

Adjusted Estimates of National Expenditure

2008

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To obtain copies please contact:

Communications Directorate
National Treasury
Private Bag X115
Pretoria
0001
South Africa
Tel: +27 12 315 5518
Fax: +27 12 315 5126

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2008

National Treasury

Republic of South Africa

October 2008



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Introduction

The adjustments budget

The main budget tabled in the National Assembly by the Minister of Finance in February every year announces spending for three years going forward: that is for the years of the Medium Term Expenditure Framework (MTEF). The main budget also provides for a contingency reserve to deal with circumstances that cannot be anticipated at the time. The accompanying Appropriation Bill is also tabled by the Minister of Finance, in terms of which amounts allocated for the first year of the MTEF are appropriated for that year. This new financial year starts on the first day of April.

In the middle of the financial year, in the adjustments budget, any unused funds, mainly from the contingency reserve, and additional amounts approved may be allocated for particular types of spending, as described in section 30(2) of the Public Finance Management Act (1999) (PFMA).

- **The roll-over of unspent funds from the preceding financial year:** Typically, funds are rolled over when projects planned for completion by the end of the previous financial year have not been completed but are close to completion. Roll-overs are subject to the following restrictions in terms of the Treasury Regulations: Savings on compensation of employees may not be rolled over; a maximum of 5 per cent of a department's payments for good and services may be rolled over; savings on transfer payments and subsidies may not be rolled over for any purposes other than what the funds were originally voted for; and unspent funds on payments for capital assets may only be rolled over to finalise projects or assets acquisitions in progress.
- **Unforeseeable and unavoidable expenditure:** Unforeseeable and unavoidable expenditure is expenditure that could not be anticipated at the time of finalising the Estimates of National Expenditure (ENE) for the main budget. In accordance with the Treasury Regulations the following types of expenditure are not unforeseeable and unavoidable: expenditure that was known when finalising the ENE but could not be accommodated within allocations then; expenditure due to tariff adjustments and price increases; and expenditure to extend existing services or create new services that are not unforeseeable and unavoidable. An example of unforeseen and unavoidable expenditure is expenditure necessitated by adverse weather conditions. Unforeseeable and unavoidable expenditure is recommended by the national executive or any committee of Cabinet to whom this task has been assigned.
- **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 (virements):** The savings may not exceed 8 per cent of the amount appropriated under a main division (programme) of the vote. Amounts appropriated for capital expenditure may not be used to defray current expenditure. Specifically and exclusively appropriated amounts or amounts that were appropriated for transfer to another institution cannot be used in this way either, unless approved by Parliament.
- **Money to be appropriated for expenditure already announced by the minister during the tabling of the annual budget:** In certain instances an amount to be allocated over the three years of the MTEF for a specific purpose will be announced by the Minister of Finance when the main budget is tabled, but the specific details of annual allocations will be finalised later. This is normally when plans have not been finalised at the time of the main budget, as was the case in February when the minister announced money for economising on electricity usage and increasing electricity generation.
- **Adjustments required due to significant unforeseeable economic and financial events that affect the fiscal targets set by the annual budget:** Significantly higher inflation than anticipated in budget projections over the MTEF is an example of when technical adjustments of this nature may need to be made.
- **The shifting of funds between and within votes or to follow the transfer of functions, in terms of the section 42 of the PFMA:** These shifts are made when the assets or liabilities of a department are transferred to another department or institution in terms of legislation or following the reorganisation of functions. They

are also made when amounts have been incorrectly classified in terms of the Standard Chart of Accounts (SCOA) in the ENE at the time of the main budget.

- **Funds required for emergency situations, in terms of section 16 of the PFMA:** The Minister of Finance is authorised to approve the use of funds from the National Revenue Fund for expenditure of an exceptional nature which has not been appropriated. This is for cases when postponing the expenditure to a future parliamentary appropriation would seriously prejudice the public interest.

At the time of the adjustments budget, the Adjusted Estimates of National Expenditure accompanies the Adjustments Appropriation Bill. Both are 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 current financial year.

The Adjusted Estimates sets out the revised expenditure estimates of all national departments for the current financial year. It includes the amounts allocated at the time of the budget in the main Appropriation Act and the supplementary amounts allocated in the adjustments budget.

Summary of the adjustments for 2008/09

In addition to the Adjustments Appropriation Bill for 2008/09, the Minister of Finance tabled an Eskom Subordinate Loan Special Appropriation Bill, which recommends additional spending of R10 billion in 2008/09 in terms of section 30(2)(d) of the PFMA. The Eskom Bill in addition proposes amounts for appropriation in 2009/10 and 2010/11.

The Adjustments Appropriation Bill makes provision for an additional R25.9 billion of spending for 2008/09, comprised as follows:

• approved roll-overs	R2.4 billion
• unforeseeable and unavoidable expenditure	R11.2 billion
• unallocated amounts announced in the 2008 Budget	R0.2 billion
• costs relating to higher than expected inflation	R7.7 billion
• funds required for an emergency	R1.3 billion
• self-financing expenditure	R0.5 billion
• state debt costs	R2.7 billion

A contingency reserve of R6 billion was set aside in the main budget. The revised budget spending projections also make provision for about R5.5 billion in underspending at a national level (including savings explicitly declared). Offsetting this R11.5 billion against the R35.9 billion in expenditure contained in the Adjustments Appropriation and Eskom bills, the total estimated level of spending rises by R24.4 billion, from a budgeted R611.1 billion to a revised R635.5 billion.

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Table 1: Summary of the 2008/09 Revised National Budget

	Main Appropriation (ENE)	Additional Appropriation (AENE)	Adjusted Appropriation
R thousand			
Appropriation by vote	345 307 566	26 094 335	371 401 901
Main appropriation	345 307 566		345 307 566
Total adjustments		26 094 335	26 094 335
Roll-overs		2 361 355	2 361 355
Unforeseeable and unavoidable expenditure of which : Road Accident Fund		8 921 251	8 921 251
		2 500 000	2 500 000
Salary adjustment (National)		1 962 586	1 962 586
Inflation adjustment		2 149 401	2 149 401
Section 30(2)d items (unallocated in budget speech)		10 200 000	10 200 000
- Eskom		10 000 000	10 000 000
- Retrofitting government buildings		20 000	20 000
- Demand side management		180 000	180 000
Self-financing		499 742	499 742
Direct charges against the National Revenue Fund	259 788 340	9 822 947	269 611 287
State debt cost	51 236 000	2 690 000	53 926 000
Provincial equitable share	199 376 977	4 632 947	204 009 924
- Unforeseeable and unavoidable expenditure		1 050 000	1 050 000
- Salary adjustment		3 019 000	3 019 000
- Inflation adjustment		563 947	563 947
Skills levy and Setas	7 529 600	-	7 529 600
Remuneration of public office bearers	1 645 763	2 500 000	4 145 763
- Unforeseeable and unavoidable expenditure		2 500 000	2 500 000
Subtotal	605 095 906	35 917 282	641 013 188
Contingency reserve	6 000 000	(6 000 000)	-
Projected under spending		(4 339 208)	(4 339 208)
Declared savings		(1 208 323)	(1 208 323)
Total Estimated Expenditure Level	611 095 906	24 369 751	635 465 657
Main budget revenue	625 352 975	1 177 299	626 530 274
Tax revenue	642 268 600	-	642 268 600
Departmental revenue	12 005 000	(667 438)	11 337 562
Less: Estimate of SACU payments	(28 920 625)	1 844 737	(27 075 888)
Budget balance	14 257 069		(8 935 383)

Table 2: Adjusted appropriations per vote and revised estimates of direct charges against the National Revenue Fund - 2008/09

Vote number and title	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments			
R thousand								
Central Government Administration								
1	The Presidency	290 040	7 471	10 351	–	3 873	21 695	311 735
2	Parliament	904 532	–	–	–	9 267	9 267	913 799
3	Foreign Affairs	4 340 708	500 000	535 000	–	194 079	1 229 079	5 569 787
4	Home Affairs	4 505 019	104 592	139 963	–	67 034	311 589	4 816 608
5	Public Works	4 141 402	123 811	–	–	36 779	160 590	4 301 992
Financial and Administrative Services								
6	Government Communication and Information System	418 255	17 654	–	–	3 923	21 577	439 832
7	National Treasury	21 318 192	4 100	4 906	–	10 096 966	10 105 972	31 424 164
8	Public Service and Administration	412 306	5 169	–	–	2 733	7 902	420 208
9	Public Service Commission	111 172	–	–	–	2 500	2 500	113 672
10	Public Administration Leadership and Management Academy	105 527	–	–	–	–	–	105 527
11	Statistics South Africa	1 272 219	32 601	–	–	18 570	51 171	1 323 390
Social Services								
12	Arts and Culture	2 117 082	10 877	22 300	–	10 058	43 235	2 160 317
13	Education	18 857 546	36 111	394 002	–	461 711	891 824	19 749 370
14	Health	15 100 845	373 836	300 000	–	76 488	750 324	15 851 169
15	Labour	1 732 911	25 487	–	–	(10 792)	14 695	1 747 606
16	Social Development	76 007 974	11 800	500 000	–	34 377	546 177	76 554 151
17	Sport and Recreation South Africa	3 496 248	11 278	1 400 000	–	2 160	1 413 438	4 909 686
Justice and Protection Services								
18	Correctional Services	11 671 834	205 600	–	–	461 386	666 986	12 338 820
19	Defence	28 233 155	240 000	100 000	–	(674 128)	(334 128)	27 899 027
20	Independent Complaints Directorate	98 497	–	–	–	–	–	98 497
21	Justice and Constitutional Development	8 341 432	54 885	–	–	119 208	174 093	8 515 525
22	Safety and Security	40 453 243	–	–	–	1 039 066	1 039 066	41 492 309
Economic Services and Infrastructure								
23	Agriculture	2 534 671	186 377	216 700	–	–	403 077	2 937 748
24	Communications	1 723 605	–	607 904	–	–	607 904	2 331 509
25	Environmental Affairs and Tourism	3 061 686	–	109 000	–	35 871	144 871	3 206 557
26	Housing	10 586 523	91 468	–	–	250 496	341 964	10 928 487
27	Land Affairs	6 659 396	–	–	–	–	–	6 659 396
28	Minerals and Energy	3 595 423	1 950	–	–	188 868	190 818	3 786 241
29	Provincial and Local Government	34 193 880	–	768 856	–	676 271	1 445 127	35 639 007
30	Public Enterprises	3 007 862	–	259 516	–	2 000	261 516	3 269 378
31	Science and Technology	3 703 972	–	–	–	17 743	17 743	3 721 715
32	Trade and Industry	5 102 605	10 012	–	–	14 276	24 288	5 126 893
33	Transport	20 508 528	37 276	2 235 473	–	1 711 563	3 984 312	24 492 840
34	Water Affairs and Forestry	6 699 276	269 000	17 280	–	51 060	337 340	7 036 616
Total appropriation by vote		345 307 566	2 361 355	7 621 251	–	14 903 406¹	24 886 012	370 193 578
Plus:								
Total direct charges against the National Revenue Fund		259 788 340	–	3 550 000	–	6 272 947	9 822 947	269 611 287
President and Deputy President salaries (The Presidency)		2 455	–	–	–	–	–	2 455
Members remuneration (Parliament)		253 979	–	2 500 000	–	–	2 500 000	2 753 979
State debt cost (National Treasury)		51 236 000	–	–	–	2 690 000	2 690 000	53 926 000
Provincial equitable share (National Treasury)		199 376 977	–	1 050 000	–	3 582 947	4 632 947	204 009 924
Skills levy and Setas (Labour)		7 529 600	–	–	–	–	–	7 529 600
Judges and Magistrates salaries (Justice and Constitutional Development)		1 389 329	–	–	–	–	–	1 389 329
Total		605 095 906	2 361 355	11 171 251	–	21 226 353	34 708 959	639 804 865
Contingency reserve		6 000 000	–	–	–	(6 000 000)	(6 000 000)	–
Projected underspending		–	–	–	–	(4 339 208)	(4 339 208)	(4 339 208)
Total		611 095 906	2 361 355	11 171 251	–	10 887 145	24 369 751	635 465 657

¹ Other adjustments of R14.903 billion includes savings declared by departments to the amount of R1.208 billion

Table 2 (continued): Adjusted appropriations per vote and revised estimates of direct charges against the National Revenue Fund - 2008/09

Economic classification	Additional appropriation					Total additional appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
Current payments							
Compensation of employees	63 323 262	–	2 556 289	(84 279)	1 618 718	4 090 728	67 413 990
Goods and services	38 147 767	384 863	881 998	(191 236)	379 771	1 455 396	39 603 163
Interest and rent on land	51 236 804	–	–	(10)	2 690 000	2 689 990	53 926 794
Financial transactions in assets and liabilities	–	–	235 000	37	–	235 037	235 037
Total current payments	152 707 833	384 863	3 673 287	(275 488)	4 688 489	8 471 151	161 178 984
Transfers and subsidies to:							
Provinces and municipalities	279 979 820	508 750	4 966 331	287 354	4 641 257	10 403 692	290 383 512
Departmental agencies and accounts	50 052 593	267 052	1 588 417	541 631	594 030	2 991 130	53 043 723
Universities and technikons	13 588 474	–	–	(85 769)	350 014	264 245	13 852 719
Public corporations and private enterprises	18 876 723	10 012	280 616	(200 839)	10 702 682	10 792 471	29 669 194
Foreign governments and international organisations	976 138	–	–	26 102	(1 788)	24 314	1 000 452
Non-profit institutions	1 683 767	15 751	–	47 786	(303 424)	(239 887)	1 443 880
Households	79 759 719	97 531	660 600	(770 268)	(7 356)	(19 493)	79 740 226
Total transfers and subsidies	444 917 234	899 096	7 495 964	(154 003)	15 975 415	24 216 472	469 133 706
Payments for capital assets							
Buildings and other fixed structures	3 900 588	1 015 589	–	9 333	503 840	1 528 762	5 429 350
Machinery and equipment	2 531 226	61 807	2 000	(60 951)	3 517	6 373	2 537 599
Heritage assets	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–
Biological and cultivated assets	595	–	–	–	320	320	915
Software and other intangible assets	185 757	–	–	(321)	4 772	4 451	190 208
Land and subsoil assets	852 673	–	–	481 430	–	481 430	1 334 103
Total payments for capital assets	7 470 839	1 077 396	2 000	429 491	512 449	2 021 336	9 492 175
Total	605 095 906	2 361 355	11 171 251	–	21 176 353	34 708 959	639 804 865
Contingency reserve	6 000 000				(6 000 000)	(6 000 000)	–
Projected underspending					(4 339 208)	(4 339 208)	(4 339 208)
Total	611 095 906	2 361 355	11 171 251	–	10 837 145	24 369 751	635 465 657

Table 3: Funds rolled over from 2007/08 to 2008/09

Vote and description of expenditure	R thousand
1 The Presidency R4.028 million for relocating to additional accommodation. R3.443 million for outstanding commitments on administrative costs.	7 471
3 Foreign Affairs R500 million for the head office project (early works agreement).	500 000
4 Home Affairs R54.234 million for the voice over internet protocol to improve global connectivity for South African missions abroad. R31.658 million for reconfiguring and improving the existing passport dispatching system. R18.7 million for Hanis Techno Refresh project.	104 592
5 Public Works R66.165 million for infrastructure for the Re Kgabisa Tshwane programme. R18.8 million for the Lebombo port of entry redevelopment project. R38.846 million for the Prestige programme for purchasing land from the City of Cape Town for building a hall.	123 811
6 Government Communication and Information Systems R154 000 for upgrading the switchboard system. R2.5 million for advertising second economy programmes by the South African Broadcasting Corporation. R15 million for communication campaigns on saving electricity and on renewable energy sources.	17 654
7 National Treasury R4.1 million to the South African Revenue Service for the business registration reform project.	4 100
8 Public Service and Administration R2.336 million for the roll out of phase 2 and 3 of HR Connect projects. R2.833 million for investigating the EQUATE job evaluation system.	5 169
11 Statistics South Africa R32.601 million for the dwelling frame project.	32 601
12 Arts and Culture R4.231 million for 2010 FIFA World Cup projects. R6.646 million for community libraries (conditional grants).	10 877
13 Education R5 million for the PPP agreement for enlarging the new head office building to eliminate future unitary fee payments. R3.221 million for the HIV and Aids conditional grant. R22 million for the special tuition programme. R5.72 million for the ICT feasibility study. R170 000 for the FET colleges recapitalisation conditional grant.	36 111
14 Health R21.752 million for upgrading and commissioning the Civitas building. R13 million for loveLife. R1.751 million for outstanding commitments to HIV and Aids NGOs. R16 million for the Global Fund to Fight AIDS, TB and Malaria. R182.541 million for the forensic pathology services conditional grant. R2.952 million for the national health laboratory services. R3.062 million for the health professional training and development conditional grant. R132.136 million for the hospital revitalisation conditional grant. R642 000 for the national tertiary services conditional grant.	373 836

Table 3: Funds rolled over from 2007/08 to 2008/09 (continued)

Vote and description of expenditure	R thousand
15 Labour R11.97 million for repair and maintenance programme in the Gauteng South sheltered employment factory in Village Main. R6.817 million for Employment Services for South Africa (ESSA) processes. R6.7 million for upgrading security at the Institute of the National Development of Learnerships, Employment Skills and Labour Assessments (INDLELA).	25 487
16 Social Development R1 million for the Planned Parenthood Association. R5 million for an integrated management information system for the Appeals Tribunal. R5.8 million for improving monitoring and evaluation of the social development information system.	11 800
17 Sport and Recreation South Africa R1.286 million has been rolled over for club development training. R6.337 million for training volunteers for the 2010 FIFA World Cup. R3.655 million for the mass sport and recreation participation programme conditional grant.	11 278
18 Correctional Services R205.6 million for the ongoing construction of the Kimberley correctional centre.	205 600
19 Defence R12.8 million to settle outstanding invoices for vehicles and to convert panel vans into ambulances. R66.084 million for repairing and maintaining facilities. R124.593 million for upgrading and constructing buildings. R6.8 million to settle outstanding invoices for buses. R29.723 million to settle outstanding invoices for spare parts and 60mm and 81mm mortar bombs.	240 000
21 Justice and Constitutional Development R54.885 million to continue providing facilities for people with disabilities at all courts.	54 885
23 Agriculture R3.206 million for CASP projects. R93.300 million for finalising payments in respect of the Classical Swine Fever Campaign. R87.837 million for Agricultural Disasters Management. R2.034 million for LandCare projects.	186 377
26 Housing R3.3 million for furniture and audiovisual equipment for the newly refurbished office in Cape Town. R2.568 million to Hlaniki/Wits Business School for the councillor training programme. R11 million for the media campaigns administered by the Government Communication and Information Systems for the department. R74.6 million on the integrated housing and human settlement development grant for completing various housing projects.	91 468
28 Minerals and Energy R1.950 million for the completion of the technical audit of electrification projects which is outsourced to Eskom.	1 950
32 Trade and Industry R3.8 million for the black business supplier development Programme for incentive scheme claims. R6.212 million for the critical infrastructure programme for claims for approved infrastructure applications.	10 012
33 Transport R5 million for the Arrive Alive campaign. R764 000 for the women and gender audit project. R497 000 for aligning the transport sector charters with the code of good practice. R8.27 million for oil pollution prevention. R6.945 million for developing the national airports development plan. R1.8 million for guidelines standards and monitoring for integrated transport planning. R14 million for restructuring the Road Accident Fund.	37 276
34 Water Affairs and Forestry R260 million for phase 2A of the construction of the De Hoop Dam. R9 million for the municipal drought relief grant.	269 000
Total	2 361 355

Table 4: Unforeseeable and unavoidable expenditure

Vote and description of expenditure	R thousand
1 The Presidency Additional funding due to unexpected increase in administrative capacity as well as funding for the war room on poverty.	10 351 10 351
2 Parliament Political Office Bearers Pension Fund.	2 500 000 2 500 000
3 Foreign Affairs Review of budget exchange rates. Recapitalisation of the African Renaissance Fund to be used for the acquisition of agricultural inputs for Zimbabwe.	535 000 235 000 300 000
4 Home Affairs Additional funds for the Displaced People Project. Special dispensation for SADC nationals in terms of section 31(2) of the Immigration Act, 2002 (Act 13 of 2002). Advanced Passenger Processing and Information system (APP/ API) for the 2010 FIFA World Cup. Additional funds for the Electoral Commission for election result scanners in preparation for the 2009 National and Provincial elections.	139 963 21 656 15 000 50 000 53 307
7 National Treasury Additional funding for Crime Intelligence inflation adjustment to the fuel budget. Provincial Equitable Share:- Vaccines for preparatory and piloting activities. Occupational Specific Dispensation for nurses (OSD).	1 054 906 4 906 50 000 1 000 000
12 Arts and Culture Funds allocated for crucial capital expenditure projects for the Robben Island Museum to keep its World Heritage Site status.	22 300 22 300
13 Education Allocated for the disaster management conditional grant for storm damage to schools. Allocated for the national school nutrition programme to ensure that the targeted 7 million school learners will be fed on all school days during the current financial year. Additional funds for the Kha Ri Gude mass literacy campaign.	394 002 22 002 265 000 107 000
14 Health Funds allocated for HIV and Aids for the introduction of the Preventing Mother to Child Transmission (PMTCT) dual therapy programme and shortfalls on treatment programmes.	300 000 300 000
16 Social Development Amount is allocated to provide short term social relief to communities and households facing undue hardship.	500 000 500 000
17 Sport and Recreation South Africa Adjustment to the 2010 FIFA World Cup Stadium Development Grant.	1 400 000 1 400 000
19 Defence Additional funds for the Peace support operation in Burundi.	100 000 100 000

Table 4: Unforeseeable and unavoidable expenditure (continued)

Vote and description of expenditure	R thousand
23 Agriculture	216 700
Compensation payable in terms of a court order.	21 100
Funds to finalise payments in respect of the Classical Swine Fever Combating Campaign.	70 600
Agricultural Disaster Management Grant for veldt fires (R40 million) and Floods (R9 million).	49 000
Funds allocated to provide agricultural starter packs to vulnerable households to mitigate the impact of high food prices.	76 000
24 Communications	607 904
Additional funding for the Universal Services and Access Agency of South Africa (USAASA).	7 904
Funding request for the unforeseen expenditure of the "last mile" Access Network between the 2010 FIFA World Cup stadium venues and the Telkom National Network.	600 000
25 Environmental Affairs and Tourism	109 000
Additional funding for cash flow adjustment for Expanded Public Works Programme (EPWP) projects	109 000
29 Provincial and Local Government	768 856
Funds allocated for the rehabilitation of infrastructure destroyed by flooding in the Western Cape and Eastern Cape in November 2007	281 498
Funds for the rehabilitation of infrastructure damaged by flooding in Western Cape in July 2008.	22 186
Allocation for the recovery and rehabilitation of infrastructure damaged by the storm in KwaZulu-Natal in June 2008.	418 125
Costs incurred by various stakeholders in managing the temporary accommodation for internally displaced people.	47 047
30 Public Enterprises	259 516
Indemnity claim by Denel Saab Aerostructures (DSA) under the Indemnity Agreement between Government, Saab and Denel	259 516
33 Transport	3 535 473
Special adjustment for the Road Accident Fund.	2 500 000
Disaster Management grant for roads, bridges and storm water damage due to recent floods in KwaZulu-Natal and Western Cape.	1 035 473
34 Water Affairs and Forestry	17 280
R9.68 million has been allocated for the Working for Water programme, and R7.6 million for Working on Fire.	17 280
Total	12 471 251

