

Adjusted Estimates of National Expenditure

2007

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2007

Republic of South Africa

National Treasury



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Introduction

The *Adjusted Estimates of National Expenditure 2007* accompanies the Adjustments Appropriation Bill, tabled in the National Assembly by the Minister of Finance. Through this bill, the executive seeks Parliament's approval and adoption of its revised spending plans for the 2007/08 financial year.

The *Adjusted Estimates* sets out the revised expenditure estimates of national departments for 2007/08, including amounts provided for in the main Appropriation Act, Special Adjustments Appropriation Act and the adjustments budget.

In terms of section 30(2) of the Public Finance Management Act, (Act No 1 of 1999) (PFMA), expenditure provided for in the Adjustments Appropriation Bill includes:

- adjustments required due to significant unforeseeable economic and financial events affecting the fiscal targets set by the annual budget
- unforeseeable and unavoidable expenditure recommended by the national executive or any committee of Cabinet to whom this task has been assigned
- any funds required for emergency situations, in terms of section 16 of the PFMA
- money to be appropriated for expenditure already announced by the Minister during the tabling of the annual budget
- the shifting of funds between and within votes or to follow the transfer of functions, in terms of the section 42 of the PFMA
- the utilisation of savings under a main division of a vote for defraying excess expenditure under another main division of the same vote, in terms of section 43 of the PFMA
- the roll-over of unspent funds from the preceding financial year.

Summary of the adjustments for 2007/08

In addition to appropriations in the 2007/08 Budget, the Minister of Finance tabled a Special Adjustments Appropriation Bill on 5 September 2007 that recommended additional spending to the value of R5.2 billion. Of this amount, R2.4 billion was appropriated in terms of section 30(2)(d) of the PFMA of 1999 (supplementary allocations announced in the budget). The remaining R2.8 billion, comprising of R222 million for Denel, R700 million for the Land Bank and R1.9 billion for World Cup stadiums, was appropriated in terms of Section 30(2)(b) of the PFMA (unforeseeable and unavoidable expenditure) - after approval by Cabinet on 5 September 2007.

The Adjustments Appropriation Bill, makes provision for an additional R11.5 billion of spending. The adjusted estimates for 2007/08 are comprised of the following additional allocations:

- | | |
|--|--------------|
| • approved roll-overs | R4.1 billion |
| • additional allocations for unforeseeable and unavoidable expenditure | R3.8 billion |
| • unallocated amounts announced in the 2007 Budget | R0.7 billion |
| • self-financing expenditure | R0.2 billion |
| • higher skills development levy revenue | R0.8 billion |
| • higher costs of the 2007 public service salary agreement | R1.9 billion |

A contingency reserve of R3 billion was set aside in the Budget, the revised budget framework also makes provision for about R5.2 billion in under spending at a national level (including declared savings). The total estimated level of spending rises by R8.5 billion, from a budgeted R533.9 billion to a revised R542.4 billion.

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Table 1: Summary of the 2007/08 Revised National Budget

	Summary tables	Main Appropriation (ENE)	Special Adjustments Appropriation	Additional Appropriation (AENE)	Adjusted Appropriation
R'thousand					
Appropriation by vote		299 177 741	5 195 273	9 110 867	313 483 881
Main appropriation		299 177 741			299 177 741
Total adjustments			5 195 273	9 110 867	14 306 140
Roll-overs	3			4 060 308	4 060 308
Unforeseeable and unavoidable expenditure	4		2 827 000	3 433 434	6 260 434
Salary Adjustment (National)				728 494	728 494
Section 30(2)d items			2 368 273	706 700	3 074 973
Alexkor			44 700	28 000	72 700
PBMR			1 823 573	678 700	2 502 273
Infraco			-	-	-
Sentech			500 000	-	500 000
Self-financing	5			181 931	181 931
Direct charges against the National Revenue Fund		231 695 510	-	2 414 108	234 109 618
State debt cost		52 916 000		21 000	52 937 000
Provincial equitable share		171 271 393		1 590 108	172 861 501
- Unforeseeable and unavoidable expenditure	4			404 676	
- Salary Adjustment				1 185 432	
Skills development program		6 000 000		800 000	6 800 000
Remuneration of public office bearers		1 508 117		3 000	1 511 117
- Salary Adjustment				3 000	
Subtotal		530 873 251	5 195 273	11 524 975	547 593 499
Contingency reserve		3 000 000		(3 000 000)	-
Projected underspending	5			(5 000 000)	(5 000 000)
Declared savings	6			(219 811)	(219 811)
Total Estimated Expenditure Level		533 873 251	5 195 273	3 305 164	542 373 688

Table 2: Adjusted appropriations per vote and revised estimates of direct charges against the National Revenue Fund - 2007/08

Vote number and title			Additional appropriation				Total additional appropriation	Adjusted appropriation
	Main appropriation	Special adjustments appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand								
Central Government Administration								
1 The Presidency	254 741	–	17 360	–	–	–	17 360	272 101
2 Parliament	835 714	–	–	–	–	–	–	835 714
3 Foreign Affairs	3 856 363	–	262 700	–	–	–	262 700	4 119 063
4 Home Affairs	3 314 589	–	206 309	–	–	–	206 309	3 520 898
5 Provincial and Local Government	28 844 175	–	817 740	387 836	–	(13 000)	1 192 576	30 036 751
6 Public Works	3 693 120	–	66 594	–	–	(250)	66 344	3 759 464
Financial and Administrative Services								
7 Government Communication and Information System	375 812	–	1 400	–	–	6 800	8 200	384 012
8 National Treasury	19 708 178	–	–	250 000	–	(209 811)	40 189	19 748 367
9 Public Service and Administration	357 283	–	12 585	13 898	–	297	26 780	384 063
10 Public Service Commission	105 357	–	2 807	–	–	–	2 807	108 164
11 SA Management Development Institute	71 126	–	60 000	–	–	–	60 000	131 126
12 Statistics South Africa	1 100 289	–	56 997	–	–	–	56 997	1 157 286
Social Services								
13 Arts and Culture	1 608 019	–	–	–	–	(250)	(250)	1 607 769
14 Education	16 000 923	–	195 829	200 000	–	(10 000)	385 829	16 386 752
15 Health	12 655 132	–	385 004	50 000	–	1 000	436 004	13 091 136
16 Labour	2 032 865	–	5 000	–	–	–	5 000	2 037 865
17 Social Development	67 232 108	–	–	–	–	(3 000)	(3 000)	67 229 108
18 Sport and Recreation South Africa	3 157 222	1 905 000	4 985	–	–	–	4 985	5 062 207
Justice and Protection Services								
19 Correctional Services	10 742 331	–	512 924	–	–	129 154	642 078	11 384 409
20 Defence	25 922 255	–	83 007	45 680	–	240 843	369 530	26 291 785
21 Independent Complaints Directorate	80 891	–	–	–	–	–	–	80 891
22 Justice and Constitutional Development	7 277 770	–	261 897	–	–	(1 000)	260 897	7 538 667
23 Safety and Security	35 917 470	–	–	–	–	468 635	468 635	36 386 105
Economic Services and Infrastructure								
24 Agriculture	2 281 166	700 000	88 687	400 000	–	(250)	488 437	3 469 603
25 Communications	1 423 533	500 000	–	–	–	950	950	1 924 483
26 Environmental Affairs and Tourism	2 590 771	–	200 000	–	–	(250)	199 750	2 790 521
27 Housing	8 877 608	–	–	105 000	–	(250)	104 750	8 982 358
28 Land Affairs	5 678 519	–	–	250 000	–	(250)	249 750	5 928 269
29 Minerals and Energy	2 966 113	–	9 074	–	–	(250)	8 824	2 974 937
30 Public Enterprises	1 063 966	2 090 273	–	744 400	–	706 450	1 450 850	4 605 089
31 Science and Technology	3 142 479	–	–	–	–	1 750	1 750	3 144 229
32 Trade and Industry	4 845 583	–	109 400	524 700	–	(250)	633 850	5 479 433
33 Transport	15 857 923	–	386 009	300 000	–	–	686 009	16 543 932
34 Water Affairs and Forestry	5 306 347	–	314 000	161 920	–	80 246	556 166	5 862 513
Total appropriation by vote	299 177 741	5 195 273	4 060 308	3 433 434	–	1 397 314¹	8 891 056	313 264 070
Plus:								
Total direct charges against the National Revenue Fund	231 695 510	–	–	404 676	–	2 009 432	2 414 108	234 109 618
State debt cost (National Treasury)	52 916 000	–	–	–	–	21 000	21 000	52 937 000
Provincial equitable share (National Treasury)	171 271 393	–	–	404 676	–	1 185 432	1 590 108	172 861 501
Skills development programme (Labour)	6 000 000	–	–	–	–	800 000	800 000	6 800 000
Judges and Magistrates salaries (Justice and Constitutional Development)	1 263 518	–	–	–	–	3 000	3 000	1 266 518
Members remuneration (Parliament)	242 380	–	–	–	–	–	–	242 380
President and Deputy President salaries (The Presidency)	2 219	–	–	–	–	–	–	2 219
Total	530 873 251	5 195 273	4 060 308	3 838 110	–	3 406 746	11 305 164	547 373 688
Contingency reserve	3 000 000	–	–	–	–	(3 000 000)	(3 000 000)	–
Projected underspending	–	–	–	–	–	(5 000 000)	(5 000 000)	(5 000 000)
Total	533 873 251	5 195 273	4 060 308	3 838 110	–	(4 593 254)	3 305 164	542 373 688

¹ Other adjustments of R1.397 billion includes savings declared by departments to the amount of R219.811 million

Table 2: Adjusted appropriations per vote and revised estimates of direct charges against the National Revenue Fund - 2007/08 (continued)

Economic classification			Additional appropriation				Total additional appropriation	Adjusted appropriation
	Main appropriation	Special adjustments appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand								
Current payments								
Compensation of employees	57 809 353	–	70 526	39 358	(108 217)	662 596	664 263	58 473 616
Goods and services	33 602 709	–	497 582	282 140	(312 780)	16 252	483 194	34 085 903
Interest and rent on land	52 916 768	–	–	–	–	21 000	21 000	52 937 768
Financial transactions in assets and liabilities	–	–	–	–	14	–	14	14
Total current payments	144 328 830	–	568 108	321 498	(420 983)	699 848	1 168 471	145 497 301
Transfers and subsidies to:								
Provinces and municipalities	237 950 010	1 905 000	1 293 976	1 597 512	167 384	1 075 621	4 134 493	243 989 503
Departmental agencies and accounts	43 901 750	–	340 719	–	137 177	925 423	1 403 319	45 305 069
Universities and technikons	11 967 790	–	–	–	7 539	–	7 539	11 975 329
Public corporations and private enterprises	14 860 577	3 290 273	97 683	1 569 100	18 304	706 700	2 391 787	20 542 637
Foreign governments and international organisations	941 847	–	22 269	–	82 734	–	105 003	1 046 850
Non-profit institutions	1 393 594	–	1 485	–	(88 017)	–	(86 532)	1 307 062
Households	68 881 857	–	611 687	350 000	(484 033)	1 154	478 808	69 360 665
Total transfers and subsidies	379 897 425	5 195 273	2 367 819	3 516 612	(158 912)	2 708 898	8 434 417	393 527 115
Payments for capital assets								
Buildings and other fixed structures	3 319 412	–	1 052 922	–	496 914	(2 000)	1 547 836	4 867 248
Machinery and equipment	2 465 522	–	71 459	–	(103 791)	–	(32 332)	2 433 190
Cultivated assets	500	–	–	–	540	–	540	1 040
Software and other intangible assets	524 509	–	–	–	(325 777)	–	(325 777)	198 732
Land and subsoil assets	337 053	–	–	–	512 009	–	512 009	849 062
Total payments for capital assets	6 646 996	–	1 124 381	–	579 895	(2 000)	1 702 276	8 349 272
Total	530 873 251	5 195 273	4 060 308	3 838 110	–	3 406 746	11 305 164	547 373 688
Contingency reserve	3 000 000	–	–	–	–	(3 000 000)	(3 000 000)	–
Projected underspending	–	–	–	–	–	(5 000 000)	(5 000 000)	(5 000 000)
Total	533 873 251	5 195 273	4 060 308	3 838 110	–	(4 593 254)	3 305 164	542 373 688

Table 3: Funds rolled over from 2006/07 to 2007/08

Vote / description of expenditure	R thousand
Central Government Administration	
1 Presidency	17 360
R8.9 million for relocation costs to additional accommodation. R8.5 million for outstanding commitments for administrative costs.	
3 Foreign Affairs	262 700
R245.7 million for: the maintenance of foreign properties in Lilongwe, Sao Paulo, Windhoek and Brussels (R11 million); partially funding the acquisition of the Brussels chancery and refurbishing a building for the UN (R34.7 million); and the early works agreement for the head office campus (R200 million). R17 million for humanitarian aid in the Republic of Guinea (R15 million) and Djibouti (R2 million).	
4 Home Affairs	206 309
R156.3 million for the repair and maintenance programme (RAMP) for the department's offices (R59 million), for paying outstanding claims to the Department of Foreign Affairs for foreign missions (R50.3 million), and for quick win projects as part of the department's turnaround strategy (R47 million). R50 million has been rolled over for HANIS technology rehabilitation.	
5 Provincial and Local Government	817 740
R817.7 million for municipal infrastructure projects.	
6 Public Works	66 594
R12.7 million for service providers on the project to decide on appropriate head office accommodation for departments in Tshwane. R28.3 million to complete projects to acquire land and buildings. R25.6 million for prestige projects that are being finalised.	
Financial and Administrative Services	
7 Government Communication and Information System	1 400
R1.4 million for the employer's contribution to non-statutory forces pensions for former employees.	
9 Public Service and Administration	12 585
R4.5 million to maintain and deploy the CabEnet system. R149 million for the Global Forum V on Fighting Corruption and Safeguarding Integrity. R2 million for the second phase of the All Africa Public Sector Innovation Awards. R826 000 for the SADC governance workshop and the African Public Service Charter workshop. R410 000 for hosting the African Association for Public Administration and Management national chapter workshop. R3.7 million for completing the impact appraisal of the national anti-corruption framework project.	
10 Public Service Commission	2 807
R2.3 million for recognition of pensionable service in the former non-statutory forces in the Government Employees Pension Fund. R327 000 to install a centralised backup library system. R200 000 for consultancy fees for evaluating government's poverty reduction programme.	
11 South African Management Development Institute	60 000
R32 million for SAMDI to adapt its new building. R28 million for the massification of the induction and orientation programmes.	
12 Statistics South Africa	56 997
R1.9 million to pay the recruitment agency for appointing fieldworkers for the community survey. R14.6 million to settle outstanding invoices for vehicle hire for the community survey. R3.4 million for spatial analysis and map production, and R4.6 million for the dwelling frame project. R4.5 million for consultancy services for GPS point capture systems, and R6.5 million for hand-held devices for survey fieldworkers. R21.5 million to complete the development of an end-to-end statistical data management facility.	
Social Services	
14 Education	195 829
R5 million for the education management information system enhancement project. R1 million for the national early childhood development integrated plan, R1.9 million for the national curriculum statement documents, and R8.7 million for the HIV and Aids conditional grant. R69.2million for the national senior certificate examinations, R2.5 million for the printing and distribution of the life orientation curriculum and mathematics, science and technology documents, R1.2 million earmarked for the recapitalisation of further education and training colleges and R35.5 million for the FET colleges recapitalisation conditional grant (for provinces). R4.6 million for security in schools and R66.4 million for the national school nutrition programme conditional grant.	

Table 3: Funds rolled over from 2006/07 to 2007/08 (continued)

Vote / description of expenditure	R thousand
15 Health R4.7 million for upgrading the Johannesburg Chemistry Laboratory's electrical infrastructure. R4.7 million for specialised laboratory equipment for the forensic laboratories. R9.9 million to make the transfer payment to the National Health Laboratory Service, which could not be done before the end of 2006/07. R121 million for the forensic pathology services conditional grant and for the upgrading and construction of capital projects, and R10.6 million for the HIV and AIDS conditional grant. R234 million for the hospital revitalisation conditional grant to continue work on projects that are on site.	385 004
16 Labour R5 million for promotional items and a generic advertising campaign.	5 000
18 Sport and Recreation South Africa R2 million for preparing athletes for the All Africa Games, and R1.1 million for amateur boxing, the world gymnastarada and korfbal. R400 000 to offset costs for the ITU Triathlon World Cup and R1.5 million for the motocross world championship.	4 985
Justice and Protection Services	
19 Correctional Services R512.9 million for capital costs for the Kimberley correctional centre.	512 924
20 Defence R58.1 million for repairing and maintaining facilities and R24.9 million for upgrading and constructing buildings.	83 007
22 Justice and Constitutional Development R261.9 million for upgrading infrastructure projects to improve access to justice facilities for people with disabilities and for refurbishing office accommodation for the National Prosecuting Authority.	261 897
Economic Services and Infrastructure	
24 Agriculture R88.7 million for combating classical swine fever.	88 687
26 Environmental Affairs and Tourism R200 million for projects in the expanded public works programme.	200 000
29 Minerals and Energy R7.3 million for rehabilitation projects and mine environmental management projects. R1.1 million for projects investigating fuel and gas retail margins and fuel price smoothing techniques. R683 000 for finalising the subsidised renewable energy project, Bethlehem Hydro.	9 074
32 Trade and Industry R8 million for computer equipment and related software for the disaster recovery system. R7 million for payments of approved incentive scheme claims in respect of the Small and Medium Enterprise Development Programme. R70 million to pay approved grants in respect of the Business Process Outsourcing Programme. R20 million for a once-off subsidy to the grain milling industry to buy equipment to enrich grain products as part of the Staple Food Fortification Programme. R4.4 million for a payment to the Export Consultancy Trust Fund: International Bank for Reconstruction and Development (World Bank) to facilitate access for South African companies to World Bank funds for feasibility studies and export promotions.	109 400
33 Transport R869 000 for the annual membership fee to the International Maritime Organisation. R2.1 million for consultants for the development of the National Land Transport Bill. R2.2 million to alleviate the freight congestion in the Port of Durban precinct and to determine the future of Durban International Airport after its decommissioning. R25 million for marketing and communications for the taxi recapitalisation project. R252 million for the operations of the Taxi Scrapping Agency, R87 million for the scrapping allowance . R14 million for the Road Accident Fund Amendment Act regulations and communications programme and the strategy to restructure the Road Accident Fund.	386 009
34 Water Affairs and Forestry R14 million for transferring staff to municipalities and water user associations. R260 million for the construction of the De Hoop Dam (Olifants River Water Resource Development). R40 million for the dam safety rehabilitation programme.	314 000
TOTAL	4 060 308

Table 4: Unforeseeable and unavoidable expenditure

Vote and description of expenditure	R thousands
5 Provincial and Local Government	387 836
For municipalities in KwaZulu-Natal following storms and tidal surges	180 923
To West Coast District Municipality area for flood damage	6 913
For eradicating bucket toilets	200 000
8 National Treasury	654 676
For rehabilitation of infrastructure following flood damage in the West Coast District Municipality area	4 676
For an unexpected increase in the number of patients with multiple drug resistant tuberculosis	400 000
For budgetary pressures in the North West province	250 000
9 Public Service and Administration	13 898
R10.4 million for media that kept the public informed on the strike and the progress of the salary negotiations. R3.5 million for a post strike survey	13 898
14 Education	200 000
For the national recovery plan to address the loss of teacher-learner contact time and the disruption of examinations and tests following the unexpected labour action by teachers	200 000
15 Health	50 000
For the higher than projected take-up in the HIV and AIDS treatment programme (Western Cape province)	50 000
20 Defence	45 680
To the South African National Defence Force for overtime allowances to medical health practitioners and general assistants and for fuel used to provide essential health services to provincial departments of health during the national public service strike in June 2007	45 680
24 Agriculture	400 000
For agricultural disasters	300 000
For combating classical swine fever	100 000
27 Housing	105 000
For emergency housing in the North West province	105 000
28 Land Affairs	250 000
To settle the Richtersveld land claim	250 000
30 Public Enterprises	744 400
To South African Airways for costs associated with restructuring (R653 million plus R91.4 million VAT)	744 400
32 Trade and Industry	524 700
For infrastructure at the Coega industrial development zone in accordance with investment agreements, including R119.7 million to compensate for earlier reductions in capital amounts, owing to the then new VAT legislation	215 700
For claims received in respect of the Small and Medium Enterprise Development Programme incentive scheme	309 000
33 Transport	300 000
For bus subsidies to cover increases for the growing demand for and use of public transport	300 000
34 Water Affairs and Forestry	161 920
For remedial works in the Usutu River	6 000
For flood damage repairs in a number of catchments	8 000
To the Working for Water programme	32 000
For floods in the West Coast District Municipality area	1 050
For drought relief	114 870
Total	3 838 110

Table 5: Details of self-financing expenditure

Vote and description of expenditure	R thousands
7 Government Communication and Information System	2 000
R150 000 from the South African Broadcasting Corporation (SABC) and R50 000 from Standard Bank for the annual Government Communicators Awards ceremony	200
From the sale of advertising space in Vuk'uzenzele magazine. Will be used for printing and distributing more copies	1 800
9 Public Service Administration	297
From the Commonwealth for the 4th African meeting of heads of public service (Pan African Ministers of Public Services)	297
19 Correctional Services	1 154
R3.5 million collected from hiring out offender labour. 33% or R1.2 million reallocated to the department to supplement the budget for offender gratuities	1 154
20 Defence	132 223
From the sale of equipment procured through the General Defence Account	6 800
From the sale of equipment procured through the Special Defence Account	125 423
25 Communications	1 200
From Information System Electronics Telecommunication Technologies-Sector Education Training Authority for an internship programme	1 200
34 Water Affairs and Forestry	45 057
Donation from Anglo Alpha for 20/20 vision in Limpopo region	160
Following the closure of the industrial plantation trading account, forestry revenue is paid into the National Revenue Fund	44 897
Total	181 931

Table 6: Details of projected savings and under spending

Vote and description of saving	R thousands
Declared savings	
8 National Treasury	209 811
Transfer payment for the neighbourhood development partnership grant	109 811
Regularisation of the pre-1992 medical aid benefits of retired civil servants	100 000
14 Education	10 000
The Information Communication Technology project	10 000
Projected under spending	5 000 000
Total	5 219 811

Table 7: Expenditure outcome 2006/07 and preliminary expenditure 2007/08

Vote number and title	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
R thousand							
Central Government Administration							
1 The Presidency	238 865	99 483	236 274	98.9	272 101	109 731	10.3
2 Parliament	782 133	300 998	755 069	96.5	835 714	325 823	8.2
3 Foreign Affairs	3 042 149	1 230 314	2 944 680	96.8	4 119 063	1 543 061	25.4
4 Home Affairs	2 800 405	1 095 532	2 546 915	90.9	3 520 898	1 167 697	6.6
5 Provincial and Local Government	25 392 288	8 496 062	24 575 672	96.8	30 036 751	10 702 202	26.0
6 Public Works	3 116 762	1 688 037	3 025 788	97.1	3 759 464	1 970 196	16.7
Financial and Administrative Services							
7 Government Communication and Information	294 580	162 730	293 108	99.5	384 012	185 682	14.1
8 National Treasury	16 784 976	6 653 498	16 171 018	96.3	19 748 367	8 956 972	34.6
9 Public Service and Administration	442 426	201 633	429 354	97.0	384 063	161 148	(20.1)
10 Public Service Commission	97 003	44 424	96 068	99.0	108 164	49 331	11.0
11 SA Management Development Institute	58 918	28 041	58 268	98.9	131 126	36 652	30.7
12 Statistics South Africa	1 161 781	409 774	1 060 470	91.3	1 157 286	418 877	2.2
Social Services							
13 Arts and Culture	1 330 139	648 046	1 329 934	100.0	1 607 769	830 956	28.2
14 Education	14 299 176	10 313 965	14 249 805	99.7	16 386 752	11 670 595	13.2
15 Health	11 453 993	5 491 865	11 338 048	99.0	13 091 136	6 187 213	12.7
16 Labour	1 493 495	637 497	1 453 540	97.3	2 037 865	876 157	37.4
17 Social Development	62 382 425	33 947 619	61 676 087	98.9	67 229 108	35 082 859	3.3
18 Sport and Recreation South Africa	959 946	147 273	886 547	92.4	5 067 207	1 581 455	973.8
Justice and Protection Services							
19 Correctional Services	9 831 512	4 116 449	9 251 186	94.1	11 384 409	4 856 371	18.0
20 Defence	23 902 904	9 504 241	23 817 584	99.6	26 291 785	10 456 009	10.0
21 Independent Complaints Directorate	65 906	30 114	65 271	99.0	80 891	35 223	17.0
22 Justice and Constitutional Development	6 478 647	2 581 197	6 005 216	92.7	7 538 667	3 084 782	19.5
23 Safety and Security	32 521 231	14 826 768	32 521 230	100.0	36 386 105	16 584 380	11.9
Economic Services and Infrastructure							
24 Agriculture	2 367 630	948 209	2 218 894	93.7	3 469 603	968 270	2.1
25 Communications	1 322 306	434 125	1 319 597	99.8	1 924 483	624 680	43.9
26 Environmental Affairs and Tourism	2 061 804	1 242 988	2 059 664	99.9	2 790 521	1 571 460	26.4
27 Housing	7 333 726	3 494 729	7 165 962	97.7	8 982 358	3 814 747	9.2
28 Land Affairs	3 730 196	1 191 928	3 725 551	99.9	5 928 269	2 780 269	133.3
29 Minerals and Energy	2 635 100	1 066 113	2 607 675	99.0	2 974 937	1 521 729	42.7
30 Public Enterprises	2 869 923	623 998	2 589 835	90.2	4 605 089	985 327	57.9
31 Science and Technology	2 617 093	1 181 462	2 612 999	99.8	3 144 229	1 531 287	29.6
32 Trade and Industry	3 942 028	1 440 616	3 804 718	96.5	5 479 433	2 467 415	71.3
33 Transport	13 746 790	4 229 519	13 360 442	97.2	16 543 932	6 659 586	57.5
34 Water Affairs and Forestry	4 660 303	1 706 900	4 305 651	92.4	5 862 513	2 174 305	27.4
Total expenditure by vote	266 218 559	120 216 147	260 558 120	97.9	313 264 070	141 972 447	18.1
Plus:							
Total direct charges against the National Revenue Fund	209 971 865	107 369 795	209 598 215	99.8	234 109 618	119 173 614	11.0
State debt cost (National Treasury)	52 588 080	25 778 976	52 192 159	99.2	52 937 000	26 722 842	3.7
Provincial equitable share (National Treasury)	150 752 930	78 391 523	150 752 930	100.0	172 861 501	89 061 126	13.6
Skills development programme (Labour)	5 328 427	2 543 681	5 328 427	100.0	6 800 000	2 696 306	6.0
Judges and Magistrates salaries (Justice and Constitutional Development)	1 071 056	539 952	1 099 289	102.6	1 266 518	571 070	5.8
Members remuneration (Parliament)	229 218	114 612	223 256	97.4	242 380	121 192	5.7
President and Deputy President salaries (The Presidency)	2 154	1 051	2 154	100.0	2 219	1 078	2.6
Total	476 190 424	227 585 942	470 156 335	98.7	547 373 688	261 146 061	14.7

Table 7: Expenditure outcome 2005/06 and preliminary expenditure 2006/07 (continued)

Vote number and title	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
Current payments							
Compensation of employees	52 812 624	24 145 832	50 827 484	96.2	58 473 616	27 389 202	13.4
Goods and services	29 405 822	11 811 796	28 185 220	95.8	34 085 903	12 969 685	9.8
Interest and rent on land	52 589 829	25 779 523	52 193 045	99.2	52 937 768	26 723 812	3.7
Financial transactions in assets and liabilities	9 573	44 211	152 291	1 590.8	14	18 431	(58.3)
Total current payments	134 817 848	61 781 363	131 358 041	97.4	145 497 301	67 101 131	8.6
Transfers and subsidies to:							
Provinces and municipalities	206 802 812	98 598 761	205 468 848	99.4	243 989 503	117 324 690	19.0
Departmental agencies and accounts	38 091 483	17 151 881	37 813 387	99.3	45 305 069	20 497 457	19.5
Universities and technikons	11 028 603	8 565 345	11 056 035	100.2	11 975 329	9 316 080	8.8
Public corporations & private enterprises	14 679 811	5 753 006	14 675 110	100.0	1 046 850	7 809 758	35.8
Foreign governments & international organisations	1 011 047	336 513	914 602	90.5	20 542 637	277 368	(17.6)
Non-profit institutions	990 572	206 597	844 652	85.3	1 307 062	406 311	96.7
Households	62 670 745	33 799 543	61 700 085	98.5	69 360 665	36 224 965	7.2
Total transfers and subsidies	335 275 073	164 411 647	332 472 720	99.2	393 527 115	191 856 628	16.7
Payments for capital assets							
Buildings and other fixed structures	3 133 302	605 241	2 466 024	78.7	4 867 248	1 017 491	68.1
Machinery and equipment	2 678 254	735 971	3 286 769	122.7	2 433 190	824 031	12.0
Cultivated assets	-	317	676	-	1 040	1 050	231.2
Software and other intangible assets	168 947	51 404	232 136	137.4	198 732	47 953	(6.7)
Land and subsoil assets	117 000	-	339 970	290.6	849 062	297 777	(100.0)
Total payments for capital assets	6 097 503	1 392 932	6 325 574	103.7	8 349 272	2 188 302	57.1
Total	476 190 424	227 585 942	470 156 335	98.7	547 373 688	261 146 061	14.7

Information contained in each chapter

Each chapter reflects a single vote. A vote is one of the main segments into which an Appropriation Act is divided and it specifies the total amount appropriated per department in that Act.

Votes are arranged into the following **functional groupings** to facilitate analysis of interdepartmental initiatives and service delivery:

- Central Government Administration
- Financial and Administrative Services
- Social Services
- Justice and Protection Services
- Economic Services and Infrastructure.

Note: These functional groupings are informal and are not consistent with the more rigorous functional classification of expenditure reported in the medium term expenditure framework.

The discussion of each vote follows the same format, explained below.

Opening table

The amount to be appropriated by a vote reflects the adjusted rand amount to be voted for 2007/08. Revised estimates of statutory expenditure are also indicated.

Accountability information on the executive authority and accounting officer is provided here.

Aim

The aim of the vote reflects the department's social and economic objectives or its administrative functions.

Changes to programme purposes and measurable objectives

Noting any changes to programme purposes and measurable objectives maintains the link between the department's strategic plan and its adjusted budget. Measurable objectives are defined as quantifiable results that can be achieved within a foreseeable period. *Administration* is the only programme that does not publish its measurable objective in addition to its purpose.

Adjusted Estimates of National Expenditure 2007

Table: Adjusted estimates

Adjusted expenditure is set out by programme and economic classification.

The main appropriation shows the total amount appropriated per programme in the Appropriation Act, 2007 (Act No. 7 of 2007)

Special Adjustments Appropriation indicates the amounts appropriated in the Special Adjustments Appropriation Act (2007/08 Financial Year), 2007 (Act No. 16 of 2007).

The additional appropriation consists of a variety of categories:

- **Roll-overs** are funds appropriated in 2006/07 but not spent, and are included for reappropriation in the 2007/08 financial year.
- **Unforeseeable and unavoidable expenditure** could not be anticipated at the time of finalising the inputs for the *Estimates of National Expenditure 2007*.
- **Virements** are savings generated under one main division of a vote that are used to defray excess expenditure under another main division of the same vote.

- **Other adjustments** include: expenditure already announced in the budget speech of the Minister of Finance but not allocated at that stage; adjustments due to significant and unforeseeable economic and financial events such as higher than anticipated inflation; funds shifted between votes or to follow the transfer of functions, expenditure in terms of section 16 of the PFMA; and self-financing expenditure from unforeseen departmental revenue paid into the National Revenue Fund.

The total additional appropriation is the aggregate of all the additional funds to be voted.

The adjusted appropriation is the total rand amount available per vote for 2007/08. Spending is divided into three broad categories: current payments, transfers and subsidies, and payments for capital assets.

Details of adjustments to the Estimates of National Expenditure 2007

Explanations are given for the additional appropriations for roll-overs and unforeseeable and unavoidable expenditure.

Virements

Table: Details on virements per programme and economic classification

Details on virements are set out.

Other adjustments

Explanations are given for savings, salary adjustments, shifting of funds, self-financing expenditure and amounts announced in the main Budget but not yet allocated.

Amounts forming a direct charge against the National Revenue Fund

Explanations are provided for any changes in these.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table: Expenditure trends

The expenditure outcomes for the 2006/07 financial year per programme and economic classification are reflected in rand value (with adjustments for structural changes) and as a percentage of the 2006 adjusted appropriation. Preliminary expenditure for the first six months of the 2007/08 financial year is reflected in rand value and as percentage change on the first six months of the previous financial year.

Selected expenditure trends for the first half of 2007/08

Expenditure trends are stated. Explanations are given for significant changes in expenditure compared to the 2006/07 financial year.

Changes to transfers and subsidies and conditional grants

Tables: Summary of changes to transfers and subsidies per programme

Summary of changes to conditional grants: Provinces

Summary of changes to conditional grants: Local Government (Municipalities)

Details of changes to transfers and subsidies and to conditional grants per programme are set out.

Vote 1

The Presidency

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	254 741	272 101	–	17 360
<i>of which:</i>				
Current payments	223 138	239 745	–	16 607
Transfers and subsidies	24 716	24 792	–	76
Payments for capital assets	6 887	7 564	–	677
Direct charge against the National Revenue Fund	2 219	2 219	–	–
Executive authority	Minister in the Presidency			
Accounting officer	Chief Operating Officer in the Presidency			

Aim

The aim of the Presidency is to develop and manage the strategic agenda of government and oversee and ensure its realisation by government as a whole.

Adjusted Estimates of National Expenditure 2007

Table 1.1: Adjusted Estimates

Programme	2007/08						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
R thousand		Roll-overs	Unforeseeable/unavoidable	Virement	Other adjustments		
1. Administration	157 904	17 360	–	(3 165)	–	14 195	172 099
2. Communications	19 334	–	–	(834)	–	(834)	18 500
3. Executive Co-ordination	77 503	–	–	3 999	–	3 999	81 502
Subtotal	254 741	17 360	–	–	–	17 360	272 101
Direct charge against the National Revenue Fund	2 219	–	–	–	–	–	2 219
Salary of the President	1 197	–	–	–	–	–	1 197
Salary of the Deputy president	1 022	–	–	–	–	–	1 022
Total	256 960	17 360	–	–	–	17 360	274 320
Economic classification							
Current payments	225 357	17 360	–	(753)	–	16 607	241 964
Compensation of employees	131 350	–	–	(12 464)	–	(12 464)	118 886
Goods and services	94 007	17 360	–	11 711	–	29 071	123 078
Transfers and subsidies	24 716	–	–	76	–	76	24 792
Departmental agencies and accounts	24 614	–	–	–	–	–	24 614
Public corporations and private enterprises	102	–	–	–	–	–	102
Households	–	–	–	76	–	76	76
Payments for capital assets	6 887	–	–	677	–	677	7 564
Machinery and equipment	6 395	–	–	–	–	–	6 395
Software and other intangible assets	492	–	–	677	–	677	1 169
Total	256 960	17 360	–	–	–	17 360	274 320

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R17.36 million

Programme 1: Administration

R8.86 million has been rolled over for relocation costs to additional accommodation, including new furniture, a new security system, removals, and other costs. R8.5 million has been rolled over for outstanding commitments for administrative costs.

Virements

Table 1.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(8 065)	4 900	
Current payments	(8 065)	4 824	
Compensation of employees	(8 065)	–	– Savings due to vacant administrative, IT and, human resources posts, likely to be filled during November 2007, have been shifted to goods and services and households in this programme and programme 3.
Goods and services	–	4 824	Funds shifted from compensation of employees will be used to improve internal controls following the auditor general's recommendations (R961 000), to support the increased activities of the deputy president in her role as leader of government business (R1.794 million), and for other administrative commitments (R2.069 million).
Transfers and Subsidies	–	76	
Households	–	76	Funds shifted from compensation of employees will be used for leave gratuity payments.
2. Communications	(2 334)	1 500	
Current payments	(2 334)	1 500	
Compensation of employees	(2 334)	–	– Savings due to vacant senior management, communication and administrative posts, likely to be filled between November and December 2007, have been shifted to goods and services in this programme and to programme 3.
Goods and services	–	1 500	Funds shifted from compensation of employees will be used for the branding audit which forms part of the Presidency's branding project.
3. Executive Co-ordination	(2 065)	6 064	
Current payments	(2 065)	5 387	
Compensation of employees	(2 065)	–	– Savings due to vacant senior management, communication and administrative posts, likely to be filled in November 2007, have been shifted to goods and services and software and tangible assets in this programme.
Goods and services	–	5 387	Funds shifted from compensation of employees (in programmes 1 and 2, and in this programme) will be used for: additional costs for various Cabinet meetings mainly due to the inclusion of deputy ministers (R2.813 million); a number of additional once-off Youth Desk activities (R100 000); printing the national spatial development perspective publication (R532 500); the AsgiSA projects in the economic cluster (R467 048); publishing the presidential economic advisory panel report (R500 000), and the shortfall for the national income dynamics study (R973 000).
Payments for capital assets	–	677	
Software and other intangible assets	–	677	Funds shifted from compensation of employees will be used to implement a web-based reporting framework to monitor and evaluate progress on government's programme of action (R677 000).
Total for Vote	(12 464)	12 464	

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 1.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
R thousand							
1. Administration	158 808	64 764	157 962	99.5	172 099	71 689	10.7
2. Communications	17 577	5 924	14 106	80.3	18 500	6 488	9.5
3. Executive Co-ordination	62 480	28 795	64 206	102.8	81 502	31 554	9.6
Subtotal	238 865	99 483	236 274	98.9	272 101	109 731	10.3
Direct charge against the National Revenue Fund	2 154	1 051	2 154	100.0	2 219	1 078	2.6
Salary of the President	1 181	559	1 181	100.0	1 197	591	5.7
Salary of the Deputy President	973	492	973	100.0	1 022	487	(1.0)
Total	241 019	100 534	238 428	98.9	274 320	110 809	10.2
Current payments	210 272	86 305	202 766	96.4	241 964	94 683	9.7
Compensation of employees	108 123	49 785	104 309	96.5	118 886	57 019	14.5
Goods and services	102 149	36 381	98 317	96.2	123 078	37 664	3.5
Financial transactions in assets and liabilities	–	139	140	–	–	–	(100.0)
Transfers and subsidies	24 350	12 268	27 938	114.7	24 792	14 795	20.6
Provinces and municipalities	82	79	81	98.8	–	–	(100.0)
Departmental agencies and accounts	23 228	11 246	23 228	100.0	24 614	14 681	30.5
Public corporations and private enterprises	97	–	3 246	3 346.4	102	38	(100.0)
Non-profit institutions	–	–	440	–	–	–	(100.0)
Households	943	943	943	100.0	76	76	(91.9)
Payments for capital assets	6 397	1 961	7 724	120.7	7 564	1 331	(32.1)
Machinery and equipment	5 942	1 637	7 228	121.6	6 395	1 112	(32.1)
Software and other intangible assets	455	324	496	109.0	1 169	219	(32.4)
Total	241 019	100 534	238 428	98.9	274 320	110 809	10.2

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R110.8 million or 40.3 per cent of the adjusted appropriation of R274.3 million for the year as a whole. Expenditure in the first six months of 2007/08 increased by 10.2 per cent compared to the first six months of 2006/07.

The main increase compared to 2006/07 is related the increase in capacity (29 additional posts filled) and a transfer to the Isigodlo Trust and the National Youth Commission made earlier this year.

Expenditure in 2006/07 was 98.9 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 1.4: Summary of changes to transfers and subsidies per programme

		2007/08						
		Additional appropriation				Total	Adjusted appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	additional appropriation		
1. Administration	4 102	-	-	76	-	76	4 178	
Households								
Social benefits								
Current	-	-	-	76	-	76	76	
Leave gratuity	-	-	-	76	-	76	76	

Vote 2

Parliament

R thousand	2007/08			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	835 714	835 714	-	-
<i>of which:</i>				
Current payments	574 826	574 826	-	-
Transfers and subsidies	247 903	247 903	-	-
Payments for capital assets	12 985	12 985	-	-
Direct charge against the National Revenue Fund	242 380	242 380	-	-
Executive authority	Parliament			
Accounting officer	Secretary to Parliament			

Aim

The aim of the vote is to provide the support services required by Parliament to fulfil its constitutional functions, to assist political parties represented in Parliament to secure administrative support and service constituents, and to provide Members of Parliament with the necessary facilities.

Adjusted Estimates of National Expenditure 2007

Table 2.1: Adjusted Estimates

Programme	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
R thousand		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	191 110	-	-	-	-	-	191 110
2. Legislation and Oversight	164 950	-	-	-	-	-	164 950
3. Public and International Participation	60 881	-	-	-	-	-	60 881
4. Members' Facilities	173 370	-	-	-	-	-	173 370
5. Associated Services	245 403	-	-	-	-	-	245 403
Subtotal	835 714	-	-	-	-	-	835 714
Direct charge against the National Revenue Fund	242 380	-	-	-	-	-	242 380
Members' Remuneration	242 380	-	-	-	-	-	242 380
		-	-	-	-	-	
Total	1 078 094	-	-	-	-	-	1 078 094
Economic classification							
Current payments	817 206	-	-	-	-	-	817 206
Compensation of employees	507 081	-	-	-	-	-	507 081
Goods and services	310 125	-	-	-	-	-	310 125
Transfers and subsidies	247 903	-	-	-	-	-	247 903
Foreign governments and international organisations	2 500	-	-	-	-	-	2 500
Non-profit institutions	245 403	-	-	-	-	-	245 403
Payments for capital assets	12 985	-	-	-	-	-	12 985
Machinery and equipment	12 985	-	-	-	-	-	12 985
		-	-	-	-	-	
Total	1 078 094	-	-	-	-	-	1 078 094

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 2.2: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	472 802	155 467	461 821	97.7	191 110	53 683	(65.5)
2. Legislation and Oversight	–	–	–	–	164 950	71 575	(100.0)
3. Public and International Participation	–	–	–	–	60 881	29 071	(100.0)
4. Members' Facilities	151 212	62 515	134 488	88.9	173 370	59 960	(4.1)
5. Associated Services	158 119	83 016	158 760	100.4	245 403	111 534	34.4
Subtotal	782 133	300 998	755 069	96.5	835 714	325 823	8.2
Direct charge against the National Revenue Fund	229 218	114 612	223 256	97.4	242 380	121 192	5.7
Members' Remuneration	229 218	114 612	223 256	97.4	242 380	121 192	5.7
Total	1 011 351	415 610	978 325	96.7	1 078 094	447 015	7.6
Current payments	830 426	335 412	807 025	97.2	817 206	330 059	(1.6)
Compensation of employees	522 932	202 737	435 563	83.3	507 081	241 807	19.3
Goods and services	307 494	121 661	360 448	117.2	310 125	88 234	(27.5)
Financial transactions in assets and liabilities	–	11 014	11 014	–	–	18	(99.8)
Transfers and subsidies	158 439	80 198	158 991	100.3	247 903	112 998	40.9
Provinces and municipalities	320	231	231	72.2	–	–	(100.0)
Foreign governments and international organisations	1 273	1 200	1 912	150.2	2 500	1 464	22.0
Non-profit institutions	156 846	78 767	156 848	100.0	245 403	111 534	41.6
Payments for capital assets	22 486	–	12 309	54.7	12 985	3 958	(100.0)
Machinery and equipment	22 400	–	11 880	53.0	12 985	2 889	(100.0)
Software and other intangible assets	86	–	429	498.8	–	1 069	(100.0)
Total	1 011 351	415 610	978 325	96.7	1 078 094	447 015	7.6

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R447 million or 41.5 per cent of the adjusted appropriation of R1.078 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 7.6 per cent compared to the same period of 2006/07.

The main increases compared to 2006/07 are related to the filling of critical posts, implementing strategic projects as well as accommodating higher constituency allowances for political parties.

Expenditure in 2006/07 was 96.7 per cent of the adjusted appropriation for that year.

Vote 3

Foreign Affairs

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	3 856 363	4 119 063	–	262 700
<i>of which:</i>				
Current payments	2 772 176	2 681 061	(91 115)	–
Transfers and subsidies	640 153	666 835	–	26 682
Payments for capital assets	444 034	771 167	–	327 133
Executive authority	Minister of Foreign Affairs			
Accounting officer	Director-General of Foreign Affairs			

Aim

The Department of Foreign Affairs formulates, co-ordinates, implements and manages South Africa's foreign policy and international relations programmes throughout the world.

Adjusted Estimates of National Expenditure 2007

Table 3.1: Adjusted Estimates

Programme		2007/08					
R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other Adjustments		
1. Administration	810 324	245 700	–	134 657	–	380 357	1 190 681
2. Foreign Relations	2 288 463	–	–	(145 052)	–	(145 052)	2 143 411
3. Public Diplomacy and Protocol	129 319	–	–	10 395	–	10 395	139 714
4. International Transfers	628 257	17 000	–	–	–	17 000	645 257
Total	3 856 363	262 700	–	–	–	262 700	4 119 063
Economic classification							
Current payments	2 772 176	–	–	(91 115)	–	(91 115)	2 681 061
Compensation of employees	1 478 959	–	–	(166 124)	–	(166 124)	1 312 835
Goods and services	1 293 217	–	–	75 009	–	75 009	1 368 226
Transfers and subsidies	640 153	17 000	–	9 682	–	26 682	666 835
Provinces and municipalities	11 896	–	–	9 682	–	9 682	21 578
Departmental agencies and accounts	300 000	–	–	–	–	–	300 000
Foreign governments and international organisations	328 257	17 000	–	–	–	17 000	345 257
Payments for capital assets	444 034	245 700	–	81 433	–	327 133	771 167
Buildings and other fixed structures	325 294	245 700	–	100 000	–	345 700	670 994
Machinery and equipment	118 740	–	–	(18 567)	–	(18 567)	100 173
Total	3 856 363	262 700	–	–	–	262 700	4 119 063

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R262.7 million

Programme 1: Administration

R245.7 million has been rolled over for: the maintenance of foreign properties in Lilongwe, Sao Paulo, Windhoek and Brussels (R11 million); partially funding the acquisition of the Brussels chancery and refurbishing a building for the UN (R34.7 million); and the early works agreement for the head office campus (R200 million).

Programme 4: International Relations

R17 million has been rolled over for humanitarian aid in the Republic of Guinea (R15 million) and Djibouti (R2 million).

