

# Financial statistics of consolidated general government for the fiscal year 2014/2015



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24 November 2016



@StatsSA  
#StatsSA

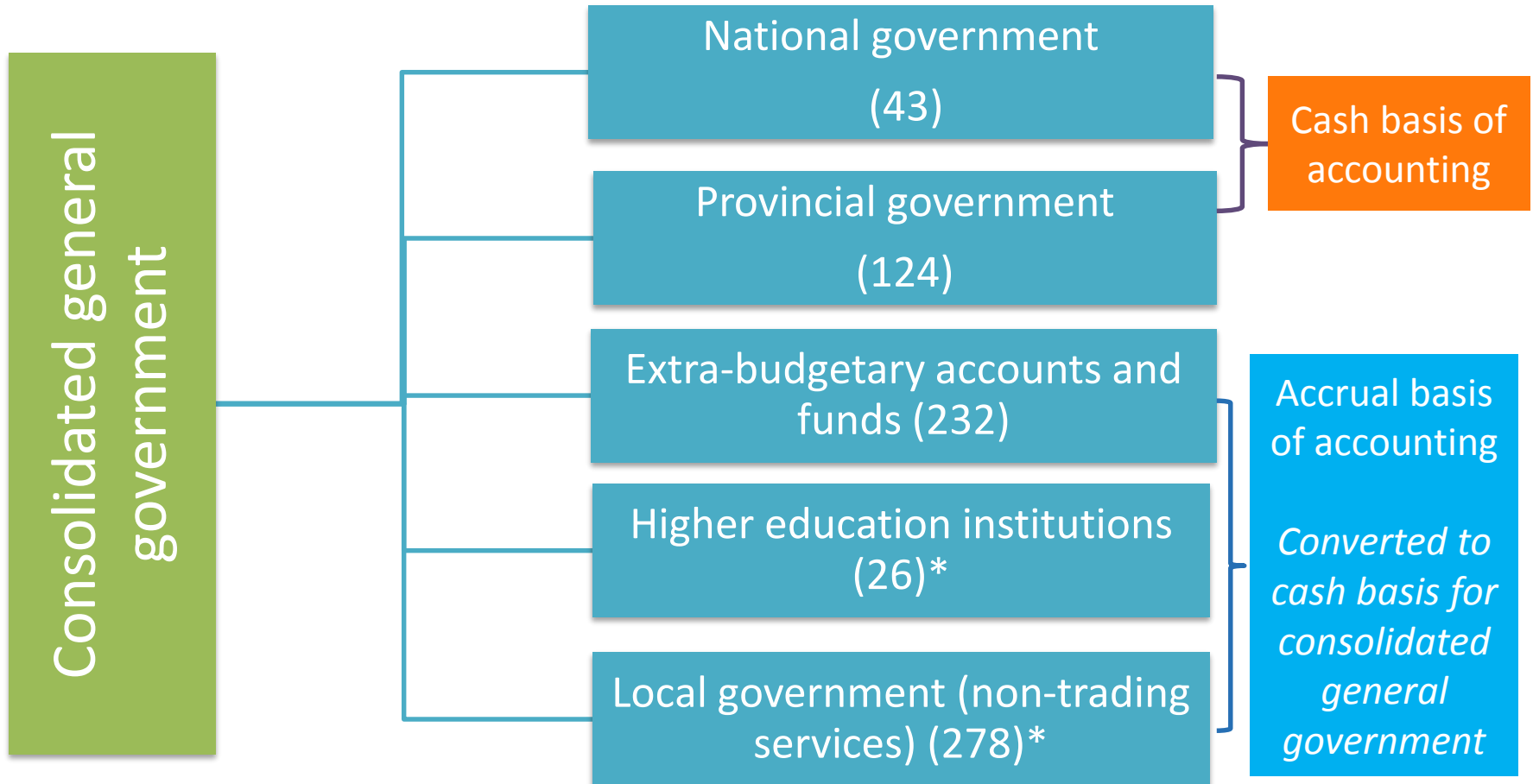
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- a. Background and technical issues
- b. Economic and functional classification
- c. Receipts
- d. Payments
- e. Capex
- f. Closing remarks

## What is this publication about?

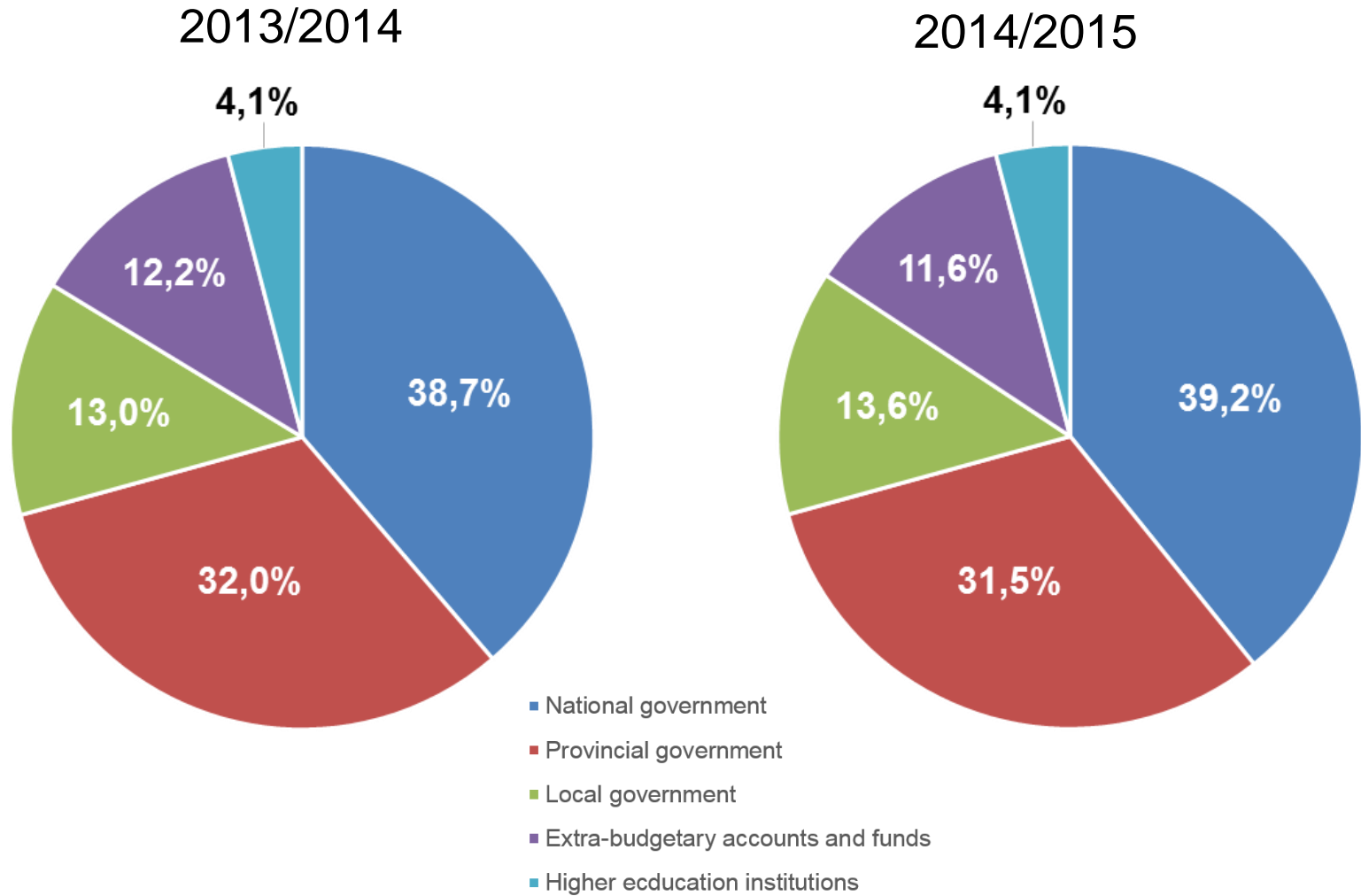
- ❖ Each level/sphere: has separate publications. These show what happens at that level (national, provincial, extra-budgetary accounts, municipalities, HEI).
- ❖ This publication eliminates double-counting between general government institutions (mainly transfers).
- ❖ It provides a consolidated picture of general government finances for a fiscal year (in this case: 1 April 2014 – 31 March 2015).
- ❖ It provides a clearer picture of the state of finances in the form of a cash flow statement of all levels of general government.
- ❖ Users of the data can see the net economic and functional impact of government spending on the economy.

# Reporting units for different types of general government institutions

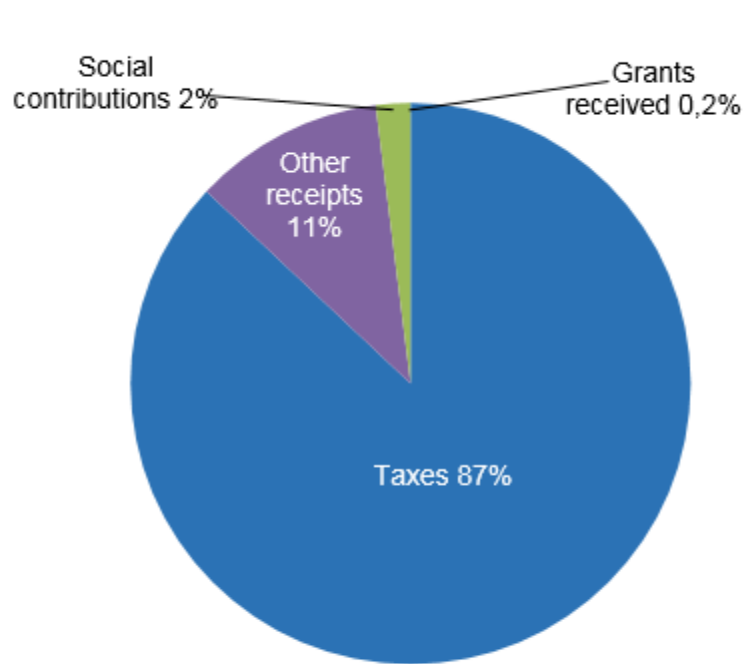


\* HEI & LGI: adjusted for the fiscal year ended 31 March 2015

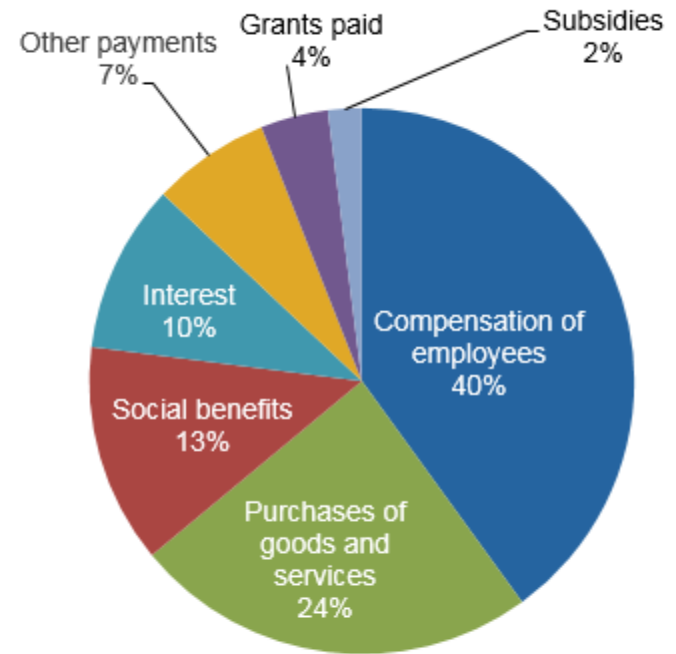
# Contribution of different levels of general government to the total consolidated cash payments: 2013/2014 and 2014/2015



# General government receipts and payments 2014/2015



**Receipts**  
(R1 224 billion)



**Payments**  
(R1 274 billion)



# Economic classification

Economic classification is in general the **nature and economic effect** of government operations on the economy of a country.

Some categories of economic classification:

- Taxes
- Social contributions
- Compensation of employees
- Purchases of goods and services
- Interest
- Subsidies
- Grants
- Social benefits
- Other payments\*

\* *Other payments include: transfers to households and NPISH (Non-Profit Institutions Serving Households)*