Table 5: Unallocated expenditure announced during the tabling of the 2008 Budget

Vote and description of expenditure	R thousand
5 Public Works Additional funding of R20 million has been allocated to cover costs for retrofitting government buildings in line with the strategy for conserving energy.	20 000 20 000
7 National Treasury Additional funding of R10 billion will be allocated to cover costs related to enhancing Eskom's balance sheet and enabling the building of infrastructure for sustainable electricity.	10 000 000 10 000 000
28 Minerals and Energy Additional funding of R180 million has been allocated for the roll out by Eskom of the energy demand side management programme. The principal focus is replacing incandescent light bulbs with compact fluorescent light bulbs as part of the strategy to mitigate against the current electricity emergency situation.	180 000 180 000
Total	10 200 000

Table 6: Details of self-financing expenditure

Vote and description of expenditure	R thousand
6 Government Communication and Information Systems R150 000 has been received from South African Broadcasting Corporation (SABC) and R60 000 from Standard Bank for the annual Government Communicators Awards ceremony. The funds have been surrendered to the National Revenue Fund.	210 210
3 Foreign Affairs Revenue to be received from the private party in the PPP agreement as part payment for the early works construction on the head office campus.	165 519 165 519
18 Correctional Services The adjustment of R2.718 million refers to monies collected for the hiring out of offender labour at a rate prescribed by the Departmental Tariff Policy and approved by National Treasury. The full amount collected is deposited into the National Revenue Fund and 33.33 per cent (R906 000) is re-allocated to the Department to supplement the budget for the payment of gratuities to offenders.	906 906
19 Defence R120.480 million generated from sales in 2007/08 of equipment and spares procured through the Special Defence Account has been deposited into the National Revenue Fund.	120 480 120 480
33 Transport R165 million was approved to fund the maintenance and the ongoing development of the eNaTIS system. The relevant transaction fees were surrendered to the National Revenue Fund because the function of managing the eNaTIS system was not yet transferred to the Road Traffic Management Corporation, which collects the transaction fees.	165 000 165 000
34 Water Affairs Total amount of R835 000 has been received as a donation from Eskom R400 000, Rand Water R350 000, Umgeni Water R20 000 and Trans-Caledon Tunnel Authority R65 000; these funds will be utilised for Women in Water Awards. An amount of R46.792 million is required towards operational cost for the Lowveldt plantations. The revenue for the operations of these plantations now accrues to the National Revenue Fund following the closure of the Industrial Plantation Trading Account.	47 627 835 46 792
Total	499 742

Table 7: Details of declared savings and projected underspending

Vote and description of saving	R thousand
Declared savings	
7 National Treasury	68 680
Saving of R18.680 million on the transfer payment for the Neighbourhood Development Partnership Grant is due to slower spending that has been declared by municipalities.	18 680
Savings of R50 million has been declared on the transfer payment directly to the Development Bank of Southern Africa for the municipalities for the financial management grant.	50 000
15 Labour	10 792
Savings of R6.7 million have been declared due to the suspension of the security upgrading at INDLELA because the grounds are situated in a dolomite area. Savings of R4.092 million have been declared due to vacant posts.	10 792
19 Defence	1 128 851
Due to delays in the delivery of strategic defence equipment the allocation for this equipment was reduced by R1 966.400 million and will be added back in 2009/10. R837.549 million not requisitioned for the Strategic Defence Procurement programme this year is to be reallocated in 2008/09. The net effect is a reduction in the department's 2008/09 baseline of R1 128.851 million.	1 128 851
Projected underspending	4 339 208
Total	5 547 531

Table 8: Expenditure outcome 2007/08 and preliminary expenditure 2008/09

Vote number and title	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 - Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 - Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 - Sep 08 % of adjusted appropriation
Central Government Administration								
1 The Presidency	272 101	109 731	40.3	264 200	97.1	311 735	160 546	51.5
2 Parliament	835 714	325 823	39.0	902 093	107.9	913 799	450 781	49.3
3 Foreign Affairs	4 119 063	1 543 061	37.5	4 069 733	98.8	5 569 787	2 338 783	42.0
4 Home Affairs	3 520 898	1 167 697	33.2	3 241 727	92.1	4 816 608	1 721 417	35.7
5 Public Works	3 759 464	1 970 196	52.4	3 402 283	90.5	4 301 992	1 709 536	39.7
Financial and Administrative Services								
6 Government Communication and Information System	384 012	185 682	48.4	380 916	99.2	439 832	211 573	48.1
7 National Treasury	19 748 367	8 956 972	45.4	18 966 168	96.0	31 424 164	9 949 880	31.7
8 Public Service and Administration	384 063	161 148	42.0	370 383	96.4	420 208	163 726	39.0
9 Public Service Commission	108 164	49 331	45.6	108 134	100.0	113 672	57 327	50.4
10 Public Administration Leadership and Management Academy	131 126	36 652	28.0	131 113	100.0	105 527	62 453	59.2
11 Statistics South Africa	1 157 286	418 877	36.2	1 056 998	91.3	1 323 390	564 601	42.7
Social Services								
12 Arts and Culture	1 607 769	830 473	51.7	1 585 849	98.6	2 160 317	1 148 343	53.2
13 Education	16 386 752	11 670 595	71.2	16 241 326	99.1	19 749 370	14 509 118	73.5
14 Health	13 091 136	6 187 213	47.3	12 762 731	97.5	15 851 169	7 502 585	47.3
15 Labour	2 037 865	876 157	43.0	1 948 621	95.6	1 747 606	786 138	45.0
16 Social Development	67 229 108	35 082 859	52.2	67 191 404	99.9	76 554 151	37 197 230	48.6
17 Sport and Recreation South Africa	5 067 207	1 581 408	31.2	5 048 000	99.6	4 909 686	2 877 166	58.6
Justice and Protection Services								
18 Correctional Services	11 384 409	4 856 371	42.7	11 122 379	97.7	12 338 820	6 114 626	49.6
19 Defence	26 291 785	10 456 009	39.8	25 180 113	95.8	27 899 027	11 672 219	41.8
20 Independent Complaints Directorate	80 891	35 223	43.5	80 891	100.0	98 497	46 372	47.1
21 Justice and Constitutional Development	7 538 667	3 084 782	40.9	7 373 766	97.8	8 515 525	3 831 654	45.0
22 Safety and Security	36 386 105	16 584 380	45.6	36 386 105	100.0	41 492 309	19 821 082	47.8
Economic Services and Infrastructure								
23 Agriculture	3 469 603	968 270	27.9	3 328 417	95.9	2 937 748	1 172 046	39.9
24 Communications	1 924 483	624 680	32.5	1 911 778	99.3	2 331 509	660 592	28.3
25 Environmental Affairs and Tourism	2 790 521	1 571 460	56.3	2 788 757	99.9	3 206 557	1 742 283	54.3
26 Housing	8 982 358	3 814 747	42.5	8 586 272	95.6	10 928 487	5 345 770	48.9
27 Land Affairs	5 928 269	2 780 269	46.9	5 897 497	99.5	6 659 396	3 518 051	52.8
28 Minerals and Energy	2 974 937	1 521 729	51.2	2 947 367	99.1	3 786 241	1 118 099	29.5
29 Provincial and Local Government	30 036 751	10 702 202	35.6	30 029 716	100.0	35 639 007	12 327 756	34.6
30 Public Enterprises	4 605 089	985 327	21.4	4 603 984	100.0	3 269 378	1 580 258	48.3
31 Science and Technology	3 144 229	1 531 287	48.7	3 127 280	99.5	3 721 715	2 069 129	55.6
32 Trade and Industry	5 479 433	2 467 415	45.0	5 295 351	96.6	5 126 893	2 417 285	47.1
33 Transport	16 543 932	6 659 586	40.3	16 331 627	98.7	24 492 840	11 540 685	47.1
34 Water Affairs and Forestry	5 862 513	2 174 305	37.1	5 385 396	91.9	7 036 616	2 985 095	42.4
Total expenditure by vote	313 264 070	141 971 917	45.3	308 048 375	98.3	370 193 578	169 374 205	45.8
Plus:								
Total direct charges against the National Revenue Fund	234 109 618	119 173 614	50.9	233 450 418	99.7	269 611 287	132 002 524	49.0
President and Deputy President salaries (The Presidency)	2 219	1 078	48.6	2 316	104.4	2 455	1 172	47.7
Members remuneration (Parliament)	242 380	121 192	50.0	240 708	99.3	2 753 979	120 689	4.4
State debt cost (National Treasury)	52 937 000	26 722 842	50.5	52 877 060	99.9	53 926 000	28 119 800	52.1
Provincial equitable share (National Treasury)	172 861 501	89 061 126	51.5	172 861 501	100.0	204 009 924	99 688 500	48.9
Skills development programme (Labour)	6 800 000	2 696 306	39.7	6 284 306	92.4	7 529 600	3 455 566	45.9
Judges and Magistrates salaries (Justice and Constitutional Development)	1 266 518	571 070	45.1	1 184 527	93.5	1 389 329	616 797	44.4
Total	547 373 688	261 145 531	47.7	541 498 793	98.9	639 804 865	301 376 729	47.1

Table 8 (continued): Expenditure outcome 2007/08 and preliminary expenditure 2008/09

Economic classification	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 - Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 - Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 - Sep 08 % of adjusted appropriation
Current payments								
Compensation of employees	58 460 510	27 389 203	46.9	57 606 498	98.5	67 413 990	30 781 237	45.7
Goods and services	34 099 009	12 969 097	38.0	32 311 378	94.8	39 603 163	17 056 000	43.1
Interest and rent on land	52 937 768	26 723 812	50.5	52 878 361	99.9	53 926 794	28 119 913	52.1
Financial transactions in assets and liabilities	14	18 489	132 064.3	179 565	1 282 607.1	235 037	25 553	10.9
Total current payments	145 497 301	67 100 601	46.1	142 975 802	98.3	161 178 984	75 982 702	47.1
Transfers and subsidies to:								
Provinces and municipalities	243 989 505	117 324 690	48.1	243 236 557	99.7	290 383 512	137 575 960	47.4
Departmental agencies and accounts	45 305 020	20 497 456	45.2	43 299 241	95.6	53 043 723	23 461 625	44.2
Universities and technikons	11 975 329	9 316 162	77.8	12 003 773	100.2	13 852 719	11 004 158	79.4
Public corporations and private enterprises	20 542 517	7 809 529	38.0	20 809 609	101.3	29 669 194	9 823 100	33.1
Foreign governments and international organisations	1 046 970	277 515	26.5	936 154	89.4	1 000 452	278 291	27.8
Non-profit institutions	1 307 062	406 311	31.1	959 448	73.4	1 443 880	543 344	37.6
Households	69 360 712	36 224 965	52.2	69 312 346	99.9	79 740 226	38 726 097	48.6
Total transfers and subsidies	393 527 115	191 856 628	48.8	390 557 128	99.2	469 133 706	221 412 575	47.2
Payments for capital assets								
Buildings and other fixed structures	4 847 248	1 017 491	21.0	3 691 882	76.2	5 429 350	2 149 382	39.6
Machinery and equipment	2 448 750	824 029	33.7	3 213 139	131.2	2 537 599	948 331	37.4
Heritage assets	-	-	-	8 772	-	-	-	-
Biological and cultivated assets	1 040	1 050	101.0	11 155	1 072.6	915	2 482	271.3
Software and other intangible assets	203 172	47 953	23.6	191 811	94.4	190 208	15 752	8.3
Land and subsoil assets	849 062	297 779	35.1	849 104	100.0	1 334 103	865 505	64.9
Total payments for capital assets	8 349 272	2 188 302	26.2	7 965 863	95.4	9 492 175	3 981 452	41.9
Total	547 373 688	261 145 531	47.7	541 498 793	98.9	639 804 865	301 376 729	47.1

Table 9: Summary of revised departmental receipts for the 2008/09 financial year

Vote number and title		2008/09			
		Budget estimate	Adjusted estimate	Actual receipts Apr – Sep 2008	% of Adjusted estimate
R thousand					
Central Government Administration					
1	The Presidency	123	234	90	38.5
2	Parliament	36 440	36 440	27 044	74.2
3	Foreign Affairs	40 045	21 401	12 204	57.0
4	Home Affairs	568 505	407 883	143 444	35.2
5	Public Works	35 635	23 000	11 284	49.1
Financial and Administrative Services					
6	Government Communication and Information System	2 797	2 697	1 961	72.7
7	National Treasury	5 701 245	5 084 709	2 116 148	41.6
8	Public Service and Administration	503	510	203	39.8
9	Public Service Commission	233	233	77	33.0
10	Public Administration Leadership and Management Academy	70	106	79	74.5
11	Statistics South Africa	1 774	2 680	1 931	72.1
Social Services					
12	Arts and Culture	558	5 706	5 551	97.3
13	Education	7 103	7 231	3 877	53.6
14	Health	5 961	5 630	2 413	42.9
15	Labour	8 332	27 128	7 588	28.0
16	Social Development	144	2 394	2 330	97.3
17	Sport and Recreation South Africa	55	224	185	82.6
Justice and Protection Services					
18	Correctional Services	130 086	131 154	81 201	61.9
19	Defence	505 353	474 728	106 070	22.3
20	Independent Complaints Directorate	60	60	18	30.0
21	Justice and Constitutional Development	398 404	398 404	79 403	19.9
22	Safety and Security	288 220	323 839	172 750	53.3
Economic Services and Infrastructure					
23	Agriculture	72 030	218 273	145 085	66.5
24	Communications	3 233 618	3 218 929	2 420 462	75.2
25	Environmental Affairs and Tourism	1 087	4 412	4 147	94.0
26	Housing	661	1 053	375	35.6
27	Land Affairs	190 590	204 404	36 665	17.9
28	Minerals and Energy	199 875	198 120	71 513	36.1
29	Provincial and Local Government	135	395	298	75.4
30	Public Enterprises	70	70	44	62.9
31	Science and Technology	70	106	59	55.7
32	Trade and Industry	251 504	289 858	141 320	48.8
33	Transport	266 008	186 528	25 531	13.7
34	Water Affairs and Forestry	92 031	92 031	46 680	50.7
Total departmental receipts as per Adjusted Estimates of National Expenditure		12 039 325	11 370 570	5 668 030	49.8
Less: Parliament (retained departmental receipts)		36 440	36 440	27 044	74.2
Plus: SARS departmental receipts collection		2 115	3 432	1 800	52.4
Total departmental revenue as per Medium Term Budget Policy Statement		12 005 000	11 337 562	5 642 786	49.8
Direct National Revenue Fund receipts (Extra-ordinary receipts)					
Restructuring proceeds from SASRIA (National Treasury)				1 811 858	
Structure levy account and blocked rand levy account from SARB (National Treasury)				492	
Exchange control forfeits from SARB (National Treasury)				662	
Total direct Revenue Fund receipts				1 813 012	

Table 9 (continued): Summary of revised departmental receipts for the 2008/09 financial year

Economic classification	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr – Sep 2008	% of Adjusted estimate
R thousand				
Departmental receipts				
Sales of goods and services other than capital assets	3 455 410	3 098 351	1 566 349	50.6
Transfers received	200	3 391	1 175	34.7
Fines, penalties and forfeits	435 019	437 381	159 208	36.4
Interest, dividends and rent on land	7 285 067	6 810 754	3 363 570	49.4
Sales of capital assets	148 832	99 176	3 385	3.4
Financial transactions in assets and liabilities	714 797	921 517	574 343	62.3
Total departmental receipts as per Adjusted Estimates of National Expenditure	12 039 325	11 370 570	5 668 030	49.8

Information contained in each chapter

Each chapter reflects a single vote. A vote is one of the main segments into which the appropriation acts are divided. A vote specifies the total amount appropriated per department.

Votes are arranged into the following functional groupings to facilitate analysis of interdepartmental initiatives and service delivery. (Note: These functional groupings are informal and are not consistent with the more rigorous functional classification of expenditure in terms of the standard chart of accounts.)

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

Adjusted budget summary

This table links to the original appropriations in the main budget, showing the adjustments to appropriations in the adjustments budget, by economic classification.

The main appropriation reflects the total rand amount voted for 2008/09 at the time of the main budget.

The adjusted appropriation reflects the total adjusted rand amount to be voted for 2008/09.

Current payments are payments made by a national department for its operational requirements, including for compensation of employees, goods and services, interest, rental of immovable property, and financial transactions relating to assets and liabilities, but excluding transfers and subsidies, payments for capital assets and payments made under section 73 of the PFMA.

Transfers and subsidies are payments made by a national department to another organ of state or to a person or organisation outside government, for which the department does not receive a direct benefit of similar value in return, and include the payment of conditional grants.

Payments for capital assets are payments made by a national department for an asset that can be used continuously or repeatedly for more than one year and which is expected to have future economic benefits or service potential for the department. The payments must be classified as a payment for capital assets in accordance with the Reference Guide to the new Economic Reporting Format (November 2003, Version 2) and the Asset Management Framework (April 2004, Version 3.3), issued by the National Treasury under section 76 of the PFMA.

Direct charges against the National Revenue Fund are indicated, and may also be revised.

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

Aim

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

Changes to programme purposes, objectives and measures

To maintain the link between the department's strategic plan and its adjusted budget, any changes to programme purposes, objectives and measures are noted. Programme 1: *Administration* is exempt from providing objectives and measures.

Mid-year performance status

Managing, monitoring and measuring performance are integral to improving service delivery. The table presents only a selected set of a department's performance indicators, and is not intended to provide a comprehensive analysis of performance.

Indicators are defined as specific numerical measurements that track progress towards achieving the goals of the department. Indicators may reflect inputs, activities, outputs, outcomes or in certain instances explanatory information relating to the internal or external environment. The selected performance indicators published in the 2008 ENE are updated with actual achievements for the first half of the financial year.

Any changes to indicators or performance estimates are explained below the table. These changes would typically be caused by funding adjustments being tabled in the adjustments budget.

Adjusted Estimates of National Expenditure 2008

In this table adjusted expenditure is set out in accordance with the categories of expenditure specified in section 30(2) of the PFMA by programme and economic classification.

The main appropriation shows the total amount appropriated per programme in the Appropriation Act (2008).

The additional appropriation consists of a variety of categories:

- **Roll-overs** are funds appropriated in 2007/08 but not spent, and reappropriated in 2008/09.
- **Unforeseeable and unavoidable expenditure** is expenditure that could not be anticipated at the time of finalising the inputs for the *Estimates of National Expenditure 2008*.
- **Virements** are savings generated under one main division or programme 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; funds shifted between votes or to follow the transfer of functions; funds shifted within a vote; use of funds in an emergency, self-financing expenditure; and declared savings. Self-financing expenditure refers to expenditure financed from unforeseen revenue paid into the National Revenue Fund in respect of activities of a department. Declared savings are amounts that will remain unspent by departments that they explicitly indicate they will not be requiring to be allocated.

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

The adjusted appropriation is the total adjusted funds to be voted (main budget allocation and adjustments budget amendments).

Details of adjustments to the Estimates of National Expenditure 2008

Explanations are given by programme for:

- Roll-over of funds
- Unforeseeable and unavoidable expenditure
- Virements
- Other adjustments
- Gifts, donations and sponsorships
- Amounts forming a direct charge against the National Revenue Fund

Expenditure 2007/08 and preliminary expenditure 2008/09

The table shows the expenditure outcome for 2007/08 and preliminary expenditure for the first six months of 2008/09 per programme and economic classification.

In respect of 2007/08, the **adjusted appropriation, April 2007 to September 2007** expenditure and **April 2007 to March 2008** expenditure are given in rand amounts.

Each of the expenditure amounts are also indicated as a percentage:

April 2007 to September 2007 percentage of adjusted appropriation shows the expenditure outcome for the first half of 2007/08 as a percentage of the total adjusted appropriation for that year.

April 2007 to March 2008 percentage of adjusted appropriation shows the expenditure outcome for the whole of 2007/08 as a percentage of the total adjusted appropriation for that year.

In respect of 2008/09, the **adjusted appropriation** and **April 2008 to September 2008** expenditure are given in rand amounts.

The expenditure amounts are also indicated as a percentage:

April 2008 to September 2008 percentage of adjusted appropriation shows the expenditure outcome for the first half of 2008/09 as a percentage of the total adjusted appropriation for that year.

Selected expenditure trends for the first half of 2008/09

Expenditure trends show whether expenditure is in line with appropriations. Mid-year preliminary expenditure for 2008/09 is compared to mid-year expenditure for 2007/08. Explanations are given for significant changes in expenditure compared to 2007/08.

Departmental receipts

This table shows projected departmental revenue for 2008/09.

The **budget estimate** of revenue receipts, **adjusted estimate** of receipts and **actual receipts April 2008 to September 2008** are given in rand amounts.

Percentage of adjusted estimate shows the actual receipts for the first half of 2008/09 as a percentage of the total adjusted estimate for that year.

Any deviations from information published in the 2008 ENE are explained in the text that follows.

Changes to transfers and subsidies, and conditional grants

These tables show changes to transfers and subsidies and to conditional grants (provinces and local government).

Tables: Summary of changes to transfers and subsidies per programme

Summary of changes to conditional grants: Provinces

Summary of changes to conditional grants: Municipalities.

The main appropriation shows the total amount appropriated per programme in the Appropriation Act (2008).

The additional appropriation consists of a variety of categories:

- **Roll-overs** are funds appropriated in 2007/08 but not spent, and reappropriated in 2008/09.
- **Unforeseeable and unavoidable expenditure** is expenditure that could not be anticipated at the time of finalising the inputs for the *Estimates of National Expenditure 2008*.

- **Virements** are savings generated under one main division or programme 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; funds shifted between votes or to follow the transfer of functions; funds shifted within a vote; use of funds in an emergency, self-financing expenditure; and declared savings. Self-financing expenditure refers to expenditure financed from unforeseen revenue paid into the National Revenue Fund in respect of activities of a department. Declared savings are amounts that will remain unspent by departments that they explicitly indicate they will not be requiring to be allocated.

