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Financial statistics of consolidated general government
2017/2018

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The South Africa I know, the home I understand

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Key findings

The consolidated net change in the stock of cash of the general government sector amounted to R9 251 million for the 2017/2018 fiscal year.

The revenue cash flows from operating activities amounted to R1 507 016 million and the expense cash flows amounted to R1 570 369 million, resulting in a net cash outflow from operating activities of R63 353 million for the 2017/2018 fiscal year ended 31 March 2018. The net cash outflow from transactions in non-financial assets amounted to R138 401 million for the 2017/2018 fiscal year. The net acquisition of financial assets other than cash amounted to a cash outflow of R28 175 million for the 2017/2018 fiscal year. The net incurrence of liabilities amounted to R239 180 million, resulting in a net cash inflow of R211 005 million from financing activities for the 2017/2018 fiscal year. The total net change in the stock of cash of the general government sector amounted to R9 251 million (see Table A, p. 4).

The largest contributor to the total expenditure cash flows for operating activities and purchases of non-financial assets (functionally classified) of R1 710 231 million by the general government sector for the 2017/2018 fiscal year was general public services (R426 505 million, contributing 24,9%), followed by education (R328 436 million or 19,2%), social protection (R237 273 million or 13,9%), health (R201 098 million or 11,8%), economic affairs (R179 517 million or 10,5%), public order and safety (R165 833 million or 9,7%), housing and community amenities (R70 772 million or 4,1%), defence (R46 974 million or 2,7%), recreation, culture and religion (R39 574 million or 2,3%) and environmental protection (R14 247 million or 0,8%) (see Table C, p.11, and Figure 4, p.12).

Revenue cash flows from operating activities, the expense cash flows for operating activities and net cash flows from investment in non-financial assets by economic classification

Economic classification of expenditure is in general a measure of the nature and economic effect of government operations on the economy of a country. There are seven main economic classification categories of expense cash flows for operating activities: compensation of employees; purchases of goods and services; interest; subsidies; grants; social benefits; and other payments.

The revenue cash flows from operating activities increased by R83 236 million from R1 423 780 million in 2016/2017 to R1 507 016 million in 2017/2018. The increase was mainly due to an increase in taxes collected.

The increase of R81 080 million in cash receipts of taxes from R1 236 946 million in 2016/2017 to R1 318 026 million in 2017/2018 was mainly due to increases in taxes collected from individuals, corporations and other enterprises and excise taxes.

The decrease of R352 million in grants received from R2 284 million in 2016/2017 to R1 932 million in 2017/2018 was mainly due to a decrease in grants received by national government from foreign governments.

Expense cash flows for operating activities increased by R121 783 million from R1 448 586 million in 2016/2017 to R1 570 369 million in 2017/2018. The increase was mainly due to increases in compensation of employees, interest paid, other payments and grants paid to international institutions.

The largest contributor to total cash payments for operating activities for the 2017/2018 fiscal year was compensation of employees (R649 609 million), followed by purchases of goods and services (R342 022 million), social benefits (R204 571 million), interest (R180 090 million), other payments (R107 071 million), grants paid (R62 243 million) and subsidies (R24 762 million) (see Table A, p.4 and Figure 1, p.5).

The increase of R47 187 million in compensation of employees from R602 422 million in 2016/2017 to R649 609 million in 2017/2018 was due to increases in compensation of employees by the Gauteng and the KwaZulu-Natal provincial governments and the Department of Police.

The increase of R20 245 million in interest from R159 845 million in 2016/2017 to R180 090 million in 2017/2018 was due to an increase in interest paid on public debt by the national government.

The increase of R17 858 million in other payments from R89 213 million in 2016/2017 to R107 071 million in 2017/2018 was mainly due to capital transfers to non-financial public corporations by the Department of National Treasury and the Department of Telecommunications and Postal Services, and transfer payments to households by the National Student Financial Aid Scheme.

The increase of R16 710 million in grants from R45 533 million in 2016/2017 to R62 243 million in 2017/2018 was due to an increase in grants paid by the Department of National Treasury to the Southern African Customs Union.

The increase of R13 983 million in social benefits paid from R190 588 million in 2016/2017 to R204 571 million in 2017/2018 was mainly due to an increase in payments of social grants to households by the Department of Social Development and higher claims paid to households by the Road Accident Fund.

The increase of R6 832 million in purchases of goods and services from R335 190 million in 2016/2017 to R342 022 million in 2017/2018 was due to increases in purchases of goods and services by municipalities and the Gauteng and KwaZulu-Natal provincial governments.

The decrease of R1 032 million in subsidies paid from R25 794 million in 2016/2017 to R24 762 million in 2017/2018 was due to a decrease in subsidies paid to public corporations by the Department of Trade and Industry and the Gautrain Management Agency.

The net cash flows from investment in non-financial assets decreased by R5 709 million from R144 110 million in 2016/2017 to R138 401 million in 2017/2018 mainly due to decreases in capital expenditure on other structures by the Water Trading Entity, municipalities and the Department of Water Affairs and Sanitation.

Table A – Economic classification of statement of sources and uses of cash of consolidated general government for the 2016/2017 and 2017/2018 fiscal years (summary)[1]

GFSM 2014 code	Economic classification of sources and uses of cash		2016/2017[2]	2017/2018	Difference between 2016/2017 and 2017/2018
				R million	
	Cash flows from operating activities:				
	Revenue cash flows	a	1 423 780	1 507 016	83 236
11	Taxes		1 236 946	1 318 026	81 080
12	Social contributions		22 843	25 180	2 337
13	Grants		2 284	1 932	-352
14	Other receipts		161 707	161 879	172
	Expense cash flows	b	1 448 586	1 570 369	121 783
21	Compensation of employees		602 422	649 609	47 187
22	Purchases of goods and services		335 190	342 022	6 832
24	Interest		159 845	180 090	20 245
25	Subsidies		25 794	24 762	-1 032
26	Grants		45 533	62 243	16 710
27	Social benefits		190 588	204 571	13 983
28	Other payments		89 213	107 071	17 858
	Net cash flow from operating activities: inflow / (outflow)	(a-b) = c	*-24 806*	*-63 353*	*-38 547*
	Cash flows from transactions in non-financial assets:				
	Net cash outflow from investments in non-financial assets [3]	d	144 110	138 401	-5 709
611	Fixed assets		142 323	137 292	-5 031
612	Inventories		0	0	0
613	Valuables		45	27	-18
614	Non-produced assets		1 742	1 082	-660
	Cash surplus / (deficit)	(c-d) = e	*-168 916*	*-201 754*	
	Cash flows from financing activities:				
	Net acquisition of financial assets other than cash: outflow / (inflow)	f	19 338	28 175	
321	Domestic		19 103	27 420	
322	Foreign		235	755	
	Net incurrence of liabilities: cash inflow / (outflow)	g	210 442	239 180	
331	Domestic		161 418	207 303	
332	Foreign		49 024	31 878	
	Net cash flow from financing activities: inflow / (outflow)	(g-f) = h	*191 104*	*211 005*	
	NET CHANGE IN THE STOCK OF CASH	(h+e) = i	**22 188**	**9 251**	

[1] The sum of the data may not necessarily add up to totals due to rounding-off of figures.
[2] Revised since the previous publication.
[3] The net cash outflow from investment in non-financial assets (R138 401 million) is equal to purchases of non-financial assets (R139 862 million) minus sales of non-financial assets (R1 461 million). The total amounts for purchases and sales of non-financial assets are shown, respectively, in the disaggregated tables available on the Stats SA website.

Figure 1 – Economic classification of expense cash flows for operating activities for the 2016/2017* and 2017/2018 fiscal years (R million)

	Compensation of employees	Purchases of goods and services	Social benefits	Interest	Other payments	Grants	Subsidies
2016/2017	602 422	335 190	190 588	159 845	89 213	45 533	25 794
2017/2018	649 609	342 022	204 571	180 090	107 071	62 243	24 762
Difference	47 187	6 832	13 983	20 245	17 858	16 710	-1 032
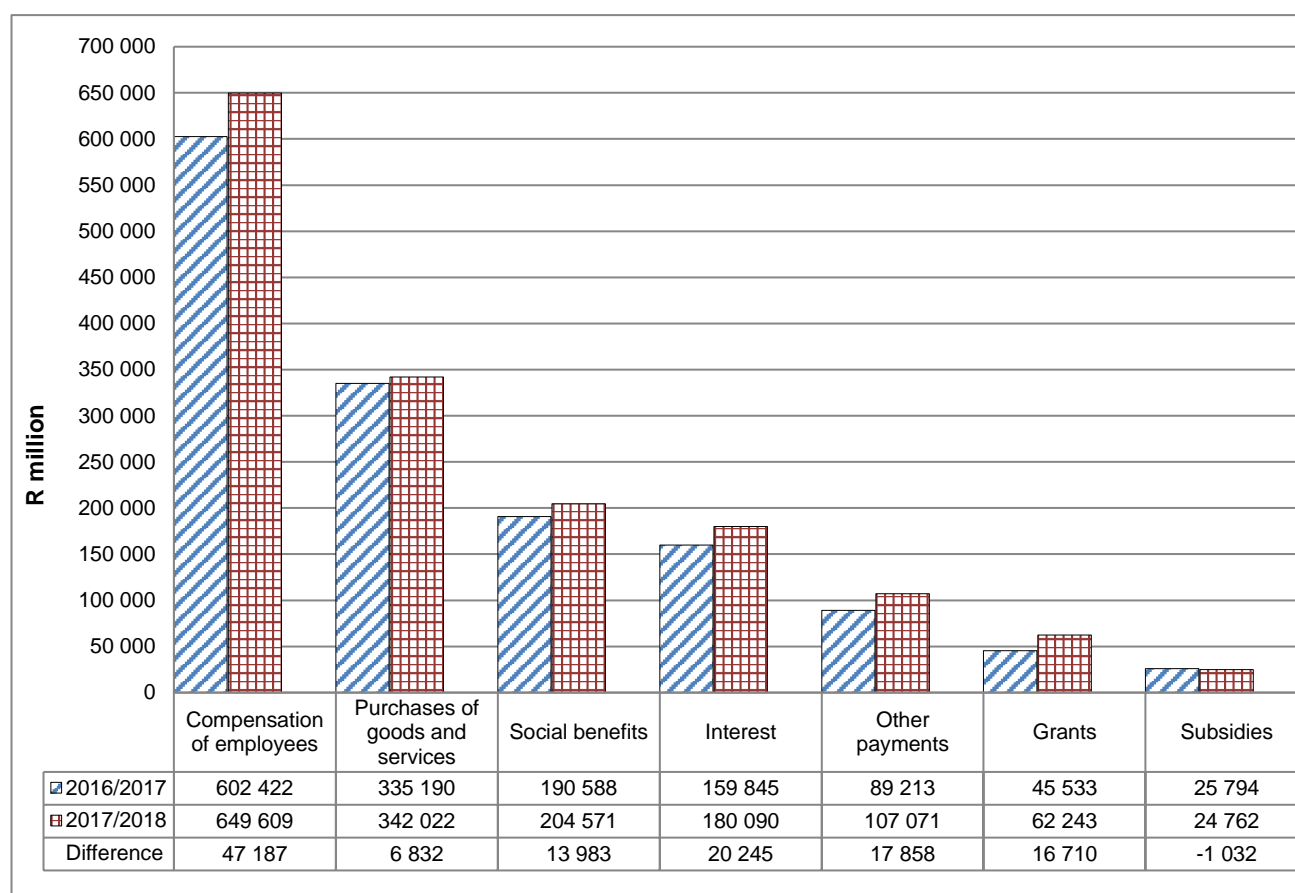
* Some of the figures have been revised since the previous publication.