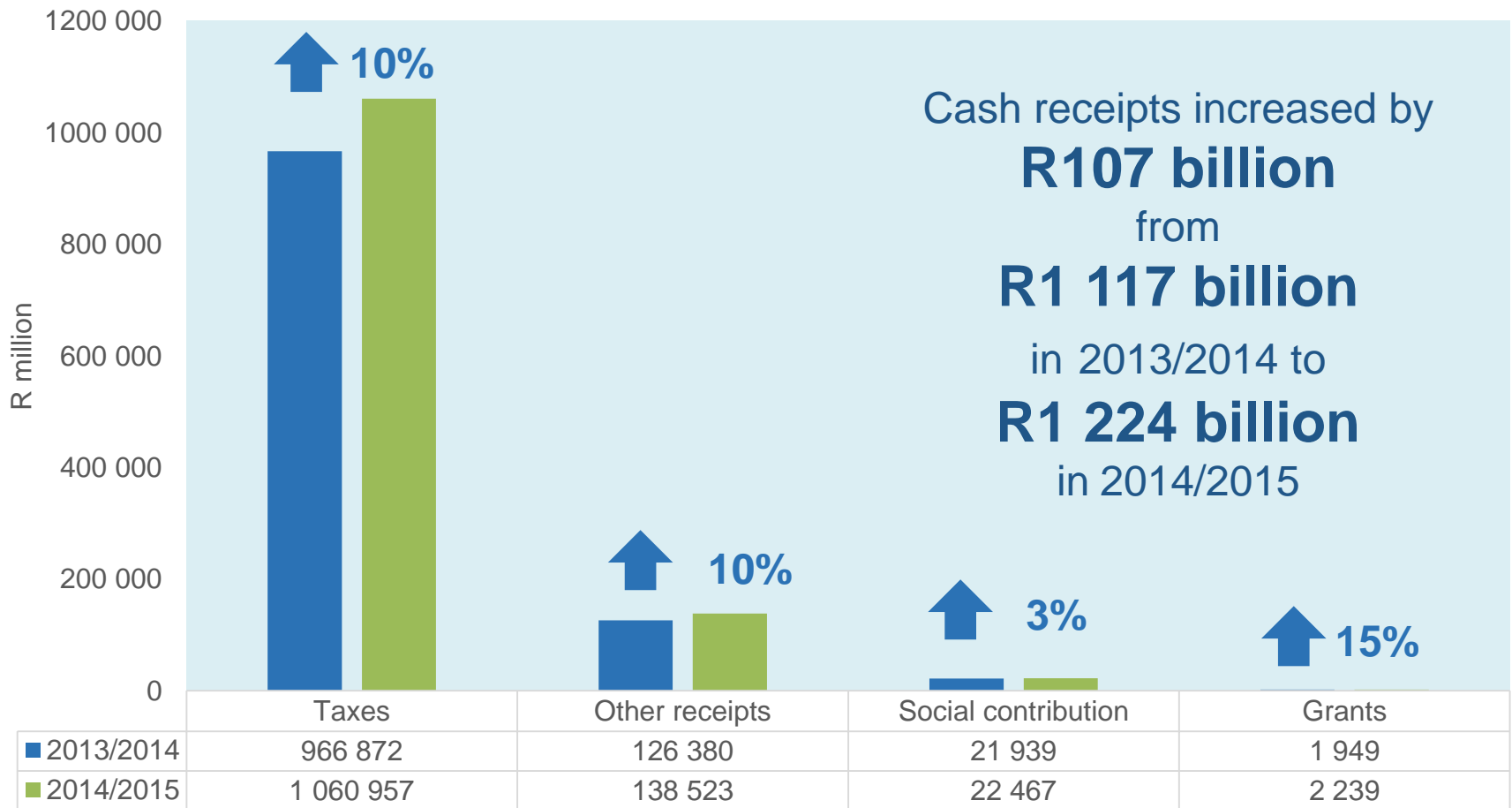




# Receipts

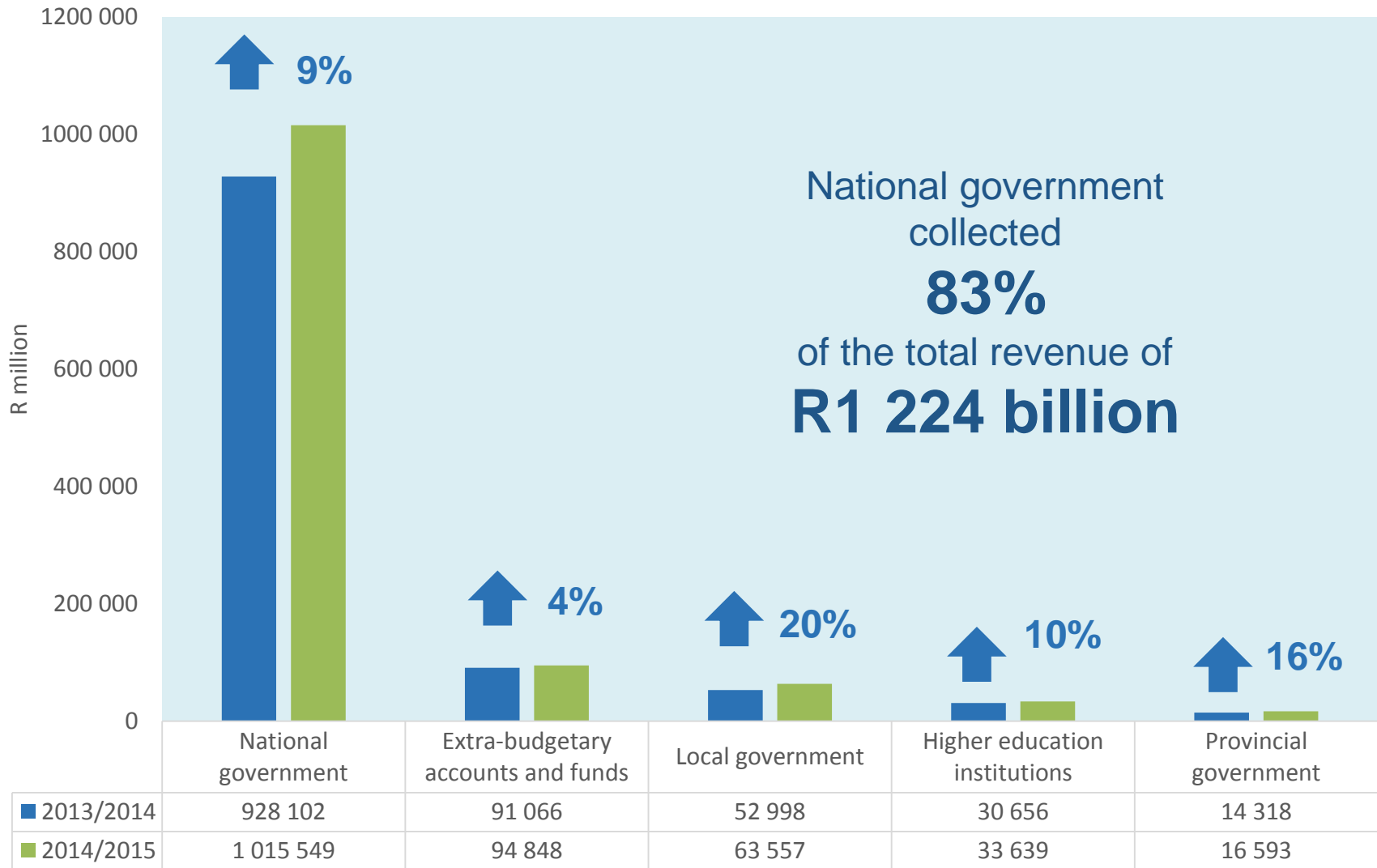


## Contributors to cash receipts: 2013/2014 and 2014/2015 (Rm)

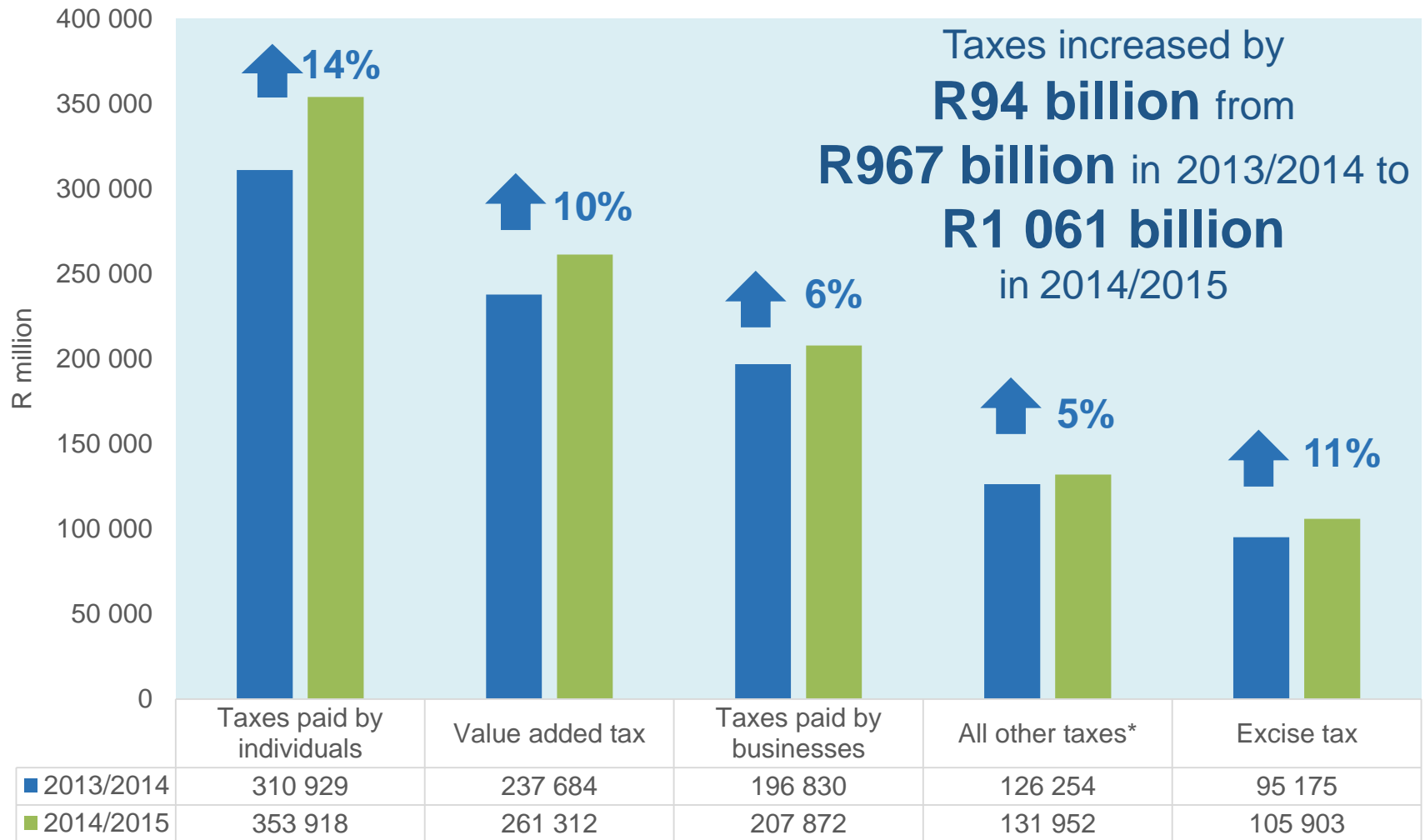


\* Other receipts mainly includes sales of goods and services, property income

# Revenue by type of general government institution: 2013/2014 and 2014/2015 (Rm)

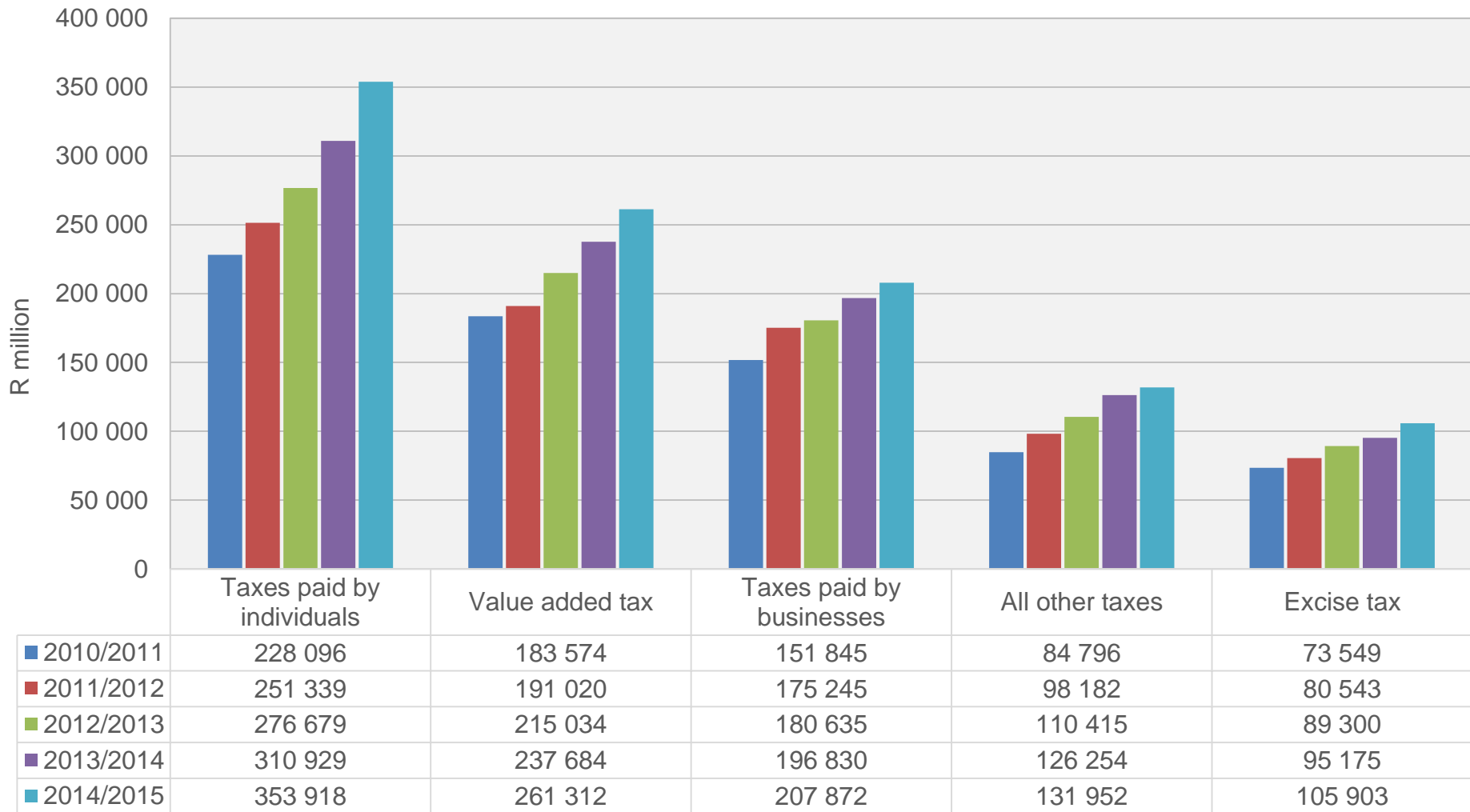


# Taxes collected by general government during 2013/2014 and 2014/2015 (Rm)



\* All other taxes mainly includes taxes on property, taxes on international trade and transactions

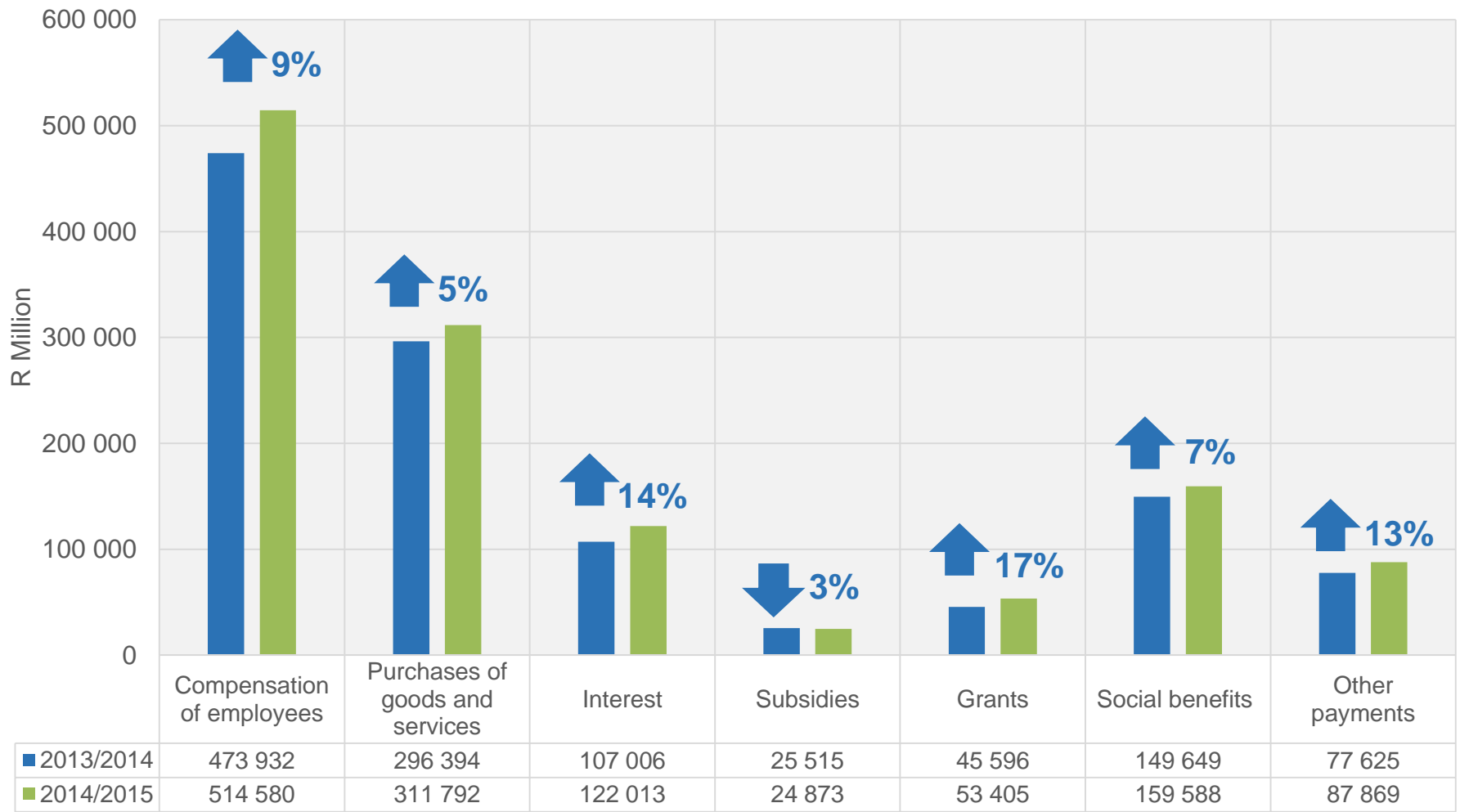
# Types of taxes collected by general government: 2010/2011 -2014/2015 (Rm)