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

The adjusted appropriation is the total adjusted funds to be voted (main budget allocation and adjustments budget change).

Vote 1

The Presidency

Adjusted budget summary

2008/09				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	290 040	311 735	-	21 695
<i>of which:</i>				
Current payments	254 519	274 694	-	20 175
Transfers and subsidies	28 440	28 464	-	24
Payments for capital assets	7 081	8 577	-	1 496
Direct charge against the National Revenue Fund	2 455	2 455	-	-
Executive authority	Minister in the Presidency			
Accounting officer	Chief Operating Officer in the Presidency			

Aim

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

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of households surveyed on income, consumption and expenditure in the national income dynamics study	-	6 700
Number of districts and municipalities where gender, disability, children and youth mainstreaming were conceptualised and advocated	255	131
Number of advisory, strategic and research-based submissions made to principals in the Presidency	220	90
Number of meetings of presidential working groups and advisory committees	18	7
Percentage of project cards reported on per Programme of Action Cycle	100%	First cycle 73% Second cycle 72% Third cycle 91%
Number of districts' integrated development plans aligned with the national spatial development perspective and provincial growth and development plans	15	0

The target of 255 districts and municipalities may not be achieved because of a lack of capacity. The revised target is 160 districts and municipalities.

The constraints to reporting on 100% of project cards include staff turnover and competing government events, such as Cabinet Lekgotla.

Aligning 15 districts' integrated development plans by the end of the year is on track: the tender process is complete, introductory workshops have been held with all participating districts and provincial counterparts, and induction and orientation workshops have been held in 5 districts.

Adjusted Estimates of National Expenditure 2008

Table 1.1: Adjusted estimates

Programme	2008/09						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	183 980	7 471	6 156	-	2 572	16 199	200 179
2. Communications	22 812	-	-	-	320	320	23 132
3. Executive Co-ordination	83 248	-	4 195	-	981	5 176	88 424
Subtotal	290 040	7 471	10 351	-	3 873	21 695	311 735
Direct charge against the National Revenue Fund	2 455	-	-	-	-	-	2 455
Salary of the President	1 346	-	-	-	-	-	1 346
Salary of the Deputy President	1 109	-	-	-	-	-	1 109
Departmental Total	292 495	7 471	10 351	-	3 873	21 695	314 190
Economic classification							
Current payments	256 974	7 471	8 351	-	4 353	20 175	277 149
Compensation of employees	143 851	-	3 000	-	3 849	6 849	150 700
Goods and services	113 123	7 471	5 351	-	504	13 326	126 449
Transfers and subsidies	28 440	-	-	-	24	24	28 464
Departmental agencies and accounts	28 333	-	-	-	-	-	28 333
Public corporations and private enterprises	107	-	-	-	-	-	107
Households	-	-	-	-	24	24	24
Payments for capital assets	7 081	-	2 000	-	(504)	1 496	8 577
Machinery and equipment	6 577	-	2 000	-	-	2 000	8 577
Software and other intangible assets	504	-	-	-	(504)	(504)	-
Total	292 495	7 471	10 351	-	3 873	21 695	314 190

Details of adjustments to Estimates of National Expenditure 2008

Roll-over of funds – R7.471 million

Programme 1: Administration

R4.028 million has been rolled over for relocating to additional accommodation.

R3.443 million has been rolled over for outstanding commitments on administrative costs.

Unforeseeable and unavoidable expenditure – R10.351 million

Programme 1: Administration and programme 3: Executive coordination

R10.351 million has been allocated for an unexpected increase in administrative capacity and for the war room on poverty.

Other adjustments – R3.873 million

Adjustments due to significant and unforeseeable economic and financial events

Additional funding of R3.873 million has been allocated to cover costs related to the higher than budgeted wage increase made by the Minister for Public Service and Administration.

Programme 1: Administration
R2.572 million

Programme 2: Communications
R320 000

Programme 3: Executive Co-ordination
R981 000

Funds shifted within a vote

Programme 1: Administration

R24 000 was shifted from compensation of employees to households and R504 000 was shifted from software and other intangible assets to goods and services. These funds were incorrectly classified in the 2008 ENE.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 1.2: Expenditure trends

Programme	2007/08					2008/09			
	Expenditure outcome					Preliminary expenditure			
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007- Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation	
1. Administration	172 099	71 689	41.7	162 186	94.2	200 179	101 712	50.8	
2. Communications	18 500	6 488	35.1	16 195	87.5	23 132	9 943	43.0	
3. Executive Co-ordination	81 502	31 554	38.7	85 819	105.3	88 424	48 891	55.3	
Subtotal	272 101	109 731	40.3	264 200	97.1	311 735	160 546	51.5	
Direct charge against the National Revenue Fund	2 219	1 078	48.6	2 316	104.4	2 455	1 172	47.7	
Salary of the President	1 197	593	49.5	1 270	106.1	1 346	725	53.9	
Salary of the Deputy President	1 022	485	47.5	1 046	102.3	1 109	447	40.3	
Total	274 320	110 809	40.4	266 516	97.2	314 190	161 718	51.5	
Economic classification									
Current payments	241 964	94 683	39.1	236 407	97.7	277 149	142 644	51.5	
Compensation of employees	118 886	57 019	48.0	123 466	103.9	150 700	67 827	45.0	
Goods and services	123 078	37 664	30.6	112 941	91.8	126 449	74 817	59.2	
Transfers and subsidies	24 792	14 795	59.7	25 092	101.2	28 464	17 332	60.9	
Provinces and municipalities	-	-	-	2	-	-	1	-	
Departmental agencies and accounts	24 614	14 681	59.6	24 614	100.0	28 333	17 296	61.0	
Public corporations and private enterprises	102	38	37.3	35	34.3	107	11	10.3	
Households	76	76	100.0	441	580.3	24	24	100.0	
Payments for capital assets	7 564	1 331	17.6	5 017	66.3	8 577	1 742	20.3	
Machinery and equipment	6 395	1 112	17.4	4 678	73.2	8 577	1 742	20.3	
Software and other intangible assets	1 169	219	18.7	339	29.0	-	-	-	
Total	274 320	110 809	40.4	266 516	97.2	314 190	161 718	51.5	

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R161.7 million or 51.5 per cent of the adjusted appropriation of R314.2 million for the year as a whole. Expenditure in the first six months of 2008/09 increased by R50.9 million, or 45.9 per cent compared to spending in the first six months of 2007/08 which amounted to R110.8 million, or 40.4 per cent of the 2007/08 adjusted appropriation.

The main increases compared to 2007/08 are due to the filling of vacancies, to the moving forward of some projects and to once off payments made that were not made in the previous financial year such as relocation costs incurred.

Expenditure for 2007/08 was 97.2 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 1.3: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	95	175	64	36.6
Interest, dividends and rent on land	8	11	1	9.1
Financial transactions in assets and liabilities	20	48	25	52.1
Total	123	234	90	38.5

Actual departmental revenue collections for the first six months of 2008/09 were R90 000 or 38.5 per cent of the adjusted estimate of R234 000.

Changes to transfers and subsidies, and conditional grants

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

R thousands	2008/09						Adjusted appropriation
	Main appropriation	Additional Appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
1. Administration	4 107	-	-	-	24	24	4 131
Households							
Social benefits							
Current	-	-	-	-	24	24	24
Leave gratuities	-	-	-	-	24	24	24

Vote 2

Parliament

Adjusted budget summary

R thousand	2008/09			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	904 532	913 799	-	9 267
<i>of which:</i>				
Current payments	625 200	634 467	-	9 267
Transfers and subsidies	265 698	265 698	-	-
Payments for capital assets	13 634	13 634	-	-
Direct charge against the National Revenue Fund	253 979	2 753 979	-	2 500 000
Executive authority	Presiding officers			
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.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of bills passed	30	36
Number of questions put to the executive	2 500	1 205
Number of annual reports scrutinised by committees	250	0
Number of oversight visits undertaken by committees	70	19
Number of debates held for the public consideration of issues (NA and NCOP)	-	2
Number of international agreements adopted	30	0

Due to changes in the immediate environment the number of Bills introduced increased significantly. It is now expected that the number of Bills for 2008/09 will be 70.

The sudden increase in the number of Bills necessitated a refocus of planned business. In addition, the period for constituency work by members was increased. The number of oversight visits undertaken by committees is now expected to be 40, and the number of questions put to the executive 2 000.

Annual reports were tabled at the end of September, and the oversight processes have not been completed.

4 international agreements are before Parliament but have not been adopted.

Adjusted Estimates of National Expenditure 2008

Table 2.1: Adjusted estimates

Programme	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	215 677	-	-	-	9 267	9 267	224 944
2. Legislation and Oversight	178 268	-	-	-	-	-	178 268
3. Public and International Participation	64 489	-	-	-	-	-	64 489
4. Members' Facilities	183 025	-	-	-	-	-	183 025
5. Associated Services	263 073	-	-	-	-	-	263 073
Subtotal	904 532	-	-	-	9 267	9 267	913 799
Direct charge against the National Revenue Fund	253 979	-	2 500 000	-	-	2 500 000	2 753 979
Members' Remuneration	253 979	-	2 500 000	-	-	2 500 000	2 753 979
Departmental Total	1 158 511	-	2 500 000	-	9 267	2 509 267	3 667 778
Economic classification							
Current payments	879 179	-	2 500 000	-	9 267	2 509 267	3 388 446
Compensation of employees	553 559	-	2 500 000	-	9 267	2 509 267	3 062 826
Goods and services	325 620	-	-	-	-	-	325 620
Transfers and subsidies	265 698	-	-	-	-	-	265 698
Foreign governments and international organisations	2 625	-	-	-	-	-	2 625
Non-profit institutions	263 073	-	-	-	-	-	263 073
Payments for capital assets	13 634	-	-	-	-	-	13 634
Machinery and equipment	13 634	-	-	-	-	-	13 634
Total	1 158 511	-	2 500 000	-	9 267	2 509 267	3 667 778

Other adjustments – R9.267 million

Adjustments due to significant and unforeseeable economic and financial events

Programme 2: Foreign Relations

Additional funding of R9.267 million has been allocated to cover costs related to the higher than budgeted wage increase made by the Minister for Public Service and Administration.

Amounts forming a direct charge on against the National Revenue Fund – R2.5 billion

Unforeseen and unavoidable expenditure

R2.5 billion has been allocated for the Political Office Bearers Pension fund.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 2.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
1. Administration	191 110	53 683	28.1	271 929	142.3	224 944	124 097	55.2
2. Legislation and Oversight	164 950	71 575	43.4	163 091	98.9	178 268	85 807	48.1
3. Public and International Participation	60 881	29 071	47.8	72 180	118.6	64 489	35 496	55.0
4. Members' Facilities	173 370	59 960	34.6	149 532	86.3	183 025	73 845	40.3
5. Associated Services	245 403	111 534	45.4	245 361	100.0	263 073	131 536	50.0
Subtotal	835 714	325 823	39.0	902 093	107.9	913 799	450 781	49.3
Direct charge against the National Revenue Fund	242 380	121 192	50.0	240 708	99.3	2 753 979	120 689	4.4
Members' Remuneration	242 380	121 192	50.0	240 708	99.3	2 753 979	120 689	4.4
Total	1 078 094	447 015	41.5	1 142 801	106.0	3 667 778	571 470	15.6
Economic classification								
Current payments	817 206	330 059	40.4	876 826	107.3	3 388 446	420 317	12.4
Compensation of employees	507 081	241 807	47.7	521 047	102.8	3 062 826	283 166	9.2
Goods and services	310 125	88 234	28.5	355 779	114.7	325 620	137 151	42.1
Financial transactions in assets and liabilities	-	18	-	-	-	-	-	-
Transfers and subsidies	247 903	112 998	45.6	252 637	101.9	265 698	134 267	50.5
Foreign governments and international organisations	2 500	1 464	58.6	2 194	87.8	2 625	2 731	104.0
Non-profit institutions	245 403	111 534	45.4	245 361	100.0	263 073	131 536	50.0
Payments for capital assets	12 985	3 958	30.5	13 338	102.7	13 634	16 886	123.9
Machinery and equipment	12 985	2 889	22.2	12 045	92.8	13 634	16 886	123.9
Software and other intangible assets	-	1 069	-	1 293	-	-	-	-
Total	1 078 094	447 015	41.5	1 142 801	106.0	3 667 778	571 470	15.6

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R571.5 million, or 15.6 per cent of the adjusted appropriation of R3.668 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R124.5 million, or 27.8 per cent compared to spending in the first six months of 2007/08 which amounted to R447 million or 41.5 per cent of the 2007/08 adjusted appropriation.

The main increases compared to 2007/08 are related to the hosting of the 118th IPU Assembly in Cape Town during April 2008, inflation related adjustments and to the investment in capital assets such as IT equipment that is aligned to various strategic interventions in the institution.

Expenditure for 2007/08 was 106 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 2.4: Retained revenue

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Retained revenue				
Sales of goods and services other than capital assets	7 440	7 440	5 227	70.3
Interest, dividends and rent on land	29 000	29 000	21 817	75.2
Total	36 440	36 440	27 044	74.2

Actual revenue collections for the first six months of 2008/09 were R27 million or 74.2 per cent of the adjusted estimate of R36.4 million.

Vote 3

Foreign Affairs

Adjusted budget summary

2008/09				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	4 340 708	5 569 787	-	1 229 079
<i>of which:</i>				
Current payments	2 980 867	3 244 427	-	263 560
Transfers and subsidies	767 578	1 067 578	-	300 000
Payments for capital assets	592 263	1 257 782	-	665 519
Executive authority	Minister of Foreign Affairs			
Accounting officer	Director-General of Foreign Affairs			

Aim

The aim of the department of Foreign Affairs is to formulate, co-ordinate, implement and manage South Africa's foreign policy and international relations programmes.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Total number of diplomatic missions abroad	127	121
- Africa	48	45
- Asia and Middle East	34	31
- Americas and Caribbean	18	18
- Europe	27	27
Number of bilateral agreements signed with foreign countries	59	20
Number of countries assisted with post-conflict reconstruction and development	12	3
Number of countries assisted in election process	3	3
Number of incoming and outgoing visits facilitated by state protocol	333	123
Number of people facilitated through the VIP lounges at international airports (OR Tambo and Cape Town)	21 780	13 377
Number of international conferences hosted by South Africa	8	3
Total number of foreign missions in South Africa	288	285
Amount in membership fees for international organisations	R131.9 million	R25 million

Adjusted Estimates of National Expenditure 2008

Table 3.1: Adjusted estimates

Programme	2008/09						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	1 049 913	500 000	-	-	165 519	665 519	1 715 432
2. Foreign Relations	2 410 711	-	235 000	(12 000)	28 560	251 560	2 662 271
3. Public Diplomacy and Protocol	147 258	-	-	12 000	-	12 000	159 258
4. International Transfers	732 826	-	300 000	-	-	300 000	1 032 826
Departmental Total	4 340 708	500 000	535 000	-	194 079	1 229 079	5 569 787
Economic classification							
Current payments	2 980 867	-	235 000	-	28 560	263 560	3 244 427
Compensation of employees	1 456 935	-	-	(27 000)	28 560	1 560	1 458 495
Goods and services	1 523 932	-	-	27 000	-	27 000	1 550 932
Financial transactions in assets and liabilities	-	-	235 000	-	-	235 000	235 000
Transfers and subsidies	767 578	-	300 000	-	-	300 000	1 067 578
Provinces and municipalities	22 743	-	-	-	-	-	22 743
Departmental agencies and accounts	398 925	-	300 000	-	-	300 000	698 925
Public corporations and private enterprises	12 009	-	-	-	-	-	12 009
Foreign governments and international organisations	333 901	-	-	-	-	-	333 901
Payments for capital assets	592 263	500 000	-	-	165 519	665 519	1 257 782
Buildings and other fixed structures	486 681	500 000	-	-	165 519	665 519	1 152 200
Machinery and equipment	105 582	-	-	-	-	-	105 582
Total	4 340 708	500 000	535 000	-	194 079	1 229 079	5 569 787

Details of adjustments to Estimates of National Expenditure 2008

Roll-over of funds – R500 million

Programme 1: Administration

R500 million has been rolled over for the head office campus (early works agreement), which was extended because financial close had not been reached. The funds cover the payment certificates for construction work done from April to July 2008.

Unforeseeable and unavoidable expenditure – R535 million

Programme 2: Foreign Relations

R235 million has been allocated for the higher foreign exchange rate.

Programme 4: International Transfers

R300 million has been allocated for the recapitalisation of the African Renaissance and International Cooperation Fund for agricultural inputs for Zimbabwe.

Virements

Table 3.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
2. Foreign Relations	(27 000)	15 000	
Current payments	(27 000)	15 000	
Compensation of employees	(27 000)	-	Due to space constraints, unfilled vacant posts will be filled when the department moves to the new head office building: R15 million to goods and services in this programme R12 million to goods and services in programme 3
Goods and services	-	15 000	From compensation of employees in this programme for capacity building in foreign missions
3. Public Diplomacy and Protocol	-	12 000	
Current payments	-	12 000	
Goods and services	-	12 000	From compensation of employees in programme 2 for increased state visits
Total for Vote	(27 000)	27 000	

Other adjustments – R194.079 million

Adjustments due to significant and unforeseeable economic and financial events

Programme 2: Foreign Relations

Additional funding of R28.56 million has been allocated to cover costs related to the higher than budgeted wage increase made by the Minister for Public Service and Administration.

Self-financing expenditure

Programme 1: Administration

R165.519 million will realise from the private partner in the PPP agreement for part payment for the early works construction on the department's new head office campus. The funds will be surrendered into the National Revenue Fund.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 3.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
1. Administration	1 190 681	424 759	35.7	1 181 310	99.2	1 715 432	965 695	56.3
2. Foreign Relations	2 143 411	914 466	42.7	2 122 820	99.0	2 662 271	1 248 904	46.9
3. Public Diplomacy and Protocol	139 714	47 444	34.0	141 547	101.3	159 258	62 336	39.1
4. International Transfers	645 257	156 392	24.2	624 056	96.7	1 032 826	61 848	6.0
Total	4 119 063	1 543 061	37.5	4 069 733	98.8	5 569 787	2 338 783	42.0

Table 3.3: Expenditure trends (continued)

R thousand	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 - Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 - Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 - Sep 08 % of adjusted appropriation
Economic classification								
Current payments	2 681 061	1 192 143	44.5	2 674 430	99.8	3 244 427	1 508 467	46.5
Compensation of employees	1 312 835	593 481	45.2	1 293 159	98.5	1 458 495	718 663	49.3
Goods and services	1 368 226	595 519	43.5	1 381 010	100.9	1 550 932	789 804	50.9
Financial transactions in assets and liabilities	-	3 143	-	261	-	235 000	5 750	2.4
Transfers and subsidies	666 835	167 251	25.1	666 865	100.0	1 067 578	185 938	17.4
Provinces and municipalities	21 578	2 692	12.5	23 257	107.8	22 743	4 221	18.6
Departmental agencies and accounts	300 000	-	-	300 000	100.0	698 925	29 060	4.2
Public corporations and private enterprises	-	2 968	-	13 398	-	12 009	5 081	42.3
Foreign governments and international organisations	345 257	158 319	45.9	324 056	93.9	333 901	143 341	42.9
Households	-	3 272	-	6 154	-	-	4 235	-
Payments for capital assets	771 167	183 667	23.8	728 438	94.5	1 257 782	638 628	50.8
Buildings and other fixed structures	670 994	158 791	23.7	649 878	96.9	1 152 200	578 866	50.2
Machinery and equipment	100 173	17 075	17.0	61 442	61.3	105 582	59 762	56.6
Land and subsoil assets	-	5 364	-	16 271	-	-	-	-
Total	4 119 063	1 543 061	37.5	4 069 733	98.8	5 569 787	2 338 783	42.0

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R2.339 billion, or 42.0 per cent of the adjusted appropriation of R5.570 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R790 million, or 51.2 per cent compared to spending in the first six months of 2007/08 which amounted to R1.543 billion, or 37.5 per cent of the 2007/08 adjusted appropriation.

The main increase compared to 2007/08 relates to payments made towards the construction of the new head office campus.

Expenditure for 2007/08 was 98.8 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 3.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	709	2 464	285	11.6
Interest, dividends and rent on land	5 343	5 343	981	18.4
Sales of capital assets	1 981	2 704	1 224	45.3
Financial transactions in assets and liabilities	32 012	10 890	9 714	89.2
Total	40 045	21 401	12 204	57.0

Actual departmental revenue collections for the first six months of 2008/09 were R12.2 million or 57 per cent of the adjusted estimate of R21.4 million.

Table 3.5: Summary of changes to transfers and subsidies per programme

		2008/09					
		Additional Appropriation				Total	Adjusted appropriation
R thousands	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments	additional appropriation	
4. International Transfers	732 826	-	300 000	-	-	300 000	1 032 826
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	398 925	-	300 000	-	-	300 000	698 925
African Renaissance and International Co-operation Fund	398 925	-	300 000	-	-	300 000	698 925

Vote 4

Home Affairs

Adjusted budget summary

R thousand	2008/09			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	4 505 019	4 816 608	-	311 589
<i>of which:</i>				
Current payments	3 124 746	3 442 925	-	318 179
Transfers and subsidies	1 132 060	1 214 502	-	82 442
Payments for capital assets	248 213	159 181	(89 032)	-
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 manage a supporting service for this.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of days to issue an unabridged birth, marriage or death certificate	1	42
Number of birth, marriage and death registrations	2 144 575	2 135 978
Number of days taken to issue all passports and travel documents	10	30
Number of passports and travel documents issued	1 026 936	592 334
Number of days to issue an identity document:		
First issue	60	42
Second issue	56	42
Number of identity documents issued	3 972 000	1 256 885
Number of days to issue section 22 asylum permits	1	1
Number of months to issue refugee status determination	1	1
Number of days to issue refugee ID documents	90	90
Total number of citizenship certificates (naturalisation) issued	32 627	2 504
Total number of permanent and temporary residence permits issued	117 436	50 559
Total number of arrivals and departures cleared	28 130 829	4 447 231
Clearance time for entry and exit (in minutes) per traveller	1.5-2	1.5-2
Number of illegal foreigners deported	280 837	55 193
Number of illegal immigrants detained longer than the specified period of 30 days	21 063 (7.6%)	8 522 (1.3%)
Number of calls handled by the customer service centre per month	162 121	592 334
Number of civic service points (by type)	681	681
Regional offices	43	43
District offices	140	140
Permanent service points	106	106
Thusong service centres	110	110
Temporary service points	70	70
Mobile units	117	117
Hospitals	70	70
4x4 service points	25	25

Adjusted Estimates of National Expenditure 2008

Table 4.1: Adjusted estimates

Programme	2008/09						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	1 294 444	54 234	-	30 533	11 367	96 134	1 390 578
2. Services to Citizens	1 182 622	50 358	-	(23 010)	15 788	43 136	1 225 758
3. Immigration Services	900 058	-	86 656	(7 523)	10 744	89 877	989 935
4. Transfers to Agencies	1 127 895	-	53 307	-	29 135	82 442	1 210 337
Departmental Total	4 505 019	104 592	139 963	-	67 034	311 589	4 816 608
Economic classification							
Current payments	3 124 746	104 592	86 656	-	126 931	318 179	3 442 925
Compensation of employees	1 431 629	-	-	(30 072)	37 899	7 827	1 439 456
Goods and services	1 693 117	104 592	86 656	30 072	89 032	310 352	2 003 469
Transfers and subsidies	1 132 060	-	53 307	-	29 135	82 442	1 214 502
Departmental agencies and accounts	1 127 895	-	53 307	-	29 135	82 442	1 210 337
Households	4 165	-	-	-	-	-	4 165
Payments for capital assets	248 213	-	-	-	(89 032)	(89 032)	159 181
Buildings and other fixed structures	67 994	-	-	-	(67 994)	(67 994)	-
Machinery and equipment	44 934	-	-	-	-	-	44 934
Software and other intangible assets	135 285	-	-	-	(21 038)	(21 038)	114 247
Total	4 505 019	104 592	139 963	-	67 034	311 589	4 816 608

Details of adjustments to Estimates of National Expenditure 2008

Roll-over of funds – R104.592 million

Programme 1: Administration

R54.234 million has been rolled over for the voice over internet protocol to improve global connectivity for South African missions abroad.

