3%	16.2%	2 319.7	2 428.7	2 540.4	2.9%	21.2%
Interest and rent on land	0.3	2.1	3.2	-	-100.0%	-	-	-	-	-	-
Transfers and subsidies	5 435.4	4 245.8	4 546.8	6 569.5	6.5%	67.2%	7 184.2	7 521.9	7 867.9	6.2%	64.2%
Total payments	7 498.1	6 234.6	7 135.4	10 181.7	10.7%	100.0%	11 213.2	11 740.2	12 280.3	6.4%	100.0%
Net cash flow from investing activities	193.2	(3 696.2)	(2 763.5)	7 366.3	236.6%	100.0%	7 845.1	8 158.7	8 481.2	4.8%	100.0%
Acquisition of property, plant, equipment and intangible assets	-	(0.3)	(2.8)	(55.3)	-	-0.2%	(30.5)	(31.9)	(34.4)	-14.7%	-0.5%
Investment property	-	(7.8)	(14.5)	-	-	0.2%	-	-	-	-	-
Proceeds from the sale of property, plant, equipment and intangible assets	-	2.0	0.6	-	-	-	-	-	-	-	-
Other flows from investing activities	193.2	(3 690.1)	(2 746.7)	7 421.6	237.4%	100.0%	7 875.6	8 190.6	8 515.6	4.7%	100.5%
Net cash flow from financing activities	(1.3)	(2.5)	(2.3)	-	-100.0%	-	-	-	-	-	-
Repayment of finance leases	(1.3)	(2.5)	(2.3)	-	-100.0%	-	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	685.7	(1 235.7)	346.6	7 697.8	123.9%	14.7%	9 585.3	9 890.3	10 211.7	9.9%	100.0%

Table 31.20 Compensation Fund statements of financial performance, cash flow and financial position (continued)

Statement of financial position				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome			2023/24				2020/21 - 2023/24	2024/25	2025/26		
R million	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24	2024/25	2025/26	2026/27	2023/24 - 2026/27	2023/24 - 2026/27	
Carrying value of assets of which:	265.7	210.7	197.9	215.8	-6.7%	0.2%	224.4	233.4	244.1	4.2%	0.2%
Acquisition of assets	–	(0.3)	(2.8)	(55.3)	–	–	(30.5)	(31.9)	(34.4)	-14.7%	100.0%
Investments	79 888.7	92 398.0	99 558.2	110 407.2	11.4%	94.5%	131 386.7	141 858.8	153 118.5	11.5%	98.5%
Inventory	–	0.3	0.3	–	–	–	–	–	–	–	–
Loans	590.7	573.1	505.0	–	-100.0%	0.4%	–	–	–	–	–
Receivables and prepayments	2 573.7	5 027.5	5 134.8	576.5	-39.3%	3.3%	599.5	623.5	652.2	4.2%	0.5%
Cash and cash equivalents	2 309.3	1 073.5	1 401.6	1 115.5	-21.5%	1.5%	1 160.1	1 206.5	1 262.0	4.2%	0.9%
Total assets	85 628.1	99 283.0	106 797.7	112 314.9	9.5%	100.0%	133 370.8	143 922.2	155 276.8	11.4%	100.0%
Accumulated surplus/(deficit)	39 820.2	55 853.2	67 898.9	76 679.0	24.4%	58.7%	78 697.7	87 130.3	95 950.9	7.8%	62.4%
Finance lease	5.1	3.0	0.8	1 726.0	596.6%	0.4%	1 795.1	1 866.9	1 952.7	4.2%	1.4%
Accrued interest	141.5	148.7	156.3	147.1	1.3%	0.1%	153.0	159.1	166.4	4.2%	0.1%
Trade and other payables	2 136.1	2 431.4	2 466.1	2 508.7	5.5%	2.4%	2 609.1	2 713.4	2 838.3	4.2%	2.0%
Benefits payable	1 841.7	1 865.1	1 855.4	–	-100.0%	1.4%	–	–	–	–	–
Provisions	27 647.7	28 038.6	24 303.6	18 616.0	-12.4%	25.0%	19 360.6	20 135.0	21 061.2	4.2%	14.7%
Derivatives financial instruments	14 035.8	10 943.1	10 116.7	12 638.1	-3.4%	12.0%	30 755.4	31 917.4	33 307.2	38.1%	19.5%
Total equity and liabilities	85 628.1	99 283.0	106 797.7	112 314.9	9.5%	100.0%	133 370.8	143 922.2	155 276.8	11.4%	100.0%

