

Vote 17

Labour

	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	R1 191 733 000	R1 228 697 000		R 36 964 000
Statutory appropriations	R4 300 000 000	R4 300 000 000		
Responsible minister	Minister of Labour			
Administering department	Department of Labour			
Accounting officer	Director-General of Labour			

Aim

The aim of the Department of Labour is to play a significant role in reducing unemployment, poverty and inequality, through policies and programmes developed in consultation with role-players and aimed at improved economic efficiency and productivity, skills development and employment creation, sound labour relations, eliminating inequality and discrimination in the workplace and alleviating poverty in the workplace, as well as to play a significant role in enhancing employment and protecting and enhancing workers rights and benefits.

Changes to programme purposes and measurable objectives

No changes were made to programme purposes and measurable objectives.

Adjusted 2004 Estimates of National Expenditure

Table 17.1: Labour

Programme	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1 Administration	251 886	14 106	–	2 045	–	16 151	268 037
2 Service Delivery	477 439	22 858	–	(12 500)	–	10 358	487 797
3 Employment and Skills Development Services/ Human Resources Development	140 976	–	–	(5 004)	–	(5 004)	135 972
4 Labour Policy and Labour Market Programmes	299 892	–	–	15 459	–	15 459	315 351
5 Social Insurance	21 540	–	–	–	–	–	21 540
Total	1 191 733	36 964	–	–	–	36 964	1 228 697
Direct charge on the National Revenue Fund	4 300 000	–	–	–	–	–	4 300 000
Sector Education and Training Authorities	3 440 000	–	–	–	–	–	3 440 000
National Skills Fund	860 000	–	–	–	–	–	860 000
Total	5 491 733	36 964	–	–	–	36 964	5 528 697

Economic classification

Current payments	798 701	6 600	–	(16 464)	–	(9 864)	788 837
Compensation of employees	454 888	–	–	(43 271)	–	(43 271)	411 617
Goods and services	343 813	6 600	–	26 807	–	33 407	377 220
Interest and rent on land	–	–	–	–	–	–	–
Financial transactions in assets and liabilities	–	–	–	–	–	–	–
Unauthorised expenditure	–	–	–	–	–	–	–

R thousand	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	
Transfers and subsidies	4 624 691	–	–	12 945	–	12 945	4 637 636
Provinces and municipalities	1 345	–	–	(44)	–	(44)	1 301
Departmental agencies and accounts	4 582 610	–	–	32 747	–	32 747	4 615 357
Universities and technikons	–	–	–	–	–	–	–
Foreign governments and international organisations	11 023	–	–	–	–	–	11 023
Public corporations and private enterprises	–	–	–	–	–	–	–
Non-profit institutions	29 713	–	–	(20 247)	–	(20 247)	9 466
Households	–	–	–	489	–	489	489
Payments for capital assets	68 341	30 364	–	3 519	–	33 883	102 224
Buildings and other fixed structures	63 641	30 364	–	–	–	30 364	94 005
Machinery and equipment	4 697	–	–	3 022	–	3 022	7 719
Cultivated assets	–	–	–	–	–	–	–
Software and other intangible assets	3	–	–	497	–	497	500
Land and subsoil assets	–	–	–	–	–	–	–
Total	5 491 733	36 964	–	–	–	36 964	5 528 697

Details of adjustments to 2004 Estimates of National Expenditure

Roll-overs – R36,964 million

Programme 1: Administration

R6,600 million has been rolled over mainly for Workers' Day celebrations on 1 May 2004 and some for media campaigns on Heritage Day on 24 September 2004, both linked to the '10 Years of Freedom' celebrations.

R7,506 million has been rolled over for the Repair and Maintenance Projects (RAMP) managed by the Department of Public Works on behalf of the Department of Labour.

Programme 2: Service Delivery

R22,858 million has been rolled over for departmental corporate imaging at the nationwide labour centres. There were delays as a result of the Government Communication and Information System's (GCIS) moratorium on corporate imaging projects until final changes to the new coat of arms were completed.