Programme 2: Services to Citizens

R31.658 million has been rolled over for reconfiguring the existing passport dispatching system because of the new end-to-end passport process being implemented by Government Printing Works.

R18.7 million has been rolled over for Hanis Technology Refresh as a result of exchange rate fluctuations.

Unforeseeable and unavoidable expenditure – R139.963 million

Programme 3: Immigration Services

R21.656 million has been allocated to ensure that all eligible refugees displaced due to recent violent attacks on foreigners are reissued with appropriate documentation.

R15 million has been allocated for issuing special dispensation permits to SADC nationals.

R50 million has been allocated for the advanced passenger processing system to enable the department to receive passenger information from airlines for profiling passengers before the arrival of flights for the 2010 FIFA World Cup.

Programme 4: Transfers to Agencies

R53.307 million has been allocated to the Electoral Commission for results scanners for the 2009 general elections.

Virements

Table 4.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	-	30 533	
Current payments	-	30 533	
Goods and services	-	30 533	R23.01 million from compensation of employees in programme 2 R1.523 million from compensation of employees in programme 3 R6 million from goods and services in programme 3 For: telephone systems in provinces (R4.164 million); consulting fees for the receipting solution (R11.048 million); inventories for immigration trainees (R39 000); increase in traveling costs for immigration trainees and increase in misconduct/grievance cases country wide (R5.403 million); advertising the national campaign to commemorate the 1956 women's march (R1.05 million); foreign language course fees for immigration trainees and officials in foreign missions (R1.456 million); equipment for officials transferred to foreign missions and office furnishings (R5.37 million); and other expenditure for training immigration trainees (R2.002 million)
2. Services to Citizens	(23 010)	-	
Current payments	(23 010)	-	
Compensation of employees	(23 010)	-	Non-critical posts in head office have not been filled: To goods and services in programme 1
3. Immigration Services	(7 523)	-	
Current payments	(7 523)	-	
Compensation of employees	(7 062)	-	Unfilled posts reprioritised, only certain posts identified to be filled in the current financial year, non-critical posts at provinces are not to be filled: R1.523 million to goods and services in programme 1 R5.539 million to goods and services in this programme
Goods and services	(461)	-	R5.539 million from compensation of employees in this programme for traveling costs for immigration officers working shifts at OR Tambo international airport Savings on subsistence and travel: R6 million to goods and services in programme 1
Total for Vote	(30 533)	30 533	

Other adjustments – R67.034 million

Adjustments due to significant and unforeseeable economic and financial events

Additional funding of R45.444 million has been allocated to cover costs related to the higher than budgeted wage increase made by the Minister for Public Service and Administration.

Programme 1: Administration

R11.367 million

Programme 2: Services to Citizens

R15.788 million

Programme 3: Immigration Services

R10.744 million

Programme 4: Transfers to Agencies

R2.203 million for Government Printing Works

R5.342 million for the Electoral Commission

Programme 4: Transfers to Agencies

R21.59 million has been allocated for the Electoral Commission for other inflation related costs in preparation for the elections.

Funds shifted within a vote

Programme 1: Administration

R89.032 million has been shifted from payments for capital assets to current payments in this programme. These funds were incorrectly classified in the 2008 ENE. R67.994 million is for the repair and maintenance programme and R21.038 million for mobile units.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 4.3: Expenditure trends

Programme	2007/08 Expenditure outcome					2008/09 Preliminary expenditure		
	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
R thousand								
1. Administration	1 210 148	293 704	24.3	1 083 067	89.5	1 390 578	477 372	34.3
2. Services to Citizens	1 088 437	331 373	30.4	911 256	83.7	1 225 758	492 403	40.6
3. Immigration Services	607 645	290 007	47.7	632 736	104.1	989 935	400 763	40.9
4. Transfers to Agencies	614 668	252 613	41.1	614 668	100.0	1 210 337	350 879	29.3
Total	3 520 898	1 167 697	33.2	3 241 727	92.1	4 816 608	1 721 417	36.1
Economic classification								
Current payments	2 592 534	846 043	32.6	2 395 639	92.4	3 442 925	1 341 489	39.4
Compensation of employees	1 133 852	470 041	41.5	1 086 974	95.9	1 439 456	560 261	39.3
Goods and services	1 458 682	375 972	25.8	1 281 957	87.9	2 003 469	781 228	39.4
Financial transactions in assets and liabilities	-	30	-	26 708	-	-	-	-
Transfers and subsidies	618 523	255 823	41.4	625 797	101.2	1 214 502	354 987	29.5
Provinces and municipalities	-	76	-	452	-	-	218	-
Departmental agencies and accounts	614 668	252 446	41.1	614 668	100.0	1 210 337	350 694	29.3
Households	3 855	3 301	85.6	10 677	277.0	4 165	4 075	98.8
Payments for capital assets	309 841	65 831	21.2	220 291	71.1	159 181	24 941	15.8
Buildings and other fixed structures	112 463	13 928	12.4	-	-	-	10	-
Machinery and equipment	104 442	26 546	25.4	178 735	171.1	44 934	21 560	48.5
Software and other intangible assets	92 936	25 357	27.3	41 556	44.7	114 247	3 371	3.0
Total	3 520 898	1 167 697	33.2	3 241 727	92.1	4 816 608	1 721 417	36.1

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R1.721 billion, or 36.1 per cent of the adjusted appropriation of R4.817 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R553.7 million, or 47.4 per cent compared to spending in the first six months of 2007/08 which amounted to R1.168 billion, or 33.2 per cent of the 2007/08 adjusted appropriation.

The main increases are related to the turnaround process and to the increased transfers to the Electoral Commission due to the preparations for the 2009 general elections.

Expenditure for 2007/08 was 92.1 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 4.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	545 280	391 628	134 717	34.4
Fines, penalties and forfeits	23 014	13 489	7 175	53.2
Interest, dividends and rent on land	211	190	86	45.3
Sales of capital assets	-	76	76	100.0
Financial transactions in assets and liabilities	-	2 500	1 390	55.6
Total	568 505	407 883	143 444	35.2

Actual departmental revenue collections for the first six months of 2008/09 were R143.4 million or 35.2 per cent of the adjusted estimate of R407.9 million.

Changes to transfers and subsidies, and conditional grants

Table 4.5: Summary of changes to transfers and subsidies per programme

R thousands	2008/09						Adjusted appropriation
	Main appropriation	Additional Appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
4. Transfers to Agencies	1 127 895	-	53 307	-	29 135	82 442	1 210 337
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	1 127 895	-	53 307	-	29 135	82 442	1 210 337
Government Printing Works	135 222	-	-	-	2 203	2 203	137 425
Electoral Commission	959 154	-	53 307	-	26 932	80 239	1 039 393

Vote 5

Public Works

Adjusted budget summary

R thousand	2008/09			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	4 141 402	4 301 992	-	160 590
<i>of which:</i>				
Current payments	1 580 315	1 612 094	-	31 779
Transfers and subsidies	1 512 706	1 512 706	-	-
Payments for capital assets	1 048 381	1 177 192	-	128 811
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 implementation of the national expanded public works programme; and promote growth, job creation and transformation in the construction and property industries.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of youths participating in the national youth service programme	6 000	1 000
Number of learners participating in the Vuk'uphile learnership	1 000	1 500
Number of municipalities reporting EPWP targets	160	97
Number of buildings maintained by the Department of Public Works that provide easy access to people with disabilities	7 000	43
Percentage of portfolio of immovable assets valued (total of 139 000: 104 land parcels and 35 000 buildings)	60% (83 400)	30%
Level of compliance by the Department of Public Works with defined service delivery standards or service level agreements	80%	30%
Percentage of portfolio of immovable assets (139 000) utilised	100% (139 000)	30%

The target of 6 000 youths participating in the national youth service programme by the end of the year is expected to be met.

The year's target of 1 000 learners participating in the Vuk'uphile learnership has been exceeded in the first six months due to the high demand. The department has revised its target for the year to 1 500 and will not be taking any more learners into the Vuk'uphile learnership due to a lack of funds.

Table 5.1: Adjusted estimates

Programme	2008/09						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	687 317	-	-	50 000	4 631	54 631	741 948
2. Provision of Land and Accommodation	3 195 491	123 811	-	(50 000)	31 376	105 187	3 300 678
3. National Public Works Programme	232 741	-	-	-	772	772	233 513
4. Auxiliary and Associated Services	25 853	-	-	-	-	-	25 853
Departmental Total	4 141 402	123 811	-	-	36 779	160 590	4 301 992
Economic classification							
Current payments	1 580 315	-	-	-	31 779	31 779	1 612 094
Compensation of employees	811 482	-	-	-	16 779	16 779	828 261
Goods and services	768 833	-	-	-	15 000	15 000	783 833
Transfers and subsidies	1 512 706	-	-	-	-	-	1 512 706
Provinces and municipalities	889 325	-	-	-	-	-	889 325
Departmental agencies and accounts	604 634	-	-	-	-	-	604 634
Public corporations and private enterprises	50	-	-	-	-	-	50
Foreign governments and international organisations	15 545	-	-	-	-	-	15 545
Households	3 152	-	-	-	-	-	3 152
Payments for capital assets	1 048 381	123 811	-	-	5 000	128 811	1 177 192
Buildings and other fixed structures	1 031 208	123 811	-	-	-	123 811	1 155 019
Machinery and equipment	17 173	-	-	-	-	-	17 173
Software and other intangible assets	-	-	-	-	5 000	5 000	5 000
Total	4 141 402	123 811	-	-	36 779	160 590	4 301 992

Details of adjustments to Estimates of National Expenditure 2008

Roll-over of funds – R123.811 million

Programme 2: Provision of Land and Accommodation

R66.165 million has been rolled over for infrastructure for the Re Kgabisa Tshwane programme (providing long-term accommodation for government departments and agencies in the inner city).

R18.8 million has been rolled over for the Lebombo port of entry redevelopment project.

R38.846 million has been rolled over for the Prestige programme (providing accommodation for Parliament) for purchasing land from the City of Cape Town to improve the Parliamentary precinct.

Virements

Table 5.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	-	50 000	
Current payments	-	50 000	
Goods and services	-	50 000	From goods and services in programme 2 for IT infrastructure, and the costs of relocating to new accommodation
2. Provision of Land and Accommodation	(50 000)	-	
Current payments	(50 000)	-	
Goods and services	(50 000)	-	Fewer consultants, traveling and subsistence costs reduced, and less minor equipment purchased: To goods and services in programme 1
Total for Vote	(50 000)	50 000	

Other adjustments – R36.779 million

Expenditure already announced in the budget speech of the Minister of Finance but not allocated at that stage

Programme 2: Provision of Land and Accommodation

Additional funding of R20 million has been allocated to cover costs for retrofitting government buildings in line with the strategy for conserving energy.

Adjustments due to significant and unforeseeable economic and financial events

Additional funding of R16.779 million has been allocated to cover costs related to the higher than budgeted wage increase made by the Minister for Public Service and Administration.

Programme 1: Administration

R4.631 million

Programme 2: Provision of Land and Accommodation

R11.376 million

Programme 3: National Public Works Programme

R772 000

Funds shifted within a vote

Programme 1: Administration

R5 million will be reclassified from goods and services to software and other intangible assets. These funds were incorrectly classified in the 2008 ENE.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 5.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
1. Administration	736 059	387 658	52.7	733 724	99.7	741 948	447 494	60.3
2. Provision of Land and Accommodation	2 777 870	1 442 869	51.9	2 421 833	87.2	3 300 678	1 086 425	32.9
3. National Public Works Programme	222 704	126 563	56.8	231 272	103.8	233 513	154 004	66.0
4. Auxiliary and Associated Services	22 831	13 106	57.4	15 454	67.7	25 853	21 613	83.6
Total	3 759 464	1 970 196	52.4	3 402 283	90.5	4 301 992	1 709 536	39.7
Economic classification								
Current payments	1 467 180	737 227	50.2	1 476 800	100.7	1 612 094	901 706	55.9
Compensation of employees	746 438	356 553	47.8	746 436	100.0	828 261	453 504	54.8
Goods and services	720 742	380 435	52.8	730 363	101.3	783 833	448 200	57.2
Interest and rent on land	-	-	-	1	-	-	2	-
Financial transactions in assets and liabilities	-	239	-	-	-	-	-	-

Table 5.3: Expenditure trends (continued)

R thousand	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
Economic classification								
Transfers and subsidies	1 412 142	1 055 588	74.8	1 404 198	99.4	1 512 706	474 489	31.4
Provinces and municipalities	836 572	627 429	75.0	836 573	100.0	889 325	143 686	16.2
Departmental agencies and accounts	557 809	414 200	74.3	552 248	99.0	604 634	315 528	52.2
Public corporations and private enterprises	50	-	-	-	-	50	23	46.0
Foreign governments and international organisations	14 612	12 700	86.9	12 701	86.9	15 545	13 670	87.9
Households	3 099	1 259	40.6	2 676	86.4	3 152	1 582	50.2
Payments for capital assets	880 142	177 381	20.2	521 285	59.2	1 177 192	333 341	28.3
Buildings and other fixed structures	843 044	151 965	18.0	487 964	57.9	1 155 019	313 859	27.2
Machinery and equipment	32 958	21 144	64.2	28 939	87.8	17 173	19 482	113.4
Software and other intangible assets	4 140	4 272	103.2	4 382	105.8	5 000	-	-
Total	3 759 464	1 970 196	52.4	3 402 283	90.5	4 301 992	1 709 536	39.7

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R1.71 billion, or 39.7 per cent of the adjusted appropriation of R4.302 billion for the year as a whole. Expenditure in the first six months of 2008/09 decreased by R260.7 million or 13.2 per cent compared to spending in the first six months of 2007/08 which amounted to R1.970 billion, or 52.4 per cent of the 2007/08 adjusted appropriation.

The main decreases compared to 2007/08 are related to the slow pace of spending on capital projects.

Expenditure for 2007/08 was 90.5 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 5.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	3 632	20 000	10 107	50.5
Fines, penalties and forfeits	238	1	1	100.0
Interest, dividends and rent on land	8 643	500	265	53.0
Sales of capital assets	20 394	1 000	90	9.0
Financial transactions in assets and liabilities	2 728	1 499	821	54.8
Total	35 635	23 000	11 284	49.1

Actual departmental revenue collections for the first six months of 2008/09 were R11.3 million or 49.1 per cent of the adjusted estimate of R23 million.

Vote 6

Government Communication and Information System

Adjusted budget summary

R thousand	2008/09			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	418 255	439 832	-	21 577
<i>of which:</i>				
Current payments	261 658	282 439	-	20 781
Transfers and subsidies	154 280	154 322	-	42
Payments for capital assets	2 317	3 071	-	754
Executive authority	Minister in the 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.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Total number of Thusong service centres	136	129
Total number of information distribution points	5 200	6 387
Number of public relations/advertising campaigns conducted	6	3
Number of media buying briefs conducted	90	100
Number of radio advertisements/dramas produced	45	156
Number of video programmes produced	13	12
Number of requests for photographic coverage handled	200	324
Number of live annual broadcasts of government events	35	80
Number of radio talk shows arranged	40	5
Number of government and national events covered by video	100	170
Number of graphic designs produced	100	99
Number of branding campaigns assisted	9	22
Number of copies of Vuk'uzenzele magazine printed and distributed	10 million	4.8 million
Number of bi-monthly cluster media briefings	6	5

The number of information distribution points is higher due to the strengthening of relationships with stakeholders in districts. The revised target is 6 500, which will be accommodated within the available budget.

Adjusted Estimates of National Expenditure 2008

Table 6.1: Adjusted estimates

Programme	2008/09						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	101 128	154	-	2 053	1 207	3 414	104 542
2. Policy and Research	17 171	2 500	-	(405)	-	2 095	19 266
3. Government and Media Liaison	22 696	-	-	(564)	210	(354)	22 342
4. Provincial Co-ordination and Programme Support	48 980	-	-	(1 408)	1 923	515	49 495
5. Communication Service Agency	41 509	15 000	-	324	419	15 743	57 252
6. International Marketing and Media Development	154 280	-	-	-	-	-	154 280
7. Government Publication	32 491	-	-	-	164	164	32 655
Departmental Total	418 255	17 654	-	-	3 923	21 577	439 832
Economic classification							
Current payments	261 658	17 654	-	(796)	3 923	20 781	282 439
Compensation of employees	113 638	-	-	875	3 713	4 588	118 226
Goods and services	148 020	17 654	-	(1 671)	210	16 193	164 213
Transfers and subsidies	154 280	-	-	42	-	42	154 322
Departmental agencies and accounts	154 280	-	-	-	-	-	154 280
Households	-	-	-	42	-	42	42
Payments for capital assets	2 317	-	-	754	-	754	3 071
Machinery and equipment	2 317	-	-	754	-	754	3 071
Total	418 255	17 654	-	-	3 923	21 577	439 832

Details of adjustments to Estimates of National Expenditure 2008

Roll-over of funds – R17.654 million

Programme 1: Administration

R154 000 has been rolled over for upgrading the switchboard system.

Programme 2: Policy and Research

R2.5 million has been rolled over for advertising second economy programmes by the South African Broadcasting Corporation.

Programme 5: Communication Service Agency

R15 million has been rolled over for communication campaigns on saving electricity and on renewable energy sources.

Virements

Table 6.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	(843)	2 896	
Current payments	(843)	2 180	
Compensation of employees	-	2 180	R917 000 from goods and services in this programme for salaries and wages of the new staff members at the 2010 FIFA World Cup unit R205 000 from compensation of employees in programme 2 for higher than expected management salaries R1.058 million from compensation of employees in programme 4 for salaries and wages of the deputy chief executive officer and a secretary
Goods and services	(843)	-	R200 000 from goods and services in programme 2 for international research for 2010 FIFA World Cup R240 000 from goods and services in programme 3 for international research for 2010 FIFA World Cup (R90 000) and for management in programmes (R150 000) R350 000 from goods and services in programme 4 for operational expenditure for the deputy chief executive officer
Payments for capital assets	-	716	Funds for head office security system reprioritised because head office relocating in 2010/11: R917 000 to compensation of employees in this programme R716 000 to machinery and equipment in this programme
Machinery and equipment	-	716	From goods and services in this programme for office equipment such as processing units, printers, desks, air-conditioners
2. Policy and Research	(443)	38	
Current payments	(443)	-	
Compensation of employees	(205)	-	ASGISA related post vacant due to deliberations between departments on location of post. Recruitment presently underway: R205 000 to compensation of employees in programme 1
Goods and services	(238)	-	Funds allocated to event promoters were reprioritised: R200 000 to goods and services in programme 1 R38 000 to machinery and equipment in this programme
Payments for capital assets	-	38	
Machinery and Equipment	-	38	From goods and services in this programme for a laptop and proxima
3. Government and Media Liaison	(564)	-	
Current payments	(564)	-	
Compensation of employees	(324)	-	Vacant posts as a result of resignations and transfers: To compensation of employees in programme 5
Goods and services	(240)	-	Funds allocated to training were reprioritised: To compensation of employees in programme 1
4. Provincial Co-ordination and Programme Support	(1 408)	-	
Current payments	(1 408)	-	
Compensation of employees	(1 058)	-	Deputy chief executive officer promoted to programme 1: To compensation of employees in programme 1
Goods and services	(350)	-	Costs related to deputy chief executive officer promotion: To goods and services in programme 1
5. Communication Service Agency	-	324	
Current payments	-	282	
Compensation of employees	-	282	R324 000 from compensation of employees in programme 3 for filling vacancies Vacant post as a result of a resignation: R42 000 to households in this programme
Transfers and Subsidies	-	42	
Households	-	42	From compensation of employees in this programme for the leave gratuity of an employee who passed away
Total for Vote	(3 258)	3 258	

Other adjustments – R3.923 million

Adjustments due to significant and unforeseeable economic and financial events

Additional funding of R3.7 million has been allocated to cover costs related to the higher than budgeted wage increase made by the Minister for Public Service and Administration.

Programme 1: Administration
R1.207 million

Programme 4: Provincial Co-ordination and Programme Support
R1.923 million

Programme 5: Communication Service Agency
R419 000

Programme 7: Government Publication
R164 000

Self-financing expenditure

Programme 3: Government and Media Liaison

R150 000 has been received from the South African Broadcasting Corporation and R60 000 from the Standard Bank for the annual Government Communicators Awards ceremony. The funds have been surrendered into the National Revenue Fund.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 6.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007- Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
1. Administration	106 015	56 420	53.2	105 706	99.7	104 542	46 508	44.5
2. Policy and Research	18 883	5 006	26.5	17 966	95.1	19 266	6 458	33.5
3. Government and Media Liaison	19 835	9 154	46.2	18 575	93.6	22 342	10 057	45.0
4. Provincial Co-ordination and Programme Support	46 330	22 123	47.8	45 296	97.8	49 495	25 983	52.5
5. Communication Service Agency	37 706	17 369	46.1	37 821	100.3	57 252	18 870	33.0
6. International Marketing and Media Development	123 087	59 193	48.1	123 087	100.0	154 280	89 087	57.7
7. Government Publication	32 156	16 417	51.1	32 465	101.0	32 655	14 610	44.7
Total	384 012	185 682	48.4	380 916	99.2	439 832	211 573	48.1
Economic classification								
Current payments	257 942	124 471	48.3	252 292	97.8	282 439	120 343	42.6
Compensation of employees	116 848	67 980	58.2	116 160	99.4	118 226	57 779	48.9
Goods and services	141 094	56 465	40.0	136 088	96.5	164 213	62 564	38.1
Transfers and subsidies	123 262	59 282	48.1	123 329	100.1	154 322	89 129	57.8
Departmental agencies and accounts	123 087	59 193	48.1	123 087	100.0	154 280	89 087	57.7
Households	175	89	50.9	242	138.3	42	42	100.0
Payments for capital assets	2 808	1 929	68.7	5 295	188.6	3 071	2 047	66.7
Machinery and equipment	2 808	1 900	67.7	4 567	162.6	3 071	2 047	66.7
Total	384 012	185 682	48.4	380 916	99.2	439 832	211 519	48.1

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R211.5 million or 48.1 per cent of the adjusted appropriation of R440 million for the year as a whole. Expenditure in the first six months of 2008/09 increased by R25.8 million, or 13.9 per cent compared to spending in the first six months of 2007/08 which amounted to R185.7 million or 48.4 per cent of the 2007/08 adjusted appropriation.