Personnel information

Table 31.21 Compensation Fund personnel numbers and cost by salary level

Number of posts estimated for 31 March 2024		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							2023/24 - 2026/27					
		2022/23	Unit cost	2023/24	Unit cost	2024/25	Unit cost	2025/26	Unit cost	2026/27	Unit cost								
Compensation Fund		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
Salary level	1 062	1 062	1 153	1 385.5	1.2	1 186	1 282.3	1.1	1 368	1 709.3	1.2	1 373	1 702.0	1.2	1 398	1 780.3	1.3	5.6%	100.0%
1 – 6	707	707	761	160.5	0.2	769	168.1	0.2	769	168.1	0.2	769	169.3	0.2	769	177.1	0.2	–	58.0%
7 – 10	323	323	357	1 036.5	2.9	380	921.8	2.4	562	1 347.0	2.4	567	1 336.5	2.4	592	1 397.9	2.4	15.9%	39.2%
11 – 12	27	27	29	183.3	6.3	31	187.2	6.0	31	189.1	6.1	31	191.0	6.2	31	199.8	6.4	–	2.3%
13 – 16	5	5	6	5.1	0.9	6	5.1	0.9	6	5.1	0.9	6	5.3	0.9	6	5.5	0.9	–	0.5%

1. Rand million.

National Economic Development and Labour Council

Selected performance indicators

Table 31.22 National Economic Development and Labour Council performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Percentage of dialogue reports submitted to social partners within 14 working days of convening of dialogues per year	Core operations	Priority 2: Economic transformation and job creation	– ¹	100% (9)	100% (10)	100%	100%	100%	100%
Percentage of agreements successfully concluded within 9 calendar months of an issue being tabled at the council, except where stipulated exclusions apply per year	Core operations		– ¹	100% (2)	0	100%	100%	100%	100%

Table 31.22 National Economic Development and Labour Council performance indicators by programme/objective/activity and related priority (continued)

Indicator	Programme/Objective/ Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Percentage of reports on processes concluded within 6 months of the date of tabling at the relevant structure except where stipulated exclusions apply per year	Core operations	Priority 2: Economic transformation and job creation	100% (4)	100% (2)	100% (5)	100%	100%	100%	100%
Percentage of section 77 of the Labour Relations Act (1995) final reports produced within 5 working days of date of the resolution of section 77 notices per year	Core operations		100% (5)	100% (2)	0 ²	100%	100%	100%	100%
Number of documents incorporating policy recommendations adopted by the Presidential Climate Commission per year	Presidential Climate Commission		- ¹	- ¹	2	3	2	2	2
Number of scientific briefing documents per year	Presidential Climate Commission		- ¹	- ¹	2	2	2	2	2
Number of consolidated reports on identified series of public dialogues produced within 30 days of the last dialogue session per year	Presidential Climate Commission		- ¹	- ¹	2	2	2	2	2

1. No historical data available.

2. No resolutions were made as no section 77 final reports were concluded.

Entity overview

The National Economic Development and Labour Council was established in terms of the National Economic Development and Labour Council Act (1994). Other relevant legislation includes provisions of the Labour Relations Act (1995), which seeks to promote economic development, social justice and labour peace, and promote democratisation in the workplace.

Given persistent slow economic growth and high levels of poverty and unemployment, over the medium term, the council will focus on promoting economic recovery; contributing to the realisation of affordable and reliable energy; enhancing intra-continental and global trade; providing support for small, medium and micro enterprises and the informal economy; and promoting job creation. The council also plans to coordinate the contributions of social partners to formulate South Africa's position at the World Trade Organisation's interministerial conference. Public finance management issues will remain central to the council's work over the period ahead. This includes convening sessions in which social partners will provide input into the Medium-term Budget Policy Statement and the national Budget.

As technology is one of the key drivers of change globally, the council will engage on measures to enhance digital transformation and enable inclusion in the digital economy. As such, work will continue on labour law reform. This includes considering the implications of remote work, the just transition to a low-carbon future and how to accommodate non-standard employment relations. The council's secretariat will continue to support social partners in building understanding and trust through sharing information and engaging on policy and legislation.

