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# Statistical release

## P9119.4

### Financial statistics of consolidated general government

### 2008/2009

**Embargoed until:  
30 November 2010  
10:00**

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**Forthcoming issue:**

Financial statistics of  
consolidated general  
government 2009/2010

**Expected release date**

30 November 2011

<b>Contents</b>		<b>Page</b>
<b>Key findings</b> .....		2
<b>Tables</b>		
Table A	Economic classification of statement of sources and uses of cash of consolidated general government for the 2007/2008 and 2008/2009 fiscal years (summary).....	4
Table B	Functional classification of the cash payments for operating activities and purchases of non-financial assets for the 2007/2008 and 2008/2009 fiscal years (summary).....	10
Table C	Contribution of the different levels of general government to the total consolidated cash payments for operating activities and purchases of non-financial assets by the general government sector for the 2007/2008 and 2008/2009 fiscal years.....	12
<b>Notes</b> .....		13
Table D	Statement of sources and uses of cash for the 2008/2009 fiscal year.....	14
Annexure A	Information on disaggregated tables available on the Stats SA website.....	26
<b>Explanatory notes</b> .....		27
<b>Glossary</b> .....		33
<b>General information</b> .....		36

## Key findings

### **Consolidated net change in the stock of cash from the general government sector amounted to -R8 743 million for the 2008/2009 fiscal year**

*Cash receipts from operating activities amounted to R762 062 million and cash payments for operating activities amounted to R688 094 million, resulting in a net cash inflow from operating activities of R73 968 million for the 2008/2009 fiscal year ended 31 March 2009. Purchases of non-financial assets amounted to R99 254 million for 2008/2009. Sales of non-financial assets amounted to R852 million for the 2008/2009 fiscal year, resulting in a net cash outflow from investments in non-financial assets of R98 402 million. The net acquisition of financial assets other than cash amounted to R28 985 million for 2008/2009. The net incurrence of liabilities amounted to R44 676 million for the 2008/2009 fiscal year, resulting in a net cash inflow from financing activities of R15 691 million. The consolidated net change in the stock of cash for the general government sector amounted to -R8 743 million for the 2008/2009 fiscal year (see Table A, p.4).*

### **Economic classification of the cash payments for operating activities and purchases of non-financial assets for the general government sector**

The general government sector in South Africa comprises the national and provincial governments (including national and provincial extra-budgetary accounts and funds), higher education institutions and the non-trading services of municipalities. Consolidation involves the elimination of all transactions between these levels of the general government. The transactions eliminated include grants between different levels of government, professional and special services payments between levels of government and compulsory payments to other levels of government. The economic classification of expenditure is in general a measure of the nature of government operations and their effect on the economy of the country. Seven main economically classified cash payments for operating activities categories exist, namely: compensation of employees; purchases of goods and services; interest; subsidies; grants; social benefits; and other payments.

Compensation of employees includes cash payments in the form of wages, salaries and social contributions. A purchase of goods and services includes the total value of goods and services purchased by the general government sector for use in a production process or acquired for resale. Interest includes interest payments mainly to residents. Subsidies include cash payments to non-financial public corporations, financial public corporations, non-financial private enterprises and financial private enterprises. Grants are capital or current cash payments to foreign governments and international organisations. Social benefits include cash payments for social security benefits, social assistance benefits and employer social benefits. Other payments include property expenses other than interest (mainly rent), and miscellaneous other current and capital cash payments (transfers to non-profit institutions serving households, surrender of donor funds to foreign donors, injuries and damages, transfers to households, non-life insurance premiums, purchases of goods and services for distribution to households, exchange rate losses, capital payments to public corporations and private enterprises).

Purchases of non-financial assets include cash payments for fixed assets (buildings and structures, machinery and equipment and other fixed assets), inventories (strategic stocks and other inventories), valuables and non-produced assets (land, sub-soil assets, other naturally occurring assets and intangible non-produced assets).

### **The contribution of cash receipts from operating activities, and the contribution of cash payments for operating activities and purchases of non-financial assets to total expenditure by economic classification**

Cash receipts from operating activities increased by R70 663 million from R691 399 million in 2007/2008 to R762 062 million in 2008/2009, mainly due to an increase in taxes collected (see Table A, p.4).

The largest contributor to total cash receipts from operating activities for the 2008/2009 fiscal year was taxes (R663 720 million), followed by other receipts (R81 500 million), social contributions (R14 907 million) and grants (R1 936 million).

Cash payments for operating activities increased by R96 648 million from R591 446 million in 2007/2008 to R688 094 million in 2008/2009, mainly due to an increase in compensation of employees and purchases of goods and services.

The largest contributor to the total cash payments for operating activities (economically classified) for the 2008/2009 fiscal year was compensation of employees (R269 017 million), followed by purchases of goods and services (R182 822 million), social benefits (R92 020 million), interest (R57 943 million), other payments (R39 508 million), grants (R30 307 million) and subsidies (R16 476 million).

The increase of R40 848 million in compensation of employees from R228 169 million in 2007/2008 to R269 017 million in 2008/2009 was mainly due to increased cash payments for compensation by the KwaZulu-Natal, Gauteng and Eastern Cape provincial governments.

The increase of R29 398 million in purchases of goods and services from R153 424 million in 2007/2008 to R182 822 million in 2008/2009 was mainly due to increased payments by the municipalities, Gauteng provincial government, KwaZulu-Natal provincial government, Eastern Cape provincial government, the Special Defence Account, South African Police Services and the Department of Defence.

The increase of R12 017 million in social benefits from R80 003 million in 2007/2008 to R92 020 million in 2008/2009 was mainly due to the increased cash payments on social grants by the Department of Social Development and social security benefits to households by the Road Accident Fund.

The increase of R5 024 million in other payments from R34 484 million in 2007/2008 to R39 508 million in 2008/2009 was mainly due to increased current transfers to households by municipalities and capital transfers to households made by the Eastern Cape provincial government.

The increase of R4 690 million in grants paid from R25 617 million in 2007/2008 to R30 307 million in 2008/2009 was mainly due to increased cash payments from national government to the South African Custom Union.

The largest contributor to purchases of non-financial assets was fixed assets (R95 969 million), followed by non-produced assets (R2 896 million).

The increase of R29 247 million in purchases of non-financial assets from R70 007 million in 2007/2008 to R99 254 million in 2008/2009 was mainly due to increased spending on other construction by the municipalities, Gauteng provincial government and the SA National Roads Agency Limited.

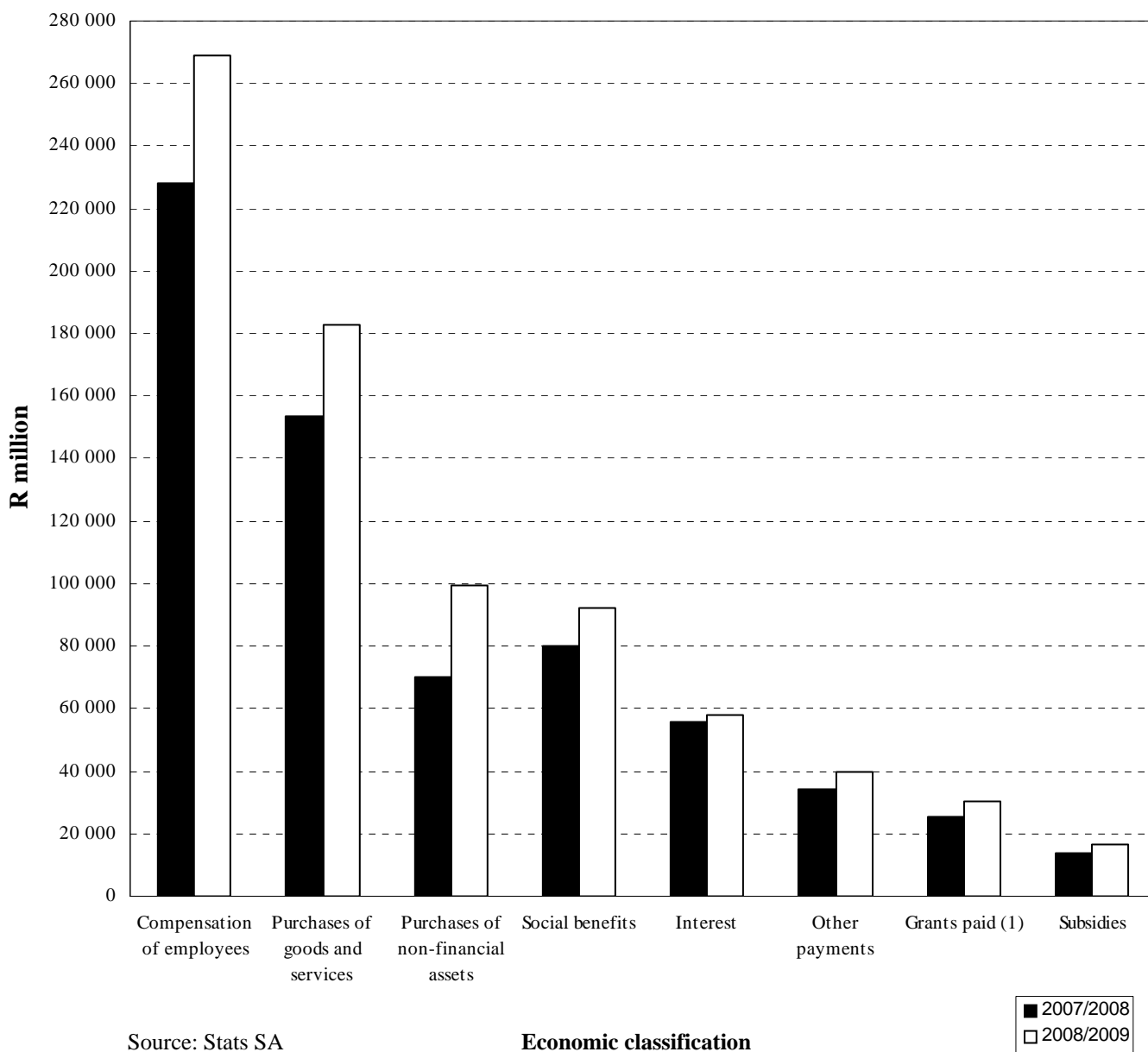
**Table A – Economic classification of statement of sources and uses of cash of consolidated general government for the 2007/2008 and 2008/2009 fiscal years (summary)<sup>1</sup>**