Figure 1 shows the economic classification of expense cash flows for operating activities for the 2016/2017 and 2017/2018 fiscal years. In 2017/2018, consolidated general government main costs were compensation of employees (R649 609 million), purchases of goods and services (R342 022 million), social benefits (R204 571 million) and interest (R180 090 million).

Figure 2 – Compensation of employees by type of general government institution for the 2016/2017* and 2017/2018 fiscal years** (R million)

	Provincial government	National government	Municipalities	Extra-budgetary accounts and funds	Higher education institutions
2016/2017	311 451	148 027	59 860	48 518	34 565
2017/2018	334 279	157 118	67 340	52 868	38 005
Difference	22 828	9 091	7 480	4 350	3 440
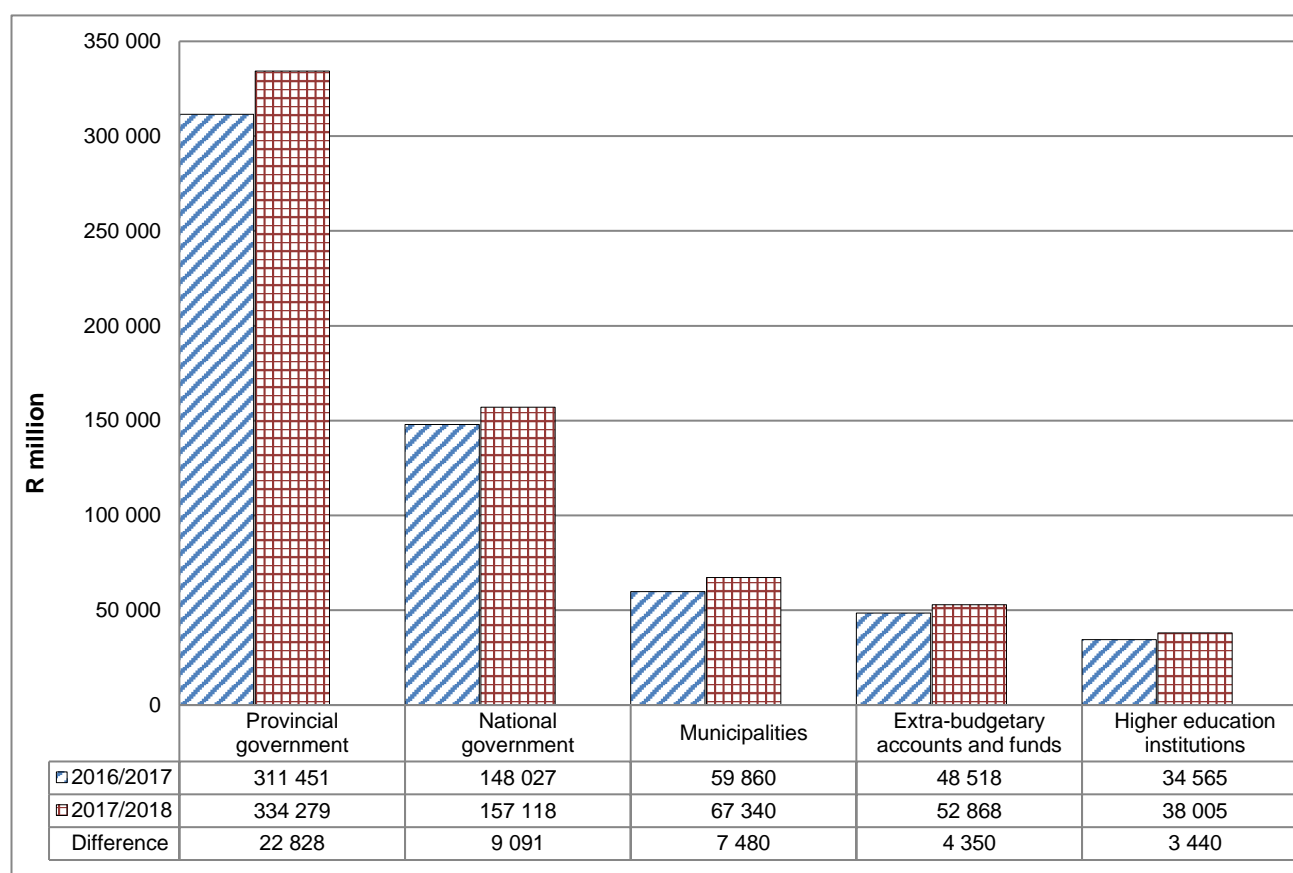
* Some of the figures have been revised since the previous publication.
** The breakdown can be found in the disaggregated tables available on the Stats SA website.

Figure 2 shows general government expense cash flows on compensation of employees. The total for the 2017/2018 fiscal year was R649 609 million, with provincial governments accounting for the largest proportion of this expenditure (R334 279 million), followed by national government (R157 118 million), municipalities (R67 340 million), extra-budgetary accounts and funds (R52 868 million) and higher education institutions (R38 005 million).

Figure 3 – Purchases of goods and services by type of general government institution for the 2016/2017* and 2017/2018 fiscal years** (R million)

	Provincial government	Extra-budgetary accounts and funds	National government	Municipalities	Higher education institutions
⊡ 2016/2017	113 301	87 884	67 185	45 468	21 353
⊡ 2017/2018	123 475	81 665	66 548	49 354	20 981
Difference	10 174	-6 219	-637	3 886	-372
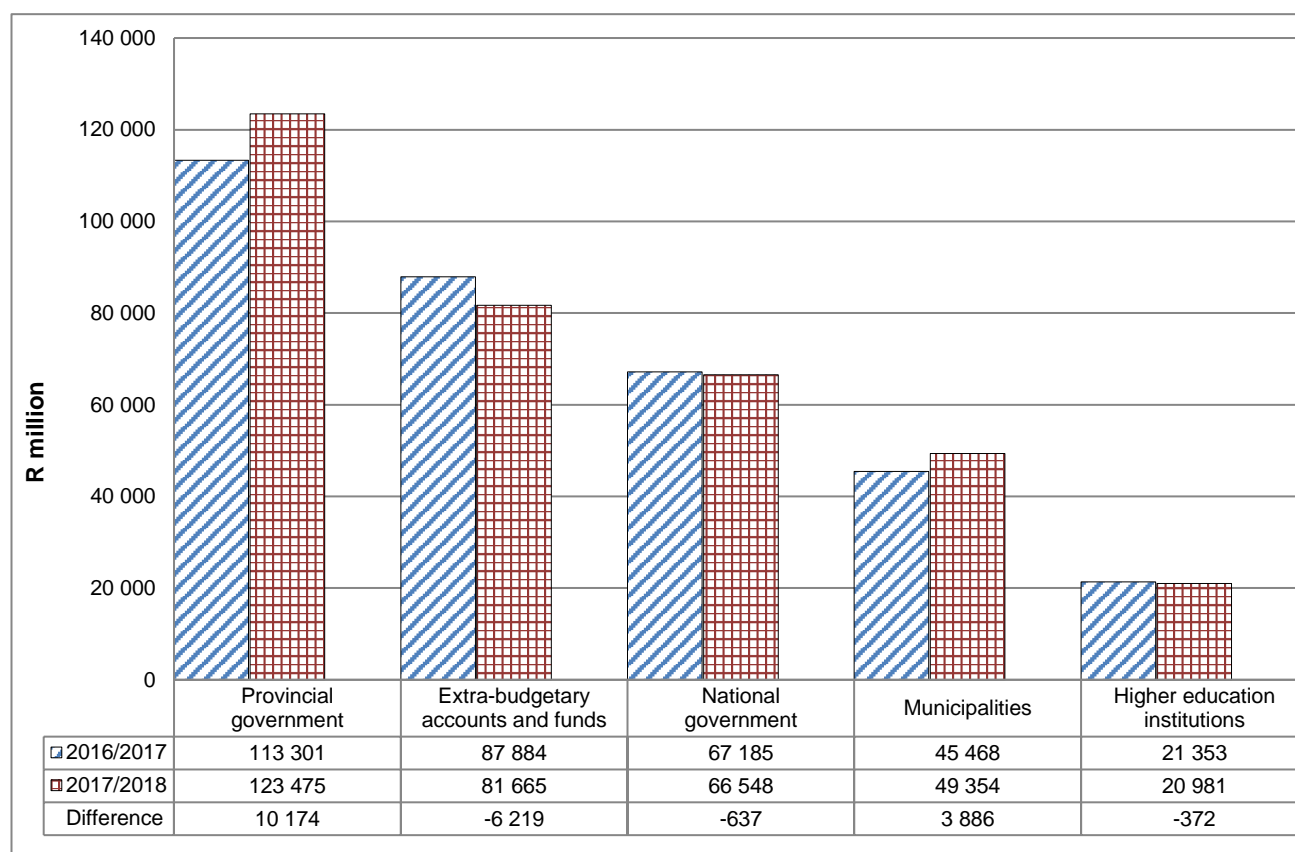
* Some of the figures have been revised since the previous publication.