The Presidential Climate Commission and its budget have been shifted from the Department of Forestry, Fisheries and the Environment to the Department of Employment and Labour and will be temporarily housed at the council. Of the council's total budget, 40.9 per cent (R124.1 million) is earmarked for the commission's operations. This arrangement will cease once the Climate Change Bill is passed and the commission is established as a standalone public entity. The climate commission will continue to focus on policy advice on the just transition to a low-carbon future and adaptation challenges.

Cabinet has approved reductions on the department's transfer to the entity amounting to R24.6 million over the MTEF period. As a result, expenditure is expected to decrease at an average annual rate of 0.7 per cent, from

R107.5 million in 2023/24 to R105.1 million in 2026/27. The council is set to derive 96.9 per cent (R291.6 million) of its revenue over the MTEF period through transfers from the department.

Programmes/Objectives/Activities

Table 31.23 National Economic Development and Labour Council expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2023/24	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/ Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23		2020/21	2023/24	2024/25	2025/26	2026/27		
Administration	32.0	41.9	43.7	48.3	14.7%	61.1%	43.7	49.4	51.3	2.0%	47.2%
Core operations	11.5	10.4	18.7	8.9	-8.3%	18.9%	6.1	5.7	6.0	-12.2%	6.5%
Capacity building funds	2.1	3.6	4.6	7.5	53.6%	5.9%	6.5	4.0	4.0	-18.9%	5.4%
Presidential Climate Commission	-	-	13.2	42.8	-	14.1%	38.9	41.4	43.8	0.8%	40.9%
Total	45.6	55.9	80.2	107.5	33.1%	100.0%	95.3	100.6	105.1	-0.7%	100.0%

Statement of financial performance

Table 31.24 National Economic Development and Labour Council statement of financial performance

R million	Audited outcome			Revised estimate 2023/24	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/ Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23		2020/21	2023/24	2024/25	2025/26	2026/27		
Revenue											
Non-tax revenue	1.2	1.4	2.9	3.3	38.5%	2.8%	3.0	3.1	3.2	-1.0%	3.1%
Other non-tax revenue	1.2	1.4	2.9	3.3	38.5%	2.8%	3.0	3.1	3.2	-1.0%	3.1%
Transfers received	58.3	59.1	71.9	104.2	21.4%	97.2%	92.3	97.5	101.9	-0.7%	96.9%
Total revenue	59.5	60.5	74.8	107.5	21.8%	100.0%	95.3	100.6	105.1	-0.7%	100.0%
Expenses											
Current expenses	45.6	55.9	80.2	107.5	33.1%	100.0%	95.3	100.6	105.1	-0.7%	100.0%
Compensation of employees	28.3	28.6	35.6	52.6	23.0%	51.6%	60.2	63.6	66.5	8.1%	59.6%
Goods and services	17.3	25.9	43.4	54.9	46.9%	47.4%	35.1	36.1	37.7	-11.8%	39.9%
Depreciation	-	1.5	1.2	-	-	1.0%	-	0.9	0.9	-	0.4%
Total expenses	45.6	55.9	80.2	107.5	33.1%	100.0%	95.3	100.6	105.1	-0.7%	100.0%
Surplus/(Deficit)	13.9	4.6	(5.4)	-	-100.0%	-	-	-	-	-	-

Personnel information

Table 31.25 National Economic Development and Labour Council personnel numbers and cost by salary level

Number of posts estimated for 31 March 2024			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 approved funded posts	Number of posts on establishment	56	Actual 2022/23			Revised estimate 2023/24			Medium-term expenditure estimate 2024/25			Medium-term expenditure estimate 2025/26					Medium-term expenditure estimate 2026/27		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
National Economic Development and Labour Council			53	35.6	0.7	56	52.6	0.9	58	60.2	1.0	58	63.6	1.1	58	66.5	1.1	1.2%	100.0%
Salary level	56	56																	
1 – 6	3	3	3	0.7	0.2	3	0.7	0.2	3	0.7	0.2	3	0.8	0.3	3	0.8	0.3	-	5.2%
7 – 10	18	18	17	8.8	0.5	18	10.3	0.6	20	13.8	0.7	20	14.6	0.7	20	15.2	0.8	3.6%	33.9%
11 – 12	20	20	20	15.5	0.8	20	18.8	0.9	20	20.7	1.0	20	21.8	1.1	20	22.8	1.1	-	34.8%
13 – 16	13	13	11	8.0	0.7	13	18.6	1.4	13	20.1	1.5	13	21.3	1.6	13	22.3	1.7	-	22.6%
17 – 22	2	2	2	2.5	1.3	2	4.3	2.2	2	4.9	2.4	2	5.1	2.6	2	5.4	2.7	-	3.5%