GFS 2001 codes	Economic classification of sources and uses of cash	2007/2008	2008/2009	Change between 2007/2008 and 2008/2009
		R million	R million	R million
	<b>Cash flows from operating activities:</b>			
	Cash receipts from operating activities <b>a</b>	691 399 *	762 062	70 663
11	Taxes	609 420 *	663 720	54 300
12	Social contributions	12 996	14 907	1 911
13	Grants	1 144 *	1 936	792
14	Other receipts	67 840 *	81 500	13 660
	Cash payments for operating activities <b>b</b>	591 446 *	688 094	96 648
21	Compensation of employees	228 169 *	269 017	40 848
22	Purchases of goods and services	153 424 *	182 822	29 398
24	Interest	56 014 *	57 943	1 929
25	Subsidies	13 735 *	16 476	2 741
26	Grants	25 617	30 307	4 690
27	Social benefits	80 003 *	92 020	12 017
28	Other payments	34 484 *	39 508	5 024
	<i>Net cash flow from operating activities:(outflow)/ inflow (a-b)=c</i>	99 953 *	73 968	-25 985
	<b>Cash flows from investments in non-financial assets:</b>			
	Purchases of non-financial assets <b>d</b>	70 007 *	99 254	29 247
611	Fixed assets	67 954 *	95 969	28 015
612	Inventories	162 *	263	101
613	Valuables	188	126	-62
614	Non-produced assets	1 702 *	2 896	1 194
	Sales of non-financial assets <b>e</b>	891 *	852	-39
311	Fixed assets	751 *	831	80
312	Inventories	0	0	0
313	Valuables	0	0	0
314	Non-produced assets	139	21	-118
	<i>Net cash flow from investments in non-financial assets: (outflow)/ inflow (e-d)=f</i>	-69 116 *	-98 402	
	<b>CASH SURPLUS/ (DEFICIT) (c+f)=g</b>	30 837 *	-24 434	
	<b>Cash flows from financing activities:</b>			
	Net acquisition of financial assets other than cash: cash outflow/ (inflow) <b>h</b>	12 742 *	28 985	
321	Domestic	12 533 *	28 799	
322	Foreign	210	186	
	Net incurrence of liabilities: cash (outflow)/ inflow <b>i</b>	981 *	44 676	
331	Domestic	4 485 *	45 938	
332	Foreign	-3 504	-1 262	
	<i>Net cash flow from financing activities: (outflow)/ inflow (i-h)=j</i>	-11 761 *	15 691	
99999	<b>NET CHANGE IN THE STOCK OF CASH (g+j)=k</b>	<b>19 076 *</b>	<b>-8 743</b>	

<sup>1</sup> The sum of the data may not necessarily add up to totals due to rounding-off of figures.

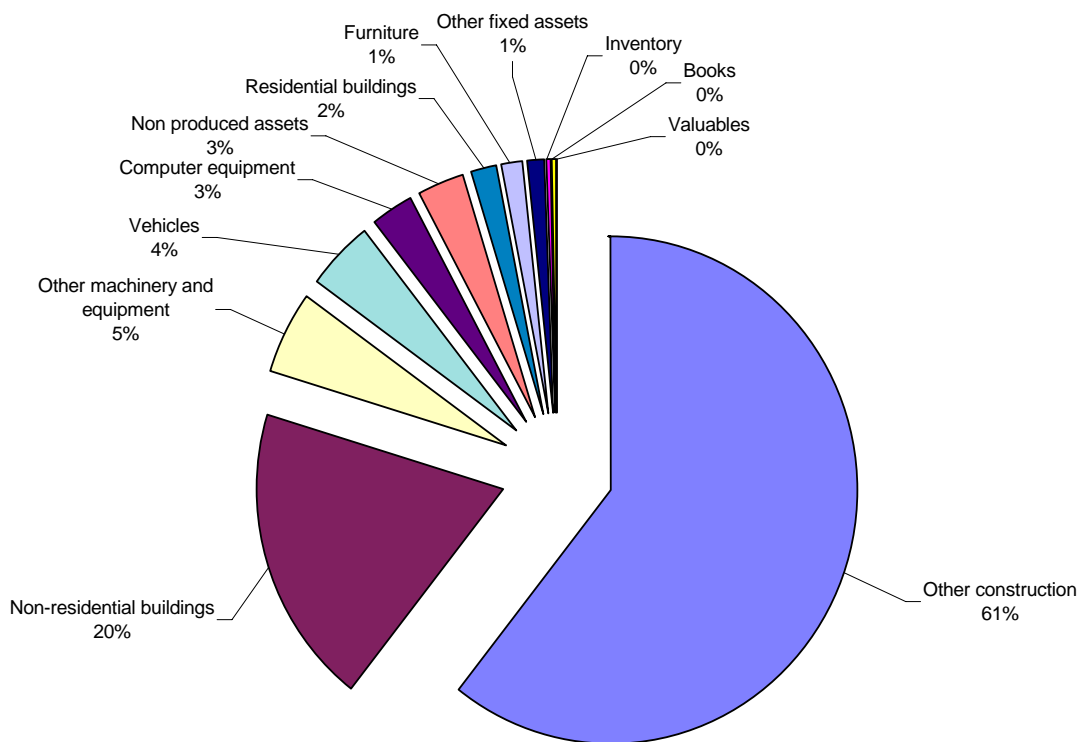
\* Revised since the previous publication.

**Figure 1 – Economic classification of the cash payments for operating activities and purchases of non-financial assets for the 2007/2008 and 2008/2009 fiscal years**



(1) Grants paid comprise transfers to foreign countries and international institutions

**Figure 2 – Economic classification of the cash payments for purchases of non-financial assets for the 2008/2009 fiscal year**



## **Functional classification of the cash payments for operating activities and purchases of non-financial assets for the general government sector**

The functional classification of cash payments for operating activities and non-financial assets measures the purpose for which transactions are undertaken. It is generally used to measure the allocation of resources by government in order to promote government objectives and various services rendered to the community. The functionally classified expenditure categories are indicated in Table B, page 10. There are ten main categories of functional classification of cash payments for operating activities and purchases of non-financial assets: general public services; defence; public order and safety; economic affairs; environmental protection; housing and community amenities; health; recreation, culture and religion; education; and social protection.

General public services cover the services that are not connected with a specific function and which are usually undertaken by central offices at the various levels of government such as general personnel services, overall planning and statistical services and other general services. Defence includes military defence; civil defence; and foreign military aid. Public order and safety includes police services; fire protection services; law courts; and prisons. Economic affairs include general economic, commercial and labour affairs; agriculture, forestry, fishing and hunting; fuel and energy; mining, manufacturing and construction; transport; communication; and other industries. Environmental protection includes waste management; waste water management; pollution abatement; and protection of biodiversity and landscape. Housing and community amenities include housing development; community development; water supply; and street lighting. Health includes outpatient services; ambulance services; hospital services; and public health services. Recreation, culture and religion include recreation and sporting services; cultural services; broadcasting and publishing services; and religious and other community services. Education includes pre-primary and primary education; secondary education; post-secondary non-tertiary education; tertiary education; education not definable by levels; and subsidiary services to education. Social protection includes sickness and disability; old age; survivors; family and children; unemployment; housing; and social exclusion not elsewhere classified.