** The breakdown can be found on the disaggregated tables available on the Stats SA website.

The total purchases of goods and services by the general government for the 2017/2018 fiscal year was R342 022 million. Figure 3 shows purchases of goods and services by type of general government, with provincial governments spending the largest proportion (R123 475 million), followed by extra-budgetary accounts and funds (R81 665 million), national government (R66 548 million), municipalities (R49 354 million) and higher education institutions (R20 981 million).

Table B – Economic classification of cash outflows (purchases) from investment in non-financial assets for the 2016/2017 and 2017/2018 fiscal years (summary) [1]

GFSM 2014 code	Cash flows from transactions in non-financial assets		2016/2017 [2]	2017/2018	Difference between 2016/2017 and 2017/2018
			R million		
61	**Cash flows from investments in non-financial assets:**	**(b+r+s+t) = a**	**145 840**	**139 862**	**-5 978**
611	**Fixed assets:**	**(c+d+i+q) = b**	**144 006**	**138 694**	**-5 312**
6111	**Buildings and structures:**	**c**	**117 034**	**112 005**	**-5 029**
61111	Dwellings		3 459	2 259	-1 200
61112	Buildings other than dwellings		29 812	30 831	1 019
61113	Other structures		83 552	78 853	-4 699
61114	Land improvements		212	63	-149
6112	**Machinery and equipment:**	**(e+f) = d**	**22 531**	**22 315**	**-216**
61121	Transport equipment	**e**	5 806	7 299	1 493
61122	**Machinery and equipment other than transport equipment:**	**(g+h) = f**	**16 725**	**15 016**	**-1 709**
611221	Information, computer and telecommunications equipment	**g**	4 739	3 964	-775
611222	**Machinery and equipment not elsewhere classified:**	**h**	**11 986**	**11 052**	**-934**
6112221	Office furniture (and domestic furniture)		1 704	1 652	-52
6112222	Other machinery and equipment		10 037	9 178	-859
6112223	Books		245	222	-23
6113	**Other fixed assets:**	**(j+k) = i**	**4 441**	**4 374**	**-67**
61131	**Cultivated biological resources:**	**j**	**53**	**42**	**-11**
611311	Animal resources yielding repeat products		53	42	-11
611312	Tree, crop, and plant resources yielding repeat products		0	0	0
61132	**Intellectual property products:**	**(l+m+n+o+p) = k**	**4 388**	**4 332**	**-56**
611321	Research and development	**l**	0	0	0
611322	Mineral exploration and evaluation	**m**	0	0	0
611323	**Computer software and databases:**	**n**	**4 356**	**4 312**	**-44**
6113231	Computer software		4 356	4 312	-44
6113232	Databases		0	0	0
611324	Entertainment, literary, and artistic originals	**o**	**0**	**0**	**0**
611325	Other intellectual property products	**p**	32	20	-12
6114	**Weapons systems**	**q**	**0**	**0**	**0**
612	**Inventories**	**r**	**0**	**0**	**0**
613	**Valuables**	**s**	**45**	**27**	**-18**
614	**Non-produced assets**	**t**	**1 788**	**1 140**	**-648**

[1] The sum of the data may not necessarily add up to totals due to rounding-off of figures.
[2] Revised since the previous publication.

The largest contributor to the net cash outflow from investment in non-financial assets was buildings and structures (R112 005 million), followed by machinery and equipment (R22 315 million), other fixed assets (R4 374 million), non-produced assets (R1 140 million) and valuables (R27 million) for the 2017/2018 fiscal year.

Contribution of expenditure cash flows for operating activities and purchases of non-financial assets to total general government expenditure by functional classification

Functional classification of expenditure cash flows for operating activities and purchases of 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 C, p.11. There are ten main categories of functional classification of expenditure cash flows 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.

Total expenditure cash flows for operating activities and purchases of non-financial assets (functionally classified) by the general government sector increased by R115 805 million from R1 594 426 million in 2016/2017 to R1 710 231 million in the 2017/2018 fiscal year.

The increase of R25 379 million in cash payments for executive and legislative organs, financial and fiscal affairs, external affairs from R175 742 million in 2016/2017 to R201 121 million in 2017/2018 was due to an increase in payments to the Southern African Customs Union.

The increase of R21 832 million in cash payments for education from R306 604 million in 2016/2017 to R328 436 million in 2017/2018 was due to increased transfer payments to households by the National Student Financial Aid Scheme and spending on education services by the Gauteng and KwaZulu-Natal provincial governments.

The increase of R16 148 million in cash payments for public debt transactions from R146 497 million in 2016/2017 to R162 645 million in 2017/2018 was due to increased payments of interest on public debt by the national government.

The increase of R16 002 million in cash payments for health from R185 096 million in 2016/2017 to R201 098 million in 2017/2018 was due to increased spending on health services by the Gauteng, KwaZulu-Natal and Eastern Cape provincial governments.

The increase of R15 117 million in cash payments for social protection from R222 156 million in 2016/2017 to R237 273 million in 2017/2018 was due to increased social grants paid to households by the Department of Social Development and higher claims paid by the Road Accident Fund.

The increase of R9 613 million in cash payments for public order and safety from R156 220 million in 2016/2017 to R165 833 million in 2017/2018 was due to increased spending on police services, law courts and prisons by the national government.

The increase of R5 634 million in cash payments for transport from R87 300 million in 2016/2017 to R92 934 million in 2017/2018 was mainly due to increased capital transfers for the recapitalisation of non-financial public corporations by the Department of National Treasury.

The increase of R4 070 million in cash payments for general economic, commercial and labour affairs from R30 957 million in 2016/2017 to R35 027 million in 2017/2018 was due to an increase in transfers to households by the National Skills Fund and increased operating expenditure by the Services Sector Education and Training Authority.

The increase of R2 735 million in cash payments for communications from R3 627 million in 2016/2017 to R6 362 million in 2017/2018 was mainly due to an increase in capital transfers for the recapitalisation of a non-financial public corporation by the Department of Telecommunications and Postal Services.

The increase of R1 596 million in cash payments for recreation, culture and religion from R37 978 million in 2016/2017 to R39 574 million in 2017/2018 was mainly due to an increase in cash payments by municipalities and the KwaZulu-Natal provincial government.

The increase of R1 532 million in cash payments for environmental protection from R12 715 million in 2016/2017 to R14 247 million in 2017/2018 was mainly due to increased cash payments by the Department of Environmental Affairs, South African National Parks and municipalities.

The increase of R1 204 million in cash payments for housing and community amenities from R69 568 million in 2016/2017 to R70 772 million in 2017/2018 was mainly due to an increase in subsidies paid to households by municipalities.

The decrease of R1 384 million in cash payments for mining, manufacturing and construction from R9 269 million in 2016/2017 to R7 885 million in 2017/2018 was mainly due to a decrease in payments of subsidies to public corporations by the Department of Trade and Industry.
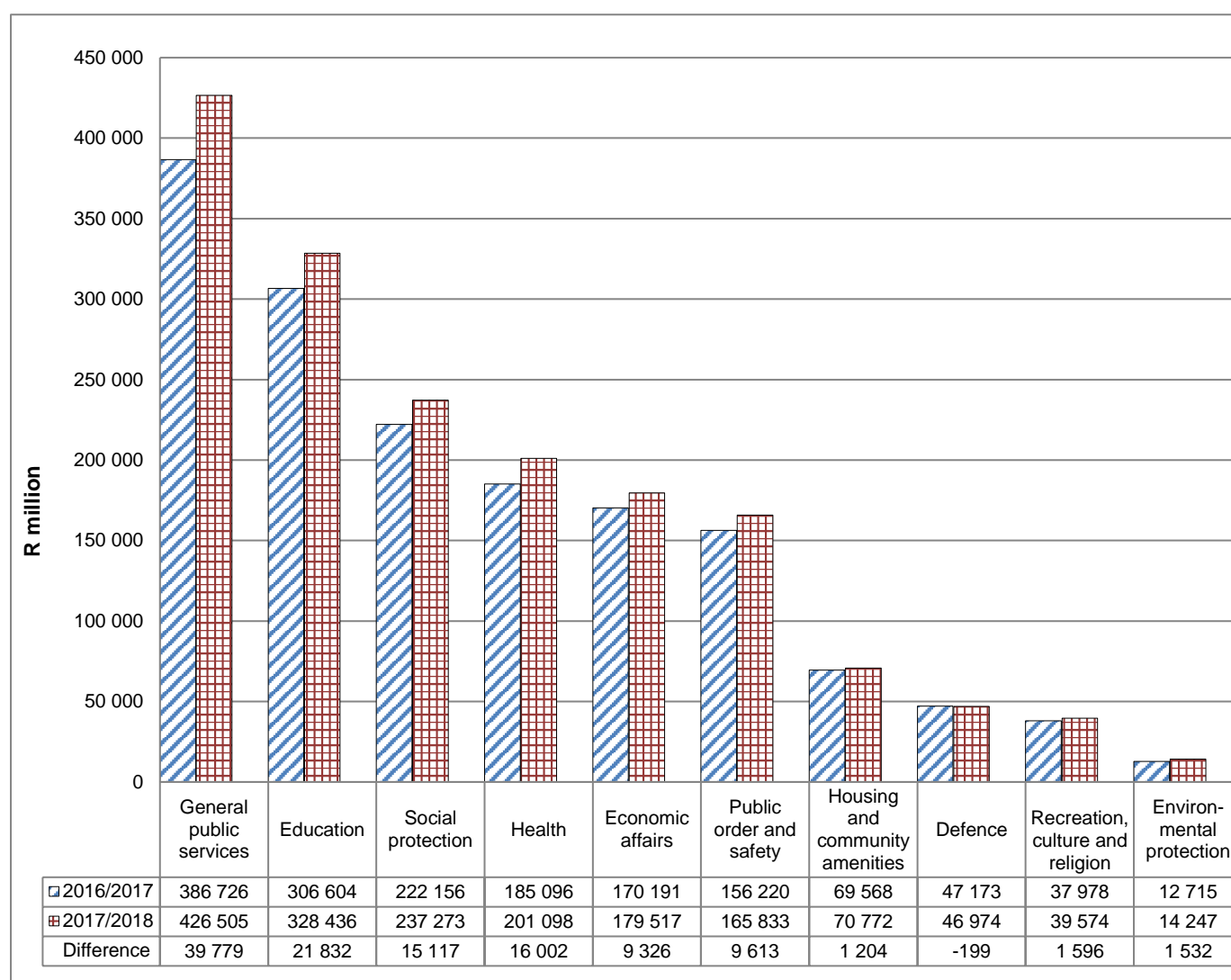
The decrease of R1 185 million in cash payments for fuel and energy from R8 729 million in 2016/2017 to R7 544 million in 2017/2018 was mainly due to decreased cash payments by the Energy and Water Sector Education and Training Authority and municipalities.