Virement

Table 17.2: Labour

From programme	Amount	To programme	Amount
R thousand			
3 Employment Skills Development Services / Human Resources Development	5 004	1 Administration	2 045
2 Service Delivery	12 500	4 Labour Policy and Labour Market Programmes	15 459

Details of savings realised on the above programmes

Programme 3: Employment Skills Development Services / Human Resources Development

The activities of programme 3's Skills Development Policy and Planning and Marketing subprogramme have been shifted to *Programme 1: Administration* and *Programme 4: Labour Policy and Labour Market Programmes*, resulting in a saving of R5,004 million in programme 3.

Programme 2: Services Delivery

Delays in the filling of vacancies have resulted in a saving of R12,500 million.

Utilisation of savings to augment the above programmes

Programme 1: Administration

R2,045 million will be used for the communications function which was shifted from programme 3.

Programme 4: Labour Policy and Labour Market Programmes

R2,959 million will be used for the labour market information and statistics function which was shifted from programme 3.

R12,500 million will be used in the Labour Relations subprogramme for activities aimed at strengthening civil society and contributing towards employment equity.

Funds shifted within a programme

Programme 1: Administration

With the introduction of the new Standard Chart of Accounts (SCOA), R50 000 was shifted from compensation of employees to transfers to households.

Programme 2: Service Delivery

With the introduction of SCOA, R372 000 was shifted from compensation of employees to transfers to households.

Programme 4: Labour Policy Labour Market Programmes

With the introduction of SCOA, R31 000 was shifted from compensation of employees to transfers to households.

Actual expenditure and revised spending projections for the remainder of the financial year

Table 17.3: Labour

Programme	Adjusted appropriation	Preliminary expenditure outcome		Projected expenditure	
		April 2004 to September 2004	Percentage of adjusted appropriation	October 2004 to March 2005	Percentage of adjusted appropriation
R thousand					
1 Administration	268 037	117 600	43,9	150 437	56,1
2 Service Delivery	487 797	201 820	41,4	285 977	58,6
3 Employment and Skills Development Services/ Human Resources Development	135 972	56 567	41,6	79 405	58,4
4 Labour Policy and Labour Market Programmes	315 351	131 815	41,8	183 536	58,2
5 Social Insurance	21 540	9 451	43,9	12 089	56,1
Total	1 228 697	517 253	42,1	711 444	57,9
Direct charge on the National Revenue Fund	4 300 000	2 408 193	56,0	1 891 807	44,0
Sector Education and Training Authorities	3 440 000	1 926 554	56,0	1 513 446	44,0
National Skills Fund	860 000	481 639	56,0	378 361	44,0
Total	5 528 697	2 925 446	52,9	2 603 251	47,1
Economic classification					
Current payments	788 837	352 364	44,7	436 473	55,3
Compensation of employees	411 617	187 345	45,5	224 272	54,5
Goods and services	377 220	165 015	43,7	212 205	56,3
Interest and rent on land	—	—	—	—	—
Financial transactions in assets and liabilities	—	4	—	(4)	—
Unauthorised expenditure	—	—	—	—	—
Transfers and subsidies to:	4 637 636	2 558 958	55,2	2 078 678	44,8
Provinces and municipalities	1 301	558	42,9	743	57,1
Departmental agencies and accounts	4 618 357	2 554 035	55,3	2 064 322	44,7
Universities and technikons	—	—	—	—	—
Foreign governments and international organisations	11 023	—	—	11 023	100,0
Public corporations and private enterprises	—	1 674	—	(1 674)	—
Non-profit institutions	6 466	1 785	27,6	4 681	72,4
Households	489	906	185,3	(417)	(85,3)
Payments for capital assets	102 224	14 124	13,8	88 100	86,2
Buildings and other fixed structures	94 005	12 873	13,7	81 132	86,3
Machinery and equipment	7 719	1 061	13,7	6 658	86,3
Cultivated assets	—	—	—	—	—
Software and other intangible assets	500	190	38,0	310	62,0
Land and subsoil assets	—	—	—	—	—
Total	5 528 697	2 925 446	52,9	2 603 251	47,1