The main decrease compared to 2007/08 in programme 1 relates to a once-off non-statutory forces pension payment made in 2007/08. The main increases compared to 2007/08 are related to increased transfers to departmental agencies and accounts, including transfers to the International Marketing Council.

Expenditure for 2007/08 was 99.2 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 6.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	2 477	2 477	1 863	75.2
Interest, dividends and rent on land	60	120	77	64.2
Financial transactions in assets and liabilities	260	100	21	21.0
Total	2 797	2 697	1 961	72.7

Actual departmental revenue collections for the first six months of 2008/09 were R2 million or 72.7 per cent of the adjusted estimate of R2.7 million.

Changes to transfers and subsidies, and conditional grants

Table 6.5: Summary of changes to transfers and subsidies per programme

R thousands	Main appropriation	2008/09					Adjusted appropriation
		Additional Appropriation					
		Roll-overs	Unforeseeable/unavoidable	Virements	Other adjustments	Total additional appropriation	
5. Communication Service	-	-	-	42	-	42	42
Agency							
Households							
Social benefits							
Current	-	-	-	42	-	42	42
Leave gratuity	-	-	-	42	-	42	42

Vote 7

National Treasury

Adjusted budget summary

2008/09				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	21 318 192	31 424 164	-	10 105 972
<i>of which:</i>				
Current payments	1 116 923	960 944	(155 979)	-
Transfers and subsidies	20 189 907	30 453 100	-	10 263 193
Payments for capital assets	11 362	10 120	(1 242)	-
Direct charge against the National Revenue Fund	250 612 977	257 935 924	-	7 322 947
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.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Value of annual government gross borrowing	R15.7bn	-R30.2bn
Cost to service debt as a percentage of GDP	2.2%	2.3%
Net loan debt as a percentage of GDP	19.7%	20.7%
Number of training courses presented on implementation of financial management reforms	300	7
Number of individuals trained to assist with implementation of financial management reforms	6 000	177
Strategic sourcing principles introduced to 59 identified transversal contracts	85% (50 contracts)	95% (56 contracts)
Number of members receiving special pension payments	6 359	6 351
Number of beneficiaries receiving post retirement medical benefits	69 767	66 350
Number of neighbourhood development partnership grant projects granted award status	100	72
Real growth in consolidated national and provincial public spending (excl interest costs)	8.0%	15.8 % ¹
General government savings as a percentage of GDP	0.9%	0.8%

1. Preliminary outcome

Slower growth in revenue combined with higher expenditure result in the budget balance for 2008/09 being revised from an expected surplus to a deficit of R8.9 billion. Gross government borrowing, debt service costs and net loan debt have all been revised to reflect this change in the fiscus.

The number of training courses presented on the implementation of financial management reforms has been affected by the course pricing of the Public Administration Leadership and Management Academy and delayed tenders. The department may not reach its target for the year.

The strategic sourcing principles for 59 identified transversal contracts have been accelerated to exceed the initial target of 50 contracts or 80 per cent to reach 56 contracts or 95 per cent.

The number of beneficiaries receiving post retirement medical benefits has gone down because some members have left the scheme.

Adjusted Estimates of National Expenditure 2008

Table 7.1: Adjusted estimates

Programme	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	181 632	-	-	17 769	-	17 769	199 401
2. Public Finance and Budget Management	195 881	-	-	31 238	-	31 238	227 119
3. Asset and Liability Management	61 359	-	-	7 984	-	7 984	69 343
4. Financial Management and Systems	557 624	-	-	(241 266)	(13 260)	(254 526)	303 098
5. Financial Accounting and Reporting	88 917	-	-	106 982	13 260	120 242	209 159
6. Economic Policy and International Financial Relations	82 548	-	-	11 254	-	11 254	93 802
7. Provincial and Local Government Transfers	7 956 707	-	-	-	(18 680)	(18 680)	7 938 027
8. Civil and Military Pensions, Contributions to Funds and Other Benefits	2 352 688	-	-	(39 000)	-	(39 000)	2 313 688
9. Fiscal Transfers	9 840 836	4 100	4 906	105 039	10 115 646	10 229 691	20 070 527
Subtotal	21 318 192	4 100	4 906	-	10 096 966	10 105 972	31 424 164
Direct charge against the National Revenue Fund	250 612 977	-	1 050 000	-	6 272 947	7 322 947	257 935 924
Provinces Equitable Share	199 376 977	-	1 050 000	-	3 582 947	4 632 947	204 009 924
State Debt Costs	51 236 000	-	-	-	2 690 000	2 690 000	53 926 000
Departmental Total	271 931 169	4 100	1 054 906	-	16 369 913	17 428 919	289 360 088
Economic classification							
Current payments	52 352 923	-	-	(155 979)	2 690 000	2 534 021	54 886 944
Compensation of employees	326 807	-	-	(12 461)	-	(12 461)	314 346
Goods and services	790 116	-	-	(143 518)	-	(143 518)	646 598
Interest and rent on land	51 236 000	-	-	-	2 690 000	2 690 000	53 926 000
Transfers and subsidies	219 566 884	4 100	1 054 906	157 221	13 679 913	14 896 140	234 463 024
Provinces and municipalities	207 210 699	-	1 050 000	19 284	3 582 947	4 652 231	211 862 930
Departmental agencies and accounts	9 192 545	4 100	4 906	177 905	146 966	333 877	9 526 422
Universities and technikons	5 456	-	-	-	-	-	5 456
Public corporations and private enterprises	296 837	-	-	-	9 950 000	9 950 000	10 246 837
Foreign governments and international organisations	527 808	-	-	14 588	-	14 588	542 396
Non-profit institutions	68	-	-	-	-	-	68
Households	2 333 471	-	-	(54 556)	-	(54 556)	2 278 915
Payments for capital assets	11 362	-	-	(1 242)	-	(1 242)	10 120
Machinery and equipment	9 933	-	-	141	-	141	10 074
Software and other intangible assets	1 429	-	-	(1 383)	-	(1 383)	46
Total	271 931 169	4 100	1 054 906	-	16 369 913	17 428 919	289 360 088

Details of adjustments to Estimates of National Expenditure 2008

Roll-over of funds – R4.1 million

Programme 9: Fiscal Transfers

R4.1 million has been rolled over to the South African Revenue Service for the business registration reform project.

Unforeseeable and unavoidable expenditure – R4.906 million

Programme 9: Fiscal Transfers

R4.906 million has been allocated for inflation related costs for fuel for Secret Services.

Virements

Table 7.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	(9 992)	27 761	
Current payments	(8 942)	26 706	
Compensation of employees	(8 942)	-	Unfilled posts due to skills challenges and the talent management programme, mainly in the IT field, projected to be filled later in the year: To goods and services in this programme
Goods and services	-	26 706	R8.942 million from compensation of employees in this programme R17.764 million from goods and services in programme 4 Mainly for: the 28 Church Square building (R14.05 million); improving the internal audit strategy (R6.20 million); maintenance of the PABX system (R2.28 million); and improving recruitment activities (R4.16 million)
Transfers and Subsidies	-	5	
Departmental agencies and accounts	-	5	From goods and services in programme 4 for increased vehicle insurance premiums
Payments for capital assets	(1 050)	1 050	
Machinery and equipment	-	1 050	From software and other intangible assets in this programme to replace obsolete equipment
Software and other intangible assets	(1 050)	-	Savings due to lower spending on software: To machinery and equipment in this programme
2. Public Finance and Budget Management	(4 738)	35 976	
Current payments	(4 700)	19 938	
Compensation of employees	(4 700)	-	Unfilled senior management posts due to skills challenges: To goods and services in this programme
Goods and services	-	19 938	R4.7 million from compensation of employees in this programme R15.238 million from goods and services in programme 4 For the rapidly proceeding infrastructure development improvement programme
Transfers and Subsidies	-	16 000	
Departmental agencies and accounts	-	16 000	From goods and services in programme 4 for improved project support for the Technical Assistance Unit as a trading entity
Payments for capital assets	(38)	38	
Machinery and equipment	-	38	From software and other intangible assets in this programme for computers
Software and other intangible assets	(38)	-	To machinery and equipment in this programme
3. Asset and Liability Management	(2 148)	10 132	
Current payments	(2 148)	10 132	
Compensation of employees	(2 148)	-	Unfilled posts, mainly middle management, due to skills challenges: To goods and services in this programme
Goods and services	-	10 132	R2.148 million from compensation of employees in this programme R7.984 from goods and services in programme 4 Mainly for research on the Pebble Bed Modular Reactor

Table 7.2: Virements (continued)

Programme / Economic classification	R thousand		Details and motivation
	From	To	
4. Financial Management and Systems	(241 266)	-	
Current payments	(240 109)	-	
Compensation of employees	(3 999)	-	- Unfilled posts, mainly middle and senior management, due to skills challenges: To compensation of employees in programme 6
Goods and services	(236 110)	-	- Savings due to slow spending mainly on the integrated financial management system caused by due diligence for the bid process: R17.764 million to goods and services in programme 1 R5 000 to departmental agencies and accounts in programme 1 R15.238 million to goods and services in programme 2 R16 million to departmental agencies and accounts in programme 2 R7.984 million to goods and services in programme 3 R2.674 million to compensation of employees in programme 5 R12.624 million to goods and services in programme 5 R91.684 million to departmental agencies and accounts in programme 5 R655 000 to compensation of employees in programme 6 R5.443 million to goods and services in programme 6 R66.04 million to departmental agencies and accounts in programme 9
Payments for capital assets	(1 157)	-	
Machinery and equipment	(862)	-	- Spending on computers less than anticipated: To goods and services in programme 6
Software and other intangible assets	(295)	-	- Spending on software less than anticipated: To goods and services in programme 6
5. Financial Accounting and Reporting	(85)	107 067	
Current payments	-	15 383	
Compensation of employees	-	2 674	From goods and services in programme 4 for increased recruitment activities
Goods and services	-	12 709	R85 000 from machinery and equipment in this programme R12.624 million from goods and services in programme 4 Mainly for a road show and the internal audit indaba (R7.8 million); the public sector management symposium (R2 million); and the risk management symposium (R2 million)
Transfers and Subsidies	-	91 684	
Departmental agencies and accounts	-	91 684	From goods and services in programme 4 for recapitalising the Auditor-General to alleviate growing funding difficulties caused by the capping of the fees increment (R90 million) and for the Accounting Standards Board for the review of accounting standards (R1.684 million)
Payments for capital assets	(85)	-	
Machinery and equipment	(85)	-	- Spending on computers less than anticipated: To goods and services in this programme
6. Economic Policy and International Financial Relations	-	11 254	
Current payments	-	11 254	
Compensation of employees	-	4 654	R3.999 million from compensation of employees in programme 4 R655 000 from goods and services in programme 4 For an increase in recruitment activities
Goods and services	-	6 600	R5.443 million from goods and services in programme 4 R862 000 from machinery and equipment in programme 4 R295 000 from software and other intangible assets in programme 4 For hosting the Annual Bank Conference on Development Economics (ABCDE)
7. Provincial and Local Government Transfers	(19 284)	19 284	
Transfers and Subsidies	(19 284)	19 284	
Provinces and municipalities	-	19 284	From departmental agencies and accounts in this programme for an increase in expenditure on capital infrastructure by provinces
Departmental agencies and accounts	(19 284)	-	- Slow spending on neighbourhood development partnership technical assistance grant due to delays by municipalities in finalising bid processes, resulting in the review of business cases: To provinces and municipalities in this programme
8. Civil and Military Pensions, Contributions to Funds and Other Benefits	(55 507)	16 507	
Current payments	-	16 507	
Goods and services	-	16 507	From households in this programme for the Special Investigating Unit for investigating pension benefits
Transfers and Subsidies	(55 507)	-	
Foreign governments and international organisations	(951)	-	- Less claims than anticipated for the United Kingdom tax: To departmental agencies and accounts in programme 9
Households	(54 556)	-	- Lower claims for special pensions and other pension benefits: R16.507 million to goods and services in this programme R28.866 million to foreign governments and organisations in programme 9 R9.183 million to departmental agencies and accounts in programme 9

Table 7.2: Virements (continued)

Programme / Economic classification	R thousand		Details and motivation
	From	To	
9. Fiscal Transfers	-	105 039	
Transfers and Subsidies	-	105 039	
Departmental agencies and accounts	-	89 500	R66.04 million from goods and services in programme 4 R951 000 from foreign governments and international organisations in programme 8 R9.183 million from households in programme 8 R13.327 million from foreign governments and international organisations in this programme For: R67 million for the Financial Intelligence Centre for capacity building, including accommodation, staff recruitment and ICT infrastructure; R3 million for the Financial and Fiscal Commission for research; R22 million for SARS for the Border Control Operational Coordinating Committee, which will improve the functioning of the Inter-Border Agency Coordination at ports of entry
Foreign governments and international organisations	-	15 539	R28.866 million from households in programme 8 for the International Development Association (part of the World Bank) for the 15th replenishment cycle Less than anticipated payment for the African fund relief: R13.327 million to departmental agencies and accounts in this programme
Total for Vote	(333 020)	333 020	

Other adjustments – R10.097 billion

Expenditure already announced in the budget speech of the Minister of Finance but not allocated at that stage

Programme 9: Fiscal Transfers

Additional funding of R10 billion will be allocated to cover costs related to enhancing Eskom's balance sheet and enabling the building of infrastructure for sustainable electricity.

Adjustments due to significant and unforeseeable economic and financial events

Programme 9: Fiscal Transfers

Additional funding of R160.552 million has been allocated to cover costs related to the higher than budgeted wage increase made by the Minister for Public Service and Administration (R90.552 million for SARS and R70 million for the National Intelligence Agency). A further R5.094 million has been allocated for inflation related costs for fuel for Secret Services.

Funds shifted within a vote

Programme 4: Financial management and System

R13.26 million will be shifted to programme 5 following the shift of the capacity and functions of the Public Finance Management Act Implementation Unit.

Declared savings

Programme 7: Provincial and Local Government Transfers

Savings of R18.68 million have been declared on the transfer payment for the neighbourhood development partnership technical assistance grant due to slower spending.

Programme 9: Fiscal transfers

Savings of R50 million have been declared on the transfer payment to the Development Bank of Southern Africa for municipalities for the financial management grant.

Amounts forming a direct charge against the National Revenue Fund – R7.323 billion

Unforeseeable and unavoidable expenditure

R1.05 billion has been allocated for inflation adjustment for the provincial equitable share to cover costs for the expanded programme on immunisation and the implementation of occupational specific dispensation.

Other adjustments

Adjustments due to significant and unforeseeable economic and financial events

Additional funding of R3.583 billion for the provincial equitable share has been allocated to cover inflation costs for compensation of employees, learner and teacher support material, and medical equipment, including medicine.

Additional funding of R2.69 billion for state debts costs is mainly due to higher interest rates.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 7.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
1. Administration	218 983	79 659	36.4	177 602	81.1	199 401	81 701	41.0
2. Public Finance and Budget Management	223 690	100 086	44.7	211 997	94.8	227 119	107 480	47.3
3. Asset and Liability Management	75 953	23 145	30.5	57 827	76.1	69 343	36 770	53.0
4. Financial Management and Systems	368 710	104 032	28.2	267 936	72.7	303 098	100 965	33.3
5. Financial Accounting and Reporting	94 096	42 466	45.1	98 760	105.0	209 159	46 793	22.4
6. Economic Policy and International Financial Relations	117 158	34 427	29.4	93 194	79.5	93 802	44 496	47.4
7. Provincial and Local Government Transfers	7 384 275	3 337 012	45.2	6 992 736	94.7	7 938 027	3 797 283	47.8
8. Civil and Military Pensions, Contributions to Funds and Other Benefits	2 238 308	1 055 063	47.1	2 176 826	97.3	2 313 688	1 132 307	48.9
9. Fiscal Transfers	9 027 194	4 181 082	46.3	8 889 290	98.5	20 070 527	4 602 085	22.9
Subtotal	19 748 367	8 956 972	45.4	18 966 168	96.0	31 424 164	9 949 880	31.7
Direct charge against the National Revenue Fund	225 798 501	115 783 968	51.3	225 738 561	100.0	257 935 924	127 808 300	49.6
Provinces Equitable Share	172 861 501	89 061 126	51.5	172 861 501	100.0	204 009 924	99 688 500	48.9
State Debt Costs	52 937 000	26 722 842	50.5	52 877 060	99.9	53 926 000	28 119 800	52.1
Total	245 546 868	124 740 940	50.8	244 704 729	99.7	289 360 088	137 758 180	47.6

Table 7.3: Expenditure trends (continued)

R thousand	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 - Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 - Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 - Sep 08 % of adjusted appropriation
Economic classification								
Current payments	55 306 905	27 733 209	50.1	55 079 575	99.6	54 886 944	28 515 700	52.0
Compensation of employees	1 640 813	799 136	48.7	1 609 485	98.1	314 346	159 060	50.6
Goods and services	729 092	211 149	29.0	588 296	80.7	646 598	236 832	36.6
Interest and rent on land	52 937 000	26 722 842	50.5	52 877 060	99.9	53 926 000	28 119 800	52.1
Financial transactions in assets and liabilities	-	82	-	4 734	-	-	8	-
Transfers and subsidies	190 209 268	97 004 618	51.0	189 612 116	99.7	234 463 024	109 240 347	46.6
Provinces and municipalities	180 245 776	92 398 138	51.3	179 854 237	99.8	211 862 930	103 485 783	48.8
Departmental agencies and accounts	8 211 339	4 054 573	49.4	8 218 629	100.1	9 526 422	4 470 840	46.9
Universities and technikons	5 000	-	-	2 285	45.7	5 456	2 056	37.7
Public corporations and private enterprises	278 667	83 328	29.9	222 362	79.8	10 246 837	63 501	0.6
Foreign governments and international organisations	594 099	71 693	12.1	503 820	84.8	542 396	88 468	16.3
Non-profit institutions	65	-	-	127	195.4	68	-	-
Households	874 322	396 886	45.4	810 656	92.7	2 278 915	1 129 699	49.6
Payments for capital assets	30 695	3 113	10.1	13 038	42.5	10 120	2 133	21.1
Machinery and equipment	28 557	2 683	9.4	13 038	45.7	10 074	2 133	21.2
Software and other intangible assets	2 138	430	20.1	-	-	46	-	-
Total	245 546 868	124 740 940	50.8	244 704 729	99.7	289 360 088	137 758 180	47.6

Selected expenditure trends for the first half of 2008/09

Expenditure for the first six months of 2008/09 was R137.758 billion or 47.6 per cent of the 2008 adjusted appropriation of R289.360 billion. Expenditure for the first six months of 2008/09 increased by R13.017 billion or 10.4 per cent compared to spending for the first six months of 2007/08 which amounted to R124.741 billion or 50.8 per cent of the 2008 adjusted appropriation.

The main increases compared to 2007/08 are related to increased transfer payments. Increased transfer payments were made to provincial and local government mainly to strengthen social services programmes that have a high impact on human development.

Expenditure for the 2007/08 financial year was 99.7 per cent of the adjusted appropriation.

Departmental receipts

Table 7.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	48 509	48 509	42 420	87.4
Fines, penalties and forfeits	787	-	-	-
Interest, dividends and rent on land	5 295 923	4 680 005	1 849 668	39.5
<i>Of which:</i>				
Dividends	88 923	119 005	119 005	100.0
Sales of capital assets	-	169	169	100.0
Financial transactions in assets and liabilities	356 026	356 026	223 891	62.9
Total departmental receipts	5 701 245	5 084 709	2 116 148	41.6

Table 7.4: Receipts (continued)

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Revenue Fund receipts (non-departmental receipts)			1 813 012	
Restructuring proceeds from SASRIA			1 811 858	
Structure levy account and blocked rand levy account from SARB			492	
Exchange control forfeits from SARB			662	
Total	5 701 245	5 084 709	3 929 160	

Actual departmental revenue collections for the first six months of 2008/09 were R2.1 billion or 41.6 per cent of the adjusted estimate of R5.1 billion. National Treasury has collected R1.8 billion in direct exchequer revenue (extraordinary receipts).