Table C – Functional classification of expenditure cash flows for operating activities and purchases of non-financial assets for the 2016/2017 and 2017/2018 fiscal years (summary)[1]

GFSM 2014 code	Type of service		2016/2017[2]	2017/2018	Difference between 2016/2017 and 2017/2018	Percentage of total cash payments 2017/2018
			R million			%
701	**General public services**					
7011	Executive and legislative organs, financial and fiscal affairs, external affairs		175 742	201 121	25 379	11,8
7012	Foreign economic aid		652	483	-169	0,0
7013	General services		48 852	48 805	-47	2,9
7014	Basic research		8 350	7 896	-454	0,5
7015	R&D General public services		954	820	-134	0,0
7016	General public services n.e.c.[3]		5 678	4 736	-942	0,3
7017	Public debt transactions (mainly interest)		146 497	162 645	16 148	9,5
7018	Transfers of a general character between different levels of government		0	0	0	0,0
	Total general public services	**a**	**386 726**	**426 505**	**39 779**	**24,9**
702	**Defence**	**b**	**47 173**	**46 974**	**-199**	**2,7**
703	**Public order and safety**					
7031	Police		102 970	110 421	7 451	6,5
7032	Fire protection services		8 972	8 524	-448	0,5
7033	Law courts		20 035	21 622	1 587	1,3
7034	Prisons		20 651	21 816	1 165	1,3
7035	R&D Public order and safety		80	101	21	0,0
7036	Public order and safety n.e.c.		3 513	3 349	-164	0,2
	Total public order and safety	**c**	**156 220**	**165 833**	**9 613**	**9,7**
704	**Economic affairs**					
7041	General economic, commercial and labour affairs		30 957	35 027	4 070	2,0
7042	Agriculture, forestry, fishing and hunting		21 785	20 876	-909	1,2
7043	Fuel and energy		8 729	7 544	-1 185	0,4
7044	Mining, manufacturing and construction		9 269	7 885	-1 384	0,5
7045	Transport		87 300	92 934	5 634	5,4
7046	Communications		3 627	6 362	2 735	0,4
7047	Other industries		4 847	5 392	545	0,3
7048	R&D Economic affairs		3 676	3 497	-179	0,2
7049	Economic affairs n.e.c.		0	0	0	0,0
	Total economic affairs	**d**	**170 191**	**179 517**	**9 326**	**10,5**
705	**Environmental protection**	**e**	**12 715**	**14 247**	**1 532**	**0,8**
706	**Housing and community amenities**	**f**	**69 568**	**70 772**	**1 204**	**4,1**
707	**Health**	**g**	**185 096**	**201 098**	**16 002**	**11,8**
708	**Recreation, culture and religion**	**h**	**37 978**	**39 574**	**1 596**	**2,3**
709	**Education**	**i**	**306 604**	**328 436**	**21 832**	**19,2**
710	**Social protection**	**j**	**222 156**	**237 273**	**15 117**	**13,9**
	Total general government expenditure cash flows for operating activities and purchases of non-financial assets (a+b+c+d+e+f+g+h+i+j) =	**k**	**1 594 426**	**1 710 231**	**115 805**	**100,0**

[1] The sum of the data may not necessarily add up to totals due to rounding-off of figures.
[2] Revised since the previous publication.
[3] n.e.c. not elsewhere classified.

Figure 4 – Functional classification of expenditure cash flows for operating activities and purchases of non-financial assets for the 2016/2017* and 2017/2018 fiscal years (R million)

	General public services	Education	Social protection	Health	Economic affairs	Public order and safety	Housing and community amenities	Defence	Recreation, culture and religion	Environ-mental protection
2016/2017	386 726	306 604	222 156	185 096	170 191	156 220	69 568	47 173	37 978	12 715
2017/2018	426 505	328 436	237 273	201 098	179 517	165 833	70 772	46 974	39 574	14 247
Difference	39 779	21 832	15 117	16 002	9 326	9 613	1 204	-199	1 596	1 532

* Some of the figures have been revised since the previous publication.

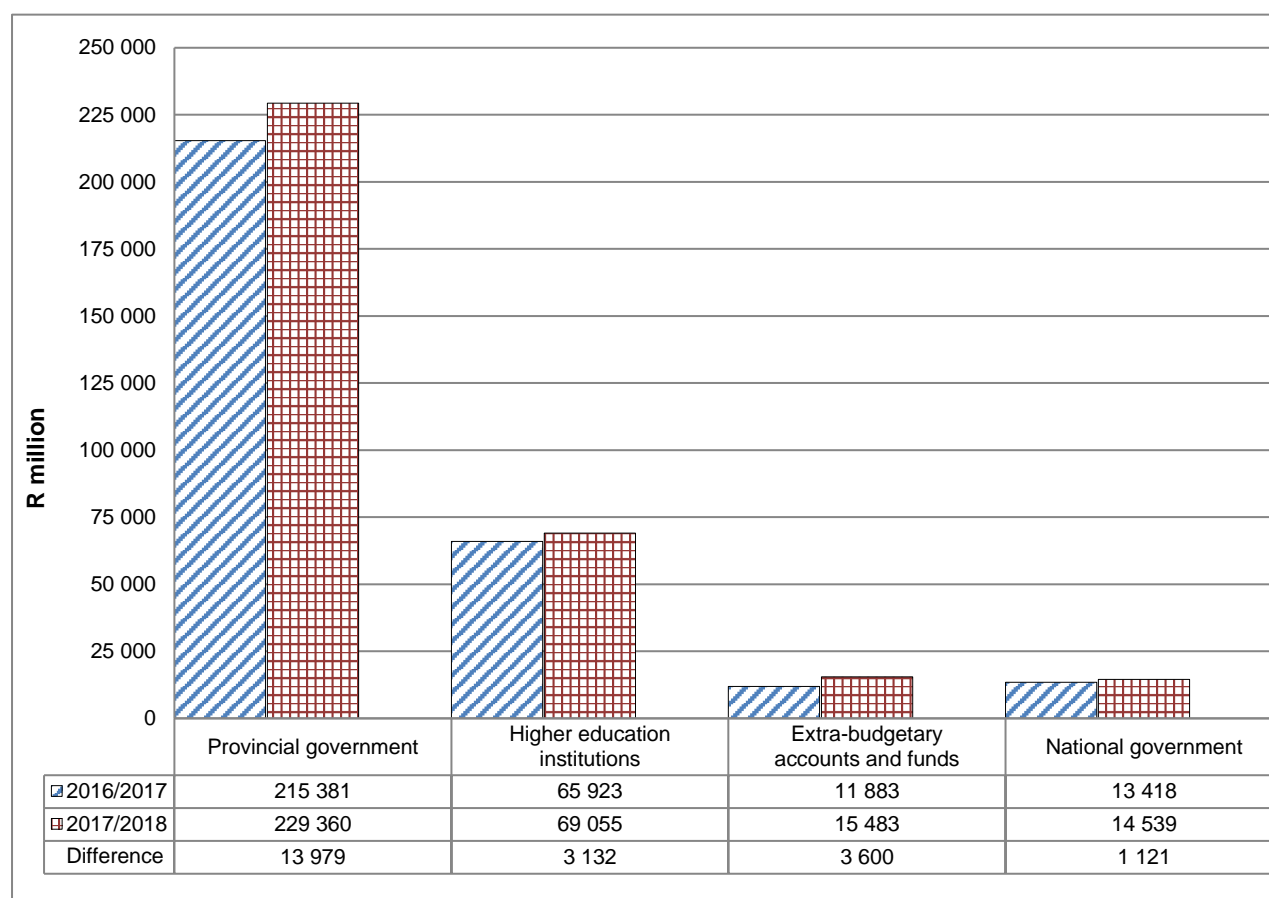Figure 4 shows the functional classification of expenditure cash flows for operating activities and purchases of non-financial assets. The total for the 2017/2018 fiscal year was R1 710 231 million, with general public services spending the highest amount (R426 505 million), followed by education (R328 436 million), social protection (R237 273 million) and health (R201 098 million).

Figure 5 – Spending on education by type of general government institution for the 2016/2017* and 2017/2018 fiscal years** (R million)

	Provincial government	Higher education institutions	Extra-budgetary accounts and funds	National government
2016/2017	215 381	65 923	11 883	13 418
2017/2018	229 360	69 055	15 483	14 539
Difference	13 979	3 132	3 600	1 121

 * Some of the figures have been revised since the previous publication.
 ** Total amount can be found on the disaggregated tables available on the Stats SA website.

Figure 5 shows general government expenditure on education. The total for the 2017/2018 fiscal year was R328 436 million, with provincial governments spending the highest amount (R229 360 million), followed by higher education institutions (R69 055 million), extra-budgetary accounts and funds (R15 483 million) and national government (R14 539 million).