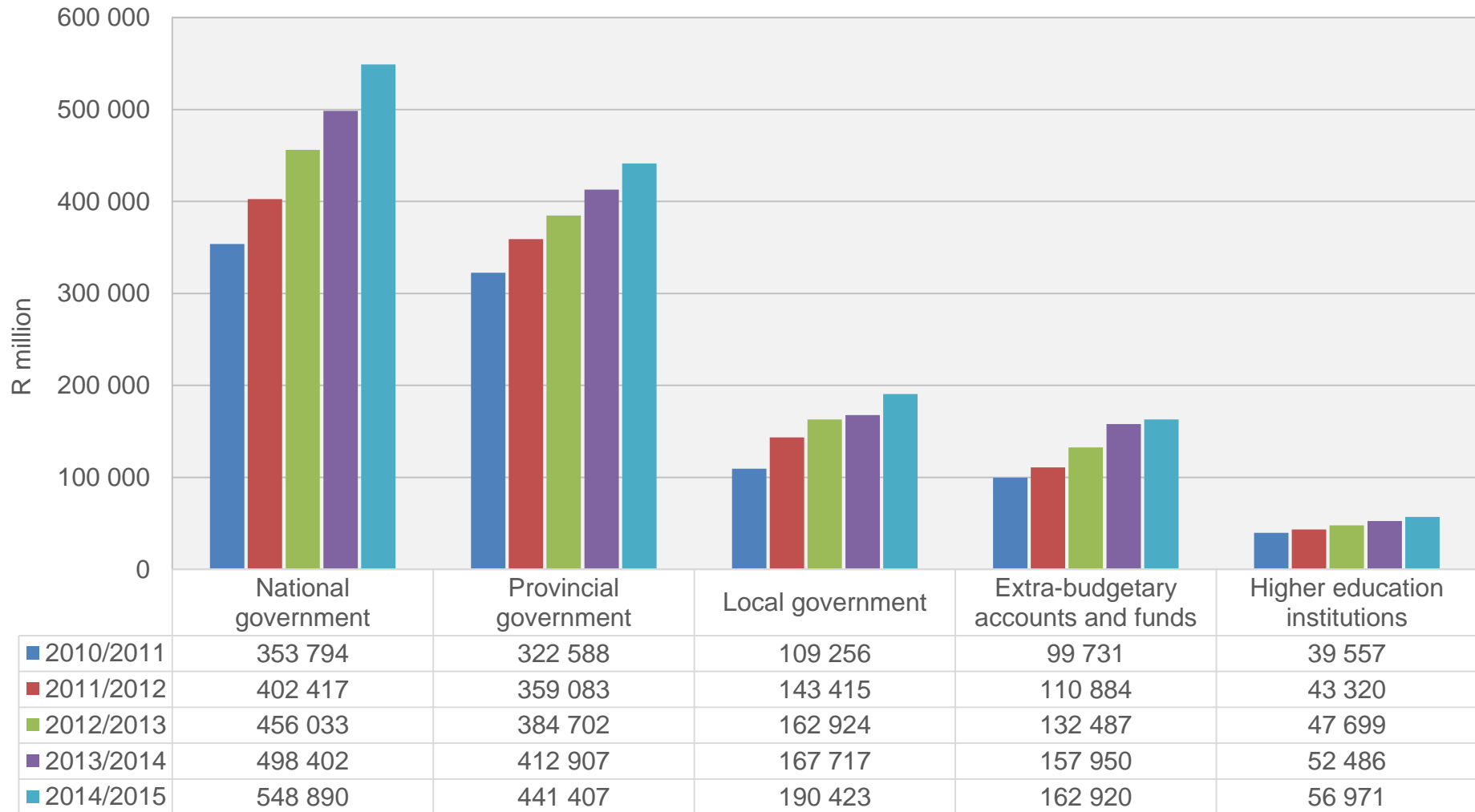
The background of the slide features a close-up, shallow depth-of-field photograph of a calculator and a document. The calculator is on the left, with keys for '+', '=', '3', '6', '9', and 'x' visible. The document on the right contains several lines of numbers, some with plus signs, suggesting a list of payments or a calculation. A silver pen is also visible, resting on the document.

# Payments

# Economic classification of cash payments for operating activities for 2013/2014 and 2014/2015

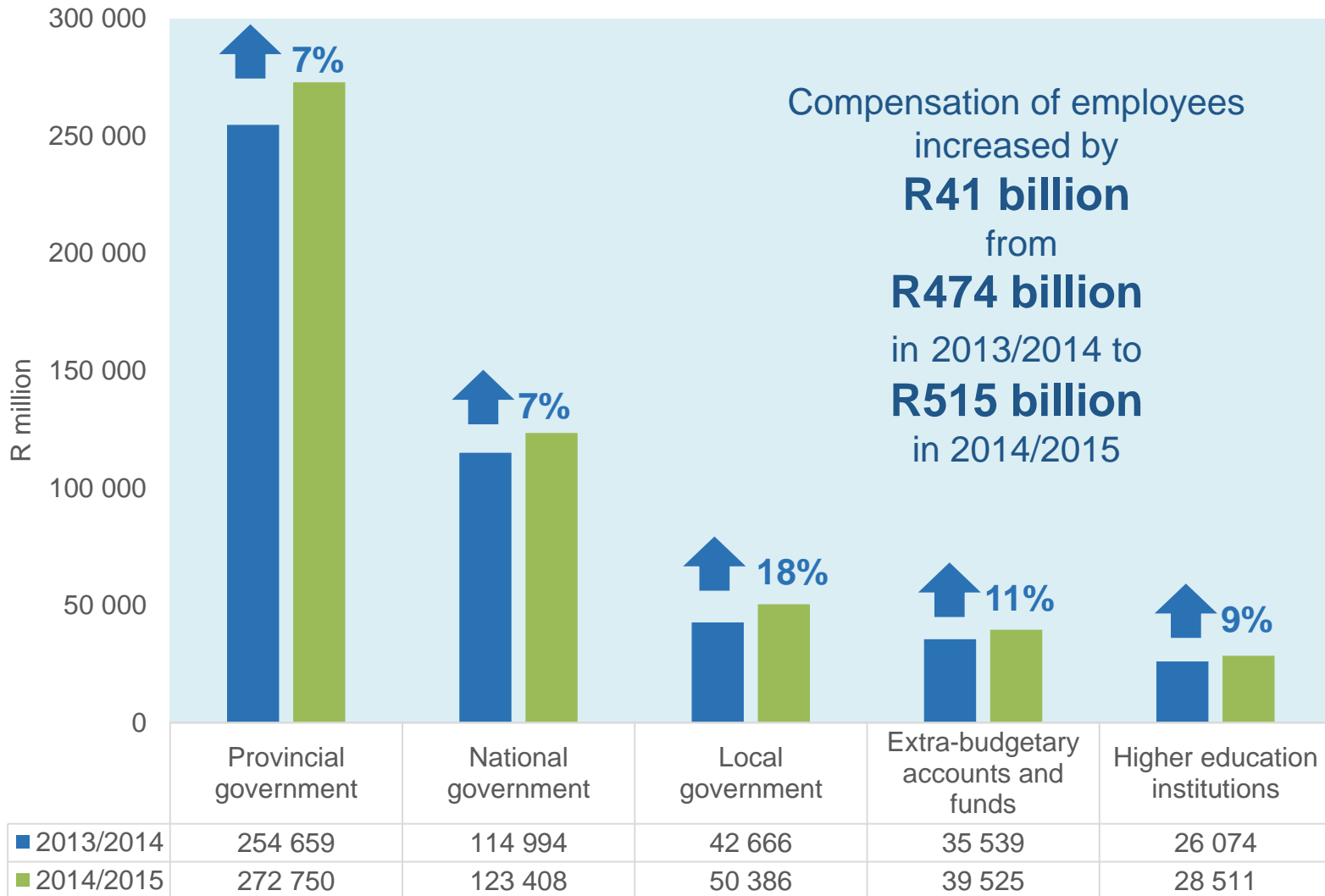


# Contribution by different type of general government institution to the total consolidated cash payments: 2010/2011 – 2014/2015 (Rm)

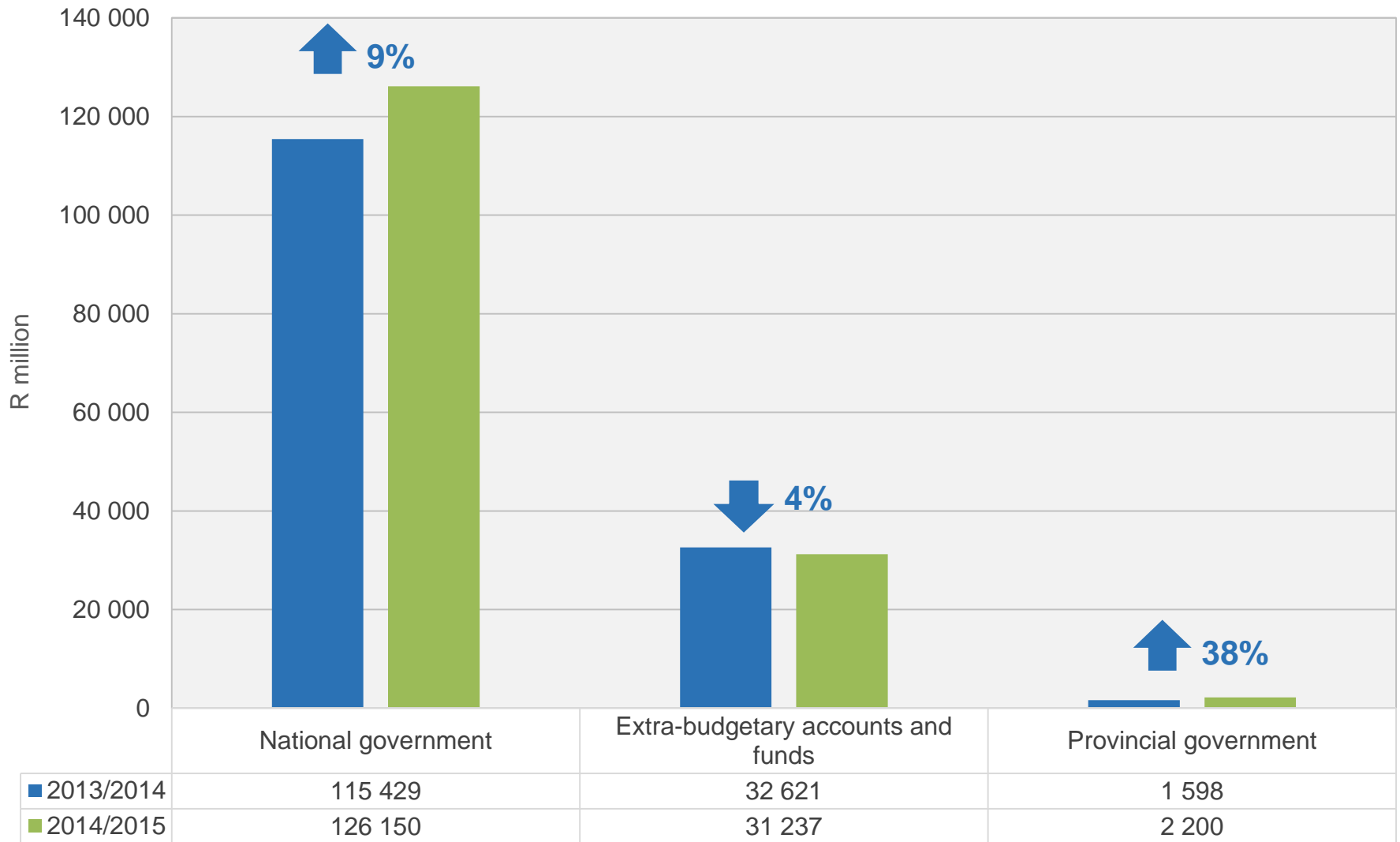




# Compensation of employees by type of general government institutions: 2013/2014 and 2014/2015



## Social benefits by type of general government institutions: 2013/2014 and 2014/2015 (Rm)



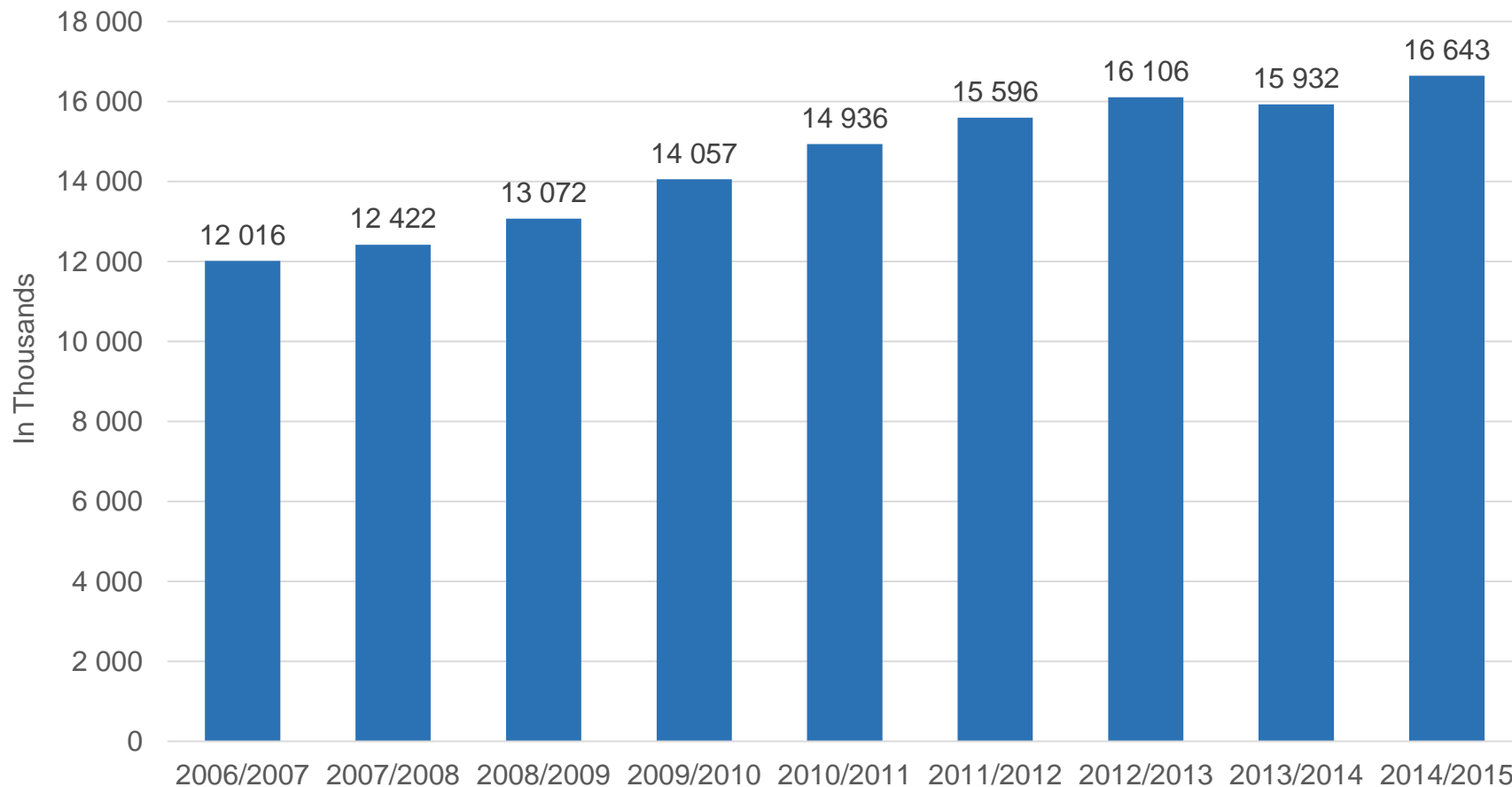
## Irregular, Fruitless & Wasteful, Unauthorised expenditure