## **The contribution of cash payments for operating activities and purchases of non-financial assets to total expenditure by functional classification**

The largest contributors to the total cash payments for operating activities and purchases of non-financial assets (functionally classified) of R787 348 million by the general government sector for the 2008/2009 fiscal year were total general public services (R179 967 million and contributing 22,9%), followed by education (R143 721 million or 18,3%), social protection (R106 892 million or 13,6%), total economic affairs (R94 669 million or 12,0%), total public order and safety (R86 062 million or 10,9%), health (R81 931 million or 10,4%), housing and community amenities (R33 661 million or 4,3%), defence (R32 183 million or 4,1%), recreation, culture and religion (R22 157 million or 2,8%) and environmental protection (R6 104 million or 0,8%) (see Table B, p.10, and Figure 3, p.11).



The increase of R24 056 million in cash payments for education from R119 665 million in 2007/2008 to R143 721 million in 2008/2009 was mainly due to increased spending by the Gauteng, Eastern Cape and KwaZulu-Natal provincial governments.

The increase of R15 891 million in cash payments for transport from R33 926 million in 2007/2008 to R49 817 million in 2008/2009 was mainly due to increased spending on purchases of non-financial assets by the South African National Roads Agency Limited, and the KwaZulu-Natal and Gauteng provincial governments.

The increase of R14 195 million in cash payments for social protection from R92 697 million in 2007/2008 to R106 892 million in 2008/2009 was mainly due to increased transfers paid to households for social protection by the Department of Social Development and the Road Accident Fund.

The increase of R13 682 million in cash payments for health from R68 249 million in 2007/2008 to R81 931 million in 2008/2009 was mainly due to increased spending on health services by the Gauteng and Eastern Cape provincial governments.

The increase of R12 873 million in cash payments for executive and legislative services, financial and fiscal affairs, foreign affairs other than foreign aid from R81 348 million in 2007/2008 to R94 221 million in 2008/2009 was mainly due to increased payments to the Southern African Customs Union and increased spending by municipalities.

The increase of R9 745 million in cash payments for police services from R49 423 million in 2007/2008 to R59 168 million in 2008/2009 was mainly due to increased spending by the Department of Safety and Security and municipalities.

The increase of R5 746 million in cash payments for recreation, culture and religion from R16 411 million in 2007/2008 to R22 157 million in 2008/2009 was mainly due to increased spending on recreational and cultural services by municipalities.

The increase of R5 488 million in cash payments for housing and community amenities from R28 173 million in 2007/2008 to R33 661 million in 2008/2009 was mainly due to increased spending on housing development by municipalities and the Eastern Cape provincial government.

The increase of R4 675 million in cash payments for general services from R15 408 million in 2007/2008 to R20 083 million in 2008/2009 was mainly due to increased spending by the Department of Home Affairs, the Department of Public Works and the Electoral Commission of South Africa.

The increase of R4 596 million in cash payments for defence from R27 587 million in 2007/2008 to R32 183 million in 2008/2009 was mainly due to increased spending by the Department of Defence and the Special Defence Account.

The increase of R2 867 million in cash payments for general public services n.e.c. from R3 391 million in 2007/2008 to R6 258 million in 2008/2009 was mainly due to increased spending on general public services by municipalities.

The increase of R2 288 million in cash payments for general economic, commercial and labour affairs from R9 623 million in 2007/2008 to R11 911 million in 2008/2009 was mainly due to increased spending on general economic and commercial affairs by the Department of Trade and Industry, the National Skills Fund and the Sector Education and Training Authorities (SETAs).

The increase of R1 696 million in cash payments for prisons from R11 172 million in 2007/2008 to R12 868 million in 2008/2009 was mainly due to increased spending on prison services by the Department of Correctional Services.

The increase of R1 512 million in cash payments for law courts from R8 753 million in 2007/2008 to R10 265 million in 2008/2009 was mainly due to increased spending by the Department of Justice and Constitutional Development and the Legal Aid South Africa.

The increase of R1 491 million in cash payments for public debt transactions (mainly interest) from R52 835 million in 2007/2008 to R54 326 million in 2008/2009 was mainly due to increased payments of interest by the National Treasury.

The increase of R1 218 million in cash payments for environmental protection from R4 886 million in 2007/2008 to R6 104 million in 2008/2009 was mainly due to increased payments by the Department of Environmental Affairs and Tourism, the Free State provincial government and South African National Parks.

The increase of R1 185 million in cash payments for agriculture, forestry, fishing and hunting from R13 418 million in 2007/2008 to R14 603 million in 2008/2009 was mainly due to increased payments of restitution grants to households by the Department of Land affairs and also increased spending on agriculture by the KwaZulu-Natal and Eastern Cape provincial governments.

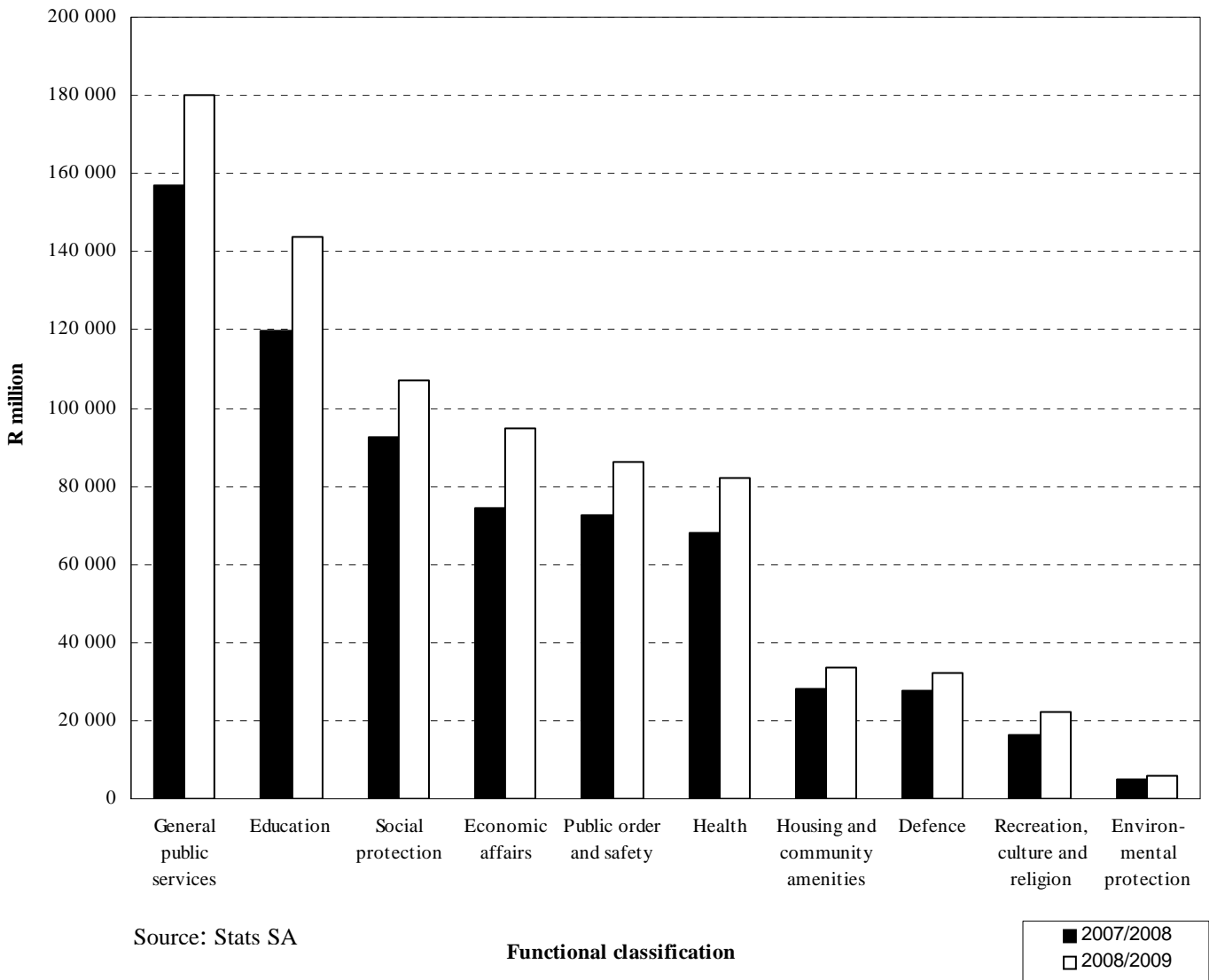
**Table B – Functional classification of the cash payments for operating activities and purchases of non-financial assets for the 2007/2008 and 2008/2009 fiscal years (summary)<sup>1</sup>**