Figure 6 – Spending on health by type of general government institution for the 2016/2017* and 2017/2018 fiscal years (R million)**

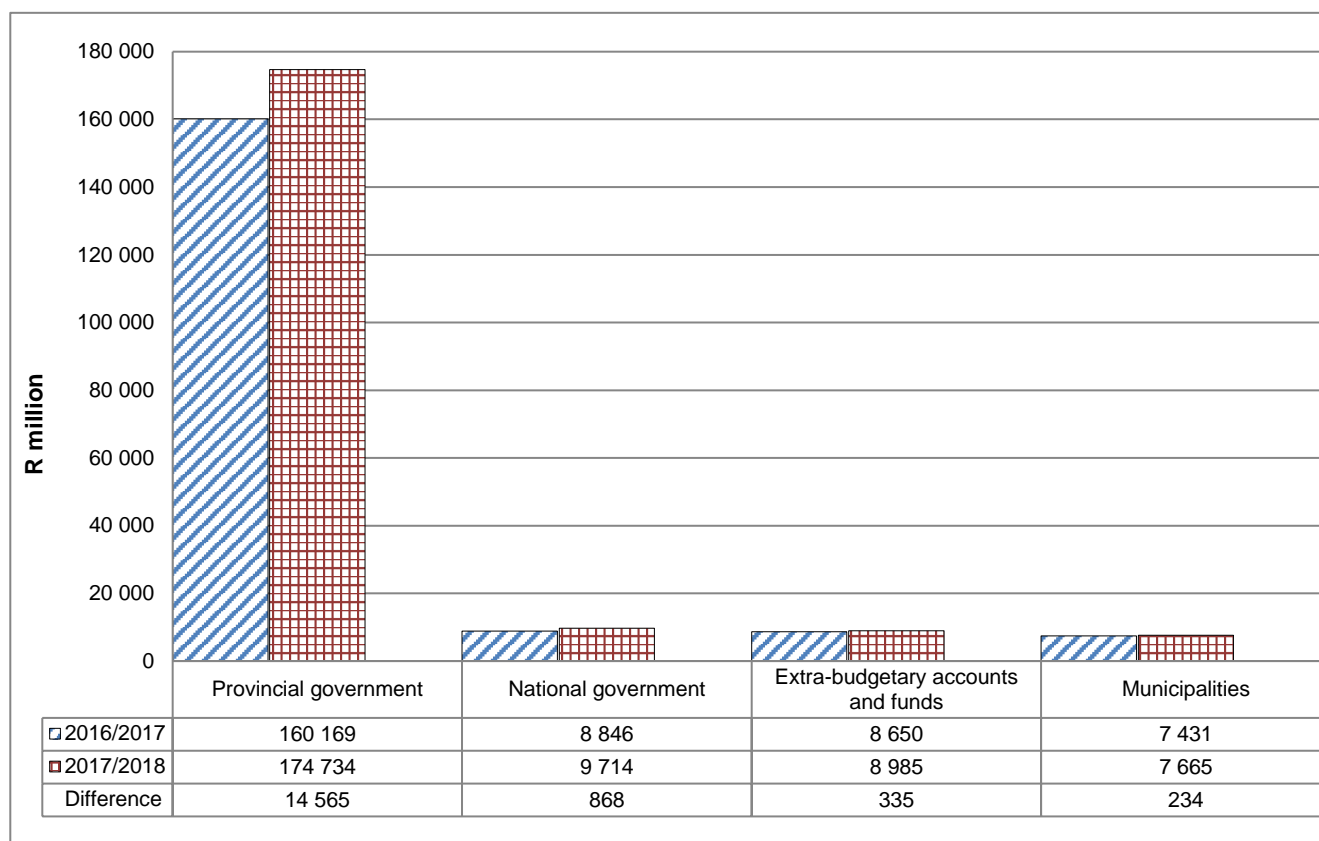|	Provincial government	National government	Extra-budgetary accounts and funds	Municipalities
2016/2017	160 169	8 846	8 650	7 431
2017/2018	174 734	9 714	8 985	7 665
Difference	14 565	868	335	234

 * Some of the figures have been revised since the previous publication.
 ** Total amount can be found on the disaggregated tables available on the Stats SA website.

Figure 6 shows general government expenditure on health. The total for the 2017/2018 fiscal year was R201 098 million, with provincial governments spending the largest amount (R174 734 million), followed by national government (R9 714 million), extra-budgetary accounts and funds (R8 985 million) and municipalities (R7 655 million).

Figure 7 –   Spending on social protection by type of general government institution for the 2016/2017*
and 2017/2018 fiscal years** (R million)

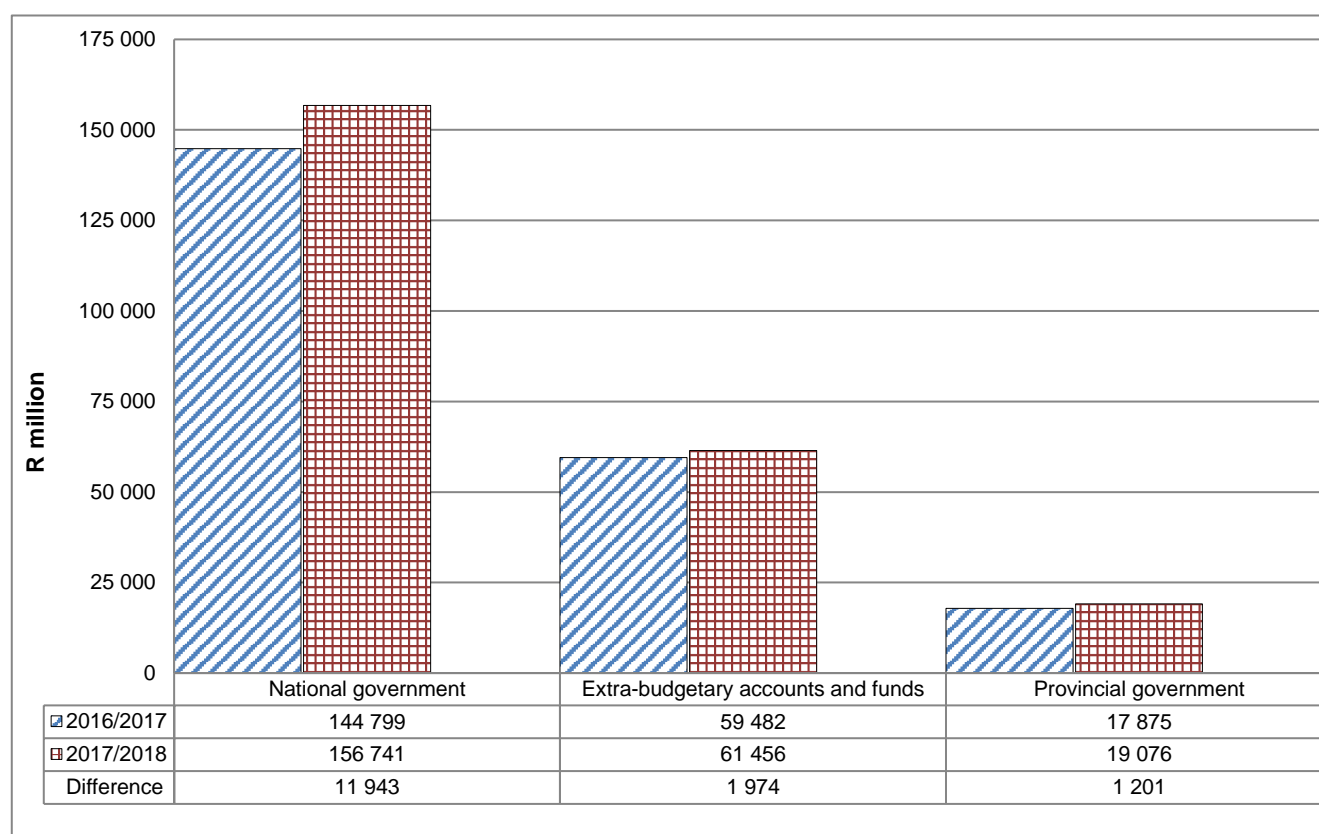|	National government	Extra-budgetary accounts and funds	Provincial government
2016/2017	144 799	59 482	17 875
2017/2018	156 741	61 456	19 076
Difference	11 943	1 974	1 201

* Some of the figures have been revised since the previous publication.
** Total amount can be found on the disaggregated tables available on the Stats SA website.

Figure 7 shows general government expenditure on social protection. The total for the 2017/2018 fiscal year was R237 273 million, with national government spending the highest amount (R156 741 million), followed by extra-budgetary accounts and funds (R61 456 million) and provincial governments (R19 076 million).

Table D – Contribution of the different types of general government institutions to the total consolidated expenditure cash flows for operating activities and purchases of non-financial assets by general government for the 2016/2017 and 2017/2018 fiscal years[1]

Type of general government institution	R million			% of total cash payments	
	2016/2017[2]	2017/2018	Difference between 2016/2017 and 2017/2018	2016/2017	2017/2018
National government	612 072	672 999	60 927	38,4	39,4
Provincial governments	501 072	536 090	35 018	31,4	31,3
Extra-budgetary accounts and funds	235 115	238 071	2 956	14,7	13,9
Municipalities	180 244	194 016	13 772	11,3	11,3
Higher education institutions	65 923	69 055	3 132	4,1	4,0
Total expenditure	**1 594 426**	**1 710 231**	**115 805**	**100,0**	**100,0**

[1] The sum of the data may not necessarily add up to totals due to rounding-off of figures.
[2] Revised since the previous publication.

Sources:
- (i)   P9101   *Capital expenditure by the public sector for 2018*
- (ii)   P9102   *Financial statistics of extra-budgetary accounts and funds 2017/2018*
- (iii) P9103.1 *Financial statistics of higher education institutions 2017 and 2018*
- (iv)   P9114   *Financial census of municipalities June 2017 and June 2018*
- (v)   P9119.3 *Financial statistics of national government 2017/2018*
- (vi)   P9121   *Financial statistics of provincial government 2017/2018*

Remarks on the figures in Table D

The increase of R60 927 million in the expenditure of national government was mainly due to increases in grants paid, interest paid on public debt, payments of social grants to households and compensation of employees.

The increase of R35 018 million in the expenditure of provincial governments was mainly due to increases in cash payments for compensation of employees, purchases of goods and services and transfers to households.

The increase of R13 772 million in the expenditure of municipalities was mainly due to increases in cash payments for compensation of employees, purchases of goods and services and interest paid on loans.

The increase of R3 132 million in the expenditure of higher education institutions was mainly due to increases in cash payments for compensation of employees.