Changes to transfers and subsidies, and conditional grants

Table 7.5: Summary of changes to transfers and subsidies per programme

R thousands	Main appropriation	Additional Appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
1. Administration	1 048	-	-	5	-	5	1 053
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	220	-	-	5	-	5	225
Finance, Accounting, Management, Consulting and other Financial Services (Fasset) Sector Education and Training Authority	220	-	-	5	-	5	225
2. Public Finance and Budget Management	7 456	-	-	16 000	-	16 000	23 456
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	7 000	-	-	16 000	-	16 000	23 000
Technical Assistance Unit Trading Entity	1 000	-	-	16 000	-	16 000	17 000
5. Financial Accounting and Reporting	42 532	-	-	91 684	-	91 684	134 216
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	36 805	-	-	97 411	-	97 411	134 216
Audit (Auditor-General)	16 547	-	-	90 000	-	90 000	106 547
Accounting Standards Board	-	-	-	7 411	-	7 411	7 411
Capital	5 727	-	-	(5 727)	-	(5 727)	-
Accounting Standards Board	5 727	-	-	(5 727)	-	(5 727)	-

Table 7.5: Summary of changes to transfers and subsidies per programme (continued)

R thousands	2008/09						Adjusted appropriation
	Main appropriation	Additional Appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
7. Provincial and Local Government Transfers	7 956 707	-	-	-	(18 680)	(18 680)	7 938 027
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Capital	7 246 707	-	-	137 780	-	137 780	7 384 487
Provincial infrastructure grant	7 246 707	-	-	137 780	-	137 780	7 384 487
Municipalities							
Municipal bank accounts							
Capital	407 015	-	-	(118 496)	-	(118 496)	288 519
Neighbourhood development partnership grant	407 015	-	-	(118 496)	-	(118 496)	288 519
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	122 985	-	-	(19 284)	(18 680)	(37 964)	85 021
Project Development Facility Trading Entity - (NDP indirect grant)	122 985	-	-	(19 284)	(18 680)	(37 964)	85 021
8. Civil and Military Pensions, Contributions to Funds and Other Benefits	2 336 328	-	-	(55 507)	-	(55 507)	2 280 821
Foreign governments and international organisations							
Current	3 589	-	-	(951)	-	(951)	2 638
United Kingdom tax	3 589	-	-	(951)	-	(951)	2 638
Households							
Social benefits							
Current	2 332 671	-	-	(54 556)	-	(54 556)	2 278 115
Civil Pensions	2 167 163	-	-	(43 640)	-	(43 640)	2 123 523
Military Pensions	165 508	-	-	(10 916)	-	(10 916)	154 592
9. Fiscal Transfers	9 840 836	4 100	4 906	105 039	10 115 646	10 229 691	20 070 527
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	8 085 575	4 100	4 906	89 500	456 811	555 317	8 640 892
Financial and Fiscal Commission	23 125	-	-	3 000	-	3 000	26 125
Financial Intelligence Centre	38 555	-	-	67 000	-	67 000	105 555
Secret Services Account	2 116 936	-	4 906	-	366 259	371 165	2 488 101
South African Revenue Service	5 904 459	4 100	-	22 000	90 552	116 652	6 021 111
Cooperative Banking Development Agency	2 500	-	-	(2 500)	-	(2 500)	-
Capital	934 233	-	-	-	(291 165)	(291 165)	643 068
Secret Services Account	646 647	-	-	-	(291 165)	(291 165)	355 482
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	296 809	-	-	-	(50 000)	(50 000)	246 809
Financial Management Grant- Development Bank of Southern Africa	50 000	-	-	-	(50 000)	(50 000)	-
Capital	-	-	-	-	10 000 000	10 000 000	10 000 000
Eskom Loan	-	-	-	-	10 000 000	10 000 000	10 000 000
Foreign governments and international organisations							
Capital	156 646	-	-	15 539	-	15 539	172 185
World Bank	39 134	-	-	28 866	-	28 866	68 000
Financial and Technical Support	15 130	-	-	(13 327)	-	(13 327)	1 803
Direct Charges	199 376 977	-	1 050 000	-	3 582 947	4 632 947	204 009 924
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	199 376 977	-	1 050 000	-	3 582 947	4 632 947	204 009 924
Provinces equitable share	199 376 977	-	1 050 000	-	3 582 947	4 632 947	204 009 924

Table 7.6: Summary of changes to conditional grants: Provinces¹

R thousand	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
7. Provincial and Local Government Transfers							
Provincial infrastructure grant	7 246 707	–	–	137 780	–	137 780	7 384 487

¹ Main appropriation detail provided in the Division of Revenue Act, 2008

Table 7.7: Summary of changes to conditional grants: Local Government (Municipalities)¹

R thousand	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
Neighbourhood development partnership grant	407 015	–	–	(118 496)	(18 680)	(137 176)	269 839

¹ Main appropriation detail provided in the Division of Revenue Act, 2008

Vote 8

Public Service and Administration

Adjusted budget summary

R thousand	2008/09			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	412 306	420 208	-	7 902
<i>of which:</i>				
Current payments	388 429	416 637	-	28 208
Transfers and subsidies	21 731	1 425	(20 306)	-
Payments for capital assets	2 146	2 146	-	-
Executive authority	Minister for the 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.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of service delivery improvement plans developed by departments	125	32
Number of municipalities reached by various phases of Batho Pele	283	55
Number of additional community development workers trained and deployed in various government departments	1 000	600
Number of HR Connect projects in all government departments		
Phase 1	50	22
Phase 2	72	22
Phase 3	72	22
Number of public servants trained in mainstreaming HIV and Aids	400	200
Number of Thusong service centres using the Gateway portal	50	36

Adjusted Estimates of National Expenditure 2008

Table 8.1: Adjusted estimates

Programme	2008/09							
	Main appropriation	Additional appropriation					Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments			
R thousand								
1. Administration	96 386	-	-	(6 600)	1 212	(5 388)	90 998	
2. Human Resource Management and Development		2 336	-	-	1 533	3 869	48 931	
3. Management of Compensation	110 362	2 833	-	-	1 238	4 071	114 433	
4. Information and Technology Management	38 747	-	-	(5 000)	1 343	(3 657)	35 090	
5. Service Delivery Improvement	90 198	-	-	(200)	(3 292)	(3 492)	86 706	
6. Governance	31 551	-	-	11 800	699	12 499	44 050	
Departmental Total	412 306	5 169	-	-	2 733	7 902	420 208	

Table 8.1: Adjusted estimates (continued)

R thousand	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
Economic classification							
Current payments	388 429	5 169	-	(1 069)	24 108	28 208	416 637
Compensation of employees	125 215	-	-	(643)	8 513	7 870	133 085
Goods and services	263 214	5 169	-	(426)	15 595	20 338	283 552
Transfers and subsidies	21 731	-	-	1 069	(21 375)	(20 306)	1 425
Provinces and municipalities	-	-	-	1	-	1	1
Departmental agencies and accounts	21 375	-	-	-	(21 375)	(21 375)	-
Public corporations and private enterprises	-	-	-	85	-	85	85
Foreign governments and international organisations	356	-	-	332	-	332	688
Households	-	-	-	651	-	651	651
Payments for capital assets	2 146	-	-	-	-	-	2 146
Machinery and equipment	2 036	-	-	-	-	-	2 036
Software and other intangible assets	110	-	-	-	-	-	110
Total	412 306	5 169	-	-	2 733	7 902	420 208

Details of adjustments to Estimates of National Expenditure 2008

Roll-over of funds – R5.169 million

Programme 2: Human Resource Management and Development

R2.336 million has been rolled over for the roll out of phase 2 and 3 of HR Connect projects.

Programme 3: Management of Compensation

R2.833 million has been rolled over for investigating the EQUATE job evaluation system.

Virements

Table 8.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	(6 694)	94	
Current payments	(6 694)	-	
Goods and services	(6 694)	-	Funds devolved from DPW for accommodation charges more than actual spending: R6.6 million to goods and services in programme 5 R1 000 to provinces and municipalities in this programme Reduced operating lease costs: R85 000 to public corporations and private enterprises in this programme R8 000 to households in this programme
Transfers and Subsidies	-	94	
Provinces and municipalities	-	1	1 From goods and services in this programme for vehicle license fees
Public corporations & private enterprises	-	85	85 From goods and services in this programme for vehicle insurance
Households	-	8	8 From goods and services in this programme for ex gratia payments for losses, such as reimbursing an official for course fees due to ill health
4. Information and Technology Management	(5 000)	-	
Current payments	(5 000)	-	
Goods and services	(5 000)	-	To goods and services in programme 6

Table 8.2: Virements (continued)

Programme / Economic classification	R thousand		Details and motivation
	From	To	
5. Service Delivery Improvement	(843)	643	
Current payments	(843)	-	
Compensation of employees	(643)	-	- To households in this programme
Goods and services	(200)	-	- R6.6 million from goods and services in programme 1 to fund the relocation and establishment of a innovation centre in the Centre of Public Sector Innovation subprogramme
			Savings of R6.8 million to good and services in programme 6
Transfers and Subsidies	-	643	
Households	-	643	From compensation of employees in this programme for settling a claim against the department
6. Governance	-	11 800	
Current payments	-	11 468	
Goods and services	-	11 468	R5 million from goods and services in programme 4 R6.8 million from goods and services in programme 5 For the 6th African Conference of Ministers for Public/Civil Service
			Savings on translation costs: R332 000 to foreign government and international organisations
Transfers and Subsidies	-	332	
Foreign governments & international organisations	-	332	From goods and services in this programme for an increase in subscription fees
Total for Vote	(12 537)	12 537	

Other adjustments – R2.733 million***Adjustments due to significant and unforeseeable economic and financial events***

Additional funding of R2.733 million has been requested to cover costs related to the higher than budgeted wage increase made by the Minister for Public Service and Administration.

Programme 1: Administration

R1.049 million

Programme 2: Human Resource Management and Development

R470 000

Programme 3: Management of Compensation

R447 000

Programme 4: Information and Technology Management

R213 000

Programme 5: Service Delivery Improvement

R271 000

Programme 6: Governance

R283 000

Funds shifted within a vote

Programme 5: Service Delivery Improvement

Following the shift of functions (including the library function, the community development and access unit, and the donor funding and research function), R38 000 was shifted to compensation of employees in programme 1, R1.063 million in programme 2, R791 000 in programme 3, and R1.08 million in programme 4.

R125 000 was shifted to good and services in programme 1, R100 000 in programme 2, R50 000 in programme 4, and R416 000 in programme 6.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 8.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome		Preliminary expenditure					
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
1. Administration	92 614	40 618	43.9	89 275	96.4	90 998	41 933	46.1
2. Human Resource Management and Development	40 890	15 137	37.0	32 957	80.6	48 931	17 947	36.7
3. Management of Compensation	94 846	58 684	61.9	105 232	111.0	114 433	45 761	40.0
4. Information and Technology Management	42 130	7 093	16.8	38 269	90.8	35 090	8 465	24.1
5. Service Delivery Improvement	78 427	26 170	33.4	73 859	94.2	86 706	22 260	25.7
6. Governance	35 156	13 446	38.2	30 791	87.6	44 050	27 360	62.1
Total	384 063	161 148	42.0	370 383	96.4	420 208	163 726	39.0
Economic classification								
Current payments	380 479	156 544	41.1	366 196	96.2	416 637	161 099	38.7
Compensation of employees	117 657	54 031	45.9	115 820	98.4	133 085	61 239	46.0
Goods and services	262 822	102 512	39.0	250 362	95.3	283 552	99 849	35.2
Financial transactions in assets and liabilities	-	1	-	14	-	-	11	-
Transfers and subsidies	408	2 906	712.3	777	190.4	1 425	1 103	77.4
Provinces and municipalities	-	-	-	1	-	1	-	-
Departmental agencies and accounts	-	2 691	-	-	-	-	-	-
Universities and technikons	-	82	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	515	-	85	(4)	(4.7)
Foreign governments and international organisations	408	100	24.5	248	60.8	688	459	66.7
Households	-	33	-	13	-	651	648	99.5
Payments for capital assets	3 176	1 698	53.5	3 410	107.4	2 146	1 524	71.0
Machinery and equipment	2 925	1 698	58.1	3 410	116.6	2 036	1 524	74.9
Software and other intangible assets	251	-	-	-	-	110	-	-
Total	384 063	161 148	42.0	370 383	96.4	420 208	163 726	39.0

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R163.7 million, or 39 per cent of the adjusted appropriation of R420.2 million for the year as a whole. Expenditure in the first six months of 2008/09 increased by R2.6 million, or 1.6 per cent compared to spending in the first six months of 2007/08 which amounted to R161.1 million, or 42 per cent of the 2007/08 adjusted appropriation.

The main increases compared to 2007/08 relate to hosting the 6th Pan-African conference of ministers for public/civil service.

Expenditure for 2007/08 was 96.4 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 8.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	150	150	99	66.0
Transfers received	200	200	-	-
Interest, dividends and rent on land	5	12	4	33.3
Financial transactions in assets and liabilities	148	148	100	67.6
Total	503	510	203	39.8

Actual departmental revenue collections for the first six months of 2008/09 were R203 000 or 39.8 per cent of the adjusted estimate of R510 000.

Changes to transfers and subsidies, and conditional grants

Table 8.5 Summary of changes to transfers and subsidies per programme

R thousands	2008/09						
	Main appropriation	Additional Appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
1. Administration	23	-	-	94	-	94	117
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	-	-	-	1	-	1	1
Vehicle license	-	-	-	1	-	1	1
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	-	-	-	85	-	85	85
Vehicle insurance	-	-	-	85	-	85	85
Households							
Other transfers							
Current	-	-	-	8	-	8	8
Ex gratia payments	-	-	-	8	-	8	8
2. Human Resource Management and Development	21 398	-	-	-	(21 375)	(21 375)	23
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	21 375	-	-	-	(21 375)	(21 375)	-
Public Service Education and Training Authority	21 375	-	-	-	(21 375)	(21 375)	-
5. Service Delivery Improvement	23	-	-	643	-	643	666
Households							
Other transfers							
Current	-	-	-	643	-	643	643
Claims against the State	-	-	-	643	-	643	643
6. Governance	232	-	-	332	-	332	564
Foreign governments and international organisations							
Current	232	-	-	332	-	332	564
African Association for Public Administration and Management	16	-	-	97	-	97	113
Commonwealth Association for Public Administration and Management	26	-	-	235	-	235	261

Vote 9

Public Service Commission

Adjusted budget summary

2008/09				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	111 172	113 672	-	2 500
<i>of which:</i>				
Current payments	109 840	112 340	-	2 500
Transfers and subsidies	32	32	-	-
Payments for capital assets	1 300	1 300	-	-
Executive authority	Minister for Public Service and Administration			
Accounting officer	Director-General 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.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of grievances investigated and concluded	800	163
Number of reports on the management of grievances in the public service	1	1
Increase in the number of strategic human resource reviews	2	2
Number of research reports on labour relations	1	1
Percentage of 146 qualifying heads of department whose performance is evaluated	100%	45%
Percentage of 146 head of department performance agreements that have been quality assured	100%	51%
Number of reports on public service leadership	3	3
Number of reports on monitoring and evaluation	24	14
Number of reports on service delivery	6	6
Percentage of financial disclosure forms received	100%	75%
Number of public administration investigations successfully concluded	100	69
Number of public administration research projects finalised and reports published	3	3

In addition to the 163 grievances investigated and concluded, 195 cases have been referred back to departments and 137 are pending outstanding information.

Adjusted Estimates of National Expenditure 2008

Table 9.1: Adjusted estimates

Programme	2008/09						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	56 487	-	-	-	1 357	1 357	57 844
2. Leadership and Management Practices	14 649	-	-	-	264	264	14 913
3. Monitoring and Evaluation	18 249	-	-	-	255	255	18 504
4. Integrity and Anti-Corruption	21 787	-	-	-	624	624	22 411
Departmental Total	111 172	-	-	-	2 500	2 500	113 672
Economic classification							
Current payments	109 840	-	-	-	2 500	2 500	112 340
Compensation of employees	79 872	-	-	-	2 500	2 500	82 372
Goods and services	29 968	-	-	-	-	-	29 968
Transfers and subsidies	32	-	-	-	-	-	32
Foreign governments and international organisations	32	-	-	-	-	-	32
Payments for capital assets	1 300	-	-	-	-	-	1 300
Machinery and equipment	1 300	-	-	-	-	-	1 300
Total	111 172	-	-	-	2 500	2 500	113 672

Details of adjustments to Estimates of National Expenditure 2008

Other adjustments – R2.5 million

Adjustments due to significant and unforeseeable economic and financial events

Additional funding of R2.5 million has been allocated to cover costs related to the higher than budgeted wage increase made by the Minister for Public Service and Administration.

Programme 1: Administration

R1.357 million

Programme 2: Leadership and Management Practices

R264 000

Programme 3: Monitoring and Evaluation

R255 000

Programme 4: Integrity and Anti-Corruption

R624 000

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 9.2: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
1. Administration	58 955	27 177	46.1	58 947	100.0	57 844	30 949	53.5
2. Leadership and Management Practices	12 091	5 336	44.1	12 135	100.4	14 913	7 233	48.5
3. Monitoring and Evaluation	17 542	7 765	44.3	17 531	99.9	18 504	9 143	49.4
4. Integrity and Anti-Corruption	19 576	9 053	46.2	19 521	99.7	22 411	10 002	44.6
Total	108 164	49 331	45.6	108 134	100.0	113 672	57 327	50.4
Economic classification								
Current payments	106 205	48 893	46.0	105 378	99.2	112 340	56 931	50.7
Compensation of employees	74 126	34 276	46.2	70 163	94.7	82 372	38 184	46.4
Goods and services	32 079	14 597	45.5	35 193	109.7	29 968	18 746	62.6
Financial transactions in assets and liabilities	-	20	-	22	-	-	1	-
Transfers and subsidies	32	32	100.0	32	100.0	32	27	84.4
Foreign governments and international organisations	32	32	100.0	32	100.0	32	27	84.4
Payments for capital assets	1 927	406	21.1	2 724	141.4	1 300	369	28.4
Machinery and equipment	1 927	406	21.1	2 592	134.5	1 300	369	28.4
Total	108 164	49 331	45.6	108 134	100.0	113 672	57 327	50.4

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R57.3 million, or 50.4 per cent of the adjusted appropriation of R113.7 million for the year as a whole. Expenditure in the first six months of 2008/09 increased by R8 million, or 16.2 per cent compared to spending in the first six months of 2007/08 which amounted to R49.3 million, or 45.6 per cent of the 2007/08 adjusted appropriation.

The main increase compared to 2007/08 is related to the payments for reports on 2007/08 projects that were paid in 2008/09.

Expenditure for 2007/08 was almost equivalent to the adjusted appropriation for that year.

Departmental receipts

Table 9.3: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	37	37	22	59.5
Interest, dividends and rent on land	26	26	3	11.5
Financial transactions in assets and liabilities	170	170	52	30.6
Revenue Fund receipts (non-departmental receipts)	-	-	-	-
Total	233	233	77	33.0

Actual departmental revenue collections for the first six months of 2008/09 were R77 000 or 33 per cent of the adjusted estimate of R233 000.

Vote 10

Public Administration Leadership and Management Academy

Adjusted budget summary

R thousand	2008/09			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	105 527	105 527	-	-
<i>of which:</i>				
Current payments	51 781	51 781	-	-
Transfers and subsidies	51 307	51 307	-	-
Payments for capital assets	2 439	2 439	-	-
Executive authority	Minister for Public Service and Administration			
Accounting officer	Director-General of the Public Administration Leadership and Management Academy			

Aim

The aim of the Public Administration Leadership and Management Academy (PALAMA) 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 Estimates of National Expenditure 2008

Table 10.1: Adjusted estimates

Programme	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	54 220	-	-	-	-	-	54 220
2. Public Sector Organisational and Staff Development	51 307	-	-	-	-	-	51 307
Departmental Total	105 527	-	-	-	-	-	105 527
Economic classification							
Current payments	51 781	-	-	-	-	-	51 781
Compensation of employees	19 423	-	-	-	-	-	19 423
Goods and services	32 358	-	-	-	-	-	32 358
Transfers and subsidies	51 307	-	-	-	-	-	51 307
Departmental agencies and accounts	51 307	-	-	-	-	-	51 307
Payments for capital assets	2 439	-	-	-	-	-	2 439
Machinery and equipment	1 539	-	-	-	-	-	1 539
Software and other intangible assets	900	-	-	-	-	-	900
Total	105 527	-	-	-	-	-	105 527

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 10.2: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 2007 Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007- Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008- Sep 2008	Apr 08- Sep 08 % of adjusted appropriation
R thousand								
1. Administration	73 910	22 152	30.0	73 897	100.0	54 220	37 053	68.3
2. Public Sector Organisational and Staff Development	57 216	14 500	25.3	57 216	100.0	51 307	25 400	49.5
Total	131 126	36 652	28.0	131 113	100.0	105 527	62 453	59.2
Economic classification								
Current payments	70 293	19 564	27.8	66 253	94.3	51 781	30 135	58.2
Compensation of employees	17 494	6 567	37.5	13 327	76.2	19 423	5 587	28.8
Goods and services	52 799	12 997	24.6	52 920	100.2	32 358	24 548	75.9
Transfers and subsidies	57 216	14 500	25.3	57 216	100.0	51 307	25 400	49.5
Departmental agencies and accounts	57 216	14 500	25.3	57 216	100.0	51 307	25 400	49.5
Payments for capital assets	3 617	2 588	71.6	7 644	211.3	2 439	6 918	283.6
Machinery and equipment	3 564	781	21.9	7 400	207.6	1 539	6 918	449.5
Total	131 126	36 652	28.0	131 113	100.0	105 527	62 453	59.2

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R62.5 million, or 59.2 per cent of the adjusted appropriation of R105.5 million for the year as a whole. Expenditure in the first six months of 2008/09 increased by R25.8 million, or 70.4 per cent compared to spending in the first six months of 2007/08 which amounted to R36.7 million, or 28 per cent of the 2007/08 adjusted appropriation.

The main increases compared to 2007/08 are related to lease payments, the acquisition of office furniture and equipment and the cost of fitting out the new academy building, as well as to the increased transfers to the PALAMA training trading account for the massified induction programme and the curriculum review of training programmes.

Expenditure for 2007/08 was almost equivalent to the adjusted appropriation for that year.

Departmental receipts

Table 10.3: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	56	56	38	67.9
Financial transactions in assets and liabilities	14	50	41	82.0
Total	70	106	79	74.5

Actual departmental revenue collections for the first six months of 2008/09 were R79 000 or 74.5 per cent of the adjusted estimate of R106 000.

Vote 11

Statistics South Africa

Adjusted budget summary

2008/09				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	1 272 219	1 323 390	-	51 171
<i>of which:</i>				
Current payments	1 247 922	1 276 133	-	28 211
Transfers and subsidies	52	1 995	-	1 943
Payments for capital assets	24 245	45 262	-	21 017
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

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of economic sectors reported on: quarterly and annual GDP estimates	34	34
Number of economic sectors reported on: industry and trade statistics	9	9
Number of economic sectors reported on: financial statistics	8	8
Number of commodities price movements collected: CPI	1 100	1 124
Number of commodities price movements collected: PPI	1 700	1 645
Number of industries reported on: labour market trends	8	8
Number of releases on labour market dynamics	2	1
Number of releases on the changing profile of the population	18	8

Adjusted Estimates of National Expenditure 2008

Table 11.1: Adjusted estimates

Programme	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	391 852	-	-	(22 405)	706	(21 699)	370 153
2. Economic Statistics	141 757	-	-	(2 559)	3 886	1 327	143 084
3. Population and Social Statistics	341 844	-	-	40 606	10 528	51 134	392 978
4. Methodology and Standards	44 428	-	-	2 772	1 194	3 966	48 394
5. Statistical Support and Informatics	227 397	32 601	-	(20 242)	(653)	11 706	239 103
6. Corporate Relations	124 941	-	-	1 828	2 909	4 737	129 678
Departmental Total	1 272 219	32 601	-	-	18 570	51 171	1 323 390
Economic classification							
Current payments	1 247 922	13 646	-	(2 492)	17 057	28 211	1 276 133
Compensation of employees	714 254	-	-	(15 049)	2 919	(12 130)	702 124
Goods and services	533 668	13 646	-	12 557	14 138	40 341	574 009
Transfers and subsidies	52	-	-	1 943	-	1 943	1 995
Non-profit institutions	-	-	-	150	-	150	150
Households	52	-	-	1 793	-	1 793	1 845
Payments for capital assets	24 245	18 955	-	549	1 513	21 017	45 262
Machinery and equipment	23 331	18 955	-	549	1 513	21 017	44 348
Software and other intangible assets	914	-	-	-	-	-	914
Total	1 272 219	32 601	-	-	18 570	51 171	1 323 390

Details of adjustments to Estimates of National Expenditure 2008

Roll-over of funds – R32.601 million

Programme 5: Statistical Support and Informatics

R32.601 million has been rolled over for the dwelling frame project which will ensure a complete frame of dwelling units in South Africa for the census and other surveys.