GFS 2001 codes	Type of service	2007/2008	2008/2009	Change between 2007/2008 and 2008/2009	% of total cash payments
		R million	R million	R million	2008/2009
	<b>General government services</b>				
<b>701</b>	<b>General public services</b>				
7011	Executive and legislative services, financial and fiscal affairs, foreign affairs other than foreign aid	81 348 *	94 221	12 873	12,0
7012	Foreign economic aid	719	896	177	0,1
7013	General services	15 408 *	20 083	4 675	2,6
7014	Basic research	3 161 *	4 083	922	0,5
7015	Research and development general public service	65	100	35	0,0
7016	General public services n.e.c.	3 391 *	6 258	2 867	0,8
7017	Public debt transactions (mainly interest)	52 835	54 326	1 491	6,9
7018	Transfers of a general character between different levels of government	0	0	0	0
	<b>Total general public services</b> a	<b>156 927 *</b>	<b>179 967</b>	<b>23 040</b>	<b>22,9</b>
<b>702</b>	<b>Defence</b> b	<b>27 587</b>	<b>32 183</b>	<b>4 596</b>	<b>4,1</b>
<b>703</b>	<b>Public order and safety</b>				
7031	Police	49 423 *	59 168	9 745	7,5
7032	Fire protection services	3 231 *	3 762	531	0,5
7033	Law courts	8 753 *	10 265	1 512	1,3
7034	Prisons	11 172	12 868	1 696	1,6
	<b>Total public order and safety</b> c	<b>72 579 *</b>	<b>86 062</b>	<b>13 483</b>	<b>10,9</b>
<b>704</b>	<b>Economic affairs</b>				
7041	General economic, commercial and labour affairs	9 623 *	11 911	2 288	1,5
7042	Agriculture, forestry, fishing and hunting	13 418 *	14 603	1 185	1,9
7043	Fuel and energy	4 905	5 173	268	0,7
7044	Mining, manufacturing and construction	6 561	6 061	-500	0,8
7045	Transport	33 926 *	49 817	15 891	6,3
7046	Communications	1 900 *	2 592	692	0,3
7047	Other industries	2 254 *	2 584	330	0,3
7048	Research and development economic affairs	1 693 *	1 929	236	0,2
	<b>Total economic affairs</b> d	<b>74 279 *</b>	<b>94 669</b>	<b>20 390</b>	<b>12,0</b>
<b>705</b>	<b>Environmental protection</b> e	<b>4 886 *</b>	<b>6 104</b>	<b>1 218</b>	<b>0,8</b>
<b>706</b>	<b>Housing and community amenities</b> f	<b>28 173 *</b>	<b>33 661</b>	<b>5 488</b>	<b>4,3</b>
<b>707</b>	<b>Health</b> g	<b>68 249 *</b>	<b>81 931</b>	<b>13 682</b>	<b>10,4</b>
<b>708</b>	<b>Recreation, culture and religion</b> h	<b>16 411 *</b>	<b>22 157</b>	<b>5 746</b>	<b>2,8</b>
<b>709</b>	<b>Education</b> i	<b>119 665 *</b>	<b>143 721</b>	<b>24 056</b>	<b>18,3</b>
<b>710</b>	<b>Social protection</b> j	<b>92 697 *</b>	<b>106 892</b>	<b>14 195</b>	<b>13,6</b>
	<b>Total general government cash payments for operating activities and purchases of non-financial assets (k=a+b+c+d+e+f+g+h+i+j)</b> k	<b>661 452 *</b>	<b>787 348</b>	<b>125 896</b>	<b>100,0</b>

<sup>1</sup> The sum of the data may not necessarily add up to totals due to rounding-off of figures.

\* Revised since the previous publication.

**Figure 3 – Functional classification of the cash payments for operating activities and purchases of non-financial assets from the consolidated general government for the 2007/2008 and 2008/2009 fiscal years**



**Table C – Contribution of the different levels of general government to the total consolidated cash payments for operating activities and purchases of non-financial assets by the general government sector for the 2007/2008 and 2008/2009 fiscal years\*\* <sup>1</sup>**

Levels of general government	R million		R million	% of total cash payments	
	2007/2008	2008/2009	Change between 2007/2008 and 2008/2009	2007/2008	2008/2009
National government	268 109 *	300 033	31 924	40,5 *	38,1
Provincial governments	207 586 *	256 471	48 885	31,4 *	32,6
Municipalities	83 762 *	103 771	20 009	12,7 *	13,2
Extra-budgetary accounts and funds	74 896 *	96 534	21 638	11,3*	12,3
Higher education institutions	27 100 *	30 539	3 439	4,1*	3,9
<b>Total expenditure</b>	<b>661 452 *</b>	<b>787 348</b>	<b>125 896</b>	<b>100,0 *</b>	<b>100,0</b>

<sup>1</sup> The sum of the data may not necessarily add up to totals due to rounding-off of figures.

\* Revised since the previous publication.

\*\* Sources:

- (i) P9101 Capital expenditure by the public sector for 2009, 2010, 2011 and 2012
- (ii) P9102 Financial statistics of extra-budgetary accounts and funds 2008/2009
- (iii) P9103.1 Financial statistics of higher education institutions 2008 and 2009
- (iv) P9114 Financial census of municipalities June 2008 and June 2009
- (v) P9119.3 Financial statistics of national government 2008/2009
- (vi) P9121 Financial statistics of provincial government 2008/2009

**Remarks on the figures in Table C**

The increase of R48 885 million in the expenditure of provincial governments from R207 586 million in 2007/2008 to R256 471 million in 2008/2009 was mainly due to an increase in cash payments for compensation of employees, goods and services and non-financial assets.

The increase of R31 924 million in the expenditure of national government from R268 109 million in 2007/2008 to R300 033 million in 2008/2009 was mainly due to increased cash payments for social grants, compensation of employees, goods and services and to the South African Customs Union.

The increase of R21 638 million in the expenditure of extra-budgetary accounts and funds from R74 896 million in 2007/2008 to R96 534 million in 2008/2009 was mainly due to an increase in cash payments for other constructions by the South African National Roads Agency Limited and cash payments for goods and services by other institutions.

The increase of R20 009 million in the expenditure of municipalities from R83 762 million in 2007/2008 to R103 771 million in 2008/2009 was mainly due to an increase in cash payments for other constructions, goods and services and compensation of employees.

The increase of R3 439 million in the expenditure of higher education institutions from R27 100 million in 2007/2008 to R30 539 million in 2008/2009 was mainly due to an increase in cash payments for goods and services and compensation of employees.

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## Notes

<b>Forthcoming issues</b>	<b>Issue</b>	<b>Expected release date</b>
	Financial statistics of consolidated general government 2009/2010	30 November 2011
<b>Purpose of this statistical release</b>	This statistical release provides financial statistics of the total consolidated general government sector. Cash payments for operating activities and purchases of non-financial assets for the fiscal year were classified economically and functionally.	
<b>Expected changes in next issue</b>	No changes are expected.	