The increase of R2 956 million in the expenditure of extra-budgetary accounts and funds was mainly due to increased transfer payments to households, compensation of employees and claims paid to households.

PP Ofuneke (ACTING SG)

Risenga Maluleke
Statistician-General

Table 1 – Economic classification of revenue cash flows from operating activities for the 2017/2018* fiscal year (summary)

GFSM 2014 code	Economic classification	R million
1	**Cash receipts from operating activities**	**1 507 016**
11	Taxes	1 318 026
12	Social contributions	25 180
13	Grants	1 932
14	Other receipts	161 879

* The sum of the data may not necessarily add up to totals due to rounding-off of figures.

Table 2 – Economic and functional classification of expense cash flows for operating activities for the 2017/2018* fiscal year (summary)

	Functional classification	Economic classification							(21 - 28)
		21 Compensation of employees	22 Purchases of goods and services	24 Interest	25 Subsidies	26 Grants	27 Social benefits	28 Other payments	TOTAL
		R million							
70	**GENERAL GOVERNMENT SERVICES**	**649 609**	**342 022**	**180 090**	**24 762**	**62 243**	**204 571**	**107 071**	**1 570 369**
701	**GENERAL PUBLIC SERVICES**	**74 626**	**77 728**	**170 974**	**916**	**58 153**	**152**	**5 269**	**387 818**
7011	Executive and legislative organs, financial and fiscal affairs, external affairs	54 711	45 408	8 249	0	57 671	62	3 993	170 093
7012	Foreign economic aid	0	0	0	0	483	0	0	483
7013	General services	16 215	25 992	144	0	0	89	381	42 820
7014	Basic research	1 586	3 687	2	916	0	1	867	7 057
7015	R&D General public services	115	701	0	0	0	0	3	819
7016	General public services n.e.c.	2 000	1 867	10	0	0	0	25	3 901
7017	Public debt transactions (mainly interest)	0	74	162 570	0	0	0	0	162 645
7018	Transfers of a general character between different levels of government	0	0	0	0	0	0	0	0
702	**DEFENCE**	**29 250**	**15 593**	**0**	**0**	**0**	**174**	**33**	**45 049**
7021	Military defence	24 517	14 225	0	0	0	174	33	38 949
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	39	0	0	0	0	0	39
7025	Defence n.e.c.	4 733	1 329	0	0	0	0	0	6 062
703	**PUBLIC ORDER AND SAFETY**	**114 547**	**32 292**	**18**	**0**	**0**	**782**	**1 552**	**149 190**
7031	Police services	79 600	20 099	4	0	0	562	519	100 785
7032	Fire protection services	4 238	578	7	0	0	0	1	4 824
7033	Law courts	14 149	5 003	1	0	0	141	936	20 230
7034	Prisons	15 038	5 983	4	0	0	79	92	21 196
7035	R&D Public order and safety	52	37	0	0	0	0	0	88
7036	Public order and safety n.e.c.	1 469	593	2	0	0	0	3	2 067

* The sum of the data may not necessarily add up to totals due to rounding-off of figures.

Table 2 – Economic and functional classification of expense cash flows for operating activities for the 2017/2018* fiscal year (summary) (continued)

	Functional classification	Economic classification							(21 - 28)
		21 Compensation of employees	22 Purchases of goods and services	24 Interest	25 Subsidies	26 Grants	27 Social benefits	28 Other payments	TOTAL
		R million							
704	**ECONOMIC AFFAIRS**	**30 795**	**52 538**	**4 043**	**20 278**	**4 089**	**196**	**40 397**	**152 337**
7041	General economic, commercial and labour affairs	7 873	11 066	13	2 444	4 088	13	7 987	33 484
7042	Agriculture, forestry, fishing and hunting	9 554	5 886	9	103	0	97	3 490	19 138
7043	Fuel and energy	692	638	5	1 196	1	4	4 959	7 496
7044	Mining, manufacturing and construction	1 253	4 138	0	2 338	0	2	25	7 756
7045	Transport	7 562	24 658	4 004	13 952	0	73	19 597	69 847
7046	Communication	649	1 735	0	240	0	2	3 706	6 332
7047	Other industries	1 521	3 195	12	4	0	1	198	4 932
7048	R&D Economic affairs	1 691	1 222	0	0	0	3	436	3 352
7049	Economic affairs n.e.c.	0	0	0	0	0	0	0	0
705	**ENVIRONMENTAL PROTECTION**	**5 260**	**6 212**	**24**	**975**	**0**	**22**	**170**	**12 662**
7051	Waste management	168	370	0	538	0	0	34	1 110
7052	Waste water management	0	0	0	435	0	0	0	435
7053	Pollution abatement	133	76	0	0	0	1	2	213
7054	Protection of biodiversity and landscape	4 613	5 337	24	2	0	19	51	10 045
7055	R&D Environmental protection	139	320	0	0	0	1	1	461
7056	Environmental protection n.e.c.	205	108	0	0	0	2	83	398
706	**HOUSING AND COMMUNITY AMENITIES**	**13 395**	**16 078**	**4 185**	**753**	**0**	**25**	**23 557**	**57 991**
7061	Housing development	4 460	4 531	232	0	0	11	20 969	30 203
7062	Community development	5 981	6 036	27	0	0	5	1 375	13 423
7063	Water supply	2 789	5 212	3 925	753	0	9	1 161	13 848
7064	Street lighting	0	0	0	0	0	0	0	0
7065	R&D Housing and community amenities	165	299	1	0	0	0	52	517
7066	Housing and community amenities n.e.c.	0	0	0	0	0	0	0	0

*The sum of the data may not necessarily add up to totals due to rounding-off of figures.

Table 2 – Economic and functional classification of expense cash flows for operating activities for the 2017/2018* fiscal year (summary) (continued)

	Functional classification	Economic classification							(21 - 28)
		21 Compensation of employees	22 Purchases of goods and services	24 Interest	25 Subsidies	26 Grants	27 Social benefits	28 Other payments	
									TOTAL
		R million							
707	**HEALTH**	**121 827**	**61 863**	**73**	**0**	**0**	**549**	**4 344**	**188 656**
7072	Outpatient services	69	52	0	0	0	0	0	121
70724	Ambulance services	4 869	1 745	2	0	0	9	19	6 643
7073	Hospital services	76 800	29 259	11	0	0	350	1 632	108 052
7074	Public health services	34 961	23 388	44	0	0	185	2 662	61 240
7075	R&D Health	3 633	4 764	17	0	0	0	16	8 429
7076	Health n.e.c.	1 495	2 655	0	0	0	5	15	4 170
708	**RECREATION, CULTURE AND RELIGION**	**15 639**	**9 089**	**58**	**589**	**0**	**34**	**4 860**	**30 268**
7081	Recreational and sporting services	5 910	3 675	30	6	0	5	2 505	12 131
7082	Cultural services	9 299	4 886	27	120	0	28	698	15 059
7083	Broadcasting and publishing services	105	126	0	463	0	0	469	1 163
7084	Religious and other community services	238	338	0	0	0	0	1 187	1 763
7085	R&D Recreation, culture and religion	12	18	0	0	0	0	0	29
7086	Recreation, culture and religion n.e.c.	76	46	0	0	0	0	0	123
709	**EDUCATION**	**228 066**	**60 293**	**459**	**1 253**	**0**	**1 207**	**19 099**	**310 377**
7091	Pre-primary and primary education	89 776	9 272	0	769	0	646	49	100 512
7092	Secondary education	67 867	9 354	0	483	0	353	26	78 083
7093	Post-secondary non-tertiary education (e.g. CET)	11 073	2 330	0	0	0	30	351	13 784
7094	Tertiary education	38 243	21 103	411	0	0	0	17 666	77 424
7095	Education not definable by level	7	56	0	0	0	0	0	63
7096	Subsidiary services to education	0	0	0	0	0	0	0	0
7097	R&D Education	5	78	0	0	0	0	0	82
7098	Education n.e.c.	21 095	18 101	48	0	0	177	1 007	40 429

* The sum of the data may not necessarily add up to totals due to rounding-off of figures.

Table 2 – Economic and functional classification of expense cash flows for operating activities for the 2017/2018* fiscal year (summary) (concluded)

	Functional classification	Economic classification							(21 - 28)
		21 Compensation of employees	22 Purchases of goods and services	24 Interest	25 Subsidies	26 Grants	27 Social benefits	28 Other payments	TOTAL
		R million							
710	**SOCIAL PROTECTION**	**16 205**	**10 336**	**257**	**0**	**1**	**201 431**	**7 790**	**236 020**
7101	Sickness and disability	1 002	681	33	0	0	24 739	455	26 911
7102	Old age	491	326	0	0	1	67 777	1 786	70 381
7103	Survivors	0	0	0	0	0	0	0	0
7104	Family and children	2 747	804	0	0	0	63 560	3 536	70 647
7105	Unemployment	1 168	959	0	0	0	9 249	0	11 376
7106	Housing	0	0	0	0	0	0	0	0
7107	Social exclusion n.e.c.	1 319	631	0	0	0	2	583	2 536
7108	R&D Social protection	242	147	0	0	0	0	1	390
7109	Social protection n.e.c.	9 235	6 789	224	0	0	36 102	1 429	53 780

* The sum of the data may not necessarily add up to totals due to rounding-off of figures.