Virements

Table 11.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	(24 172)	1 767	
Current payments	(24 172)	-	
Compensation of employees	(22 128)	-	Posts unfilled: new components created in second quarter after job evaluations, internal promotions led to new vacancies: R2.1 million to goods and services in this programme R16.028 million to compensation of employees in programme 3 R4 million to goods and services in programme 3
Goods and services	(2 044)	-	Decreased operational costs due to vacancies: R150 000 to non-profit institutions in this programme R1.617 million to households in this programme R549 000 to machinery and equipment in programme 5 R1.828 million to goods and services in programme 6

Table 11.2: Virements (continued)

Programme / Economic classification	R thousand		Details and motivation
	From	To	
Transfers and Subsidies	-	1 767	
Non-profit institutions	-	150	From goods and services in this programme for sponsorships for the South African Statistical Association (SASA) and Population Association of South Africa (PASA)
Households	-	1 617	From goods and services in this programme for bursaries for non-employees
2. Economic Statistics	(2 560)	1	
Current payments	(2 560)	-	
Compensation of employees	(2 559)	-	Posts unfilled because internal promotions led to new vacancies: To compensation of employees in programme 3
Goods and services	(1)	-	To households in this programme
Transfers and Subsidies	-	1	
Households	-	1	From goods and services in this programme for an ex gratia payment
3. Population and Social Statistics	-	40 606	
Current payments	-	40 432	
Compensation of employees	-	39 006	R16.028 million from compensation of employees in programme 1 R2.559 million from compensation of employees in programme 2 For contract workers for the household budget survey R7.4 million from goods and services in this programme for contract workers for the piloting of the census R13.019 million from compensation of employees in programme 5 for contract workers for the labour force survey
Goods and services	-	1 426	R4 million from compensation of employees in programme 1 R5 million from compensation of employees in programme 5 For contract workers for the labour force survey Periodic positions budgeted under goods and services but appointed under compensation of employees: R7.4 million to compensation of employees in this programme R174 000 to households in this programme
Transfers and Subsidies	-	174	
Households	-	174	R174 000 from goods and services in this programme for gratuities for exiting officials and an injury on duty
4. Methodology and Standards	(137)	2 909	
Current payments	(137)	2 909	
Compensation of employees	-	2 909	From compensation of employees in programme 5 for higher than expected salaries
Goods and services	(137)	-	Less expenditure on travel: R136 000 to goods and services in programme 5 R1 000 to households in programme 5
5. Statistical Support and Informatics	(20 928)	686	
Current payments	(20 928)	136	
Compensation of employees	(20 928)	-	Change in methodology for the dwelling frame impacted on the filling of posts: R13.019 million to compensation of employees in programme 3 R5 million to goods and services in programme 3 R2.909 million to compensation of employees in programme 4
Goods and services	-	136	From goods and services in programme 4 for computer equipment for new staff
Transfers and Subsidies	-	1	
Households	-	1	From goods and services in programme 4 for an injury on duty
Payments for capital assets	-	549	
Machinery and equipment	-	549	From goods and services in programme 1 for computer equipment
6. Corporate Relations	(11 349)	13 177	
Current payments	(11 349)	13 177	
Compensation of employees	(11 349)	-	New positions were only advertised in the second quarter: To goods and services in this programme
Goods and services	-	13 177	R11.349 million from compensation of employees in this programme R1.828 million from goods and services in programme 1 For operational costs, such as leases and cleaning and security contracts, in district and provincial offices
Total for Vote	(59 146)	59 146	

Other adjustments – R18.57 million

Adjustments due to significant and unforeseeable economic and financial events

Additional funding of R18.57 million has been allocated to cover costs related to the higher than budgeted wage increase made by the Minister for Public Service and Administration.

Programme 1: Administration

R4.416 million

Programme 2: Economic Statistics

R3.886 million

Programme 3: Population and Social Statistics

R4.315 million

Programme 4: Methodology and Standards

R1.194 million

Programme 5: Statistical Support and Informatics

R1.85 million

Programme 6: Corporate Relations

R2.909 million

Funds shifted within a vote

Programme 1: Administration

R3.71 million has been shifted to programme 3 to rectify the incorrect centralisation of earmarked funds for Census 2011, among others.

Programme 3: Population and Social Statistics

R1.513 million has been shifted to programme 5 to purchase computer equipment from the centralised budget item.

Programme 5: Statistical Support and Informatics

R18.051 million was incorrectly allocated in the 2008 ENE to compensation of employees for aerial photography and has been shifted to goods and services.

R666 000 for machinery and equipment has been shifted to programme 3 to rectify the incorrect centralisation of earmarked funds for Census 2011.

R3.35 million has been shifted to programme 3 to rectify the incorrect centralisation of earmarked funds for Census 2011, among others.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 11.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 - Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 - Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 - Sep 08 % of adjusted appropriation
1. Administration	212 435	86 074	40.5	205 258	96.6	370 153	168 013	45.4
2. Economic Statistics	146 121	61 593	42.2	136 293	93.3	143 084	72 957	51.0
3. Population and Social Statistics	431 307	158 360	36.7	405 481	94.0	392 978	160 646	40.9
4. Methodology and Standards	41 061	14 432	35.1	35 403	86.2	48 394	21 193	43.8
5. Statistical Support and Informatics	210 423	54 112	25.7	169 676	80.6	239 103	85 801	35.9
6. Corporate Relations	115 939	44 306	38.2	104 887	90.5	129 678	55 991	43.2
Total	1 157 286	418 877	36.2	1 056 998	91.3	1 323 390	564 601	42.7
Economic classification								
Current payments	1 101 338	406 905	36.9	1 003 710	91.1	1 276 133	532 842	41.8
Compensation of employees	498 130	218 256	43.8	472 029	94.8	702 124	291 222	41.5
Goods and services	603 208	188 649	31.3	509 328	84.4	574 009	241 258	42.0
Financial transactions in assets and liabilities	-	-	-	22 353	-	-	362	-
Transfers and subsidies	1 301	23	1.8	1 479	113.7	1 995	1 838	92.1
Non-profit institutions	125	-	-	125	100.0	150	50	33.3
Households	1 176	23	2.0	1 354	115.1	1 845	1 788	96.9
Payments for capital assets	54 647	11 949	21.9	51 809	94.8	45 262	29 921	66.1
Machinery and equipment	45 765	11 478	25.1	47 194	103.1	44 348	29 921	67.5
Software and other intangible assets	8 882	471	5.3	4 615	52.0	914	-	-
Total	1 157 286	418 877	36.2	1 056 998	91.3	1 323 390	564 601	42.7

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R564.6 million, or 42.7 per cent of the adjusted appropriation of R1.323 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R145.7 million, or 34.8 per cent compared to spending in the first six months of 2007/08 which amounted to R418.9 million, or 36.2 per cent of the 2007/08 adjusted appropriation.

The main increases compared to 2007/08 are related to the quarterly labour force survey which is now being conducted on a continuous basis, spending on the dwelling frame project, spending on the Creditors Management Unit which was established in the third quarter of 2007/08, and to the payment of bursaries in the first six months of the current financial year.

Expenditure for 2007/08 was 91.3 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 11.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	996	1 195	539	45.1
Interest, dividends and rent on land	84	180	129	71.7
Financial transactions in assets and liabilities	694	1 305	1 263	96.8
Total	1 774	2 680	1 931	72.1

Actual departmental revenue collections for the first six months of 2008/09 were R1.9 million or 72.1 per cent of the revised estimate of R2.7 million.

Changes to transfers and subsidies, and conditional grants

Table 11.5: Summary of changes to transfers and subsidies per programme

R thousands	2008/09						Adjusted appropriation
	Main appropriation	Additional Appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
1. Administration	21	-	-	1 767	-	1 767	1 788
Non-profit institutions							
Current	-	-	-	150	-	150	150
Gifts and donations, sponsorships	-	-	-	150	-	150	150
Households							
Social benefits							
Current	21	-	-	1 617	-	1 617	1 638
Social benefits to Households (Leave gratuity)	21	-	-	1 617	-	1 617	1 638
2. Economic Statistics	16	-	-	1	-	1	17
Households							
Social benefits							
Current	16	-	-	1	-	1	17
Social benefits to Households (Leave gratuity)	16	-	-	1	-	1	17
3. Population and Social Statistics	-	-	-	174	-	174	174
Households							
Social benefits							
Current	-	-	-	174	-	174	174
Ex gratia payments	-	-	-	174	-	174	174
5. Statistical Support and Informatics	-	-	-	1	-	1	1
Households							
Social benefits							
Current	-	-	-	1	-	1	1
Ex gratia payments	-	-	-	1	-	1	1

Vote 12

Arts and Culture

2008/09				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	2 117 082	2 160 317	-	43 235
<i>of which:</i>				
Current payments	286 433	292 610	-	6 177
Transfers and subsidies	1 825 240	1 862 298	-	37 058
Payments for capital assets	5 409	5 409	-	-
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.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of sustainable community arts centres established	22	9
Number of community libraries upgraded	53	7
Number of new community libraries established	8	0
Number of geographical names changed	200	55
Number of projects supported in Investing in Culture initiative	501	286
Number of jobs created through Investing in Culture projects	10 020	8 109
Number of flags distributed to schools	14 000	0

Establishing new community libraries involves capital works, and the first six months of the year have been set aside for planning and options analysis. Building is expected as projected in the coming six months.

Flags are currently being procured and distribution to schools is planned for the second half of the year.

Details of adjustments to Estimates of National Expenditure 2008

Table 12.1: Adjusted estimates

Programme	2008/09						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	119 742	-	-	-	2 353	2 353	122 095
2. Arts and Culture in Society	333 800	4 231	-	-	2 457	6 688	340 488
3. National Language Service	102 050	-	-	-	707	707	102 757
4. Cultural Development and International Co-operation	215 296	-	-	-	(1 326)	(1 326)	213 970
5. Heritage Promotion	885 871	-	22 300	-	4 207	26 507	912 378
6. National Archives, Records, Libraries and Heraldic Services	460 323	6 646	-	-	1 660	8 306	468 629
Departmental Total	2 117 082	10 877	22 300	-	10 058	43 235	2 160 317
Economic classification							
Current payments	286 433	-	-	-	6 177	6 177	292 610
Compensation of employees	132 809	-	-	-	6 177	6 177	138 986
Goods and services	153 624	-	-	-	-	-	153 624
Transfers and subsidies	1 825 240	10 877	22 300	-	3 881	37 058	1 862 298
Provinces and municipalities	338 000	6 646	-	-	-	6 646	344 646
Departmental agencies and accounts	1 202 702	-	22 300	-	22 378	44 678	1 247 380
Households	284 538	4 231	-	-	(18 497)	(14 266)	270 272
Payments for capital assets	5 409	-	-	-	-	-	5 409
Machinery and equipment	5 409	-	-	-	-	-	5 409
Total	2 117 082	10 877	22 300	-	10 058	43 235	2 160 317

Roll-over of funds – R10.877 million

Programme 2: Arts and Culture in Society

R4.231 million has been rolled over for 2010 FIFA World Cup projects.

Programme 6: National Archives, Records, Libraries and Heraldic Services

R6.646 million has been rolled over for community libraries (conditional grants).

Unforeseeable and unavoidable expenditure – R22.3 million

Programme 5: Heritage Promotion

R22.3 million has been allocated for crucial capital expenditure projects for the Robben Island Museum to retain its World Heritage Site status.

Other adjustments – R10.058 million

Adjustments due to significant and unforeseeable economic and financial events

Additional funding of R12.355 million has been allocated to cover costs related to the higher than budgeted wage increase made by the Minister for Public Service and Administration. R6.177 million has been allocated to the department, and R6.178 million to the public entities in programmes 2, 5 and 6.

Programme 1: Administration

R2.353 million

Programme 2: Arts and Culture in Society

R2.457 million

Programme 3: National Language Service

R707 000

Programme 4: Cultural Development and International Co-operation

R971 000 million

Programme 5: Heritage Promotion

R4.207 million

Programme 6: National Archives, Records, Libraries and Heraldic Services

R1.66 million

Funds shifted between votes or to follow the transfer of functions in terms of section 42 of the PFMA

Programme 4: Cultural Development and International Co-operation

R3.433 million will be transferred to the Department of Water Affairs and Forestry as a contribution to South Africa's participation at the Expo Zaragoza 2008

R1.136 million will be transferred from the Department of Trade and Industry as a contribution to the Timbuktu manuscripts film project.

Funds shifted within a vote

Programme 5: Heritage Promotion

R16.2 million has been shifted from households to departmental agencies and accounts for the National Heritage Council to conducted heritage related projects on behalf of the department. These funds were incorrectly classified in the 2008 ENE.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 12:2 Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 - Sep 07 % of adjusted appropriation	Apr 2007- Mar 2008	Apr 07 - Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 - Sep 08 % of adjusted appropriation
1. Administration	129 566	65 622	50.6	129 558	100.0	122 095	87 804	71.9
2. Arts and Culture in Society	257 004	149 062	58.0	252 736	98.3	340 488	191 852	56.3
3. National Language Service	87 051	48 786	56.0	87 010	100.0	102 757	46 555	45.3
4. Cultural Development and International Co-operation	188 549	84 524	44.8	187 819	99.6	213 970	98 926	46.2
5. Heritage Promotion	659 915	338 227	51.3	659 908	100.0	912 378	394 852	43.3
6. National Archives, Records, Libraries and Heraldic Services	285 684	144 252	50.5	268 818	94.1	468 629	328 354	70.1
Total	1 607 769	830 473	51.7	1 585 849	98.6	2 160 317	1 148 343	53.2

Table 12.2: Expenditure trends (continued)

R thousand	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 - Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 - Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 - Sep 08 % of adjusted appropriation
Economic classification								
Current payments	255 983	141 010	55.1	288 747	112.8	292 610	142 118	48.6
Compensation of employees	118 247	55 054	46.6	107 177	90.6	138 986	63 062	45.4
Goods and services	137 736	85 956	62.4	181 157	131.5	153 624	79 056	51.5
Transfers and subsidies	1 346 644	691 295	51.3	1 295 005	96.2	1 862 298	1 005 880	54.0
Provinces and municipalities	180 000	90 004	50.0	163 215	90.7	344 646	280 462	81.4
Departmental agencies and accounts	926 322	512 309	55.3	948 336	102.4	1 247 380	543 668	43.6
Households	240 322	88 982	37.0	183 454	76.3	270 272	181 750	67.2
Payments for capital assets	5 142	(1 832)	(35.6)	2 097	40.8	5 409	345	6.4
Machinery and equipment	5 142	(1 832)	(35.6)	2 097	40.8	5 409	345	6.4
Total	1 607 769	830 473	51.7	1 585 849	98.6	2 160 317	1 148 343	53.2

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R1.148 billion, or 53.2 per cent of the adjusted appropriation of R2.16 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R317.9 million, or 38.3 per cent compared to spending in the first six months of 2007/08 which amounted to R830.5 million, or 51.7 per cent of the 2007/08 adjusted appropriation.

The main increases compared to 2007/08 are related to an increase in the budget allocation for the community library services grant.

Expenditure for 2007/08 was 98.6 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 12.3: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	558	180	118	65.6
Fines, penalties and forfeits	–	1	1	100.0
Interest, dividends and rent on land	–	25	20	80.0
Financial transactions in assets and liabilities	–	5 500	5 412	98.4
Total	558	5 706	5 551	97.3

Actual departmental revenue collections for the first six months of 2008/09 were R5.6 million or 97.3 per cent of the adjusted estimate of R5.7 million.

Changes to transfers and subsidies, and conditional grants

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

R thousands	2008/09						Adjusted appropriation
	Main appropriation	Additional Appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
2. Arts and Culture in Society	317 270	4 231	-	-	1 984	6 215	323 485
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	225 283	-	-	-	1 984	1 984	227 267
Artscape	35 138	-	-	-	363	363	35 501
Market Theatre	19 109	-	-	-	234	234	19 343
Performing Arts Centre of the Free State	25 414	-	-	-	414	414	25 828
Playhouse Company	29 812	-	-	-	370	370	30 182
State Theatre	30 433	-	-	-	509	509	30 942
Windybrow Theatre	7 344	-	-	-	94	94	7 438
Households							
Other transfers							
Current	91 987	4 231	-	-	-	4 231	96 218
2010 FIFA World Cup projects	50 000	4 231	-	-	-	4 231	54 231
4. Cultural Development and International Co-operation	186 496	-	-	-	(2 297)	(2 297)	184 199
Households							
Other transfers							
Current	148 601	-	-	-	(2 297)	(2 297)	146 304
Cultural industries	33 157	-	-	-	1 136	1 136	34 293
Promote arts and culture internationally	26 821	-	-	-	(3 433)	(3 433)	23 388
5. Heritage Promotion	862 431	-	22 300	-	3 603	25 903	888 334
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	332 126	-	22 300	-	19 803	42 103	374 229
Die Afrikaanse Taalmuseum: Paarl	3 142	-	-	-	53	53	3 195
Iziko Museums of Cape Town	43 995	-	-	-	644	644	44 639
Luthuli Museum	5 328	-	-	-	47	47	5 375
Natal Museum: Pietermaritzburg	11 235	-	-	-	183	183	11 418
National Heritage Council	29 965	-	-	-	16 200	16 200	46 165
National Museum: Bloemfontein	21 098	-	-	-	377	377	21 475
Nelson Mandela Museum: Mthatha	13 890	-	-	-	74	74	13 964
Robben Island Museum: Cape Town	46 072	-	22 300	-	700	23 000	69 072
South African Heritage Resources Agency	31 005	-	-	-	377	377	31 382
The National English Literary Museum: Grahamstown	5 719	-	-	-	102	102	5 821
Voortrekker Museum: Pietermaritzburg	8 046	-	-	-	123	123	8 169
War Museum of the Boer Republics: Bloemfontein	5 472	-	-	-	85	85	5 557
William Humphreys Art Gallery: Kimberley	4 009	-	-	-	50	50	4 059
Northern Flagship Institution	44 189	-	-	-	788	788	44 977
Households							
Other transfers							
Current	35 682	-	-	-	(16 200)	(16 200)	19 482
Promotion of Heritage	35 682	-	-	-	(16 200)	(16 200)	19 482

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

2008/09							
R thousands	Main appropriation	Additional Appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
6. National Archives, Records, Libraries and Heraldic Services	406 994	6 646	-	-	591	7 237	414 231
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	338 000	6 646	-	-	-	6 646	344 646
Community library services grant	338 000	6 646	-	-	-	6 646	344 646
Departmental agencies and accounts							
Departmental agencies and accounts (nonbusiness entities)							
Current	65 324	-	-	-	591	591	65 915
National Library of South Africa	50 178	-	-	-	469	469	50 647
South African Library for the Blind	10 494	-	-	-	122	122	10 616

Table 12.5: Summary of changes to conditional grants: Provinces¹

2008/09							
R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
6. National Archives, Records, Libraries and Heraldic Services							
Community library services grant	338 000	6 646	-	-	-	6 646	344 646

¹ Main appropriation detail provided in the Division of Revenue Act, 2008

Vote 13

Education

Adjusted budget summary

2008/09				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	18 857 546	19 749 370	-	891 824
<i>of which:</i>				
Current payments	1 083 297	1 222 625	-	139 328
Transfers and subsidies	17 765 521	18 518 251	-	752 730
Payments for capital assets	8 728	8 494	(234)	-
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 the South African education and training system for the 21st century.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of enrolments in public higher education institutions	783 900	780 000
Proportion of higher education enrolments in science, education and technology: business: humanities	30:31:39	30:31:39
Number of higher education graduates	133 000	130 781
Number of learners registered for programmes in public adult learning centres	315 000	206 770
Number of special schools and full service schools upgraded and revamped	42	42
Number of teachers and district officials trained to implement inclusive education	1 000	1 600
Number of primary school learners fed on all school days	7 million	6.135 million
Number of Dinaledi schools operational	500	500
Number of learners captured by LURITS	4.2 million	270 000
Number of schools interacting with LURITS regularly to update learner data	7 400	800

Additional donor funding is being used to increase the number of teachers and district officials trained to implement inclusive education.

The number of primary school learners fed on all school days for the first six months of the year is below the projected 7 million as a result of higher food prices. An additional R265 million has been allocated to the national school nutrition programme to ensure that the programme will reach its target.

The department has revised its target of 7 400 schools interacting with the learner unit record performance and tracking system (LURITS) regularly during 2008/09 to 4 000, because the South African schools administration and management system (SA-SAMS) has not been fully rolled out yet, and is required to support the first phase of LURITS implementation. The number of learners captured by LURITS has thus also been revised, from 4.2 million to 1.35 million.

Adjusted Estimates of National Expenditure 2008

Table 13.1: Adjusted estimates

Programme	2008/09							
	Main appropriation	Additional appropriation					Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments			
R thousand								
1. Administration	202 683	5 000	-	(9 598)	-	(4 598)	198 085	
2. System Planning and Monitoring	98 116	-	22 002	(1 645)	-	20 357	118 473	
3. General Education	348 166	3 221	-	6 308	-	9 529	357 695	
4. Further Education and Training	1 023 353	27 890	-	512	-	28 402	1 051 755	
5. Social and School Enrichment	1 980 464	-	372 000	1 558	79 006	452 564	2 433 028	
6. Higher Education	15 178 189	-	-	765	382 705	383 470	15 561 659	
7. Auxiliary and Associated Services	26 575	-	-	2 100	-	2 100	28 675	
Departmental Total	18 857 546	36 111	394 002	-	461 711	891 824	19 749 370	
Economic classification								
Current payments	1 083 297	32 720	107 000	(392)	-	139 328	1 222 625	
Compensation of employees	286 141	-	-	22 000	-	22 000	308 141	
Goods and services	797 156	32 720	107 000	(22 392)	-	117 328	914 484	
Transfers and subsidies	17 765 521	3 391	287 002	626	461 711	752 730	18 518 251	
Provinces and municipalities	2 546 008	3 391	287 002	-	79 006	369 399	2 915 407	
Departmental agencies and accounts	1 651 408	-	-	96 932	39 000	135 932	1 787 340	
Universities and technikons	13 556 618	-	-	(96 910)	343 705	246 795	13 803 413	
Foreign governments and international organisations	11 437	-	-	18	-	18	11 455	
Non-profit institutions	50	-	-	-	-	-	50	
Households	-	-	-	586	-	586	586	
Payments for capital assets	8 728	-	-	(234)	-	(234)	8 494	
Machinery and equipment	8 154	-	-	167	-	167	8 321	
Software and other intangible assets	574	-	-	(401)	-	(401)	173	
Total	18 857 546	36 111	394 002	-	461 711	891 824	19 749 370	

Details of adjustments to Estimates of National Expenditure 2008

Roll-overs of funds – R36.111 million

Programme 1: Administration

R5 million has been rolled over for the PPP agreement for enlarging the new head office building to eliminate future unitary fee payments.