<b>Year</b>	<b>2010/2011</b>	<b>2011/2012</b>	<b>2012/2013</b>	<b>2013/2014</b>	<b>2014/2015</b>	<b>2015/2016</b>
<b>Expenditure type</b>	<b>R million</b>					
<b>Irregular expenditure</b>	<b>19 159</b>	<b>26 576</b>	<b>27 531</b>	<b>33 315</b>	<b>26 023</b>	<b>46 363</b>
<b>Fruitless and wasteful</b>	<b>1 300</b>	<b>1 494</b>	<b>2 426</b>	<b>1 197</b>	<b>1 041</b>	<b>1 366</b>
<b>Unauthorised</b>	<b>2 641</b>	<b>1 952</b>	<b>2 284</b>	<b>1 875</b>	<b>1 248</b>	<b>925</b>
<b>Total</b>	<b>23 100</b>	<b>30 022</b>	<b>32 241</b>	<b>36 387</b>	<b>28 312</b>	<b>48 654</b>

Source: www.agsa.co.za: Media release, 16 November 2016; PFMA 2015/2016 Consolidated general reports, 2012/2013, 2014/2015 and 2015/2016

# Beneficiaries of Social grant\* per type: 2006/2007 – 2014/2015

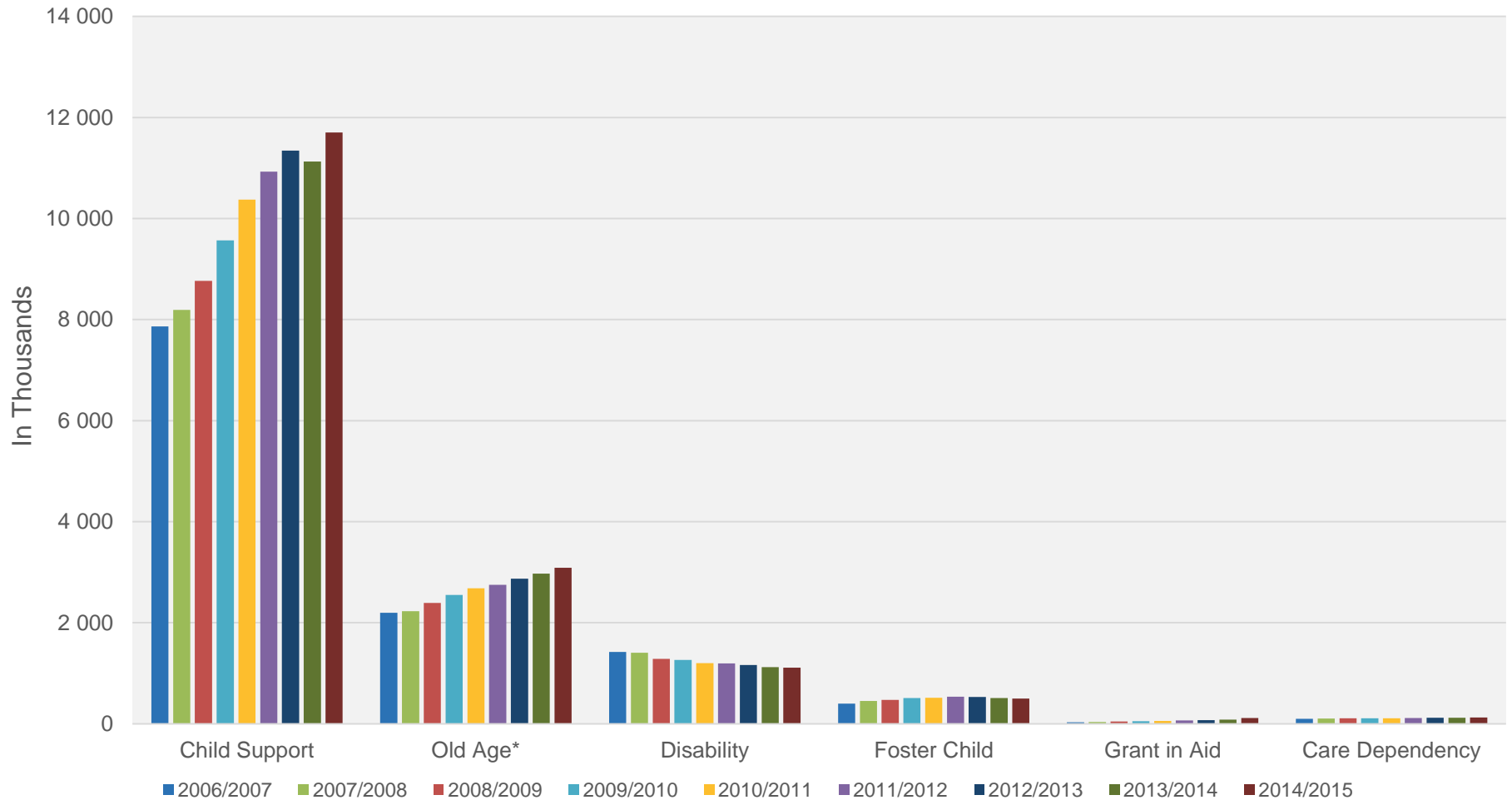
Total number of beneficiaries for social protection only



\* Only that paid by Dept of Social Development (SASSA)

Source: Dept of Social Development (SASSA)

# Beneficiaries of Social grant per type: 2006/2007 – 2014/2015



\* Old Age grant include grant to war veterans

Source: Dept of Social Development (SASSA)

# Indigent household

- These are poor households as determined by municipalities.
- The basis on which a municipality determines if a household is indigent (and the criteria used for such determination) can vary.
- Not necessarily consistent across municipalities, even in same province.

# Indigent households in each province and services they receive: 2015

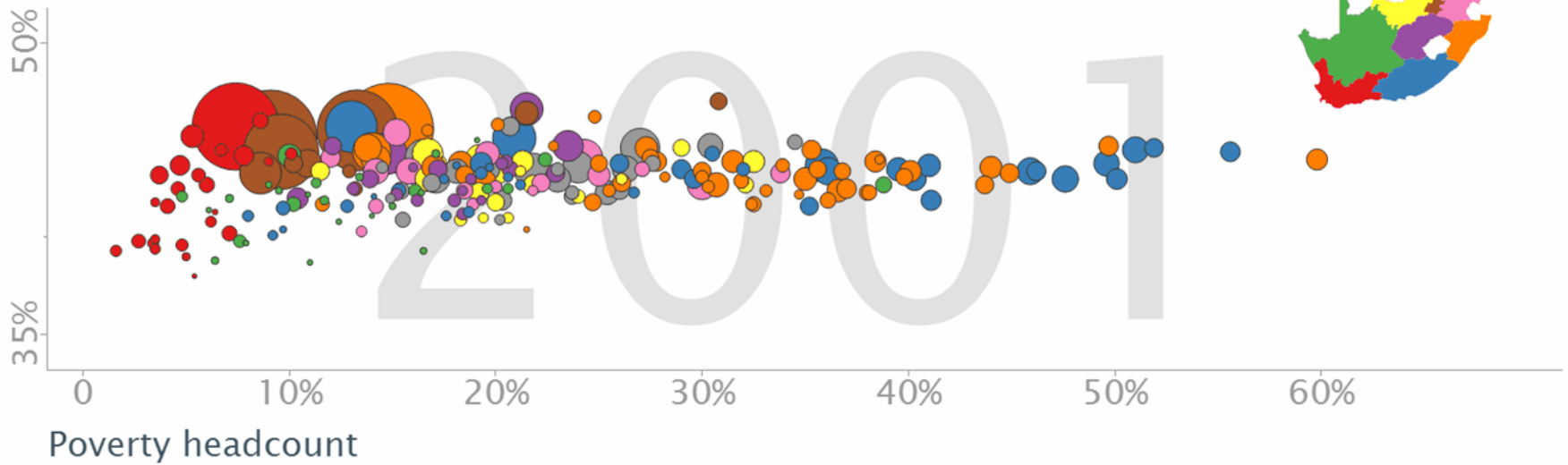
	WC	EC	NC	FS	KZN	NW	GP	MP	LP
<b>Identified</b> 	360 238	843 181	76 458	165 333	735 041	172 322	689 859	126 405	401 765
<b>Benefitting</b> 	 359 334	543 739	70 302	133 874	599 696	114 373	292 991	121 952	183 693
	 356 521	329 900	68 527	133 685	231 679	153 162	689 018	121 112	158 289
	 354 145	541 507	64 524	133 958	413 690	87 162	300 351	90 655	108 843
	 353 424	223 940	64 327	133 947	648 403	88 713	360 154	90 827	94 082

**3,6 million** indigent households



### Poverty by municipalities

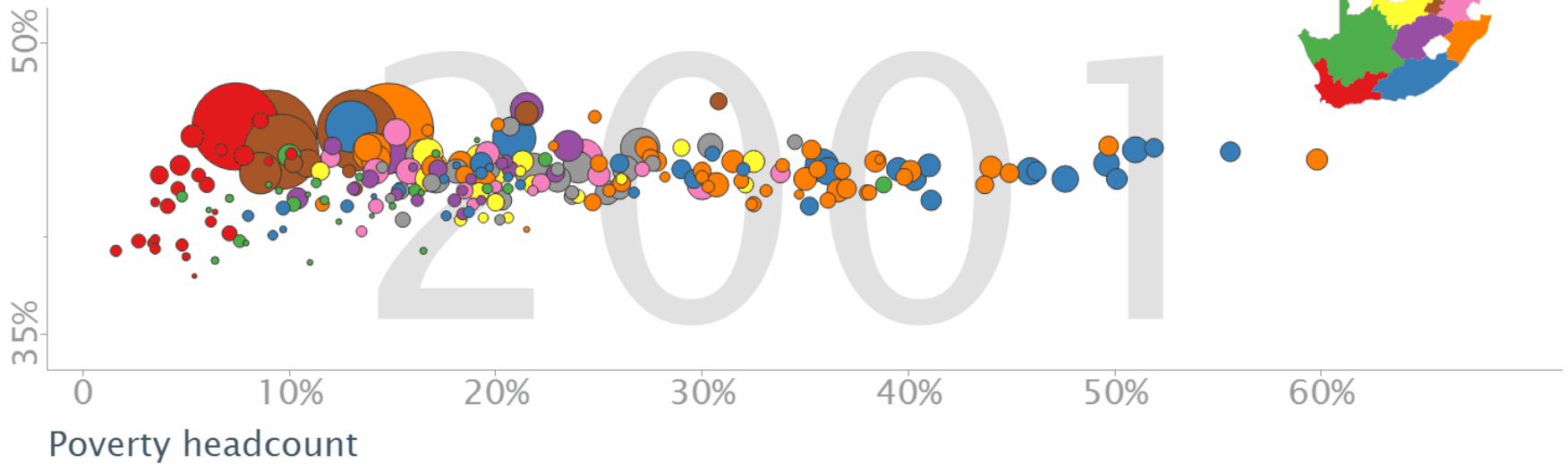
Poverty intensity





### Poverty by municipalities

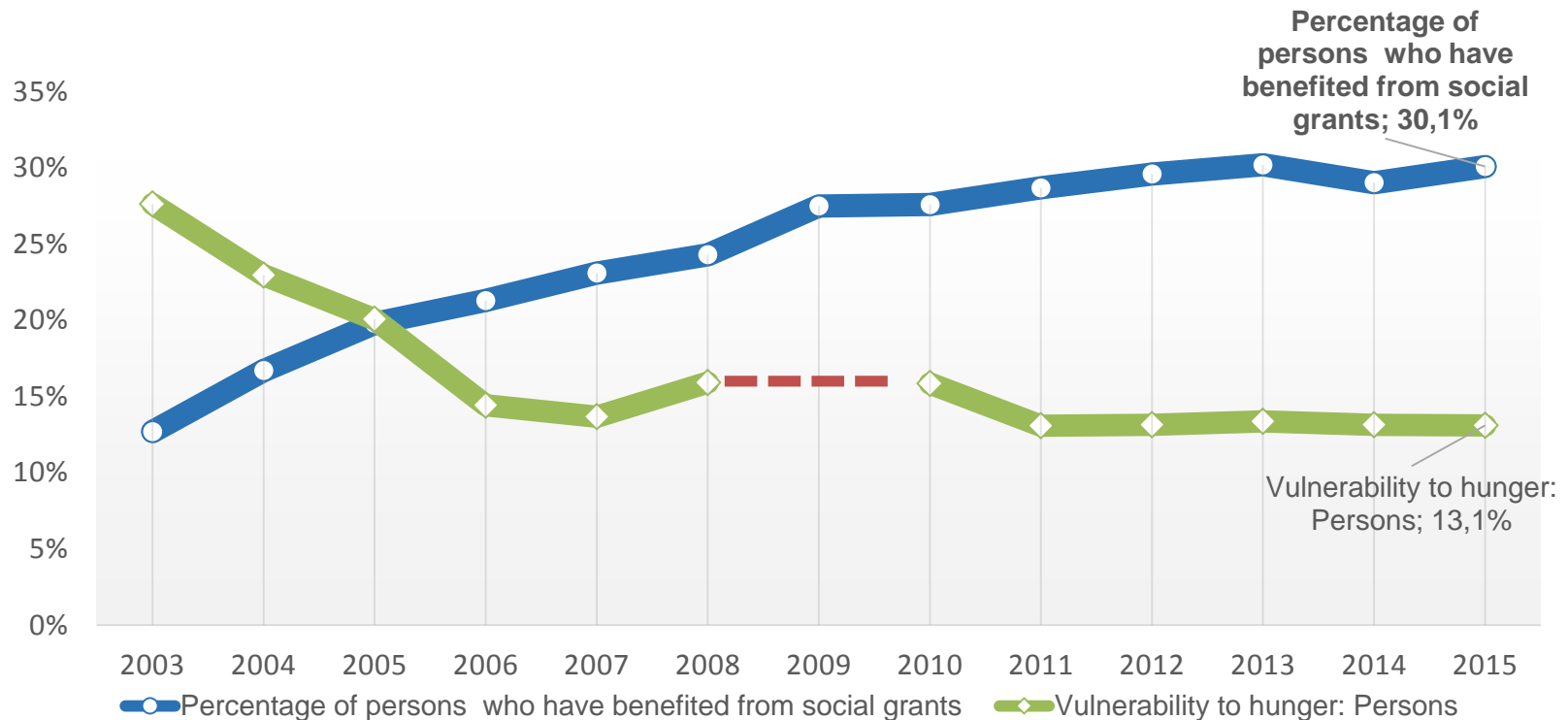
Poverty intensity



Animated slide showing poverty movements between 2001 and 2016

# Social Grant and Self Declared Hunger

The percentage of households that were vulnerable to hunger declined from 23,8% in 2002 to 11,3% in 2015, including a spell during which the percentage increased to 16% in 2008 before continuing its decline.