1. Rand million.

Productivity South Africa

Selected performance indicators

Table 31.26 Productivity South Africa performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Number of research reports and publications on priority sectors published and disseminated per year	Research, innovation and statistics		2	1	2	2	2	2	2
Number of jobs saved in companies facing economic distress per year	Business turnaround and recovery		3 030	7 697	4 983	3 350	3 750	3 950	4 244
Number of companies facing economic distress supported through turnaround strategies to retain jobs per year	Business turnaround and recovery		25	191	78	71	75	79	85
Number of workplace/future forum members trained and supported on productivity improvement solutions per year	Business turnaround and recovery		96	777	792	213	225	237	255
Number of small, medium and micro enterprises and other enterprises supported through competitiveness improvement services per year	Competitiveness improvement services	Priority 2: Economic transformation and job creation	3 686	1 546	1 522	1 252	1 252	1 252	1 252
Number of entrepreneurs, workers and managers supported to promote the culture of productivity per year	Competitiveness improvement services		927	2 849	2 314	2 400	2 600	2 800	3 000
Number of productivity champions supported to build awareness and promote a stronger culture of productivity in South Africa per year	Competitiveness improvement services		429	621	528	323	323	323	323

Entity overview

Productivity South Africa was established in terms of section 31 of the Employment Services Act (2014). In terms of the act, it is mandated to promote employment growth and productivity, and thereby contribute to South Africa's socioeconomic development and competitiveness. Over the medium term, the entity will focus on supporting the improvement of South Africa's competitiveness and the sustainability of enterprises – specifically small, medium, and micro enterprises – through its competitiveness improvement services, and business turnaround and recovery programme.

Cabinet has approved reductions on the department's transfer to the entity amounting to R13.6 million over the MTEF period. To mitigate the impact of the reductions, the entity plans to use its own revenue to cover expenditure and freeze vacancies that are not self-funded. It has implemented a financial turnaround and

sustainability strategy, which focuses on business development and expanding service offerings that are expected to generate additional revenue. Accordingly, revenue generated from sale of goods and services is expected to increase at an average annual rate of 11.5 per cent, from R41 million in 2023/24 to R56.9 million in 2026/27.

Total expenditure and revenue are expected to increase at an average annual rate of 5.4 per cent, from R167.6 million in 2023/24 to R196.4 million in 2026/27. The entity expects to receive 72.1 per cent (R400.8 million) of its revenue over the period ahead through transfers from the Department of Employment and Labour; the Department of Trade, Industry and Competition; and the Unemployment Insurance Fund.

Programmes/Objectives/Activities

Table 31.27 Productivity 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 (%)
	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
Administration	58.5	60.4	70.0	72.6	7.5%	57.9%	80.7	84.5	88.4	6.8%	44.5%
Research, innovation and statistics	8.6	8.9	8.4	8.9	1.4%	7.9%	9.1	9.5	9.9	3.6%	5.1%
Business turnaround and recovery	7.7	20.8	21.9	52.2	88.8%	19.8%	55.4	57.3	59.8	4.6%	30.7%
Competitiveness improvement services	9.3	9.9	19.9	33.9	54.0%	14.4%	35.0	36.6	38.3	4.2%	19.7%
Total	84.1	100.0	120.1	167.6	25.9%	100.0%	180.2	187.9	196.4	5.4%	100.0%