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**Statistician-General**

Table D - Statement of sources and uses of cash for the 2008/2009 fiscal year

	R '000
<b>Table 1 Cash receipts from operating activities</b>	<b>762 062 401</b>
11 Taxes	663 719 951
12 Social contributions	14 906 626
13 Grants	1 935 866
14 Other receipts	81 499 958

Table D - Statement of sources and uses of cash for the 2008/2009 fiscal year (continued)

Economic classification		Table 2 Cash payments for operating activities							TOTAL (21 - 28)
		21 Compensation of employees	22 Purchases of goods and services	24 Interest	25 Subsidies	26 Grants	27 Social benefits	28 Other payments	
Functional classification		R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
70	<b>GENERAL GOVERNMENT SERVICES</b>	269 017 376	182 822 030	57 942 544	16 476 250	30 307 067	92 019 997	39 508 350	688 093 614
701	<b>GENERAL PUBLIC SERVICES</b>	28 079 329	40 107 202	56 010 840	265 721	30 199 939	212 354	3 334 168	158 209 553
7011	Executive and legislative services, financial and fiscal affairs, other than foreign aid	18 074 804	26 522 908	1 574 127	246 809	29 327 531	18 006	2 452 464	78 216 649
7012	Foreign economic aid	0	37 757	0	0	857 903	0	0	895 660
7013	General services	7 397 919	8 863 203	3 664	30	14 505	194 334	127 053	16 600 708
7014	Basic research	1 325 696	2 005 959	10 681	18 882	0	0	458 272	3 819 490
7015	R&D General public services	27 380	71 196	0	0	0	14	39	98 629
7016	General public services n.e.c.	1 253 530	2 606 182	95 926	0	0	0	296 340	4 251 978
7017	Public debt transactions (mainly interest)	0	0	54 326 442	0	0	0	0	54 326 442
7018	Transfers of a general character between different levels of government	0	-3	0	0	0	0	0	-3
702	<b>DEFENCE</b>	12 489 064	17 102 195	0	565 754	0	152 754	153 537	30 463 304
7021	Military defence	10 622 988	16 610 477	0	565 754	0	152 754	153 537	28 105 510
7022	Civil defence	0	0	0	0	0	0	0	0
7023	Foreign military aid	0	0	0	0	0	0	0	0
7024	R&D Defence	0	118 503	0	0	0	0	0	118 503
7025	Defence n.e.c.	1 866 076	373 215	0	0	0	0	0	2 239 291
703	<b>PUBLIC ORDER AND SAFETY</b>	50 744 690	20 030 756	25 591	0	5 335	334 765	322 716	71 463 853
7031	Police services	33 539 341	12 303 165	6 782	0	0	247 659	159 952	46 256 899
7032	Fire protection services	1 179 717	634 909	8 426	0	0	0	3 022	1 826 074
7033	Law courts	6 317 731	3 083 204	6 957	0	5 335	66 199	118 965	9 598 391
7034	Prisons	8 075 677	3 282 423	0	0	0	20 907	17 377	11 396 384
7035	R&D Public order and safety	10 249	17 183	0	0	0	0	84	27 516
7036	Public order and safety n.e.c.	1 621 975	709 872	3 426	0	0	0	23 316	2 358 589



Table D - Statement of sources and uses of cash for the 2008/2009 fiscal year (continued)

Economic classification		Table 2 Cash payments for operating activities							TOTAL (21 - 28)
		21 Compensation of employees	22 Purchases of goods and services	24 Interest	25 Subsidies	26 Grants	27 Social benefits	28 Other payments	
Functional classification		R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
<b>704</b>	<b>ECONOMIC AFFAIRS</b>	12 542 876	23 512 532	1 031 855	13 717 517	76 428	254 840	15 232 591	66 368 639
7041	General economic, commercial and labour affairs	2 881 005	5 527 777	7 359	2 197 727	39 992	4 749	896 112	11 554 721
7042	Agriculture, forestry, fishing and hunting	3 939 987	3 440 161	659	299 632	36 427	38 167	4 770 160	12 525 193
7043	Fuel and energy	219 506	301 956	3 594	1 374 082	0	422	3 265 974	5 165 534
7044	Mining, manufacturing and construction	793 483	2 475 057	9 163	1 218 863	0	1 177	1 159 884	5 657 627
7045	Transport	3 211 818	8 915 368	1 000 448	8 097 387	0	28 098	3 391 617	24 644 736
7046	Communication	229 421	587 684	266	376 840	6	6	1 330 100	2 524 323
7047	Other industries	335 601	1 550 742	10 124	44 232	0	179 345	398 960	2 519 004
7048	R&D Economic affairs	932 055	713 787	242	108 754	3	2 876	19 784	1 777 501
7049	Economic affairs n.e.c.	0	0	0	0	0	0	0	0
<b>705</b>	<b>ENVIRONMENTAL PROTECTION</b>	2 391 263	2 113 284	32 426	340 584	9 000	582 682	41 681	5 510 920
7051	Waste management	166 766	153 725	13	134 893	9 000	381 499	20 895	866 791
7052	Waste water management	9 810	10 086	0	192 693	0	38	154	212 781
7053	Pollution abatement	29 242	55 097	0	0	0	198	1 029	85 566
7054	Protection of biodiversity and landscape	2 092 010	1 797 630	32 396	12 998	0	200 905	18 032	4 153 971
7055	R&D Environmental protection	48 397	54 954	17	0	0	16	680	104 064
7056	Environmental protection n.e.c.	45 038	41 792	0	0	0	26	891	87 747
<b>706</b>	<b>HOUSING AND COMMUNITY AMENITIES</b>	6 106 778	8 439 814	305 057	748 841	1 378	24 388	11 202 466	26 828 722
7061	Housing development	2 154 522	3 029 661	176 548	22 000	845	2 456	10 593 685	15 979 717
7062	Community development	2 354 398	2 876 443	57 997	0	0	2 973	379 442	5 671 253
7063	Water supply	1 482 228	2 338 290	68 999	726 841	533	18 854	224 244	4 859 989
7064	Street lighting	0	0	0	0	0	0	0	0
7065	R&D Housing and community amenities	115 630	195 420	1 513	0	0	105	5 095	317 763
7066	Housing and community amenities n.e.c.	0	0	0	0	0	0	0	0

Table D - Statement of sources and uses of cash for the 2008/2009 fiscal year (continued)

Economic classification		Table 2 Cash payments for operating activities							TOTAL (21 - 28)
		21 Compensation of employees	22 Purchases of goods and services	24 Interest	25 Subsidies	26 Grants	27 Social benefits	28 Other payments	
Functional classification		R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
<b>707</b>	<b>HEALTH</b>	<b>43 864 516</b>	<b>26 946 941</b>	<b>23 247</b>	<b>0</b>	<b>0</b>	<b>148 816</b>	<b>2 004 342</b>	<b>72 987 862</b>
7072	Outpatient services	17 966	32 104	0	0	0	6	620	50 696
70724	Ambulance services	1 551 424	883 910	58	0	0	1 597	30 683	2 467 672
7073	Hospital services	19 032 909	10 286 593	90	0	0	61 537	224 191	29 605 320
7074	Public health services	22 297 172	12 086 046	7 060	0	0	84 821	1 743 077	36 218 176
7075	R&D Health	571 879	2 461 810	1 378	0	0	0	2 118	3 037 185
7076	Health n.e.c.	393 166	1 196 478	14 661	0	0	855	3 653	1 608 813
<b>708</b>	<b>RECREATION, CULTURE AND RELIGION</b>	<b>6 443 448</b>	<b>6 578 122</b>	<b>77 072</b>	<b>325 822</b>	<b>0</b>	<b>9 282</b>	<b>1 183 725</b>	<b>14 617 471</b>
7081	Recreational and sporting services	2 372 967	2 649 322	42 312	15 808	0	1 169	120 842	5 202 420
7082	Cultural services	3 871 247	3 667 950	34 483	41 130	0	7 730	545 153	8 167 693
7083	Broadcasting and publishing services	47 255	100 165	137	268 884	0	0	20 206	436 647
7084	Religious and other community services	99 091	93 074	0	0	0	14	493 096	685 275
7085	R&D Recreation, cultural and religion	0	0	0	0	0	0	0	0
7086	Recreation, culture and religion n.e.c.	52 888	67 611	140	0	0	369	4 428	125 436
<b>709</b>	<b>EDUCATION</b>	<b>101 225 375</b>	<b>30 611 467</b>	<b>410 320</b>	<b>512 011</b>	<b>10 938</b>	<b>330 638</b>	<b>2 540 988</b>	<b>135 641 737</b>
7091	Pre-primary and primary education	40 383 020	6 836 894	267	277 722	0	163 822	9 407	47 671 132
7092	Secondary education	32 858 781	4 038 626	133	234 289	0	104 227	24 531	37 260 587
7093	Post-secondary non-tertiary education (e.g. ABET)	3 020 657	1 897 852	1	0	0	12 921	100 150	5 031 581
7094	Tertiary education	15 164 113	11 169 240	378 434	0	0	0	2 243 739	28 955 526
7095	Education not definable by level	8 951	20 533	74	0	0	0	11 255	40 813
7096	Subsidiary services to education	0	0	0	0	0	0	0	0
7097	R&D Education	2 647	7 282	0	0	0	0	0	9 929
7098	Education n.e.c.	9 787 206	6 641 040	31 411	0	10 938	49 668	151 906	16 672 169

Table D - Statement of sources and uses of cash for the 2008/2009 fiscal year (continued)