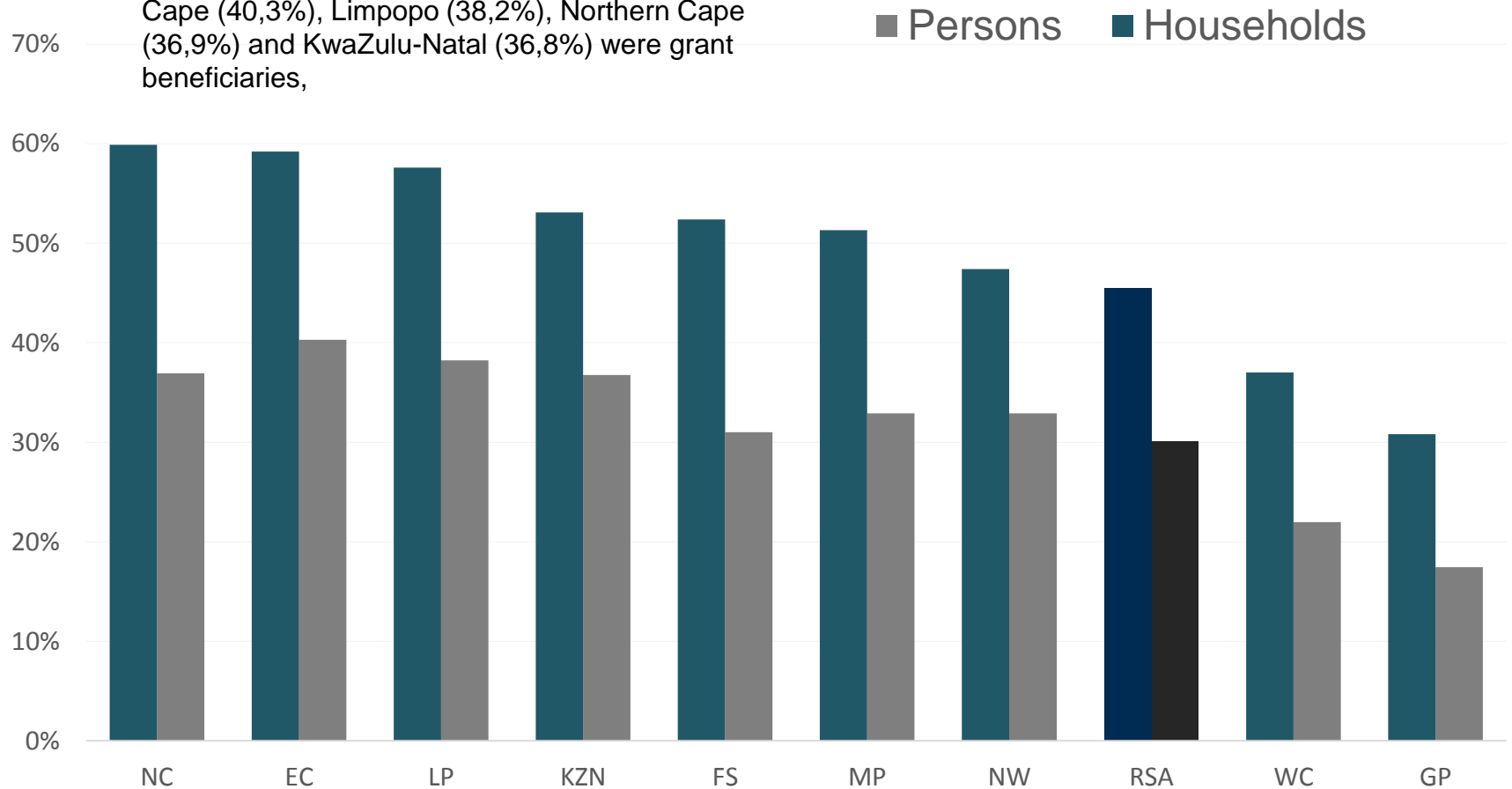


\* GHS 2009 did not ask about experienced hunger

Data source: Stats SA GHS 2015

# Percentage of individuals and households benefitting from Social grants per province, 2015

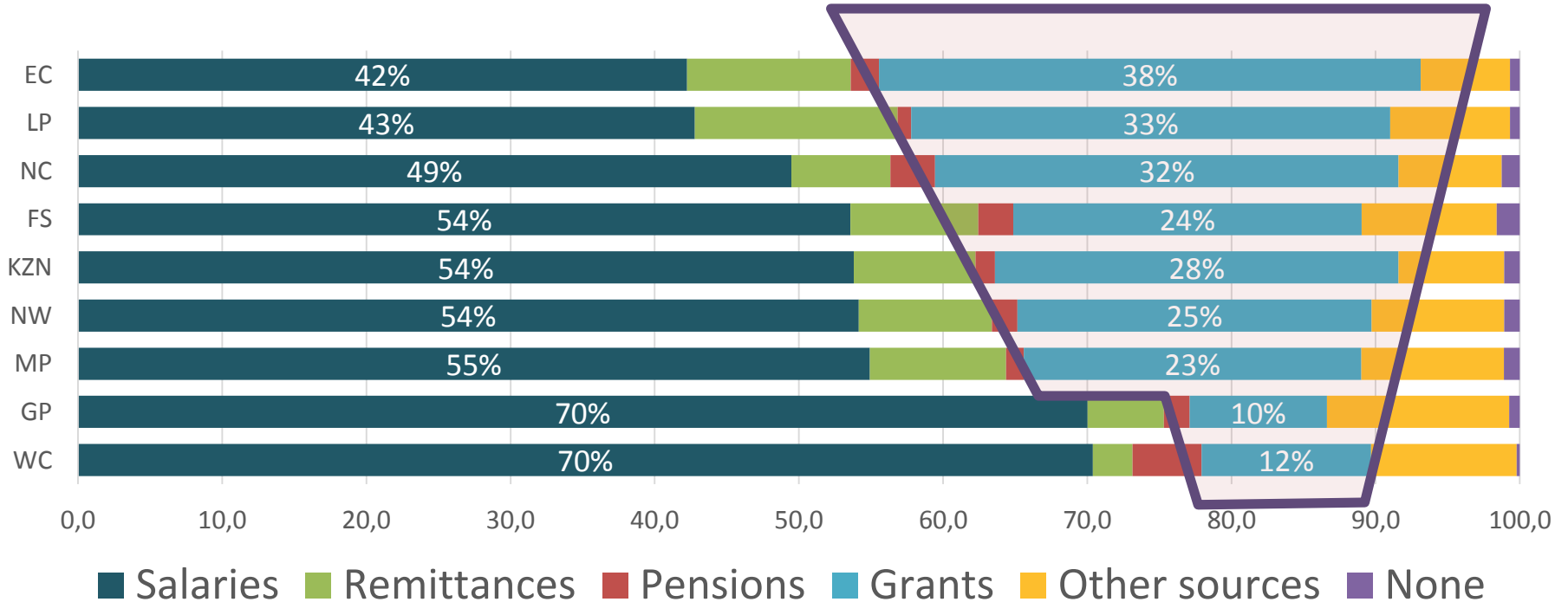
More than one-third of individuals in Eastern Cape (40,3%), Limpopo (38,2%), Northern Cape (36,9%) and KwaZulu-Natal (36,8%) were grant beneficiaries,



Data source: Stats SA GHS 2015

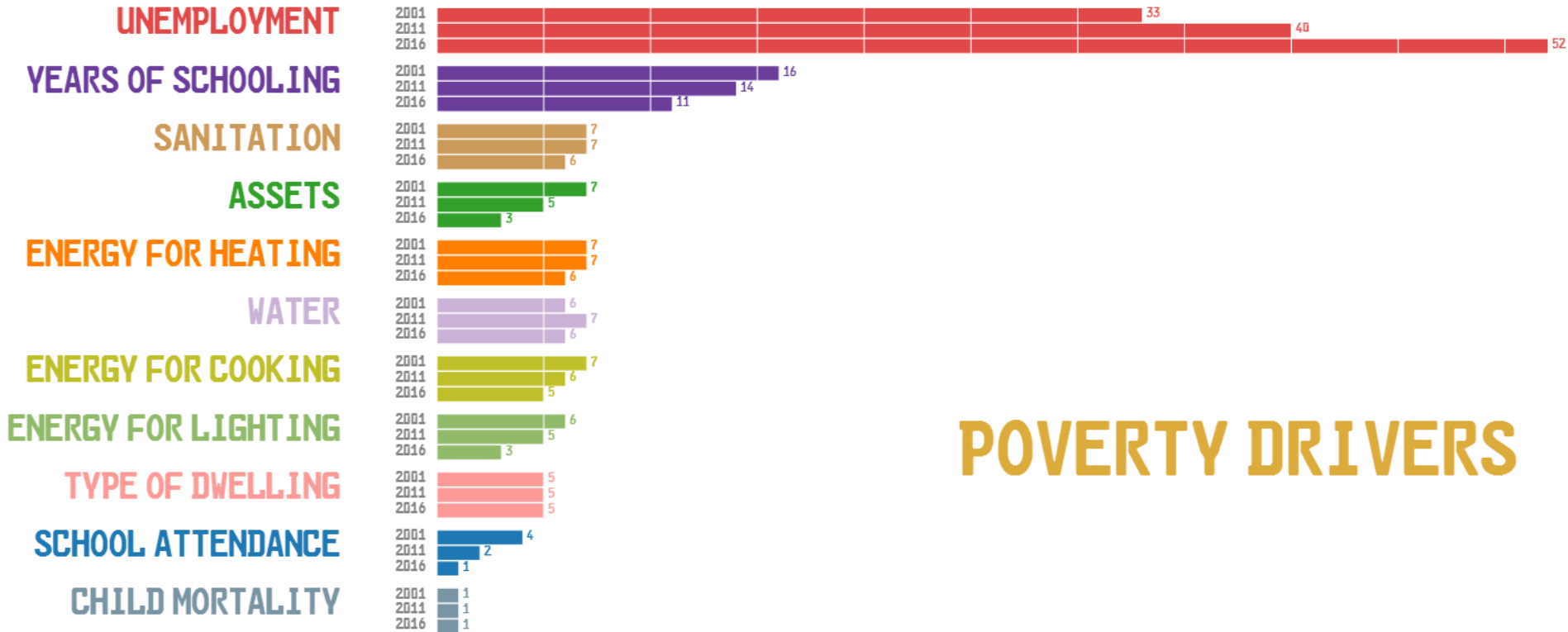
# Percentage distribution of main source of income by province, GHS 2015

Considerable provincial variations are notable. Western Cape (70,4%) and Gauteng (70,0%) were the only two provinces in which more than two-thirds of households reported salaries as their main sources of income.