Table 3 – Economic and functional classification of the cash outflows (purchases) from investment in non-financial assets for the 2017/2018* fiscal year (summary)

Functional classification		611 Fixed assets	612 Inventories	613 Valuables	614 Non-produced assets	(611 - 614) TOTAL
		Economic classification				
		R million				
70	**GENERAL GOVERNMENT SERVICES**	**138 695**	**0**	**27**	**1 140**	**139 862**
701	**GENERAL PUBLIC SERVICES**	38 414	0	9	264	**38 687**
7011	Executive and legislative organs, financial and fiscal affairs, external affairs	30 969	0	9	50	31 028
7012	Foreign economic aid	0	0	0	0	0
7013	General services	5 955	0	0	30	5 985
7014	Basic research	660	0	0	179	838
7015	R&D General public services	1	0	0	0	1
7016	General public services n.e.c.	829	0	0	5	835
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
702	**DEFENCE**	**1 925**	**0**	**0**	**0**	**1 925**
7021	Military defence	1 556	0	0	0	1 556
7022	Civil defence	0	0	0	0	0
7023	Foreign military aid	0	0	0	0	0
7024	R&D Defence	0	0	0	0	0
7025	Defence n.e.c.	369	0	0	0	369
703	**PUBLIC ORDER AND SAFETY**	**16 618**	**0**	**3**	**22**	**16 643**
7031	Police services	9 624	0	2	11	9 636
7032	Fire protection services	3 693	0	1	6	3 700
7033	Law courts	1 389	0	0	3	1 392
7034	Prisons	620	0	0	0	620
7035	R&D Public order and safety	12	0	0	0	12
7036	Public order and safety n.e.c.	1 280	0	0	2	1 283

* The sum of the data may not necessarily add up to totals due to rounding-off of figures.

Table 3 – Economic and functional classification of the cash outflows (purchases) from investment in non-financial assets for the 2017/2018* fiscal year (summary) (continued)

	Functional classification	Economic classification				(611 - 614)
		611 Fixed assets	612 Inventories	613 Valuables	614 Non-produced assets	TOTAL
		R million				
704	**ECONOMIC AFFAIRS**	**26 410**	**0**	**0**	**770**	**27 180**
7041	General economic, commercial and labour affairs	1 445	0	0	98	1 543
7042	Agriculture, forestry, fishing and hunting	1 150	0	0	588	1 738
7043	Fuel and energy	48	0	0	0	48
7044	Mining, manufacturing and construction	129	0	0	0	129
7045	Transport	23 003	0	0	84	23 087
7046	Communication	30	0	0	0	30
7047	Other industries	461	0	0	0	461
7048	R&D Economic affairs	145	0	0	0	145
7049	Economic affairs n.e.c.	0	0	0	0	0
705	**ENVIRONMENTAL PROTECTION**	**1 586**	**0**	**0**	**0**	**1 586**
7051	Waste management	60	0	0	0	60
7052	Waste water management	0	0	0	0	0
7053	Pollution abatement	53	0	0	0	53
7054	Protection of biodiversity and landscape	1 326	0	0	0	1 326
7055	R&D Environmental protection	45	0	0	0	45
7056	Environmental protection n.e.c.	101	0	0	0	101
706	**HOUSING AND COMMUNITY AMENITIES**	**12 761**	**0**	**2**	**18**	**12 781**
7061	Housing development	3 074	0	0	12	3 085
7062	Community development	4 714	0	1	7	4 722
7063	Water supply	4 970	0	0	0	4 970
7064	Street lighting	0	0	0	0	0
7065	R&D Housing and community amenities	4	0	0	0	4
7066	Housing and community amenities n.e.c.	0	0	0	0	0

* The sum of the data may not necessarily add up to totals due to rounding-off of figures.

Table 3 – Economic and functional classification of the cash outflows (purchases) from investment in non-financial assets for the 2017/2018* fiscal year (summary) (continued)

Functional classification		611 Fixed assets	612 Inventories	613 Valuables	614 Non-produced assets	(611 - 614) TOTAL
		R million				
707	**HEALTH**	**12 435**	**0**	**1**	**6**	**12 442**
7072	Outpatient services	6	0	0	0	6
70724	Ambulance services	554	0	0	0	554
7073	Hospital services	5 886	0	0	0	5 886
7074	Public health services	5 354	0	1	5	5 360
7075	R&D Health	172	0	0	0	172
7076	Health n.e.c.	464	0	0	0	464
708	**RECREATION, CULTURE AND RELIGION**	**9 279**	**0**	**13**	**14**	**9 306**
7081	Recreational and sporting services	4 167	0	1	7	4 175
7082	Cultural services	5 076	0	11	7	5 095
7083	Broadcasting and publishing services	7	0	0	0	7
7084	Religious and other community services	25	0	0	0	25
7085	R&D Recreation, culture and religion	0	0	0	0	0
7086	Recreation, culture and religion n.e.c.	4	0	0	0	4
709	**EDUCATION**	**18 041**	**0**	**0**	**18**	**18 059**
7091	Pre-primary and primary education	849	0	0	0	849
7092	Secondary education	435	0	0	0	435
7093	Post-secondary non-tertiary education (e.g. CET)	63	0	0	0	63
7094	Tertiary education	5 851	0	0	4	5 855
7095	Education not definable by level	0	0	0	0	0
7096	Subsidiary services to education	0	0	0	0	0
7097	R&D Education	0	0	0	0	0
7098	Education n.e.c.	10 843	0	0	14	10 857

* The sum of the data may not necessarily add up to totals due to rounding-off of figures.

Table 3 – Economic and functional classification of the cash outflows (purchases) from investment in non-financial assets for the 2017/2018* fiscal year (summary) (concluded)

	Functional classification	Economic classification				
		611 Fixed assets	612 Inventories	613 Valuables	614 Non-produced assets	(611 - 614) TOTAL
		R million				
710	**SOCIAL PROTECTION**	**1 224**	**0**	**0**	**29**	**1 253**
7101	Sickness and disability	95	0	0	0	95
7102	Old age	27	0	0	0	27
7103	Survivors	0	0	0	0	0
7104	Family and children	194	0	0	0	194
7105	Unemployment	37	0	0	29	65
7106	Housing	0	0	0	0	0
7107	Social exclusion n.e.c.	192	0	0	0	192
7108	R&D Social protection	5	0	0	0	5
7109	Social protection n.e.c.	674	0	0	0	674

* The sum of the data may not necessarily add up to totals due to rounding-off of figures.

Table 4 – Economic classification of the cash inflows (sales) from investment in non-financial assets for the 2017/2018* fiscal year (summary)

GFSM 2014 code	Economic classification	R million
31		**1 461**
311	Fixed assets	1 403
312	Inventories	0
313	Valuables	0
314	Non-produced assets	58

* The sum of the data may not necessarily add up to totals due to rounding-off of figures.

Table 5 – Economic classification of the net acquisition of financial assets other than cash for the 2017/2018* fiscal year (summary)

GFSM 2014 code	Economic classification	R million
32		**28 175**
321	Domestic	27 420
322	Foreign	755

* The sum of the data may not necessarily add up to totals due to rounding-off of figures.

Table 6 – Economic classification of the net incurrence of liabilities for the 2017/2018* fiscal year (summary)

GFSM 2014 code	Economic classification	R million
33		**239 180**
331	Domestic	207 303
332	Foreign	31 878

* The sum of the data may not necessarily add up to totals due to rounding-off of figures.

Annexure A: **Information on disaggregated tables available on the Stats SA website:**
http://www.statssa.gov.za/?s=P9119.4&sitem=publications

Tables

Table 1   Economic classification of revenue cash flows from operating activities for the 2017/2018 fiscal year

Table 2   Economic and functional classification of expense cash flows for operating activities for the 2017/2018 fiscal year

Table 3   Economic and functional classification of the cash outflows (purchases) from investment in non-financial assets for the 2017/2018 fiscal year

Table 4   Economic classification of the cash inflows (sales) from investment in non-financial assets for the 2017/2018 fiscal year

Table 5   Economic classification of the net acquisition of financial assets other than cash for the 2017/2018 fiscal year

Table 6   Economic classification of the net incurrence of liabilities for the 2017/2018 fiscal year

Table 7   Economic and functional classification of expense cash flows for operating activities for the 2017/2018 fiscal year: Government consumption cash payments divided between individual and collective services

Table 8   Economic and functional classification of expense cash flows for operating activities for the 2017/2018 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 2017/2018 fiscal year (Summary)

Table 10   Functional classification of the expenditure cash flows for operating activities and purchases of non-financial assets according to the different levels of general government for the 2017/2018 fiscal year (Summary)

Explanatory notes

Introduction

This statistical release includes economic and functional classifications of the transactions of consolidated general government for the 2017/2018 fiscal year. General government refers to those government institutions 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 different levels of general government institutions are national government departments; provincial government departments; extra-budgetary accounts and funds of the national and provincial governments; higher education institutions; and municipalities (non-trading services).

Methodology

The published financial statistical releases of the different levels of general government were used. The transactions of consolidated general government are classified economically and functionally according to GFSM 2014. This statistical release eliminates intergovernmental transactions between general government institutions (i.e. grants, professional and special services, interest, compulsory fees received and paid between the general government institutions). The financial year of higher education institutions ends on 31 December and the municipalities' financial year ends on 30 June. For the purpose of consolidation estimates used in this publication have been adjusted from financial years-end to the fiscal year ending on 31 March.

Disaggregated data

Disaggregated data (Tables 1 to 10) are on the Stats SA website. Internal transactions between the levels of general government institutons are eliminated in the tables.

Scope of the financial statistics of consolidated general governments

The following statistical releases were used:

- *Financial statistics of national government 2017/2018* (statistical release P9119.3) published on 25 June 2019;
- *Financial census of municipalities for the year ended 30 June 2017* (statistical release P9114) published on 26 June 2018 and *Financial census of municipalities for the year ended 30 June 2018* (statistical release P9114), published on 26 June 2019;
- *Financial statistics of extra-budgetary accounts and funds 2017/2018* (statistical release P9102) published on 28 August 2019;
- *Financial statistics of provincial government 2017/2018* (statistical release P9121) published on 26 September 2019;
- *Financial statistics of higher education institutions* 2017 and 2018 (statistical release P9103.1), 2017 published on 30 October 2018 and 2018 published on 24 October 2019; and
- *Capital expenditure by the public sector* for 2018 (statistical release P9101) published on 31 October 2019.

Classification

Economic and functional classifications

Cash flows from operating activities and transactions of non-financial assets in this statistical release are classified economically and functionally according to the standard classification of the GFSM 2014 of the International Monetary Fund (IMF).

Economic classifications

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

This statistical release is classified economically according to the standard classification of the GFSM 2014 of the International Monetary Fund (IMF).