Virements

Table 3.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(25 108)	159 765	
Current payments	–	59 765	
Compensation of employees	–	4 703	Funds shifted from compensation of employees (in programme 2) will be used for 13 posts, mainly at senior level, created for the human capital development unit, the Ministry, and corporate services.
Goods and services	–	55 062	R25.108 million shifted from machinery and equipment (in this programme) will be used for maintenance of the ICT system. Funds shifted from compensation of employees (in programme 2) will be used for ministerial commitments in Africa (R10 million) and repositioning the Foreign Service Institute (R19.954 million) including redesigning training curricula, capacitating the research function and upgrading infrastructure.
Payments for capital assets	(25 108)	100 000	
Buildings and other fixed structures	–	100 000	Funds shifted from goods and services (in programme 2) will be used to extend the early works agreement for the new head office campus.
Machinery and equipment	(25 108)	–	Incorrectly classified funds will be shifted to goods and services.
2. Foreign Relations	(172 015)	26 963	
Current payments	(172 015)	19 947	
Compensation of employees	(172 015)	–	Savings due to approximately 199 posts vacant for the full year and 250 posts vacant for part of the year, in missions and head office, have been shifted to compensation of employees (R4.703 million) and goods and services (R29.954 million) in programme 1, goods and services (R119.947 million) and machinery and equipment (R6.541 million) in programme 2, and compensation of employees (R1.188 million) and transfers and subsidies (R9.682 million) in programme 3.
Goods and services	–	19 947	R119.947 million shifted from compensation of employees will be used for: opening 3 new missions in Africa (R37 million), rental increases in missions in Asia (R39 million) and the Middle East (R1.5 million), humanitarian assistance in Bolivia and Haiti (R5 million), Sudan peace keeping initiatives (R4.2 million), and for the expansion of existing low scale missions and head office activities (R33.247 million). Savings of R100 million due to favourable movements in exchange rates have been shifted to buildings and other fixed structures in programme 1.
Payments for capital assets	–	7 016	
Machinery and equipment	–	7 016	Funds shifted from compensation of employees (in this programme) and machinery and equipment (in programme 3) will be used to replace furniture and equipment in the missions.

Table 3.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
3. Public Diplomacy and Protocol	(475)	10 870	
Current payments	–	1 188	
Compensation of employees	–	1 188	Funds shifted from compensation of employees (in programme 2) will be used to upgrade posts.
Transfers and Subsidies	–	9 682	
Provinces and municipalities	–	9 682	Funds shifted from compensation of employees (in programme 2) will be used for municipal rates in new embassies and increased rates in existing embassies.
Payments for capital assets	(475)	–	
Machinery and equipment	(475)	–	Savings due to equipment that was budgeted for but is no longer required have been shifted to machinery and equipment in programme 2.
Total for Vote	(197 598)	197 598	

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 3.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
R thousand							
1. Administration	671 551	182 054	537 101	80.0	1 190 681	424 759	133.3
2. Foreign Relations	1 790 039	812 834	1 887 010	105.4	2 143 411	914 466	12.5
3. Public Diplomacy and Protocol	116 029	45 700	118 418	102.1	139 714	47 444	3.8
4. International Transfers	464 530	189 726	402 151	86.6	645 257	156 392	(17.6)
Total	3 042 149	1 230 314	2 944 680	96.8	4 119 063	1 543 061	25.4
Current payments	2 246 586	966 238	2 278 689	101.4	2 681 061	1 192 143	23.4
Compensation of employees	1 180 869	515 479	1 136 451	96.2	1 312 835	593 481	15.1
Goods and services	1 065 717	450 667	1 142 119	107.2	1 368 226	595 519	32.1
Financial transactions in assets and liabilities	–	92	119	–	–	3 143	3316.3
Transfers and subsidies	477 668	233 553	450 584	94.3	666 835	167 251	(28.4)
Provinces and municipalities	13 138	2 936	20 649	157.2	21 578	2 692	(8.3)
Departmental agencies and accounts	150 000	100 000	150 000	100.0	300 000	–	(100.0)
Public corporations and private enterprises	–	3 799	10 588	–	–	2 968	(21.9)
Foreign governments and international organisations	314 530	119 465	252 151	80.2	345 257	158 319	32.5
Households	–	7 353	17 196	–	–	3 272	(55.5)
Payments for capital assets	317 895	30 523	215 407	67.8	771 167	183 667	501.7
Buildings and other fixed structures	261 000	462	119 398	45.7	670 994	158 791	34270.3
Machinery and equipment	56 895	29 094	92 573	162.7	100 173	17 075	(41.3)
Software and other intangible assets	–	967	3 436	–	–	2 437	152.0
Total	3 042 149	1 230 314	2 944 680	96.8	4 119 063	1 543 061	25.4

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R1.5 billion or 37.4 per cent of the adjusted appropriation of R4.1 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 25.4 per cent compared to the first six months of 2006/07.

The main increase compared to 2006/07 is related to new projects, namely spending on the early works agreement for the construction of the head office campus and the expansion and opening of new missions, and the early payment of contributions to international organisations.

Expenditure in 2006/07 was 96.8 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 3.4: Summary of changes to transfers and subsidies per programme

R thousand	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
3. Public Diplomacy and Protocol	11 896	-	-	9 682	-	9 682	21 578
Provinces and municipalities							
Municipalities							
Current	11 896	-	-	9 682	-	9 682	21 578
Municipal rates and taxes for diplomatic missions	11 896	-	-	9 682	-	9 682	21 578
4. International Transfers	628 257	17 000	-	-	-	17 000	645 257
Foreign governments and international organisations							
Current	328 257	17 000	-	-	-	17 000	345 257
Humanitarian Aid	15 326	17 000	-	-	-	17 000	32 326

Vote 4

Home Affairs

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	3 314 589	3 520 898	–	206 309
<i>of which:</i>				
Current payments	2 079 228	2 592 534	–	513 306
Transfers and subsidies	508 523	618 523	–	110 000
Payments for capital assets	726 838	309 841	(416 997)	–
Executive authority	Minister of Home Affairs			
Accounting officer	Director-General of Home Affairs			

Aim

The aim of the Department of Home Affairs is to protect and regulate the interests of the inhabitants of the Republic of South Africa regarding their individual status, identity and specific rights and powers, and to promote a supporting service for this.

Adjusted Estimates of National Expenditure 2007

Table 4.1: Adjusted estimates

2007/08							
Programme	Additional appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	
1. Administration	1 052 588	156 309	–	14 474	–	170 783	1 223 371
2. Civic and Immigration Services	1 757 333	50 000	–	(124 474)	–	(74 474)	1 682 859
3. Transfers to Agencies	504 668	–	–	110 000	–	110 000	614 668
Total	3 314 589	206 309	–	–	–	206 309	3 520 898
Economic classification							
Current payments	2 079 228	97 346	–	415 960	–	513 306	2 592 534
Compensation of employees	1 209 866	50 346	–	(126 360)	–	(76 014)	1 133 852
Goods and services	869 362	47 000	–	542 320	–	589 320	1 458 682
Transfers and subsidies	508 523	–	–	110 000	–	110 000	618 523
Departmental agencies and accounts	504 668	–	–	110 000	–	110 000	614 668
Households	3 855	–	–	–	–	–	3 855
Payments for capital assets	726 838	108 963	–	(525 960)	–	(416 997)	309 841
Buildings and other fixed structures	53 500	58 963	–	–	–	58 963	112 463
Machinery and equipment	180 831	50 000	–	(126 389)	–	(76 389)	104 442
Software and other intangible assets	492 507	–	–	(399 571)	–	(399 571)	92 936
Total	3 314 589	206 309	–	–	–	206 309	3 520 898

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R206.309 million

Programme 1: Administration

R156.309 million has been rolled over for the repair and maintenance programme (RAMP) for the department's offices (R58.963 million), for paying outstanding claims to the Department of Foreign Affairs for foreign missions (R50.346 million), and for quick win projects, mainly to review existing business processes, as part of the department's turnaround strategy (R47 million).

Programme 2: Civic and Immigration Services

R50 million has been rolled over for HANIS technology rehabilitation.

Virements

Table 4.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(178 797)	193 271	
Current payments	(12 656)	189 660	
Compensation of employees	(12 656)	–	Savings due to non-critical posts at head office not being filled have been shifted to goods and services (R12.545 million) and machinery and equipment (R111 000).
Goods and services	–	189 660	R126.249 million shifted from compensation of employees in this programme (R12.545 million) and programme 2 (R113.704 million) will be used mainly to fund consultant fees (R124.410 million), and increased travel expenditure related to turnaround initiatives (R1.839 million). R8 million shifted from the HANIS Smart ID card project (software and other intangible assets in programme 2) will be used for the new Client Contact Centre. R5.758 million shifted from goods and services (in programme 2) will be used for computer equipment leases. R49.653 million shifted from software and other intangible assets in this programme will be used for information services, including SITA costs, WAN upgrade and various software licenses.
Payments for capital assets	(166 141)	3 611	
Machinery and equipment	–	3 611	R111 000 shifted from compensation of employees will be used for office equipment such as photocopiers. R3.5 million shifted from software and other intangible assets and R4.5 million savings on other equipment will be used for printers and scanners for the Track and Trace project.
Software and other intangible assets	(166 141)	–	Savings due to reprioritising different IT projects, i.e. live capture, business intelligence and the electronic document management system, have been shifted to goods and services (R49.653 million) and machinery and equipment (R3.5 million) in this programme and goods and services in programme 2 (R112.988 million).
2. Civic and Immigration Services	(477 134)	352 660	
Current payments	(113 704)	352 660	
Compensation of employees	(113 704)	–	Savings due to slow filling of vacant posts in provincial offices have been shifted to goods and services in programme 1.
Goods and services	–	352 660	R205.430 million has been reclassified and shifted from software and other intangible assets to goods and services but remains earmarked for the HANIS Smart ID Card project. R112.988 million shifted from software and other intangible assets (in programme 1) will be used for HANIS technology rehabilitation (R26.157 million), the maintenance of the HANIS automated fingerprint identification system (R58.176 million), and the HANIS disaster recovery system (R28.655 million). R40 million shifted from machinery and equipment (R20 million) and software and other intangible assets (R20 million) will be used for the new passport system. Savings of R5.758 million due to the reprioritisation of consultant fees have been shifted to goods and services (in programme 1).
Payments for capital assets	(363 430)	–	
Machinery and equipment	(130 000)	–	Funds earmarked for the passport system have been reclassified and shifted to departmental agencies and accounts in programme 3 (R110 million) and goods and services in this programme (R20 million) for the same purpose.
Software and other intangible assets	(233 430)	–	Due to the reclassification of capital funds earmarked for the Smart ID Card, funds have been shifted to goods and services in this programme (R205.43 million) and programme 1 (R8 million). Due to the reclassification of funds earmarked for the passport system, R20 million has been shifted to goods and services in this programme.

Table 4.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
3. Transfers to Agencies	–	110 000	
Transfers and Subsidies	–	110 000	
Departmental agencies and accounts	–	110 000	Funds shifted from machinery and equipment in programme 2 will be transferred to the Government Printing Works to implement the new end-to-end passport system.
Total for Vote	(655 931)	655 931	

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 4.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	878 365	279 704	773 143	88.0	1 223 371	297 445	6.3
2. Civic and Immigration Services	1 558 907	614 494	1 410 640	90.5	1 682 859	617 638	0.5
3. Transfers to Agencies	363 133	201 334	363 132	100.0	614 668	252 614	25.5
Total	2 800 405	1 095 532	2 546 915	90.9	3 520 898	1 167 697	6.6
Current payments	1 831 492	808 195	1 781 260	97.3	2 592 534	846 043	4.7
Compensation of employees	901 911	397 308	844 673	93.7	1 133 852	470 041	18.3
Goods and services	929 581	410 865	926 559	99.7	1 458 682	375 972	(8.5)
Financial transactions in assets and liabilities	–	22	10 028	–	–	30	36.4
Transfers and subsidies	372 109	206 344	368 212	99.0	618 523	255 823	24.0
Provinces and municipalities	1 896	579	988	52.1	–	76	(86.9)
Departmental agencies and accounts	363 133	203 801	363 134	100.0	614 668	252 446	23.9
Households	7 080	1 964	4 090	57.8	3 855	3 301	68.1
Payments for capital assets	596 804	80 993	397 443	66.6	309 841	65 831	(18.7)
Buildings and other fixed structures	104 913	1 957	45 949	43.8	112 463	13 928	611.7
Machinery and equipment	425 657	71 626	233 093	54.8	104 442	26 546	(62.9)
Software and other intangible assets	66 234	7 410	118 401	178.8	92 936	25 357	242.2
Total	2 800 405	1 095 532	2 546 915	90.9	3 520 898	1 167 697	6.6

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R1.167 billion, or 33.1 per cent of the adjusted appropriation of R3.521 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 6.6 per cent compared to the first six months of 2006/07.

The main increases compared to 2006/07 are related to transfers to the Independent Electoral Commission which are managed in accordance with the needs of the commission, repair and maintenance projects going ahead with minimal delays, and higher spending on personnel due to key appointments and bulk advertisements early in the year.

Expenditure in 2006/07 was 90.9 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 4.4: Summary of changes to transfers and subsidies per programme

R thousand	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
2. Civic and Immigration Services	2 811	-	-	-	-	-	2 811
Households							
Social benefits							
Current	157	-	-	(157)	-	(157)	-
Advances to Citizens	157	-	-	(157)	-	(157)	-
Other transfers							
Current	2 654	-	-	157	-	157	2 811
Leave gratuity	2 654	-	-	157	-	157	2 811
3. Transfers to Agencies	504 668	-	-	110 000	-	110 000	614 668
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	504 668	-	-	110 000	-	110 000	614 668
Government Printing Works	212	-	-	110 000	-	110 000	110 212

Vote 5

Provincial and Local Government

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	28 844 175	30 036 751	–	1 192 576
<i>of which:</i>				
Current payments	352 077	339 043	(13 034)	–
Transfers and subsidies	28 486 832	29 692 421	–	1 205 589
Payments for capital assets	5 266	5 287	–	21
Executive authority	Minister for Provincial and Local Government			
Accounting officer	Director-General of Provincial and Local Government			

Aim

The aim of the Department of Provincial and Local Government is to develop and promote a national system of integrated and co-operative governance and to support provincial and local government.

Adjusted Estimates of National Expenditure 2007

Table 5.1: Adjusted estimates

2007/08							
Programme	Additional appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	
1. Administration	130 569	–	–	1 951	5 356	7 307	137 876
2. Governance, Policy and Research	30 649	–	–	12 654	–	12 654	43 303
3. Urban and Rural Development	11 280	–	–	(598)	–	(598)	10 682
4. Systems and Capacity Building	126 176	–	–	(12 697)	(18 356)	(31 053)	95 123
5. Free Basic Services and Infrastructure	42 053	–	–	(1 651)	–	(1 651)	40 402
6. Provincial and Local Government Transfers	28 424 184	817 740	387 836	–	–	1 205 576	29 629 760
7. Fiscal Transfers	79 264	–	–	341	–	341	79 605
Total	28 844 175	817 740	387 836	–	(13 000)	1 192 576	30 036 751
Economic classification							
Current payments	352 077	–	–	(34)	(13 000)	(13 034)	339 043
Compensation of employees	149 295	–	–	(7 949)	–	(7 949)	141 346
Goods and services	202 782	–	–	7 915	(13 000)	(5 085)	197 697
Transfers and subsidies	28 486 832	817 740	387 836	13	–	1 205 589	29 692 421
Provinces and municipalities	28 425 779	817 740	387 836	2	–	1 205 578	29 631 357
Departmental agencies and accounts	56 572	–	–	–	–	–	56 572
Public corporations and private enterprises	81	–	–	–	–	–	81
Non-profit institutions	4 400	–	–	–	–	–	4 400
Households	–	–	–	11	–	11	11
Payments for capital assets	5 266	–	–	21	–	21	5 287
Machinery and equipment	5 266	–	–	21	–	21	5 287
Total	28 844 175	817 740	387 836	–	(13 000)	1 192 576	30 036 751

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R817.74 million

Programme 6: Provincial and Local Government Transfers

R817.74 million was rolled over for municipal infrastructure projects. The funds were stopped due to persistent under-spending by some municipalities.

Unforeseeable and unavoidable expenditure – R387.836 million

Programme 6: Provincial and Local Government Transfers

Funds have been allocated for local and district municipalities through the municipal infrastructure grant for reconstruction and rehabilitation: R180.923 million to municipalities in KwaZulu-Natal following storms and tidal surges in March 2007 and R6.913 million to the West Coast District Municipality area for flood damage in June 2007.

R200 million has been allocated for the shortfall for eradicating bucket toilets.

Virements

Table 5.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(4 189)	6 140	
Current payments	(4 189)	6 132	
Compensation of employees	(4 189)	–	– Savings of 7.7% due to vacant posts that have not been filled since the beginning of the financial year have been shifted to goods and services.
Goods and services	–	6 132	Funds shifted from compensation of employees in this programme (R4.2 million), programme 2 (R341 000), programme 3 (R598 000) and programme 4 (R1 million) will be used for increased international travel and subsistence costs (R1.9 million), a performance audit (R800 000), internal audit (R1.1 million), bandwidth upgrade, maintenance and contracts, software licenses and IT hardware for Cape Town (R300 000) additional monitoring and evaluation functions on the municipal leadership pilot project (R1.2 million) and legal services for municipal demarcation cases (R1 million).
Transfers and Subsidies	–	2	
Provinces and municipalities	–	2	Funds shifted from compensation of employees in programme 5 will be used to for motor vehicle licenses.
Payments for capital assets	–	6	
Machinery and equipment	–	6	Funds shifted from compensation of employees in programme 5 will be used to buy office equipment.
2. Governance, Policy and Research	(341)	12 995	
Current payments	(341)	12 980	
Compensation of employees	(341)	–	– Savings of 7.7% due to vacant posts that have not been filled since the beginning of the financial year have been shifted to goods and services in programme 1.
Goods and services	–	12 980	Funds shifted from goods and services in programme 4 (R11.6 million) and compensation of employees in programme 5 (R1.3 million) will be used for: establishing a Khoi-San committee and consultation on Khoi-San policy (R1.4 million); managing the development of the White Paper on Provinces and the local government policy review process (R9.2 million); and projects from the previous financial year completed this financial year (R2.3 million).
Payments for capital assets	–	15	
Machinery and equipment	–	15	Funds shifted from compensation of employees in programme 5 will be used to buy office equipment.
3. Urban and Rural Development	(598)	–	
Current payments	(598)	–	
Compensation of employees	(598)	–	– Savings of 7.7% due to vacant posts that have not been filled since the beginning of the financial year have been shifted to goods and services in programme 5.

Table 5.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
4. Systems and Capacity Building	(12 708)	11	
Current payments	(12 708)	–	
Compensation of employees	(1 010)	–	Savings of 7.7% due to vacant posts that have not been filled since the beginning of the financial year have been shifted to goods and services in programme 1.
Goods and services	(11 698)	–	The savings are a result of: Municipal Performance Monitoring and Support (R5 million) due to work that was previously done by consultants and is now done in-house, and Project Consolidate (R13.9 million) due to expenditure trends up to July 2007 and savings on personnel as the expenditure for the DDG's office is allocated to the Branch. The shortfall is a result of: Performance Management (R2.3 million) for performance excellence awards; 2010 World Cup (R2.5 million) not budgeted for in the original budget; and Municipal Leadership Pilot Project (R2.4 million) that cost more than expected. The savings will be used in goods and services in programme 2.
Transfers and Subsidies	–	11	
Households	–	11	Funds shifted from compensation of employees in programme 5 (R11 000) will be used for employer contributions to social benefits.
5. Free Basic Services and Infrastructure	(1 651)	–	
Current payments	(1 651)	–	
Compensation of employees	(1 651)	–	Savings of 7.7% due to vacant posts that have not been filled since the beginning of the financial year have been shifted to goods and services in programme 2.
7. Fiscal Transfers	(160)	501	
Current payments	(160)	501	
Compensation of employees	(160)	–	Savings of 7.7% due to vacant posts that have not been filled since the beginning of the financial year have been shifted to goods and services in this programme.
Goods and services	–	501	Funds shifted from compensation of employees in this programme and programme 4 will be used for the National House of Traditional Leaders.
Total for Vote	(19 647)	19 647	

Other adjustments – (R13 million)***Shifting of funds between votes***

Programme 1: Administration

R1 million has been shifted from the Department of Justice and Constitutional Development for the 16 Days of Activism campaign, which is being convened by the deputy minister of the Department of Provincial and Local Government.

Programme 4: Systems and Capacity Building

R14 million has been shifted to the Department of Water Affairs and Forestry for the Working on Fire Project.

Funds shifted within a vote

Programme 4: Systems and Capacity Building

R5.365 million has been shifted to programme 1 following the shift of the monitoring and evaluation function from this programme.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 5.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	119 788	60 195	127 543	106.5	137 876	64 821	7.7
2. Governance, Policy and Research	36 239	13 130	37 624	103.8	43 303	15 318	16.7
3. Urban and Rural Development	8 460	3 531	7 960	94.1	10 682	3 769	6.7
4. Systems and Capacity Building	107 301	31 162	98 741	92.0	95 123	37 377	19.9
5. Free Basic Services and Infrastructure	37 870	15 525	36 620	96.7	40 402	15 001	(3.4)
6. Provincial and Local Government Transfers	25 014 088	8 340 834	24 196 349	96.7	29 629 760	10 523 169	26.2
7. Fiscal Transfers	68 542	31 685	70 835	103.3	79 605	42 747	34.9
Total	25 392 288	8 496 062	24 575 672	96.8	30 036 751	10 702 202	26.0
Current payments	318 753	130 516	305 721	95.9	339 043	146 367	12.1
Compensation of employees	118 294	54 401	116 166	98.2	141 346	62 832	15.5
Goods and services	200 459	76 026	189 288	94.4	197 697	83 401	9.7
Financial transactions in assets and liabilities	–	89	267	–	–	134	50.6
Transfers and subsidies	25 065 919	8 364 430	24 256 970	96.8	29 692 421	10 554 581	26.2
Provinces and municipalities	25 014 201	8 340 923	24 196 442	96.7	29 631 357	10 523 176	26.2
Departmental agencies and accounts	49 724	22 866	49 724	100.0	56 572	29 024	26.9
Public corporations and private enterprises	–	52	278	–	81	170	226.9
Foreign governments and international organisations	–	96	2 983	–	–	–	(100.0)
Non-profit institutions	1 590	70	6 809	428.2	4 400	2 200	3042.9
Households	404	423	734	181.7	11	11	(97.4)
Payments for capital assets	7 616	1 116	12 981	170.4	5 287	1 254	12.4
Machinery and equipment	7 616	1 116	4 837	63.5	5 287	1 254	12.4
Total	25 392 288	8 496 062	24 575 672	96.8	30 036 751	10 702 202	26.0

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R10.7 billion, or 35.6 per cent of the adjusted appropriation of R30 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 26 per cent compared to the first six months of 2006/07.

The main increases compared to 2006/07 are related to improved capacity and funds transferred to public authorities and departmental agencies according to agreements with the department.

Expenditure in 2006/07 was 96.8 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies and conditional grants

Table 5.4: Summary of changes to transfers and subsidies per programme

		2007/08					
		Additional appropriation				Total additional appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	1 676	-	-	2	-	2	1 678
Provinces and municipalities							
Municipalities							
Municipalities							
Current	1 595	-	-	2	-	2	1 597
Municipal services	1 595	-	-	2	-	2	1 597
4. Systems and Capacity Building	-	-	-	11	-	11	11
Households							
Other transfers							
Capital	-	-	-	11	-	11	11
Employee social benefit	-	-	-	11	-	11	11
6. Provincial and Local Government Transfers	28 424 184	817 740	387 836	-	-	1 205 576	29 629 760
Provinces and municipalities							
Municipalities							
Municipalities							
Capital	7 548 564	817 740	387 836	-	-	1 205 576	8 754 140
Municipal Infrastructure Grant	7 548 564	817 740	387 836	-	-	1 205 576	8 754 140

Table 5.5: Summary of changes to conditional grants: Local Government (Municipalities) ¹

		2007/08					
		Additional appropriation				Total additional appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
6. Provincial and Local Government Transfers							
Municipal Infrastructure Grant	7 548 564	817 740	387 836	-	-	1 205 576	8 754 140

¹ Main appropriation detail provided in the Division of Revenue Act, 2007.

Vote 6

Public Works

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	3 693 120	3 759 464	–	66 344
<i>of which:</i>				
Current payments	1 465 430	1 467 180	–	1 750
Transfers and subsidies	1 412 142	1 412 142	–	–
Payments for capital assets	815 548	880 142	–	64 594
Executive authority	Minister of Public Works			
Accounting officer	Director-General of Public Works			

Aim

The Department of Public Works aims to provide and manage the accommodation, housing, land and infrastructure needs of national departments; lead and direct the implementation of the national expanded public works programme; and optimise growth, job creation and transformation in the construction and property industries.

Adjusted Estimates of National Expenditure 2007

Table 6.1: Adjusted estimates

Programme	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
R thousand		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	628 610	–	–	17 000	1 750	18 750	647 360
2. Provision of Land and Accommodation	2 866 556	66 594	–	(32 870)	(2 000)	31 724	2 898 280
3. National Public Works Programme	173 574	–	–	15 870	–	15 870	189 444
4. Auxiliary and Associated Services	24 380	–	–	–	–	–	24 380
Total	3 693 120	66 594	–	–	(250)	66 344	3 759 464
Economic classification							
Current payments	1 465 430	–	–	–	1 750	1 750	1 467 180
Compensation of employees	709 544	–	–	50 000	–	50 000	759 544
Goods and services	755 886	–	–	(50 000)	1 750	(48 250)	707 636
Transfers and subsidies	1 412 142	–	–	–	–	–	1 412 142
Provinces and municipalities	836 570	–	–	–	–	–	836 570
Departmental agencies and accounts	557 858	–	–	–	–	–	557 858
Public corporations and private enterprises	50	–	–	–	–	–	50
Foreign governments and international organisations	14 612	–	–	–	–	–	14 612
Households	3 052	–	–	–	–	–	3 052
Payments for capital assets	815 548	66 594	–	–	(2 000)	64 594	880 142
Buildings and other fixed structures	798 450	66 594	–	–	(2 000)	64 594	863 044
Machinery and equipment	17 098	–	–	–	–	–	17 098
Total	3 693 120	66 594	–	–	(250)	66 344	3 759 464

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R66.594 million

Programme 2: Provision of Land and Accommodation

R12.738 million has been rolled over for service providers on the project to decide on appropriate head office accommodation for departments in Tshwane.

R28.3 million has been rolled over to complete projects to acquire land and buildings.

R25.556 million has been rolled over for prestige projects that are being finalised.

Virements

Table 6.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	–	17 000	
Current payments	–	17 000	
Compensation of employees	–	17 000	Funds shifted from goods and services in programme 2 will be used for: increases in allowances to contract workers, housing allowances and unused leave; appointing interns; and an appointment drive to improve service delivery.
Land and subsoil assets	–	–	
2. Provision of Land and Accommodation	(50 000)	17 130	
Current payments	(50 000)	17 130	
Compensation of employees	–	17 130	Funds shifted from goods and services will be used for: appointing youths in training and skills development programmes; increases in allowances to contract workers, housing allowances and unused leave; appointing interns; and an appointment drive to improve service delivery.
Goods and services	(50 000)	–	Savings due to fewer appointments of consultants, lower traveling and subsistence expenditure, and less equipment purchased (under R5 000 per unit) have been shifted to compensation of employees in programmes 1, 2 and 3.
3. National Public Works Programme	–	15 870	
Current payments	–	15 870	
Compensation of employees	–	15 870	Funds shifted from goods and services in programme 2 will be used for: expanding the expanded public works programme to accelerate job creation and the eradication of poverty; appointing youths in training and skills development programmes; increases in allowances to contract workers, housing allowances and unused leave; appointing interns; and an appointment drive to improve service delivery.
Total for Vote	(50 000)	50 000	

Other adjustments (R250 000)

Shifting of funds between votes

Programme 1: Administration

R250 000 has been transferred to Government Communication and Information System for the mass communication campaign on second economy interventions.

Funds shifted within a vote

Programme 1: Administration

R2 million, provided in the capital funds for the National Border Control Centre, has been shifted from programme 2 for leasing a facility until a final location has been found.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 6.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	625 239	289 390	625 205	100.0	647 360	387 658	34.0
2. Provision of Land and Accommodation	2 298 933	1 293 637	2 216 281	96.4	2 898 280	1 442 869	11.5
3. National Public Works Programme	163 896	85 627	158 004	96.4	189 444	126 563	47.8
4. Auxiliary and Associated Services	28 694	19 383	26 298	91.6	24 380	13 106	(32.4)
Total	3 116 762	1 688 037	3 025 788	97.1	3 759 464	1 970 196	16.7
Current payments	1 372 706	627 004	1 347 401	98.2	1 467 180	737 227	17.6
Compensation of employees	655 829	308 365	613 572	93.6	759 544	356 553	15.6
Goods and services	716 877	318 032	705 507	98.4	707 636	380 435	19.6
Transfers and subsidies	1 233 127	1 009 707	1 230 649	99.8	1 412 142	1 055 588	4.5
Provinces and municipalities	710 452	533 022	710 570	100.0	836 570	627 429	17.7
Departmental agencies and accounts	505 658	463 337	502 945	99.5	557 858	414 200	(10.6)
Public corporations and private enterprises	254	–	2	0.8	50	–	(100.0)
Foreign governments and international organisations	13 916	11 924	13 348	95.9	14 612	12 700	6.5
Households	2 847	1 424	3 784	132.9	3 052	1 259	(11.6)
Payments for capital assets	510 929	51 326	447 738	87.6	880 142	177 381	245.6
Buildings and other fixed structures	493 450	37 074	414 120	83.9	863 044	151 965	309.9
Machinery and equipment	17 479	14 197	29 323	167.8	17 098	21 144	48.9
Total	3 116 762	1 688 037	3 025 788	97.1	3 759 464	1 970 196	16.7

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R1.97 billion or 52.4 per cent of the adjusted appropriation of R3.759 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 16.7 per cent compared to the first six months of 2006/07.

The main increases compared to 2006/07 are due to claims by the Property Management Trading Entity for accommodation charges on a quarterly basis in advance and to payments made to that entity for cash-flow purposes.

Expenditure in 2006/07 was 97.1 per cent of the adjusted appropriation for that year.

Vote 7

Government Communication and Information System

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	375 812	384 012	–	8 200
<i>of which:</i>				
Current payments	250 515	257 942	–	7 427
Transfers and subsidies	123 087	123 262	–	175
Payments for capital assets	2 210	2 808	–	598
Executive authority	Minister in Presidency			
Accounting officer	Chief Executive Officer Government Communication and Information System			

Aim

The aim of the Government Communication and Information System (GCIS) is to provide a comprehensive communication service on behalf of government to facilitate the involvement of the majority of South Africans in governance, reconstruction and development, nation building and reconciliation.

Adjusted Estimates of National Expenditure 2007

Table 7.1: Adjusted estimates

Programme	2007/08						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
Roll-overs		Unforeseeable /unavoidable	Virement	Other adjustments			
R thousand							
1. Administration	100 716	1 400	–	2 500	1 399	5 299	106 015
2. Policy and Research	16 383	–	–	(500)	3 000	2 500	18 883
3. Government and Media Liaison	19 622	–	–	–	213	213	19 835
4. Provincial and Local Liaison	46 330	–	–	–	–	–	46 330
5. Communication Service Agency	39 489	–	–	(2 000)	217	(1 783)	37 706
6. International Marketing and Media Development	123 087	–	–	–	–	–	123 087
7. Government Publication	30 185	–	–	–	1 971	1 971	32 156
Total	375 812	1 400	–	–	6 800	8 200	384 012
Economic classification							
Current payments	250 515	1 400	–	(773)	6 800	7 427	257 942
Compensation of employees	113 823	1 400	–	(175)	1 800	3 025	116 848
Goods and services	136 692	–	–	(598)	5 000	4 402	141 094
Transfers and subsidies	123 087	–	–	175	–	175	123 262
Departmental agencies and accounts	123 087	–	–	–	–	–	123 087
Households	–	–	–	175	–	175	175
Payments for capital assets	2 210	–	–	598	–	598	2 808
Machinery and equipment	2 210	–	–	598	–	598	2 808
Total	375 812	1 400	–	–	6 800	8 200	384 012

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R1.4 million

Programme 1: Administration

R1.4 million has been rolled over for the employer's contribution to non-statutory forces pensions for former employees.

Virements

Table 7.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(145)	2 645	
Current payments	(145)	1 923	
Compensation of employees	(145)	–	Savings due to vacant posts as a result of resignations have been shifted to households.
Goods and services	–	1 923	Funds shifted from goods and services (in programme 2 and 5) will be used for additional costs for travel and subsistence, audit fees, advertising posts, resettlement costs and office furniture.
Transfers and Subsidies	–	145	
Households	–	145	Funds shifted from compensation of employees (in this programme) will be used for social benefits for retired employees.
Payments for capital assets	–	577	
Machinery and equipment	–	577	Funds shifted from goods and services (in programme 5) will be used for equipment.
2. Policy and Research	(500)	–	
Current payments	(500)	–	
Goods and services	(500)	–	Savings due to less expenditure on consultancy and special services on the tracker research project have been shifted to goods and services in programme 1.
4. Provincial and Local Liaison	(51)	51	
Current payments	(51)	–	
Compensation of employees	(30)	–	Savings due to vacant posts as a result of resignations have been shifted to households.
Goods and services	(21)	–	Savings due to less expenditure on consultancy and special services and equipment (less than R5000) that was not purchased have been shifted to machinery and equipment.
Transfers and Subsidies	–	30	
Households	–	30	Funds shifted from compensation of employees (in this programme) will be used for social benefits for retired and deceased employees.
Payments for capital assets	–	21	
Machinery and equipment	–	21	Funds shifted from goods and services (in this programme) will be used for equipment.
5. Communication Service Agency	(2 000)	–	
Current payments	(2 000)	–	
Goods and services	(2 000)	–	Savings due to reprioritisation of the budget for office furniture, consultancy and special services, stationery, and subsistence and travel costs have been shifted to goods and services in programme 1.
Total for Vote	(2 696)	2 696	

Other adjustments – R6.8 million

Salary adjustments

Programme 1: Administration

R1.399 million has been allocated for salary increases following the Public Service Bargaining Co-ordinating Council resolution.

Programme 3: Government and Media Liaison

R13 000 has been allocated for salary increases following the Public Service Bargaining Co-ordinating Council resolution.

Programme 5: Communication Service Agency

R217 000 has been allocated for salary increases following the Public Service Bargaining Co-ordinating Council resolution.

Programme 7: Government Publication

R171 000 has been allocated for salary increases following the Public Service Bargaining Co-ordinating Council resolution.

Shifting of funds between votes**Programme 2: Policy and Research**

R3 million has been shifted from 12 national departments in the economic cluster to jointly fund the mass communication campaign on second economy interventions, which GCIS is co-ordinating on behalf of the economic cluster.

Self-financing expenditure**Programme 3: Government and Media Liaison**

R150 000 has been received from the South African Broadcasting Corporation (SABC) and R50 000 from Standard Bank for the annual Government Communicators Awards ceremony. The money has been surrendered into the National Revenue Fund.

Programme 7: Government Publication

R1.8 million from the sale of advertising space in the Vuk'uzenzele magazine will be used for printing and distributing more copies of the magazine. The money has been surrendered into the National Revenue Fund.

Expenditure 2006/07 and preliminary expenditure 2007/08**Table 7.3: Expenditure trends**

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
R thousand							
1. Administration	67 285	35 115	70 939	105.4	106 015	56 420	60.7
2. Policy and Research	11 622	4 557	12 094	104.1	18 883	5 006	9.9
3. Government and Media Liaison	17 975	8 050	16 573	92.2	19 835	9 154	13.7
4. Provincial and Local Liaison	40 869	17 828	38 811	95.0	46 330	22 123	24.1
5. Communication Service Agency	35 836	11 914	32 662	91.1	37 706	17 369	45.8
6. International Marketing and Media Development	93 045	73 184	93 045	100.0	123 087	59 193	(19.1)
7. Government Publication	27 948	12 082	28 984	103.7	32 156	16 417	35.9
Total	294 580	162 730	293 108	99.5	384 012	185 682	14.1

Table 7.3: Expenditure trends (continued)

R thousand	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
Current payments	198 786	87 630	195 638	98.4	257 942	124 471	42.0
Compensation of employees	84 521	42 166	84 052	99.4	116 848	67 980	61.2
Goods and services	114 265	45 448	109 469	95.8	141 094	56 465	24.2
Financial transactions in assets and liabilities	–	16	2 117	–	–	26	62.5
Transfers and subsidies	93 284	73 429	93 309	100.0	123 262	59 282	(19.3)
Provinces and municipalities	68	69	69	101.5	–	–	(100.0)
Departmental agencies and accounts	93 045	73 184	93 045	100.0	123 087	59 193	(19.1)
Households	171	176	195	114.0	175	89	(49.4)
Payments for capital assets	2 510	1 671	4 161	165.8	2 808	1 929	15.4
Machinery and equipment	2 187	1 331	3 305	151.1	2 808	1 900	42.7
Software and other intangible assets	323	340	856	265.0	–	29	(91.5)
Total	294 580	162 730	293 108	99.5	384 012	185 682	14.1

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R185.682 million or 48.4 per cent of the appropriation of R384.012 million for the year as a whole. Expenditure in the first six months of 2007/08 increased by 14.1 per cent compared to the first six months of 2006/07.

The main increase compared to 2006/07 is related to an increase in the distribution of the government magazine (Vukuzenzele), a once-off contribution to the non-statutory forces pension, and activities for the opening of Parliament.

Expenditure in 2006/07 was 99.5 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 7.4: Summary of changes to transfers and subsidies per programme

R thousand	2007/08						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	–	–	–	145	–	145	145
Households							
Social benefits							
Current	–	–	–	145	–	145	145
Employer social benefit	–	–	–	145	–	145	145
4. Provincial and Local Liaison	–	–	–	30	–	30	30
Households							
Social benefits							
Current	–	–	–	30	–	30	30
Employer social benefit	–	–	–	30	–	30	30

Vote 8

National Treasury

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	19 708 178	19 748 367	–	40 189
<i>of which:</i>				
Current payments	2 684 869	2 369 905	(314 964)	–
Transfers and subsidies	17 011 419	17 347 767	–	336 348
Payments for capital assets	11 890	30 695	–	18 805
Direct charge against the National Revenue Fund	224 187 393	225 798 501	–	1 611 108
Executive authority	Minister of Finance			
Accounting officer	Director-General of the National Treasury			

Aim

The aim of the National Treasury is to promote economic development, good governance, social progress and rising living standards through the accountable, economical, equitable and sustainable management of public finances.

Adjusted Estimates of National Expenditure 2007

Table 8.1: Adjusted estimates

Programme		2007/08					
R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	143 732	–	–	75 251	–	75 251	218 983
2. Public Finance and Budget Management	172 407	–	–	51 283	–	51 283	223 690
3. Asset and Liability Management	57 739	–	–	18 214	–	18 214	75 953
4. Financial Management and Systems	722 237	–	–	(353 527)	–	(353 527)	368 710
5. Financial Accounting and Reporting	82 076	–	–	12 020	–	12 020	94 096
6. Economic Policy and International Financial Relations	86 663	–	–	30 495	–	30 495	117 158
7. Provincial and Local Government Transfers	7 159 275	–	250 000	84 811	(109 811)	225 000	7 384 275
8. Civil and Military Pensions, Contributions to Funds and Other Benefits	2 338 308	–	–	–	(100 000)	(100 000)	2 238 308
9. Fiscal Transfers	8 945 741	–	–	81 453	–	81 453	9 027 194
Subtotal	19 708 178	–	250 000	–	(209 811)	40 189	19 748 367
Direct charge against the National Revenue Fund	224 187 393	–	404 676	–	1 206 432	1 611 108	225 798 501
Provinces Equitable Share	171 271 393	–	404 676	–	1 185 432	1 590 108	172 861 501
State Debt Costs	52 916 000	–	–	–	21 000	21 000	52 937 000
Total	243 895 571	–	654 676	–	996 621	1 651 297	245 546 868

Table 8.1: Adjusted estimates (continued)

R thousand	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
Economic classification							
Current payments	55 600 869	–	–	(214 964)	(79 000)	(293 964)	55 306 905
Compensation of employees	1 784 224	–	–	(43 411)	(100 000)	(143 411)	1 640 813
Goods and services	900 645	–	–	(171 553)	–	(171 553)	729 092
Interest and rent on land	52 916 000	–	–	–	21 000	21 000	52 937 000
Transfers and subsidies	188 282 812	–	654 676	196 159	1 075 621	1 926 456	190 209 268
Provinces and municipalities	178 430 668	–	654 676	84 811	1 075 621	1 815 108	180 245 776
Departmental agencies and accounts	8 202 519	–	–	8 820	–	8 820	8 211 339
Universities and technikons	5 000	–	–	–	–	–	5 000
Public corporations and private enterprises	278 620	–	–	47	–	47	278 667
Foreign governments and international organisations	512 646	–	–	81 453	–	81 453	594 099
Non-profit institutions	65	–	–	–	–	–	65
Households	853 294	–	–	21 028	–	21 028	874 322
Payments for capital assets	11 890	–	–	18 805	–	18 805	30 695
Machinery and equipment	11 209	–	–	17 348	–	17 348	28 557
Software and other intangible assets	681	–	–	1 457	–	1 457	2 138
Total	243 895 571	–	654 676	–	996 621	1 651 297	245 546 868

Details of adjustments to Estimates of National Expenditure 2007

Unforeseeable and unavoidable expenditure – R250 million

Programme 7: Provincial and Local Government Transfers

R250 million has been allocated for budgetary pressures in the North West province.

Virements

Table 8.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(3 016)	78 267	
Current payments	(3 016)	59 896	
Compensation of employees	(3 016)	–	Savings due to vacancies projected to be filled later in the financial year have been shifted to goods and services, public corporations and private enterprises, and households.
Goods and services	–	59 896	Funds shifted from compensation of employees and goods and services in programme 4 and compensation of employees in this programme will be used for: increased legal costs (R18.7 million); rolling out the integrated document management system (R1.8 million); facilities maintenance (R18.5 million); talent management programme (R2.6 million); competency framework and audit (R3 million); the increased use of consultants for internal audit (R3.4 million), and other expenses, including international travel and rental parking (R12 million).
Transfers and Subsidies	–	1 145	
Departmental agencies and accounts	–	70	Funds shifted from compensation of employees in this programme will be used for higher than anticipated expenditure for SETA payments due to an increase in payroll payments.
Public corporations and private enterprises	–	47	Funds shifted from compensation of employees will be used for higher than anticipated vehicle insurance costs.
Households	–	1 028	Funds shifted from compensation of employees will be used for paying severance packages.
Payments for capital assets	–	17 226	
Machinery and equipment	–	16 035	Funds shifted from goods and services in programme 4 will be used to replace the PABX telephone system.
Software and other intangible assets	–	1 191	Funds shifted from goods and services in programme 4 will be used to replace the PABX telephone system.

Table 8.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
2. Public Finance and Budget Management	(11 598)	62 881	
Current payments	(11 572)	62 113	
Compensation of employees	(11 572)	–	Savings due to vacancies projected to be filled later in the financial year have been shifted to goods and services and machinery and equipment.
Goods and services	–	62 113	Funds shifted from compensation of employees in this programme and goods and services in programme 4 will be used for: an increase in the use of consultants for the infrastructure delivery improvement programme (R36.9 million); an increase in technical expertise for the social security reform project for the Technical Assistance Unit (R16.5 million); and the 2010 FIFA World Cup (R7.3 million).
Payments for capital assets	(26)	768	
Machinery and equipment	–	768	Funds shifted from compensation of employees and software and other intangible assets in this programme will be used to procure computers.
Software and other intangible assets	(26)	–	Savings due to lower expenditure on software have been shifted to machinery and equipment.
3. Asset and Liability Management	(1 204)	19 418	
Current payments	(1 204)	18 268	
Compensation of employees	(1 204)	–	Savings due to vacancies projected to be filled in the next financial year have been shifted to goods and services.
Goods and services	–	18 268	Funds shifted from compensation of employees in this programme and goods and services in programme 4 will be used for research consultants for the pebble bed modular reactor project (R10.5 million), development finance institutions (R5.6 million) and back office systems (R2.2 million).
Payments for capital assets	–	1 150	
Machinery and equipment	–	1 150	Funds shifted from goods and services in programme 4 will be used to procure computers.
4. Financial Management and Systems	(353 831)	304	
Current payments	(353 493)	–	
Compensation of employees	(8 262)	–	Savings due to vacancies projected to be filled in the next financial year have been shifted to goods and services in programme 1.
Goods and services	(345 231)	–	Savings due to the delay in implementing the second phase of the integrated financial management system have been shifted to: programme 1: goods and services (R49.8 million) and payments for capital assets (R17.2 million) programme 2: goods and services (R51.3 million) programme 3: goods and services (R17 million) and payments for capital assets (R1.2 million) programme 5: compensation of employees (R600 000), goods and services (R2.7 million), and departmental agencies and accounts (R8.7 million) programme 6: goods and services (R30.4 million) and payments for capital assets (R100 000) programme 7: local government financial management and restructuring grant (R84.8 million) programme 9: foreign financial and technical support (R81.2 million) and Commonwealth Fund for Technical Co-operation (R200 000).
Payments for capital assets	(338)	304	
Machinery and equipment	(338)	–	Savings due to lower expenditure on computers have been shifted to software and other intangible assets.
Software and other intangible assets	–	304	Funds shifted from machinery and equipment will be used to procure software.
5. Financial Accounting and Reporting	(363)	12 383	
Current payments	–	3 615	
Compensation of employees	–	643	Funds shifted from goods and services in programme 4 will be used for posts that were filled and not budgeted for.
Goods and services	–	2 972	Funds shifted from goods and services in programme 4 will be used for audit fees and for venues and facilities.
Transfers and Subsidies	–	8 750	
Departmental agencies and accounts	–	8 750	Funds shifted from goods and services in programme 4 will be used for paying statutory audit fees.
Payments for capital assets	(363)	18	
Machinery and equipment	(363)	–	Savings due to lower expenditure on office equipment have been shifted to software and other intangible assets and goods and services.
Software and other intangible assets	–	18	Funds shifted from machinery and equipment will be used to procure software.