Data source: Stats SA CS2016

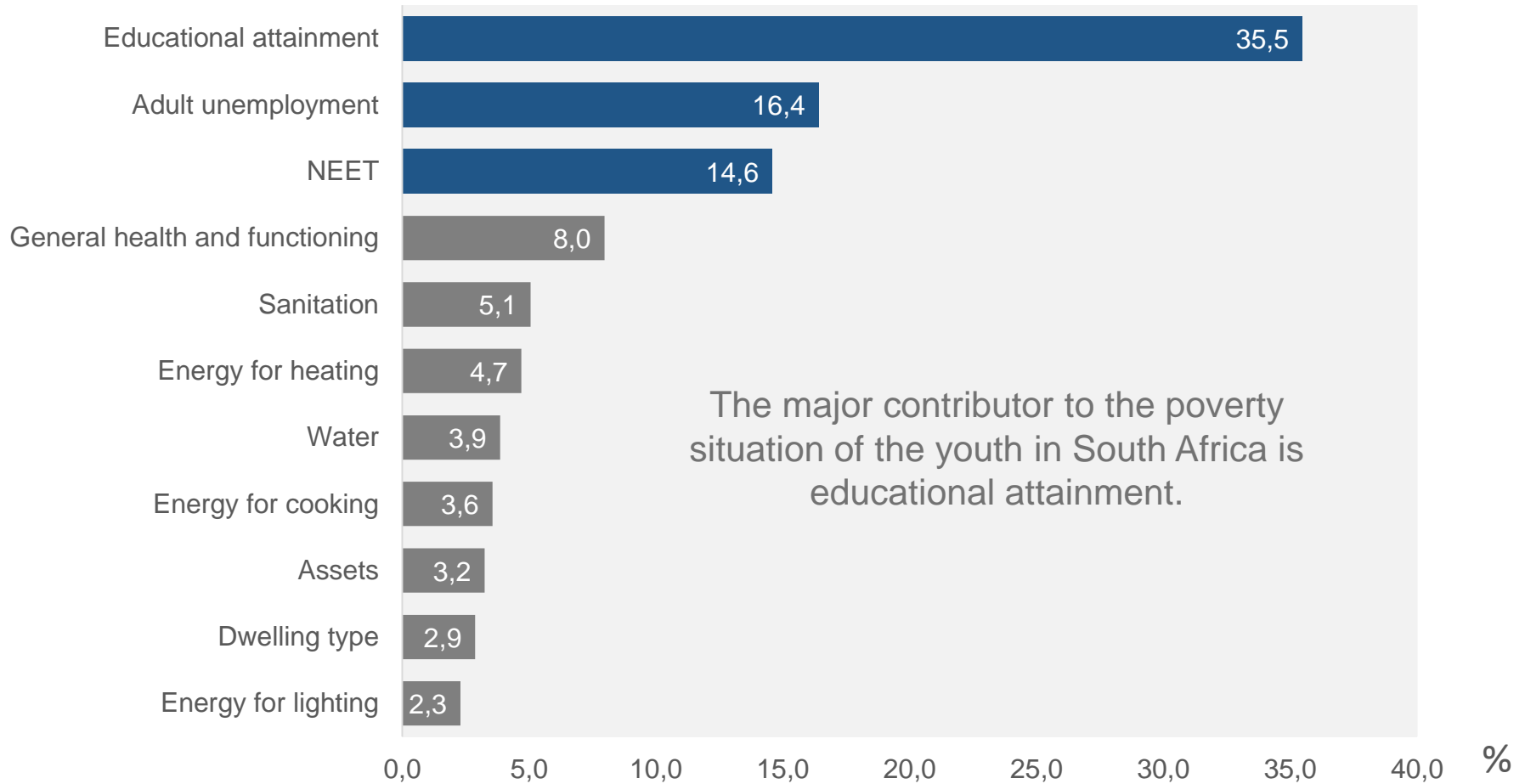
# Poverty drivers



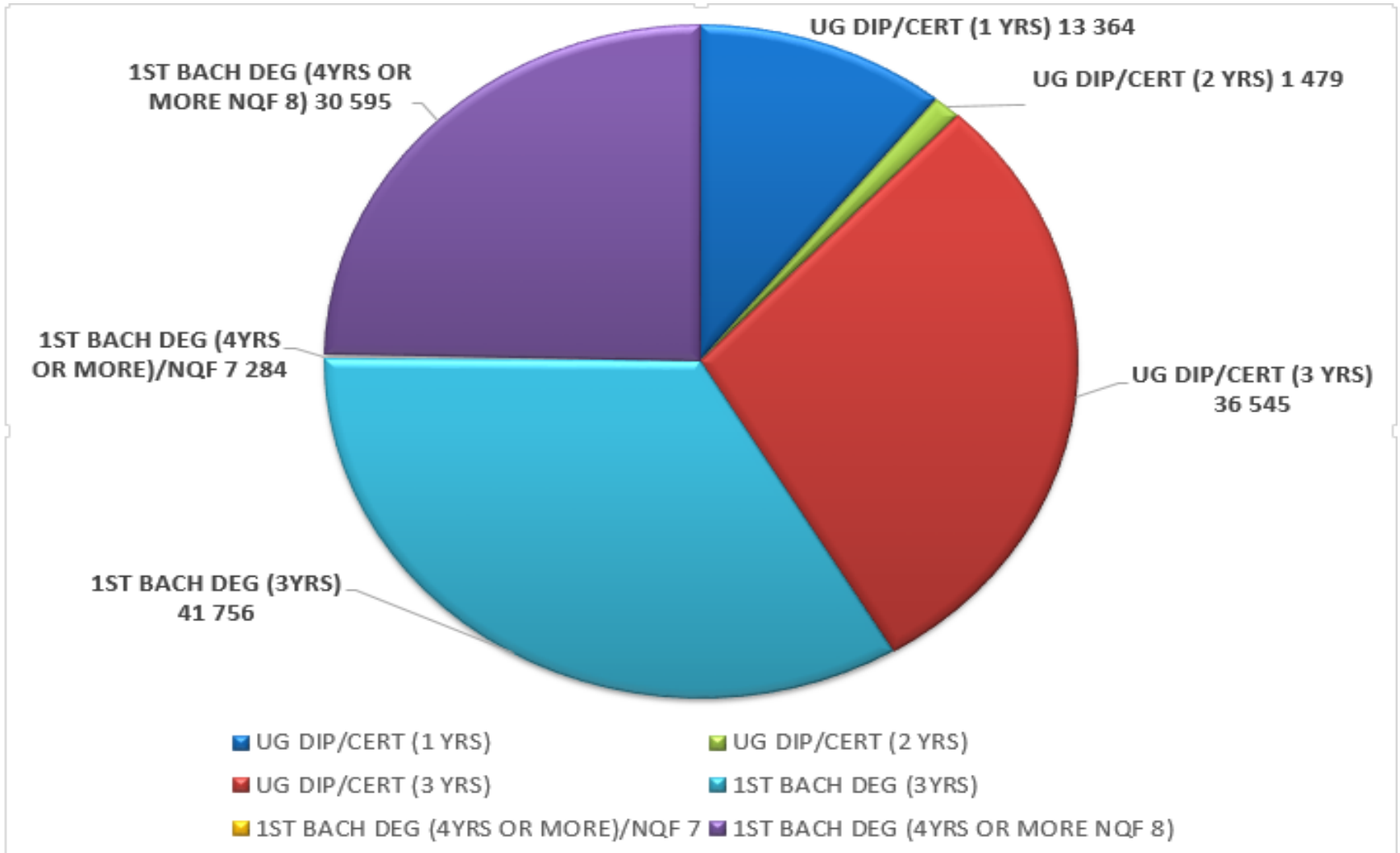
## POVERTY DRIVERS

CS 2016

## Main contributors to poverty amongst Youth (15-24)



# Graduates for 2015



Source: Department of Higher Education. Preliminary results

## Clarification on donations received during 2015

Stats SA, in their PPT to the media and other stakeholders, reported that Stellenbosch had received R1,125 billion in their annual report during 2015 (donations and other receipts).

Stats SA has since been informed that the Stellenbosch University received donations totalling R220 million for 2015.

Users are advised to use the R220 million as donations received by Stellenbosch.

The statistical release (P9103.1, published on 25 October 2016) is correct. Donations and other amounts are treated as “other receipts” and is not shown separately in P9103.1.

### Stellenbosch University: Other receipts for 2015

Private donations	R 220 million
Other receipts not specified (e.g. contracts)	R 905 million

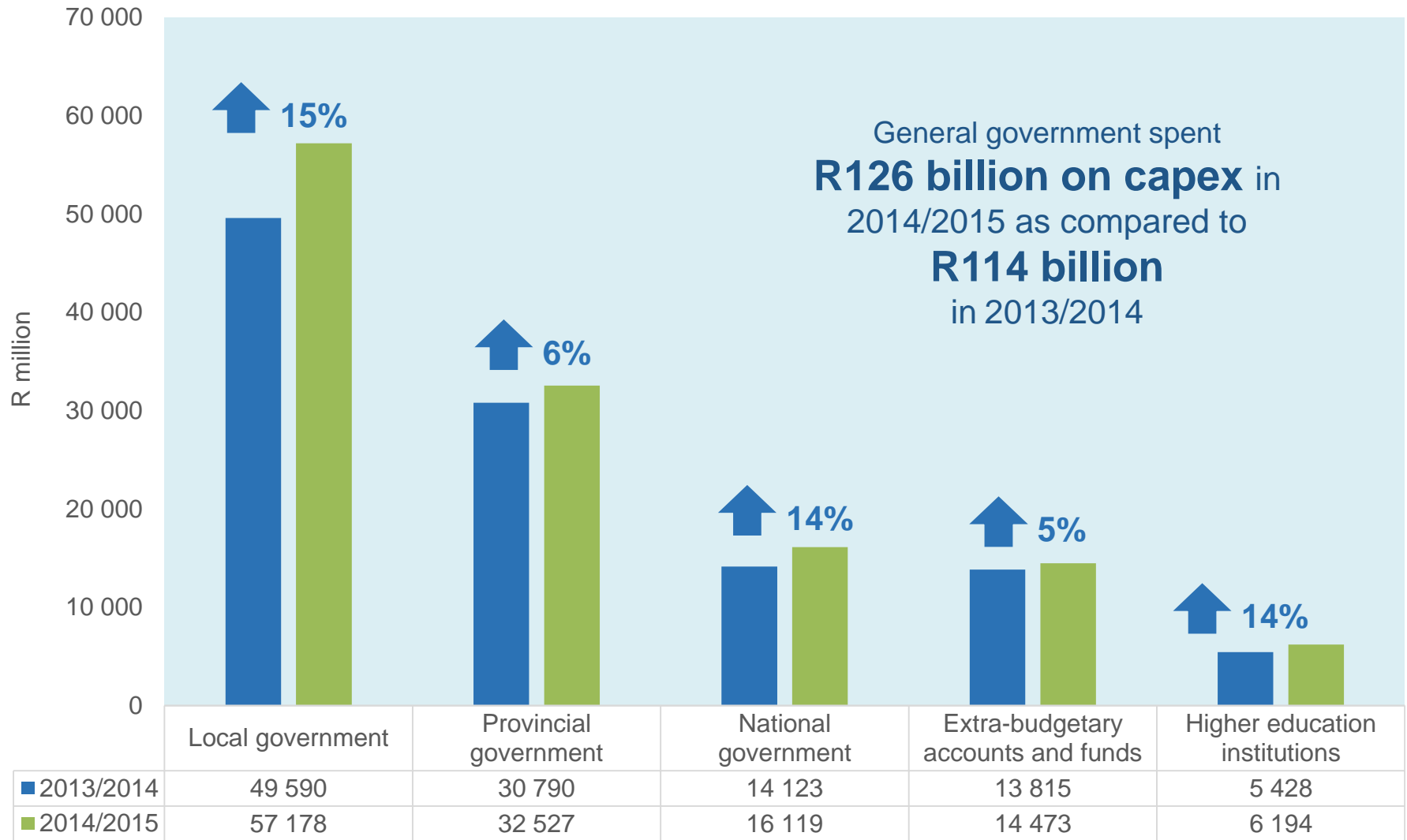












# Capital expenditure





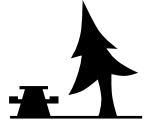
# Capital expenditure by type of general government institutions: 2013/2014 and 2014/2015 (Rm)



# Local government capital expenditure by asset type : 2015 (Rm)

**R57 billion**

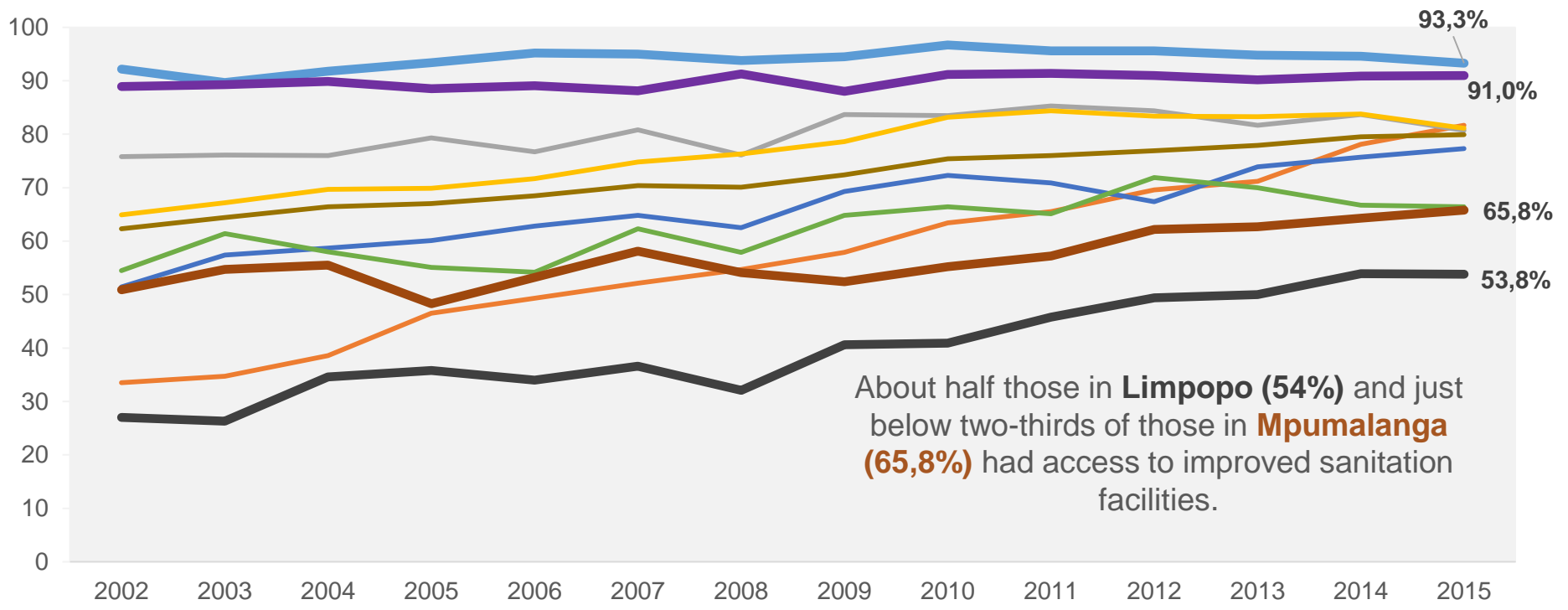
	Other structures	<b>82 %</b> <b>47 258</b>
	Other machinery and equipment	<b>6 %</b> <b>3 421</b>
	Non-residential buildings	<b>4 %</b> <b>2 578</b>
	Transport equipment	<b>3 %</b> <b>1 524</b>
	Land	<b>2 %</b> <b>936</b>
	Intangible assets	<b>1 %</b> <b>553</b>

Computer equipment	<b>1%</b> <b>336</b>	
Dwellings	<b>1 %</b> <b>308</b>	
Furniture	<b>0%</b> <b>228</b>	
Heritage assets	<b>0%</b> <b>24</b>	
Cultivated assets	<b>0%</b> <b>13</b>	

# Households with access to improved sanitation facilities by province







- Western Cape
- Northern Cape
- KwaZulu-Natal
- Gauteng
- Limpopo
- Eastern Cape
- Free State
- North West
- Mpumalanga
- South Africa

The majority of households in the **Western Cape (93,3%)** and **Gauteng (91%)** had access to improved sanitation facilities









About half those in **Limpopo (54%)** and just below two-thirds of those in **Mpumalanga (65,8%)** had access to improved sanitation facilities.