Statement of financial performance

Table 31.28 Productivity South Africa statement of financial performance

Statement of financial performance	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
R million											
Revenue											
Non-tax revenue	29.3	8.5	3.3	41.7	12.5%	15.7%	51.0	55.0	57.6	11.4%	27.9%
Sale of goods and services other than capital assets	28.6	8.0	2.4	41.0	12.8%	15.2%	50.4	54.3	56.9	11.5%	27.6%
Other non-tax revenue	0.7	0.5	0.9	0.7	-1.4%	0.6%	0.7	0.7	0.7	-	0.4%
Transfers received	79.9	95.2	106.2	125.9	16.4%	84.3%	129.1	132.9	138.8	3.3%	72.1%
Total revenue	109.1	103.7	109.5	167.6	15.4%	100.0%	180.2	187.9	196.4	5.4%	100.0%
Expenses											
Current expenses	84.1	100.0	120.1	167.6	25.9%	100.0%	180.2	187.9	196.4	5.4%	100.0%
Compensation of employees	62.7	74.9	82.7	91.2	13.3%	68.2%	98.1	102.7	107.4	5.6%	54.5%
Goods and services	19.5	24.0	34.7	73.7	55.8%	30.0%	79.5	82.5	86.1	5.3%	44.0%
Depreciation	1.9	1.1	2.7	2.7	13.1%	1.8%	2.5	2.7	2.8	1.3%	1.5%
Interest, dividends and rent on land	0.0	0.0	0.1	0.1	336.2%	-	0.0	0.1	0.1	-13.9%	-
Total expenses	84.1	100.0	120.1	167.6	25.9%	100.0%	180.2	187.9	196.4	5.4%	100.0%
Surplus/(Deficit)	25.1	3.7	(10.6)	-	-100.0%		-	-	-	-	

Personnel information

Table 31.29 Productivity South Africa personnel numbers and cost by salary level

Number of posts estimated for 31 March 2024			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 approved establishment posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate										
			2022/23		2023/24		2024/25		2025/26		2026/27		2023/24 - 2026/27						
Productivity South Africa			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	108	108	98	82.7	0.8	108	91.2	0.8	107	98.1	0.9	107	102.7	1.0	107	107.4	1.0	-0.3%	100.0%
1 – 6	3	3	4	4.0	1.0	3	4.2	1.4	3	4.6	1.5	3	4.8	1.6	3	5.0	1.7	-	2.8%
7 – 10	59	59	54	32.4	0.6	59	37.1	0.6	56	38.6	0.7	56	40.5	0.7	56	42.3	0.8	-1.7%	52.9%
11 – 12	26	26	24	23.8	1.0	26	23.6	0.9	25	24.0	1.0	25	25.1	1.0	25	26.3	1.1	-1.3%	23.5%
13 – 16	20	20	16	22.5	1.4	20	26.3	1.3	23	30.9	1.3	23	32.3	1.4	23	33.8	1.5	4.8%	20.8%

1. Rand million.

Unemployment Insurance Fund

Selected performance indicators

Table 31.30 Unemployment Insurance Fund performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets			
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	
Percentage of valid unemployment benefit claims with complete, accurate and verified information approved or rejected within the specified timeframe per year	Business operations	Priority 4: Consolidating the social wage through reliable and quality basic services	87% within 15 working days (855 082/ 984 500)	94% within 15 working days (1 058 483/ 1 131 787)	89% within 15 working days (925 543/ 1 039 973)	92% within 15 working days	95% within 15 working days	97% within 15 working days	97% within 15 working days	
Percentage of valid in-service benefit claims with complete, accurate and verified information approved or rejected within the specified timeframe per year	Business operations		86% within 10 working days (90 119/ 105 189)	93% within 10 working days (124 642/ 133 544)	92% within 10 working days (101 021/ 118 816)	92% within 10 working days	95% within 7 working days	97% within 5 working days	97% within 5 working days	
Percentage of valid deceased benefit claims with complete, accurate and verified information approved or rejected within the specified timeframe per year	Business operations		85% within 20 working days (11 284/ 13 212)	97% within 20 working days (15 058/ 15 516)	92% within 20 working days (9 721/ 10 499)	92% within 20 working days	95% within 10 working days	100% within 10 working days	100% within 10 working days	
Number of beneficiaries participating in employability programmes per year	Labour activation programmes	Priority 2: Economic transformation and job creation	5 419	10 202	8 457	75 000	80 000	85 000	85 000	
Percentage of approved temporary employer/ employee relief scheme applications paid within specified timeframes per year	Labour activation programmes		23% (3/13)	7% (2/27)	90% within 20 working days	90% within 20 working days	90% within 20 working days	92% within 20 working days	92% within 20 working days	

Entity overview

The Unemployment Insurance Fund is mandated to alleviate poverty by providing effective short-term unemployment insurance to all workers who qualify for unemployment and related benefits, as legislated in the Unemployment Insurance Act (2001). Over the medium term, the fund will focus on providing social insurance benefits and improving coverage to vulnerable groups and contributors.