Table 8.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
6. Economic Policy and International Financial Relations	(30)	30 525	
Current payments	–	30 429	
Goods and services	–	30 429	Funds shifted from goods and services in programme 4 will be used for research for the regulatory impact analysis (R1.5 million), the annual bank conference on development economics (R2 million), microeconomic analysis (R1.5 million) and the G20 conference (R25.4 million).
Payments for capital assets	(30)	96	
Machinery and equipment	–	96	Funds shifted from goods and services in programme 4 will be used to procure computers for new staff.
Software and other intangible assets	(30)	–	Savings due to lower expenditure on software have been shifted to machinery and equipment.
7. Provincial and Local Government Transfers	–	84 811	
Transfers and Subsidies	–	84 811	
Provinces and municipalities	–	84 811	Funds shifted from goods and services in programme 4 will be used for a shortfall in transfers to municipalities.
8. Civil and Military Pensions, Contributions to Funds and Other Benefits	(20 000)	20 000	
Current payments	(20 000)	–	
Compensation of employees	(20 000)	–	Savings due to the regularisation of the pre-1992 medical aid benefits have been shifted to households in this programme.
Transfers and Subsidies	–	20 000	
Households	–	20 000	Funds shifted from compensation of employees in this programme will be used for claims for injury on duty.
9. Fiscal Transfers	–	81 453	
Transfers and Subsidies	–	81 453	
Foreign governments and international organisations	–	81 453	Funds shifted from goods and services in programme 4 will be used for financial and technical support in terms of multilateral agreements and the Commonwealth Fund for Technical Co-operation.
Total for Vote	(390 042)	390 042	

Other adjustments – R209.811 million

Savings

Programme 7: Provincial and Local Government Transfers

Savings of R109.811 million on the transfer payment for the neighbourhood development partnership grant have been declared.

Programme 8: Civil and Military Pensions, Contribution to Fund and Other Benefits

Savings of R100 million due to the regularisation of the pre-1992 medical aid benefits of retired civil servants have been declared.

Amounts forming a direct charge against the National Revenue Fund – R1.611 billion

Provincial equitable share

It is estimated that the provincial equitable share will be R1.590 billion more than originally budgeted as a result of salary adjustments following the Public Service Bargaining Co-ordinating Council resolution, the unexpected increase in the number of patients with multiple drug resistant tuberculosis, and the rehabilitation of infrastructure following flood damage in the West Coast District Municipality area.

State debts costs

The increase of R21 million is mainly due to higher interest rates.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 8.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	173 392	71 996	161 639	93.2	218 983	79 659	10.6
2. Public Finance and Budget Management	157 066	61 103	138 532	88.2	223 690	100 086	63.8
3. Asset and Liability Management	59 155	18 142	41 272	69.8	75 953	23 145	27.6
4. Financial Management and Systems	363 314	85 300	196 378	54.1	368 710	104 032	22.0
5. Financial Accounting and Reporting	75 644	24 192	65 785	87.0	94 096	42 466	75.5
6. Economic Policy and International Financial Relations	83 471	31 008	68 938	82.6	117 158	34 427	11.0
7. Provincial and Local Government Transfers	5 677 155	1 499 659	5 443 748	95.9	7 384 275	3 337 012	122.5
8. Civil and Military Pensions, Contributions to Funds and Other Benefits	2 189 085	979 205	2 048 703	93.6	2 238 308	1 055 063	7.7
9. Fiscal Transfers	8 006 694	3 882 893	8 006 023	100.0	9 027 194	4 181 082	7.7
Subtotal	16 784 976	6 653 498	16 171 018	96.3	19 748 367	8 956 972	34.6
Direct charge against the National Revenue Fund	203 341 010	104 170 499	202 945 089	99.8	225 798 501	115 783 968	11.1
Provinces Equitable Share	150 752 930	78 391 523	150 752 930	100.0	172 861 501	89 061 126	13.6
State Debt Costs	52 588 080	25 778 976	52 192 159	99.2	52 937 000	26 722 842	3.7
Total	220 125 986	110 823 997	219 116 107	99.5	245 546 868	124 740 940	12.6
Current payments	54 792 957	26 660 032	54 067 382	98.7	55 306 905	27 733 209	4.0
Compensation of employees	1 564 213	721 124	1 453 360	92.9	1 640 813	799 136	10.8
Goods and services	640 664	159 580	415 549	64.9	729 092	211 149	32.3
Interest and rent on land	52 588 080	25 778 976	52 192 159	99.2	52 937 000	26 722 842	3.7
Financial transactions in assets and liabilities	–	352	6 314	–	–	82	(76.7)
Transfers and subsidies	165 312 754	84 161 383	165 037 331	99.8	190 209 268	97 004 618	15.3
Provinces and municipalities	156 430 301	79 891 387	156 196 883	99.9	180 245 776	92 398 138	15.7
Departmental agencies and accounts	7 187 744	3 448 737	7 153 082	99.5	8 211 339	4 054 573	17.6
Universities and technikons	5 000	1 250	3 500	70.0	5 000	–	(100.0)
Public corporations and private enterprises	258 832	258 331	312 238	120.6	278 667	83 328	(67.7)
Foreign governments and international organisations	599 896	190 564	576 614	96.1	594 099	71 693	(62.4)
Non-profit institutions	62	–	–	–	65	–	(100.0)
Households	830 919	371 114	795 014	95.7	874 322	396 886	6.9
Payments for capital assets	20 275	2 582	11 394	56.2	30 695	3 113	20.6
Machinery and equipment	15 906	2 573	11 394	71.6	28 557	2 683	4.3
Software and other intangible assets	4 369	9	–	–	2 138	430	4 677.8
Total	220 125 986	110 823 997	219 116 107	99.5	245 546 868	124 740 940	12.6

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R124.741 billion, or 50.8 per cent of the adjusted appropriation of R245.546 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 12.6 per cent compared to the first six months of 2006/07.

The main increases compared to 2006/07 are related to filled vacancies, transfers to provincial and local government, and better implementation of the infrastructure delivery improvement programme.

Expenditure in 2006/07 was 99.5 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies and conditional grants

Table 8.4: Summary of changes to transfers and subsidies per programme

R thousand	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration		-	-	1 145	-	1 145	1 971
Departmental agencies and accounts	826						
Departmental agencies (non-business entities)							
Current	200	-	-	70	-	70	270
Finance, Accounting, Management, Consulting and other Financial Services (Fasset) Sector Education and Training Authority	200	-	-	70	-	70	270
Public corporations and private enterprises							
Public corporations							
Subsidies on products and production							
Current	26	-	-	47	-	47	73
Non-life Insurance premium	26	-	-	47	-	47	73
Households							
Other transfers							
Current	-	-	-	1 028	-	1 028	1 028
Severance packages	-	-	-	1 028	-	1 028	1 028
5. Financial Accounting and Reporting	38 390	-	-	8 750	-	8 750	47 140
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	38 390	-	-	8 750	-	8 750	47 140
Accounting Standards Board	5 493	-	-	750	-	750	6 243
Audit (Auditor-General)	15 802	-	-	8 000	-	8 000	23 802
7. Provincial and Local Government	7 159 275	-	250 000	84 811	(109 811)	225 000	7 384 275
Transfers							
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Capital	6 164 025	-	250 000	-	-	250 000	6 414 025
North West Province Grant	-	-	250 000	-	-	250 000	250 000
Municipalities							
Municipalities							
Current	495 250	-	-	180 000	-	180 000	675 250
Local Government Restructuring Grant	350 000	-	-	180 000	-	180 000	530 000
Capital	500 000	-	-	(95 189)	(109 811)	(205 000)	295 000
Neighborhood Development Partnership Grant	500 000	-	-	(95 189)	(109 811)	(205 000)	295 000
8. Civil and Military Pensions, Contributions to Funds and Other Benefits	856 187	-	-	20 000	-	20 000	876 187
Households							
Social benefits							
Current	852 694	-	-	20 000	-	20 000	872 694
Civil Pensions	694 608	-	-	20 000	-	20 000	714 608

Table 8.4: Summary of changes to transfers and subsidies per programme (continued)

		2007/08						
		Additional appropriation					Total additional appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments			
9. Fiscal Transfers	8 945 741	–	–	81 453	–	81 453	9 027 194	
Foreign governments and international organisations								
Current	345 852	–	–	219	–	219	346 071	
Commonwealth Fund for Technical Cooperation	3 150	–	–	219	–	219	3 369	
Capital	163 366	–	–	81 234	–	81 234	244 600	
African Development Bank	114 552	–	–	81 234	–	81 234	195 786	
Direct charges against the National Revenue Fund	171 271 393	–	404 676	–	1 185 432	1 590 108	172 861 501	
Provinces and municipalities								
Provinces								
Provincial revenue funds								
Current	171 271 393	–	404 676	–	1 185 432	1 590 108	172 861 501	
Provinces equitable share	171 271 393	–	404 676	–	1 185 432	1 590 108	172 861 501	

Table 8.5: Summary of changes to conditional grants: Provinces¹

		2007/08						
		Additional appropriation					Total additional appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments			
Transitional Grant: North West	–	–	250 000	–	–	250 000	250 000	

¹ Main appropriation detail provided in the Division of Revenue Act, 2007

Table 8.6: Summary of changes to conditional grants: Local Government (Municipalities)¹

		2007/08						
		Additional appropriation					Total additional appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments			
7. Provincial and Local Government Transfers								
Local Government Restructuring Grant	350 000	–	–	180 000	–	180 000	530 000	
Neighbourhood Development Partnership Grant	500 000	–	–	(95 189)	(109 811)	(205 000)	295 000	

¹ Main appropriation detail provided in the Division of Revenue Act, 2007

Vote 9

Public Service and Administration

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	357 283	384 063	–	26 780
<i>of which:</i>				
Current payments	335 291	380 479	–	45 188
Transfers and subsidies	18 868	408	(18 460)	–
Payments for capital assets	3 124	3 176	–	52
Executive authority	Minister for Public Service and Administration			
Accounting officer	Director-General of Public Service and Administration			

Aim

The aim of the Department of Public Service and Administration is to lead the modernisation of the public service by assisting government departments to implement their management policies, systems and structural solutions within a generally applicable framework of norms and standards, in order to improve service delivery.

Adjusted Estimates of National Expenditure 2007

Table 9.1: Adjusted Estimates

Programme		2007/08					
		Additional appropriation				Total additional appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	79 251	–	–	13 363	–	13 363	92 614
2. Human Resource Management and Development	48 901	–	–	(8 011)	–	(8 011)	40 890
3. Management of Compensation	79 910	–	13 898	1 038	–	14 936	94 846
4. Information and Technology Management	40 286	4 500	–	(2 656)	–	1 844	42 130
5. Service Delivery Improvement	78 881	–	–	(454)	–	(454)	78 427
6. Governance	30 054	8 085	–	(3 280)	297	5 102	35 156
Total	357 283	12 585	13 898	–	297	26 780	384 063
Economic classification							
Current payments	335 291	12 585	13 898	18 408	297	45 188	380 479
Compensation of employees	99 044	–	–	18 613	–	18 613	117 657
Goods and services	236 247	12 585	13 898	(205)	297	26 575	262 822
Transfers and subsidies	18 868	–	–	(18 460)	–	(18 460)	408
Departmental agencies and accounts	18 421	–	–	(18 421)	–	(18 421)	–
Foreign governments and international organisations	447	–	–	(39)	–	(39)	408
Payments for capital assets	3 124	–	–	52	–	52	3 176
Machinery and equipment	2 873	–	–	52	–	52	2 925
Software and other intangible assets	251	–	–	–	–	–	251
Total	357 283	12 585	13 898	–	297	26 780	384 063

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R12.585 million

Programme 4: Information and Technology Management

R4.5 million has been rolled over to maintain and deploy the CabEnet system.

Programme 6: Governance

R1.149 million has been rolled over for the Global Forum V on Fighting Corruption and Safeguarding Integrity which was held in April 2007.

R2.045 million has been rolled over for the second phase of the All Africa Public Sector Innovation Awards.

R826 000 has been rolled over for the SADC governance workshop and the African Public Service Charter workshop.

R410 000 has been rolled over for hosting the African Association for Public Administration and Management national chapter workshop.

R3.655 million has been rolled over for completing the impact appraisal of the national anti-corruption framework project.

Unforeseeable and unavoidable expenditure – R13.898 million

Programme 3: Management of compensation

R10.398 million has been allocated for media that kept the public informed on the strike and the progress of the salary negotiations. R3.5 million has been allocated for a post strike survey.

Virements

Table 9.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	–	13 363	
Current payments	–	11 569	
Compensation of employees	–	8 202	Funds shifted from compensation of employees in programme 4 and 6, and from goods and services in all the programmes, will be used for critical posts that will be filled, and for pay progression and performance awards.
Goods and services	–	3 367	Funds shifted from goods and services in all other programmes will be used to centralise buying computer equipment and furniture in this programme.
Payments for capital assets	–	1 794	
Machinery and equipment	–	1 607	Funds shifted from machinery and equipment in all other programmes will be used to centralise buying computer equipment and furniture in this programme.
Software and other intangible assets	–	187	Funds shifted from software and intangible assets in all other programmes will be used to centralise buying capital computer software in this programme.

Table 9.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
2. Human Resource Management and Development	(18 863)	10 852	
Current payments	–	10 852	
Compensation of employees	–	3 077	Funds shifted from compensation of employees in programme 4 and 6, and goods and services from all the programmes, will be used for filling critical posts, and for pay progression and performance awards. Funds shifted from departmental agencies and accounts in this programme will be used for costs relating to the PSETA subprogramme's compensation of employees.
Goods and services	–	7 775	Due to operational difficulties no direct transfer will be made to PSETA. The savings have been shifted to compensation of employees and goods and services in this programme, and to compensation of employees and goods and services in programme 1.
Transfers and Subsidies	(18 421)	–	
Departmental agencies and accounts	(18 421)	–	Due to operational difficulties will no direct transfer be made to PSETA. Expenditure relating to this sub-programme will be accounted for under compensation of employees and goods and services.
Payments for capital assets	(442)	–	
Machinery and equipment	(432)	–	Buying capital computer equipment was centralised in programme 1.
Software and other intangible assets	(10)	–	Buying capital computer software was centralised in programme 1.
3. Management of Compensation	(2 790)	3 828	
Current payments	(2 728)	3 828	
Compensation of employees	–	3 828	R2.728 million shifted from goods and services will be used to pay consultants. Funds shifted from compensation of employees in programmes 4 and 6, and goods and services from all the programmes, will be used for critical posts that will be filled, and for pay progression and performance awards.
Goods and services	(2 728)	–	Savings due to incorrectly classified funds for consultants' fees have been shifted to compensation of employees.
Payments for capital assets	(62)	–	
Software and other intangible assets	(62)	–	Buying capital computer software was centralised in programme 1.
4. Information and Technology Management	(2 656)	–	
Current payments	(2 556)	–	
Compensation of employees	(7)	–	Savings due to lower remuneration for an acting staff member have been shifted to compensation of employees in programme 1.
Goods and services	(2 549)	–	Savings due to lower consultancy fees have been shifted to compensation of employees in programme 1.
Payments for capital assets	(100)	–	
Machinery and equipment	(100)	–	Buying capital computer equipment and furniture was centralised in programme 1.
5. Service Delivery Improvement	(4 840)	4 386	
Current payments	(4 236)	4 386	
Compensation of employees	–	4 386	Funds shifted from compensation of employees in programmes 4 and 6, and goods and services in all the programmes, will be used for critical posts that will be filled, and for pay progression and performance awards.
Goods and services	(4 236)	–	Savings due to reprioritization have been shifted to compensation of employees.
Transfers and Subsidies	(39)	–	
Foreign governments and international organisations	(39)	–	Savings on gifts and donations have been shifted to goods and services in programme 2.
Payments for capital assets	(565)	–	
Machinery and equipment	(460)	–	Buying capital computer equipment and furniture was centralised in programme 1.
Software and other intangible assets	(105)	–	Buying capital computer software was centralised in programme 1.
6. Governance	(3 280)	–	
Current payments	(2 707)	–	
Compensation of employees	(873)	–	Savings due to 2 unfilled vacant posts were shifted to compensation of employees in programme 1.
Goods and services	(1 834)	–	R1.013 million was shifted to goods and services in programme 1 to centralize buying capital computer equipment.R821 000 was reprioritized for filling critical posts and shifted to compensation of employees in programme 1.
Payments for capital assets	(573)	–	
Machinery and equipment	(563)	–	Buying capital computer equipment and furniture was centralised in programme 1.
Software and other intangible assets	(10)	–	Buying capital computer software was centralised in programme 1.
Total for Vote	(32 429)	32 429	

Other adjustments – R297 000

Self-financing expenditure

Programme 6: International and African Affairs

R297 000 has been received from the Commonwealth for the 4th African meeting of heads of public service (Pan African Ministers of Public Services). The money has been surrendered into the National Revenue Fund.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 9.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	60 458	33 772	62 677	103.7	92 614	40 618	20.3
2. Human Resource Management and Development	34 462	12 731	33 864	98.3	40 890	15 137	18.9
3. Management of Compensation	169 226	94 252	167 814	99.2	94 846	58 684	(37.7)
4. Information and Technology Management	38 037	8 121	33 075	87.0	42 130	7 093	(12.7)
5. Service Delivery Improvement	66 039	25 285	65 344	98.9	78 427	26 170	3.5
6. Governance	74 204	27 472	66 580	89.7	35 156	13 446	(51.1)
Total	442 426	201 633	429 354	97.0	384 063	161 148	(20.1)
Current payments	362 710	123 539	345 742	95.3	380 479	156 544	26.7
Compensation of employees	93 463	41 752	92 528	99.0	117 657	54 031	29.4
Goods and services	269 247	81 787	253 187	94.0	262 822	102 512	25.3
Financial transactions in assets and liabilities	–	–	27	–	–	1	(100.0)
Transfers and subsidies	75 670	75 701	76 197	100.7	408	2 906	(96.2)
Provinces and municipalities	89	63	63	70.8	–	–	(100.0)
Departmental agencies and accounts	75 030	75 167	75 154	100.2	–	2 691	(96.4)
Public corporations and private enterprises	66	65	–	–	–	82	26.2
Foreign governments and international organisations	485	406	399	82.3	408	100	(75.4)
Households	–	–	581	–	–	33	(100.0)
Payments for capital assets	4 046	2 393	7 415	183.3	3 176	1 698	(29.0)
Machinery and equipment	3 945	2 361	7 329	185.8	2 925	1 698	(28.1)
Software and other intangible assets	101	32	86	85.1	251	–	(100.0)
Total	442 426	201 633	429 354	97.0	384 063	161 148	(20.1)

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R161.148 million or 42 per cent of the adjusted appropriation of R384.063 million for the year as a whole. Expenditure in the first six months of 2007/08 decreased by 20.1 per cent compared to the first six months of 2006/07.

The main decreases compared to 2006/07 are related to once-off payments for Government Employee Medical Scheme (GEMS) and relocation costs, and lower spending on CabEnet and vacancies.

Expenditure in 2006/07 was 97 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 9.4: Summary of changes to transfers and subsidies per programme

		2007/08					
		Additional appropriation				Total additional appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
2. Human Resource Management and Development	18 477	–	–	(18 421)	–	(18 421)	56
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	18 421	–	–	(18 421)	–	(18 421)	–
Public Service Education and Training Authority	18 421	–	–	(18 421)	–	(18 421)	–
5. Service Delivery Improvement	45	–	–	(39)	–	(39)	6
Foreign governments and international organisations							
Current	45	–	–	(39)	–	(39)	6
Gifts and donations	39	–	–	(39)	–	(39)	–

Vote 10

Public Service Commission

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	105 357	108 164	–	2 807
<i>of which:</i>				
Current payments	103 663	106 205	–	2 542
Transfers and subsidies	27	32	–	5
Payments for capital assets	1 667	1 927	–	260
Executive authority	Minister for Public Service and Administration			
Accounting officer	Director-General of the Office of the Public Service Commission			

Aim

The aim of the Public Service Commission is to promote the constitutional values and principles of public administration in the public service.

Adjusted Estimates of National Expenditure 2007

Table 10.1: Adjusted estimates

Programme		2007/08					
R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Other adjustments		
1. Administration	53 028	2 607	–	(437)	–	2 170	55 198
2. Investigations and Human Resource Reviews	28 171	–	–	141	–	141	28 312
3. Monitoring and Evaluation	24 158	200	–	296	–	496	24 654
Total	105 357	2 807	–	–	–	2 807	108 164
Economic classification							
Current payments	103 663	2 547	–	(5)	–	2 542	106 205
Compensation of employees	74 265	2 280	–	(2 419)	–	(139)	74 126
Goods and services	29 398	267	–	2 414	–	2 681	32 079
Transfers and subsidies	27	–	–	5	–	5	32
Foreign governments and international organisations	27	–	–	5	–	5	32
Payments for capital assets	1 667	260	–	–	–	260	1 927
Machinery and equipment	1 667	260	–	–	–	260	1 927
Total	105 357	2 807	–	–	–	2 807	108 164

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R2.807 million

Programme 1: Administration

R2.28 million has been rolled over for recognition of pensionable service in the former non-statutory forces in the Government Employees Pension Fund. R327 000 has been rolled over to install a centralised backup library system.

Programme 3: Monitoring and Evaluation

R200 000 has been rolled over for consultancy fees for a project to evaluate government's poverty reduction programme.

Virements

Table 10.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(1 708)	1 271	
Current payments	(1 708)	1 266	
Compensation of employees	(1 708)	–	Savings due to 9 vacant posts that will only be filled later in the year as well as savings due to outsourcing the internal audit function have been shifted to goods and services in this programme (R1.266 million), programme 2 (R141 000) and programme 3 (R296 000), and to foreign governments and international organisations (R5 000) in this programme.
Goods and services	–	1 266	Funds shifted from compensation of employees will be used for venues and facilities, communication, consultancy fees for the employee wellness programme, inventory, computer services and internal audit fees.
Transfers and Subsidies	–	5	
Foreign governments and international organisations	–	5	Funds shifted from compensation of employees will be used for a transfer payment to the African Association for Public Administration and Management.
2. Investigations and Human Resource Reviews	(449)	590	
Current payments	(449)	590	
Compensation of employees	(449)	–	Savings due to 10 vacant posts that will be filled later in the year have been shifted to goods and services.
Goods and services	–	590	Funds shifted from compensation of employees in this programme (R449 000) and programme 1 (R141 000) will be used for printing reports, communication, advertising and a human resources conference.
3. Monitoring and Evaluation	(262)	558	
Current payments	(262)	558	
Compensation of employees	(262)	–	Savings due to 4 vacant posts that will be filled later in the year have been shifted to goods and services.
Goods and services	–	558	Funds shifted from compensation of employees in this programme (R262 000) and programme 1 (R296 000) will be used for communication, printing reports, consultancy fees and operating leases.
Total for Vote	(2 419)	2 419	

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 10.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	48 947	23 498	50 974	104.1	55 198	27 177	15.7
2. Investigations and Human Resource Reviews	24 943	11 434	24 092	96.6	28 312	11 814	3.3
3. Monitoring and Evaluation	23 113	9 492	21 002	90.9	24 654	10 340	8.9
Total	97 003	44 424	96 068	99.0	108 164	49 331	11.0
Current payments	95 329	44 065	94 330	99.0	106 205	48 893	11.0
Compensation of employees	63 056	30 852	61 487	97.5	74 126	34 276	11.1
Goods and services	32 273	13 213	32 672	101.2	32 079	14 617	10.6
Financial transactions in assets and liabilities	-	-	171	-	-	-	(100.0)
Transfers and subsidies	92	65	71	77.2	32	32	(50.8)
Provinces and municipalities	66	44	43	65.2	-	-	(100.0)
Foreign governments and international organisations	26	21	28	107.7	32	32	52.4
Payments for capital assets	1 582	294	1 667	105.4	1 927	406	38.1
Machinery and equipment	1 582	294	1 667	105.4	1 927	406	38.1
Total	97 003	44 424	96 068	99.0	108 164	49 331	11.0

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R49.331 million or 45.6 per cent of the adjusted appropriation of R108.164 million for the year as a whole. Expenditure in the first six months of 2007/08 increased by 11 per cent compared to the same period in 2006/07.

The main increases compared to 2006/07 are related to a once-off payment for the recognition of pensionable service in the former non-statutory forces, the installation of a back-up library system and printing costs carried over from 2006/07.

Expenditure in 2006/07 was 99 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 10.4: Summary of changes to transfers and subsidies per programme

R thousand	Main appropriation	2007/08 Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	27	-	-	5	-	5	32
Foreign governments and international organisations							
Current	27	-	-	5	-	5	32
African Association for Public Administration and Management	-	-	-	5	-	5	5

Vote 11

South African Management Development Institute

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	71 126	131 126	–	60 000
<i>of which:</i>				
Current payments	40 293	70 293	–	30 000
Transfers and subsidies	29 216	57 216	–	28 000
Payments for capital assets	1 617	3 617	–	2 000
Executive authority	Minister for Public Service and Administration			
Accounting officer	Director-General of the South African Management Development Institute			

Aim

The aim of the South African Management Development Institute (SAMDI) is to provide and co-ordinate the provision of training and management development interventions that lead to improved performance and service delivery in the public sector.

Adjusted 2007 Estimates of National Expenditure

Table 11.1: Adjusted estimates

Programme		2007/08					
R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	41 910	32 000	–	–	–	32 000	73 910
2. Public Sector Organisational and Staff Development	29 216	28 000	–	–	–	28 000	57 216
Total	71 126	60 000	–	–	–	60 000	131 126
Economic classification							
Current payments	40 293	30 000	–	–	–	30 000	70 293
Compensation of employees	17 494	–	–	–	–	–	17 494
Goods and services	22 799	30 000	–	–	–	30 000	52 799
Transfers and subsidies	29 216	28 000	–	–	–	28 000	57 216
Departmental agencies and accounts	29 216	28 000	–	–	–	28 000	57 216
Payments for capital assets	1 617	2 000	–	–	–	2 000	3 617
Machinery and equipment	1 564	2 000	–	–	–	2 000	3 564
Software and other intangible assets	53	–	–	–	–	–	53
Total	71 126	60 000	–	–	–	60 000	131 126

Details of adjustments to 2007 Estimates of National Expenditure

Roll-overs – R60 million

Programme 1: Administration

R32 million has been rolled over for SAMDI to adapt its new building: R30 million for walling, fittings and furnishings and R2 million for relocation.

Programme 2: Public Sector organisational and Staff Development

R28 million has been rolled over for the massification of the induction and orientation programmes.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 11.2: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	32 712	15 072	32 369	99.0	73 910	22 152	47.0
2. Public Sector Organisational and Staff Development	26 206	12 969	25 899	98.8	57 216	14 500	11.8
Total	58 918	28 041	58 268	98.9	131 126	36 652	30.7
Current payments	33 159	15 186	32 959	99.4	70 293	19 564	28.8
Compensation of employees	13 667	6 957	13 231	96.8	17 494	6 567	(5.6)
Goods and services	19 492	8 229	19 728	101.2	52 799	12 997	57.9
Transfers and subsidies	23 070	11 609	23 068	100.0	57 216	14 500	24.9
Provinces and municipalities	11	9	9	81.8	–	–	(100.0)
Departmental agencies and accounts	23 059	11 600	23 059	100.0	57 216	14 500	25.0
Payments for capital assets	2 689	1 246	2 241	83.3	3 617	2 588	107.7
Machinery and equipment	2 689	1 246	2 179	81.0	3 564	781	(37.3)
Software and other intangible assets	–	–	62	–	53	1 807	(100.0)
Total	58 918	28 041	58 268	98.9	131 126	36 652	30.7

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R36.652 million or 28 per cent of the adjusted appropriation of R131.126 million for the year as a whole. Expenditure in the first six months of 2007/08 increased by 30.7 per cent compared to the first six months of 2006/07.

The main increases compared to 2006/07 are related to the transformation process to change the department into an academy and the increase in the augmentation amount to the training trading account.

Expenditure in 2006/07 was 98.9 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 11.3: Summary of changes to transfers and subsidies per programme

		2007/08						
		Additional appropriation				Total	Adjusted	
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	additional appropriation		appropriation
	2. Public Sector Organisational and Staff Development	29 216	28 000	–	–	–	28 000	57 216
	Departmental agencies and accounts							
	Departmental agencies (non-business entities)							
	Current	29 216	28 000	–	–	–	28 000	57 216
	Augmentation of Training Trading Account	29 216	28 000	–	–	–	28 000	57 216

Vote 12

Statistics South Africa

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	1 100 289	1 157 286	–	56 997
<i>of which:</i>				
Current payments	1 076 763	1 101 338	–	24 575
Transfers and subsidies	1 176	1 301	–	125
Payments for capital assets	22 350	54 647	–	32 297
Executive authority	Minister of Finance			
Accounting officer	Statistician-General of Statistics South Africa			

Aim

The aim of Statistics South Africa is to provide a relevant and accurate body of statistics on the dynamics in the economy and society through the application of internationally acclaimed practices.

Adjusted Estimates of National Expenditure 2007

Table 12.1: Adjusted estimates

Programme		2007/08					Adjusted appropriation
R thousand	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	292 828	–	–	18 877	–	18 877	311 705
2. Economic Statistics	145 904	–	–	(3 289)	–	(3 289)	142 615
3. Population and Social Statistics	415 688	16 470	–	(34 754)	–	(18 284)	397 404
4. Quality and Integration	58 296	–	–	(2 177)	–	(2 177)	56 119
5. Statistical Support and Informatics	187 573	40 527	–	21 343	–	61 870	249 443
Total	1 100 289	56 997	–	–	–	56 997	1 157 286
Economic classification							
Current payments	1 076 763	50 497	–	(25 922)	–	24 575	1 101 338
Compensation of employees	565 294	–	–	(67 164)	–	(67 164)	498 130
Goods and services	511 469	50 497	–	41 242	–	91 739	603 208
Transfers and subsidies	1 176	–	–	125	–	125	1 301
Non-profit institutions	–	–	–	125	–	125	125
Households	1 176	–	–	–	–	–	1 176
Payments for capital assets	22 350	6 500	–	25 797	–	32 297	54 647
Machinery and equipment	20 914	6 500	–	18 351	–	24 851	45 765
Software and other intangible assets	1 436	–	–	7 446	–	7 446	8 882
Total	1 100 289	56 997	–	–	–	56 997	1 157 286

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R56.997 million

Programme 3: Population and Social Statistics

R1.891 million has been rolled over to pay the recruitment agency that was used for appointing fieldworkers for the community survey. R14.579 million has been rolled over to settle outstanding invoices for vehicle hire for the community survey.

Programme 5: Statistical Support and Informatics

R3.393 million has been rolled over for spatial analysis and map production, and R4,644 million for the dwelling frame project.

R4.45 million has been rolled over for consultancy services for global positioning system (GPS) point capture systems, and R6.5 million for hand held devices for survey fieldworkers.

R21.54 million has been rolled over to complete the development of an end to end statistical data management facility.

Virements

Table 12.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(13 879)	32 756	
Current payments	(13 879)	29 850	
Compensation of employees	(13 879)	–	– Savings due to delays in filling vacancies at provincial level as a result of a lack of HR capacity have been shifted to goods and services (R10.973 million), non-profit institutions (R50 000) and machinery and equipment (R2.856 million) in this programme.
Goods and services	–	29 850	R10.973 million shifted from compensation of employees in this programme will be used for asset verification (R3.856 million), space and relocation planning for the new building (R1.735 million), consultancy costs for the employees assistance programme (R2 million), and various other activities. R18.877 million shifted from compensation of employees in programme 3 will be used for: consultants for e-learning (R1.1 million), internships and learnerships (R6.813 million); a skills audit (R2 million); promoting the Maths4Stats campaign (R4.461 million); parking and rental costs for additional head office accommodation (R1.65 million); and international relations and preparatory meetings for the International Statistical Institute conference (R1.521 million).
Transfers and Subsidies	–	50	
Non-profit institutions	–	50	Funds shifted from compensation of employees in this programme will be used for a new transfer payment to the South African Statistical Association.
Payments for capital assets	–	2 856	
Machinery and equipment	–	2 856	Funds shifted from compensation of employees in this programme will be used to buy equipment and install security cameras.
2. Economic Statistics	(7 034)	3 745	
Current payments	(7 034)	3 642	
Compensation of employees	(7 034)	–	– Savings due to vacant posts as a result of a lack of HR capacity have been shifted to goods and services and machinery and equipment in this programme, and to software and other intangible assets in programme 5.
Goods and services	–	3 642	Funds shifted from compensation of employees in this programme will be used for re-engineering the producer price index (PPI) and an external evaluation of the income and expenditure survey.
Payments for capital assets	–	103	
Machinery and equipment	–	103	Funds shifted from compensation of employees in this programme will be used to buy equipment for the PPI unit.

Table 12.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
3. Population and Social Statistics	(41 929)	7 175	
Current payments	(41 929)	-	
Compensation of employees	(34 754)	-	Savings are due to delays in filling a range of vacancies because of a lack of HR capacity, delays in finalising the HR strategy for Census 2011, and a lack of suitable candidates. R18.877 million has been shifted to goods and services in programme 1. R15.87 million has been shifted to goods and services (R15.125 million) and software and other intangible assets (R745 000) in programme 5.
Goods and services	(7 175)	-	Savings of R7.1 million on management consultants and advertising costs have been shifted to machinery and equipment and software and other intangible assets in this programme. Savings of R75 000 on consultants have been shifted to non-profit institutions in this programme.
Transfers and Subsidies	-	75	
Non-profit institutions	-	75	Funds shifted from goods and services in this programme will be used for a new transfer payment to the Population Association of South Africa.
Payments for capital assets	-	7 100	
Machinery and equipment	-	6 600	Funds shifted from goods and services in this programme will be used to buy equipment for the community survey.
Software and other intangible assets	-	500	Funds shifted from goods and services in this programme will be used to buy software for the community survey.
4. Quality and Integration	(2 533)	356	
Current payments	(2 533)	-	
Compensation of employees	(2 333)	-	Savings due to vacancies resulting from a lack of HR capacity have been shifted to machinery and equipment in this programme (R156 000) and to software and other intangible assets in programme 5 (R2.177 million).
Goods and services	(200)	-	Savings on stationery and printing have been shifted to machinery and equipment in this programme.
Payments for capital assets	-	356	
Machinery and equipment	-	356	Funds shifted from goods and services and compensation of employees in this programme will be used to buy equipment for new staff members.
5. Statistical Support and Informatics	(9 164)	30 507	
Current payments	(9 164)	15 125	
Compensation of employees	(9 164)	-	Savings due to unfilled posts caused by a lack of HR capacity and a lack of suitable candidates have been shifted to machinery and equipment (R8.436 million) and software and other intangible assets (R728 000) in this programme.
Goods and services	-	15 125	Funds shifted from compensation of employees in programme 3 will be used to build capacity for direct digital capture for the dwelling frame, for geo-frame maintenance for the Census 2011 pilot, and for data management and technology.
Payments for capital assets	-	15 382	
Machinery and equipment	-	8 436	Funds shifted from compensation of employees will be used to buy computer equipment for a geography database and for back-up data storage.
Software and other intangible assets	-	6 946	Funds shifted from compensation of employees in programmes 2, 3 and 4, and in this programme, will be used to buy software for IT security.
Total for Vote	(74 539)	74 539	

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 12.3: Expenditure trends

Programme	2006/07 Expenditure outcome				2007/08 Preliminary expenditure		
	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
R thousand							
1. Administration	230 930	99 077	229 381	99.3	311 705	123 668	24.8
2. Economic Statistics	168 567	89 679	167 663	99.5	142 615	65 202	(27.3)
3. Population and Social Statistics	568 229	154 965	501 336	88.2	397 404	148 284	(4.3)
4. Quality and Integration	50 026	16 882	41 816	83.6	56 119	19 146	13.4
5. Statistical Support and Informatics	144 029	49 171	120 274	83.5	249 443	62 577	27.3
Total	1 161 781	409 774	1 060 470	91.3	1 157 286	418 877	2.2

Table 12.3: Expenditure trends (continued)

R thousand	2006/07 Expenditure outcome				2007/08 Preliminary expenditure		
	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07	Adjusted appropriation	Apr 2007 - Sep 2007	% change
				% of adjusted appropriation			06/07 - 07/08 Apr - Sep
Current payments	1 112 415	399 049	1 021 419	91.8	1 101 338	406 905	2.0
Compensation of employees	423 039	197 455	414 912	98.1	498 130	218 256	10.5
Goods and services	689 376	201 594	605 356	87.8	603 208	188 649	(6.4)
Financial transactions in assets and liabilities	–	–	1 151	–	–	–	(100.0)
Transfers and subsidies	953	302	817	85.7	1 301	23	(92.4)
Provinces and municipalities	367	292	293	79.8	–	–	(100.0)
Non-profit institutions	52	1	52	100.0	125	–	(100.0)
Households	534	9	472	88.4	1 176	23	155.6
Payments for capital assets	48 413	10 423	38 234	79.0	54 647	11 949	14.6
Machinery and equipment	43 893	9 956	37 860	86.3	45 765	11 478	15.3
Software and other intangible assets	4 520	467	374	8.3	8 882	471	0.9
Total	1 161 781	409 774	1 060 470	91.3	1 157 286	418 877	2.2

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R418.9 million, or 36.2 per cent of the adjusted appropriation of R1.157 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 2.2 per cent compared to the same period of 2006/07.

The main increases compared to 2006/07 are related to the increased activities of the provincial and regional offices, spending on the dwelling frame project, and higher spending on compensation of employees due to an increase in capacity.

Expenditure in 2006/07 was 91.3 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 12.4: Summary of changes to transfers and subsidies per programme

R thousand	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll- overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	684	–	–	50	–	50	734
Non-profit institutions							
Current	–	–	–	50	–	50	50
South African Statistical Association	–	–	–	50	–	50	50
3. Population and Social Statistics	10	–	–	75	–	75	85
Non-profit institutions							
Current	–	–	–	75	–	75	75
Population Association of South Africa	–	–	–	75	–	75	75

Vote 13

Arts and Culture

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	1 608 019	1 607 769	(250)	–
<i>of which:</i>				
Current payments	256 233	255 983	(250)	–
Transfers and subsidies	1 346 644	1 346 644	–	–
Payments for capital assets	5 142	5 142	–	–
Executive authority	Minister of Arts and Culture			
Accounting officer	Director-General of Arts and Culture			

Aim

The aim of the Department of Arts and Culture is to develop and preserve South African culture to ensure social cohesion and nation building.

Adjusted Estimates of National Expenditure 2007

Table 13.1: Adjusted estimates

Programme		2007/08					
R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	104 918	–	–	–	(250)	(250)	104 668
2. Arts and Culture in Society	278 169	–	–	–	–	–	278 169
3. National Language Service	94 601	–	–	–	–	–	94 601
4. Cultural Development and International Co-operation	204 813	–	–	–	–	–	204 813
5. Heritage Promotion	630 050	–	–	–	–	–	630 050
6. National Archives, Records, Meta-Information and Heraldic Services	295 468	–	–	–	–	–	295 468
Total	1 608 019	–	–	–	(250)	(250)	1 607 769
Economic classification							
Current payments	256 233	–	–	–	(250)	(250)	255 983
Compensation of employees	118 247	–	–	–	–	–	118 247
Goods and services	137 986	–	–	–	(250)	(250)	137 736
Transfers and subsidies	1 346 644	–	–	–	–	–	1 346 644
Provinces and municipalities	180 000	–	–	–	–	–	180 000
Departmental agencies and accounts	926 322	–	–	–	–	–	926 322
Households	240 322	–	–	–	–	–	240 322
Payments for capital assets	5 142	–	–	–	–	–	5 142
Machinery and equipment	5 142	–	–	–	–	–	5 142
Total	1 608 019	–	–	–	(250)	(250)	1 607 769

Details of adjustments to Estimates of National Expenditure 2007

Other adjustments – (R250 000)

Shifting of funds between votes

Programme 1: Administration

R250 000 has been shifted to the Government Communication and Information System for the mass communication campaign on second economy interventions.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 13.2: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	122 121	68 981	122 118	100.0	104 668	65 622	(4.9)
2. Arts and Culture in Society	225 003	128 487	224 993	100.0	278 169	149 062	16.0
3. National Language Service	68 856	37 982	68 772	99.9	94 601	48 786	28.4
4. Cultural Development and International Co-operation	198 292	105 123	198 287	100.0	204 813	84 524	(19.6)
5. Heritage Promotion	632 820	269 815	632 743	100.0	630 050	338 227	25.4
6. National Archives, Records, Meta-Information and Heraldic Services	83 047	37 658	83 021	100.0	295 468	144 252	283.1
Total	1 330 139	648 046	1 329 934	100.0	1 607 769	830 473	28.2
Current payments	253 427	126 042	253 393	100.0	255 983	141 010	11.9
Compensation of employees	95 081	44 163	95 052	100.0	118 247	55 054	24.7
Goods and services	158 343	81 879	158 341	100.0	137 736	85 956	5.0
Financial transactions in assets and liabilities	3	–	–	–	–	–	(100.0)
Transfers and subsidies	1 074 531	519 857	1 074 449	100.0	1 346 644	691 295	33.0
Provinces and municipalities	82	68	68	82.9	180 000	90 004	132 258.8
Departmental agencies and accounts	894 455	410 796	894 452	100.0	926 322	512 309	24.7
Households	179 994	108 993	179 929	100.0	240 322	88 982	(18.4)
Payments for capital assets	2 181	2 147	2 092	95.9	5 142	(1 832)	(185.3)
Machinery and equipment	2 181	2 147	2 092	95.9	5 142	(1 832)	(185.3)
Total	1 330 139	648 046	1 329 934	100.0	1 607 769	830 473	28.2

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R830.473 million, or 51.7 per cent of the adjusted appropriation of R1.608 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 28.2 per cent compared to the same period of 2006/07.

The main increases compared to 2006/07 are related to an increase in the funds transferred to various public entities for their upgrading and the introduction of the community libraries conditional grant, which also accounts for the significant increase in transfers and subsidies. The increase in current payments is mainly due to a number of additional posts that have been filled this year.

Expenditure in 2006/07 was 100 per cent of the adjusted appropriation for that year.

Vote 14

Education

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	16 000 923	16 386 752	–	385 829
<i>of which:</i>				
Current payments	731 023	992 252	–	261 229
Transfers and subsidies	15 265 892	15 386 303	–	120 411
Payments for capital assets	4 008	8 197	–	4 189
Executive authority	Minister of Education			
Accounting officer	Director-General of Education			

Aim

The aim of the Department of Education is to develop, maintain and support a South African education and training system for the 21st century.

Adjusted Estimates of National Expenditure 2007

Table 14.1: Adjusted estimates

Programme	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
R thousand		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	180 855	–	–	(35 244)	–	(35 244)	145 611
2. System Planning and Monitoring	89 864	5 000	–	1 674	–	6 674	96 538
3. General Education	281 291	11 572	–	5 811	–	17 383	298 674
4. Further Education and Training	864 822	108 355	200 000	26 787	(10 000)	325 142	1 189 964
5. Quality Promotion and Development	1 213 390	70 902	–	(5 476)	–	65 426	1 278 816
6. Higher Education	13 330 873	–	–	(3 943)	–	(3 943)	13 326 930
7. Auxiliary and Associated Services	39 828	–	–	10 391	–	10 391	50 219
Total	16 000 923	195 829	200 000	–	(10 000)	385 829	16 386 752
Economic classification							
Current payments	731 023	85 289	200 000	(14 060)	(10 000)	261 229	992 252
Compensation of employees	263 295	–	–	13 233	–	13 233	276 528
Goods and services	467 728	85 289	200 000	(27 293)	(10 000)	247 996	715 724
Transfers and subsidies	15 265 892	110 540	–	9 871	–	120 411	15 386 303
Provinces and municipalities	1 905 633	110 540	–	600	–	111 140	2 016 773
Departmental agencies and accounts	1 405 487	–	–	6 964	–	6 964	1 412 451
Universities and technikons	11 944 151	–	–	(1 400)	–	(1 400)	11 942 751
Foreign governments and international organisations	10 621	–	–	1 157	–	1 157	11 778
Non-profit institutions	–	–	–	50	–	50	50
Households	–	–	–	2 500	–	2 500	2 500
Payments for capital assets	4 008	–	–	4 189	–	4 189	8 197
Machinery and equipment	3 573	–	–	4 624	–	4 624	8 197
Software and other intangible assets	435	–	–	(435)	–	(435)	–
Total	16 000 923	195 829	200 000	–	(10 000)	385 829	16 386 752

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R195.829 million

Programme 2: System Planning and Monitoring

R5 million has been rolled over for the education management information system enhancement project.

Programme 3: General Education

R1 million has been rolled over for the national early childhood development integrated plan, R1.873 million for the national curriculum statement documents, and R8.699 million for the HIV and Aids conditional grant.

Programme 4: Further Education and Training

R69.174 million has been rolled over for the national senior certificate examinations, R2.5 million for the printing and distribution of the life orientation curriculum and mathematics, science and technology documents, R1.191 million earmarked for the recapitalisation of further education and training colleges and R35.49 million for the FET colleges recapitalisation conditional grant.

Programme 5: Social and School Enrichment

R4.551 million has been rolled over for security in schools and R66.351 million for the national school nutrition programme conditional grant.

Unforeseeable and unavoidable expenditure – R200 million

Programme 4: Further Education and Training

R200 million has been allocated for the national recovery plan to address the loss of teacher-learner contact time and the disruption of examinations and tests following the unexpected labour action by teachers.

Virements

Table 14.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(39 048)	3 804	
Current payments	(38 721)	2 004	
Compensation of employees	–	2 004	Funds shifted from compensation of employees in programme 7 will be used for new posts that have been filled in this programme.
Goods and services	(38 721)	–	Savings of R30 million are mainly due to delayed expenditure on the new head office building because of delays in signing the concession agreement. Savings of R8.721 million are from funds centrally provided for commissions and committees. The funds have been shifted to: goods and services in programme 4 (R21.937 million); transfers and subsidies in programme 3 (R2 million) and programme 7 (R10.652 million); households in this programme (R1.764 million); households (R700 000) and transfers and subsidies (R600 000) in programme 4; goods and services in programme 3 (R622 000); and machinery and equipment in programme 3 (R92 000) and programme 7 (R354 000).
Transfers and Subsidies	(36)	1 800	
Departmental agencies and accounts	(36)	–	– Savings on the contribution to the Education and Training SETA was shifted to households.
Households	–	1 800	Funds shifted from goods and services (R1.764 million) and departmental agencies and accounts (R36 000) will be used for paying severance packages.
Payments for capital assets	(291)	–	
Machinery and equipment	(197)	–	– Savings mainly due to a moratorium on buying certain furniture and equipment that might not be compatible with the new head office building have been shifted to machinery and equipment in programme 7.
Software and other intangible assets	(94)	–	– Incorrectly classified funds have been shifted to machinery and equipment in programme 7.