Economic classification		Table 2 Cash payments for operating activities							TOTAL (21 - 28)
		21 Compensation of employees	22 Purchases of goods and services	24 Interest	25 Subsidies	26 Grants	27 Social benefits	28 Other payments	
Functional classification		R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
710	<b>SOCIAL PROTECTION</b>	5 130 037	7 379 717	26 136	0	4 049	89 969 478	3 492 136	106 001 553
7101	Sickness and disability	161 060	1 269 226	161	0	0	18 430 667	229 172	20 090 286
7102	Old age	60 279	58 982	0	0	2 690	26 912 434	516 955	27 551 340
7103	Survivors	0	0	0	0	0	0	0	0
7104	Family and children	244 978	129 006	0	0	0	26 209 763	1 529 747	28 113 494
7105	Unemployment	347 449	425 042	27	0	0	3 845 689	0	4 618 207
7106	Housing	0	0	0	0	0	0	0	0
7107	Social exclusion n.e.c.	239 993	164 888	84	0	25	842	250 484	656 316
7108	R&D Social protection	19 593	23 078	0	0	0	30	0	42 701
7109	Social protection n.e.c.	4 056 685	5 309 495	25 864	0	1 334	14 570 053	965 778	24 929 209

Table D - Statement of sources and uses of cash for the 2008/2009 fiscal year (continued)

Economic classification		Table 3 Purchases of non-financial assets				
		611 Fixed assets	612 Inventories	613 Valuables	614 Non-produced assets	TOTAL (611 - 614)
		R '000	R '000	R '000	R '000	R '000
<b>70</b>	<b>GENERAL GOVERNMENT SERVICES</b>	95 969 166	262 830	125 857	2 896 084	99 253 937
<b>701</b>	<b>GENERAL PUBLIC SERVICES</b>	21 149 661	71 096	32 698	503 752	21 757 207
7011	Executive and legislative services, financial and fiscal affairs, other than foreign aid	15 591 532	29	28 548	384 571	16 004 680
7012	Foreign economic aid	0	0	0	0	0
7013	General services	3 377 016	53 725	107	50 958	3 481 806
7014	Basic research	227 863	17 342	16	18 660	263 881
7015	Research and Development General public services	940	0	5	0	945
7016	General public services n.e.c.	1 952 310	0	4 022	49 563	2 005 895
7017	Public debt transactions (mainly interest)	0	0	0	0	0
7018	Transfers of a general character between different levels of government	0	0	0	0	0
<b>702</b>	<b>DEFENCE</b>	1 719 933	0	0	0	1 719 933
7021	Military defence	1 115 592	0	0	0	1 115 592
7022	Civil defence	0	0	0	0	0
7023	Foreign military aid	0	0	0	0	0
7024	R&D Defence	49	0	0	0	49
7025	Defence n.e.c.	604 292	0	0	0	604 292
<b>703</b>	<b>PUBLIC ORDER AND SAFETY</b>	14 343 306	1 843	18 995	234 070	14 598 214
7031	Police services	7 732 984	331	9 768	120 367	7 863 450
7032	Fire protection services	1 883 689	0	3 885	47 877	1 935 451
7033	Law courts	664 946	1 512	0	0	666 458
7034	Prisons	1 471 539	0	0	0	1 471 539
7035	R&D Public order and safety	291	0	0	0	291
7036	Public order and safety n.e.c.	2 589 857	0	5 342	65 826	2 661 025

Table D - Statement of sources and uses of cash for the 2008/2009 fiscal year (continued)

Economic classification		Table 3 Purchases of non-financial assets				
		611 Fixed assets	612 Inventories	613 Valuables	614 Non-produced assets	TOTAL (611 - 614)
		R '000	R '000	R '000	R '000	R '000
<b>704</b>	<b>ECONOMIC AFFAIRS</b>	<b>26 560 454</b>	<b>31 745</b>	<b>11</b>	<b>1 708 462</b>	<b>28 300 672</b>
7041	General economic, commercial and labour affairs	335 548	1 428	11	18 997	355 984
7042	Agriculture, forestry, fishing and hunting	655 934	1 081	0	1 420 347	2 077 362
7043	Fuel and energy	7 511	7	0	0	7 518
7044	Mining, manufacturing and construction	379 365	24 228	0	0	403 593
7045	Transport	24 903 078	0	0	269 118	25 172 196
7046	Communication	67 830	5	0	0	67 835
7047	Other industries	63 266	1 356	0	0	64 622
7048	R&D Economic affairs	147 922	3 640	0	0	151 562
7049	Economic affairs n.e.c.	0	0	0	0	0
<b>705</b>	<b>ENVIRONMENTAL PROTECTION</b>	<b>520 310</b>	<b>7 126</b>	<b>0</b>	<b>66 124</b>	<b>593 560</b>
7051	Waste management	36 463	0	0	0	36 463
7052	Waste water management	277	0	0	0	277
7053	Pollution abatement	3 643	0	0	0	3 643
7054	Protection of biodiversity and landscape	466 183	6 949	0	66 124	539 256
7055	R&D Environmental protection	10 369	177	0	0	10 546
7056	Environmental protection n.e.c.	3 375	0	0	0	3 375
<b>706</b>	<b>HOUSING AND COMMUNITY AMENITIES</b>	<b>6 695 295</b>	<b>0</b>	<b>10 084</b>	<b>126 903</b>	<b>6 832 282</b>
7061	Housing development	2 372 515	0	4 314	55 441	2 432 270
7062	Community development	2 853 060	0	5 770	71 389	2 930 219
7063	Water supply	1 454 153	0	0	0	1 454 153
7064	Street lighting	0	0	0	0	0
7065	R&D Housing and community amenities	15 567	0	0	73	15 640
7066	Housing and community amenities n.e.c.	0	0	0	0	0

Table D - Statement of sources and uses of cash for the 2008/2009 fiscal year (continued)

Economic classification  Functional classification		Table 3 Purchases of non-financial assets				
		611 Fixed assets	612 Inventories	613 Valuables	614 Non-produced assets	TOTAL (611 - 614)
		R '000	R '000	R '000	R '000	R '000
<b>707</b>	<b>HEALTH</b>	<b>8 804 610</b>	<b>65 348</b>	<b>5 459</b>	<b>67 275</b>	<b>8 942 692</b>
7072	Outpatient services	259	0	0	0	259
70724	Ambulance services	350 266	0	0	0	350 266
7073	Hospital services	2 289 989	0	0	0	2 289 989
7074	Public health services	5 921 186	0	5 459	67 272	5 993 917
7075	R&D Health	198 721	65 342	0	3	264 066
7076	Health n.e.c.	44 189	6	0	0	44 195
<b>708</b>	<b>RECREATION, CULTURE AND RELIGION</b>	<b>7 358 973</b>	<b>682</b>	<b>14 659</b>	<b>164 981</b>	<b>7 539 295</b>
7081	Recreational and sporting services	3 102 967	226	6 181	75 284	3 184 658
7082	Cultural services	4 246 817	456	8 478	89 697	4 345 448
7083	Broadcasting and publishing services	5 964	0	0	0	5 964
7084	Religious and other community services	1 271	0	0	0	1 271
7085	R&D Recreation, cultural and religion	0	0	0	0	0
7086	Recreation, culture and religion n.e.c.	1 954	0	0	0	1 954
<b>709</b>	<b>EDUCATION</b>	<b>7 988 846</b>	<b>25 194</b>	<b>43 951</b>	<b>21 317</b>	<b>8 079 308</b>
7091	Pre-primary and primary education	1 708 608	0	0	1 710	1 710 318
7092	Secondary education	877 674	0	0	9 904	887 578
7093	Post-secondary non-tertiary education (e.g. ABET)	141 351	0	0	0	141 351
7094	Tertiary education	3 131 753	25 194	43 951	9 703	3 210 601
7095	Education not definable by level	4 535	0	0	0	4 535
7096	Subsidiary services to education	0	0	0	0	0
7097	R&D Education	0	0	0	0	0
7098	Education n.e.c.	2 124 925	0	0	0	2 124 925

Table D - Statement of sources and uses of cash for the 2008/2009 fiscal year (continued)

Economic classification		Table 3 Purchases of non-financial assets				
		611 Fixed assets	612 Inventories	613 Valuables	614 Non-produced assets	TOTAL (611 - 614)
		R '000	R '000	R '000	R '000	R '000
<b>710</b>	<b>SOCIAL PROTECTION</b>	827 778	59 796	0	3 200	890 774
7101	Sickness and disability	4 232	0	0	0	4 232
7102	Old age	27 729	0	0	0	27 729
7103	Survivors	0	0	0	0	0
7104	Family and children	126 136	0	0	0	126 136
7105	Unemployment	13 833	0	0	0	13 833
7106	Housing	0	0	0	0	0
7107	Social exclusion n.e.c.	138 094	0	0	0	138 094
7108	R&D Social protection	314	0	0	0	314
7109	Social protection n.e.c.	517 440	59 796	0	3 200	580 436