# Provincial government capital expenditure by asset type : 2015 (Rm)

	Other structures	<b>41 %</b> <b>13 403</b>
	Non-residential buildings	<b>41 %</b> <b>13 242</b>
	Other machinery and equipment	<b>7 %</b> <b>2 122</b>
	Transport equipment	<b>5 %</b> <b>1 709</b>
	Computer equipment	<b>3 %</b> <b>858</b>
	Dwellings	<b>2 %</b> <b>725</b>

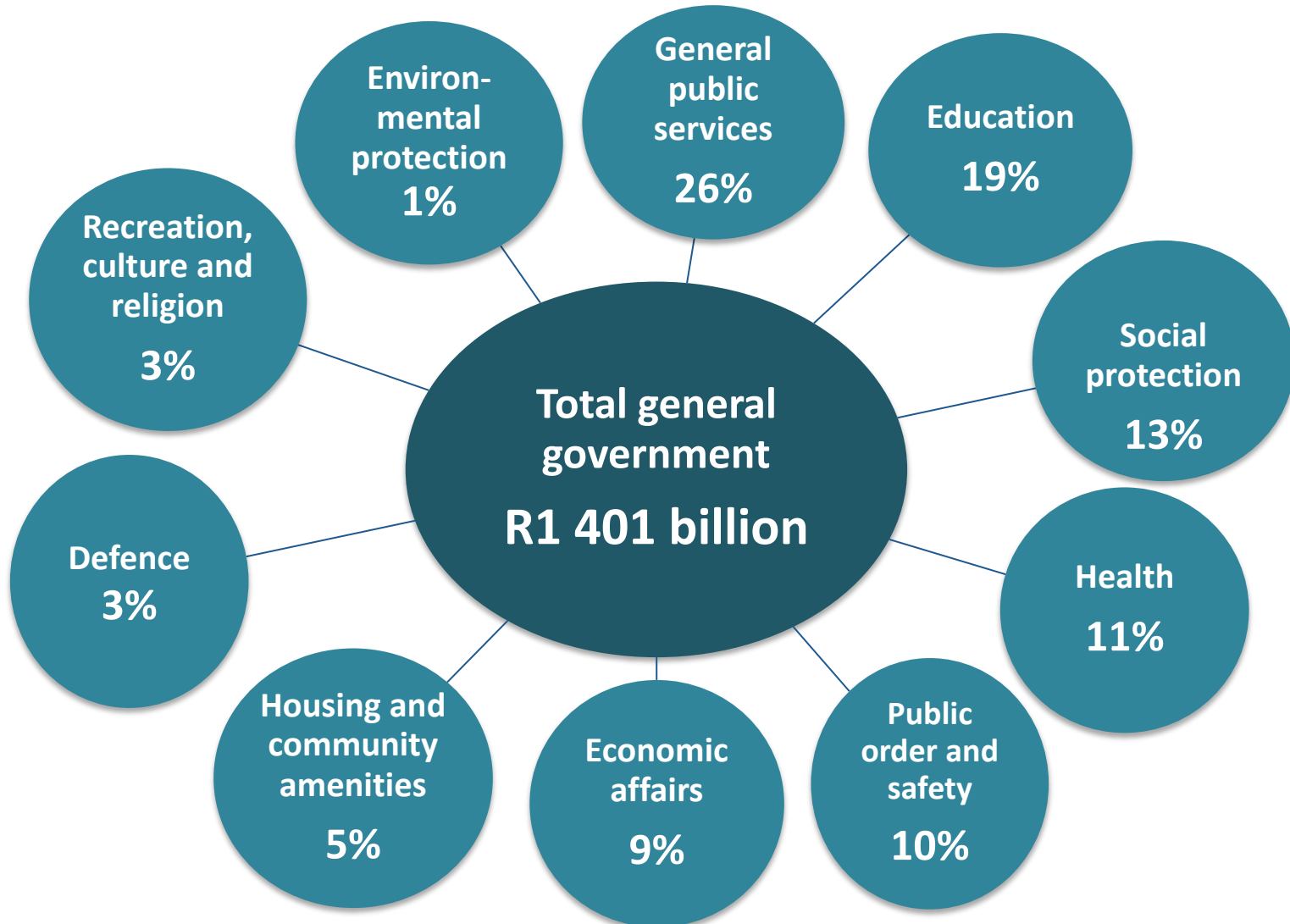
**R33 billion**

Intangible assets	<b>1%</b> <b>185</b>	
Furniture	<b>0%</b> <b>137</b>	
Land	<b>0%</b> <b>131</b>	
Cultivated assets	<b>0%</b> <b>8</b>	
Valuables	<b>0%</b> <b>6</b>	
Books	<b>0%</b> <b>1</b>	