Table 14.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
2. System Planning and Monitoring	(16 380)	18 054	
Current payments	(16 336)	14 879	
Compensation of employees	–	14 879	R1.906 million shifted from compensation of employees in programme 4 will be used for new posts that have been filled in this programme as well as from goods and services in this programme for the Integrated Quality Management System project (R12.973 million).
Goods and services	(16 336)	–	R3.131 million has been shifted from the education management information systems (EMIS) improvement project to machinery and equipment for the same project. Savings of R232 000 on information monitoring and evaluation have been shifted to goods and services in programme 3. Savings of R12.973 million on the IQMS project will be used for compensation of employees in the same project.
Payments for capital assets	(44)	3 175	
Machinery and equipment	–	3 175	Funds shifted from goods and services (R3.131 million) and software and other intangible assets (R44 000) will be used for the EMIS improvement project.
Software and other intangible assets	(44)	–	Incorrectly allocated funds have been shifted to machinery and equipment.
3. General Education	(90)	5 901	
Current payments	–	3 719	
Compensation of employees	–	2 341	Funds shifted from compensation of employees in programme 6 will be used for new posts that have been filled in this programme.
Goods and services	–	1 378	Funds shifted from goods and services in programme 1 (R622 000), programme 2 (R232 000) and programme 5 (R524 000) will be used for ministerial committees that were set up in this programme.
Transfers and Subsidies	–	2 000	
Departmental agencies and accounts	–	2 000	Funds shifted from goods and services in programme 1 will be used for the introduction of a transfer payment to the South African Council for Educators.
Payments for capital assets	(90)	182	
Machinery and equipment	–	182	Funds shifted from software and other intangible assets in this programme (R90 000) and goods and services in programme 1 (R92 000) will be used for computer equipment.
Software and other intangible assets	(90)	–	Incorrectly allocated funds have been shifted to machinery and equipment.
4. Further Education and Training	(1 773)	28 560	
Current payments	(1 666)	22 136	
Compensation of employees	(1 666)	–	Savings due to vacancies that were not filled as projected were shifted to compensation of employees in programme 2 (R1.906 million) and programme 5 (R20 000). Funds shifted from goods and services will be used for the NCS assessment project (R260 000).
Goods and services	–	22 136	Funds shifted from goods and services in programme 1 (R21.937 million) and programme 5 (R459 000) will be used for projects such as the integrated examination computer system, the review and selection of learner support materials, FET connectivity, and invoices for government printing from previous years for the NCS. R260 000 has been shifted to compensation of employees.
Transfers and Subsidies	–	6 300	
Provinces and municipalities	–	600	Funds shifted from goods and services in programme 1 will be used for the Ehlanzani College in Mpumalanga (part of the FET college recapitalisation programme).
Departmental agencies and accounts	–	5 000	Funds shifted from goods and services in programme 5 will be used for an increased transfer payment to Umalusi.
Households	–	700	Funds shifted from goods and services in programme 1 will be used for severance packages.
Payments for capital assets	(107)	124	
Machinery and equipment	–	124	Incorrectly allocated funds have been shifted from software and other intangible assets in this programme and from goods and services in programme 5.
Software and other intangible assets	(107)	–	Incorrectly allocated funds have been shifted to machinery and equipment.
5. Quality Promotion and Development	(6 669)	1 193	
Current payments	(6 595)	524	
Compensation of employees	–	524	Funds have been shifted from compensation of employees in programme 4 (R20 000), programme 6 (R357 000) and programme 7 (R147 000) due to the improvement of conditions of service.
Goods and services	(6 595)	–	Savings on various projects in this programme (increasing student participation in sport, arts and culture; rural education; social issues management) have been shifted to departmental agencies and accounts in programme 4 (R5 million), goods and services in programme 4 (R459 000) and programme 3 (R524 000), and machinery and equipment in this programme (R595 000) and programme 4 (R17 000).
Payments for capital assets	(74)	669	
Machinery and equipment	–	669	Funds shifted from goods and services and software and other intangible assets will be used for computer equipment for the mass literacy programme.
Software and other intangible assets	(74)	–	Incorrectly allocated funds have been shifted to machinery and equipment. .

Table 14.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
6. Higher Education	(4 114)	171	
Current payments	(2 698)	156	
Compensation of employees	(2 698)	–	Savings due to unfilled posts have been shifted to compensation of employees in programme 3 (R2.341 million) and programme 5 (R357 000).
Goods and services	–	156	Savings on various projects were shifted to goods and services (R37 000) and transfers and subsidies (R1.207 million) in programme 7. R1.4 million shifted from universities and technikons will be used for the national review of the clinical training of health professionals.
Transfers and Subsidies	(1 400)	–	
Universities and technikons	(1 400)	–	Funds provided for the review of academic training of health professionals were shifted to goods and services for the department to conduct a national review of clinical training.
Payments for capital assets	(16)	15	
Machinery and equipment	–	15	Incorrectly classified funds have been shifted from software and other intangible assets to buy computer equipment.
Software and other intangible assets	(16)	–	Incorrectly allocated funds have been shifted to machinery and equipment in this programme and programme 7.
7. Auxiliary and Associated Services	(2 161)	12 552	
Current payments	(2 151)	10 689	
Compensation of employees	(2 151)	–	Savings due to unfilled posts have been shifted to compensation of employees in programme 1 (R2.004 million) and programme 5 (R147 000).
Goods and services	–	10 689	Funds shifted from goods and services in programme 1 (R10.652 million) and programme 6 (R37 000) will be used for the Conference of Ministers of Education of the African Union III.
Transfers and Subsidies	–	1 207	
Foreign governments and international organisations	–	1 157	Funds shifted from goods and services in programme 6 will be used for increased transfers to the Association for the Development of Education in Africa and the Commonwealth of Learning, and a new transfer payment to the Organisation for Economic Co-operation and Development.
Non-profit institutions	–	50	Funds shifted from goods and services in programme 6 will be used for a new transfer payment to Childline South Africa.
Payments for capital assets	(10)	656	
Machinery and equipment	–	656	Funds shifted from goods and services, machinery and equipment, and software and other intangible assets in programme 1, and software and other intangible assets in this programme will be used for the integrated document management system.
Software and other intangible assets	(10)	–	Incorrectly allocated funds have been shifted to machinery and equipment in this programme.
Total for Vote	(70 235)	70 235	

Other adjustments – (R10 million)**Savings**

Programme 4: Further Education and Training

Savings of R10 million have been declared on the ICT project.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 14.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	128 510	42 464	119 146	92.7	145 611	59 787	40.8
2. System Planning and Monitoring	54 932	12 274	36 430	66.3	96 538	14 222	15.9
3. General Education	241 068	97 009	228 257	94.7	298 674	114 276	17.8
4. Further Education and Training	696 635	322 361	710 891	102.0	1 189 964	496 900	54.1
5. Quality Promotion and Development	1 156 643	569 009	1 141 481	98.7	1 278 816	592 376	4.1
6. Higher Education	11 967 570	9 256 207	11 956 879	99.9	13 326 930	10 375 109	12.1
7. Auxiliary and Associated Services	53 818	14 641	56 721	105.4	50 219	17 925	22.4
Total	14 299 176	10 313 965	14 249 805	99.7	16 386 752	11 670 595	13.2
Current payments	581 778	183 676	535 624	92.1	992 252	319 348	73.9
Compensation of employees	216 922	99 080	207 019	95.4	276 528	111 606	12.6
Goods and services	364 856	84 594	307 835	84.4	715 724	207 591	145.4
Financial transactions in assets and liabilities	–	2	20 770	–	–	151	7 450.0
Transfers and subsidies	13 708 060	10 127 324	13 708 722	100.0	15 386 303	11 349 300	12.1
Provinces and municipalities	1 712 650	856 411	1 712 656	100.0	2 016 773	952 829	11.3
Departmental agencies and accounts	995 813	729 563	995 861	100.0	1 412 451	1 095 371	50.1
Universities and technikons	10 988 701	8 539 430	10 985 688	100.0	11 942 751	9 298 076	8.9
Foreign governments and international organisations	9 749	10	8 971	92.0	11 778	1 797	17 870.0
Non-profit institutions	–	–	–	–	50	50	(100.0)
Households	1 147	1 910	5 546	483.5	2 500	1 177	(38.4)
Payments for capital assets	9 338	2 965	5 459	58.5	8 197	1 947	(34.3)
Machinery and equipment	7 844	2 965	5 447	69.4	8 197	1 915	(35.4)
Software and other intangible assets	1 494	–	12	0.8	–	32	(100.0)
Total	14 299 176	10 313 965	14 249 805	99.7	16 386 752	11 670 595	13.2

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R11.67 billion, or 71.2 per cent of the adjusted appropriation of R16.387 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 13.2 per cent compared to the first six months of 2006/07.

The main increases are related to increases in the improvement of conditions of service, unforeseeable and unavoidable expenditure on the national recovery plan due to the strike action, the growth of 11.3 per cent on transfer payments to provinces due to inflation-related increases, and the allocation to the FET colleges recapitalisation grant, which increased by 26.6 per cent.

Expenditure in 2006/07 was 99.7 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies and conditional grants

Table 14.4: Summary of changes to transfers and subsidies per programme

R thousand	2007/08						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
Roll-overs		Unforeseeable /unavoidable	Virement	Other adjustments			
1. Administration	150	-	-	1 764	-	1 764	1 914
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	150	-	-	(36)	-	(36)	114
Sector Education and Training Authority	150	-	-	(36)	-	(36)	114
Households							
Social benefits							
Current	-	-	-	1 800	-	1 800	1 800
Leave gratuity	-	-	-	1 800	-	1 800	1 800
3. General Education	157 795	8 699	-	2 000	-	10 699	168 494
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	157 695	8 699	-	-	-	8 699	166 394
HIV and Aids (Life Skills Education) Grant	157 695	8 699	-	-	-	8 699	166 394
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	-	-	-	2 000	-	2 000	2 000
South African Council for Educators	-	-	-	2 000	-	2 000	2 000
4. Further Education and Training	638 343	35 490	-	6 300	-	41 790	680 133
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	595 000	35 490	-	600	-	36 090	631 090
Further Education and Training College	595 000	35 490	-	600	-	36 090	631 090
Sector Recapitalisation Grant							
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	43 343	-	-	5 000	-	5 000	48 343
Umalusi	7 652	-	-	5 000	-	5 000	12 652
Households							
Social benefits							
Current	-	-	-	700	-	700	700
Donations and gifts household cash	-	-	-	700	-	700	700
5. Quality Promotion and Development	1 152 938	66 351	-	-	-	66 351	1 219 289
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	1 152 938	66 351	-	-	-	66 351	1 219 289
National School Nutrition Programme grant	1 152 938	66 351	-	-	-	66 351	1 219 289
6. Higher Education	13 306 145	-	-	(1 400)	-	(1 400)	13 304 745
Universities and technikons							
Current	11 859 151	-	-	2 600	-	2 600	11 861 751
Higher education institutions	11 859 151	-	-	2 600	-	2 600	11 861 751
Capital	85 000	-	-	(4 000)	-	(4 000)	81 000
Higher education institutions	85 000	-	-	(4 000)	-	(4 000)	81 000
7. Auxiliary and Associated Services	10 521	-	-	1 207	-	1 207	11 728
Foreign governments and international organisations							
Current	10 521	-	-	1 157	-	1 157	11 678
Commonwealth of Learning	1 450	-	-	330	-	330	1 780
Association for the Development of Education in Africa	10	-	-	7	-	7	17
Organisation for Economic Co-operation and Development	-	-	-	820	-	820	820
Non-profit institutions							
Current	-	-	-	50	-	50	50
Childline South Africa	-	-	-	50	-	50	50

Table 14.5: Summary of changes to conditional grants: Provinces¹

		2007/08						
		Additional appropriation				Total	Adjusted appropriation	
R thousand	Main appropriation	Roll- overs	Unforeseeable /unavoidable	Virement	Other adjustments	additional appropriation		
3. General Education								
	HIV and Aids (Life Skills Education) Grant	157 695	8 699	–	–	–	8 699	166 394
4. Further Education and Training								
	Further Education and Training College Sector Recapitalisation Grant	595 000	35 490	–	600	–	36 090	631 090
5. Quality Promotion and Development								
	National School Nutrition Programme Grant	1 152 938	66 351	–	–	–	66 351	1 219 289

¹ Main appropriation detail provided in the Division of Revenue Act, 2007.

Vote 15

Health

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	12 655 132	13 091 136	–	436 004
<i>of which:</i>				
Current payments	860 193	860 267	–	74
Transfers and subsidies	11 760 745	12 186 334	–	425 589
Payments for capital assets	34 194	44 535	–	10 341
Executive authority	Minister of Health			
Accounting officer	Director-General for Health			

Aim

The aim of the Department of Health is to promote the health of all people in South Africa through a caring and effective national health system based on the primary healthcare approach.

Adjusted Estimates of National Expenditure 2007

Table 15.1: Adjusted estimates

2007/08							
Programme	Additional appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	
1. Administration	205 467	4 734	–	–	–	4 734	210 201
2. Strategic Health Programmes	3 216 723	146 259	50 000	854	–	197 113	3 413 836
3. Health Service Delivery	9 160 592	234 011	–	1 646	–	235 657	9 396 249
4. Human Resources	72 350	–	–	(2 500)	1 000	(1 500)	70 850
Total	12 655 132	385 004	50 000	–	1 000	436 004	13 091 136
Economic classification							
Current payments	860 193	–	–	(926)	1 000	74	860 267
Compensation of employees	251 826	–	–	–	–	–	251 826
Goods and services	608 367	–	–	(926)	1 000	74	608 441
Transfers and subsidies	11 760 745	375 571	50 000	18	–	425 589	12 186 334
Provinces and municipalities	11 320 982	365 696	50 000	–	–	415 696	11 736 678
Departmental agencies and accounts	289 476	9 875	–	–	–	9 875	299 351
Universities and technikons	1 000	–	–	–	–	–	1 000
Non-profit institutions	149 287	–	–	–	–	–	149 287
Households	–	–	–	18	–	18	18
Payments for capital assets	34 194	9 433	–	908	–	10 341	44 535
Buildings and other fixed structures	–	4 734	–	–	–	4 734	4 734
Machinery and equipment	34 194	4 699	–	908	–	5 607	39 801
Total	12 655 132	385 004	50 000	–	1 000	436 004	13 091 136

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R385.004 million

Programme 1: Administration

R4.734 million was rolled over for upgrading the Johannesburg Chemistry Laboratory's electrical infrastructure.

Programme 2: Strategic Health Programmes

R4.699 million was rolled over for specialised laboratory equipment for the forensic laboratories.

R9.875 million was rolled over to make the transfer payment to the National Health Laboratory Service, which could not be done before the end of 2006/07.

R121.037 million was rolled over for the forensic pathology services conditional grant and for the upgrading and construction of capital projects, and R10.648 million for the HIV and AIDS conditional grant.

Programme 3: Health Service Delivery

R234.011 million was rolled over for the hospital revitalisation conditional grant to continue work on projects that are on site.

Unforeseeable and unavoidable expenditure – R50 million

Programme 2: Strategic Health Programmes

R50 million has been allocated to the Western Cape for the higher than projected take-up in the HIV and AIDS treatment programme.

Virements

Table 15.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(20)	20	
Current payments	(20)	–	
Goods and services	(20)	–	Savings due to reprioritisation were shifted to machinery and equipment.
Payments for capital assets	–	20	
Machinery and equipment	–	20	Funds shifted from goods and services will be used for computer equipment.
2. Strategic Health Programmes	–	854	
Current payments	–	385	
Goods and services	–	385	R385 000 was shifted from goods and services in programme 4 for the GAP analysis on the district health package and the audit on medical equipment in hospitals.
Transfers and Subsidies	–	17	
Households	–	17	Funds shifted from goods and services in programme 4 will be used for leave gratuities.
Payments for capital assets	–	452	
Machinery and equipment	–	452	Funds shifted from goods and services in programme 4 will mainly be used to buy computer equipment and furniture.
3. Health Service Delivery	–	1 646	
Current payments	–	1 470	
Goods and services	–	1 470	R1.47 million was shifted from goods and services in programme 4 to augment the payment for membership fees for the South African Red Cross Society.
Payments for capital assets	–	176	
Machinery and equipment	–	176	Funds shifted from goods and services in programme 4 will be mainly used to buy computer equipment.

Table 15.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
4. Human Resources	(2 761)	261	
Current payments	(2 761)	-	
Goods and services	(2 761)	-	Savings of R2.5 million arose as a result of the favourable exchange rate on the department's membership fees for the World Health Organisation. R854 000 has been shifted to goods and services in programme 1 and R1.646 million to goods and services in programme 3.
Transfers and Subsidies	-	1	
Households	-	1	Funds shifted from goods and services will be used to pay leave gratuities.
Payments for capital assets	-	260	
Machinery and equipment	-	260	Funds shifted from goods and services will be mainly used to buy computer equipment and furniture.
Total for Vote	(2 781)	2 781	

Other adjustments – R1 million

Shifting of funds between votes

Programme 4: Human Resources

R1 million has been transferred from the Department of Social Development for printing learning material for community care givers in ancillary health care.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 15.3: Expenditure trends

Programme	2006/07 Expenditure outcome				2007/08 Preliminary expenditure		
	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
R thousand							
1. Administration	180 333	86 909	172 841	95.8	210 201	99 352	14.3
2. Strategic Health Programmes	2 155 584	941 025	2 080 533	96.5	3 413 836	1 500 677	59.5
3. Health Service Delivery	9 025 173	4 446 892	8 994 706	99.7	9 396 249	4 568 258	2.7
4. Human Resources	92 903	17 039	89 968	96.8	70 850	18 926	11.1
Total	11 453 993	5 491 865	11 338 048	99.0	13 091 136	6 187 213	12.7
Current payments	739 620	263 561	658 562	89.0	860 267	294 704	11.8
Compensation of employees	240 030	110 729	231 729	96.5	251 826	125 550	13.4
Goods and services	499 590	149 439	423 310	84.7	608 441	169 154	13.2
Financial transactions in assets and liabilities	-	3 393	3 523	-	-	-	(100.0)
Transfers and subsidies	10 631 544	5 219 300	10 610 188	99.8	12 186 334	5 885 534	12.8
Provinces and municipalities	10 206 719	5 016 843	10 206 711	100.0	11 736 678	5 660 188	12.8
Departmental agencies and accounts	295 560	167 166	282 711	95.7	299 351	168 729	0.9
Universities and technikons	1 250	-	-	-	1 000	-	(100.0)
Foreign governments and international organisations	1 000	-	-	-	-	-	(100.0)
Non-profit institutions	126 303	34 902	120 067	95.1	149 287	56 321	61.4
Households	712	389	699	98.2	18	296	(23.9)
Payments for capital assets	82 829	9 004	69 298	83.7	44 535	6 975	(22.5)
Buildings and other fixed structures	5 000	-	265	5.3	4 734	-	(100.0)
Machinery and equipment	32 877	8 811	24 126	73.4	39 801	6 655	(24.5)
Software and other intangible assets	44 952	193	44 907	99.9	-	320	65.8
Total	11 453 993	5 491 865	11 338 048	99.0	13 091 136	6 187 213	12.7

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R6.187 billion, or 47.3 per cent of the adjusted appropriation of R13.091 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 12.7 per cent compared to the same period of 2006/07.

The main increases compared to 2006/07 are related to higher spending on the HIV and Aids and forensic pathology conditional grants in programme 2.

Expenditure in 2006/07 was 99 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies and conditional grants

Table 15.4: Summary of changes to transfers and subsidies per programme

R thousand	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
2. Strategic Health Programmes	2 708 060	141 560	50 000	17	-	191 577	2 899 637
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	2 319 403	10 648	50 000	-	-	60 648	2 380 051
Comprehensive HIV and Aids Grant	1 945 575	10 648	50 000	-	-	60 648	2 006 223
Capital	177 555	121 037	-	-	-	121 037	298 592
Forensic Pathology Services	177 555	121 037	-	-	-	121 037	298 592
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	62 163	9 875	-	-	-	9 875	72 038
National Health Laboratory Services	62 163	9 875	-	-	-	9 875	72 038
Households							
Other transfers							
Current	-	-	-	17	-	17	17
Leave Gratuity	-	-	-	17	-	17	17
3. Health Service Delivery	9 052 433	234 011	-	-	-	234 011	9 286 444
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Capital	1 906 629	234 011	-	-	-	234 011	2 140 640
Hospital Revitalisation Grant	1 906 629	234 011	-	-	-	234 011	2 140 640
4. Human Resources	-	-	-	1	-	1	1
Households							
Other transfers							
Current	-	-	-	1	-	1	1
Leave gratuity	-	-	-	1	-	1	1

Table 15.5: Summary of changes to conditional grants: Provinces¹

R thousand	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
2. Strategic Health Programmes							
Comprehensive HIV and Aids Grant	1 945 575	10 648	50 000	-	-	60 648	2 006 223
Forensic Pathology Services Grant	551 383	121 037	-	-	-	121 037	672 420
3. Health Service Delivery							
Hospital Revitalisation Grant	1 906 629	234 011	-	-	-	234 011	2 140 640

¹ Main appropriation detail provided in the Division of Revenue Act, 2007.

Vote 16

Labour

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	2 032 865	2 037 865	–	5 000
<i>of which:</i>				
Current payments	1 159 812	1 181 464	–	21 652
Transfers and subsidies	835 993	824 660	(11 333)	–
Payments for capital assets	37 060	31 741	(5 319)	–
Direct charge against the National Revenue Fund	6 000 000	6 800 000	–	800 000
Executive authority	Minister of Labour			
Accounting officer	Director-General for Labour			

Aim

The aim of the Department of Labour is to play a significant role in reducing unemployment, poverty and inequality, through a set of policies and programmes developed in consultation with social partners, which are aimed at: improved economic efficiency and productivity; skills development and employment creation; sound labour relations; eliminating inequality and discrimination in the workplace; alleviating poverty in employment; enhancing occupational health and safety awareness and compliance in the workplace; as well as nurturing the culture of acceptance that worker rights are human rights.

Adjusted estimates of National Expenditure 2007

Table 16.1: Adjusted estimates

2007/08							
Programme	Additional appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	
1. Administration	360 653	5 000	–	–	–	5 000	365 653
2. Service Delivery	655 409	–	–	10 000	–	10 000	665 409
3. Employment and Skills Development Services/ Human Resources Development	585 039	–	–	(10 000)	–	(10 000)	575 039
4. Labour Policy and Labour Market Programmes	421 763	–	–	–	–	–	421 763
5. Social Insurance	10 001	–	–	–	–	–	10 001
Subtotal	2 032 865	5 000	–	–	–	5 000	2 037 865
Direct charge against the National Revenue Fund	6 000 000	–	–	–	800 000	800 000	6 800 000
Sector education and training authorities	4 800 000	–	–	–	640 000	640 000	5 440 000
National Skills Fund	1 200 000	–	–	–	160 000	160 000	1 360 000
Total	8 032 865	5 000	–	–	800 000	805 000	8 837 865

Table 16.1: Adjusted estimates (continued)

Programme	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
R thousand		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
Economic classification							
Current payments	1 159 812	5 000	–	16 652	–	21 652	1 181 464
Compensation of employees	568 716	–	–	11 978	–	11 978	580 694
Goods and services	591 096	5 000	–	4 674	–	9 674	600 770
Transfers and subsidies	6 835 993	–	–	(11 333)	800 000	788 667	7 624 660
Departmental agencies and accounts	6 382 705	–	–	(13 000)	800 000	787 000	7 169 705
Public corporations and private enterprises	400 000	–	–	–	–	–	400 000
Foreign governments and international organisations	6 755	–	–	865	–	865	7 620
Non-profit institutions	46 433	–	–	–	–	–	46 433
Households	100	–	–	802	–	802	902
Payments for capital assets	37 060	–	–	(5 319)	–	(5 319)	31 741
Buildings and other fixed structures	22 389	–	–	(8 000)	–	(8 000)	14 389
Machinery and equipment	14 412	–	–	2 857	–	2 857	17 269
Software and other intangible assets	259	–	–	(176)	–	(176)	83
Total	8 032 865	5 000	–	–	800 000	805 000	8 837 865

Roll-overs – R5 million

Programme 1: Administration

R5 million has been rolled over for promotional items and a generic advertising campaign.

Virements

Table 16.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(5 000)	5 000	
Current payments	(5 000)	–	
Goods and services	(5 000)	–	Savings on audit fees have been shifted to machinery and equipment.
Payments for capital assets	–	5 000	
Machinery and equipment	–	5 000	Funds shifted from goods and services will be used for renovations to the ministerial office in Cape Town.
2. Service Delivery	(10 143)	20 143	
Current payments	–	19 201	
Compensation of employees	–	15 641	Funds shifted from buildings and other fixed structures (R4.4 million) and machinery and equipment (R1.201 million) in this programme and compensation of employees in programme 3 (R10 million) will be used to appoint contract workers for finalising phase 2 of the department's project to decentralize its functions.
Goods and services	–	3 560	Incorrectly classified funds have been shifted from buildings and other fixed structures for repairs and maintenance at provincial offices.
Transfers and Subsidies	–	942	
Foreign governments and international organisations	–	140	Funds shifted from machinery and equipment will be used for membership fees to the World Association of Public Employment Services.
Households	–	802	Funds shifted from machinery and equipment in this programme will be used for commitments related to termination of service.
Payments for capital assets	(10 143)	–	
Buildings and other fixed structures	(8 000)	–	Delays with capital works resulted in savings which will be utilised to fund needed repairs and maintenance and compensation of employees.
Machinery and equipment	(2 143)	–	Savings due to a decision to repair existing furniture instead of replacing it have been shifted to compensation of employees (R1.201 million) and foreign governments and international organizations (R140 000) and households (R802 000).

Table 16.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
3. Employment and Skills Development Services/ Human Resources Development	(26 370)	16 370	
Current payments	(8 370)	16 370	
Compensation of employees	(8 370)	–	Savings (R10 million) due to unfilled vacancies shifted to compensation of employees in programme 2. Incorrectly classified funds (R1.63 million) shifted from departmental agencies and accounts will be used for personnel to develop the Quality Council for Trades and Occupations (QCTO).
Goods and services	–	16 370	Incorrectly classified funds shifted from departmental agencies and accounts will be used for developing the QCTO (R8.37 million) and for implementing the most critical components of the Employment Services System for South Africa phase 2 (R8 million).
Transfers and Subsidies	(18 000)	–	
Departmental agencies and accounts	(18 000)	–	The funds were not incorrectly classified but the approach to the project changed which required a change in the way the funds are allocated. Due to a change in the management of the QCTO project, the funds were reclassified to compensation of employees (R1.63 million) and goods and services (R16.37 million).
4. Labour Policy and Labour Market Programmes	(10 432)	10 432	
Current payments	(10 256)	4 707	
Compensation of employees	–	4 707	Funds shifted from goods and services will be used for appointing contract workers at sheltered employment factories.
Goods and services	(10 256)	–	Savings due to the cancellation of the Employment Equity Awards have been shifted to compensation of employees (R4.707 million), departmental agencies and accounts (R5 million) and foreign governments and international organizations (R549 000).
Transfers and Subsidies	–	5 725	
Departmental agencies and accounts	–	5 000	Funds shifted from goods and services will be used by the CCMA to enable internet access by labour centres to phase 2 of the case management system.
Foreign governments and international organisations	–	725	Funds shifted from goods and services (R549 000) and software and other intangible assets (R176 000) will be used to off-set the effect of the exchange rate on affiliation fees for the International Labour Organisation and the African Regional Labour Administration Centre.
Payments for capital assets	(176)	–	
Software and other intangible assets	(176)	–	Savings have been shifted to foreign governments and international organizations.
Total for Vote	(51 945)	51 945	

Amounts forming a direct charge against the National Revenue Fund – R800 million

Other adjustments

There has been an upward adjustment in the revenue estimates from skills development levies and the statutory appropriation was accordingly adjusted by R800 million.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 16.3: Expenditure trends

Programme	2006/07				2007/08		
	Adjusted appropriation	Expenditure outcome			Preliminary expenditure		
Apr 2006 - Sep 2006		Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep	
R thousand							
1. Administration	336 263	155 413	324 270	96.4	365 653	141 798	(8.8)
2. Service Delivery	595 437	265 846	594 627	99.9	665 409	322 038	21.1
3. Employment and Skills Development Services/ Human Resources Development	153 521	58 593	139 019	90.6	575 039	217 449	271.1
4. Labour Policy and Labour Market Programmes	398 773	155 025	388 596	97.4	421 763	190 947	23.2
5. Social Insurance	9 501	2 620	7 028	74.0	10 001	3 925	49.8
Subtotal	1 493 495	637 497	1 453 540	97.3	2 037 865	876 157	37.4

Table 16.3: Expenditure trends (continued)

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
Direct charge against the National Revenue Fund	5 328 427	2 543 681	5 328 427	100.0	6 800 000	2 696 306	6.0
Sector education and training authorities	4 262 741	2 034 945	4 262 741	100.0	5 440 000	2 086 804	2.5
National Skills Fund	1 065 686	508 736	1 065 686	100.0	1 360 000	609 502	19.8
Total	6 821 922	3 181 178	6 781 967	99.4	8 837 865	3 572 463	12.3
Current payments	1 047 699	461 773	1 016 025	97.0	1 181 464	520 721	12.8
Compensation of employees	486 511	225 349	477 064	98.1	580 694	288 986	28.2
Goods and services	560 314	236 344	538 087	96.0	600 770	230 766	(2.4)
Financial transactions in assets and liabilities	874	80	874	100.0	-	969	1 111.3
Transfers and subsidies	5 745 552	2 710 461	5 738 793	99.9	7 624 660	3 048 556	12.5
Provinces and municipalities	606	335	284	46.9	-	26	(92.2)
Departmental agencies and accounts	5 683 375	2 688 511	5 677 022	99.9	7 169 705	2 876 991	7.0
Public corporations and private enterprises	-	-	-	-	400 000	150 000	(100.0)
Foreign governments and international organisations	6 900	-	6 882	99.7	7 620	-	(100.0)
Non-profit institutions	52 723	21 153	52 658	99.9	46 433	19 317	(8.7)
Households	1 948	462	1 947	99.9	902	2 222	381.0
Payments for capital assets	28 671	8 944	27 149	94.7	31 741	3 186	(64.4)
Buildings and other fixed structures	15 363	6 934	15 362	100.0	14 389	627	(91.0)
Machinery and equipment	13 196	1 898	11 787	89.3	17 269	2 424	27.7
Software and other intangible assets	112	112	-	-	83	135	20.5
Total	6 821 922	3 181 178	6 781 967	99.4	8 837 865	3 572 463	12.3

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R3.572 billion, or 40 per cent of the adjusted appropriation of R8.838 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 6 per cent compared to the first six months of 2006/07.

The main increases compared to 2006/07 are related to the implementation of phase 2 of the decentralisation of functions process; the change from quarterly to bi-annual transfers to the Council for Conciliation, Mediation and Arbitration; and an 11.6 per cent increase in injuries claims by civil servants.

Expenditure in 2006/07 was 99.4 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 16.4: Summary of changes to transfers and subsidies per programme

R thousand	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
2. Service Delivery	683	-	-	942	-	942	1 625
Foreign governments and international organisations							
Current	-	-	-	140	-	140	140
World Association of Public Employment Services (WAPES)	-	-	-	140	-	140	140
Households							
Social benefits							
Current	100	-	-	802	-	802	902
Resignation packages	100	-	-	802	-	802	902
3. Employment and Skills Development Services/ Human Resources Development	489 436	-	-	(18 000)	-	(18 000)	471 436
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	89 436	-	-	(18 000)	-	(18 000)	71 436
National qualifications framework	18 000	-	-	(18 000)	-	(18 000)	-
4. Labour Policy and Labour Market Programmes	335 873	-	-	5 725	-	5 725	341 598
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	283 268	-	-	5 000	-	5 000	288 268
Commission for Conciliation, Mediation and Arbitration	260 001	-	-	5 000	-	5 000	265 001
Foreign governments and international organisations							
Current	6 755	-	-	725	-	725	7 480
International Labour Organisation	6 297	-	-	703	-	703	7 000
African Regional Labour Advisory Council	458	-	-	22	-	22	480
Direct charges against the National Revenue Fund	6 000 000	-	-	-	800 000	800 000	6 800 000
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	6 000 000	-	-	-	800 000	800 000	6 800 000
Sector Education and Training Authorities	4 800 000	-	-	-	640 000	640 000	5 440 000
National Skills Fund	1 200 000	-	-	-	160 000	160 000	1 360 000

Vote 17

Social Development

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	67 232 108	67 229 108	(3 000)	–
<i>of which:</i>				
Current payments	389 836	385 375	(4 461)	–
Transfers and subsidies	66 832 820	66 834 281	–	1 461
Payments for capital assets	9 452	9 452	–	–
Executive authority	Minister of Social Development			
Accounting officer	Director-General of Social Development			

Aim

The aim of the Department of Social Development is to ensure the provision of comprehensive, integrated, sustainable and quality social development services against vulnerability and poverty, and to create an enabling environment for sustainable development in partnership with those committed to building a caring society.

Adjusted Estimates of National Expenditure 2007

Table 17.1: Adjusted estimates

Programme	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
R thousand		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	138 902	–	–	–	–	–	138 902
2. Comprehensive Social Security	66 638 839	–	–	(1 500)	–	(1 500)	66 637 339
3. Policy Development, Review and Implementation Support for Welfare Services	198 976	–	–	(3 000)	(1 000)	(4 000)	194 976
4. Community Development	167 528	–	–	(2 000)	(2 000)	(4 000)	163 528
5. Strategy and Governance	87 863	–	–	6 500	–	6 500	94 363
Total	67 232 108	–	–	–	(3 000)	(3 000)	67 229 108
Economic classification							
Current payments	389 836	–	–	(1 461)	(3 000)	(4 461)	385 375
Compensation of employees	169 386	–	–	–	–	–	169 386
Goods and services	220 450	–	–	(1 461)	(3 000)	(4 461)	215 989
Transfers and subsidies	66 832 820	–	–	1 461	–	1 461	66 834 281
Departmental agencies and accounts	4 321 910	–	–	–	–	–	4 321 910
Foreign governments and international organisations	1 285	–	–	461	–	461	1 746
Non-profit institutions	48 854	–	–	1 000	–	1 000	49 854
Households	62 460 771	–	–	–	–	–	62 460 771
Payments for capital assets	9 452	–	–	–	–	–	9 452
Machinery and equipment	8 311	–	–	–	–	–	8 311
Software and other intangible assets	1 141	–	–	–	–	–	1 141
Total	67 232 108	–	–	–	(3 000)	(3 000)	67 229 108

Details of adjustments to Estimates of National Expenditure 2007

Virements

Table 17.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
2. Comprehensive Social Security	(1 500)	–	
Current payments	(1 500)	–	
Compensation of employees	(1 000)	–	Savings due to the slow filling of vacant posts have been shifted to compensation of employees in programme 5.
Goods and services	(500)	–	Savings on operational costs due to the slow filling of vacant posts have been shifted to goods and services in programme 5.
3. Policy Development, Review and Implementation Support for Welfare Services	(4 461)	1 461	
Current payments	(4 461)	–	
Compensation of employees	(1 000)	–	Savings due to the slow filling of vacant posts have been shifted to compensation of employees in programme 5.
Goods and services	(3 461)	–	Savings on professional and special services due the late awarding of tenders have been shifted to goods and services in programme 5 (R3 million) and foreign governments and international organisations in this programme (R461 000).
Transfers and Subsidies	–	1 461	
Foreign governments and international organisations	–	461	Funds shifted from goods and services will be used for a commissioned situational analysis of child-headed households in South Africa.
Non-profit institutions	–	1 000	Funds shifted from goods and services in programme 4 will be transferred to the Planned Parenthood Association of South Africa.
4. Community Development	(2 000)	–	
Current payments	(2 000)	–	
Goods and services	(2 000)	–	Savings on operational costs due to the slow filling of vacant posts have been shifted to goods and services in programme 5.
5. Strategy and Governance	–	6 500	
Current payments	–	6 500	
Compensation of employees	–	2 000	Funds shifted from compensation of employees in programme 2 and 3 will be used for critical posts that need to be filled.
Goods and services	–	4 500	Funds shifted from goods and services in programmes 2, 3 and 4 will be used for a research project in the nodal areas in 2007/08.
Total for Vote	(7 961)	7 961	

Other adjustments – R3 million

Shifting of funds between votes

Programme Policy Development, Review and Implementation Support for Welfare Services

R1 million has been transferred to the Department of Health as part payment for training material for community caregivers in the home community-based care programme.

Programme 4: Community Development

R2 million has been transferred to the Department of Science and Technology to contribute to developing an integrated service strategy.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 17.3: Expenditure trends

Programme	2006/07 Expenditure outcome				2007/08 Preliminary expenditure		
	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
R thousand							
1. Administration	114 138	51 639	110 575	96.9	138 902	63 304	22.6
2. Comprehensive Social Security	61 970 605	33 756 632	61 279 490	98.9	66 637 339	34 820 162	3.2
3. Policy Development, Review and Implementation Support for Welfare Services	98 481	47 227	97 995	99.5	194 976	94 669	100.5
4. Community Development	150 414	70 074	148 174	98.5	163 528	74 572	6.4
5. Strategy and Governance	48 787	22 047	39 853	81.7	94 363	30 152	36.8
Total	62 382 425	33 947 619	61 676 087	98.9	67 229 108	35 082 859	3.3
Current payments	263 712	116 734	252 122	95.6	385 375	133 949	14.7
Compensation of employees	121 545	50 659	111 060	91.4	169 386	61 093	20.6
Goods and services	142 167	66 075	140 945	99.1	215 989	72 851	10.3
Financial transactions in assets and liabilities	–	–	117	–	–	5	(100.0)
Transfers and subsidies	62 112 423	33 828 455	61 420 237	98.9	66 834 281	34 946 284	3.3
Provinces and municipalities	108	75	78	72.2	–	30	(60.0)
Departmental agencies and accounts	4 316 133	1 928 884	4 315 758	100.0	4 321 910	2 185 956	13.3
Universities and technikons	4 900	–	4 790	97.8	–	–	(100.0)
Public corporations and private enterprises	–	–	–	–	–	147	(100.0)
Foreign governments and international organisations	1 321	412	979	74.1	1 746	–	(100.0)
Non-profit institutions	49 411	25 069	48 504	98.2	49 854	21 000	(16.2)
Households	57 740 550	31 874 015	57 050 128	98.8	62 460 771	32 739 151	2.7
Payments for capital assets	6 290	2 430	3 728	59.3	9 452	2 626	8.1
Machinery and equipment	5 670	2 430	3 719	65.6	8 311	2 626	8.1
Software and other intangible assets	620	–	9	1.5	1 141	–	(100.0)
Total	62 382 425	33 947 619	61 676 087	98.9	67 229 108	35 082 859	3.3

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R35.083 billion, or 52.2 per cent of the adjusted appropriation of R62.229 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 3.3 per cent compared to the first six months of 2006/07.

Expenditure in 2006/07 was 98.9 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 17.4: Summary of changes to transfers and subsidies per programme

		2007/08					
		Additional appropriation				Total additional appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
3. Policy Development, Review and Implementation Support for Welfare Services	98 635	–	–	1 461	–	1 461	100 096
Foreign governments and international organisations							
Current	167	–	–	461	–	461	628
KFW banking group	–	–	–	461	–	461	461
Non-profit institutions							
Current	48 468	–	–	1 000	–	1 000	49 468
Planned Parenthood Association of South Africa	–	–	–	1 000	–	1 000	1 000

Vote 18

Sport and Recreation South Africa

2007/08					
R thousand	Main appropriation	Special adjustments appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	3 157 222	1 905 000	5 067 207	–	4 985
<i>of which:</i>					
Current payments	197 638	–	199 054	–	1 416
Transfers and subsidies	2 958 604	1 905 000	4 865 093	–	1 489
Payments for capital assets	980	–	3 060	–	2 080
Executive authority	Minister of Sport and Recreation South Africa				
Accounting officer	Head of Sport and Recreation South Africa				

Aim

The aim of Sport and Recreation South is to improve the quality of life of all South Africans by promoting participation in sport and recreation in the country, and through the participation of South African sportspersons and teams in international sporting events.

Adjusted Estimates of National Expenditure 2007

Table 18.1: Adjusted estimates

2007/08								
Programme	Additional appropriation							
R thousand	Main appropriation	Special adjustments appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	Adjusted appropriation
1. Administration	85 367	–	–	–	(4 700)	–	(4 700)	80 667
2. Sport Support Services	94 745	–	3 085	–	–	–	3 085	97 830
3. Mass Participation	250 570	–	–	–	(1 600)	–	(1 600)	248 970
4. International Liaison and Events	3 709	–	1 900	–	6 500	–	8 400	12 109
5. Facilities Co-ordination	5 831	–	–	–	(200)	–	(200)	5 631
6. 2010 FIFA World Cup Unit	2 717 000	1 905 000	–	–	–	–	–	4 622 000
Total	3 157 222	1 905 000	4 985	–	–	–	4 985	5 067 207
Economic classification								
Current payments	197 638	–	3 500	–	(2 084)	–	1 416	199 054
Compensation of employees	51 079	–	–	–	(5 000)	–	(5 000)	46 079
Goods and services	146 559	–	3 500	–	2 916	–	6 416	152 975
Transfers and subsidies	2 958 604	1 905 000	1 485	–	4	–	1 489	4 865 093
Provinces and municipalities	2 894 000	1 905 000	–	–	4	–	4	4 799 004
Departmental agencies and accounts	16 151	–	–	–	–	–	–	16 151
Public corporations and private enterprises	120	–	–	–	–	–	–	120
Non-profit institutions	23 333	–	1 485	–	–	–	1 485	24 818
Households	25 000	–	–	–	–	–	–	25 000
Payments for capital assets	980	–	–	–	2 080	–	2 080	3 060
Machinery and equipment	980	–	–	–	2 080	–	2 080	3 060
Total	3 157 222	1 905 000	4 985	–	–	–	4 985	5 067 207

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R4.985 million

Programme 2: Sport Support Services

R2 million has been rolled over for preparing athletes for the All Africa Games, and R1.085 million for amateur boxing, the world gymnastara and korfbal.

Programme 4: International Liaison and Events

R400 000 has been rolled over to offset costs for the International Triathlon Union - Triathlon World Cup and R1.5 million for the motocross world championship.

Unforeseeable and unavoidable expenditure

Programme 6: 2010 FIFA World Cup Unit

In the Special Adjustments Appropriation Act (2007/08 Financial Year), 2007 (Act No 16 of 2007), R1.905 billion has been allocated to Sport and Recreation South Africa and recorded as 2010 FIFA World Cup stadiums development conditional grant. The adjustment is to ensure that stadium construction programmes are not constrained by cash-flow shortages.

Virements

Table 18.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(7 200)	2 500	
Current payments	(7 200)	416	
Compensation of employees	(7 200)	–	– Savings are due to the following unfilled vacant posts: director-general, chief operating officer, 2 directors, 12 deputy directors and 14 levels 5-8 posts. Posts are filled from the top down and this will proceed after the DG is appointed. Most of the posts have been advertised and some are already waiting approval. The savings have been shifted to goods and services, provinces and municipalities, and machinery and equipment in this programme, and to goods and services in programme 4.
Goods and services	–	416	Funds shifted from compensation of employees will be used for municipal services and unforeseen repairs to departmental vehicles.
Transfers and Subsidies	–	4	
Provinces and municipalities	–	4	Funds shifted from compensation of employees will be used for licensing departmental vehicles.
Payments for capital assets	–	2 080	
Machinery and equipment	–	2 080	Funds shifted from compensation of employees will be used for costs related to this programme's expanded establishment.
3. Mass Participation	(1 600)	–	
Current payments	(1 600)	–	
Compensation of employees	(1 600)	–	– Savings are due to the following unfilled vacant posts: 3 directors, 4 deputy directors, 2 assistant directors, and 2 level 7 posts. Posts are filled from the top down and this will proceed after the DG is appointed. Most of the posts have been advertised and some are already waiting approval. The savings have been shifted to goods and services in programme 4.
4. International Liaison and Events	–	6 500	
Current payments	–	6 500	
Goods and services	–	6 500	Funds shifted from programmes 1, 3 and 5 will be used for the Zone VI Games and for marketing South Africa at the Beijing Olympics and Paralympics.
5. Facilities Co-ordination	(200)	–	
Current payments	(200)	–	
Compensation of employees	(200)	–	– Savings are due to two unfilled deputy director posts. Posts are filled from the top down and this will proceed after the DG is appointed. The posts have been advertised. The savings have been shifted to programme 4.

Table 18.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
6. 2010 FIFA World Cup Unit	(4 000)	4 000	
Current payments	(4 000)	4 000	
Compensation of employees	–	4 000	Funds shifted from goods and services will be used for this programme's expanded establishment.
Goods and services	(4 000)	–	Savings on payment for services provided by the department's 2010 project management company have been shifted to compensation of employees.
Total for Vote	(13 000)	13 000	

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 18.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	83 177	19 542	44 396	53.4	80 667	28 566	46.2
2. Sport Support Services	86 146	36 749	81 332	94.4	97 830	46 626	26.9
3. Mass Participation	166 970	87 155	150 542	90.2	248 970	139 347	59.9
4. International Liaison and Events	4 053	2 940	608 379	15 010.6	12 109	1 628	(44.6)
5. Facilities Co-ordination	5 100	887	1 898	37.2	5 631	658	(25.8)
6. 2010 FIFA World Cup Unit	614 500	–	–	–	4 622 000	1 364 583	(100.0)
Total	959 946	147 273	886 547	92.4	5 067 207	1 581 408	973.8
Current payments	176 463	38 857	109 478	62.0	199 054	61 781	59.0
Compensation of employees	40 226	15 170	30 085	74.8	46 079	19 141	26.2
Goods and services	136 237	23 687	79 393	58.3	152 975	42 640	80.0
Transfers and subsidies	776 736	108 220	775 313	99.8	4 865 093	1 518 188	1 302.9
Provinces and municipalities	719 029	73 957	719 025	100.0	4 799 004	1 482 980	1 905.2
Departmental agencies and accounts	6 857	3 572	6 831	99.6	16 151	4 741	32.7
Public corporations and private enterprises	100	45	73	73.0	120	9	(80.0)
Non-profit institutions	30 750	10 449	29 137	94.8	24 818	20 203	93.3
Households	20 000	20 197	20 247	101.2	25 000	10 255	(49.2)
Payments for capital assets	6 747	196	1 756	26.0	3 060	1 439	634.2
Machinery and equipment	6 747	196	1 756	26.0	3 060	1 341	584.2
Software and other intangible assets	–	–	–	–	–	98	(100.0)
Total	959 946	147 273	886 547	92.4	5 067 207	1 581 408	973.8

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R1.581 billion, or 31.2 per cent of the adjusted appropriation of R5.067 billion for the year as a whole. While this expenditure is still relatively slow, it has increased by 973.8 per cent compared to the first six months of 2006/07.