The fund's primary operations include registering employers and employees, collecting contributions from employers, and paying benefit claims to eligible contributors. The architectural and organisational review and the integrated claims management system projects that are under way within the department should enable the fund to institute improved systems and capabilities. This is expected to result in updated employer and employee registers and linked systems for the lodging and payment of claims within shorter turnaround times. As a result, the fund plans to pay 97 per cent of all approved claims within 15 working days by 2026/27 at an estimated cost of R84.7 billion over the medium term.

The 126 labour centres across all provinces have traditionally been the main channel through which the fund services clients. Over the period ahead, the fund plans to enhance the functionality and capabilities of its mobile applications to provide a range of services that are expected to alleviate queues in labour centres, among other things. To enhance the capabilities of labour centres over the medium term, the fund plans to deploy mobile buses with kiosks in KwaZulu-Natal, Gauteng and North West.

Through its temporary employer/employee relief scheme, the fund provides support to distressed businesses that seek to retain their employees. On behalf of the fund, the Commission for Conciliation, Mediation and Arbitration is responsible for the administration of the scheme and adjudicating applications. Under the scheme, 75 per cent of an employee's basic salary, up to a maximum of R17 119.44 per month, is funded for a maximum of 12 months. In 2024/25, the fund plans to finalise 90 per cent of all valid normal applications received within 20 working days.

Through its flagship labour activation programme, the fund aims to enhance the employability of 250 000 participants over the MTEF period by placing them in training and/or job opportunities at a projected cost of R14.8 billion. By the end of the training or placement contract period, these recruits are expected to be placed in job opportunities.

Total expenditure is expected to amount to R112.9 billion, increasing at an average annual rate of 8.1 per cent, from R32 billion in 2023/24 to R40.4 billion in 2026/27. Benefit payouts account for an estimated 74.6 per cent (R84.7 billion) of the fund's expenditure over the next 3 years.

The fund expects to derive 68 per cent (R80.1 billion) of its revenue over the period ahead through contributions from employees and employers, as legislated by the Unemployment Insurance Contributions Act (2002). The remaining income is set to be received through interest on investments. Total revenue is expected to increase at an average annual rate of 4.7 per cent, from R35.8 billion in 2023/24 to R41.1 billion in 2026/27.

Programmes/Objectives/Activities

Table 31.31 Unemployment Insurance Fund expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
R million					2020/21 - 2023/24					2023/24 - 2026/27	
Administration	12 907.0	1 599.1	5 177.8	5 499.5	-24.8%	14.5%	5 661.1	5 893.2	6 134.3	3.7%	16.1%
Business operations	80 202.4	24 606.4	18 596.6	23 297.6	-33.8%	81.4%	25 418.1	26 594.4	28 387.6	6.8%	71.6%
Labour activation programmes	593.5	854.1	617.9	3 228.6	75.9%	4.1%	3 961.5	4 914.4	5 917.3	22.4%	12.3%
Total	93 702.9	27 059.6	24 392.3	32 025.8	-30.1%	100.0%	35 040.7	37 402.0	40 439.3	8.1%	100.0%

Statements of financial performance, cash flow and financial position

Table 31.32 Unemployment Insurance Fund statements of financial performance, cash flow and financial position