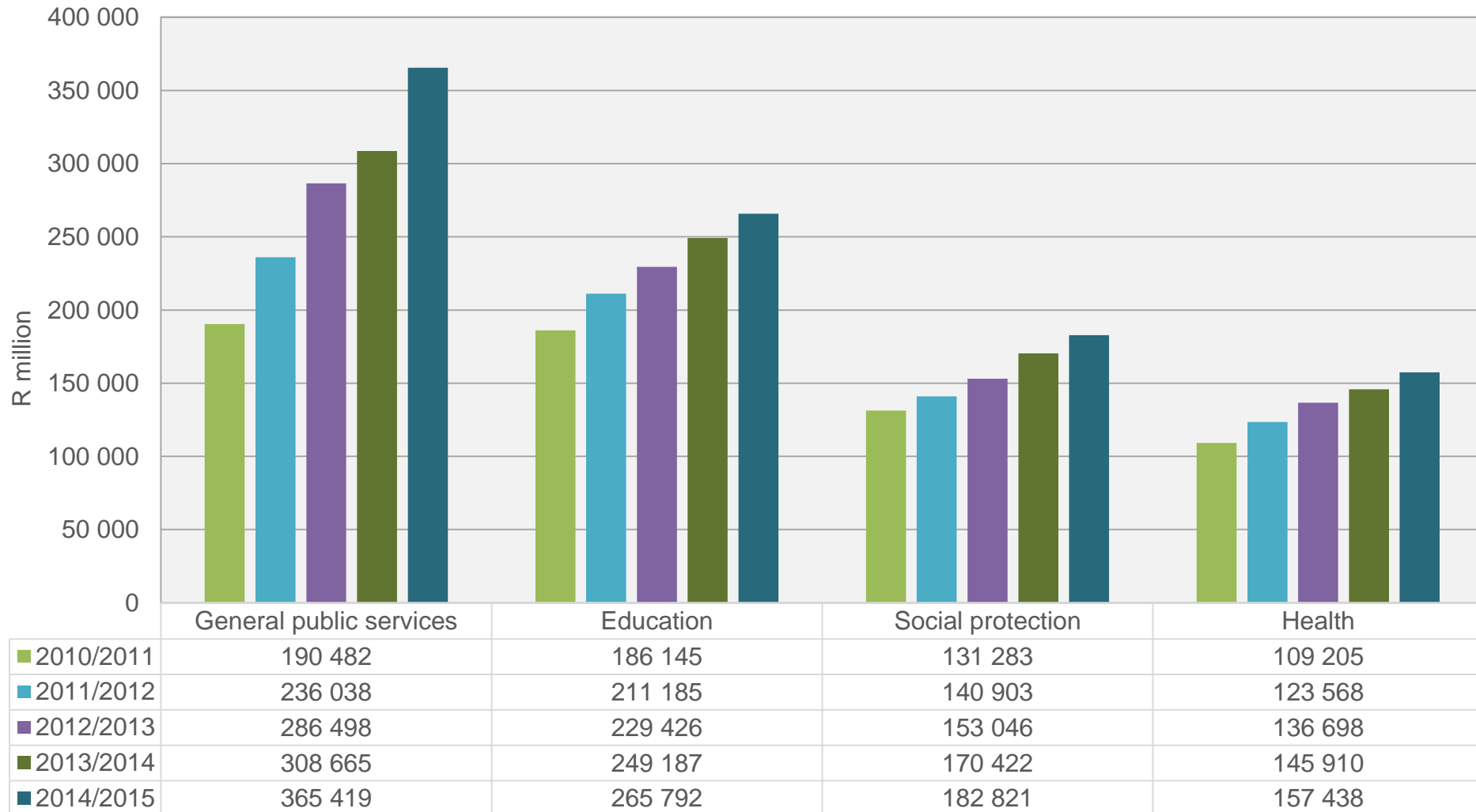


# Functional classification

# Percentage by general government expenditure by function: 2014/2015

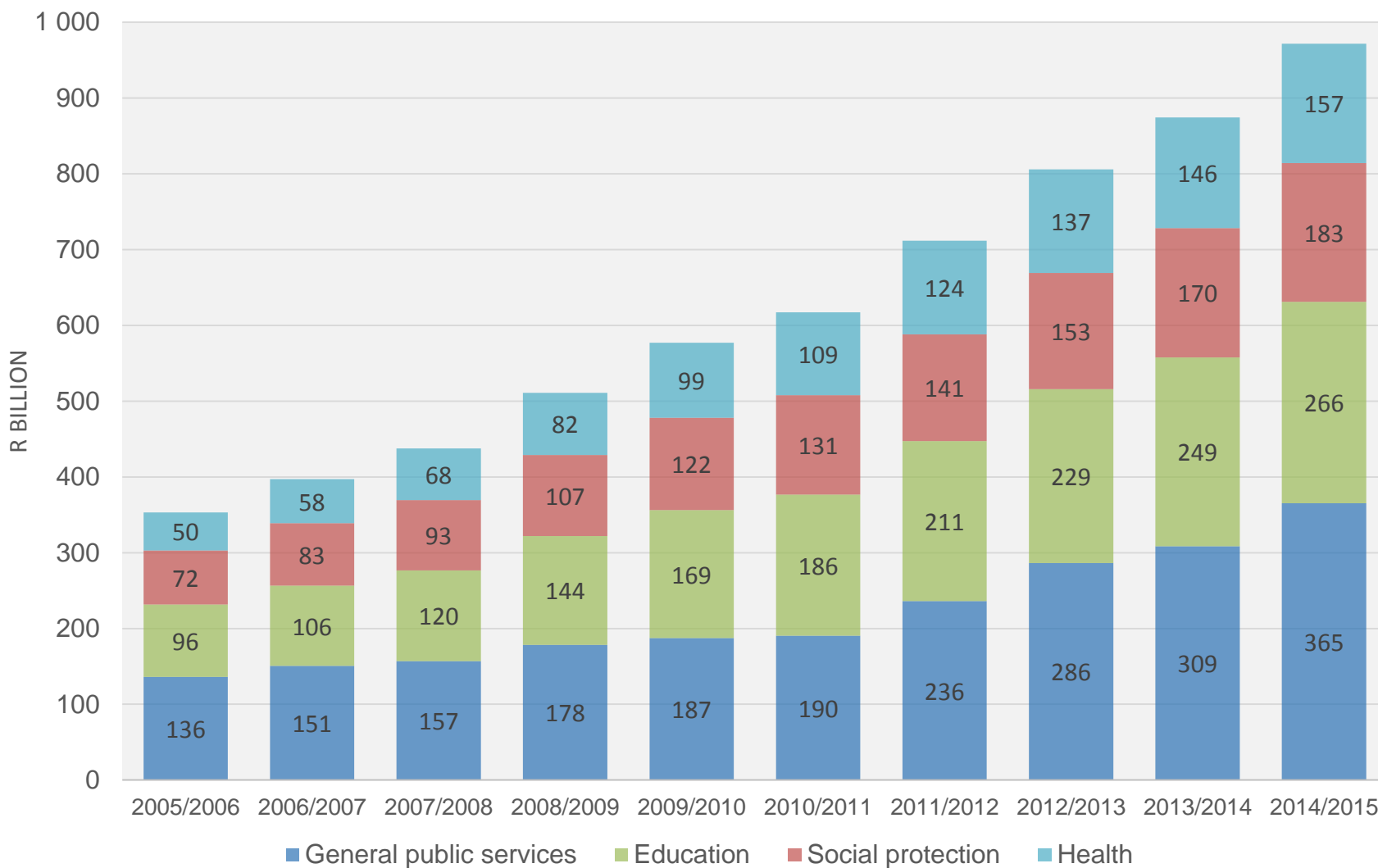


# Main functions of general government: 2010/2011 - 2014/2015

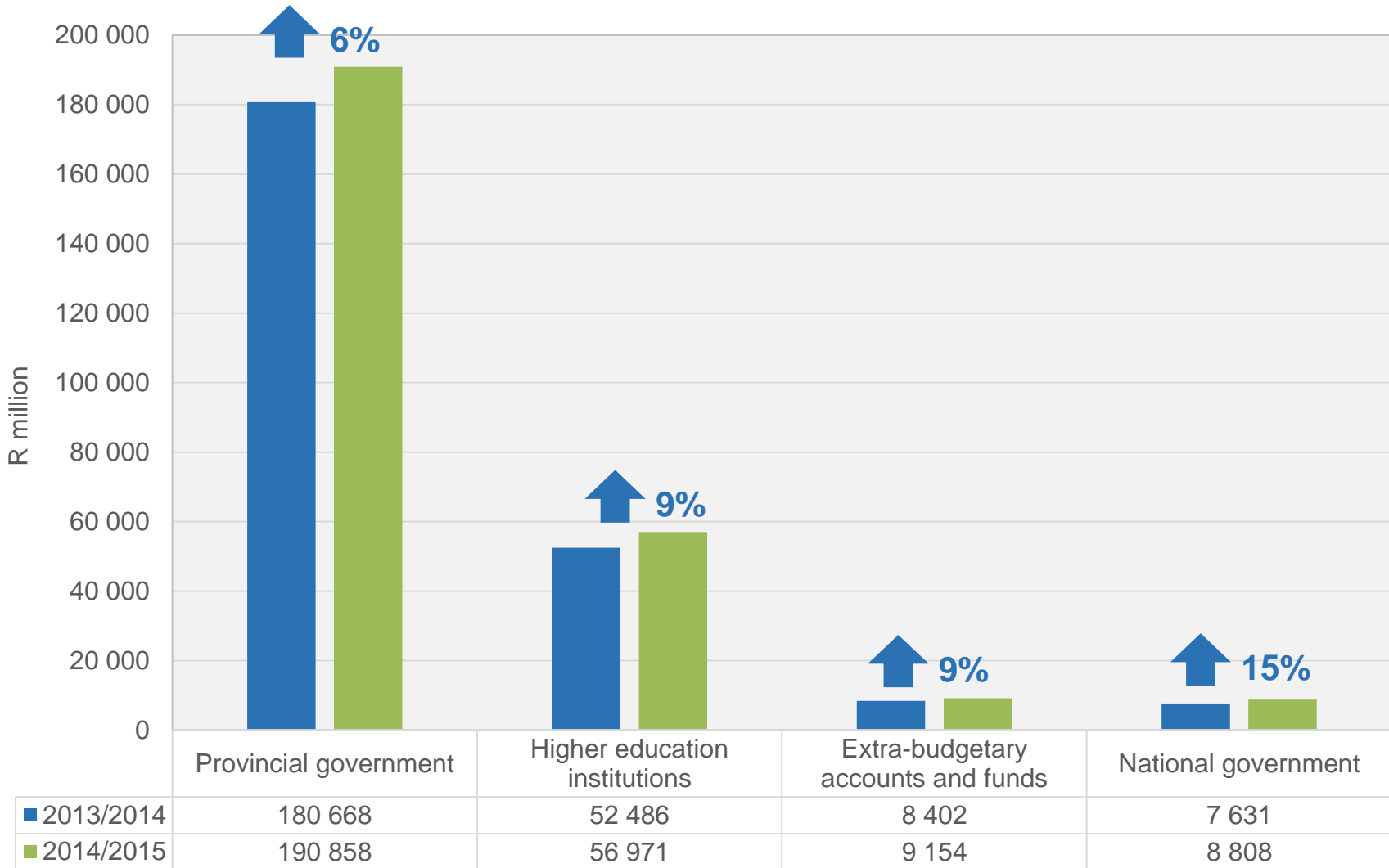




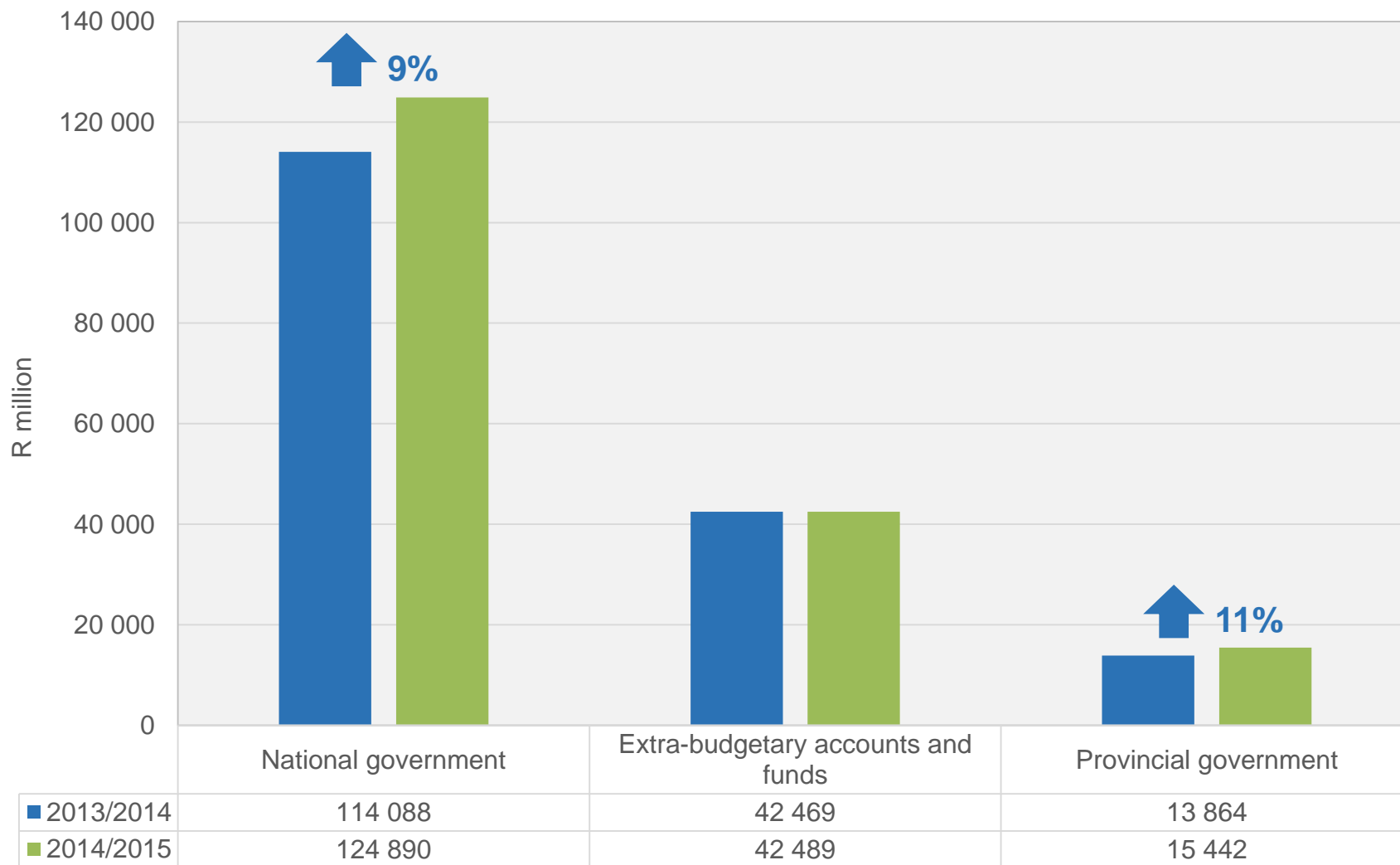
# Main functions of general government: 2005/2006 - 2014/2015



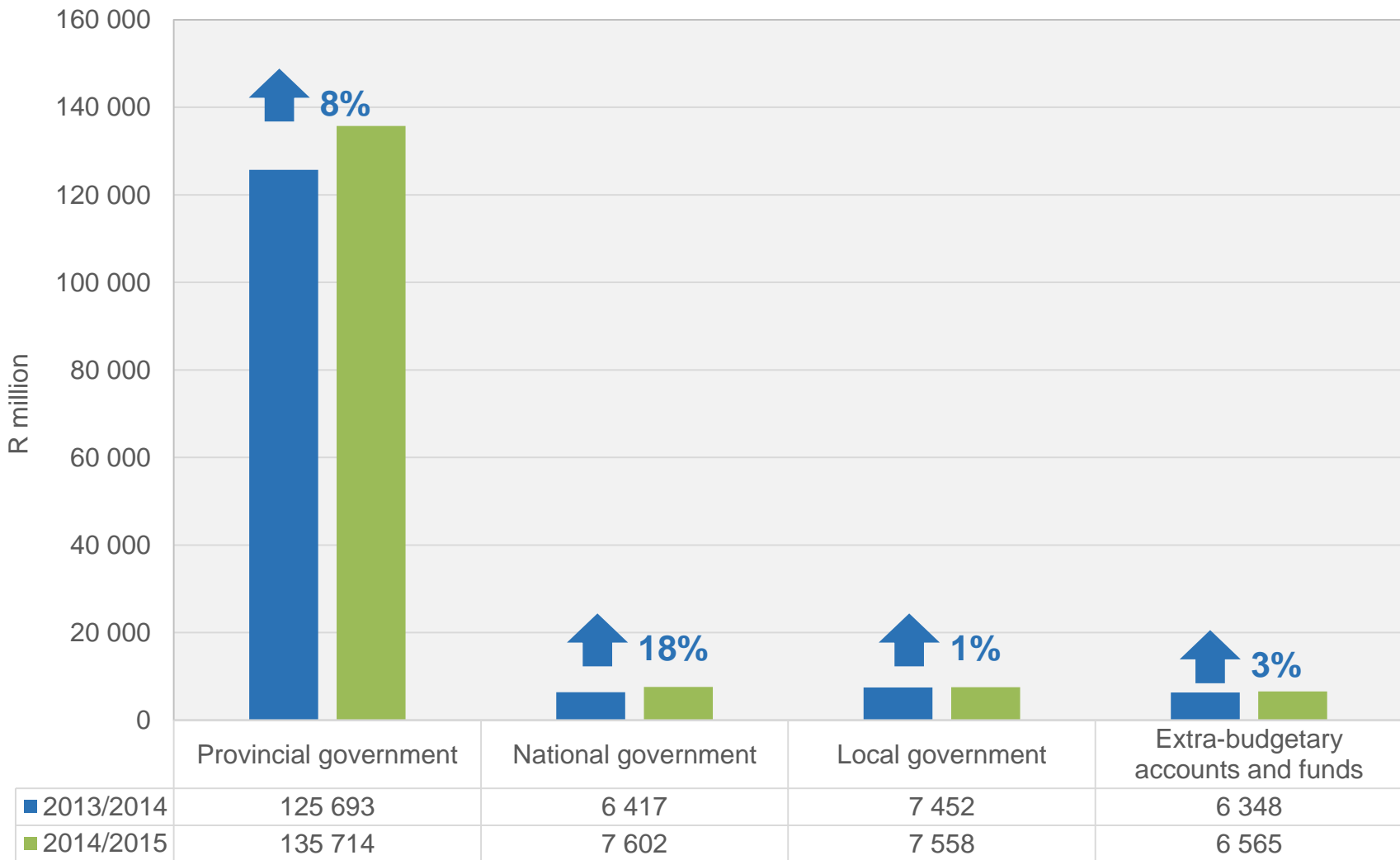
# Education expenditure by type of general government institutions: 2013/2014 and 2014/2015 (Rm)



## Social protection by type of general government institutions: 2013/2014 and 2014/2015 (Rm)

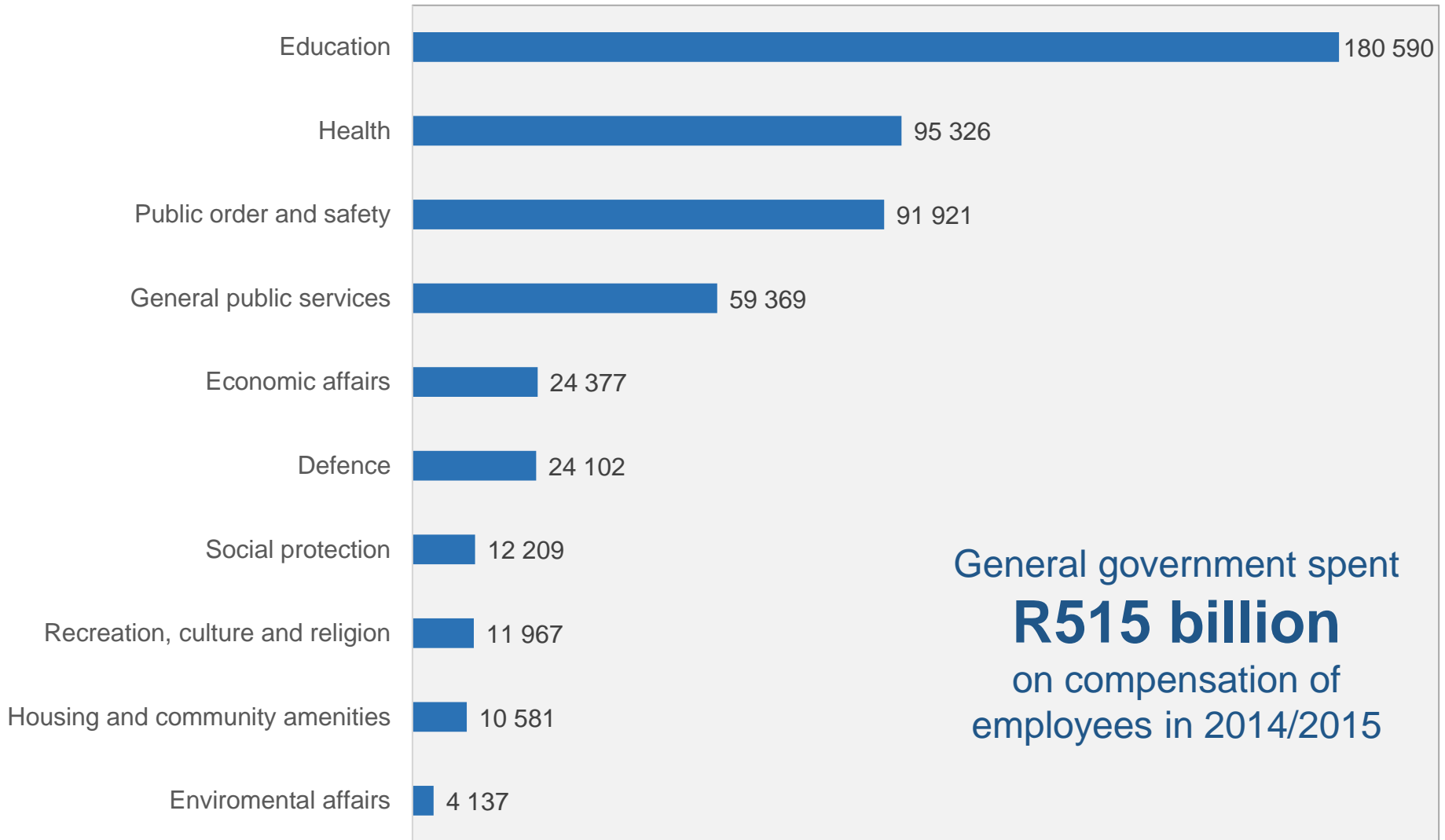


## Health by type of general government institutions: 2013/2014 and 2014/2015 (Rm)

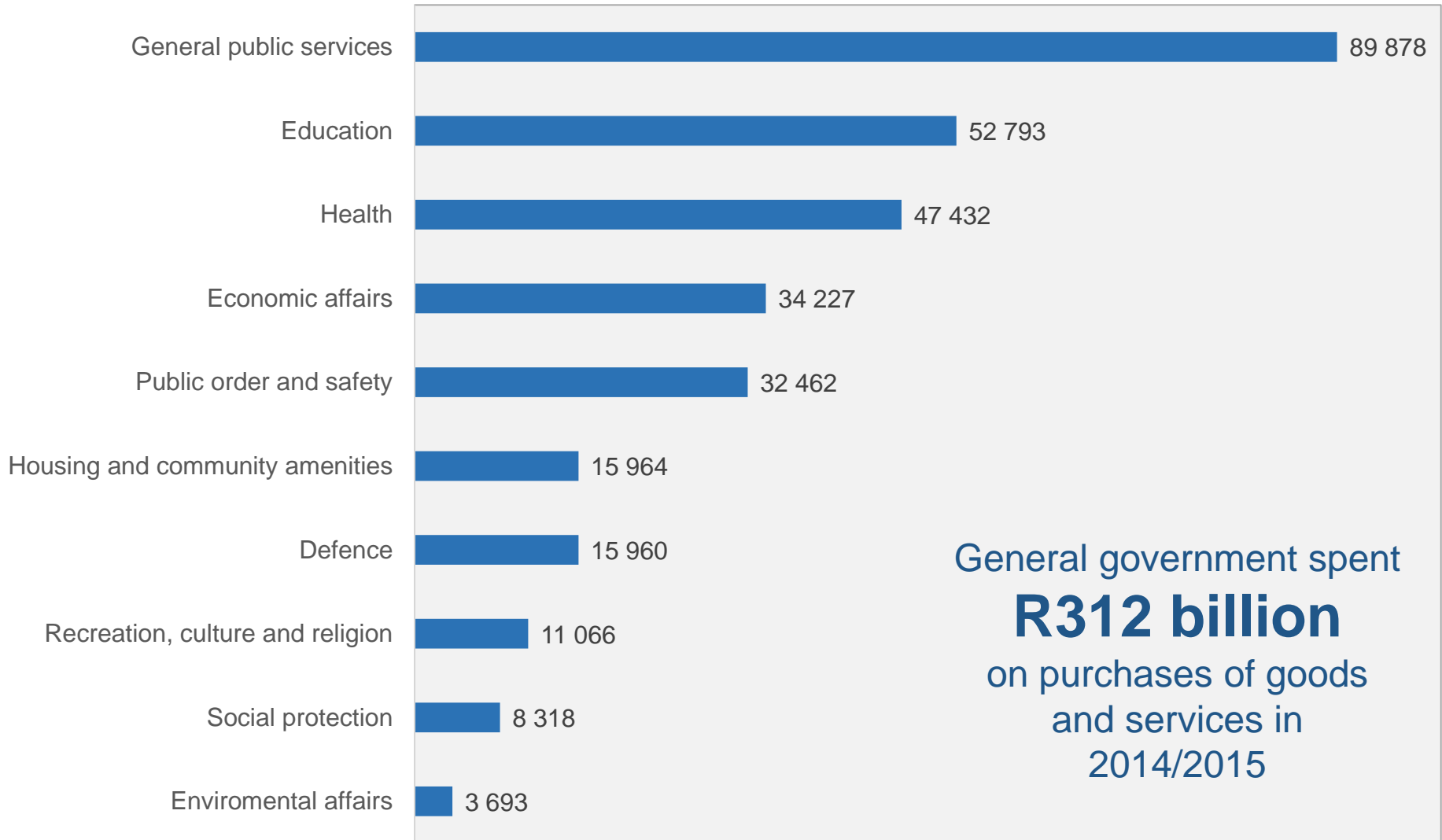


# Cross classification

# Compensation of employees by functions of general government: 2014/2015 (Rm)



# Purchases of goods and services by functions of general government: 2014/2015 (Rm)



## Closing remarks on consolidated general government finances: 2014/15

1. Cash receipts amounted to R 1,2 trillion
2. Taxes collected contributed about 87% to total revenue
3. R266 billion spent on education
4. Social benefits: R126 billion paid by Social Development (SASSA) to 16,7 million beneficiaries
5. Salaries comprise about 40% of total current expenditure
6. Capital expenditure amounted to R126 billion
7. This publication only reports on the cash transactions of general government institutions, obtained/adjusted from their financial statements.

Information on general government disaggregated tables is available on the Stats SA website: <http://www.statssa.gov.za>



# Thank you