Table D - Statement of sources and uses of cash for the 2008/2009 fiscal year (continued)

	R '000
<b>Table 4 Sale of non-financial assets</b>	<b>851 783</b>
311 Fixed assets	830 773
312 Inventories	3
313 Valuables	14
314 Non-produced assets	20 993



Table D - Statement of sources and uses of cash for the 2008/2009 fiscal year (continued)

	R '000
Table 5 Net acquisition of financial assets other than cash	28 985 113
321 Domestic	28 798 779
322 Foreign	186 334

Table D - Statement of sources and uses of cash for the 2008/2009 fiscal year (concluded)

	R '000
Table 6 Net incurrence of liabilities	44 676 351
331 Domestic	45 937 921
332 Foreign	-1 261 570

**Annexure A: Information on disaggregated tables available on the Stats SA website****Tables**

Table 1	Economic classification of cash receipts from operating activities for the 2008/2009 fiscal year.
Table 2	Economic and functional classification of cash payments for operating activities for the 2008/2009 fiscal year.
Table 3	Economic and functional classification of purchases of non-financial assets for the 2008/2009 fiscal year.
Table 4	Economic classification of sales of non-financial assets for the 2008/2009 fiscal year.
Table 5	Economic classification of net acquisition of financial assets other than cash for the 2008/2009 fiscal year.
Table 6	Economic classification of net incurrence of liabilities for the 2008/2009 fiscal year.
Table 7	Economic and functional classification of cash payments from operating activities for the 2008/2009 fiscal year: Government consumption cash payments divided between individual and collective services.
Table 8	Economic and functional classification of cash payments from operating activities for the 2008/2009 fiscal year: Subsidies paid divided between subsidies on products and subsidies on production.
Table 9	Economic classification of statement of sources and uses of cash according to the different levels of general government for the 2008/2009 fiscal year (summary).
Table 10	Functional classification of the cash payments for operating activities and purchases of non-financial assets according to the different levels of general government for the 2008/2009 fiscal year (summary).

## Explanatory notes

### Introduction

This statistical release includes economic and functional classifications of transactions of consolidated general government for the 2008/2009 fiscal year, ended 31 March 2009. Estimates used in this publication have been adjusted from various financial year ends between the periods 1 April 2008 to 31 March 2009.

General government refers to those government units whose primary activity is to assume responsibility for the provision of goods and services to the community or to individual households free of charge or at prices that are not economically significant and to redistribute income and wealth by means of transfers. A defining characteristic of general government is the ability to impose, directly or indirectly, taxes and other compulsory levies, for which there is no direct *quid pro quo*, on other sectors of the economy.

The internal transactions between the different levels of the general government are eliminated in the tables.

### Methodology

The published statistics of Stats SA were used. The tables in this statistical release contain details of the financial statistics of the different levels of the general government sector and include:

- national revenue fund;
- extra-budgetary accounts and funds of the national and provincial governments;
- provincial revenue funds;
- higher education institutions; and
- municipalities.

### Scope of the financial statistics of consolidated general government

The following statistical releases were used:

- *Financial statistics of national government 2008/2009 (P9119.3)* published on 30 June 2010;
- *Financial statistics of provincial government 2008/2009 (P9121)* published on 28 September 2010;
- *Financial statistics of extra-budgetary accounts and funds 2008/2009 (P9102)* published on 26 August 2010;
- *Financial statistics of higher education institutions 2008 and 2009 (P9103.1)*, 2008 published on 15 October 2009 and 2009 published on 14 October 2010;
- *Financial census of municipalities for the year ended 30 June 2009 (P9114)*, published on 24 June 2010 and *Financial census of municipalities for the year ended 30 June 2008 (P9114)*, published on 26 May 2009; and
- *Capital expenditure by the public sector for 2009, 2010, 2011 and 2012 (P9101)*, published on 29 July 2010.

### Classification

Transactions of cash receipts from operating activities, sales of non-financial assets, net acquisition of financial assets other than cash and net incurrence of liabilities are classified economically only.

Transactions of cash payments for operating activities and purchases of non-financial assets are classified economically and functionally according to the standard classification of the International Monetary Fund.

### **Economic classification**

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

**Cash receipts and cash payments for operating activities and purchases of non-financial assets, sales of non-financial assets, net acquisition of financial assets other than cash and net incurrence of liabilities were classified economically as follows:**

- **Cash receipts from operating activities**
  - Taxes
  - Social contributions
  - Grants
  - Other receipts
- **Cash payments for operating activities**
  - Compensation of employees (excluding capitalised remuneration)
  - Purchases of goods and services
  - Interest
  - Subsidies
  - Grants
  - Social benefits
  - Other payments
- **Purchases of non-financial assets (including capitalised remuneration)**
  - Fixed assets
  - Inventories
  - Valuables
  - Non-produced assets
- **Sales of non-financial assets**
  - Fixed assets
  - Inventories
  - Valuables
  - Non-produced assets
- **Net acquisition of financial assets other than cash**
  - Domestic
  - Foreign
- **Net incurrence of financial liabilities**
  - Domestic
  - Foreign

## Functional classification

Functional classification measures the purpose for which transactions are undertaken. It is generally used to measure the allocation of resources of government in order to promote various services and objectives rendered to the community. The functional codes used in the tables are based on the functional codes used in the 2001 GFS manual (IMF).

**Cash payments for operating activities and purchases of non-financial assets are classified functionally as follows:**

- **General public services**

- Executive and legislative services, financial and fiscal affairs, and external affairs
- Foreign economic aid
- General services
- Basic research
- R&D General public services
- General public services n.e.c.
- Public debt transactions (mainly interest)
- Transfers of a general character between different levels of government

- **Defence**

- Military defence
- Civil defence
- Foreign military aid
- R&D defence
- Defence n.e.c.

- **Public order and safety**

- Police services
- Fire protection services
- Law courts
- Prisons
- R&D Public order and safety
- Public order and safety n.e.c.

- **Economic affairs**

- General economic, commercial and labour affairs
- Agriculture, forestry, fishing and hunting
- Fuel and energy
- Mining, manufacturing and construction
- Transport
- Communication
- Other industries
- R&D Economic affairs
- Economic affairs n.e.c.

- **Environmental protection**

- Waste management
- Waste water management
- Pollution abatement
- Protection of biodiversity and landscape
- R&D Environmental protection
- Environmental protection n.e.c.

- **Housing and community amenities**

- Housing development
- Community development
- Water supply
- Street lighting
- R&D Housing and community amenities
- Housing and community amenities n.e.c.

- **Health**

- Outpatient services
- Ambulance services
- Hospital services
- Public health services
- R&D Health
- Health n.e.c.

- **Recreation, culture and religion**

- Recreational and sporting services
- Cultural services
- Broadcasting and publishing services
- Religious and other community services
- R&D Recreation, culture and religion
- Recreation, culture and religion n.e.c.

- **Education**

- Pre-primary and primary education
- Secondary education
- Post-secondary and non-tertiary education
- Tertiary education
- Education not defined by level
- Subsidiary services to education
- R&D Education
- Education n.e.c.

- **Social protection**

- Sickness and disability
- Old age
- Survivors
- Family and children
- Unemployment
- Housing
- Social exclusion n.e.c.
- R&D Social services
- Social protection n.e.c

**Individual and collective services**

The **Disaggregated data** (Tables 1 to 10) also include tables in which government consumption expenditure is split into individual and collective services (see Table 7 as listed in Annexure A, p.26). These categories are recommended by the 1993 System of National Accounts.

**Subsidies on products and subsidies on production**

The split of subsidies into subsidies on products and subsidies on production is provided (see Table 8 as listed Annexure A, p.26). These categories are recommended by the 1993 System of National Accounts.

**Comparability with the previous year**

For the first time this statistical release includes annual change between previous year (2007/2008) and current year (2008/2009) for the categories of cash flows from operating activities and cash flows from investments in non-financial assets. Annual changes for the functional classifications are also provided. The 2008/2009 classified information is generally comparable with the 2007/2008 information.

**a. Extra-budgetary accounts and funds**

Extra-budgetary accounts and funds refer to accounts and funds of national and provincial governments which are not included in normal budget totals and do not operate through normal budgetary procedures, and are financed or managed by national and provincial governments. These institutions compile their own financial statements. The following account and fund came into effect as from the 2008/2009 financial year and is therefore included in this statistical release for the first time:

- Technical Assistance Unit (functionally classified as general economic and commercial affairs)

The following accounts and funds were previously included but are now excluded from the tables:

- SEDA Technology Programme (functionally classified as general economic and commercial affairs);
- Agricultural Debt Account (functionally classified as agriculture, forestry, fishing and hunting); and
- Xhasa Accounting Technical Centre (functionally classified as housing and community amenities).