This increase is mainly due to a number of vacant posts that have been filled, which accounts for the increase in current payments. There is also a significant increase in transfers and subsidies, mainly due to the introduction of the 2010 stadium development conditional grant and additions to the mass participation conditional grant.

Expenditure in 2006/07 was 92.4 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies and conditional grants

Table 18.4: Summary of changes to transfers and subsidies per programme

R thousand	2007/08							Adjusted appropriation
	Main appropriation	Special adjustments appropriation	Additional appropriation				Total additional appropriation	
			Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	171				4		4	175
Provinces and municipalities								
Provinces								
Provincial revenue funds								
Current	-				4		4	4
Licenses for departmental vehicles	-				4		4	4
2. Sport Support Services	61 433		1 085				1 085	62 518
Non-profit institutions								
Current	20 333		1 085				1 085	21 418
Sport federations	20 333		1 085				1 085	21 418
4. International Liaison and Events			400				400	400
Non-profit institutions								
Current			400				400	400
International Triathlon Union – Triathlon World Cup			400				400	400
6. 2010 FIFA World Cup Unit	2 700 000	1 905 000						4 605 000
Provinces and municipalities								
Municipalities								
Capital	2 700 000	1 905 000						4 605 000
2010 FIFA World Cup Stadiums Development Grant	2 700 000	1 905 000						4 605 000

Table 18.5: Summary of changes to conditional grants: Local Government (Municipalities) ¹

R thousand	2007/08							Adjusted appropriation
	Main appropriation	Special adjustments appropriation	Additional appropriation				Total additional appropriation	
			Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
6. 2010 FIFA World Cup Unit								
2010 FIFA World Cup Stadiums Development Grant	2 700 000	1 905 000						4 605 000

¹ Main appropriation detail provided in the Division of Revenue Act, 2007

Vote 19

Correctional Services

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	10 742 331	11 384 409	–	642 078
<i>of which:</i>				
Current payments	9 678 717	9 856 717	–	178 000
Transfers and subsidies	30 859	32 013	–	1 154
Payments for capital assets	1 032 755	1 495 679	–	462 924
Executive authority	Minister of Correctional Services			
Accounting officer	Commissioner of Correctional Services			

Aim

The aim of the Department of Correctional Services is to contribute to maintaining and protecting a just, peaceful and safe society by enforcing court imposed sentences, detaining inmates in safe custody while maintaining their human dignity and developing their sense of social responsibility, and promoting the general development of all inmates and persons subject to community corrections.

Adjusted Estimates of National Expenditure 2007

Table 19.1: Adjusted estimates

Programme		2007/08					
R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	2 771 323	–	–	103 220	–	103 220	2 874 543
2. Security	3 244 797	–	–	80 050	120 000	200 050	3 444 847
3. Corrections	1 236 791	–	–	(146 365)	1 154	(145 211)	1 091 580
4. Care	1 339 290	–	–	(47 729)	–	(47 729)	1 291 561
5. Development	403 917	–	–	(9 569)	–	(9 569)	394 348
6. Social Reintegration	336 118	–	–	27 238	8 000	35 238	371 356
7. Facilities	1 410 095	512 924	–	(6 845)	–	506 079	1 916 174
Total	10 742 331	512 924	–	–	129 154	642 078	11 384 409
Economic classification							
Current payments	9 678 717	–	–	50 000	128 000	178 000	9 856 717
Compensation of employees	6 517 950	–	–	116 000	128 000	244 000	6 761 950
Goods and services	3 160 717	–	–	(66 000)	–	(66 000)	3 094 717
Interest and rent on land	50	–	–	–	–	–	50
Transfers and subsidies	30 859	–	–	–	1 154	1 154	32 013
Provinces and municipalities	5 757	–	–	–	–	–	5 757
Departmental agencies and accounts	3 908	–	–	–	–	–	3 908
Households	21 194	–	–	–	1 154	1 154	22 348
Payments for capital assets	1 032 755	512 924	–	(50 000)	–	462 924	1 495 679
Buildings and other fixed structures	887 668	512 924	–	–	–	512 924	1 400 592
Machinery and equipment	145 087	–	–	(50 000)	–	(50 000)	95 087
Total	10 742 331	512 924	–	–	129 154	642 078	11 384 409

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R512.924 million

Programme 7: Facilities

R512.924 million has been rolled over for capital costs for the Kimberley correctional centre.

Virements

Table 19.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	-	103 220	
Current payments	-	96 488	
Compensation of employees	-	85 992	Funds shifted from compensation of employees in programmes 3 and 5 will be used for recently finalised new posts. During the ENE process the funds for these posts were provisionally allocated under programmes 3, 4, 5 and 7.
Goods and services	-	10 496	Funds shifted from goods and services in programmes 2 and 5 will be used for building leases, biometrics licenses for PERSAL, legal fees for court cases, and training both existing members and all new appointments.
Payments for capital assets	-	6 732	
Machinery and equipment	-	6 732	Funds shifted from machinery and equipment in programmes 2, 3, 4, 5 and 6 will be used for equipment for the disabled, computer equipment and replacing obsolete equipment.
2. Security	(58 836)	138 886	
Current payments	(8 212)	138 886	
Compensation of employees	-	138 886	Funds shifted from compensation of employees in programme 4 will be used for recently finalised new posts. During the ENE process the funds for these posts were provisionally allocated under programmes 3, 4, 5 and 7 and 5. Funds shifted from machinery and equipment in programme 2 and goods and services in programme 3 will be used to fund the improvements in conditions of service in terms of the Public Service Bargaining Council resolution.
Goods and services	(8 212)	-	Savings due to posts that have not yet been filled as anticipated and new vacancies arising due to internal appointments, transfers and service terminations have been shifted to goods and services in programme 1.
Payments for capital assets	(50 624)	-	
Machinery and equipment	(50 624)	-	Savings due to posts that have not yet been filled as anticipated, new vacancies arising due to internal appointments, transfers and service terminations, and adjustments to planned expenditure have been shifted to compensation of employees in programme 2.
3. Corrections	(146 365)	-	
Current payments	(145 223)	-	
Compensation of employees	(80 408)	-	Funds provisionally allocated to this programme have been shifted to compensation of employees in programme 1.
Goods and services	(64 815)	-	Savings due to posts that have not yet been filled as anticipated, new vacancies arising due to internal appointments, transfers and service terminations, and adjustments to planned expenditure have been shifted to compensation of employees in programmes 2 and 6.
Payments for capital assets	(1 142)	-	
Machinery and equipment	(1 142)	-	Savings due to posts that have not yet been filled as anticipated and new vacancies arising due to internal appointments, transfers and service terminations have been shifted to machinery and equipment in programme 1.
4. Care	(47 729)	-	
Current payments	(44 459)	-	
Compensation of employees	(43 581)	-	Funds provisionally allocated to this programme have been shifted to compensation of employees in programmes 2 and 6.
Goods and services	(878)	-	Funds provisionally allocated to this programme have been shifted to compensation of employees in programmes 2 and 6.
Payments for capital assets	(3 270)	-	
Machinery and equipment	(3 270)	-	Savings due to posts that have not yet been filled as anticipated and new vacancies arising due to internal appointments, transfers and service terminations have been shifted to machinery and equipment in programme 1.

Table 19.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
5. Development	(9 569)	–	
Current payments	(8 208)	–	
Compensation of employees	(5 080)	–	Funds provisionally allocated to this programme have been shifted to compensation of employees in programme 1.
Goods and services	(3 128)	–	Savings due to posts that have not yet been filled as anticipated and new vacancies arising due to internal appointments, transfers and service terminations have been shifted to goods and services in programmes 1 and 3.
Payments for capital assets	(1 361)	–	
Machinery and equipment	(1 361)	–	Savings due to posts that have not yet been filled as anticipated and new vacancies arising due to internal appointments, transfers and service terminations have been shifted to machinery and equipment in programme 1.
6. Social Reintegration	(414)	27 652	
Current payments	–	27 652	
Compensation of employees	–	27 559	Funds shifted from compensation of employees in programmes 4 and 7 will be used for recently finalised new posts. During the ENE process the funds for these posts were provisionally allocated under programmes 3, 4 and 7. Funds shifted from goods and services in programme 3 will be used to fund the improvements in conditions of service in terms of the Public Service Bargaining Council resolution.
Goods and services	–	93	Funds shifted from goods and services in programme 5 will be used for transport costs under correctional supervision.
Payments for capital assets	(414)	–	
Machinery and equipment	(414)	–	Savings due to posts that have not yet been filled as anticipated and new vacancies arising due to internal appointments, transfers and service terminations have been shifted to machinery and equipment in programme 1.
7. Facilities	(7 368)	523	
Current payments	(7 368)	444	
Compensation of employees	(7 368)	–	Funds provisionally allocated to this programme have been shifted to compensation of employees in programme 6.
Goods and services	–	444	Funds shifted from goods and services in programme 5 will be used for diesel for hot water boilers in correctional facilities.
Payments for capital assets	–	79	
Machinery and equipment	–	79	Funds shifted from machinery and equipment in programme 6 will be used for repairs to departmental equipment.
Total for Vote	(270 281)	270 281	

Other adjustments – R129.154 million

Salary adjustments

Programme 2: Security

R128 million has been allocated for salary increases following the Public Service Co-ordinating Bargaining Council resolution.

Self-financing expenditure

Programme 3: Corrections

R3.462 million was collected from hiring out offender labour and surrendered into the National Revenue Fund. Of this 33 per cent, or R1.154 million, has been reallocated to the department to supplement the budget for offender gratuities.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 19.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	2 573 946	1 108 333	2 562 802	99.6	2 874 543	1 325 663	19.6
2. Security	3 062 928	1 385 090	2 931 981	95.7	3 444 847	1 630 069	17.7
3. Corrections	766 914	339 813	722 000	94.1	1 091 580	432 286	27.2
4. Care	1 180 755	483 000	1 090 692	92.4	1 291 561	576 574	19.4
5. Development	394 343	157 598	347 054	88.0	394 348	164 817	4.6
6. Social Reintegration	323 894	154 076	319 166	98.5	371 356	170 644	10.8
7. Facilities	1 528 732	488 539	1 277 491	83.6	1 916 174	556 318	13.9
Total	9 831 512	4 116 449	9 251 186	94.1	11 384 409	4 856 371	18.0
Current payments	8 630 038	3 819 936	8 275 724	95.9	9 856 717	4 514 264	18.2
Compensation of employees	5 792 138	2 714 869	5 606 623	96.8	6 761 950	3 117 104	14.8
Goods and services	2 837 852	1 103 665	2 665 338	93.9	3 094 717	1 396 573	26.5
Interest and rent on land	48	26	40	83.3	50	-	(100.0)
Financial transactions in assets and liabilities	-	1 376	3 723	-	-	587	(57.3)
Transfers and subsidies	33 277	17 349	36 094	108.5	32 013	14 579	(16.0)
Provinces and municipalities	9 471	4 390	5 303	56.0	5 757	780	(82.2)
Departmental agencies and accounts	3 199	-	3 182	99.5	3 908	-	(100.0)
Public corporations and private enterprises	-	96	244	-	-	196	104.2
Households	20 607	12 863	27 365	132.8	22 348	13 603	5.8
Payments for capital assets	1 168 197	279 164	939 368	80.4	1 495 679	327 528	17.3
Buildings and other fixed structures	1 033 667	250 307	794 815	76.9	1 400 592	299 008	19.5
Machinery and equipment	134 530	28 793	144 553	107.5	95 087	28 520	(0.9)
Cultivated assets	-	3	-	-	-	-	(100.0)
Software and other intangible assets	-	61	-	-	-	-	(100.0)
Total	9 831 512	4 116 449	9 251 186	94.1	11 384 409	4 856 371	18.0

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R4.856 billion, or 42.7 per cent of the adjusted appropriation of R11.384 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 18 per cent compared to the first six months of 2006/07.

The main increases compared to 2006/07 are related to: increased spending on compensation of employees due to posts that have been filled and improved salaries and other conditions of service in terms of Public Sector Coordinating Bargaining Council (PSCBC) Resolution 1 of 2007; improved billing for property management services; and higher spending on capital assets for the Kimberley correctional facility.

Expenditure in 2006/07 was 94.1 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 19.4: Summary of changes to transfers and subsidies per programme

2007/08							
R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
3. Corrections	17 819	-	-	-	1 154	1 154	18 973
Households							
Other transfers							
Current	17 819	-	-	-	1 154	1 154	18 973
Cash payment gratuity earnings	17 819	-	-	-	1 154	1 154	18 973

Vote 20

Defence

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	25 922 255	26 291 785	–	369 530
<i>of which:</i>				
Current payments	15 930 305	16 102 917	–	172 612
Transfers and subsidies	9 607 151	9 653 981	–	46 830
Payments for capital assets	384 799	534 887	–	150 088
Executive authority	Minister of Defence			
Accounting officer	Secretary for Defence			

Aim

The aim of the Department of Defence is to defend and protect the Republic of South Africa, its territorial integrity and its people, in accordance with the Constitution and the principles of international law regulating the use of force.

Adjusted Estimates of National Expenditure 2007

Table 20.1: Adjusted estimates

Programme		2007/08					
		Additional appropriation				Total additional appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	1 934 669	–	–	(40 231)	151 779	111 548	2 046 217
2. Landward Defence	4 215 453	–	–	10 822	78 258	89 080	4 304 533
3. Air Defence	2 651 180	–	–	18 815	17 218	36 033	2 687 213
4. Maritime Defence	1 388 315	–	–	6 402	9 054	15 456	1 403 771
5. Military Health Support	1 831 201	–	–	–	13 453	13 453	1 844 654
6. Defence Intelligence	162 101	–	–	–	1 591	1 591	163 692
7. Joint Support	3 256 665	83 007	–	61 899	(162 731)	(17 825)	3 238 840
8. Force Employment	1 471 128	–	45 680	–	6 798	52 478	1 523 606
9. Special Defence Account	9 011 543	–	–	(57 706)	125 423	67 717	9 079 260
Total	25 922 255	83 007	45 680	–	240 843	369 530	26 291 785
Economic classification							
Current payments	15 930 305	–	45 680	11 512	115 420	172 612	16 102 917
Compensation of employees	9 474 247	–	39 358	104 474	108 620	252 452	9 726 699
Goods and services	6 456 058	–	6 322	(92 962)	6 800	(79 840)	6 376 218
Transfers and subsidies	9 607 151	–	–	(78 593)	125 423	46 830	9 653 981
Departmental agencies and accounts	9 019 934	–	–	(57 706)	125 423	67 717	9 087 651
Public corporations and private enterprises	488 314	–	–	(20 887)	–	(20 887)	467 427
Non-profit institutions	3 432	–	–	–	–	–	3 432
Households	95 471	–	–	–	–	–	95 471
Payments for capital assets	384 799	83 007	–	67 081	–	150 088	534 887
Buildings and other fixed structures	78 109	83 007	–	57 000	–	140 007	218 116
Machinery and equipment	305 830	–	–	2 881	–	2 881	308 711
Software and other intangible assets	860	–	–	7 200	–	7 200	8 060
Total	25 922 255	83 007	45 680	–	240 843	369 530	26 291 785

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R83.007 million

Programme 7: Joint Support

R58.084 million has been rolled over for repairing and maintaining facilities and R24.923 million for upgrading and constructing buildings.

Unforeseeable and unavoidable expenditure – R45.68 million

Programme 8: Force Employment

R45.68 million has been allocated to the South African National Defence Force for overtime allowances to medical health practitioners and general assistants and for fuel used to provide essential health services to provincial departments of health during the national public service strike in June 2007.

Virements

Table 20.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(42 231)	2 000	
Current payments	(42 231)	–	
Compensation of employees	(5 000)	–	– An overprovision in the Financial Management Division has been shifted to machinery and equipment (R2 million) and goods and services (R3 million).
Goods and services	(37 231)	–	– An overprovision for municipal services (R57 million) has been shifted to building and other fixed structures in programme 7. R15.591 million shifted from transfer payments in programme 9 will be used for an operating shortfall in the Chief Human Resources, Defence Foreign Relations and Defence Material divisions. R3 million shifted from compensation of employees in this programme will be used for alarms, access control and secure cashier cubicles. R1.178 million shifted from programme 2 will be used for the SA National War College for support to the SA Army in relation to the Army's various courses.
Payments for capital assets	–	2 000	
Machinery and equipment	–	2 000	Funds shifted from compensation of employees will be used to buy safes.
2. Landward Defence	–	10 822	
Current payments	–	9 941	
Goods and services	–	9 941	Savings of R1.178 million have been shifted to goods and services in programme 1. R11.119 million shifted from departmental agencies and accounts in programme 9 will be used to establish a works regiment.
Payments for capital assets	–	881	
Machinery and equipment	–	881	Funds shifted from departmental agencies and accounts in programme 9 will be used for the capital requirements of a works regiment.
3. Air Defence	(69 185)	88 000	
Current payments	(69 185)	88 000	
Compensation of employees	–	88 000	R88 million shifted from goods and services will be used to implement the military aviation and technical career incentives.
Goods and services	(69 185)	–	– R88 million provisionally allocated here for career incentives have been shifted to compensation of employees following approval of the incentives. R18.815 million shifted from transfer payments in programme 9 will be used for VIP charter flights (R17.07 million) and repairs to the Air Force Base Bredasdorp caused by a veld fire (R1.745 million).

Table 20.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
4. Maritime Defence	(26 673)	33 074	
Current payments	(5 786)	33 074	
Compensation of employees	–	33 074	Funds shifted from transfer payments (R20.887 million) and goods and services (R12.187 million) will be used for salaries for staff transferred from the SA Naval Dockyard to Armscor and higher staffing levels than planned.
Goods and services	(5 786)	–	Savings of R12.187 million due to the transfer of the SA Naval Dockyard personnel to Armscor have been shifted to compensation of employees. R6.401 million shifted from goods and services in programme 7 will be used for VAT on the transfer payment to Armscor.
Transfers and Subsidies	(20 887)	–	
Public corporations and private enterprises	(20 887)	–	Savings due to delays in the transfer of the SA Naval Dockyard to Armscor have been shifted to compensation of employees.
7. Joint Support	(11 600)	73 499	
Current payments	(11 600)	9 299	
Compensation of employees	(11 600)	–	An overprovision in the Military Police and the Command Management Information Systems division has been shifted to goods and services.
Goods and services	–	9 299	R11.6 million shifted from compensation of employees in this programme and R4.1 million from transfer payments in programme 9 will be used for: body armour for the Military Police; operational costs for the Command Management Information Systems division; and an international interoperability exercise in Germany. The provision for the VAT on the Armscor transfer payment (R6.401 million) originally allocated here has been shifted to goods and services in programme 4.
Payments for capital assets	–	64 200	
Buildings and other fixed structures	–	57 000	Funds shifted from goods and services in programme 1 will be used to upgrade the Air Force Base Waterkloof.
Software and other intangible assets	–	7 200	Funds shifted from departmental agencies and accounts in programme 9 will be used to establish an information warfare capability.
9. Special Defence Account	(57 706)	–	
Transfers and Subsidies	(57 706)	–	
Departmental agencies and accounts	(57 706)	–	Savings due to lower than expected expenditure in the Special Defence Account have been shifted to goods and services in programme 1 (R15.591 million), goods and services (R11.119 million) and machinery and equipment (R881 000) in programme 2, goods and services in programme 3 (18.815 million), and goods and services (R4.1 million) and software and other intangible assets (R7.2 million) in programme 7.
Total for Vote	(207 395)	207 395	

Other adjustments – R240.843 million

Salary adjustments

Programmes 1 to 8

R108.62 million has been allocated for salary increases following the Public Service Bargaining Co-ordinating Council resolution.

Funds shifted within a vote

Programme 1: Administration

R140.611 million has been shifted from *Joint Support* as a result of the amalgamation of the HR function. R56.727 million has been shifted between the Policy and Planning subprogramme and the Human Resources Support Services subprogramme. (Shifts between subprogrammes are not reflected in Table 20.1.)

Programme 2: Landward Defence

R34.494 million has been shifted from *Joint Support* following the migration of several SA Army force structure elements to this programme.

Self-financing expenditure

Programme 2: Landward Defence

R6.8 million from the sale in 2006/07 of equipment procured through the General Defence Account has been deposited into the National Revenue Fund.

Programme 9: Special Defence Account

R125.423 million generated in 2006/07 from the sale in 2006/07 of equipment procured through the Special Defence Account has been deposited into the National Revenue Fund.

Expenditure 2006/07 and preliminary expenditure 2007/08**Table 20.3: Expenditure trends**

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	1 759 149	860 897	1 753 818	99.7	2 046 217	783 151	(9.0)
2. Landward Defence	4 061 047	1 772 097	3 989 521	98.2	4 304 533	2 040 503	15.1
3. Air Defence	2 504 488	992 670	2 513 894	100.4	2 687 213	1 159 849	16.8
4. Maritime Defence	1 319 173	569 258	1 311 842	99.4	1 403 771	628 417	10.4
5. Military Health Support	1 683 822	769 510	1 704 105	101.2	1 844 654	830 601	7.9
6. Defence Intelligence	143 662	67 993	147 494	102.7	163 692	76 772	12.9
7. Joint Support	2 740 680	1 254 924	2 646 108	96.5	3 238 840	1 335 499	6.4
8. Force Employment	1 410 145	766 145	1 470 065	104.2	1 523 606	679 440	(11.3)
9. Special Defence Account	8 280 738	2 450 747	8 280 737	100.0	9 079 260	2 921 776	19.2
Total	23 902 904	9 504 241	23 817 584	99.6	26 291 785	10 456 009	10.0
Current payments	14 912 947	6 550 718	14 500 473	97.2	16 102 917	6 988 726	6.7
Compensation of employees	9 085 985	4 209 514	9 037 596	99.5	9 726 699	4 670 181	10.9
Goods and services	5 826 962	2 332 278	5 444 919	93.4	6 376 218	2 310 939	(0.9)
Financial transactions in assets and liabilities	–	8 925	17 957	–	–	7 605	(14.8)
Transfers and subsidies	8 691 707	2 866 504	8 882 836	102.2	9 653 981	3 352 232	16.9
Provinces and municipalities	3 699	3 882	3 967	107.3	–	–	(100.0)
Departmental agencies and accounts	8 288 671	2 454 859	8 288 457	100.0	9 087 651	2 923 861	19.1
Public corporations and private enterprises	396 286	297 214	396 285	100.0	467 427	330 527	11.2
Non-profit institutions	3 051	1 226	2 752	90.2	3 432	1 416	15.5
Households	–	109 322	191 374	–	95 471	96 429	(11.8)
Payments for capital assets	298 250	87 019	434 275	145.6	534 887	115 051	32.2
Buildings and other fixed structures	74 097	12 053	49 729	67.1	218 116	22 197	84.2
Machinery and equipment	222 598	74 841	383 264	172.2	308 711	92 798	24.0
Software and other intangible assets	1 555	126	1 283	82.5	8 060	56	(55.7)
Total	23 902 904	9 504 241	23 817 584	99.6	26 291 785	10 456 009	10.0

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R10.456 billion, or 39.8 per cent of the adjusted appropriation of R26.292 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 10 per cent compared to the first six months of 2006/07.

The main increases compared to 2006/07 are related to increased budget allocations to the Special Defence Account programme and the influence of contractual obligations, milestone payments and the finalisation of projects on scheduled payments.

Expenditure in 2006/07 was 99.6 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 20.4: Summary of changes to transfers and subsidies per programme

	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
R thousand		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	20 446	-	-	-	2 871	2 871	23 317
Households							
Social benefits							
Current	20 446	-	-	-	2 871	2 871	23 317
Severance packages	20 446	-	-	-	2 871	2 871	23 317
2. Landward Defence	2 640	-	-	-	492	492	3 132
Households							
Social benefits							
Current	2 640	-	-	-	492	492	3 132
Severance packages	2 640	-	-	-	492	492	3 132
4. Maritime Defence	95 950	-	-	(20 887)	-	(20 887)	75 063
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	73 014	-	-	(20 887)	-	(20 887)	52 127
Dockyard - Armscor	73 014	-	-	(20 887)	-	(20 887)	52 127
7. Joint Support	451 221	-	-	-	(3 363)	(3 363)	447 858
Households							
Social benefits							
Current	24 098	-	-	-	(3 363)	(3 363)	20 735
Severance packages	24 098	-	-	-	(3 363)	(3 363)	20 735
9. Special Defence Account	9 011 543	-	-	(57 706)	125 423	67 717	9 079 260
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	9 011 543	-	-	(57 706)	125 423	67 717	9 079 260
Special Defence Account	9 011 543	-	-	(57 706)	125 423	67 717	9 079 260

Vote 21

Independent Complaints Directorate

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	80 891	80 891	-	-
<i>of which:</i>				
Current payments	76 527	76 622	-	95
Transfers and subsidies	48	48	-	-
Payments for capital assets	4 316	4 221	(95)	-
Executive authority	Minister of Safety and Security			
Accounting officer	Executive Director of the Independent Complaints Directorate			

Aim

The aim of the Independent Complaints Directorate is to investigate complaints of misconduct, corruption and criminality allegedly committed by members of the South African Police Service and Municipal Police Services, and to make appropriate reactive and proactive recommendations to reduce the incidence of the behaviour that gives rise to such complaints.

Adjusted Estimates of National Expenditure 2007

Table 21.1: Adjusted estimates

Programme	2007/08						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	29 499	-	-	(374)	-	(374)	29 125
2. Investigation of Complaints	35 663	-	-	(432)	-	(432)	35 231
3. Information Management and Research	15 729	-	-	806	-	806	16 535
Total	80 891	-	-	-	-	-	80 891
Economic classification							
Current payments	76 527	-	-	95	-	95	76 622
Compensation of employees	47 757	-	-	(1 079)	-	(1 079)	46 678
Goods and services	28 770	-	-	1 174	-	1 174	29 944
Transfers and subsidies	48	-	-	-	-	-	48
Departmental agencies and accounts	48	-	-	-	-	-	48
Payments for capital assets	4 316	-	-	(95)	-	(95)	4 221
Buildings and other fixed structures	160	-	-	(160)	-	(160)	-
Machinery and equipment	3 973	-	-	65	-	65	4 038
Software and other intangible assets	183	-	-	-	-	-	183
Total	80 891	-	-	-	-	-	80 891

Details of adjustments to Estimates of National Expenditure 2007

Virements

Table 21.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(579)	205	
Current payments	(419)	140	
Compensation of employees	(419)	-	- Savings due to delays in filling the executive director post have been shifted to machinery and equipment (R65 000) and goods and services in programme 3 (R354 000).
Goods and services	-	140	Funds shifted from buildings and other fixed structures will be used to pay leases for satellite offices.
Payments for capital assets	(160)	65	
Buildings and other fixed structures	(160)	-	- Savings arose because satellite offices will be leased not bought. The funds have been shifted to goods and services in this programme (R140 000) and in programme 3 (R20 000).
Machinery and equipment	-	65	Funds shifted from compensation of employees will be used to replace equipment.
2. Investigation of Complaints	(432)	-	
Current payments	(432)	-	
Compensation of employees	(432)	-	- Savings due to delays in filling vacant investigator posts because of the long vetting process have been shifted to goods and services in programme 3.
3. Information Management and Research	(228)	1 034	
Current payments	(228)	1 034	
Compensation of employees	(228)	-	- Savings due to delays in filling vacant posts because of the long vetting process have been shifted to goods and services.
Goods and services	-	1 034	Funds shifted from compensation of employees in programme 1 (R354 000), programme 2 (R432 000) and this programme (R228 000), and from buildings and other fixed structures in programme 1 (R20 000) will be used for marketing the ICD's 10th anniversary.
Total for Vote	(1 239)	1 239	

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 21.3: Expenditure trends

Programme	2006/07 Expenditure outcome				2007/08 Preliminary expenditure		
	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
R thousand							
1. Administration	22 777	11 032	22 715	99.7	29 125	11 819	7.1
2. Investigation of Complaints	29 058	13 372	29 284	100.8	35 231	10 899	(18.5)
3. Information Management and Research	14 071	5 710	13 272	94.3	16 535	12 505	119.0
Total	65 906	30 114	65 271	99.0	80 891	35 223	17.0
Current payments	63 970	29 305	61 310	95.8	76 622	34 348	17.2
Compensation of employees	39 559	17 466	36 832	93.1	46 678	22 146	26.8
Goods and services	24 411	11 839	24 478	100.3	29 944	12 198	3.0
Financial transactions in assets and liabilities	-	-	-	-	-	4	(100.0)
Transfers and subsidies	65	25	65	100.0	48	-	(100.0)
Provinces and municipalities	25	25	25	100.0	-	-	(100.0)
Departmental agencies and accounts	40	-	40	100.0	48	-	(100.0)
Payments for capital assets	1 871	784	3 896	208.2	4 221	875	11.6
Machinery and equipment	1 729	676	3 136	181.4	4 038	688	1.8
Software and other intangible assets	142	108	760	535.2	183	187	73.1
Total	65 906	30 114	65 271	99.0	80 891	35 223	17.0

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R35.223 million or 43.5 per cent of the adjusted appropriation of R80.891 million for the year as a whole. Expenditure in the first six months of 2007/08 increased by 17 per cent compared to the first six months of 2006/07.

The main increase compared to 2006/07 is related to expenditure on the 10 Years of Freedom celebrations in programme 3.

Expenditure in 2006/07 was 99 per cent of the adjusted appropriation for that year.

Vote 22

Justice and Constitutional Development

R thousand	2007/08			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	7 277 770	7 538 667	–	260 897
<i>of which:</i>				
Current payments	5 902 483	5 997 891	–	95 408
Transfers and subsidies	943 241	975 416	–	32 175
Payments for capital assets	432 046	565 360	–	133 314
Direct charge against the National Revenue Fund	1 263 518	1 266 518	–	3 000
Executive authority	Minister for Justice and Constitutional Development			
Accounting officer	Director-General of Justice and Constitutional Development			

Aim

The aim of the Department of Justice and Constitutional Development is to uphold and protect the Constitution and the rule of law, and to provide accessible, fair, speedy and cost-effective administration of justice in the interests of a safer and more secure South Africa.

Adjusted Estimates of National Expenditure 2007

Table 22.1: Adjusted estimates

Programme	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
R thousand		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	838 052	–	–	48 900	(1 000)	47 900	885 952
2. Court Services	2 998 673	261 897	–	(104 900)	–	156 997	3 155 670
3. State Legal Services	415 925	–	–	27 700	–	27 700	443 625
4. National Prosecuting Authority	1 804 691	–	–	–	–	–	1 804 691
5. Auxiliary and Associated Services	1 220 429	–	–	28 300	–	28 300	1 248 729
Subtotal	7 277 770	261 897	–	–	(1 000)	260 897	7 538 667
Direct charge against the National Revenue Fund	1 263 518	–	–	–	3 000	3 000	1 266 518
Judges' Salaries	337 090	–	–	–	780	780	337 870
Magistrates' Salaries	926 428	–	–	–	2 220	2 220	928 648
Total	8 541 288	261 897	–	–	2 000	263 897	8 805 185
Economic classification							
Current payments	7 102 825	180 897	–	(84 489)	2 000	98 408	7 201 233
Compensation of employees	4 504 399	–	–	(101 565)	3 000	(98 565)	4 405 834
Goods and services	2 598 426	180 897	–	17 076	(1 000)	196 973	2 795 399
Transfers and subsidies	1 006 417	–	–	32 175	–	32 175	1 038 592
Provinces and municipalities	–	–	–	200	–	200	200
Departmental agencies and accounts	929 153	–	–	28 300	–	28 300	957 453
Foreign governments and international organisations	4 000	–	–	220	–	220	4 220
Households	73 264	–	–	3 455	–	3 455	76 719
Payments for capital assets	432 046	81 000	–	52 314	–	133 314	565 360
Buildings and other fixed structures	333 622	81 000	–	–	–	81 000	414 622
Machinery and equipment	97 774	–	–	46 314	–	46 314	144 088
Software and other intangible assets	650	–	–	6 000	–	6 000	6 650
Total	8 541 288	261 897	–	–	2 000	263 897	8 805 185

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R261.897 million

Programme 2: Court Services

R261.9 million has been rolled over for upgrading infrastructure projects to improve access to justice facilities for people with disabilities and for refurbishing office accommodation for the National Prosecuting Authority.

Virements

Table 22.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(19 522)	68 422	
Current payments	(19 492)	68 102	
Compensation of employees	(19 492)	–	– Savings due to the slow filling of vacant posts have been shifted to goods and services in this programme (R2.067 million) and compensation of employees in programme 2 (R17.425 million).
Goods and services	–	68 102	Funds shifted from goods and services (in programme 2) will be used for HR management interventions, improving the Guardians Fund's accounting practices, and maintaining SITA applications.
Transfers and Subsidies	–	320	
Foreign governments and international organisations	–	220	Funds shifted from goods and services (in programme 2) will be used for a once-off voluntary contribution to the special court for Sierra Leone.
Households	–	100	Funds shifted from goods and services (in programme 2) will be used for an anticipated shortfall on social contributions.
Payments for capital assets	(30)	–	
Machinery and equipment	(30)	–	– Incorrectly classified funds for equipment (less than R5 000) have been shifted to goods and services in this programme.
2. Court Services	(135 963)	31 063	
Current payments	(135 963)	17 425	
Compensation of employees	–	17 425	Funds shifted from compensation of employees (in programme 1) will be used for the salary increases in terms of the Public Service Co-ordinating Bargaining Council resolution.
Goods and services	(135 963)	–	– Savings due to delays in finalising the management of moneys in trust project have been shifted to programme 1 (R66.325 million), programme 3 (R27.7 million) and programme 5 (R28.3 million), and to machinery and equipment in this programme (R13.638 million).
Payments for capital assets	–	13 638	
Machinery and equipment	–	13 638	Funds shifted from goods and services will be used for rolling out digital court recording equipment.
3. State Legal Services	–	27 700	
Current payments	–	23 456	
Compensation of employees	–	9 086	Funds shifted from goods and services (in programme 2) will be used to appoint additional state attorneys and personnel for state law advisory services.
Goods and services	–	14 370	Funds shifted from goods and services (in programme 2) will be used to relocate the Johannesburg Master's office.
Transfers and Subsidies	–	314	
Households	–	314	Funds shifted from goods and services (in programme 2) will be used for an anticipated shortfall on the payout of social benefits in the offices of the Masters and State Law Advisors.
Payments for capital assets	–	3 930	
Machinery and equipment	–	3 930	Funds shifted from goods and services (in programme 2) will be used to relocate the Johannesburg Master's office.

Table 22.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
4. National Prosecuting Authority	(108 584)	108 584	
Current payments	(108 584)	70 567	
Compensation of employees	(108 584)	–	Savings due to the slow filling of vacant posts and internal promotions have been shifted to goods and services, provinces and municipalities, households, machinery and equipment and software and other intangible assets in this programme.
Goods and services	–	70 567	Funds shifted from compensation of employees will be used for increased operational cost as a result of establishment expansions (prosecutorial staff) and for essential services such as IT.
Transfers and Subsidies	–	3 241	
Provinces and municipalities	–	200	Funds shifted from compensation of employees (in this programme) will be used to fund an anticipated shortfall on the payment of Regional Services Council levies.
Households	–	3 041	Funds shifted from compensation of employees will be used for an anticipated shortfall on payments of transfers to households.
Payments for capital assets	–	34 776	
Machinery and equipment	–	28 776	Funds shifted from compensation of employees will be used for office equipment for newly appointed personnel, IT equipment, and tactical equipment for special operations.
Software and other intangible assets	–	6 000	Funds shifted from compensation of employees will be used to buy software and other IT-related assets.
5. Auxiliary and Associated Services	–	28 300	
Transfers and Subsidies	–	28 300	
Departmental agencies and accounts	–	28 300	Funds shifted from goods and services (in programme 2) will be used for a Legal Aid Board project aimed at reducing criminal case backlogs, and for the salary increases in the Legal Aid Board and Special Investigating Unit in terms of the Public Service Co-ordinating Bargaining Council resolution.
Total for Vote	(264 069)	264 069	

Other adjustments – (R1 million)

Shifting of funds between votes

Programme 1: Administration

R1 million will be transferred to the Department of Provincial and Local Government for the 16 Days of Activism campaign, which has become the responsibility of the deputy minister of that department.

Amounts forming a direct charge against the National Revenue Fund – R3 million

Salary adjustments

R3 million has been allocated for salary increases to judges and magistrates following the Public Service Co-ordinating Bargaining Council resolution.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 22.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	775 679	287 553	636 862	82.1	885 952	328 080	14.1
2. Court Services	2 748 613	998 798	2 506 226	91.2	3 155 670	1 187 234	18.9
3. State Legal Services	385 754	155 156	335 046	86.9	443 625	175 769	13.3
4. National Prosecuting Authority	1 582 062	667 982	1 535 754	97.1	1 804 691	837 015	25.3
5. Auxiliary and Associated Services	986 539	471 708	991 328	100.5	1 248 729	556 684	18.0
Subtotal	6 478 647	2 581 197	6 005 216	92.7	7 538 667	3 084 782	19.5
Direct charge against the National Revenue Fund	1 071 056	539 952	1 099 289	102.6	1 266 518	571 070	5.8
Judges' Salaries	234 149	127 211	269 333	115.0	337 870	140 750	10.6
Magistrates' Salaries	836 907	412 741	829 956	99.2	928 648	430 320	4.3
Total	7 549 703	3 121 149	7 104 505	94.1	8 805 185	3 655 852	17.1
Current payments	6 126 881	2 468 438	5 631 934	91.9	7 201 233	3 027 402	22.6
Compensation of employees	3 901 500	1 733 989	3 695 236	94.7	4 405 834	2 054 673	18.5
Goods and services	2 225 381	732 768	1 934 032	86.9	2 795 399	971 167	32.5
Financial transactions in assets and liabilities	-	1 681	2 666	-	-	1 562	(7.1)
Transfers and subsidies	805 888	441 371	851 610	105.7	1 038 592	466 674	5.7
Provinces and municipalities	4 456	2 834	3 060	68.7	200	130	(95.4)
Departmental agencies and accounts	795 110	412 039	795 109	100.0	957 453	448 346	8.8
Public corporations and private enterprises	-	455	4 724	-	-	-	(100.0)
Foreign governments and international organisations	3 644	-	-	-	4 220	-	(100.0)
Households	2 678	26 043	48 717	1 819.2	76 719	18 198	(30.1)
Payments for capital assets	616 934	211 340	620 961	100.7	565 360	161 776	(23.5)
Buildings and other fixed structures	305 836	152 865	328 936	107.6	414 622	68 013	(55.5)
Machinery and equipment	299 338	38 277	270 899	90.5	144 088	90 338	136.0
Software and other intangible assets	11 760	20 198	21 126	179.6	6 650	3 425	(83.0)
Total	7 549 703	3 121 149	7 104 505	94.1	8 805 185	3 655 852	17.1

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R3 655.9 million, or 41.5 per cent of the adjusted appropriation of R8 805.2 million for the year as a whole. Expenditure in the first six months of 2007/08 increased by 17.1 per cent compared to first six months of 2006/07.

The main increases compared to 2006/07 are related to salary increases and normal annual rates adjustments; orders of machinery and equipment from last year which were finalised this year; and increased allocations to constitutional institutions and other independent bodies.

Expenditure in 2006/07 was 94.1 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 22.4: Summary of changes to transfers and subsidies per programme

	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
R thousand		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	8 210	-	-	320	-	320	8 530
Foreign governments and international organisations							
Current	4 000	-	-	220	-	220	4 220
Special court: Sierra Leone	-	-	-	220	-	220	220
Households							
Social benefits							
Current	-	-	-	100	-	100	100
Employee social benefit	-	-	-	100	-	100	100
3. State Legal Services	-	-	-	314	-	314	314
Households							
Social benefits							
Current	-	-	-	314	-	314	314
Employee social benefit	-	-	-	314	-	314	314
4. National Prosecuting Authority	2 100	-	-	3 241	-	3 241	5 341
Provinces and municipalities							
Municipalities							
Municipalities							
Current	-	-	-	200	-	200	200
Regional Services Council levies	-	-	-	200	-	200	200
Households							
Social benefits							
Current	2 100	-	-	3 041	-	3 041	5 141
Employee social benefits	2 100	-	-	3 041	-	3 041	5 141
5. Auxiliary and Associated Services	924 943	-	-	28 300	-	28 300	953 243
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	924 943	-	-	28 300	-	28 300	953 243
Special Investigating Unit	93 111	-	-	5 000	-	5 000	98 111
Legal Aid Board	574 729	-	-	23 300	-	23 300	598 029

Vote 23

Safety and Security

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	35 917 470	36 386 105	–	468 635
<i>of which:</i>				
Current payments	33 589 016	34 057 651	–	468 635
Transfers and subsidies	320 076	320 076	–	–
Payments for capital assets	2 008 378	2 008 378	–	–
Executive authority	Minister of Safety and Security			
Accounting officer	National Commissioner of the South Africa Police Service			

Aim

The aim of the Department of Safety and Security is to prevent, combat and investigate crime, maintain public order, protect and secure the inhabitants of South Africa and their property, and uphold and enforce the law.

Adjusted Estimates of National Expenditure 2007

Table 23.1: Adjusted estimates

2007/08							
Programme	Additional appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	
1. Administration	11 825 922	–	–	–	81 687	81 687	11 907 609
2. Visible Policing	15 464 950	–	–	–	241 214	241 214	15 706 164
3. Detective Services	5 710 468	–	–	–	95 348	95 348	5 805 816
4. Crime Intelligence	1 261 729	–	–	–	22 817	22 817	1 284 546
5. Protection and Security Services	1 654 401	–	–	–	27 569	27 569	1 681 970
Total	35 917 470	–	–	–	468 635	468 635	36 386 105
Economic classification							
Current payments	33 589 016	–	–	–	468 635	468 635	34 057 651
Compensation of employees	25 216 385	–	–	–	468 635	468 635	25 685 020
Goods and services	8 372 631	–	–	–	–	–	8 372 631
Transfers and subsidies	320 076	–	–	–	–	–	320 076
Provinces and municipalities	17 453	–	–	–	–	–	17 453
Departmental agencies and accounts	15 893	–	–	–	–	–	15 893
Households	286 730	–	–	–	–	–	286 730
Payments for capital assets	2 008 378	–	–	–	–	–	2 008 378
Buildings and other fixed structures	727 019	–	–	–	–	–	727 019
Machinery and equipment	1 280 859	–	–	–	–	–	1 280 859
Cultivated assets	500	–	–	–	–	–	500
Total	35 917 470	–	–	–	468 635	468 635	36 386 105

Details of adjustments to Estimates of National Expenditure 2007

Other adjustments – R468.635 million

Salary adjustments

R468.635 million has been allocated for salary increases following the Public Service Co-ordinating Bargaining Council resolution.

- Programme 1: Administration: R81.687 million
- Programme 2: Visible Policing: R241.214 million
- Programme 3: Detective Services: R95.348 million
- Programme 4: Crime Intelligence: R22.817 million
- Programme 5: Protection and Security Services: R27.569 million.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 23.2: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	10 522 060	4 835 727	10 630 361	101.0	11 907 609	5 325 865	10.1
2. Visible Policing	14 389 949	6 410 110	14 021 586	97.4	15 706 164	7 152 021	11.6
3. Detective Services	5 279 606	2 490 068	5 432 923	102.9	5 805 816	2 779 058	11.6
4. Crime Intelligence	1 119 440	554 497	1 175 033	105.0	1 284 546	610 898	10.2
5. Protection and Security Services	1 210 176	536 366	1 261 327	104.2	1 681 970	716 538	33.6
Total	32 521 231	14 826 768	32 521 230	100.0	36 386 105	16 584 380	11.9
Current payments	30 562 504	14 242 587	29 931 509	97.9	34 057 651	15 720 226	10.4
Compensation of employees	23 569 040	10 867 052	22 654 635	96.1	25 685 020	12 172 742	12.0
Goods and services	6 993 464	3 364 375	7 264 409	103.9	8 372 631	3 545 137	5.4
Financial transactions in assets and liabilities	–	11 160	12 465	–	–	2 347	(79.0)
Transfers and subsidies	375 728	147 395	290 331	77.3	320 076	168 606	14.4
Provinces and municipalities	30 032	21 946	31 444	104.7	17 453	7 729	(64.8)
Departmental agencies and accounts	14 464	6 985	14 562	100.7	15 893	7 759	11.1
Households	331 232	118 464	244 325	73.8	286 730	153 118	29.3
Payments for capital assets	1 582 999	436 786	2 299 390	145.3	2 008 378	695 548	59.2
Buildings and other fixed structures	498 185	107 410	510 540	102.5	727 019	247 650	130.6
Machinery and equipment	1 084 814	329 147	1 788 253	164.8	1 280 859	447 427	35.9
Cultivated assets	–	229	597	–	500	471	105.7
Total	32 521 231	14 826 768	32 521 230	100.0	36 386 105	16 584 380	11.9

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R16.584 billion, or 45.6 per cent of the adjusted appropriation of R36.386 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 11.9 per cent compared to the first six months of 2006/07.

Expenditure in 2006/07 was 100 per cent of the adjusted appropriation for that year.

Vote 24

Agriculture

2007/08					
R thousand	Main appropriation	Special adjustments appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	2 281 166	700 000	3 469 603	–	488 437
<i>of which:</i>					
Current payments	921 407	–	879 303	(42 104)	–
Transfers and subsidies	1 308 824	700 000	2 524 194	–	515 370
Payments for capital assets	50 935	–	66 106	–	15 171
Executive authority	Minister for Agriculture and Land Affairs				
Accounting officer	Director-General of Agriculture				

Aim

The Department of Agriculture aims to lead and support sustainable agriculture and promote rural development through: ensuring access to sufficient, safe and nutritious food; eliminating skewed participation and inequity in agriculture; maximising growth; employment and income in the sector; improving the sustainable management of natural agricultural resources and ecological systems; ensuring effective and efficient governance; and ensuring knowledge and information management.