Table 17.4: Summary of transfers and subsidies per programme

R thousand	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	
1 Administration	156	-	-	50	-	50	206
Provinces and municipalities							
Municipalities							
Current	156	-	-	-	-	-	156
Regional Service Council levies	156	-	-	-	-	-	156
Households							
Households (Other transfers to households)							
Current	-	-	-	50	-	50	50
Resignation packages	-	-	-	50	-	50	50
2 Service Delivery	1 392	-	-	328	-	328	1 720
Provinces and municipalities							
Municipalities							
Current	896	-	-	(44)	-	(44)	852
Regional Service Council levies	896	-	-	(44)	-	(44)	852
Non-profit institutions							
Current	496	-	-	-	-	-	496
SA National Council for the Blind	202	-	-	-	-	-	202
Deaf Federation of South Africa	132	-	-	-	-	-	132
National Council for the Physical Disabled	162	-	-	-	-	-	162
Households							
Households (Social benefits)							
Current	-	-	-	372	-	372	372
Resignation packages	-	-	-	372	-	372	372

	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	
R thousand	61 404	-	-	31	-	31	61 435
3 Employment and Skills Development Services/ Human Resources Development							
Provinces and municipalities							
Municipalities							
Current	184	-	-	(5)	-	(5)	179
Regional Services Council levies	184	-	-	-	-	-	184
RSCL:Tshwane Metropolitan Municipality	-	-	-	(5)	-	(5)	(5)
Departmental agencies and accounts							
Entities							
Current	37 973	-	-	23 247	-	23 247	61 220
National Skills Fund	37 973	-	-	-	-	-	37 973
National Productivity Institute	-	-	-	23 247	-	23 247	23 247
Non-profit institutions							
Current	23 247	-	-	(23 247)	-	(23 247)	-
National Productivity Institute	23 247	-	-	(23 247)	-	(23 247)	-
Households							
Households (Other transfers to households)							
Current	-	-	-	36	-	36	36
Resignation packages	-	-	-	36	-	36	36
4 Labour Policy and Labour Market Programmes							
Provinces and municipalities							
Municipalities							
Current	109	-	-	5	-	5	114
Regional Services Council levies	109	-	-	5	-	5	114
Departmental agencies and accounts							
Entities							
Current	223 097	-	-	12 500	-	12 500	235 597
Commission for Conciliation, Mediation and Arbitration	172 651	-	-	-	-	-	172 651
Disela	8 408	-	-	-	-	-	8 408
Subsidised work centres for the disabled	32 892	-	-	12 500	-	12 500	45 392
National Economic Development and Labour Council	9 146	-	-	-	-	-	9 146

R thousand	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	
Foreign governments and international organisations							
Current	11 023	-	-	-	-	-	11 023
International Labour Organisation	8 500	-	-	-	-	-	8 500
Arlac	2 523	-	-	-	-	-	2 523
Non-profit institutions							
Current	5 970	-	-	-	-	-	5 970
Subsidised workshops for the blind	5 970	-	-	-	-	-	5 970
Households							
Households (Other transfers to households)							
Current	-	-	-	31	-	31	31
Resignation packages	-	-	-	31	-	31	31
5 Social Insurance	21 540	-	-	-	-	-	21 540
Departmental agencies and accounts							
Social security funds							
Current	21 540	-	-	-	-	-	21 540
Unemployment Insurance Fund	7 000	-	-	-	-	-	7 000
Compensation Fund	14 540	-	-	-	-	-	14 540
STATUTORY AMOUNTS	4 300 000	-	-	-	-	-	4 300 000
Departmental agencies and accounts							
Entities							
Current	4 300 000	-	-	-	-	-	4 300 000
Sector Education and Training Authorities	3 440 000	-	-	-	-	-	3 440 000
National Skills Fund	860 000	-	-	-	-	-	860 000
Total	4 624 691	-	-	12 945	-	12 945	4 637 636