Statement of financial performance												
R million	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24	2024/25	2025/26	2026/27	2023/24 - 2026/27			
Revenue												
Non-tax revenue	36 554.3	12 875.5	10 699.1	11 451.5	-32.1%	41.3%	11 991.4	12 555.0	13 143.3	4.7%	32.0%	
Sale of goods and services other than capital assets	27.2	728.7	170.9	28.9	2.0%	0.7%	30.2	31.7	33.1	4.7%	0.1%	
Other sales	23.5	724.3	165.1	23.3	-0.2%	0.6%	24.5	25.6	26.8	4.7%	0.1%	
Other non-tax revenue	36 527.0	12 146.8	10 528.3	11 422.7	-32.1%	40.6%	11 961.1	12 523.3	13 110.2	4.7%	31.9%	
Transfers received	18 500.7	23 610.6	23 342.5	24 326.5	9.6%	58.7%	25 494.2	26 692.4	27 920.2	4.7%	68.0%	
Total revenue	55 055.0	36 486.1	34 041.7	35 778.0	-13.4%	100.0%	37 485.5	39 247.4	41 063.5	4.7%	100.0%	
Expenses												
Current expenses	14 577.4	3 606.6	7 238.7	8 467.6	-16.6%	21.3%	9 052.2	9 395.6	9 713.1	4.7%	25.4%	
Compensation of employees	1 482.4	1 507.8	1 596.4	2 225.8	14.5%	5.2%	2 525.6	2 562.2	2 562.2	4.8%	6.8%	
Goods and services	13 073.1	2 076.5	5 634.3	6 198.0	-22.0%	16.0%	6 487.3	6 792.2	7 107.8	4.7%	18.4%	
Depreciation	21.9	22.4	8.0	43.8	26.0%	0.1%	39.4	41.3	43.2	-0.5%	0.1%	
Transfers and subsidies	79 125.5	23 453.0	17 153.6	23 558.2	-33.2%	78.7%	25 988.5	28 006.4	30 726.2	9.3%	74.6%	
Total expenses	93 702.9	27 059.6	24 392.3	32 025.8	-30.1%	100.0%	35 040.7	37 402.0	40 439.3	8.1%	100.0%	
Surplus/(Deficit)	(38 648.0)	9 426.5	9 649.4	3 752.2	-146.0%		2 444.8	1 845.4	624.2	-45.0%		
Cash flow statement												
Cash flow from operating activities	(50 405.9)	(4 737.4)	5 406.1	137.0	-114.0%	100.0%	(1 647.6)	(2 798.2)	(4 201.9)	-413.1%	100.0%	
Receipts												
Non-tax receipts	201.6	1 036.0	823.0	563.3	40.8%	2.8%	590.3	618.1	646.5	4.7%	2.3%	
Sales of goods and services other than capital assets	0.0	4.4	5.8	28.9	846.9%	-	30.2	31.7	33.1	4.7%	0.1%	
Other sales	0.0	-	-	23.3	782.2%	-	24.5	25.6	26.8	4.7%	0.1%	
Other tax receipts	201.6	1 031.6	817.2	534.4	38.4%	2.8%	560.1	586.4	613.4	4.7%	2.1%	
Transfers received	18 870.9	21 476.1	23 581.2	24 326.5	8.8%	97.2%	25 494.2	26 692.4	27 920.2	4.7%	97.7%	
Total receipts	19 072.5	22 512.1	24 404.2	24 889.8	9.3%	100.0%	26 084.5	27 310.5	28 566.7	4.7%	100.0%	
Payment												
Current payments	2 956.2	3 793.9	2 782.3	5 220.4	20.9%	13.5%	5 670.6	5 855.0	6 006.5	4.8%	19.8%	
Compensation of employees	1 487.8	1 508.7	1 598.1	2 225.8	14.4%	6.3%	2 525.6	2 562.2	2 562.2	4.8%	8.6%	
Goods and services	1 468.4	2 285.2	1 184.2	2 994.7	26.8%	7.2%	3 145.1	3 292.9	3 444.3	4.8%	11.2%	
Interest and rent on land	-	-	-	0.0	-	-	0.0	0.0	0.0	7.7%	-	
Transfers and subsidies	66 522.2	23 455.6	16 215.8	19 532.4	-33.5%	86.5%	22 061.5	24 253.7	26 762.1	11.1%	80.2%	
Total payments	69 478.4	27 249.4	18 998.1	24 752.8	-29.1%	100.0%	27 732.1	30 108.7	32 768.6	9.8%	100.0%	
Net cash flow from investing activities	70 018.3	(9 484.5)	(11 731.1)	21 534.5	-32.5%	100.0%	22 497.8	24 327.4	25 507.2	5.8%	100.0%	
Acquisition of property, plant, equipment and intangible assets	(6.4)	(1.4)	-	(523.4)	333.0%	-0.6%	(592.8)	-	-	-100.0%	-1.3%	
Investment property	(189.3)	(286.9)	(113.6)	(613.1)	47.9%	0.2%	(640.3)	(622.1)	(600.7)	-0.7%	-2.7%	
Acquisition of software and other intangible assets	(175.9)	(8.4)	(0.6)	(20.0)	-51.6%	-0.1%	(63.0)	-	-	-100.0%	-0.1%	
Other flows from investing activities	70 390.0	(9 187.7)	(11 616.9)	22 691.0	-31.4%	100.4%	23 794.0	24 949.4	26 107.9	4.8%	104.0%	
Net increase/(decrease) in cash and cash equivalents	19 612.5	(14 221.9)	(6 325.0)	21 671.4	3.4%	2.5%	20 850.2	21 529.2	21 305.3	-0.6%	100.0%	
Statement of financial position												
Carrying value of assets	610.8	598.6	626.0	516.8	-5.4%	0.5%	540.1	567.1	593.2	4.7%	0.4%	
<i>of which:</i>												
Acquisition of assets	(6.4)	(1.4)	-	(523.4)	333.0%	-	(592.8)	-	-	-100.0%	-	
Investments	92 369.8	112 908.1	130 145.1	122 583.0	9.9%	89.8%	125 680.5	128 763.4	134 686.6	3.2%	94.9%	
Receivables and prepayments	2 154.4	2 799.5	2 633.9	2 304.6	2.3%	1.9%	2 408.3	2 528.7	2 645.0	4.7%	1.8%	
Cash and cash equivalents	23 110.6	8 888.7	2 563.7	3 627.6	-46.1%	7.8%	3 790.9	3 980.4	4 163.5	4.7%	2.9%	
Total assets	118 245.6	125 194.8	135 968.7	129 032.1	3.0%	100.0%	132 419.7	135 839.7	142 088.3	3.3%	100.0%	
Accumulated surplus/(deficit)	35 432.8	57 976.8	68 542.0	62 083.9	20.6%	43.7%	64 575.0	66 953.9	70 033.8	4.1%	48.9%	
Capital and reserves	59 482.1	46 613.6	45 697.7	47 025.0	-7.5%	39.4%	47 025.0	47 025.0	49 188.2	1.5%	35.3%	
Borrowings	0.0	0.0	-	-	-100.0%	-	-	-	-	-	-	
Finance lease	3.4	-	-	-	-100.0%	-	-	-	-	-	-	
Trade and other payables	1 214.6	608.3	771.3	655.8	-18.6%	0.6%	685.3	719.6	752.7	4.7%	0.5%	
Benefits payable	22 091.2	41.5	116.3	19 233.4	-4.5%	8.4%	20 098.9	21 103.8	22 074.6	4.7%	15.3%	
Provisions	21.5	19 954.7	20 841.3	34.0	16.5%	7.8%	35.5	37.3	39.0	4.7%	-	
Total equity and liabilities	118 245.6	125 194.8	135 968.7	129 032.1	3.0%	100.0%	132 419.7	135 839.7	142 088.3	3.3%	100.0%	