Adjusted Estimates of National Expenditure 2007

Table 24.1: Adjusted estimates

Programme	2007/08							
	Main appropriation	Special adjustments appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand								
1. Administration	283 335	–	–	–	(1 937)	(250)	(2 187)	281 148
2. Livelihoods, Economics and Business Development	886 951	700 000	–	–	(26 993)	–	(26 993)	1 559 958
3. Bio-security and Disaster Management	243 611	–	88 687	400 000	375	–	489 062	732 673
4. Production and Resources Management	247 780	–	–	–	(4 297)	–	(4 297)	243 483
5. Sector Services and Partnerships	619 489	–	–	–	32 852	–	32 852	652 341
Total	2 281 166	700 000	88 687	400 000	–	(250)	488 437	3 469 603

Table 24.1: Adjusted estimates (continued)

R thousand	2007/08							
	Main appropriation	Special adjustments appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
Economic classification								
Current payments	921 407	–	–	–	(41 854)	(250)	(42 104)	879 303
Compensation of employees	500 191	–	–	–	(22 228)	–	(22 228)	477 963
Goods and services	421 216	–	–	–	(19 626)	(250)	(19 876)	401 340
Transfers and subsidies	1 308 824	700 000	88 687	400 000	26 683	–	515 370	2 524 194
Provinces and municipalities	462 082	–	–	300 000	4	–	300 004	762 086
Departmental agencies and accounts	513 969	–	–	–	4 500	–	4 500	518 469
Universities and technikons	200	–	–	–	3 606	–	3 606	3 806
Public corporations and private enterprises	249 920	700 000	–	–	15 802	–	15 802	965 722
Foreign governments and international organizations	30 915	–	–	–	(2 000)	–	(2 000)	28 915
Non-profit institutions	1 000	–	–	–	4 640	–	4 640	5 640
Households	50 738	–	88 687	100 000	131	–	188 818	239 556
Payments for capital assets	50 935	–	–	–	15 171	–	15 171	66 106
Buildings and other fixed structures	31 183	–	–	–	136	–	136	31 319
Machinery and equipment	18 689	–	–	–	14 616	–	14 616	33 305
Cultivated assets	–	–	–	–	540	–	540	540
Software and other intangible assets	1 063	–	–	–	(121)	–	(121)	942
Total	2 281 166	700 000	88 687	400 000	–	(250)	488 437	3 469 603

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R88.687 million

Programme 3: Bio Security and Disaster Management

R88.687 million has been rolled over for combating classical swine fever.

Unforeseeable and unavoidable expenditure – R400 million

Programme 2: Livelihoods, Economics and Business Development

In the Special Adjustments Appropriation Act (2007/08 Financial Year), 2007 (Act No 16 of 2007), R700 million has been allocated to the Department of Agriculture as a transfer to the Land Bank. The adjustment addresses the liquidity shortage and cash adequacy ratio of the bank.

Programme 3: Bio-Security and Disaster Management

R100 million has been allocated for combating classical swine fever and R300 million for agricultural disasters.

Virements

Table 24.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(8 696)	6 759	
Current payments	(8 696)	3 600	
Compensation of employees	(8 696)	–	Savings due to vacancies not filled have been shifted to goods and services (R3.6 million), provinces and municipalities (R8 000), households (R34 000) and payments for capital assets (R3.117 million) in this programme and to programme 5 (R1.937 million).
Goods and services	–	3 600	Funds shifted from compensation of employees will be used for the Female Farmer of the Year competition (R2.5 million) and for travel and subsistence for the Minister (R1.1 million).
Transfers and Subsidies	–	42	
Provinces and municipalities	–	8	Funds shifted from compensation of employees will be used for vehicle licenses.
Households	–	34	Funds shifted from compensation of employees will be used for employees social benefits (retirement).
Payments for capital assets	–	3 117	
Buildings and other fixed structures	–	44	Funds shifted from compensation of employees will be used for revamping laboratories.
Machinery and equipment	–	2 713	Funds shifted from compensation of employees will be used to buy motor vehicles (R445 000) and office furniture and computer hardware (R2.268 million).
Software and other intangible assets	–	360	Funds shifted from compensation of employees will be used to buy computer software and licenses.
2. Livelihoods, Economics and Business Development	(44 194)	17 201	
Current payments	(44 113)	–	
Compensation of employees	(7 914)	–	Savings due to vacancies not filled have been shifted to machinery and equipment in programme 4 (R6.5 million) and goods and services in programme 5 (R1.414 million).
Goods and services	(36 199)	–	Based on a history of underspending certain directorates' budgets were cut and funds reallocated according to prioritised needs. Funds have been shifted to transfers and subsidies (R16.8 million), and machinery and equipment in this programme (R320 000), and goods and services in programme 5 (R19.079 million).
Transfers and Subsidies	–	16 800	
Public corporations and private enterprises	–	15 800	Funds shifted from goods and services will be paid to Khula Enterprises to establish self help groups.
Non-profit institutions	–	1 000	Funds shifted from goods and services will be paid to the National Movement of Rural Women.
Payments for capital assets	(81)	401	
Machinery and equipment	–	401	Funds shifted from goods and services and software and other intangible assets will be used to buy office furniture and computer hardware.
Software and other intangible assets	(81)	–	Incorrectly classified funds have been shifted to machinery and equipment.
3. Bio-security and Disaster Management	(10 343)	10 718	
Current payments	(10 343)	–	
Compensation of employees	(522)	–	Savings due to vacancies not filled have been shifted to households (R30 000) and machinery and equipment (R58 000) in this programme and goods and services in programme 5 (R434 000).
Goods and services	(9 821)	–	Based on a history of underspending certain directorates' budgets were cut and funds reallocated according to prioritised needs. Funds have been shifted to departmental agencies and accounts (R2 million), non-profit institutions (R3.55 million), machinery and equipment (R2.54 million) and cultivated assets (R540 000) in this programme, and to goods and services in programme 5 (R1.191 million).
Transfers and Subsidies	–	7 580	
Departmental agencies and accounts	–	4 000	Funds shifted from goods and services in this programme (R2 million) and foreign governments and international organisations (R2 million) in programme 5 will be used for bridging finance for the South African Pesticide Initiative Programme.
Non-profit institutions	–	3 550	Funds shifted from goods and services will be used for the annual general meeting of the Collaborative International Pesticides Analytical Council (R50 000), the Sterile Insect Technique Project (R3 million) and the entomology congress (R500 000).
Households	–	30	Funds shifted from compensation of employees will be used for employees social benefits (retirement).
Payments for capital assets	–	3 138	
Machinery and equipment	–	2 598	Funds shifted from compensation of employees and goods and services will be used to buy motor vehicles (R64 000), and office furniture and computer hardware (R2.534 million).
Cultivated assets	–	540	Funds shifted from goods and services (R540 000) will be used for training sniffer dogs and their handlers.

Table 24.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
4. Production and Resources Management	(16 403)	12 106	
Current payments	(15 799)	–	
Compensation of employees	(3 233)	–	Savings due to vacancies not filled have been shifted to households in this programme (R67 000) and goods and services in programme 5 (R3.166 million).
Goods and services	(12 566)	–	Based on a history of underspending certain directorates' budgets were cut and funds reallocated according to prioritised needs. Funds have been shifted to machinery and equipment (R743 000), departmental agencies and accounts (R496 000), universities and technikons (R3.606 million) and non-profit institutions (R90 000) in this programme and goods and services in programme 5 (R7.631 million).
Transfers and Subsidies	(4)	4 263	
Provinces and municipalities	(4)	–	Incorrectly classified funds have been shifted to departmental agencies and accounts.
Departmental agencies and accounts	–	500	Funds shifted from goods and services and provinces and municipalities will be transferred to the Water Research Commission.
Universities and technikons	–	3 606	Funds shifted from goods and services will be paid to the University of Stellenbosch for aquaculture research.
Non-profit institutions	–	90	Funds shifted from goods and services will be transferred to Food and Trees for Africa (R50 000) and the bi-annual conference of the Aquaculture Association of Southern Africa (R40 000).
Households	–	67	Funds shifted from compensation of employees will be used for employees social benefits (retirement).
Payments for capital assets	(600)	7 843	
Buildings and other fixed structures	–	92	Funds shifted from software and other intangible assets will be used to buy mobile homes.
Machinery and equipment	–	7 751	Funds shifted from compensation of employees in programme 2, and goods and services (R743 000) and software and other intangible assets (R508 000) in this programme will be used to buy a drilling rig (R6.5 million) and office furniture and computer hardware (R1.251 million).
Software and other intangible assets	(600)	–	Incorrectly classified funds have been shifted to buildings and other fixed structures (R92 000) and machinery and equipment (R508 000).
5. Sector Services and Partnerships	(3 863)	36 715	
Current payments	(1 863)	35 360	
Compensation of employees	(1 863)	–	Savings from vacancies not filled have been shifted to goods and services.
Goods and services	–	35 360	R13 million shifted from compensation of employees in programme 1 (R1.937 million) and programme 2 (R1.414 million), goods and services in programme 2 (R7.714 million), compensation of employees (R434 000) and goods and services (R438 000) in programme 3, and compensation of employees (R1.063 million) in this programme will be used for the World Congress on Rural Women. R3.2 million shifted from goods and services in programme 2 will be used for the African Agricultural Development Programme. R19.715 million shifted from goods and services in programme 2 (R8.165 million) and programme 3 (R753 000) and compensation of employees (R3.166 million) and goods and services (R7.631 million) in programme 4 will be used for research projects, such as crop estimates, national karnal bunt survey, development of various plant and animal programmes and models, seed multiplications and soil surveys. Incorrectly classified funds of R2 000 have been shifted to public corporations and private enterprises.
Transfers and Subsidies	(2 000)	2	
Public corporations and private enterprises	–	2	Incorrectly classified funds shifted from goods and services will be transferred to the Red Meat Industry Forum.
Foreign governments and international organisations	(2 000)	–	Savings due to exchange rate fluctuations have been shifted to departmental agencies and accounts in programme 3.
Payments for capital assets	–	1 353	
Machinery and equipment	–	1 153	Funds shifted from goods and services will be used to buy office furniture and computer hardware.
Software and other intangible assets	–	200	Funds shifted from goods and services will be used to buy computer software and licenses.
Total for Vote	(83 499)	83 499	

Other adjustments – (R250 000)

Shifting of funds between votes

Programme 1: Administration

R250 000 has been transferred to Government Communication and Information System for the mass communications campaign on second economy interventions campaign.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 24.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	243 736	103 290	227 029	93.1	281 148	136 834	32.5
2. Livelihoods, Economics and Business Development	719 346	388 909	680 562	94.6	1 559 958	253 645	(34.8)
3. Bio-security and Disaster Management	536 964	114 221	434 622	80.9	732 673	104 447	(8.6)
4. Production and Resources Management	215 633	82 221	217 244	100.7	243 483	108 303	31.7
5. Sector Services and Partnerships	651 951	259 568	659 437	101.1	652 341	365 041	40.6
Total	2 367 630	948 209	2 218 894	93.7	3 469 603	968 270	2.1
Current payments	941 914	322 462	867 040	92.1	879 303	392 596	21.7
Compensation of employees	490 029	197 137	431 835	88.1	477 963	217 738	10.5
Goods and services	451 885	125 057	433 721	96.0	401 340	174 761	39.7
Financial transactions in assets and liabilities	–	268	1 484	–	–	97	(63.8)
Transfers and subsidies	1 373 213	609 595	1 292 031	94.1	2 524 194	549 632	(9.8)
Provinces and municipalities	401 886	135 360	401 802	100.0	762 086	207 977	53.6
Departmental agencies and accounts	522 790	240 668	532 790	101.9	518 469	310 427	29.0
Universities and technikons	–	–	–	–	3 806	200	(100.0)
Public corporations and private enterprises	245 226	197 395	245 482	100.1	965 722	922	(99.5)
Foreign governments and international organisations	15 646	5 610	9 974	63.7	28 915	28 124	401.3
Non-profit institutions	2 965	10	7 664	258.5	5 640	1 050	10 400.0
Households	184 700	30 552	94 319	51.1	239 556	932	(96.9)
Payments for capital assets	52 503	16 152	59 823	113.9	66 106	26 042	61.2
Buildings and other fixed structures	28 032	10 564	23 427	83.6	31 319	21 013	98.9
Machinery and equipment	23 790	5 537	34 592	145.4	33 305	4 492	(18.9)
Cultivated assets	–	–	79	–	540	527	(100.0)
Software and other intangible assets	681	51	1 725	253.3	942	10	(80.4)
Total	2 367 630	948 209	2 218 894	93.7	3 469 603	968 270	2.1

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R968.27 million or 27.91 per cent of the adjusted appropriation of R3.47 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 2.1 per cent compared to the first six months of 2006/07.

The main increases compared to 2006/07 are related to the increase in the ARC baseline (which has been transferred), expenditure on Comprehensive Agriculture Support Programme and Land Care project monitoring, and expenditure for property management and capital works for the departmental offices in the Eastern Cape which have been relocated to East London.

Expenditure in 2006/07 was 93.7 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies and conditional grants

Table 24.4: Summary of changes to transfers and subsidies per programme

R thousand			2007/08				Adjusted appropriation	
	Main appropriation	Special adjustments appropriation	Additional appropriation					
			Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	
1. Administration	685		-	-	42	-	42	727
Provinces and municipalities								
Municipalities								
Municipalities								
Current	95		-	-	8	-	8	103
Vehicle licenses Municipalities	95		-	-	8	-	8	103
Households								
Social benefits								
Current	36		-	-	34	-	34	70
Employer social benefit cash	36		-	-	34	-	34	70
2. Livelihoods, Economics and Business Development	728 270	700 000	-	-	16 800	-	16 800	1 445 070
Public corporations and private enterprises								
Public corporations								
Other transfers								
Current	249 866	700 000	-	-	15 800	-	15 800	965 666
Khula Enterprises	-		-	-	15 800	-	15 800	15 800
Non-profit institutions								
Current	-		-	-	1 000	-	1 000	1 000
National Movement for Rural Women	-		-	-	1 000	-	1 000	1 000
3. Bio-security and Disaster Management	291		88 687	400 000	7 580	-	496 267	496 558
Provinces and municipalities								
Provinces								
Provincial revenue funds								
Current	-		-	300 000	-	-	300 000	300 000
Agricultural Disaster Management Grant	-		-	300 000	-	-	300 000	300 000
Departmental agencies and accounts								
Social security funds								
Current	-		-	-	4 000	-	4 000	4 000
Perishable Products	-		-	-	4 000	-	4 000	4 000
Export Control Board								
Non-profit institutions								
Current	-		-	-	3 550	-	3 550	3 550
Entomology Congress	-		-	-	500	-	500	500
Collaborative International	-		-	-	50	-	50	50
Pesticides Analytical Council Ltd								
Sterile Insect Technique	-		-	-	3 000	-	3 000	3 000
Households								
Social benefits								
Current	291		-	-	30	-	30	321
Employee social benefit cash	291		-	-	30	-	30	321
Other transfers								
Current	-		88 687	100 000	-	-	188 687	188 687
Classical swine fever	-		88 687	100 000	-	-	188 687	188 687

Table 24.4: Summary of changes to transfers and subsidies per programme (continued)

R thousand	2007/08							Adjusted appropriation
	Main appropriation	Special adjustments appropriation	Additional appropriation				Total additional appropriation	
			Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
4. Production and Resources Management	51 227		-	-	4 259	-	4 259	55 486
Provinces and municipalities								
Municipalities								
Municipalities								
Current	252		-	-	(4)	-	(4)	248
Vehicle licences municipalities	252		-	-	(4)	-	(4)	248
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	2 750		-	-	500	-	500	3 250
Water Research Commission	2 750		-	-	500	-	500	3 250
Universities and technikons								
Current	200		-	-	3 606	-	3 606	3 806
University of Stellenbosch	-		-	-	3 606	-	3 606	3 606
Non-profit institutions								
Current	1 000		-	-	90	-	90	1 090
Food and Trees for Africa	-		-	-	50	-	50	50
Aquaculture Association of South Africa	-		-	-	40	-	40	40
Households								
Social benefits								
Current	300		-	-	67	-	67	367
Employee social benefit	300		-	-	67	-	67	367
5. Sector Services and Partnerships	528 351		-	-	(1 998)	-	(1 998)	526 353
Public corporations and private enterprises								
Private enterprises								
Other transfers	-		-	-	2	-	2	2
Current	-		-	-	2	-	2	2
Red Meat Industry Forum	-		-	-	2	-	2	2
Foreign governments and international organisations								
Current	30 915		-	-	(2 000)	-	(2 000)	28 915
Office International des Epizooties	515		-	-	280	-	280	795
International Seed Testing Association	58		-	-	(58)	-	(58)	-
Organisation for Economic Co-operation & Development	96		-	-	(96)	-	(96)	-
International Union for the Protection of New Varieties of Plants	284		-	-	(284)	-	(284)	-
International Grains Council	133		-	-	124	-	124	257
Office International de la Vigne et du Vin	385		-	-	(385)	-	(385)	-
Food & Agriculture Organisation of the United Nations membership fees	10 630		-	-	(1 867)	-	(1 867)	8 763
International Commission of Agricultural Engineering	55		-	-	(55)	-	(55)	-
Consultative Group on International Agricultural Research	3 210		-	-	453	-	453	3 663
Commonwealth Agricultural Bureau International	208		-	-	(69)	-	(69)	139
International Dairy Federation	30		-	-	(30)	-	(30)	-
International Cotton Advisory Council	150		-	-	(13)	-	(13)	137

Table 24.5: Summary of changes to conditional grants: Provinces¹

		2007/08						
		Additional appropriation				Total	Adjusted appropriation	
R thousand	Main appropriation	Roll- overs	Unforeseeable /unavoidable	Virement	Other adjustments	additional appropriation		
	-							
3. Bio-security and Disaster Management								
Agricultural Disaster Management Grant	-	-	300 000	-	-	300 000	300 000	

¹ Main appropriation detail provided in the Division of Revenue Act, 2007

Vote 25

Communications

2007/08					
R thousand	Main appropriation	Special adjustments appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	1 423 533	500 000	1 924 483	–	950
<i>of which:</i>					
Current payments	321 689		322 639	–	950
Transfers and subsidies	1 094 301	500 000	1 594 301	–	–
Payments for capital assets	7 543		7 543	–	–
Executive authority	Minister of Communications				
Accounting officer	Director-General of Communications				

Aim

The aim of the Department of Communications is to develop information communications technology (ICT) policies and legislation that stimulate and improve the sustainable economic development of the South African first and second economies and positively impact on the social well being of all South Africans. The department also aims to oversee state owned entities, such as the South African Broadcasting Corporation and the Independent Communications Authority of South Africa.

Adjusted Estimates of National Expenditure 2007

Table 25.1: Adjusted estimates

Programme	2007/08							
	Main appropriation	Special adjustments appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand								
1. Administration	99 640	–	–	–	–	950	950	100 590
2. Strategic Policy Co-ordination, Integration and International Affairs	52 764	–	–	–	–	–	–	52 764
3. Policy Unit	78 258	–	–	–	(10 000)	–	(10 000)	68 258
4. Finance and Shareholder Management	1 098 963	500 000	–	–	10 000	–	10 000	1 608 963
5. Innovative Applications and Research	65 762	–	–	–	–	–	–	65 762
6. Presidential National Commission	28 146	–	–	–	–	–	–	28 146
Total	1 423 533	500 000	–	–	–	950	950	1 924 483
Economic classification								
Current payments	321 689	–	–	–	–	950	950	322 639
Compensation of employees	107 914	–	–	–	–	1 200	1 200	109 114
Goods and services	213 775	–	–	–	–	(250)	(250)	213 525

Table 25.1: Adjusted estimates (continued)

R thousand	2007/08							Adjusted appropriation
	Main appropriation	Special adjustments appropriation	Additional appropriation				Total additional appropriation	
			Roll-overs	Unforeseeable/unavoidable	Virement	Other adjustments		
Transfers and subsidies	1 094 301	500 000	-	-	-	-	-	1 594 301
Provinces and municipalities	6	-	-	-	-	-	-	6
Departmental agencies and accounts	300 565	-	-	-	10 000	-	10 000	310 565
Public corporations and private enterprises	790 330	500 000	-	-	(10 000)	-	(10 000)	1 280 330
Foreign governments and international organisations	1 400	-	-	-	-	-	-	1 400
Non-profit institutions	2 000	-	-	-	-	-	-	2 000
Payments for capital assets	7 543	-	-	-	-	-	-	7 543
Machinery and equipment	7 543	-	-	-	-	-	-	7 543
Total	1 423 533	500 000	-	-	-	950	950	1 924 483

Details of adjustments to Estimates of National Expenditure 2007

Virements

Table 25.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
3. Policy Unit	(10 000)	-	More than 8% has been shifted to Programme 4.
Transfers and Subsidies	(10 000)	-	
Public corporations and private enterprises	(10 000)	-	Savings due to unspent funds in the SABC's community radio stations account have been shifted to departmental agencies and accounts in programme 4. These funds were available because of outstanding invoices from community radio stations, delays due to legal proceedings, and interest on the account.
4. Finance and Shareholder Management	-	10 000	
Transfers and Subsidies	-	10 000	
Departmental agencies and accounts	-	10 000	Funds shifted from transfers and subsidies in programme 3 will be used for the Postal Regulator for 2007/08, as agreed with ICASA.
Total for Vote	(10 000)	10 000	

Other adjustments – R950 000

Amounts already announced by the Minister during the tabling of the annual Budget

Programme 4: Finance and Shareholder Management

In the *Special Adjustments Appropriation Act (2007/08 Financial Year), 2007 (Act No 16 of 2007)*, R500 million has been allocated to the Department of Communications as a transfer to Sentech. The funding will contribute to the capital requirements associated with establishing a broadband wireless telecommunications network.

Shifting of funds between votes

Programme 1: Administration

R250 000 has been transferred to Government Communication and Information System for the mass communications campaign on the second economy interventions.

Self-financing expenditure

Programme 1: Administration

R1.2 million has been received from the Information System, Electronics and Telecommunications Technologies Sector Education and Training Authority (ISETT-SETA) for an internship programme. The money has been surrendered into the National Revenue Fund.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 25.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	111 917	46 914	109 937	98.2	100 590	39 988	(14.8)
2. Strategic Policy Co-ordination, Integration and International Affairs	45 492	27 980	45 466	99.9	52 764	12 031	(57.0)
3. Policy Unit	71 640	11 613	71 436	99.7	68 258	10 823	(6.8)
4. Finance and Shareholder Management	1 011 862	312 167	1 011 811	100.0	1 608 963	517 124	65.7
5. Innovative Applications and Research	57 794	28 234	57 598	99.7	65 762	33 471	18.5
6. Presidential National Commission	23 601	7 217	23 349	98.9	28 146	11 243	55.8
Total	1 322 306	434 125	1 319 597	99.8	1 924 483	624 680	43.9
Current payments	306 990	131 670	304 609	99.2	322 639	123 770	(6.0)
Compensation of employees	99 597	46 510	99 008	99.4	109 114	48 903	5.1
Goods and services	198 983	85 159	197 191	99.1	213 525	74 834	(12.1)
Financial transactions in assets and liabilities	8 410	1	8 410	100.0	–	33	3 200.0
Transfers and subsidies	1 006 671	300 177	1 006 505	100.0	1 594 301	497 832	65.8
Provinces and municipalities	239	124	73	30.5	6	3	(97.6)
Departmental agencies and accounts	273 501	131 089	273 501	100.0	310 565	168 359	28.4
Public corporations and private enterprises	728 854	167 218	728 854	100.0	1 280 330	329 364	97.0
Foreign governments and international organisations	1 439	1 439	1 439	100.0	1 400	–	(100.0)
Non-profit institutions	2 452	152	2 452	100.0	2 000	50	(67.1)
Households	186	155	186	100.0	–	56	(63.9)
Payments for capital assets	8 645	2 278	8 483	98.1	7 543	3 078	35.1
Buildings and other fixed structures	–	–	–	–	–	17	(100.0)
Machinery and equipment	8 465	1 559	8 311	98.2	7 543	3 029	94.3
Software and other intangible assets	180	719	172	95.6	–	32	(95.5)
Total	1 322 306	434 125	1 319 597	99.8	1 924 483	624 680	43.9

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R624.68 million or 32.5 per cent of the adjusted appropriation of R1.924 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 43.9 per cent compared to the first six months of 2006/07.

The main increase compared to 2006/07 is because transfers to state-owned enterprises were paid as projected. Expenditure in 2006/07 was 99.8 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 25.4: Summary of changes to transfers and subsidies per programme

R thousand	2007/08							
	Main appropriation	Special adjustments appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
3. Policy Unit	36 412		-	-	(10 000)	-	(10 000)	26 412
Public corporations and private enterprises								
Public corporations								
Other transfers								
Current	36 412		-	-	(10 000)	-	(10 000)	26 412
South African Broadcasting Corporation: Programme Production	25 000		-	-	(10 000)	-	(10 000)	15 000
4. Finance and Shareholder Management	1 047 884	500 000	-	-	10 000	-	10 000	1 557 884
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	298 960		-	-	10 000	-	10 000	308 960
Independent Communications Authority of South Africa	222 475		-	-	10 000	-	10 000	232 475
Public corporations and private enterprises								
Public corporations								
Other transfers								
Capital	146 000	500 000	-	-	-	-	-	646 000
Wholesale wireless broadband	-	500 000	-	-	-	-	-	500 000

Vote 26

Environmental Affairs and Tourism

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	2 590 771	2 790 521	–	199 750
<i>of which:</i>				
Current payments	639 646	672 879	–	33 233
Transfers and subsidies	1 947 449	2 111 221	–	163 772
Payments for capital assets	3 676	6 421	–	2 745
Executive authority	Minister of Environmental Affairs and Tourism			
Accounting officer	Director-General of Environmental Affairs and Tourism			

Aim

The aim of the Department of Environmental Affairs and Tourism is to lead sustainable development of South Africa's environment and tourism for a better life for all.

Adjusted Estimates of National Expenditure 2007

Table 26.1: Adjusted estimates

2007/08								
Programme		Additional appropriation					Total additional appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments			
1. Administration	156 784	–	–	10 750	(250)	10 500	167 284	
2. Environmental Quality and Protection	245 977	–	–	–	–	–	245 977	
3. Marine and Coastal Management	333 845	–	–	7 100	–	7 100	340 945	
4. Tourism	624 114	–	–	(7 800)	–	(7 800)	616 314	
5. Biodiversity and Conservation	369 540	–	–	(6 550)	–	(6 550)	362 990	
6. Sector Services and International Relations	860 511	200 000	–	(3 500)	–	196 500	1 057 011	
Total	2 590 771	200 000	–	–	(250)	199 750	2 790 521	
Economic classification								
Current payments	639 646	30 000	–	3 483	(250)	33 233	672 879	
Compensation of employees	296 230	16 500	–	31 582	–	48 082	344 312	
Goods and services	343 416	13 500	–	(28 099)	(250)	(14 849)	328 567	
Transfers and subsidies	1 947 449	170 000	–	(6 228)	–	163 772	2 111 221	
Departmental agencies and accounts	1 363 849	–	–	17 114	–	17 114	1 380 963	
Universities and technikons	–	–	–	300	–	300	300	
Non-profit institutions	86 350	–	–	1 704	–	1 704	88 054	
Households	497 250	170 000	–	(25 346)	–	144 654	641 904	
Payments for capital assets	3 676	–	–	2 745	–	2 745	6 421	
Machinery and equipment	3 371	–	–	2 745	–	2 745	6 116	
Software and other intangible assets	305	–	–	–	–	–	305	
Total	2 590 771	200 000	–	–	(250)	199 750	2 790 521	

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R200 million

R200 million has been rolled over for projects in the expanded public works programme.

Virements

Table 26.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	–	10 750	
Current payments	–	10 275	
Compensation of employees	–	1 382	Funds shifted from goods and services will be used for a shortfall in the Ministry.
Goods and services	–	8 893	Funds shifted from goods and services in programmes 4, 5 and 6 will be used for communications for Mapungubwe (R800 000), IT for the master systems plan (R1.6 million), administrative support for the department's wellness campaign (R500 000), commitments for the new departmental building (R5 million) and CFO consultants (R1 million) and for operational costs for the Ministry (R1.85 million). Savings of R1.382 million have been shifted to compensation of employees and R475 000 to machinery and equipment.
Payments for capital assets	–	475	
Machinery and equipment	–	475	Funds shifted from goods and services will be used to fund machinery and equipment for newly appointed staff.
2. Environmental Quality and Protection	(6 884)	6 884	
Current payments	(6 884)	6 000	
Compensation of employees	–	6 000	Funds shifted from goods and services will be used for the environmental impact assessment consultant allocation was translated to compensation of employees.
Goods and services	(6 884)	–	R6 million allocated to consultants was shifted to compensation of employees because departmental staff will do the work. R500 000 was reclassified to non-profit institutions. R384 000 was reclassified to machinery and equipment.
Transfers and Subsidies	–	500	
Non-profit institutions	–	500	Funds shifted from goods and services will be used for a contribution to the National Association for Clean Air.
Payments for capital assets	–	384	
Machinery and equipment	–	384	Funds shifted from goods and services to fund the machinery and equipment for newly appointed staff
3. Marine and Coastal Management	(19 782)	26 882	
Current payments	(19 782)	25 400	
Compensation of employees	–	25 400	Funds shifted from goods and services (R19.5 million) and departmental agencies and accounts (R800 000) in this programme, from goods and services in programme 4 (R600 000) and from compensation of employees (R4.5 million) in programme 6 will be used for upgrading posts from level 1-3 to level 4.
Goods and services	(19 782)	–	R19.5 million, a once-off payment from the Department of Public Works, linked to the construction of the Marion Island base, for managing and maintaining the Antarctic supply vessel was reclassified to compensation of employees. R282 000 was reclassified to machinery and equipment.
Transfers and Subsidies	–	1 200	
Departmental agencies and accounts	–	1 200	R2 million shifted from programme 5 will be used for a community conference. R800 000 was reclassified to compensation of employees.
Payments for capital assets	–	282	
Machinery and equipment	–	282	Funds shifted from goods and services will be used for the Antarctic and island support services.
4. Tourism	(18 150)	10 350	
Current payments	(18 150)	3 000	
Compensation of employees	–	3 000	Funds shifted from goods and services will be used for tourism development.
Goods and services	(18 150)	–	R6.1 million has been reclassified to departmental agencies and accounts and R800 000 to non-profit institutions. Savings of R11.25 million due to the cancellation of various tourism research projects have been shifted to goods and services in programme 1 and 3.
Transfers and Subsidies	–	7 350	
Departmental agencies and accounts	–	6 550	Funds shifted from goods and services will be transferred to SA Tourism for operational expenditure for the BEE Charter Council (R3 million), Tourism Month activities in Eastern Cape (R1.2 million), a tourism conference (R1.9 million), and transfrontier conservation (R450 000).
Non-profit institutions	–	800	Funds shifted from goods and services will be used for the Hospitality Investment Conference Africa 2007 (R500 000) and the Federated Hospitality Association for South Africa (R300 000).

Table 26.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
5. Biodiversity and Conservation	(13 325)	6 775	
Current payments	(13 325)	-	
Goods and services	(13 325)	-	Savings due to the reclassification of funds and the postponement of projects have been shifted to departmental agencies and accounts in this programme (R5.861 million), departmental agencies and accounts in programme 4 (R450 000) and programme 6 (R2.5 million), and to universities and technikons (R300 000), non-profit institutions (R404 000) and machinery and equipment (R210 000) in this programme. R2 million was reclassified to departmental agencies and accounts in programme 3 and R1.6 million to goods and services in programme 1.
Transfers and Subsidies	-	6 565	
Departmental agencies and accounts	-	5 861	Funds reclassified from goods and services will be transferred to iSimanagaliso Wetland Park Authority for marketing the Lebombo Route (R120 000), to SANBI for elephant research (R1 million) and to Blyde National Park (R4.741 million).
Universities and technikons	-	300	Funds shifted from goods and services will be transferred to the Nelson Mandela Metro University for a biology conference.
Non-profit institutions	-	404	Funds shifted from goods and services will be transferred to the Botanical Society for the development of a framework of environmental management instruments.
Payments for capital assets	-	210	
Machinery and equipment	-	210	Funds shifted from goods and services will be used for machinery and equipment for newly appointed staff.
6. Sector Services and International Relations	(29 546)	26 046	
Current payments	(4 200)	21 149	
Compensation of employees	(4 200)	-	Saving due to vacant posts not filled have been transferred to compensation of employees in programme 3.
Goods and services	-	21 149	R25.346 million reclassified from households will be used for consultants for feasibility studies for the expanded public works programme. R1.003 million has been reclassified to departmental agencies and accounts and R1.394 million to machinery and equipment. Savings of R1.8 million on projects that started later than anticipated have been shifted to compensation of employees (R300 000) in programme 3 and goods and services (R1.5 million) in programme 1.
Transfers and Subsidies	(25 346)	3 503	
Departmental agencies and accounts	-	3 503	R1.003 million reclassified from goods and services in this programme will be transferred to the CSIR for support of the Earth Observation Service Centre. R2.5 million reclassified from goods and services in programme 5 will be transferred to SANBI to buy land at Nieuwoudsville.
Households	(25 346)	-	Funds have been reclassified to goods and services.
Payments for capital assets	-	1 394	
Machinery and equipment	-	1 394	Funds shifted from goods and services in this programme will be used for machinery and equipment for newly appointed staff.
Total for Vote	(87 687)	87 687	

Other adjustments – (R250 000)**Shifting of funds between votes**

Programme 1: Administration

R250 000 will be transferred to Government Communication and Information System for the mass communications campaign on second economy interventions.

Expenditure 2006/07 and preliminary expenditure 2007/08**Table 26.3: Expenditure trends**

Programme	2006/07				2007/08		
	Adjusted appropriation	Expenditure outcome			Preliminary expenditure		
		Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
R thousand							
1. Administration	202 862	104 875	212 306	104.7	167 284	92 929	(11.4)
2. Environmental Quality and Protection	214 801	88 407	199 232	92.8	245 977	130 990	48.2
3. Marine and Coastal Management	303 119	182 680	324 048	106.9	340 945	205 692	12.6
4. Tourism	556 754	390 003	547 248	98.3	616 314	368 787	(5.4)
5. Biodiversity and Conservation	336 608	167 123	329 279	97.8	362 990	213 402	27.7
6. Sector Services and International Relations	447 660	309 900	447 551	100.0	1 057 011	559 660	80.6
Total	2 061 804	1 242 988	2 059 664	99.9	2 790 521	1 571 460	26.4

Table 26.3: Expenditure trends (continued)

R thousand	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
Current payments	560 093	261 702	543 802	97.1	672 879	318 298	21.6
Compensation of employees	265 352	122 039	262 506	98.9	344 312	169 563	38.9
Goods and services	294 741	139 604	281 093	95.4	328 567	148 674	6.5
Financial transactions in assets and liabilities	–	59	203	–	–	61	3.4
Transfers and subsidies	1 484 869	969 807	1 505 963	101.4	2 111 221	1 246 277	28.5
Provinces and municipalities	159	158	160	100.6	–	–	(100.0)
Departmental agencies and accounts	1 037 176	678 595	1 042 176	100.5	1 380 963	756 828	11.5
Universities and technikons	–	–	–	–	300	–	(100.0)
Foreign governments and international organisations	4 500	–	12 421	276.0	–	–	(100.0)
Non-profit institutions	43 800	–	44 622	101.9	88 054	85 750	(100.0)
Households	399 234	291 054	406 584	101.8	641 904	403 699	38.7
Payments for capital assets	16 842	11 479	9 899	58.8	6 421	6 885	(40.0)
Buildings and other fixed structures	–	6 511	–	–	–	–	(100.0)
Machinery and equipment	16 552	3 850	7 036	42.5	6 116	6 759	75.6
Software and other intangible assets	290	1 118	2 863	987.2	305	126	(88.7)
Total	2 061 804	1 242 988	2 059 664	99.9	2 790 521	1 571 460	26.4

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R1.571 billion or 56.3 per cent of the adjusted appropriation of R2.79 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 26.4 per cent compared to the first six months of 2006/07.

The increase compared to 2006/07 is mainly related to higher expenditure on expanded public works projects.

Expenditure in 2006/07 was 99.9 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 26.4: Summary of changes to transfers and subsidies per programme

R thousand	Main appropriation	2007/08				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
2. Environmental Quality and Protection	140 712	–	–	500	–	500	141 212
Non-profit institutions							
Current	20 600	–	–	500	–	500	21 100
National Associations for Clean Air	–	–	–	500	–	500	500

Table 26.4: Summary of changes to transfers and subsidies per programme (continued)

R thousand	2007/08					Adjusted appropriation
	Main appropriation	Additional appropriation			Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	
3. Marine and Coastal Management	146 612	-	-	1 200	-	147 812
Departmental agencies and accounts						
Departmental agencies (non-business entities)						
Current	126 612	-	-	1 200	-	127 812
Marine Living Resources Fund	126 612	-	-	1 200	-	127 812
Departmental agencies and accounts						
Departmental agencies (non-business entities)						
Current	510 446	-	-	6 550	-	516 996
South African Tourism	510 446	-	-	6 550	-	516 996
Non-profit institutions						
Current	65 750	-	-	800	-	66 550
Federated Hospitality Association of Southern Africa (FEDHASA)	-	-	-	300	-	300
Tourism Business Council	-	-	-	500	-	500
Departmental agencies and accounts						
Departmental agencies (non-business entities)						
Current	256 101	-	-	5 861	-	261 962
iSimangaliso Wetland Park Authority	18 049	-	-	120	-	18 169
South African National Biodiversity Institute	109 696	-	-	1 000	-	110 696
Blyde National Park	-	-	-	4 741	-	4 741
Universities and technikons						
Current	-	-	-	300	-	300
Nelson Mandela Metro University	-	-	-	300	-	300
Non-profit institutions						
Current	-	-	-	404	-	404
Botanical Society	-	-	-	404	-	404
Departmental agencies and accounts						
Departmental agencies (non-business entities)						
Current	497	-	-	1 003	-	1 500
Council for Scientific and Industrial Research	497	-	-	1 003	-	1 500
Capital	266 981	-	-	2 500	-	269 481
South African National Biodiversity Institute	10 000	-	-	2 500	-	12 500
Households						
Social benefits						
Current	497 250	170 000	-	(25 346)	-	641 904
Expanded Public Works Programme	497 250	170 000	-	(25 346)	-	641 904

Vote 27

Housing

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	8 877 608	8 982 358	–	104 750
<i>of which:</i>				
Current payments	393 596	377 175	(16 421)	–
Transfers and subsidies	8 477 441	8 601 112	–	123 671
Payments for capital assets	6 571	4 071	(2 500)	–
Executive authority	Minister of Housing			
Accounting officer	Director-General of Housing			

Aim

The aim of the Department of Housing is to determine, finance, promote, co-ordinate, communicate and monitor the implementation of policy for housing and human settlements.

Adjusted Estimates of National Expenditure 2007

Table 27.1: Adjusted estimates

Programme		2007/08					
R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	116 419	–	–	6 000	–	6 000	122 419
2. Housing Policy Research and Planning	89 979	–	–	(12 000)	–	(12 000)	77 979
3. Housing Implementation Support	147 926	–	–	(3 750)	(250)	(4 000)	143 926
4. Housing Development Finance	8 523 284	–	105 000	9 750	–	114 750	8 638 034
Total	8 877 608	–	105 000	–	(250)	104 750	8 982 358
Economic classification							
Current payments	393 596	–	–	(16 171)	(250)	(16 421)	377 175
Compensation of employees	107 973	–	–	1 000	–	1 000	108 973
Goods and services	285 623	–	–	(17 171)	(250)	(17 421)	268 202
Transfers and subsidies	8 477 441	–	105 000	18 671	–	123 671	8 601 112
Provinces and municipalities	8 237 946	–	105 000	–	–	105 000	8 342 946
Departmental agencies and accounts	239 416	–	–	17 750	–	17 750	257 166
Foreign governments and international organisations	79	–	–	921	–	921	1 000
Payments for capital assets	6 571	–	–	(2 500)	–	(2 500)	4 071
Machinery and equipment	6 458	–	–	(2 500)	–	(2 500)	3 958
Software and other intangible assets	113	–	–	–	–	–	113
Total	8 877 608	–	105 000	–	(250)	104 750	8 982 358

Details of adjustments to Estimates of National Expenditure 2007

Unforeseeable and unavoidable expenditure – R105 million

Programme 4: Housing Development Finance

R105 million has been allocated for emergency housing in the North West province.

Virements

Table 27.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(1 000)	7 000	
Current payments		7 000	
Compensation of employees	–	6 000	Funds shifted from compensation of employees in programmes 2, 3 and 4 (R2 million each) will be used for pensionable service costs in the government employees pension fund for former non-statutory forces members.
Goods and services	–	1 000	Funds shifted from machinery and equipment will be used to refurbish the office building.
Payments for capital assets	(1 000)	–	
Machinery and equipment	(1 000)	–	Savings from funds for replacing ministerial vehicles, which were bought in 2005/06, have been shifted to goods and services.
2. Housing Policy Research and Planning	(12 921)	921	
Current payments	(11 421)	–	
Compensation of employees	(2 000)	–	Savings due to vacancies at various levels have been shifted to compensation of employees in programme 1.
Goods and services	(9 421)	–	R10 million was reprioritised and shifted to departmental agencies and accounts in programme 4. R921 000 was reprioritised and shifted to foreign governments and international organizations in this programme. R1.5 million shifted from capital equipment will be used for computer equipment and furniture.
Transfers and Subsidies	–	921	
Foreign governments and international organisations	–	921	Funds shifted from machinery and equipment will be used to increase the UNHABITAT contribution in line with the new scale for contributions.
Payments for capital assets	(1 500)	–	
Machinery and equipment	(1 500)	–	Incorrectly classified funds were shifted to goods and services.
3. Housing Implementation Support	(3 750)	–	
Current payments	(3 750)	–	
Compensation of employees	(1 000)	–	Savings of R2 million due to vacancies at various levels have been shifted to compensation of employees in programme 1. R1 million has been shifted from departmental agencies and accounts in programme 4 because the People's Housing Partnership trust was disestablished and its functions absorbed by the department.
Goods and services	(2 750)	–	R7 million was reprioritised and shifted to departmental agencies and accounts in programme 4. R4.25 million was shifted from departmental agencies and accounts in programme 4 and will be used for operating costs for the People's Housing Partnership trust, which was disestablished and its functions absorbed by the department.
4. Housing Development Finance	(8 000)	17 750	
Current payments	(8 000)	–	
Compensation of employees	(2 000)	–	Savings due to vacancies at various levels have been shifted to compensation of employees in programme 1.
Goods and services	(6 000)	–	R6 million was reprioritised and shifted to departmental agencies and accounts.
Transfers and Subsidies	–	17 750	
Departmental agencies and accounts	–	17 750	R23 million shifted from goods and services in programmes 2, 3 and 4 will be used for operational expenditure for Thubelisha Homes. R5.25 million was shifted to goods and services in programme 3 as the People's Housing Partnership trust was disestablished and functions absorbed by the department. Funds will be utilized to fund the function within the department.
Total for Vote	(25 671)	25 671	

Other adjustments – (R250 000)

Shifting of funds between votes

Programme 3: Housing Implementation Support

R250 000 will be transferred to Government Communication and Information System for the mass communications campaign on second economy interventions.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 27.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	117 391	49 456	112 695	96.0	122 419	47 803	(3.3)
2. Housing Policy Research and Planning	75 761	13 024	70 434	93.0	77 979	13 214	1.5
3. Housing Implementation Support	73 154	14 973	70 227	96.0	143 926	25 446	69.9
4. Housing Development Finance	7 067 420	3 417 276	6 912 606	97.8	8 638 034	3 728 284	9.1
Total	7 333 726	3 494 729	7 165 962	97.7	8 982 358	3 814 747	9.2
Current payments	273 959	78 891	254 068	92.7	377 175	99 923	26.7
Compensation of employees	80 408	36 615	76 475	95.1	108 973	43 905	19.9
Goods and services	193 508	42 276	177 550	91.8	268 202	56 018	32.5
Financial transactions in assets and liabilities	43	–	43	100.0	–	–	(100.0)
Transfers and subsidies	7 052 318	3 414 925	6 907 689	97.9	8 601 112	3 713 221	8.7
Provinces and municipalities	6 822 367	3 362 434	6 677 860	97.9	8 342 946	3 671 655	9.2
Departmental agencies and accounts	229 439	52 207	229 437	100.0	257 166	41 367	(20.8)
Foreign governments and international organisations	73	151	73	100.0	1 000	–	(100.0)
Non-profit institutions	80	–	74	92.5	–	–	(100.0)
Households	359	133	245	68.2	–	199	49.6
Payments for capital assets	7 449	913	4 205	56.5	4 071	1 603	75.6
Machinery and equipment	7 194	831	3 952	54.9	3 958	1 589	91.2
Software and other intangible assets	255	82	253	99.2	113	14	(82.9)
Total	7 333 726	3 494 729	7 165 962	97.7	8 982 358	3 814 747	9.2

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R3.815 million or 42.5 per cent of the adjusted appropriation of R8.982 million for the year as a whole. Expenditure in the first six months of 2007/08 increased by 9.2 per cent compared to the first six months of 2006/07.

The main increases compared to 2006/07 are related to the implementation of the department's new organisational structure, aimed at providing increased implementation and capacity support to provinces and municipalities, and transfers made on the integrated housing and human settlement development grant in programme 4, where funds are transferred according to the housing projects' life cycle as planned by provinces.

Expenditure in 2006/07 was 97.7 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies and conditional grants

Table 27.4: Summary of changes to transfers and subsidies per programme

R thousand	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
2. Housing Policy Research and Planning	79	–	–	921	–	921	1 000
Foreign governments and international organisations							
Current	79	–	–	921	–	921	1 000
Habitat Foundation	79	–	–	921	–	921	1 000
4. Housing Development Finance	8 477 362	–	105 000	17 750	–	122 750	8 600 112
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Capital	8 237 946	–	105 000	–	–	105 000	8 342 946
Integrated Housing and Human Settlement Development Grant	8 237 946	–	105 000	–	–	105 000	8 342 946
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	239 416	–	–	17 750	–	17 750	257 166
People's Housing Partnership Trust	5 250	–	–	(5 250)	–	(5 250)	–
Thubelisha Homes	12 000	–	–	23 000	–	23 000	35 000

Table 27.5: Summary of changes to conditional grants: Provinces¹

R thousand	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
4. Housing Development Finance							
Intregated Housing and Human Settlement Development Grant	8 237 946	–	105 000	–	–	105 000	8 342 946

¹ Main appropriation detail provided in the Division of Revenue Act, 2007

Vote 28

Land Affairs

R thousand	2007/08			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	5 678 519	5 928 269	–	249 750
<i>of which:</i>				
Current payments	1 265 561	1 244 408	(21 153)	–
Transfers and subsidies	4 014 373	3 763 982	(250 391)	–
Payments for capital assets	398 585	919 879	–	521 294
Executive authority	Minister of Agriculture and Land Affairs			
Accounting officer	Director-General of Land Affairs			

Aim

The aim of the Department of Land Affairs is create and maintain an equitable and sustainable land dispensation that results in social and economic development for all South Africans.