**b. Municipalities**

The “Financial census of municipalities” (P9114) publication was used to compile the municipalities’ portion of this release. The information for the 2008/2009 financial year is preliminary and may be revised in the next P9119.4 publication. The amounts shown under cash flows from financing activities for municipalities include cash flows from financing activities of trading services. Due to the way municipal activities are recorded, the separation of cash flows of financing activities between trading services and rates and general services is not available

From the financial year 2005/2006 the data are based on the General Recognised Accounting Practice / General Accepted Municipal Accounting Practice (GRAP/GAMAP) accounting standards. Some municipalities are still reporting on the old accounting reporting format, but during 2007/2008 and 2008/2009 more municipalities moved to the new accounting reporting format, and may therefore not be strictly comparable with prior years.

**Related publications**

Statistics South Africa also publishes information on the following levels of the general government in statistical releases:

- P0441 *Gross Domestic Product;*
- P9101 *Capital expenditure by the public sector;*
- P9102 *Financial statistics of extra-budgetary accounts and funds;*
- P9103.1 *Financial statistics of higher education institutions;*
- P9114 *Financial census of municipalities;*
- P9119.3 *Financial statistics of national government; and*
- P9121 *Financial statistics of provincial government.*

**Symbols and abbreviations**

- BLS Botswana, Lesotho and Swaziland
- GAMAP General Accepted Municipal Accounting Practice
- GFS Government Finance Statistics
- GRAP General Recognised Accounting Practice
- IMF International Monetary Fund
- IMFO Institute of Municipal Finance Officers
- n.e.c. not elsewhere classified
- NPISH Non-profit institutions serving households
- RDP Reconstruction and Development Programme
- R&D Research & Development
- SA South Africa
- SAPS South African Police Services
- SARS South African Revenue Service
- SASSA South African Social Security Agency
- SCOA Standard Chart of Accounts
- SEDA Small Enterprise Development Agency
- SETA Sector Education and Training Authority
- SITA State Information Technology Agency
- SNA System of National Accounts, 1993
- Stats SA Statistics South Africa

## Glossary

<b>Accrual basis of recording</b>	Accrual basis of recording means that flows are recorded at the time economic value is created, transformed, exchanged, transferred, or extinguished.
<b>Buildings and structures</b>	Consist of dwellings, non-residential buildings and other structures.
<b>Cash basis of recording</b>	Cash basis of recording means that transactions are captured when cash is received or when cash payment is made.
<b>Collective services</b>	Collective services refer to the services provided collectively to the community and are particularly applicable to services such as general administration, public order and safety and economic services.
<b>Compensation of employees</b>	Compensation of employees is the total remuneration, in cash, payable to a government employee in return for work done during the accounting period, except for work connected with own account capital formation. It includes both wages and salaries and social contributions.
<b>Dwellings</b>	Buildings that are used entirely or primarily as residences, including garages and other associated structures. Houseboats, barges, mobile homes, flats, hostels, nursing homes and caravans that are used as principal residences are also included. Dwellings acquired for military personnel are included because they are used in the same way as dwellings acquired by civilians.
<b>Economic classification</b>	A measure of the nature and economic effect of government operations on the economy of the country.
<b>Extra-budgetary accounts and funds</b>	Accounts and funds of national and provincial governments not included in normal budget totals and which do not operate through normal budgetary procedures of national and provincial government e.g. trading accounts and general government accounts.
<b>Financial assets</b>	Financial assets consist of financial claims, monetary gold and Special Drawing Rights (SDRs) allocated by the International Monetary Fund (IMF).
<b>Financial public corporations</b>	Units primarily engaged in both incurring liabilities and acquiring financial assets in the market. Note: Financial institutions may be entirely or mainly owned and/or controlled by the government in which case they are regarded as public financial institutions. It is the prime function of public financial institutions to act as intermediaries.
<b>Functional classification</b>	Functional classification of cash payments for operating activities and non-financial assets measures the purpose for which transactions are undertaken. It is generally used to measure the allocation of resources by government in order to promote various services and objectives rendered to the community.
<b>GFS Manual (2001)</b>	The manual describes a specialised macroeconomic statistical system (Government Finance Statistics system) designed to support fiscal analysis.
<b>Grants</b>	Grants are non-compulsory current or capital transfers received by a government unit from either another government unit or an international organization.

<b>Higher Education</b>	All learning programmes leading to qualifications higher than grade 12 or its equivalent in terms of the National Qualifications Framework as contemplated in the South African Qualification Authority Act, 1995 (Act No. 58 of 1995).
<b>Higher Education Institutions</b>	(Section 1 of Act No.63, 2002). Any institution that provides higher education on a full-time, part-time or distance basis and which is (a) merged, established or deemed to be established as a public higher education institution under this Act; (b) declared as a public higher education institution under this Act; or (c) registered or [conditionally] provisionally registered as a private higher education institution.
<b>Households</b>	Household may be defined as individuals or a small group of persons who share the same living accommodation.
<b>Individual services</b>	Individual services refer to services rendered to individuals or a small group of persons. This category applies particularly to community and social services for example education, health and welfare.
<b>Intangible fixed assets</b>	Consist of mineral exploration; computer software; entertainment, literary and artistic originals; and miscellaneous other intangible fixed assets. To qualify as a fixed asset, the item must be intended for use in production for more than one year and its use must be restricted to the units that have established ownership rights over it or to units licensed by the owner.
<b>Inventories</b>	Inventories are goods and services held by producers for sale, use in production, or other use at a later date.
<b>Liabilities</b>	A present obligation of the entity arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.
<b>Machinery and equipment</b>	Machinery and equipment include motor vehicles, ships, aircraft, equipment and furniture. Military expenditure on machinery and equipment which could be used for civilian purposes is included.
<b>Non-financial assets</b>	Non-financial assets consist of fixed assets, inventories, valuables and non-produced assets.
<b>Non-financial public corporations</b>	Non-financial public corporations are government owned and/or controlled units, which sell industrial or commercial goods and services to the public on a large scale.
<b>Non-produced assets</b>	Non-produced assets consist of tangible assets, natural occurring assets over which ownership is enforced. Natural occurring assets include land, subsoil assets and other naturally occurring assets.
<b>Non-profit institutions serving households (NPISH)</b>	Non-profit institutions which are mainly engaged in non-market production and serve households.
<b>Non-residential buildings</b>	All buildings other than dwellings. Examples of types of buildings included in this category are office buildings, schools, prisons, hospitals, buildings for public entertainment, warehouse and industrial buildings, commercial buildings, hotels and restaurants.
<b>Other fixed assets</b>	Consist of cultivated assets and intangible fixed assets.

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<b>Other structures</b>	All structures other than buildings. Included are the following: highways, streets, roads, bridges, elevated highways, tunnels, railways, subways, airfield runways, sewers, waterways, harbours, dams, other waterworks, shafts, tunnels, other structures associated with mining subsoil assets, communication lines, power lines, pipelines, outdoor sport and recreation facilities.
<b>Social benefits</b>	Social benefits are transfers in cash or in kind to protect the entire population or specific segment of it against certain social risks.
<b>Social contributions</b>	Social contributions are actual receipt from either employer on behalf of their employee or from employee, self-employed, or non-employed persons on their own behalf that secure entitlement to social benefits for their contributors, their dependents or their survivors.
<b>Statutory appropriations</b>	Statutory appropriations are amounts appropriated to be spent in terms of statutes and not requiring appropriation by vote.
<b>Subsidies</b>	Current unrequited payments that government units make to enterprises on the basis of levels of their production activities or the quantities or values of the goods and services that they produce, sell, export or import. Subsidies may be designed to influence levels of production, prices at which outputs are sold, or the remuneration of the enterprises.
<b>Subsidies on production</b>	Subsidies on production are payments which resident enterprises may receive as a consequence of engaging in production.
<b>Subsidies on products</b>	Current unrequited payments that government units make to enterprises on the basis of quantities or values of the goods and services that they produce, sell, export or import.
<b>Tax revenue</b>	Tax revenue is composed of compulsory transfers to the general government sector. Certain compulsory transfers, such as fines and penalties, are excluded from tax revenue.
<b>Transport equipment</b>	This consists of equipment for moving people and objects, including motor vehicles, trailers and semi trailers, ships, railway locomotives and rolling stock, aircraft, motorcycles and bicycles.
<b>Vote</b>	Vote is an appropriation voted by parliament.
<b>Wages and salaries</b>	Wages and salaries include primarily basic wages, salaries, services and other bonuses, allowances (including car allowances), overtime payments and housing subsidies.

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