Personnel information

Table 31.33 Unemployment Insurance Fund personnel numbers and cost by salary level

Number of posts estimated for 31 March 2024		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											
		2022/23			2023/24			2024/25		2025/26		2026/27		2023/24 - 2026/27					
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		Number	Cost	Unit cost		
Unemployment Insurance Fund		3 507	1 596.4	0.5	3 507	2 225.8	0.6	3 507	2 525.6	0.7	3 507	2 562.2	0.7	3 507	2 562.2	0.7	-	100.0%	
Salary level																			
1 – 6	2 187	1 492	2 187	618.9	0.3	2 187	1 137.2	0.5	2 187	1 333.1	0.6	2 187	1 369.6	0.6	2 187	1 369.6	0.6	-	62.4%
7 – 10	1 152	2 090	1 152	770.0	0.7	1 152	836.3	0.7	1 152	911.9	0.8	1 152	911.9	0.8	1 152	911.9	0.8	-	32.8%
11 – 12	133	191	133	146.2	1.1	133	180.1	1.4	133	192.7	1.4	133	192.7	1.4	133	192.7	1.4	-	3.8%
13 – 16	35	42	35	61.3	1.8	35	72.1	2.1	35	87.9	2.5	35	87.9	2.5	35	87.9	2.5	-	1.0%

1. Rand million.