Revenue cash flows and expense cash flows for operating activities, cash flows from transactions in non-financial assets, net acquisition of financial assets other than cash and net incurrence of liabilities were classified economically as follows:

- **Revenue cash flows**

Taxes
Social contributions
Grants
Other receipts

- **Expense cash flows**

Compensation of employees
Purchases of goods and services (excluding capitalised goods and services)
Interest
Subsidies
Grants
Social benefits
Other payments

- **Cash outflows (purchases) from investment in non-financial assets (including capitalised goods and services)**

Fixed assets
Inventories
Valuables
Non-produced assets

- **Cash inflows (sales) from investment in non-financial assets**

Fixed assets
Inventories
Valuables
Non-produced assets

- **Net acquisition of financial assets other than cash**

Domestic
Foreign

- **Net incurrence of 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.

This statistical release is classified functionally according to the standard classification of the GFS manual 2014 of the International Monetary Fund (IMF).

Expenditure cash flows from operating activities and purchases of non-financial assets are classified functionally as follows:

- **General public services**

Executive and legislative organs, financial and fiscal affairs, 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 exclusions n.e.c.
  R&D Social protection
  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.27). These categories are recommended by the 2008 System of National Accounts (SNA).
Subsidies on products and subsidies on production	The breakdown of subsidies into subsidies on products and subsidies on production is provided (see Table 8 as listed in Annexure A, p.27). These categories are recommended by the 2008 System of National Accounts (SNA).
Comparability with the previous year	The 2016/2017 classified information is generally comparable with the 2017/2018 information. Additional detail in terms of the GFSM 2014 is available on the Stats SA website (or on request).
The Public Sector Classification Committee (PSCC)	The Public Sector Classification Committee (PSCC) consists of the South African Reserve Bank (SARB), National Treasury (NT) and Statistics South Africa (Stats SA). The purpose of the PSCC is to coordinate the economic institutional classification of the public-sector units and subsectors for purposes of reporting to national and international stakeholders. The classification lists are made public by the SARB to inform stakeholders of the scope of the public sector and sub-sectors.

Classification of public-sector institutions has taken place for the year ended 31 March 2017. Currently the PSCC is classifying the public-sector institutions for the year ended 31 March 2018.

Related publications   Statistics South Africa also publishes information on the transactions of 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

CET	Community Education and Training
GFSM	Government Finance Statistics Manual, 2014
IMF	International Monetary Fund
n.e.c.	Not elsewhere classified
NPISH	Non-Profit Institutions Serving Households
NT	National Treasury
PSCC	Public Sector Classification Committee
R&D	Research and Development
SA	South Africa
SARB	South African Reserve Bank
SNA	System of National Accounts, 2008
Stats SA	Statistics South Africa

Revisions   Figures for 2017/2018 should be regarded as preliminary, and may be revised. Revisions to 2016/2017 data are indicated by footnotes in Tables A, B, C and D. Revisions are due to improved classification of data and additional information becoming available after this statistical release was published.

Glossary of selected variables

Accrual basis of recording	Flows are recorded at the time economic value is created, transformed, exchanged, transferred, or extinguished.
Buildings and structures	Consist of dwellings, buildings other than dwellings, other structures and land improvements.
Buildings other than dwellings	Buildings other than dwellings include whole buildings or parts of buildings not designated as dwellings. Fixtures, facilities, and equipment that are integral parts of the structures are included. Examples of types of buildings included in this category are office buildings, schools, hospitals, buildings for public entertainment, warehouses and industrial buildings, commercial buildings, hotels, and restaurants.
Capital expenditure	Any expenditure incurred for or incidental to the acquisition or improvement of land, buildings, engineering structures and machinery and equipment. Note: The expenditure normally confers a lasting benefit and results in the acquisition of, or extends the life of, a fixed or long-term work, irrespective of whether payments were made outside contractors or concerns, or the work was done by the enterprise itself. Capital expenditure includes vehicles, office furniture and equipment, but excludes minor items that are generally regarded as being expendable even though in some instances their useful lives may extend beyond one year.
Capital transfers	Capital transfers are transfers in which the ownership of an asset (other than cash or inventories) changes from one party to another or that oblige one or both parties to acquire or dispose of an asset (other than cash or inventories).
Cash basis of recording	Flows are recorded when cash is received or disbursed.
Collective services	Services provided collectively to the community, particularly applicable to services such as general administration, public order or safety and economic services.
Compensation of employees	Compensation of employees is the total remuneration, in cash or in kind, payable to a government employee in return for work done during the accounting period, except work connected with own account capital formation. It includes both wages and salaries and social contributions. Wages and salaries include primarily basic wages, salaries, services and other bonuses, allowances (including car allowances), overtime payments and housing subsidies.
Cultivated assets	Consist of animals and plants that are used repeatedly or continuously for more than one year to produce other goods or services.
Dwellings	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.
Economic classification	A measure of the nature and economic effect of government operations on the economy of the country.
Expense	Expense is a decrease in net worth resulting from a transaction.
Extra-budgetary accounts and funds	Extra-budgetary accounts and funds refer to accounts and funds of national and provincial governments not included in normal budget totals and which do not operate through normal budgetary procedures, e.g. trading accounts and general government accounts.

Financial assets
Financial assets consist of financial claims which entitles one unit (the owner of the asset, i.e. the creditor) to receive one or more payments from a second unit (the debtor) according to the terms and conditions specified in a contract between the two units.

Financial public corporations
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.

Fixed assets
Fixed assets are produced assets that are used repeatedly or continuously in production processes for more than one year.

Functional classification
Classification of expenditure according to 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.

GFS Manual (2014)
The manual describes an integrated statistical system that is harmonised, to the extent possible, with the 2008 edition of the System of National Accounts (2008 SNA). The GFSM 2014 is intended to be a reference volume describing the GFS system. The GFSM 2014 provides a harmonised systematic basis for reporting and analysing government finances.

Government consumption expenditure
Expenditure on all goods and services which are used (without further transformation) by government units for the direct satisfaction of individual needs or wants or the collective needs of members of the community.

Grants
Grants are non-compulsory current or capital transfers from one government unit to another government unit or an international organisation. Current grants are those made for purposes of current expense and are not linked to or conditional on the acquisition of an asset by the recipient. Capital grants involve the acquisition of assets by the recipient.

Higher education
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), including tertiary education as contemplated in schedule 4 of the Constitution.

Higher education institutions
Any institution that provides higher education on a full-time or part-time basis, and which is established or deemed to be established as a public higher education institution under the Higher Education Act, 1997; and declared as a public higher education institution under the Higher Education Act, 1997.

Households
Household may be defined as individuals or a small group of persons who share the same living accommodation, pool some or all of their income and wealth, and consume certain types of goods and services collectively.

Individual services
Community and social services, such as education, health and welfare, rendered to individuals or a small group of persons.

Information, computer, and telecommunications
Consists of devices using electronic controls and also the electronic components forming part of these devices. Examples are products that form part of computing machinery and parts and accessories thereof, television and radio transmitters, television, video, and digital cameras, and telephone sets.

Intellectual property products
Intellectual property products are the result of research, development, investigation, or innovation leading to knowledge that the developers can market or use to their own benefit in production for which the use of the knowledge is restricted by means of legal or other protection.

Inventories	Consist of goods and services held by producers for sale, use in production, or other use at a later date
Land improvements	Are the result of actions that lead to major improvements in the quantity, quality or productivity of land, or prevent its deterioration. Activities such as land reclamation, land clearance, land contouring, creation of wells and watering holes that are integral to the land in question are to be treated as resulting in land improvements.
Liability	An obligation to provide economic benefits to the units holding the corresponding financial responsibility.
Machinery and equipment	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.
Machinery and equipment not elsewhere classified	This category includes all machinery and equipment not classified in any of the other machinery and equipment categories. Types of assets that would be included are general and special purpose machinery; office and accounting equipment; electrical machinery; medical appliances; precision and optical instruments; furniture; watches and clocks; musical instruments; and sports goods. It also includes paintings, sculptures, other works of art or antiques and other collections of considerable value that are owned and displayed for the purpose of producing museum and similar services.
Municipality	A generic term describing the 'unit' of government in the local spheres responsible for local government in a geographically demarcated area and including district, local and metropolitan municipalities. Municipality as an institution consist of a municipal council (elected political representatives) and the municipal administration (appointed officials).
National government	It is the first level of government which controls a nation and has power to set and maintain foreign policy and the ability to collect taxes.
Non-financial public corporations	Government owned and/or controlled units, which sell industrial or commercial goods and services to the public on a large scale.
Non-produced assets	Non-produced assets consist of tangible assets and naturally occurring assets over which ownership is enforced. Naturally occurring assets include land, subsoil assets and other naturally occurring assets.
Non-profit institutions serving households	Non-profit institutions which are mainly engaged in non-market production and serve households.
Other economic flows	Changes in the volume or value of assets or liabilities that do not result from transactions.
Other structures	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.
Provincial government	It is the second level of government, between the national government and the municipalities. The powers of the provincial governments are circumscribed by the national constitution.
Revenue	An increase in net worth resulting from a transaction.
Social benefits	Social benefits are transfers in cash or in kind to protect the entire population or specific segment of it against certain social risks.

Social contributions	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.
Statutory appropriations	Statutory appropriations are amounts appropriated to be spent in terms of statutes and not requiring appropriation by vote.
Subsidies	Subsidies are current unrequited payments that government units pay 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.
Subsidies on production	Payments made to resident enterprises as a consequence of engaging in production which is not related to a specific product. Included are subsidies on payroll or workforce which are payable on the total wage and salary bill, the size of the total workforce or the employment of particular types of persons; subsidies to reduce pollution; and payments of interest on behalf of corporations.
Subsidies on products	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.
Tax revenue	Tax revenue forms the dominant share of revenue for many government units and is composed of compulsory transfers to the general government sector.
Transfer	Is a transaction in which one institutional unit provides a good, service, or asset to another unit without receiving from the latter any good, service, or asset in return as a direct counterpart.
Transport equipment	Transport equipment consists of equipment for moving people and objects, including motor vehicles, trailers and semitrailers, ships, railway locomotives and rolling stock, aircraft, motorcycles, and bicycles.
Valuables	Valuables are produced goods of considerable value acquired and held primarily as a store of value and not used primarily for purposes of production or consumption.
Value added tax	A tax on goods or services collected in stages by enterprises but which is ultimately charged in full to the final purchasers.

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