

# Vote 25

## Communications

2007/08					
R thousand	Main appropriation	Special adjustments appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>1 423 533</b>	<b>500 000</b>	<b>1 924 483</b>	–	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
<b>Total</b>	<b>1 423 533</b>	<b>500 000</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>950</b>	<b>950</b>	<b>1 924 483</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>321 689</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>950</b>	<b>950</b>	<b>322 639</b>
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		
<b>Transfers and subsidies</b>	<b>1 094 301</b>	<b>500 000</b>	-	-	-	-	-	<b>1 594 301</b>
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
<b>Payments for capital assets</b>	<b>7 543</b>	-	-	-	-	-	-	<b>7 543</b>
Machinery and equipment	7 543	-	-	-	-	-	-	7 543
<b>Total</b>	<b>1 423 533</b>	<b>500 000</b>	-	-	-	<b>950</b>	<b>950</b>	<b>1 924 483</b>

## 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	
<b>3. Policy Unit</b>	<b>(10 000)</b>	-	More than 8% has been shifted to Programme 4.
<b>Transfers and Subsidies</b>	<b>(10 000)</b>	-	
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.
<b>4. Finance and Shareholder Management</b>	-	<b>10 000</b>	
<b>Transfers and Subsidies</b>	-	<b>10 000</b>	
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.
<b>Total for Vote</b>	<b>(10 000)</b>	<b>10 000</b>	

### 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
<b>Total</b>	<b>1 322 306</b>	<b>434 125</b>	<b>1 319 597</b>	<b>99.8</b>	<b>1 924 483</b>	<b>624 680</b>	<b>43.9</b>
<b>Current payments</b>	<b>306 990</b>	<b>131 670</b>	<b>304 609</b>	<b>99.2</b>	<b>322 639</b>	<b>123 770</b>	<b>(6.0)</b>
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
<b>Transfers and subsidies</b>	<b>1 006 671</b>	<b>300 177</b>	<b>1 006 505</b>	<b>100.0</b>	<b>1 594 301</b>	<b>497 832</b>	<b>65.8</b>
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)
<b>Payments for capital assets</b>	<b>8 645</b>	<b>2 278</b>	<b>8 483</b>	<b>98.1</b>	<b>7 543</b>	<b>3 078</b>	<b>35.1</b>
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)
<b>Total</b>	<b>1 322 306</b>	<b>434 125</b>	<b>1 319 597</b>	<b>99.8</b>	<b>1 924 483</b>	<b>624 680</b>	<b>43.9</b>

### 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		
<b>3. Policy Unit</b>	<b>36 412</b>		-	-	(10 000)	-	(10 000)	<b>26 412</b>
Public corporations and private enterprises								
Public corporations								
Other transfers								
Current	<b>36 412</b>		-	-	(10 000)	-	(10 000)	<b>26 412</b>
South African Broadcasting Corporation: Programme Production	25 000		-	-	(10 000)	-	(10 000)	15 000
<b>4. Finance and Shareholder Management</b>	<b>1 047 884</b>	<b>500 000</b>	-	-	10 000	-	10 000	<b>1 557 884</b>
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	<b>298 960</b>		-	-	10 000	-	10 000	<b>308 960</b>
Independent Communications Authority of South Africa	222 475		-	-	10 000	-	10 000	232 475
Public corporations and private enterprises								
Public corporations								
Other transfers								
Capital	<b>146 000</b>	<b>500 000</b>	-	-	-	-	-	<b>646 000</b>
Wholesale wireless broadband	-	500 000	-	-	-	-	-	500 000