Adjusted Estimates of National Expenditure 2007

Table 28.1: Adjusted estimates

Programme	2007/08						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	410 730	–	–	23 240	(250)	22 990	433 720
2. Surveys and Mapping	100 311	–	–	5 310	–	5 310	105 621
3. Cadastral Surveys	100 354	–	–	40 998	–	40 998	141 352
4. Restitution	3 327 095	–	250 000	–	–	250 000	3 577 095
5. Land Reform	1 696 680	–	–	(60 998)	–	(60 998)	1 635 682
6. Spatial Planning and Information	30 756	–	–	(8 550)	–	(8 550)	22 206
7. Auxiliary and Associated Services	12 593	–	–	–	–	–	12 593
Total	5 678 519	–	250 000	–	(250)	249 750	5 928 269
Economic classification							
Current payments	1 265 561	–	–	(20 903)	(250)	(21 153)	1 244 408
Compensation of employees	671 863	–	–	(97 455)	–	(97 455)	574 408
Goods and services	593 698	–	–	76 552	(250)	76 302	670 000
Transfers and subsidies	4 014 373	–	250 000	(500 391)	–	(250 391)	3 763 982
Provinces and municipalities	–	–	–	54	–	54	54
Departmental agencies and accounts	2 353	–	–	–	–	–	2 353
Public corporations and private enterprises	44	–	–	–	–	–	44
Foreign governments and international organisations	1 100	–	–	–	–	–	1 100
Non-profit institutions	2 000	–	–	(2 000)	–	(2 000)	–
Households	4 008 876	–	250 000	(498 445)	–	(248 445)	3 760 431
Payments for capital assets	398 585	–	–	521 294	–	521 294	919 879
Buildings and other fixed structures	172	–	–	(172)	–	(172)	–
Machinery and equipment	43 151	–	–	6 680	–	6 680	49 831
Software and other intangible assets	18 209	–	–	2 777	–	2 777	20 986
Land and subsoil assets	337 053	–	–	512 009	–	512 009	849 062
Total	5 678 519	–	250 000	–	(250)	249 750	5 928 269

Details of adjustments to Estimates of National Expenditure 2007

Unforeseen and unavoidable expenditure – R250 million

Programme 4: Restitution

R250 million has been allocated to settle the Richtersveld land claim.

Virements

Table 28.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(17 380)	40 620	
Current payments	(17 380)	31 251	
Compensation of employees	(17 380)	–	Savings due to the high vacancy rate of 24.9%, mainly because of an inability to attract the required scarce skills, have been shifted to goods and services (R8.011 million), province and municipalities (R34 000), households (R6.329 million), machinery and equipment (R784 000) and software and intangible assets (R2.222 million).
Goods and services	–	31 251	Funds shifted from compensation of employees in this programme (R8.011 million), in programme 5 (R20 million) and in programme 6 (R3.24 million) will be used for ICT services.
Transfers and Subsidies	–	6 363	
Provinces and municipalities	–	34	Funds shifted from compensation of employees will be used for vehicle licensing fees.
Households	–	6 329	Funds shifted from compensation of employees will be used for higher than expected bursaries expenditure, and severance packages as well as accrued leave.
Payments for capital assets	–	3 006	
Machinery and equipment	–	784	Funds shifted from compensation of employees will be used for rising computer equipment costs.
Software and other intangible assets	–	2 222	Funds shifted from compensation of employees will be used for higher than expected costs of Oracle software.
2. Surveys and Mapping	(15)	5 325	
Current payments	–	4 959	
Goods and services	–	4 959	Funds shifted from compensation of employees in programme 6 will be used to upgrade server rooms and expand mass storage.
Payments for capital assets	(15)	366	
Machinery and equipment	–	366	Funds shifted from compensation of employees in programme 6 will be used for the capital portion of upgrading server rooms and expanding mass storage.
Software and other intangible assets	(15)	–	Savings have been shifted to machinery and equipment.
3. Cadastral Surveys	(172)	41 170	
Current payments	–	40 369	
Compensation of employees	–	6 752	Savings of R9.673 million due to an inability to attract scarce skills have been shifted to goods and services. R16.425 million has been shifted from compensation of employees in programme 5 and will be used for the state land audit for land reform.
Goods and services	–	33 617	R9.673 million shifted from compensation of employees in this programme and R24.42 million from goods and services in programme 5 will be used for the state land audit for land reform.
Transfers and Subsidies	–	1	
Provinces and municipalities	–	1	Funds shifted from compensation of employees will be used for vehicle licensing fees.
Payments for capital assets	(172)	800	
Buildings and other fixed structures	(172)	–	Incorrectly classified funds have been shifted to machinery and equipment.
Machinery and equipment	–	800	R475 000 shifted from compensation of employees will be used for rising computer equipment costs. R172 000 incorrectly allocated was shifted from buildings and other fixed structures. R153 000 shifted from machinery and equipment in programme 5 will be us

Table 28.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
4. Restitution	(29 573)	29 573	
Current payments	(29 573)	25 227	
Compensation of employees	(29 573)	–	Savings have been shifted to goods and services (R25.227 million), machinery and equipment (R2.11 million) and land and subsoil assets (R2.235 million).
Goods and services	–	25 227	Funds from compensation of employees will be used for additional resources for additional staff.
Transfers and Subsidies	–	1	
Provinces and municipalities	–	1	Funds shifted from compensation of employees will be used for vehicle licensing fees.
Payments for capital assets	–	4 345	
Machinery and equipment	–	2 110	Funds shifted from compensation of employees will be used for computer equipment, office equipment and office furniture for new staff.
Land and subsoil assets	–	2 235	Funds shifted from compensation of employees will be used for the last payment for the proactive land acquisition strategy (PLAS) initiative.
5. Land Reform	(573 910)	512 912	
Current payments	(69 136)	–	
Compensation of employees	(43 038)	–	Savings due to a delay in finalising a new structure have been shifted to goods and services in programme 1 (R20 million), compensation of employees in programme 3 (R16.425 million), and land and subsoil assets (R5 million) and machinery and equipment (R1
Goods and services	(26 098)	–	Savings have been shifted to goods and services (R24.42 million) and machinery and equipment (R784 000) in programme 3 and to software and other intangible assets (570 000) and provinces and municipalities (R18 000) in this programme.
Transfers and Subsidies	(504 774)	18	
Provinces and municipalities	–	18	Funds shifted from goods and services will be used for vehicle licensing fees.
Households	(504 774)	–	50% of funds have been reprioritised for fast-tracking land acquisition through the proactive land acquisition strategy (PLAS) initiative and shifted to land and subsoil assets.
Payments for capital assets	–	512 894	
Machinery and equipment	–	2 550	Shifted funds will be used for the increasing costs of office and computer equipment.
Software and other intangible assets	–	570	Shifted funds will be used for buying software.
Land and subsoil assets	–	509 774	Reprioritised funds from compensation of employees (R5 million) and households (R504.774 million) will be used to fast-track land acquisition through the proactive land acquisition strategy (PLAS) initiative.
6. Spatial Planning and Information	(16 216)	7 666	
Current payments	(14 216)	7 596	
Compensation of employees	(14 216)	–	Savings due to the high vacancy rate of 24.9%, mainly because of an inability to attract the required scarce skills, have been shifted to goods and services (R4.959 million) and machinery and equipment (R351 000) in programme 2, goods and services in prog
Goods and services	–	7 596	R5.596 million shifted from compensation of employees and R2 million from non-profit institutions will be used for additional resources for additional staff.
Transfers and Subsidies	(2 000)	–	
Non-profit institutions	(2 000)	–	Savings arose because the registration of South African Council of Planners will not be finalised in the current financial year. The funds were shifted to goods and services.
Payments for capital assets	–	70	
Machinery and equipment	–	70	Funds shifted from compensation of employees will be used for rising computer equipment costs.
Total for Vote	(637 266)	637 266	

Other adjustments – (R250 000)**Shifting of funds between votes**

Programme 1: Administration

R250 000 has been shifted to Government Communication and Information System for the mass communications campaign on second economy interventions.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 28.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	368 787	142 801	336 325	91.2	433 720	164 584	15.3
2. Surveys and Mapping	79 155	27 365	71 912	90.8	105 621	28 219	3.1
3. Cadastral Surveys	92 283	39 958	90 197	97.7	141 352	56 652	41.8
4. Restitution	2 247 132	686 346	2 338 366	104.1	3 577 095	1 976 254	187.9
5. Land Reform	907 289	286 585	854 071	94.1	1 635 682	544 316	89.9
6. Spatial Planning and Information	22 586	7 799	21 028	93.1	22 206	7 368	(5.5)
7. Auxiliary and Associated Services	12 964	1 074	13 652	105.3	12 593	2 876	167.8
Total	3 730 196	1 191 928	3 725 551	99.9	5 928 269	2 780 269	133.3
Current payments	984 731	373 540	868 499	88.2	1 244 408	467 001	25.0
Compensation of employees	460 136	191 762	406 123	88.3	574 408	222 355	16.0
Goods and services	524 595	181 239	460 765	87.8	670 000	244 080	34.7
Financial transactions in assets and liabilities	–	539	1 611	–	–	566	5.0
Transfers and subsidies	2 570 985	803 699	2 465 384	95.9	3 763 982	2 010 241	150.1
Provinces and municipalities	8 485	8 272	8 281	97.6	54	56	(99.3)
Departmental agencies and accounts	2 244	1 750	2 230	99.4	2 353	1 718	(1.8)
Public corporations and private enterprises	40	–	42	105.0	44	–	(100.0)
Foreign governments and international organisations	2 019	–	–	–	1 100	–	(100.0)
Non-profit institutions	1 000	–	–	–	–	–	(100.0)
Households	2 557 197	793 677	2 454 831	96.0	3 760 431	2 008 467	153.1
Payments for capital assets	174 480	14 689	391 668	224.5	919 879	303 027	1 963.0
Buildings and other fixed structures	75	–	–	–	–	–	(100.0)
Machinery and equipment	52 123	13 533	48 699	93.4	49 831	10 226	(24.4)
Software and other intangible assets	5 282	1 156	3 227	61.1	20 986	388	(66.4)
Land and subsoil assets	117 000	–	339 742	290.4	849 062	292 413	(100.0)
Total	3 730 196	1 191 928	3 725 551	99.9	5 928 269	2 780 269	133.3

Selected expenditure trends for the first half of 2007/07

Expenditure in the first six months of 2007/08 was R2.78 billion, or 46.9 per cent of the adjusted appropriation of R5.928 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 133.3 per cent compared to the first six months of 2006/07.

The main increases compared to 2006/07 are related to settling claims, households, and acquiring land through the proactive land acquisition strategy (PLAS). In the first six months of 2007/08, spending in the Restitution programme was R1.1 billion, or 55.2 per cent of the adjusted appropriation of R3.6 billion. Spending in the Land Reform programme was R544.3 million, or 33.3 per cent of the adjusted appropriation of R1.6 billion.

Expenditure in 2006/07 was 99.9 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 28.4: Summary of changes to transfers and subsidies per programme

R thousand	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	628	-	-	6 363	-	6 363	6 991
Provinces and municipalities							
Municipalities							
Municipalities							
Current	-	-	-	34	-	34	34
Regional Services Council levies	-	-	-	34	-	34	34
Households							
Social benefits							
Current	85	-	-	(51)	-	(51)	34
Leave Gratuity	85	-	-	(51)	-	(51)	34
Other transfers							
Current	500	-	-	6 380	-	6 380	6 880
Employer Social Benefit	500	-	-	6 380	-	6 380	6 880
3. Cadastral Surveys	80	-	-	1	-	1	81
Provinces and municipalities							
Municipalities							
Municipalities							
Current	-	-	-	1	-	1	1
Regional Services Council levies	-	-	-	1	-	1	1
4. Restitution	2 996 764	-	250 000	1	-	250 001	3 246 765
Provinces and municipalities							
Municipalities							
Municipalities							
Current	-	-	-	1	-	1	1
Regional Services Council levies	-	-	-	1	-	1	1
Households							
Other transfers							
Capital	2 996 764	-	250 000	-	-	250 000	3 246 764
Restitution Grants	2 996 764	-	250 000	-	-	250 000	3 246 764
5. Land Reform	1 011 900	-	-	(504 756)	-	(504 756)	507 144
Provinces and municipalities							
Municipalities							
Municipalities							
Current	-	-	-	18	-	18	18
Regional Services Council levies	-	-	-	18	-	18	18
Households							
Other transfers							
Capital	1 009 548	-	-	(504 774)	-	(504 774)	504 774
Land Reform Grants	1 009 548	-	-	(504 774)	-	(504 774)	504 774
6. Spatial Planning and Information	2 000	-	-	(2 000)	-	(2 000)	-
Non-profit institutions							
Current	2 000	-	-	(2 000)	-	(2 000)	-
South African Council for Planners	2 000	-	-	(2 000)	-	(2 000)	-

Vote 29

Minerals and Energy

R thousand	2007/08			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	2 966 113	2 974 937	–	8 824
<i>of which:</i>				
Current payments	574 130	582 271	–	8 141
Transfers and subsidies	2 382 824	2 383 507	–	683
Payments for capital assets	9 159	9 159	–	–
Executive authority	Minister of Minerals and Energy			
Accounting officer	Director-General of Minerals and Energy			

Aim

The aim of the Department of Minerals and Energy is to formulate and implement an overall minerals and energy policy to ensure the optimum use of minerals and energy resources.

Adjusted Estimates of National Expenditure 2007

Table 29.1: Adjusted estimates

Programme	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
R thousand		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	175 252	–	–	4 600	(250)	4 350	179 602
2. Promotion of Mine Safety and Health	124 845	–	–	(3 000)	–	(3 000)	121 845
3. Mineral Regulation	151 847	7 340	–	(2 100)	–	5 240	157 087
4. Mineral Policy and Promotion	70 140	–	–	–	–	–	70 140
5. Hydrocarbons and Energy Planning	52 600	1 734	–	(2 000)	–	(266)	52 334
6. Electricity and Nuclear	57 970	–	–	2 500	–	2 500	60 470
7. Associated Services	2 333 459	–	–	–	–	–	2 333 459
Total	2 966 113	9 074	–	–	(250)	8 824	2 974 937
Economic classification							
Current payments	574 130	8 391	–	–	(250)	8 141	582 271
Compensation of employees	323 503	–	–	(5 800)	(250)	(6 050)	317 453
Goods and services	250 627	8 391	–	5 800	–	14 191	264 818
Transfers and subsidies	2 382 824	683	–	–	–	683	2 383 507
Provinces and municipalities	467 827	–	–	–	–	–	467 827
Departmental agencies and accounts	247 721	–	–	14 427	–	14 427	262 148
Public corporations and private enterprises	1 666 111	683	–	(14 427)	–	(13 744)	1 652 367
Households	1 165	–	–	–	–	–	1 165
Payments for capital assets	9 159	–	–	–	–	–	9 159
Machinery and equipment	7 659	–	–	–	–	–	7 659
Software and other intangible assets	1 500	–	–	–	–	–	1 500
Total	2 966 113	9 074	–	–	(250)	8 824	2 974 937

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R9.074 million

Programme 3: Mineral Regulation

R7.34 million has been rolled over for tender payments for rehabilitation projects and mine environmental management projects.

Programme 5: Hydrocarbons and Energy Planning

R1.051 million has been rolled over for projects investigating fuel and gas retail margins and fuel price smoothing techniques.

Programme 5: Hydrocarbons and Energy Planning

R683 000 has been rolled over for finalising the subsidised renewable energy project, Bethlehem Hydro.

Virements

Table 29.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(1 000)	5 600	
Current payments	(1 000)	5 600	
Compensation of employees	(1 000)	–	– Savings due to the number of existing vacancies and high staff turnover have been shifted to goods and services.
Goods and services	–	5 600	Funds shifted from compensation of employees in programmes 1 (R1 million), 2 (R500 000), 3 (R2.1 million) and 5 (R2 million) will be used for: projects for the economic empowerment of woman and the youth in the mining and energy sectors (R1.6 million), revamping the department's IT infrastructure and related maintenance (R2.2 million), higher than anticipated expenditure on inventory, operating leases and communication (R850 000), and higher than anticipated subsistence and travelling expenditure on foreign visits (R950 000).
2. Promotion of Mine Safety and Health	(3 000)	–	
Current payments	(3 000)	–	
Compensation of employees	(3 000)	–	– Savings due to the number of existing vacancies and high staff turnover have been shifted to goods and services in programme 1 (R500 000) and compensation of employees in programme 6 (R2.5 million).
3. Mineral Regulation	(2 100)	–	
Current payments	(2 100)	–	
Compensation of employees	(2 100)	–	– Savings due to the number of existing vacancies and high staff turnover of staff have been shifted to goods and services in programme 1.
4. Mineral Policy and Promotion	(640)	640	
Current payments	(200)	200	
Compensation of employees	(200)	–	– Savings due to the number of existing vacancies and high staff turnover have been shifted to goods and services.
Goods and services	–	200	Funds shifted from compensation of employees will be used for several information sessions to promote the beneficiation of minerals.
Transfers and Subsidies	(440)	440	
Departmental agencies and accounts	(440)	–	– Savings are due to adjustments in the project plan to include the development of the social and labour plan compliance tool in the Sustainable Development through Mining project. Funds have been shifted to public corporations and private enterprises.
Public corporations and private enterprises	–	440	Funds shifted from departmental agencies and accounts will be paid to the CSIR for developing the social and labour plan compliance tool in the department's Sustainable Development through Mining project.

Table 29.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
5. Hydrocarbons and Energy Planning	(2 000)	–	
Current payments	(2 000)	–	
Compensation of employees	(2 000)	–	Savings due to the number of existing vacancies and high staff turnover have been shifted to goods and services in programme 1.
6. Electricity and Nuclear	–	2 500	
Current payments	–	2 500	
Compensation of employees	–	2 500	Funds shifted from compensation of employees in programme 2 will be used for the internship programme in the integrated national electrification programme.
7. Associated Services	(14 867)	14 867	
Transfers and Subsidies	(14 867)	14 867	
Departmental agencies and accounts	–	14 867	Funds shifted from public corporations and private enterprises will be used for the construction of the Florida Canal as part of water ingress solutions in the central basin of the Witwatersrand and for completing the Witwatersrand water ingress project.
Public corporations and private enterprises	(14 867)	–	Savings arose due to a policy change to implement prevention of water ingress strategies to reduce pumping subsidies to mines Funds have been shifted to departmental agencies and accounts.
Total for Vote	(23 607)	23 607	

Other adjustments – (R250 000)**Shifting of funds between votes**

Programme 1: Administration

R250 000 will be transferred to Government Communication and Information System for the mass communications campaign on second economy interventions.

Expenditure 2006/07 and preliminary expenditure 2007/08**Table 29.3: Expenditure trends**

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
	Adjusted	Apr 2006 -	Apr 2006 -	Apr 06 - Mar 07	Adjusted	Apr 2007 -	% change
R thousand	appropriation	Sep 2006	Mar 2007	% of adjusted	appropriation	Sep 2007	06/07 - 07/08
				appropriation			Apr - Sep
1. Administration	155 843	65 375	152 788	98.0	179 602	84 379	29.1
2. Promotion of Mine Safety and Health	108 995	48 024	105 130	96.5	121 845	53 135	10.6
3. Mineral Regulation	132 861	41 091	129 289	97.3	157 087	61 410	49.4
4. Mineral Policy and Promotion	76 555	13 478	75 323	98.4	70 140	31 126	130.9
5. Hydrocarbons and Energy Planning	50 289	18 411	40 365	80.3	52 334	20 847	13.2
6. Electricity and Nuclear	59 270	17 512	55 866	94.3	60 470	30 589	74.7
7. Associated Services	2 051 287	862 222	2 048 914	99.9	2 333 459	1 240 243	43.8
Total	2 635 100	1 066 113	2 607 675	99.0	2 974 937	1 521 729	42.7

Table 29.3: Expenditure trends (continued)

R thousand	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
Current payments	515 594	199 030	500 954	97.2	582 271	260 037	30.7
Compensation of employees	251 431	118 355	246 154	97.9	317 453	145 020	22.5
Goods and services	264 028	80 634	254 665	96.5	264 818	115 017	42.6
Financial transactions in assets and liabilities	135	41	135	100.0	–	–	(100.0)
Transfers and subsidies	2 111 583	865 108	2 099 917	99.4	2 383 507	1 260 400	45.7
Provinces and municipalities	391 524	60 776	390 903	99.8	467 827	134 378	121.1
Departmental agencies and accounts	206 187	90 184	206 187	100.0	262 148	122 265	35.6
Public corporations and private enterprises	1 511 579	713 545	1 500 494	99.3	1 652 367	1 002 477	40.5
Households	2 293	603	2 333	101.7	1 165	1 280	112.3
Payments for capital assets	7 923	1 975	6 804	85.9	9 159	1 292	(34.6)
Machinery and equipment	7 923	1 975	6 446	81.4	7 659	1 292	(34.6)
Software and other intangible assets	–	–	130	–	1 500	–	(100.0)
Land and subsoil assets	–	–	228	–	–	–	(100.0)
Total	2 635 100	1 066 113	2 607 675	99.0	2 974 937	1 521 729	42.7

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R1.522 billion or 51.2 per cent of the adjusted appropriation of R2.975 billion. Expenditure in the first six months of 2007/08 increased by 42.7 per cent compared to the first six months of 2006/07. This represents an increase of R455.616 million above expenditure during the first six months of 2006/07.

The main increases are related to transfer payments to public entities, municipalities and the integrated national electrification programme (INEP). The earlier signing of INEP agreements resulted in earlier payments to municipalities and Eskom for the implementation of electrification projects. Transfer payments to municipalities increased by R73.602 million and payments to Eskom by R175 million. New transfer payments of R20 million to the South African Diamond and Precious Metals Regulator also contributed to the increase.

Expenditure in 2006/07 was 99 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 29.4: Summary of changes to transfers and subsidies per programme

R thousand	Main appropriation	2007/08 Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
4. Mineral Policy and Promotion	38 379	–	–	–	–	38 379	
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	31 329	–	–	(440)	–	30 889	
Council for Geoscience (Mine environmental research and development)	8 440	–	–	(440)	–	8 000	
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	7 050	–	–	440	440	7 490	
Council for Science and Industrial Research (CSIR) - (Mine environmental research and development)	3 335	–	–	465	465	3 800	
Council for Mineral Technology Research - (Mine environmental research and development)	3 715	–	–	(25)	(25)	3 690	

Table 29.4: Summary of changes to transfers and subsidies per programme (continued)

R thousand	2007/08						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
5. Hydrocarbons and Energy Planning	5 147	683	-	-	-	683	5 830
Public corporations and private enterprises							
Private enterprises							
Subsidies on products and production							
Current	5 147	683	-	-	-	683	5 830
Renewable Energy Subsidy Scheme	5 147	683	-	-	-	683	5 830
7. Associated Services	2 333 459	-	-	-	-	-	2 333 459
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	200 399	-	-	14 867	-	14 867	215 266
Council for Geoscience	97 447	-	-	14 867	-	14 867	112 314
Public corporations and private enterprises							
Private enterprises							
Subsidies on products and production							
Current	151 777	-	-	(14 867)	-	(14 867)	136 910
Assistance to Mines	39 006	-	-	(14 867)	-	(14 867)	24 139

Vote 30

Public Enterprises

2007/08					
R thousand	Main appropriation	Special adjustments appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	1 063 966	2 090 273	4 605 089	–	1 450 850
<i>of which:</i>					
Current payments	129 421		128 616	(805)	–
Transfers and subsidies	933 620	2 090 273	4 474 993	–	1 451 100
Payments for capital assets	925		1 480	–	555
Executive authority	Minister of Public Enterprises				
Accounting officer	Director-General of Public Enterprises				

Aim

The aim of the Department of Public Enterprises is to provide an effective state-owned enterprises shareholder management system, and to support and promote economic efficiency and competitiveness for a better life for all South Africans.

Adjusted Estimates of National Expenditure 2007

Table 30.1: Adjusted estimates

Programme	2007/08							
	Main appropriation	Special adjustments appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable/unavoidable	Virement	Other adjustments		
R thousand								
1. Administration	59 260	–	–	–	3 685	(250)	3 435	62 695
2. Energy, Broadband Infrastructure and Mining Enterprises	10 374	44 700	–	–	(238)	28 000	27 762	82 836
3. Legal, Governance and Risk	22 676	–	–	–	(636)	–	(636)	22 040
4. Manufacturing Enterprises	946 852	2 045 573	–	–	(1 970)	678 700	676 730	3 669 155
5. Transport Enterprises	10 126	–	–	744 400	(531)	–	743 869	753 995
6. Joint Project Facility	14 678	–	–	–	(310)	–	(310)	14 368
Total	1 063 966	2 090 273	–	744 400	–	706 450	1 450 850	4 605 089
Economic classification								
Current payments	129 421				(555)	(250)	(805)	128 616
Compensation of employees	62 010	–	–	–	–	–	–	62 010
Goods and services	67 411	–	–	–	(555)	(250)	(805)	66 606
Transfers and subsidies	933 620	2 090 273			744 400	706 700	1 451 100	4 474 993
Public corporations and private enterprises	933 000	2 090 273	–	744 400	–	706 700	1 451 100	4 474 373
Households	620	–	–	–	–	–	–	620
Payments for capital assets	925				555	–	555	1 480
Machinery and equipment	925	–	–	–	555	–	555	1 480
Total	1 063 966	2 090 273	–	744 400	–	706 450	1 450 850	4 605 089

Details of adjustments to Estimates of National Expenditure 2007

Unforeseeable and unavoidable expenditure – R744.4 million

Programme 5: Transport Enterprises

R744.4 million has been allocated to South African Airways (R653 million plus R91.4 million VAT) for costs associated with restructuring of the entity.

Programme 4: Manufacturing Enterprises

In the Special Adjustments Appropriation Act (2007/08 Financial Year), 2007 (Act No 16 of 2007), R222 million was allocated to Denel (Pty) Ltd for the payment of a claim against a government guarantee granted to Denel SAAB Aerostructures.

Virements

Table 30.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(95)	3 780	
Current payments	(95)	3 198	
Compensation of employees	(95)	–	Savings due to resignations have been shifted to goods and services in this programme.
Goods and services	–	3 198	Funds shifted compensation of employees in programmes 2, 3, 4, 5 and 6 will be used for centralising maintenance and production services, training, IT, communication services for the Richtersveld settlement celebration, and stationery.
Payments for capital assets	–	582	
Machinery and equipment	–	582	Funds shifted from goods and services in programme 3 and machinery and equipment in programmes 2 and 4 will be used to buy computer equipment.
2. Energy, Broadband Infrastructure and Mining Enterprises	(507)	269	
Current payments	(492)	269	
Compensation of employees	–	269	Funds shifted from compensation of employees in programme 4 will be used for vacancies that have been filled.
Goods and services	(492)	–	Funds have been shifted to goods and services in programme 1 to centralise various services.
Payments for capital assets	(15)	–	
Machinery and equipment	(15)	–	Funds have been shifted to machinery and equipment in programme 1 to centralize buying computer equipment.
3. Legal, Governance and Risk	(917)	281	
Current payments	(917)	280	
Compensation of employees	–	280	Funds shifted from compensation of employees in programmes 4 and 5 will be used for vacancies that have been filled.
Goods and services	(917)	–	Funds have been shifted to goods and services in programme 1 to centralize various services.
Payments for capital assets	–	1	
Machinery and equipment	–	1	Funds shifted from goods and services in this programme will be used for a shortfall in this item.
4. Manufacturing Enterprises	(1 970)	–	
Current payments	(1 956)	–	
Compensation of employees	(314)	–	Savings due to resignations and the realignment of staff have been shifted to compensation of employees in programmes 2 and 3.
Goods and services	(1 642)	–	Funds have been shifted to goods and services in programme 1 to centralize various services.
Payments for capital assets	(14)	–	
Machinery and equipment	(14)	–	Funds have been shifted to machinery and equipment in programme 1 to centralize buying computer equipment.

Table 30.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
5. Transport Enterprises	(532)	1	
Current payments	(532)	–	
Compensation of employees	(440)	–	Savings due to resignations and the realignment of staff have been shifted to compensation of employees in programmes 3 and 6.
Goods and services	(92)	–	Funds have been shifted to goods and services in programme 1 to centralise various services.
Payments for capital assets	–	1	
Machinery and equipment	–	1	Funds shifted from goods and services in this programme will be used for a shortfall in this item.
6. Joint Project Facility	(610)	300	
Current payments	(610)	300	
Compensation of employees	–	300	Funds shifted from compensation of employees in programme 5 will be used for vacancies that have been filled.
Goods and services	(610)	–	Funds have been shifted to goods and services in programme 1 to centralise various services.
Total for Vote	(4 631)	4 631	

Other adjustments – R706.45 million

Amounts already announced by the Minister during the tabling of the annual Budget

Programme 2: Energy, Broadband Infrastructure and Mining Enterprises

R28 million has been allocated to Alexkor to fund retrenchment costs (estimated at R16.1 million) due to restructuring and the VAT on historical and current transfers (R11.9 million).

In the Special Adjustments Appropriation Act (2007/08 Financial Year), 2007 (Act No 16 of 2007), R44.7 million was allocated to Alexkor to cover the working capital requirements during the period prior to the establishment and capitalisation of the Pooling and Sharing Joint Venture (PSJV) which covers the period August to March 2008.

Programme 4: Manufacturing Enterprises

R678.7 million has been allocated to the Pebble Bed Modular Reactor, of which R307.699 million was for the period January to March 2008, and R371.001 million for VAT on transfers made in the second half of 2006/07 and in 2007/08.

In the Special Adjustments Appropriation Act (2007/08 Financial Year), 2007 (Act No 16 of 2007), R1.824 billion was allocated to the Pebble Bed Modular Reactor for operational expenses and existing contractual obligations.

Shifting of funds between votes

Programme 1: Administration

R250 000 will be transferred to the Government Communication and Information System for the communications campaign on second economy interventions.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 30.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	50 736	23 604	50 681	99.9	62 695	29 888	26.6
2. Energy, Broadband Infrastructure and Mining Enterprises	1 262 114	4 100	1 262 112	100.0	82 836	4 327	5.5
3. Legal, Governance and Risk	102 498	4 896	102 483	100.0	22 040	8 147	66.4
4. Manufacturing Enterprises	1 438 494	583 617	1 158 484	80.5	3 669 155	935 620	60.3
5. Transport Enterprises	4 670	2 370	4 666	99.9	753 995	2 231	(5.9)
6. Joint Project Facility	11 411	5 411	11 409	100.0	14 368	5 114	(5.5)
Total	2 869 923	623 998	2 589 835	90.2	4 605 089	985 327	57.9
Current payments	100 427	42 846	100 362	99.9	128 616	50 356	17.5
Compensation of employees	47 174	23 483	47 208	100.1	62 010	28 898	23.1
Goods and services	53 145	19 336	53 046	99.8	66 606	21 458	11.0
Financial transactions in assets and liabilities	108	27	108	100.0	-	-	(100.0)
Transfers and subsidies	2 766 752	580 043	2 486 732	89.9	4 474 993	933 541	60.9
Provinces and municipalities	46	42	42	91.3	-	2	(95.2)
Departmental agencies and accounts	3 589	-	3 589	100.0	-	-	(100.0)
Public corporations and private enterprises	2 762 517	580 000	2 482 517	89.9	4 474 373	932 999	60.9
Households	600	1	584	97.3	620	540	539.0
Payments for capital assets	2 744	1 109	2 741	99.9	1 480	1 430	28.9
Machinery and equipment	2 520	1 096	2 517	99.9	1 480	1 301	18.7
Software and other intangible assets	224	13	224	100.0	-	129	892.3
Total	2 869 923	623 998	2 589 835	90.2	4 605 089	985 327	57.9

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R985.327 million, or 21.4 per cent of the adjusted appropriation of R4.605 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 57.9 per cent compared to the first six months of 2006/07.

The increase is mainly related to transfer payments to the Pebble Bed Modular Reactor and Denel.

Expenditure in 2006/07 was 90.2 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 30.4: Summary of changes to transfers and subsidies per programme

R thousand	2007/08							Adjusted appropriation
	Main appropriation	Special adjustments appropriation	Additional appropriation				Total additional appropriation	
			Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
2. Energy, Broadband Infrastructure and Mining Enterprises	–	44 700	–	–	–	28 000	28 000	72 700
Public corporations								
Other transfers								
Current	–	44 700	–	–	–	28 000	28 000	72 700
Alexkor	–	44 700	–	–	–	28 000	28 000	72 700
4. Manufacturing Enterprises	933 000	2 045 573	–	–	–	678 700	678 700	3 657 273
Public corporations								
Other transfers								
Current	–	2 045 573	–	–	–	678 700	678 700	2 724 273
Pebble Bed Modular Reactor	–	1 823 573	–	–	–	678 700	678 700	2 502 273
5. Transport Enterprises	–	–	–	744 400	–	–	744 400	744 400
Public corporations								
Other transfers								
Current	–	–	–	744 400	–	–	744 400	744 400
South African Airways	–	–	–	744 400	–	–	744 400	744 400

Vote 31

Science and Technology

R thousand	2007/08			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	3 142 479	3 144 229	–	1 750
<i>of which:</i>				
Current payments	222 226	246 934	–	24 708
Transfers and subsidies	2 917 799	2 894 611	(23 188)	–
Payments for capital assets	2 454	2 684	–	230
Executive authority	Minister of Science and Technology			
Accounting officer	Director-General of Science and Technology			

Aim

The Department of Science and Technology seeks to realise the full potential of science and technology in social and economic development, through the development of human resources, research and innovation.

Adjusted Estimates of National Expenditure 2007

Table 31.1: Adjusted estimates

Programme	2007/08						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	85 322	–	–	29 990	(250)	29 740	115 062
2. Research, Development and Innovation	546 551	–	–	(5 250)	–	(5 250)	541 301
3. International Co-operation and Resources	118 016	–	–	(14 240)	–	(14 240)	103 776
4. Human Capital and Knowledge Systems	1 257 329	–	–	(5 250)	–	(5 250)	1 252 079
5. Socio-Economic Partnerships	1 135 261	–	–	(5 250)	2 000	(3 250)	1 132 011
Total	3 142 479	–	–	–	1 750	1 750	3 144 229
Economic classification							
Current payments	222 226	–	–	22 958	1 750	24 708	246 934
Compensation of employees	112 964	–	–	1 897	–	1 897	114 861
Goods and services	109 262	–	–	21 047	1 750	22 797	132 059
Financial transactions in assets and liabilities	–	–	–	14	–	14	14
Transfers and subsidies	2 917 799	–	–	(23 188)	–	(23 188)	2 894 611
Departmental agencies and accounts	1 624 885	–	–	(8 873)	–	(8 873)	1 616 012
Universities and technikons	10 000	–	–	5 033	–	5 033	15 033
Public corporations and private enterprises	517 352	–	–	76 182	–	76 182	593 534
Non-profit institutions	765 562	–	–	(96 176)	–	(96 176)	669 386
Households	–	–	–	646	–	646	646
Payments for capital assets	2 454	–	–	230	–	230	2 684
Machinery and equipment	2 454	–	–	230	–	230	2 684
Total	3 142 479	–	–	–	1 750	1 750	3 144 229

Virements

Table 31.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	–	29 976	
Current payments	–	27 762	
Compensation of employees	–	1 995	Funds shifted from compensation of employees and goods and services in programme 3 will be used for the strategy and planning unit which has shifted to programme 1.
Goods and services	–	25 767	Funds shifted from compensation of employees and transfers and subsidies in programmes 2, 3 and 4, and transfers and subsidies in programme 5, will be used for maintenance of the department's head office building (R21 million), events (R1 million), and for the strategy and planning unit which was shifted to programme 1 (R3.767 million).
Transfers and Subsidies	–	2 004	
Non-profit institutions	–	2 000	Funds shifted from transfers and subsidies in programme 3 will be used for transfer payments relating to institutional and programme support.
Households	–	4	Funds shifted from goods and services in this programme will be used to cover unbudgeted expenditure on gifts and donations.
Payments for capital assets	–	210	
Machinery and equipment	–	210	Funds shifted from goods and services in this programme will be used for equipment for new appointments and maintenance equipment for the head office building.
2. Research, Development and Innovation	(24 643)	19 393	
Current payments	–	3 699	
Compensation of employees	–	3 391	Funds shifted from transfers and subsidies in this programme will be used for new additional posts.
Goods and services	–	308	Funds shifted from transfers and subsidies in this programme will be used for costs related to new additional posts.
Transfers and Subsidies	(24 643)	15 694	
Departmental agencies and accounts	–	10 066	Incorrectly classified funds have been shifted from non-profit institutions
Universities and technikons	–	1 814	Incorrectly classified funds have been shifted from non-profit institutions.
Public corporations and private enterprises	–	3 795	Incorrectly classified funds have been shifted from non-profit institutions.
Non-profit institutions	(24 643)	–	Incorrectly classified funds have been shifted to compensation of employees, goods and services, departmental agencies and accounts, universities and technikons, and public corporations and private enterprises in this programme, and to goods and services in programme 1.
Households	–	19	Funds shifted from goods and services will be used to cover gifts and donations.
3. International Co-operation and Resources	(32 508)	18 268	
Current payments	(6 805)	–	
Compensation of employees	(1 489)	–	Savings due to the shift of the strategy and planning unit have been shifted to compensation of employees in programme 1.
Goods and services	(5 316)	–	Savings due to incorrectly classified funds and the shift of the strategy and planning unit have been shifted to goods and services in programme 1.
Transfers and Subsidies	(25 703)	18 248	
Departmental agencies and accounts	–	286	Incorrectly classified funds have been shifted from non-profit institutions.
Universities and technikons	–	3 201	Incorrectly classified funds have been shifted from non-profit institutions.
Public corporations and private enterprises	–	14 750	Incorrectly classified funds have been shifted from non-profit institutions.
Non-profit institutions	(25 703)	–	Incorrectly classified funds have been shifted to departmental agencies and accounts, universities and technikons, and public corporations and private enterprises in this programme, and compensation of employees and goods and services in programme 1.
Households	–	11	Funds shifted from goods and services in this programme will be used to cover unbudgeted expenditure on gifts and donations.
Payments for capital assets	–	20	
Machinery and equipment	–	20	Funds shifted goods and services in this programme will be used for additional computer hardware.

Table 31.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
4. Human Capital and Knowledge Systems	(49 930)	44 680	
Current payments	(2 000)	399	
Compensation of employees	(2 000)	–	Savings due to delays in appointments and posts not filled have been shifted to goods and services in programme 1.
Goods and services	–	399	Funds shifted from non-profit institutions in this programme will be used for printing brochures and publications.
Transfers and Subsidies	(47 930)	44 281	
Departmental agencies and accounts	–	23 317	Incorrectly classified funds have been shifted from non-profit institutions.
Universities and technikons	–	18	Incorrectly classified funds have been shifted from non-profit institutions.
Public corporations and private enterprises	–	20 445	Incorrectly classified funds have been shifted from non-profit institutions.
Non-profit institutions	(47 930)	–	Incorrectly classified funds have been shifted to goods and services, departmental agencies and accounts, universities and technikons, and public corporations and private enterprises in this programme and to goods and services in programme 1.
Households	–	501	Funds shifted from goods and services in this programme will be used to cover unbudgeted expenditure on gifts and donations.
5. Socio-Economic Partnerships	(42 653)	37 403	
Current payments	(111)	–	
Goods and services	(111)	–	Savings due to delays in appointments and posts not filled have been shifted to goods and services in programme 1.
Transfers and Subsidies	(42 542)	37 403	
Departmental agencies and accounts	(42 542)	–	Incorrectly classified funds have been shifted to public corporations and private institutions, non-profit institutions and households in this programme, and to goods and services in programme 1.
Public corporations and private enterprises	–	37 192	Incorrectly classified funds have been shifted from departmental agencies and accounts.
Non-profit institutions	–	100	Incorrectly classified funds have been shifted from departmental agencies and accounts.
Households	–	111	Incorrectly classified funds have been shifted from departmental agencies and accounts.
Total for Vote	(149 734)	149 720	

Other adjustments - R1.75 million

Shifting of funds between votes:

Programme 1: Administration

R250 000 has been shifted to Government Communication and Information System for the mass communications campaign on second economy interventions.

Programme 5: Socio-Economic Partnerships

R2 million has been shifted from the Department of Social Development for the integrated services strategy that will provide a uniform framework for all government departments.

Gifts, donations and sponsorships

The Department of Science and Technology has donated R500 000 to the Expo for Young Scientists for hosting the International Science Fair.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 31.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	212 211	48 842	210 100	99.0	115 062	42 911	(12.1)
2. Research, Development and Innovation	405 654	190 829	406 218	100.1	541 301	171 356	(10.2)
3. International Co-operation and Resources	127 946	61 498	124 304	97.2	103 776	52 922	(13.9)
4. Human Capital and Knowledge Systems	863 442	406 183	864 641	100.1	1 252 079	643 585	58.4
5. Socio-Economic Partnerships	1 007 840	474 111	1 007 736	100.0	1 132 011	620 513	30.9
Total	2 617 093	1 181 462	2 612 999	99.8	3 144 229	1 531 287	29.6
Current payments	204 861	90 705	174 004	84.9	246 934	91 104	0.4
Compensation of employees	86 957	41 952	83 743	96.3	114 861	49 629	18.3
Goods and services	117 904	48 753	90 173	76.5	132 059	41 461	(15.0)
Financial transactions in assets and liabilities	–	–	88	–	14	14	(100.0)
Transfers and subsidies	2 268 551	1 079 867	2 293 388	101.1	2 894 611	1 438 528	33.2
Provinces and municipalities	63	64	64	101.6	–	–	(100.0)
Departmental agencies and accounts	1 256 874	695 585	1 160 159	92.3	1 616 012	738 221	6.1
Universities and technikons	12 667	20 262	45 972	362.9	15 033	15 533	(23.3)
Public corporations and private enterprises	505 798	331 763	740 719	146.4	593 534	602 128	81.5
Non-profit institutions	492 545	31 946	345 490	70.1	669 386	82 093	157.0
Households	604	247	984	162.9	646	553	123.9
Payments for capital assets	143 681	10 890	145 607	101.3	2 684	1 655	(84.8)
Buildings and other fixed structures	133 000	–	133 174	100.1	–	–	(100.0)
Machinery and equipment	10 681	10 890	12 433	116.4	2 684	1 655	(84.8)
Total	2 617 093	1 181 462	2 612 999	99.8	3 144 229	1 531 287	29.6

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R1.531 billion, or 48.7 per cent of the adjusted appropriation of R3.144 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 29.6 per cent compared to the first six months of 2006/07.

The main increases compared to 2006/07 are related to the increased number of research chairs, the establishment of nanotechnology innovation centres and transfers to the SKA radio telescope project.

Expenditure in 2006/07 was 99.8 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 31.4: Summary of changes to transfers and subsidies per programme

R thousand	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	2 184	–	–	2 004	–	2 004	4 188
Non-profit institutions							
Current	2 184	–	–	2 000	–	2 000	4 184
Institutional and Programme Support	–	–	–	2 000	–	2 000	2 000
Households							
Other transfers							
Current	–	–	–	4	–	4	4
Gifts and Donations	–	–	–	4	–	4	4
2. Research, Development and Innovation	521 392	–	–	(8 949)	–	(8 949)	512 443
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	157 568	–	–	10 066	–	10 066	167 634
Health Innovation	–	–	–	66	–	66	66
International Centre for Genetic Engineering and Biotechnology	–	–	–	10 000	–	10 000	10 000
Universities and technikons							
Current	10 000	–	–	(4 186)	–	(4 186)	5 814
Space Science	–	–	–	5 622	–	5 622	5 622
Health Innovation	–	–	–	192	–	192	192
International Centre for Genetic Engineering and Biotechnology	10 000	–	–	(10 000)	–	(10 000)	–
Capital	–	–	–	6 000	–	6 000	6 000
Square Kilometer Array	–	–	–	6 000	–	6 000	6 000
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	–	–	–	420	–	420	420
Space Science	–	–	–	411	–	411	411
Health Innovation	–	–	–	9	–	9	9
Capital	–	–	–	3 375	–	3 375	3 375
Square Kilometer Array	–	–	–	3 375	–	3 375	3 375
Non-profit institutions							
Current	243 824	–	–	(15 268)	–	(15 268)	228 556
Space Science	19 024	–	–	(7 466)	–	(7 466)	11 558
Hydrogen Strategy	18 180	–	–	(1 033)	–	(1 033)	17 147
Health Innovation	10 000	–	–	(1 267)	–	(1 267)	8 733
Biotechnology Strategy	166 515	–	–	(4 752)	–	(4 752)	161 763
Women in Science	1 383	–	–	(750)	–	(750)	633
Capital	110 000	–	–	(9 375)	–	(9 375)	100 625
Square Kilometer Array	80 000	–	–	(9 375)	–	(9 375)	70 625
Households							
Other transfers							
Current	–	–	–	19	–	19	19
Gifts and Donations	–	–	–	19	–	19	19
3. International Co-operation and Resources	66 459	–	–	(7 455)	–	(7 455)	59 004
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	26 530	–	–	286	–	286	26 816
Global Science	–	–	–	286	–	286	286
Universities and technikons							
Current	–	–	–	3 201	–	3 201	3 201
Global Science	–	–	–	3 201	–	3 201	3 201
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	–	–	–	14 750	–	14 750	14 750
Global Science	–	–	–	14 750	–	14 750	14 750
Non-profit institutions							
Current	39 929	–	–	(25 703)	–	(25 703)	14 226
Global Science	39 929	–	–	(25 703)	–	(25 703)	14 226
Households							
Other transfers							
Current	–	–	–	11	–	11	11
Gifts and Donations	–	–	–	11	–	11	11

Table 31.4: Summary of changes to transfers and subsidies per programme (continued)

		2007/08						
		Additional appropriation				Total	Adjusted appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	additional appropriation		
4. Human Capital and Knowledge	1 235 364	-	-	(3 649)	-	(3 649)	1 231 715	
Systems								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	1 002 099	-	-	23 317	-	23 317	1 025 416	
Science Themes	-	-	-	29 012	-	29 012	29 012	
Learnershops	6 300	-	-	(2 445)	-	(2 445)	3 855	
South African National Research Network	162 000	-	-	(3 250)	-	(3 250)	158 750	
Universities and technikons								
Current	-	-	-	18	-	18	18	
Science Themes	-	-	-	18	-	18	18	
Public corporations and private enterprises								
Public corporations								
Other transfers								
Current	-	-	-	2 445	-	2 445	2 445	
Learnershops	-	-	-	2 445	-	2 445	2 445	
Capital	-	-	-	18 000	-	18 000	18 000	
Frontier Science and Technology	-	-	-	18 000	-	18 000	18 000	
Non-profit institutions								
Current	78 265	-	-	(24 930)	-	(24 930)	53 335	
Science Themes	39 991	-	-	(24 030)	-	(24 030)	15 961	
Science and Youth	29 000	-	-	(900)	-	(900)	28 100	
Capital	105 000	-	-	(23 000)	-	(23 000)	82 000	
Frontier Science and Technology	105 000	-	-	(23 000)	-	(23 000)	82 000	
Households								
Other transfers								
Current	-	-	-	501	-	501	501	
Gifts and Donations	-	-	-	501	-	501	501	
5. Socio-Economic	1 092 400	-	-	(5 139)	-	(5 139)	1 087 261	
Partnerships								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	388 688	-	-	(42 542)	-	(42 542)	346 146	
Technology Planning and Diffusion	49 339	-	-	(9 450)	-	(9 450)	39 889	
Advanced Manufacturing Technology Strategy	62 400	-	-	(19 592)	-	(19 592)	42 808	
Technology for Poverty Alleviation	-	-	-	4 500	-	4 500	4 500	
Tshumisano Trust	36 000	-	-	(18 000)	-	(18 000)	18 000	
Public corporations and private enterprises								
Public corporations								
Subsidies on products and production								
Current	-	-	-	19 592	-	19 592	19 592	
Advanced Manufacturing Technology Strategy	-	-	-	19 592	-	19 592	19 592	
Other transfers								
Current	517 352	-	-	17 600	-	17 600	534 952	
Resource Based Industries	-	-	-	17 600	-	17 600	17 600	
Non-profit institutions								
Current	186 360	-	-	100	-	100	186 460	
Resource Based Industries	31 500	-	-	(17 600)	-	(17 600)	13 900	
Technology Planning and Diffusion	-	-	-	6 750	-	6 750	6 750	
Technology for Poverty Alleviation	40 000	-	-	(4 500)	-	(4 500)	35 500	
Technology for Sustainable Livelihoods	55 650	-	-	(2 550)	-	(2 550)	53 100	
Tshumisano Trust	-	-	-	18 000	-	18 000	18 000	
Households								
Other transfers								
Current	-	-	-	111	-	111	111	
Gifts and Donations	-	-	-	111	-	111	111	

Vote 32

Trade and Industry

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	4 845 583	5 479 433	–	633 850
<i>of which:</i>				
Current payments	871 828	795 055	(76 773)	–
Transfers and subsidies	3 956 163	4 652 691	–	696 528
Payments for capital assets	17 592	31 687	–	14 095
Executive authority	Minister of Trade and Industry			
Accounting officer	Director-General of Trade and Industry			

Aim

The aim of the Department of Trade and Industry is to lead and facilitate access to sustainable economic activity and employment for all South Africans through its understanding of the economy, its knowledge of economic opportunities and potential, and its anticipation of the future. The department also aims to catalyse economic transformation and development, and to provide a predictable, competitive, equitable and socially responsible environment for investment, enterprise and trade for economic citizens. In this way, the department will contribute to achieving government's vision of an adaptive and restructured economy, characterised by accelerated economic growth, employment creation and greater equity by 2014.

Adjusted Estimates of National Expenditure 2007

Table 32.1: Adjusted estimates

2007/08							
Programme	Additional appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	
1. Administration	361 367	8 000	–	(25 238)	(250)	(17 488)	343 879
2. International Trade and Economic Development	140 680	–	–	–	–	–	140 680
3. Enterprise and Industry Development	1 769 219	–	–	38 803	–	38 803	1 808 022
4. Consumer and Corporate Regulation	147 098	–	–	7 871	–	7 871	154 969
5. The Enterprise Organisation	2 082 806	97 000	524 700	(268)	–	621 432	2 704 238
6. Trade and Investment South Africa	260 111	4 400	–	(6 017)	–	(1 617)	258 494
7. Marketing	84 302	–	–	(15 151)	–	(15 151)	69 151
Total	4 845 583	109 400	524 700	–	(250)	633 850	5 479 433

Table 32.1: Adjusted estimates (continued)

Programme	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
Economic classification							
Current payments	871 828	–	–	(76 523)	(250)	(76 773)	795 055
Compensation of employees	323 457	–	–	(12 749)	–	(12 749)	310 708
Goods and services	548 371	–	–	(63 774)	(250)	(64 024)	484 347
Transfers and subsidies	3 956 163	101 400	524 700	70 428	–	696 528	4 652 691
Departmental agencies and accounts	1 466 059	–	–	31 002	–	31 002	1 497 061
Public corporations and private enterprises	2 465 707	97 000	524 700	36 179	–	657 879	3 123 586
Foreign governments and international organisations	22 037	4 400	–	(309)	–	4 091	26 128
Non-profit institutions	2 360	–	–	2 640	–	2 640	5 000
Households	–	–	–	916	–	916	916
Payments for capital assets	17 592	8 000	–	6 095	–	14 095	31 687
Buildings and other fixed structures	–	–	–	4 426	–	4 426	4 426
Machinery and equipment	15 720	8 000	–	329	–	8 329	24 049
Software and other intangible assets	1 872	–	–	1 340	–	1 340	3 212
Total	4 845 583	109 400	524 700	–	(250)	633 850	5 479 433

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R109.4 million

Programme 1: Administration

R8 million has been rolled over for computer equipment and related software for the disaster recovery system, a remote site for continuing IT services in the event of a disaster.

Programme 5: The Enterprise Organisation

R7 million has been rolled over for partial payments of approved incentive scheme claims in respect of the Small and Medium Enterprise Development Programme.

R70 million has been rolled over to pay approved grants in respect of the Business Process Outsourcing Programme.

R20 million has been rolled over for a once-off subsidy to the grain milling industry to buy equipment to enrich grain products with minerals and vitamins as part of the Staple Food Fortification Programme.

Programme 6: Trade and Investment South Africa

R4.4 million has been rolled over for a payment to the Export Consultancy Trust Fund: International Bank for Reconstruction and Development (World Bank) to facilitate access for South African companies to World Bank funds for feasibility studies and export promotions.

Unforeseeable and unavoidable expenditure – R524.7 million

Programme 5: The Enterprise Organisation

R215.7 million has been allocated for a shortfall for the development of infrastructure at the Coega industrial development zone in accordance with investment agreements totalling R28.1 billion, including R119.7 million for VAT payments on government grants already received.

R309 million has been allocated for an expected shortfall in paying claims received in respect of the Small and Medium Enterprise Development Programme incentive scheme.

Virements

Table 32.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(33 008)	7 770	
Current payments	(31 170)	1 287	
Compensation of employees	–	1 287	Funds shifted from goods and services will be used to fund the programme's increased establishment.
Goods and services	(31 170)	–	Savings due to the down-scaling of certain operations to redirect funds to higher priority projects in line with the department's strategic objectives have been shifted to compensation of employees (R1.287 million), households (R916 000), buildings and other fixed structures (R4.426 million) in the programme, goods and services (R9.3 million) and departmental agencies and accounts (R7.741 million) in programme 3, and goods and services (R1.5 million) and departmental agencies and accounts (R6 million) in programme 4.
Transfers and Subsidies	–	916	
Households	–	916	Funds shifted from goods and services will be used for bursaries for Masters students (R700 thousand), NEDLAC workshops (R100 thousand) and other gifts, donations and sponsorships (R116 thousand).
Payments for capital assets	(1 838)	5 567	
Buildings and other fixed structures	–	4 426	Funds shifted from goods and services will be used for the department's commitments in the PPP agreement for its building.
Machinery and equipment	(1 838)	–	Savings due to the down-scaling of certain operations to redirect funds to higher priority projects in line with the department's strategic objectives have been shifted to software and other intangible assets in this programme (R1.141 million) and departmental agencies and accounts in programme 3 (R697 000).
Software and other intangible assets	–	1 141	Funds shifted from machinery and equipment will be used to buy computer software.
2. International Trade and Economic Development	(817)	817	
Current payments	(817)	651	
Compensation of employees	(817)	–	Savings due to vacant posts as a result of protracted recruitment processes and scarce skills have been shifted to goods and services.
Goods and services	–	651	Funds shifted from compensation of employees and machinery and equipment will be used for foreign travel.
Payments for capital assets	–	166	
Machinery and equipment	–	166	Savings due to the down-scaling of certain operations to redirect funds to higher priority projects in line with the department's strategic objectives have been shifted to goods and services.

Table 32.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
3. Enterprise and Industry Development	(25 021)	63 824	
Current payments	(24 459)	–	
Compensation of employees	(2 507)	–	Savings due to vacant posts as a result of protracted recruitment processes and scarce skills have been shifted to departmental agencies and accounts.
Goods and services	(21 952)	–	Savings due to the down-scaling of certain operations to redirect funds to higher priority projects in line with the department's strategic objectives and personnel-related expenditure have been shifted to departmental agencies and accounts.
Transfers and Subsidies	(309)	63 824	
Departmental agencies and accounts	–	25 003	Funds shifted from goods and services (R7.741 million) and machinery and equipment (R697 000) in programme 1, foreign governments and international organisations (R176 000) and machinery and equipment (R6 000) in this programme, and compensation of employees (R1.603 million) and goods and services (R14.780 million) in programme 7 will be used to increase the transfer payments to the Small Enterprise Development Agency Technology Programme (R24 million), the National Research Foundation: Technology and Human Resources for Industry Programme (R1 million), the Witwatersrand Business School: Centre for Entrepreneurship (R1 000), the Council for Scientific and Industrial Research: Fibre and Textile Centre of Excellence (R1 000), and the University of Pretoria: Advanced Engineering Centre of Excellence (R1 000).
Public corporations and private enterprises	–	36 181	Funds shifted from goods and services in programme 1 (R9.3 million), goods and services (R21.952 million) and machinery and equipment (R247 000) in this programme, goods and services in programme 5 (R268 000) and compensation of employees in programme 6 (R4.414 million) will be used to increase the transfer payments to the Industrial Development Corporation: Regional Industrial Development (R23 million), the South African Bureau of Standards: Research Contribution, MINTEK: Customised Sector Programmes, and the Council for Scientific and Industrial Research: Aerospace Industry.
Foreign governments and international organisations	(309)	–	Savings on the membership contribution towards the United Nations Industrial Development Organisation due to favorable foreign exchange rates have been shifted to departmental agencies and accounts (R176 000) and non-profit institutions (R133 000).
Non-profit institutions	–	2 640	Funds shifted from goods and services will be used to increase the transfer payment to the South African Women Entrepreneur's Network.
Payments for capital assets	(253)	–	
Machinery and equipment	(253)	–	Savings due to the down-scaling of certain operations to redirect funds to higher priority projects in line with the department's strategic objectives have been shifted to departmental agencies and accounts.
4. Consumer and Corporate Regulation	(4 960)	12 831	
Current payments	(4 633)	6 831	
Compensation of employees	–	6 831	Funds shifted from goods and services (R6.133 million) and machinery and equipment (R327 000) in this programme and from compensation of employees in programme 6 (R371 000) will be used for the programme's increased establishment.
Goods and services	(4 633)	–	Savings due to the down-scaling of certain operations to redirect funds to higher priority projects in line with the department's strategic objectives have been shifted to compensation of employees.
Transfers and Subsidies	–	6 000	
Departmental agencies and accounts	–	6 000	Funds shifted from goods and services in programme 1 will be used to increase the transfer payment to the National Credit Regulator.
Payments for capital assets	(327)	–	
Machinery and equipment	(327)	–	Savings due to the down-scaling of certain operations to redirect funds to higher priority projects in line with its strategic objectives have been shifted to compensation of employees.

Table 32.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
5. The Enterprise Organisation	(941)	673	
Current payments	(940)	–	
Goods and services	(940)	–	Savings due to the down-scaling of certain operations to redirect funds to higher priority projects in line with its strategic objectives have been shifted to machinery and equipment in this programme (R672 000) and public corporations and private enterprises in programme 3 (R268 000).
Transfers and Subsidies	(1)	–	
Public corporations and private enterprises	(1)	–	Saving arose under the transfer payment to the Manufacturing Development Programme because the funds are no longer required and were reprioritised. The funds have been shifted to machinery and equipment.
Payments for capital assets	–	673	
Machinery and equipment	–	673	Funds shifted from goods and services (R672 000) and public corporations and private enterprises (R1 000) will be used to buy office equipment and new computer equipment for new staff.
6. Trade and Investment South Africa	(16 576)	10 559	
Current payments	(16 574)	10 265	
Compensation of employees	(16 574)	–	Savings due to vacant posts as a result of protracted recruitment processes and scarce skills have been shifted to goods and services (R10.263 million) and machinery and equipment (R294 000) in this programme, and departmental agencies (R1.603 million) and public corporations and private enterprises (R4.414 million) in programme 3.
Goods and services	–	10 265	Funds shifted from compensation of employees (R10.263 million) and public corporations and private enterprises (R2 000) will be used for operational expenditure in the department's foreign offices.
Transfers and Subsidies	(2)	–	
Departmental agencies and accounts	(1)	–	Saving under the transfer payment to Trade and Investment South Africa arose because the funds are no longer required and were reprioritised. These funds have been shifted to goods and services.
Public corporations and private enterprises	(1)	–	Savings arose under the transfer payment to the Aichi Exhibition because the funds are no longer required and were reprioritised. The funds have been shifted to goods and services.
Payments for capital assets	–	294	
Machinery and equipment	–	294	Funds shifted from compensation of employees will be used to buy computer equipment for the department's foreign offices.
7. Marketing	(16 964)	1 813	
Current payments	(16 964)	–	
Compensation of employees	(969)	–	Savings due to vacant posts as a result of protracted recruitment processes and scarce skills have been shifted to compensation of employees in programme 4 (R371 000) and machinery and equipment (R399 000) and software and other intangible assets (R199 000) in this programme.
Goods and services	(15 995)	–	Savings arose because the department down-scaled certain operations to redirect funds to higher priority projects in line with its strategic objectives. The funds have been shifted to departmental agencies and accounts in programme 3 (R14.78 million) and machinery and equipment in this programme (R1.215 million).
Payments for capital assets	–	1 813	
Machinery and equipment	–	1 614	Funds shifted from goods and services (R1.215 million) and compensation of employees (R399 000) will be used to buy new computers for new staff.
Software and other intangible assets	–	199	Funds shifted from goods and services will be used to buy computer software.
Total for Vote	(98 287)	98 287	

Other adjustments – (R250 000)

Shifting of funds between votes

R250 000 will be transferred to the Government Communication and Information System for the mass communications campaign on second economy interventions.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 32.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	303 567	115 795	286 843	94.5	343 879	138 866	19.9
2. International Trade and Economic Development	125 699	54 605	123 874	98.5	140 680	46 480	(14.9)
3. Enterprise and Industry Development	1 536 978	687 839	1 534 317	99.8	1 808 022	895 963	30.3
4. Consumer and Corporate Regulation	150 686	40 213	149 715	99.4	154 969	73 341	82.4
5. The Enterprise Organisation	1 528 000	444 819	1 430 511	93.6	2 704 238	1 204 729	170.8
6. Trade and Investment South Africa	227 995	79 824	213 617	93.7	258 494	90 096	12.9
7. Marketing	69 103	17 521	65 841	95.3	69 151	17 940	2.4
Total	3 942 028	1 440 616	3 804 718	96.5	5 479 433	2 467 415	71.3
Current payments	674 658	260 916	659 134	97.7	795 055	306 229	17.4
Compensation of employees	288 177	124 175	283 593	98.4	310 708	145 764	17.4
Goods and services	386 481	133 120	367 601	95.1	484 347	160 130	20.3
Financial transactions in assets and liabilities	–	3 621	7 940	–	–	335	(90.7)
Transfers and subsidies	3 223 016	1 170 111	3 118 265	96.7	4 652 691	2 154 088	84.1
Provinces and municipalities	58 378	161	161	0.3	–	–	(100.0)
Departmental agencies and accounts	1 369 363	562 989	1 369 078	100.0	1 497 061	796 867	41.5
Universities and technikons	6 000	–	6 000	100.0	–	–	(100.0)
Public corporations and private enterprises	1 746 721	601 610	1 707 412	97.7	3 123 586	1 354 999	125.2
Foreign governments and international organisations	26 710	3 848	20 082	75.2	26 128	–	(100.0)
Non-profit institutions	14 747	1 200	14 747	100.0	5 000	1 200	–
Households	1 097	303	785	71.6	916	1 022	237.3
Payments for capital assets	44 354	9 589	27 319	61.6	31 687	7 098	(26.0)
Buildings and other fixed structures	6 006	–	4 005	66.7	4 426	1 137	(100.0)
Machinery and equipment	29 411	4 818	15 808	53.7	24 049	5 961	23.7
Software and other intangible assets	8 937	4 771	7 506	84.0	3 212	–	(100.0)
Total	3 942 028	1 440 616	3 804 718	96.5	5 479 433	2 467 415	71.3

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R2.467 billion, or 45.03 per cent of the adjusted appropriation of R5.479 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 71.3 per cent compared to the first six months of 2006/07.

The main increases compared to 2006/07 are related to the large transfer payments made to the Small Enterprise Development Agency, the National Empowerment Fund, the Critical Infrastructure Programme and the Coega industrial development zone.

Expenditure in 2006/07 was 96.5 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 32.4: Summary of changes to transfers and subsidies per programme

2007/08							
R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	5 250	-	-	916	-	916	6 166
Households							
Social benefits							
Current	-	-	-	916	-	916	916
Gifts, Donations and Sponsorships	-	-	-	916	-	916	916
2. Enterprise and Industry Development	1 612 431	-	-	63 515	-	63 515	1 675 946
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	554 734	-	-	24 003	-	24 003	578 737
Small Enterprise Development Agency Technology Programme	49 360	-	-	24 000	-	24 000	73 360
Witwatersrand Business School: Centre for Entrepreneurship	-	-	-	1	-	1	1
Council for Scientific and Industrial Research: Fibre and Textile Centre of Excellence	-	-	-	1	-	1	1
University of Pretoria: Advanced Engineering Centre of Excellence	-	-	-	1	-	1	1
Capital	764 409	-	-	1 000	-	1 000	765 409
National Research Foundation: Technology and Human Resources for Industry Programme	154 455	-	-	1 000	-	1 000	155 455
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	234 207	-	-	26 181	-	26 181	260 388
Council for Scientific and Industrial Research: Technology for Women in Business	5 884	-	-	(5 883)	-	(5 883)	1
South African Bureau of Standards: Research Contribution	132 018	-	-	6 594	-	6 594	138 612
Industrial Development Corporation: Regional Industrial Development	7 000	-	-	23 000	-	23 000	30 000
MINTEK: Customised Sector Programmes	-	-	-	2 470	-	2 470	2 470
Capital	52 712	-	-	10 000	-	10 000	62 712
Council for Scientific and Industrial Research: Aerospace Industry	1	-	-	10 000	-	10 000	10 001
Foreign governments and international organisations							
Current	4 009	-	-	(309)	-	(309)	3 700
United Nations Industrial Development Organisation	4 009	-	-	(309)	-	(309)	3 700
Non-profit institutions							
Current	2 360	-	-	2 640	-	2 640	5 000
South African Women Entrepreneurs' Network	2 360	-	-	2 640	-	2 640	5 000
3. Consumer and Corporate Regulation	102 239	-	-	6 000	-	6 000	108 239
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	89 260	-	-	6 000	-	6 000	95 260
National Credit Regulator	38 514	-	-	6 000	-	6 000	44 514

Table 32.4: Summary of changes to transfers and subsidies per programme (continued)

		2007/08					
		Additional appropriation				Total	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	additional appropriation	
4. The Enterprise Organisation	2 027 827	97 000	524 700	(1)	-	621 699	2 649 526
Public corporations and private enterprises							
Public corporations							
Other transfers							
Capital	628 113	-	215 700	7 001	-	222 701	850 814
Coega Development Corporation	510 263	-	215 700	-	-	215 700	725 963
East London Industrial Development Zone (Pty) Limited	88 610	-	-	36 240	-	36 240	124 850
Richards Bay Industrial Development Zone Company	29 240	-	-	(29 239)	-	(29 239)	1
Private enterprises							
Subsidies on products and production							
Current	888 337	97 000	309 000	(7 201)	-	398 799	1 287 136
Small and Medium Manufacturing Development Programme	8 746	-	-	(3 000)	-	(3 000)	5 746
Enterprise Development	628 569	7 000	309 000	95 800	-	411 800	1 040 369
Manufacturing Development Programme Incentives	1	-	-	(1)	-	(1)	-
Industrial Development Zones-Other	10 000	-	-	(10 000)	-	(10 000)	-
Business Process Outsourcing	40 000	70 000	-	-	-	70 000	110 000
Film and Television Production Incentive	176 020	-	-	(80 000)	-	(80 000)	96 020
Staple Food Fortification Programme	15 001	20 000	-	-	-	20 000	35 001
Sector Development Programme	10 000	-	-	(10 000)	-	(10 000)	-
Other transfers							
Current	137 950	-	-	7 199	-	7 199	145 149
Export Market and Investment Assistance	97 569	-	-	(6 800)	-	(6 800)	90 769
Black Business Supplier Development Programme	26 250	-	-	6 000	-	6 000	32 250
Micro-Investor Fund	1	-	-	(1)	-	(1)	-
South African Capital Goods Feasibility Study Fund	1	-	-	8 000	-	8 000	8 001
Capital	373 427	-	-	(7 000)	-	(7 000)	366 427
Critical Infrastructure Programme	73 427	-	-	(7 000)	-	(7 000)	66 427
5. Trade and Investment South Africa	129 918	4 400	-	(2)	-	4 398	134 316
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	1	-	-	(1)	-	(1)	-
Trade and Investment South Africa	1	-	-	(1)	-	(1)	-
Public corporations and private enterprises							
Private enterprises							
Other transfers							
Current	1	-	-	(1)	-	(1)	-
Aichi Exposition	1	-	-	(1)	-	(1)	-
Foreign governments and international organisations							
Current	9 349	4 400	-	-	-	4 400	13 749
Export Consultancy Trust Fund: International Bank for Reconstruction and Development (World Bank)	4 675	4 400	-	-	-	4 400	9 075

Vote 33

Transport

R thousand	2007/08			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	15 857 923	16 543 932	–	686 009
of which:				
Current payments	722 666	757 062	–	34 396
Transfers and subsidies	15 093 723	15 744 736	–	651 013
Payments for capital assets	41 534	42 134	–	600
Executive authority	Minister of Transport			
Accounting officer	Director-General of Transport			

Aim

The aim of the Department of Transport is to lead the provision of an integrated, sustainable, reliable and safe transport system, through safety and economic regulation, planning, development, co-ordination, promotion and the implementation of transport policies and strategies.

Adjusted Estimates of National Expenditure 2007

Table 33.1: Adjusted estimates

Programme	2007/08						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	144 408	–	–	–	–	–	144 408
2. Transport Policy, Research and Economic Analysis	31 536	–	–	–	–	–	31 536
3. Transport Regulation and Accident and Incident Investigation	243 805	869	–	(13 300)	–	(12 431)	231 374
4. Integrated Planning and Inter-sphere Co-ordination	5 379 934	2 100	–	–	–	2 100	5 382 034
5. Freight Logistics and Corridor Development	18 488	2 196	–	–	–	2 196	20 684
6. Public Transport	9 895 225	364 000	300 000	–	–	664 000	10 559 225
7. Public Entity Oversight and Economic Regulation	144 527	16 844	–	13 300	–	30 144	174 671
Total	15 857 923	386 009	300 000	–	–	686 009	16 543 932

Table 33.1: Adjusted estimates (continued)

Programme	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
R thousand		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
Economic classification							
Current payments	722 666	43 296	–	(8 900)	–	34 396	757 062
Compensation of employees	180 826	–	–	–	–	–	180 826
Goods and services	541 840	43 296	–	(8 900)	–	34 396	576 236
Transfers and subsidies	15 093 723	342 713	300 000	8 300	–	651 013	15 744 736
Provinces and municipalities	4 203 411	–	–	–	–	–	4 203 411
Departmental agencies and accounts	3 667 152	2 844	–	8 300	–	11 144	3 678 296
Universities and technikons	7 439	–	–	–	–	–	7 439
Public corporations and private enterprises	6 967 194	–	300 000	–	–	300 000	7 267 194
Foreign governments and international organisations	4 641	869	–	–	–	869	5 510
Non-profit institutions	12 775	–	–	–	–	–	12 775
Households	231 111	339 000	–	–	–	339 000	570 111
Payments for capital assets	41 534	–	–	600	–	600	42 134
Buildings and other fixed structures	38 221	–	–	–	–	–	38 221
Machinery and equipment	3 313	–	–	600	–	600	3 913
Total	15 857 923	386 009	300 000	–	–	686 009	16 543 932

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R386.009 million

Programme 3: Transport Regulation and Accident and Incident Investigation

R869 000 has been rolled over for the annual membership fee to the International Maritime Organisation.

Programme 4: Integrated Planning and Inter-sphere Co-ordination

R2.1 million has been rolled over to pay consultants for the development of the National Land Transport Bill.

Programme 5: Freight Logistics and Corridor Development

R2.196 million has been rolled over to alleviate the freight congestion in the Port of Durban precinct and to determine the future of Durban International Airport after its decommissioning.

Programme 6: Public Transport

R25 million has been rolled over for marketing and communications for the taxi recapitalisation project.

R252 million has been rolled over for the operations of the Taxi Scrapping Agency.

R87 million has been rolled over for the scrapping allowance for the taxi recapitalisation project.

Programme 7: Public Entity Oversight and Economic Regulation

R14 million has been rolled over for the Road Accident Fund Amendment Act regulations and communications programme and the strategy to restructure the Road Accident Fund.

R2.844 million has been rolled over for the operationalisation of the Independent Ports Regulator.

Unforeseeable and unavoidable expenditure – R300 million

Programme 6: Public Transport

R300 million has been allocated for additional funding for bus subsidies to cover increases for the growing demand for and use of public transport.

Virements

Table 33.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
3. Transport Regulation and Accident and Incident Investigation	(13 900)	600	
Current payments	(8 900)	–	
Goods and services	(8 900)	–	Savings of R8.3 million due to the change in the department's role in relation to the Independent Port Regulator and the Administrative Adjudication of Road Traffic Offences Act have been shifted to departmental agencies and accounts in programme 7. Savings of R600 000 on travel and subsistence have been shifted to machinery and equipment in this programme.
Transfers and Subsidies	(5 000)	–	
Departmental agencies and accounts	(5 000)	–	Savings due to the change in the department's role in relation to the Independent Port Regulator have been shifted to departmental agencies and accounts in programme 7.
Payments for capital assets	–	600	
Machinery and equipment	–	600	Funds shifted from goods and services will be used to buy computers and office furniture for new posts.
7. Public Entity Oversight and Economic Regulation	–	13 300	
Transfers and Subsidies	–	13 300	
Departmental agencies and accounts	–	13 300	Funds shifted from goods and services (R3.3 million) and departmental agencies and accounts (R5 million) in programme 3 will be used for operationalisation of the Independent Port Regulator. R5 million shifted from goods and services in programme 3 will be used to implement the Administrative Adjudication of Road Traffic Offences Act.
Total for Vote	(13 900)	13 900	

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 33.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	136 849	52 797	156 045	114.0	144 408	56 143	6.3
2. Transport Policy, Research and Economic Analysis	27 590	9 287	18 891	68.5	31 536	8 267	(11.0)
3. Transport Regulation and Accident and Incident Investigation	214 829	112 287	187 577	87.3	231 374	63 525	(43.4)
4. Integrated Planning and Inter-sphere Co-ordination	3 159 594	1 347 760	3 103 543	98.2	5 382 034	2 139 324	58.7
5. Freight Logistics and Corridor Development	26 394	9 442	17 918	67.9	20 684	7 246	(23.3)
6. Public Transport	10 032 998	2 682 351	9 745 224	97.1	10 559 225	4 362 211	62.6
7. Public Entity Oversight and Economic Regulation	148 536	15 595	131 244	88.4	174 671	22 870	46.6
Total	13 746 790	4 229 519	13 360 442	97.2	16 543 932	6 659 586	57.5

Table 33.3: Expenditure trends (continued)

R thousand	2006/07 Expenditure outcome				2007/08 Preliminary expenditure		
	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
Current payments	724 802	288 737	558 949	77.1	757 062	185 295	(35.8)
Compensation of employees	143 678	52 407	111 192	77.4	180 826	69 710	33.0
Goods and services	581 124	236 261	447 697	77.0	576 236	115 685	(51.0)
Financial transactions in assets and liabilities	–	69	60	–	–	(100)	(244.9)
Transfers and subsidies	12 984 052	3 937 987	12 798 757	98.6	15 744 736	6 472 220	64.4
Provinces and municipalities	3 760 086	181 346	3 793 881	100.9	4 203 411	1 294 858	614.0
Departmental agencies and accounts	2 423 953	1 167 250	2 459 508	101.5	3 678 296	1 910 879	63.7
Universities and technikons	10 085	4 403	10 085	100.0	7 439	2 271	(48.4)
Public corporations and private enterprises	6 421 207	2 580 438	6 420 207	100.0	7 267 194	2 989 920	15.9
Foreign governments and international organisations	4 420	1 367	2 846	64.4	5 510	3 133	129.2
Non-profit institutions	12 195	1 650	12 186	99.9	12 775	3 777	128.9
Households	352 106	1 533	100 044	28.4	570 111	267 382	17 341.7
Payments for capital assets	37 936	2 795	2 736	7.2	42 134	2 071	(25.9)
Buildings and other fixed structures	34 779	2 795	2 736	7.9	38 221	–	(100.0)
Machinery and equipment	3 157	–	–	–	3 913	2 071	(100.0)
Total	13 746 790	4 229 519	13 360 442	97.2	16 543 932	6 659 586	57.5

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R6.66 billion, or 40.3 per cent of the adjusted appropriation of R16.544 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 57.5 per cent compared to the first six month of 2006/07.

The main increases compared to 2006/07 are related to the transfer of conditional grant funding to local government for public transport infrastructure and systems as well as substantial increases in transfers to households for the taxi recapitalisation project that was initiated in October 2006.

Expenditure in 2006/07 was 97.2 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 33.4: Summary of changes to transfers and subsidies per programme

R thousand	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
3. Transport Regulation and Accident and Incident Investigation	15 404	869	-	(5 000)	-	(4 131)	11 273
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	9 786	-	-	(5 000)	-	(5 000)	4 786
Independent Port Regulator	5 000	-	-	(5 000)	-	(5 000)	-
Foreign governments and international organisations							
Current	4 641	869	-	-	-	869	5 510
Membership Fees: International Maritime Organisation	912	869	-	-	-	869	1 781
6. Public Transport	9 763 403	339 000	300 000	-	-	639 000	10 402 403
Public corporations and private enterprises							
Private enterprises							
Subsidies on products and production							
Current	2 535 997	-	300 000	-	-	300 000	2 835 997
Bus subsidies	2 535 997	-	300 000	-	-	300 000	2 835 997
Households							
Other transfers							
Current	231 000	339 000	-	-	-	339 000	570 000
Taxi Recapitalisation	231 000	339 000	-	-	-	339 000	570 000
7. Public Entity Oversight and Economic Regulation	135 279	2 844	-	13 300	-	16 144	151 423
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	135 279	2 844	-	13 300	-	16 144	151 423
Road Traffic Management Corporation	92 774	-	-	5 000	-	5 000	97 774
Independent Port Regulator	-	2 844	-	8 300	-	11 144	11 144

Vote 34

Water Affairs and Forestry

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	5 306 347	5 862 513	–	556 166
<i>of which:</i>				
Current payments	3 175 667	2 959 274	(216 393)	–
Transfers and subsidies	2 030 204	2 439 639	–	409 435
Payments for capital assets	100 476	463 600	–	363 124
Executive authority	Minister of Water Affairs and Forestry			
Accounting officer	Director-General of Water Affairs and Forestry			

Aim

The aim of the Department of Water Affairs and Forestry is to ensure the availability and supply of water at national level to facilitate equitable and sustainable social and economic development; to ensure the universal and efficient supply of water services at local level; and to promote sustainable management of forests.

Adjusted Estimates of National Expenditure 2007

Table 34.1: Adjusted estimates

Programme		2007/08					
R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	502 110	14 000	–	(1 650)	21 189	33 539	535 649
2. Water Resources Management	2 430 032	300 000	161 920	(3 350)	14 160	472 730	2 902 762
3. Water Services	1 913 660	–	–	–	–	–	1 913 660
4. Forestry	460 545	–	–	5 000	44 897	49 897	510 442
Total	5 306 347	314 000	161 920	–	80 246	556 166	5 862 513
Economic classification							
Current payments	3 175 667	–	61 920	(358 559)	80 246	(216 393)	2 959 274
Compensation of employees	1 098 896	–	–	214 948	51 591	266 539	1 365 435
Goods and services	2 076 053	–	61 920	(573 507)	28 655	(482 932)	1 593 121
Interest and rent on land	718	–	–	–	–	–	718
Transfers and subsidies	2 030 204	314 000	100 000	(4 565)	–	409 435	2 439 639
Provinces and municipalities	550 000	–	100 000	72 027	–	172 027	722 027
Departmental agencies and accounts	1 347 839	300 000	–	(22 000)	–	278 000	1 625 839
Public corporations and private enterprises	103 632	–	–	(64 592)	–	(64 592)	39 040
Foreign governments and international organisations	525	–	–	–	–	–	525
Non-profit institutions	340	–	–	–	–	–	340
Households	27 868	14 000	–	10 000	–	24 000	51 868
Payments for capital assets	100 476	–	–	363 124	–	363 124	463 600
Buildings and other fixed structures	23 625	–	–	343 684	–	343 684	367 309
Machinery and equipment	74 352	–	–	(28 189)	–	(28 189)	46 163
Software and other intangible assets	2 499	–	–	47 629	–	47 629	50 128
Total	5 306 347	314 000	161 920	–	80 246	556 166	5 862 513

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R314 million

Programme 1: Administration

R14 million has been rolled over for transferring staff to municipalities and water user associations.

Programme 2: Water Resources Management

R260 million has been rolled over for the construction of the De Hoop Dam (Olifants River Water Resource Development).

R40 million has been rolled over for the dam safety rehabilitation programme.

Unforeseeable and unavoidable expenditure – R161.92 million

Programme 2: Water Resources Management

R15.05 million has been allocated for flood damage. R32 million has been allocated for the Working for Water programme. R114.87 million has been allocated for drought relief.

Virements

Table 34.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(17 565)	15 915	
Current payments	(11 650)	–	
Compensation of employees	(3 787)	–	Incorrectly classified funds for leave gratuities have been shifted to households.
Goods and services	(7 863)	–	Savings due to reprioritising consultants, contractors and special services have been shifted to households in this programme (R2.863 million) and to compensation of employees (R1.063 million), goods and services (R3.837 million) and public corporations and private enterprises (R100 000) in programme 4.
Transfers and Subsidies	–	10 000	
Households	–	10 000	Funds shifted from compensation of employees (R3.787 million) and goods and services (R2.863 million) in this programme and from compensation of employees in programme 2 (R3.35 million) will be used for leave gratuities and severance and exit packages.
Payments for capital assets	(5 915)	5 915	
Buildings and other fixed structures	–	3 915	Incorrectly classified funds shifted from machinery and equipment will be used to buy video and audio conference equipment.
Machinery and equipment	(5 915)	–	Incorrectly classified funds have been shifted to buildings and other fixed structures (R3.915 million) and software and other intangible assets (R2 million).
Software and other intangible assets	–	2 000	Incorrectly classified funds shifted from machinery and equipment will be used for software licences.
2. Water Resources Management	(33 897)	30 547	
Current payments	(10 506)	27 407	
Compensation of employees	(10 506)	–	Savings due to unfilled posts in revenue management and financial management have been shifted to households in programme 1 (R3.35 million), and to goods and services (R6.873 million) and provinces and municipalities (R283 000) in this programme.
Goods and services	–	27 407	R6.873 million shifted from compensation of employees will be used for developing training material on water conservation and water demand management in the domestic sector. Incorrectly classified funds (R20.5 million) shifted from departmental agencies and accounts will be used to pay consultants, contractors and special services providers to the department. R34 000 shifted from machinery and equipment will be used for office maintenance.

Table 34.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
Transfers and Subsidies	(22 000)	1 783	
Provinces and municipalities	–	283	Funds have been shifted from compensation of employees for motor vehicle licenses.
Departmental agencies and accounts	(22 000)	–	Incorrectly classified funds have been shifted to goods and services (R20.5 million) and public corporations and private enterprises (R1.5 million).
Public corporations and private enterprises	–	1 500	Incorrectly classified funds shifted from departmental agencies and accounts will be used to make a transfer payment to the 4th World Environmental Congress.
Payments for capital assets	(1 391)	1 357	
Buildings and other fixed structures	–	1 357	Funds shifted from machinery and equipment (R831 000) and software and other intangible assets (R526 000) will be used to fund construction work on the Usuthu River.
Machinery and equipment	(865)	–	Savings due to the postponement of hardware requirements such as computers and scanners have been shifted to buildings and other fixed structures (R831 000) and goods and services (R34 000).
Software and other intangible assets	(526)	–	Savings due to postponed payment for WARMS software licences have been shifted to buildings and other fixed structures.
3. Water Services	(684 489)	684 489	
Current payments	(596 888)	228 178	
Compensation of employees	–	228 178	Incorrectly classified funds of R230.098 million have been shifted from goods and services (R188.407 million), buildings and other fixed structures (R20.322 million) and machinery and equipment (R21.369 million), and will be used to fill critical posts (R13.797 million) and pay salaries for operational staff (R214.381 million). Savings of R1.92 million due to unfilled posts have been shifted to software and other intangible assets.
Goods and services	(596 888)	–	Incorrectly classified funds have been shifted to: buildings and other fixed structures (R358.734 million), software and other intangible assets (R44.195 million), provinces and municipalities (R5.552 million) and compensation of employees (R188.407 million).
Transfers and Subsidies	(66 192)	71 744	
Provinces and municipalities	–	71 744	Funds shifted from public corporations and private enterprises (R66.192 million) and goods and services (R5.552 million) will be used for direct transfers to municipalities for the operation of water services schemes that have been transferred to municipalities.
Public corporations and private enterprises	(66 192)	–	Savings due to the discontinuation of direct subsidies to the water boards have been shifted to provinces and municipalities.
Payments for capital assets	(21 409)	384 567	
Buildings and other fixed structures	–	338 412	R358.743 million shifted from goods and services will be used for regional bulk infrastructure projects (R253.734 million) and water and sanitation backlogs in schools and clinics (R105 million). Savings of R20.322 million arose because water services schemes have been transferred to municipalities. The funds have been shifted to compensation of employees.
Machinery and equipment	(21 409)	–	Savings arose because water services schemes have been transferred to municipalities. The funds have been shifted to compensation of employees.
Software and other intangible assets	–	46 155	Funds shifted from goods and services (R44.195 million) and compensation of employees (R1.92 million) will be used for feasibility studies for bulk infrastructure projects.
4. Forestry	–	5 000	
Current payments	–	4 900	
Compensation of employees	–	1 063	Funds shifted from goods and services in programme 1 will be used for additional capacity to implement the Forestry BBBEE Charter.
Goods and services	–	3 837	Funds shifted from goods and services in programme 1 will be used to kick start the Million Trees programme.
Transfers and Subsidies	–	100	
Public corporations and private enterprises	–	100	Funds shifted from goods and services in programme 1 will be used to sponsor the 35th Annual International Forestry Students Symposium.
Total for Vote	(735 951)	735 951	

Other adjustments – R80.246 million

Salary adjustments

Programme 1: Administration

R21.439 million has been allocated for salary increases following the Public Service Bargaining Co-ordinating Council resolution.

Shifting of funds between votes

Programme 1: Administration

R250 000 has been transferred to the Government Communication and Information System for the mass communications campaign on second economy interventions.

Programme 2: Water Resources Management

R14 million has been transferred from the Department of Provincial and Local Government for the Working on Fire programme, for management and aerial fire-fighting.

Self-financing expenditure

Programme 2: Water Resource Management

R160 000 has been received as a donation from Anglo Alpha for the Vision 20/20 programme in Limpopo and will be used for activities such as the Youth Water Prize competition and water conservation and health and hygiene awareness programmes, including training teachers at local schools. The funds have been deposited into the National Revenue Fund.

Programme 4: Forestry

R44.897 million departmental revenue from forestry has been deposited into the National Revenue Fund following the closure of the industrial plantation trading account.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 34.3: Expenditure trends

Programme	2006/07 Expenditure outcome			2007/08 Preliminary expenditure			% change 06/07 - 07/08 Apr - Sep
	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	
R thousand							
1. Administration	509 670	229 146	537 173	105.4	535 649	262 687	14.6
2. Water Resources Management	2 237 267	742 899	1 872 480	83.7	2 902 762	1 015 672	36.7
3. Water Services	1 464 966	525 127	1 454 758	99.3	1 913 660	688 445	31.1
4. Forestry	448 400	209 728	441 240	98.4	510 442	207 501	(1.1)
Total	4 660 303	1 706 900	4 305 651	92.4	5 862 513	2 174 305	27.4
Current payments	2 765 189	1 146 066	2 820 134	102.0	2 959 274	1 213 405	5.9
Compensation of employees	1 281 231	534 976	1 226 412	95.7	1 365 435	587 462	9.8
Goods and services	1 482 257	609 931	1 582 432	106.8	1 593 121	624 451	2.4
Interest and rent on land	1 701	521	846	49.7	718	970	86.2
Financial transactions in assets and liabilities	–	638	10 444	–	–	522	(18.2)

Table 34.3: Expenditure trends (continued)

Programme	2006/07			2007/08			
	Expenditure outcome			Preliminary expenditure			
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
Transfers and subsidies	1 640 117	465 078	1 385 314	84.5	2 439 639	897 003	92.9
Provinces and municipalities	501 711	99 624	386 679	77.1	722 027	269 554	170.6
Departmental agencies and accounts	1 002 069	319 251	827 376	82.6	1 625 839	585 155	83.3
Public corporations and private enterprises	102 234	20 980	121 705	119.0	39 040	29 484	40.5
Foreign governments and international organisations	3 500	–	3 500	100.0	525	6	(100.0)
Non-profit institutions	–	2	150	–	340	350	17 400.0
Households	30 603	25 221	45 904	150.0	51 868	12 454	(50.6)
Payments for capital assets	254 997	95 756	100 203	39.3	463 600	63 897	(33.3)
Buildings and other fixed structures	139 899	16 309	23 568	16.8	367 309	33 145	103.2
Machinery and equipment	98 723	66 270	65 275	66.1	46 163	23 790	(64.1)
Cultivated assets	–	85	–	–	–	52	(38.8)
Software and other intangible assets	16 375	13 092	11 360	69.4	50 128	6 910	(47.2)
Total	4 660 303	1 706 900	4 305 651	92.4	5 862 513	2 174 305	27.4

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R2.174 billion, or 37.1 per cent of the adjusted appropriation of R5.863 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 27.4 per cent compared to the same period of 2006/07.

The main increase compared to 2006/07 is related to the construction of the De Hoop dam financed through the Water Trading Account.

Expenditure in 2006/07 was 92.4 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies and conditional grants

Table 34.4: Summary of changes to transfers and subsidies per programme

R thousand	Main appropriation	2007/08					Adjusted appropriation
		Additional appropriation					
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	
1. Administration	578	14 000	–	10 000	–	24 000	24 578
Households							
Social benefits							
Current	–	14 000	–	10 000	–	24 000	24 000
Social Benefits	–	14 000	–	10 000	–	24 000	24 000
2. Water Resources Management	1 375 994	300 000	100 000	(20 217)	–	379 783	1 755 777
Provinces and municipalities							
Municipalities							
Municipalities							
Current	–	–	–	283	–	283	283
Motor vehicle licences	–	–	–	283	–	283	283
Capital	–	–	100 000	–	–	100 000	100 000
Municipal Drought Relief Grant	–	–	100 000	–	–	100 000	100 000
Departmental agencies and accounts							
Departmental agencies (non-business entities)							

Table 34.4: Summary of changes to transfers and subsidies per programme (continued)

R thousand	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
Current	292 212	-	-	(5 000)	-	(5 000)	287 212
Water Trading Account (Augmentation)	288 553	-	-	(5 000)	-	(5 000)	283 553
Capital	1 055 049	300 000	-	(17 000)	-	283 000	1 338 049
Water Trading Account (Infrastructure)	1 055 049	300 000	-	(17 000)	-	283 000	1 338 049
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	-	-	-	1 500	-	1 500	1 500
Environmental Education Association of South Africa	-	-	-	1 500	-	1 500	1 500
3. Water Services	653 632	-	-	5 552	-	5 552	659 184
Provinces and municipalities							
Municipalities							
Municipalities							
Current	550 000	-	-	71 744	-	71 744	621 744
Water Services Operating Subsidy Grant	550 000	-	-	71 744	-	71 744	621 744
Public corporations and private enterprises							
Public corporations							
Subsidies on products and production							
Current	103 632	-	-	(66 192)	-	(66 192)	37 440
Water Services Operating Subsidy Grant (Waterboards)	103 632	-	-	(66 192)	-	(66 192)	37 440
4. Forestry	-	-	-	100	-	100	100
Public corporations and private enterprises							
Public corporations							
Subsidies on products and production							
Current	-	-	-	100	-	100	100
International Forestry Students Symposium	-	-	-	100	-	100	100

Table 34.6: Summary of changes to conditional grants: Local Government (Municipalities) ¹

R thousand	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
3. Water Services							
Water Services Operating Subsidy Grant	550 000	-	-	71 744	-	71 744	621 744

¹ Main appropriation detail provided in the Division of Revenue Act, 2007