Programme 3: General Education

R3.221 million has been rolled over for the HIV and Aids conditional grant for KwaZulu-Natal and Mpumalanga for life skills education.

Programme 4: Further Education and Training

R22 million has been rolled over for the special tuition programme to give failed matriculants a second chance. R5.72 million has been rolled over for the ICT feasibility study. R170 000 has been rolled over for the FET colleges recapitalisation conditional grant for Eastern Cape and Mpumalanga.

Unforeseeable and unavoidable expenditure – R394.002 million

Programme 2: System Planning and Monitoring

R22.002 million has been allocated for the disaster management conditional grant for storm damage to schools in Mpumalanga and KwaZulu-Natal.

Programme 5: Social and School Enrichment

R265 million has been allocated for the national school nutrition programme to ensure that the targeted 7 million school learners will be fed on all school days during the current financial year.

R107 million has been allocated for the Kha Ri Gude mass literacy campaign, since 60 000 more learners than the planned 300 000 were enrolled for the campaign.

Virements

Table 13.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	(18 851)	9 253	
Current payments	(18 731)	8 486	
Compensation of employees	-	8 486	From goods and services in this programme for the revised staff establishment and improvements in conditions of service
Goods and services	(18 731)	-	Savings on projects (new office building - R14 million; commissions and committees - R4.107 million; and integrated document management system - R624 000) due to over-projections: R8.486 million to compensation of employees in this programme R22 000 to departmental agencies and accounts in this programme R260 000 to households in this programme R365 000 to machinery and equipment in this programme R7.251 million to compensation of employees in programme 3 R522 000 to compensation of employees in programme 4 R1.341 million to compensation of employees in programme 5 R420 000 to machinery and equipment in programme 2 R64 000 to goods and services in programme 7
Transfers and Subsidies	-	282	
Departmental agencies and accounts	-	22	From goods and services in this programme for the ETDP SETA contribution
Households	-	260	From goods and services in this programme for severance packages
Payments for capital assets	(120)	485	
Machinery and equipment	-	485	R356 000 from goods and services in this programme R120 000 from software in this programme For price increases
Software and other intangible assets	(120)	-	Savings as a result of price fluctuations: To machinery and equipment in this programme
2. System Planning and Monitoring	(3 047)	1 402	
Current payments	(2 940)	-	
Compensation of employees	(2 065)	-	Posts for the IQMS project not filled as projected: R218 000 to compensation of employees in programme 5 R840 000 to compensation of employees in programme 6 R1.007 million to compensation of employees in programme 7
Goods and services	(875)	-	Savings mainly on subsistence and travel, catering, and accommodation, in the EMIS improvement and HR and IQMS projects: R874 000 to machinery and equipment in this programme R1 000 to households in this programme
Transfers and Subsidies	-	1	
Households	-	1	From goods and services in this programme for severance packages
Payments for capital assets	(107)	1 401	
Machinery and equipment	-	1 401	R874 000 from goods and services in this programme R420 000 from goods and services in programme 1 R107 000 from software and other intangible assets in this programme For price increases
Software and other intangible assets	(107)	-	Savings as a result of price fluctuations: To machinery and equipment in this programme

Table 13.2: Virements (continued)

Programme / Economic classification	R thousand		Details and motivation
	From	To	
3. General Education	(964)	7 272	
Current payments	(840)	7 251	
Compensation of employees	-	7 251	From goods and services in programme 1 for the revised staff establishment and the occupation specific dispensation (revised salary structures that are unique to each identified occupation in the public sector)
Goods and services	(840)	-	Savings mainly on subsistence and travel, and accommodation, in the ACE school leadership project: To goods and services in programme 7
Transfers and Subsidies	(24)	-	
Foreign governments and international organisations	(24)	-	Reduced transfer payment to Guidance, Counselling and Youth Development Centre in Malawi due to exchange rate: To households in programme 4
Payments for capital assets	(100)	21	
Machinery and equipment	-	21	R21 000 from software and other intangible assets in this programme for price increases
Software and other intangible assets	(100)	-	Savings as a result of price fluctuations: R21 000 to machinery and equipment in this programme R79 000 to goods and services in programme 7
4. Further Education and Training	(592)	1 104	
Current payments	(574)	522	
Compensation of employees	-	522	From compensation of employees in programme 1 for the revised staff establishment and the occupation specific dispensation
Goods and services	(574)	-	R239 000 to machinery and equipment in this programme for the same project Savings on curriculum content support, FET exams and FET schools, mainly on subsistence and travel, and accommodation: R301 000 to households in this programme R34 000 to goods and services in programme 7
Transfers and Subsidies	-	325	
Households	-	325	R24 000 from foreign governments and international organizations in programme 3 R301 000 from goods and services in this programme For severance packages
Payments for capital assets	(18)	257	
Machinery and equipment	-	257	R239 000 from goods and services in this programme R18 000 from software and other intangible assets in this programme For the curriculum content support project
Software and other intangible assets	(18)	-	Savings as a result of price fluctuations: To machinery and equipment in this programme
5. Social and School Enrichment	(4 401)	5 959	
Current payments	(2 544)	5 959	
Compensation of employees	-	5 959	R1.341 million from goods and services in programme 1 R218 000 from compensation of employees in programme 2 For the revised staff establishment R4.4 million earmarked funds from goods and services in this programme for the Kha Ri Gude (mass literacy campaign) unit
Goods and services	(2 544)	-	R1.82 million earmarked funds from machinery and equipment in this programme for the Kha Ri Gude unit R37 000 from software and other intangible assets in this programme for possible overspending R4.4 million earmarked funds (for Kha Ri Gude) to compensation of employees in this programme Savings as a result of price fluctuations: To goods and services in programme 7
Payments for capital assets	(1 857)	-	
Machinery and equipment	(1 820)	-	Earmarked funds (Kha Ri Gude) to goods and services for the same project
Software and other intangible assets	(37)	-	Savings as a result of price fluctuations: To goods and services in this programme

Table 13.2: Virements (continued)

Programme / Economic classification	R thousand		Details and motivation
	From	To	
6. Higher Education	(97 076)	97 841	
Current payments	-	931	
Compensation of employees	-	840	From compensation of employees in programme 2 for the revised staff establishment and the occupation specific dispensation
Goods and services	-	91	From machinery and equipment in this programme for possible overspending due to inflationary pressures
Transfers and Subsidies	(96 910)	96 910	
Departmental agencies and accounts	-	96 910	From universities and technikons for inflation related costs at NSFAS
Universities and technikons	(96 910)	-	National Treasury has given permission for the shifting of funds included in the 2008 ENE inflation adjustment for higher education institutions to departmental agencies and accounts
Payments for capital assets	(166)	-	
Machinery and equipment	(152)	-	Savings as a result of price fluctuations: R91 000 to goods and services in this programme R61 000 to goods and services in programme 7
Software and other intangible assets	(14)	-	Savings as a result of price fluctuations: R2 000 to goods and services in programme 7 R12 000 to foreign governments and international organisations in programme 7
7. Auxiliary and Associated Services	(30)	2 130	
Current payments	-	2 088	
Compensation of employees	-	1 007	From compensation of employees in programme 2 for the revised staff establishment
Goods and services	-	1 081	R64 000 from goods and services in programme 1 R840 000 from goods and services in programme 3 R79 000 from machinery and equipment in programme 3 R34 000 from goods and services in programme 4 R1 000 from goods and services in programme 5 R61 000 from machinery and equipment in programme 6 R2 000 from software and intangible assets in programme 6 Mainly for travel and subsistence for UNESCO National Commission activities
Transfers and Subsidies	-	42	
Foreign governments and international organisations	-	42	R25 000 from machinery and equipment in this programme R5 000 from software and other intangible assets in this programme R12 000 from software and other intangible assets in programme 6 For the Commonwealth of Learning due to exchange rate increases
Payments for capital assets	(30)	-	
Machinery and equipment	(25)	-	Savings as a result of price fluctuations: To foreign governments and international organisations in this programme
Software and other intangible assets	(5)	-	Savings as a result of price fluctuations: To foreign governments and international organisations in this programme
Total for Vote	(124 961)	124 961	

Abbreviations: ACE = advanced certificate in education; EDTP Seta = education, training and development practices sector education and training authority; EMIS = education management information system; FET = further education and training; IQMS = integrated quality management system; NCS = national curriculum statement; NSFAS = national student financial aid scheme.

Other adjustments – R461.711 million

Adjustments due to significant and unforeseeable economic and financial events

Programme 5: Social and School Enrichment

Additional funding of R79.006 million has been allocated to cover costs related to the national school nutrition programme conditional grant for food price increases.

Programme 6: Higher Education

Additional funding of R39 million has been allocated to cover inflation related costs for the National Student Financial Aid Scheme and R343.705 million for subsidies to higher education institutions.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 13.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007- Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 - Sep 08 % of adjusted appropriation
1. Administration	161 322	64 056	39.7	144 513	89.6	198 085	77 257	39.0
2. System Planning and Monitoring	96 538	14 222	14.7	51 950	53.8	118 473	37 590	31.7
3. General Education	298 674	114 276	38.3	258 253	86.5	357 695	135 005	37.7
4. Further Education and Training	1 189 964	496 900	41.8	1 131 717	95.1	1 051 755	947 216	90.1
5. Social and School Enrichment	1 278 816	592 376	46.3	1 280 649	100.1	2 433 028	957 448	39.4
6. Higher Education	13 326 930	10 375 109	77.9	13 322 936	100.0	15 561 659	12 344 387	79.3
7. Auxiliary and Associated Services	34 508	13 656	39.6	51 308	148.7	28 675	10 215	35.6
Total	16 386 752	11 670 595	71.2	16 241 326	99.1	19 749 370	14 509 118	73.5
Economic classification								
Current payments	992 252	319 348	32.2	857 728	86.4	1 222 625	466 626	38.2
Compensation of employees	276 528	111 606	40.4	249 739	90.3	308 141	143 229	46.5
Goods and services	715 724	207 591	29.0	576 431	80.5	914 484	323 260	35.3
Financial transactions in assets and liabilities	-	151	-	31 558	0.0	-	137	0.0
Transfers and subsidies	15 386 303	11 349 300	73.8	15 375 687	99.9	18 518 251	14 035 082	75.8
Provinces and municipalities	2 016 773	952 829	47.2	2 007 950	99.6	2 915 407	1 670 513	57.3
Departmental agencies and accounts	1 412 451	1 095 371	77.6	1 412 699	100.0	1 787 340	1 385 183	77.5
Universities and technikons	11 942 751	9 298 076	77.9	11 941 539	100.0	13 803 413	10 976 836	79.5
Foreign governments and international organisations	11 778	1 797	15.3	11 016	93.5	11 455	1 960	17.1
Non-profit institutions	50	50	100.0	50	100.0	50	-	0.0
Households	2 500	1 177	47.1	2 433	97.3	586	590	100.7
Payments for capital assets	8 197	1 947	23.8	7 911	96.5	8 494	7 410	87.2
Machinery and equipment	8 197	1 915	23.4	7 632	93.1	8 321	7 410	89.1
Software and other intangible assets	-	32	-	279	0.0	173	-	0.0
Total	16 386 752	11 670 595	71.2	16 241 326	99.1	19 749 370	14 509 118	73.5

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R14.509 billion or 73.5 per cent of the adjusted appropriation of R19.749 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R2.839 billion, or 24.3 per cent compared to spending in the first six months of 2007/08 which amounted to R11.671 billion, or 71.2 per cent of the 2007/08 adjusted appropriation.

The main increases compared to 2007/08 are related to national school nutrition programme conditional grant payments, further education and training recapitalisation conditional grant payments, the Kha Ri Gude mass literacy campaign, higher education payments, the increased subsidy to Umalusi and inflation related adjustments.

Expenditure for 2007/08 was 99.1 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 13.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	1 018	1 076	717	66.6
Transfers received	-	13	13	100.0
Interest, dividends and rent on land	4 103	4 110	1 987	48.3
Sales of capital assets	-	50	-	-
Financial transactions in assets and liabilities	1 982	1 982	1 160	58.5
Total	7 103	7 231	3 877	53.6

Actual departmental revenue collections for the first six months of 2008/09 were R3.9 million or 53.6 per cent of the adjusted estimate of R7.2 million.

Changes to transfers and subsidies, and conditional grants

Table 13.5: Summary of changes to transfers and subsidies per programme

R thousands	2008/09						Adjusted appropriation
	Main appropriation	Additional Appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements	Other adjustments		
1. Administration	125	-	-	282	-	282	407
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	125	-	-	22	-	22	147
Education, Training and Development Practices Sector Education and Training Authority	125	-	-	22	-	22	147
Households							
Social benefits							
Current	-	-	-	260	-	260	260
Leave gratuity	-	-	-	260	-	260	260
2. System Planning and Monitoring	-	-	22 002	1	-	22 003	22 003
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Capital	-	-	22 002	-	-	22 002	22 002
Disaster Management Grant	-	-	22 002	-	-	22 002	22 002
Households							
Social benefits							
Current	-	-	-	1	-	1	1
Leave gratuity	-	-	-	1	-	1	1

Table 13.5: Summary of changes to transfers and subsidies per programme (continued)

R thousands	2008/09						Adjusted appropriation
	Main appropriation	Additional Appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements	Other adjustments		
3. General Education	168 005	3 221	-	(24)	-	3 197	171 202
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	167 905	3 221	-	-	-	3 221	171 126
HIV and Aids (Life Skills Education) grant	167 905	3 221	-	-	-	3 221	171 126
Foreign governments and international organisations							
Current	100	-	-	(24)	-	(24)	76
Guidance, Counselling and Youth Development Centre for Africa: Malawi	100	-	-	(24)	-	(24)	76
4. Further Education and Training	848 610	170	-	325	-	495	849 105
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	795 000	170	-	-	-	170	795 170
Further education and training college sector recapitalisation grant	795 000	170	-	-	-	170	795 170
Households							
Social benefits							
Current	-	-	-	325	-	325	325
Leave gratuity	-	-	-	325	-	325	325
5. Social and School Enrichment	1 583 103	-	265 000	-	79 006	344 006	1 927 109
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	1 583 103	-	265 000	-	79 006	344 006	1 927 109
National school nutrition programme grant	1 583 103	-	265 000	-	79 006	344 006	1 927 109
6. Higher Education	15 154 291	-	-	-	382 705	382 705	15 536 996
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	1 597 673	-	-	96 910	39 000	135 910	1 733 583
National Student Financial Aid Scheme	1 566 465	-	-	96 910	39 000	135 910	1 702 375
Universities and technikons							
Current	13 486 618	-	-	(93 315)	343 705	250 390	13 737 008
Higher Education Institutions	13 486 618	-	-	(93 315)	343 705	250 390	13 737 008
Capital	70 000	-	-	(3 595)	-	(3 595)	66 405
Higher Education Institutions	70 000	-	-	(3 595)	-	(3 595)	66 405
7. Auxiliary and Associated Services	11 387	-	-	42	-	42	11 429
Foreign governments and international organisations							
Current	11 337	-	-	42	-	42	11 379
Association for the Development of Education in Africa	25	-	-	(5)	-	(5)	20
Commonwealth of Learning	1 819	-	-	47	-	47	1 866

Table 13.6: Summary of changes to conditional grants: Provinces¹

R thousand	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
2. System Planning and Monitoring							
Disaster Management Grant	–	–	22 002	–	–	22 002	22 002
3. General Education							
HIV and Aids (Life Skills Education) grant	167 905	3 221	–	–	–	3 221	171 126
4. Further Education and Training							
Further education and training college sector recapitalisation grant	795 000	170	–	–	–	170	795 170
5. Social and School Enrichment							
National school nutrition programme grant	1 583 103	–	265 000	–	79 006	344 006	1 927 109

¹ Main appropriation detail provided in the Division of Revenue Act, 2008

Vote 14

Health

Adjusted budget summary

R thousand	2008/09			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	15 100 845	15 851 169	-	750 324
<i>of which:</i>				
Current payments	919 256	943 721	-	24 465
Transfers and subsidies	14 155 522	14 859 529	-	704 007
Payments for capital assets	26 067	47 919	-	21 852
Executive authority	Minister of Health			
Accounting officer	Director-General of Health			

Aim

The aim of the Department of Health is to promote the health of all people in South Africa through an accessible, caring and high quality health system based on the primary health care (PHC) approach.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Percentage national immunisation coverage	90%	89.7%
Number of health districts with more than 90% full immunisation coverage	41/52 (80%)	24/52 (46%)
Percentage of health workers trained in the integrated management of childhood illnesses	80%	72%
Number of health facilities with maternity beds declared as baby friendly	245/545 (45%)	232/545 (42.6%)
TB cure rate	60%	64%
TB treatment defaulter rate	6%	8.6%
Percentage of multi-drug resistant MDR TB cases among new TB patients	<1	2.7
Percentage of extremely drug resistant cases among all MDR TB patients	4	9.1
Number of malaria cases	3 900	5 734
Percentage malaria case fatality rate	0.5%	0.59%
Number of hospital revitalisation business cases approved	9	0

TB tracer teams have been placed in districts across the country to reduce the high defaulter rate.

A study is being conducted to generate a better understanding of MDR TB.

The relatively higher number of malaria cases in the first half of 2008/09 is mainly due to an increase of cases in Limpopo.

15 hospital revitalisation business cases were received from provinces. None have yet been approved. They will be considered for inclusion in the hospital revitalisation programme subject to the availability of funding.

Adjusted Estimates of National Expenditure 2008

Table 14.1: Adjusted estimates

Programme	2008/09						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	215 647	21 752	-	-	9 279	31 031	246 678
2. Strategic Health Programmes	3 713 085	171 506	300 000	1 350	4 000	476 856	4 189 941
3. Health Planning and Monitoring	326 527	-	-	2 200	5 401	7 601	334 128
4. Health Human Resources Management and Development	1 714 204	3 062	-	(4 500)	-	(1 438)	1 712 766
5. Health Services	9 052 457	177 516	-	(450)	57 808	234 874	9 287 331
6. International Relations, Health Trade and Health Product Regulation	78 925	-	-	1 400	-	1 400	80 325
Departmental Total	15 100 845	373 836	300 000	-	76 488	750 324	15 851 169
Economic classification							
Current payments	919 256	16 000	-	(814)	9 279	24 465	943 721
Compensation of employees	278 395	-	-	-	9 279	9 279	287 674
Goods and services	640 861	16 000	-	(814)	-	15 186	656 047
Transfers and subsidies	14 155 522	336 084	300 000	714	67 209	704 007	14 859 529
Provinces and municipalities	13 686 597	318 381	300 000	-	57 808	676 189	14 362 786
Departmental agencies and accounts	302 150	2 952	-	414	7 401	10 767	312 917
Universities and technikons	1 000	-	-	-	-	-	1 000
Non-profit institutions	165 775	14 751	-	-	2 000	16 751	182 526
Households	-	-	-	300	-	300	300
Payments for capital assets	26 067	21 752	-	100	-	21 852	47 919
Machinery and equipment	26 067	21 752	-	100	-	21 852	47 919
Total	15 100 845	373 836	300 000	-	76 488	750 324	15 851 169

Details of adjustments to Estimates of National Expenditure 2008

Roll-over of funds – R373.836 million

Programme 1: Administration

R21.752 million has been rolled over for upgrading and commissioning the Civitas building.

Programme 2: Strategic Health Programme

R13 million has been rolled over for loveLife for the Groundbreaker programme in public clinics and the youth outreach programme to schools.

R1.751 million has been rolled over for outstanding commitments to HIV and Aids NGOs.

R16 million has been rolled over for contributions to the Global Fund to Fight AIDS, TB and Malaria.

R137.803 million has been rolled over for the forensic pathology services conditional grant for buying equipment, constructing mortuaries, and doing emergency repairs to mortuaries.

R2.952 million has been rolled over for the National Health Laboratory Services to make payments for services provided in 2007/08.

Programme 4: Health Human Resource Management and Development

R3.062 million has been rolled over for the health professional training and development conditional grant for medical equipment.

Programme 5: Health Services

R176.874 million has been rolled over for the hospital revitalisation conditional grant to complete building projects.

R642 000 has been rolled over for the national tertiary services conditional grant for equipment.

Unforeseeable and unavoidable expenditure – R300 million

Programme 2: Strategic Health Programmes

R300 million has been allocated for HIV and Aids for the rollout of the dual therapy regime for the prevention of mother to child transmission (PMTCT) programme and shortfalls on the treatment programme, which has grown by 200 000 new entrants over the past twelve months.

Virements

Table 14.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	(114)	114	
Current payments	(114)	-	
Goods and services	(114)	-	Incorrectly classified funds: R100 000 to machinery and equipment in this programme R14 000 to departmental agencies and accounts in this programme
Transfers and Subsidies	-	14	
Departmental agencies and accounts	-	14	From goods and services in this programme for the Health and Welfare Sector Education and Training Authority payment
Payments for capital assets	-	100	
Machinery and equipment	-	100	From goods and services in this programme for furniture
2. Strategic Health Programmes	(4 600)	5 950	
Current payments	(4 600)	5 350	
Compensation of employees	-	5 350	R400 000 from compensation of employees in programme 3 R4.5 million from compensation of employees in programme 4 R450 000 from compensation of employees in programme 5 For the realigned compensation of employees budget according to the department's approved new programme structure
Goods and services	(4 600)	-	Savings arose when operational plan refined: R400 000 to departmental agencies and accounts in this programme R200 000 to households in this programme R2.6 million goods and services in programme 3 R1.4 million to goods and services in programme 6
Transfers and Subsidies	-	600	
Departmental agencies and accounts	-	400	From goods and services in this programme for the Study on Global Aging and Adult Health (SAGE)
Households	-	200	From goods and services in this programme for a donation to the Southern African Spinal Cord Association for hosting the International Spinal Cord Society conference (R100 000) and to the Foundation for Professional Development for hosting the first South African TB conference (R100 000)
3. Health Planning and Monitoring	(400)	2 600	
Current payments	(400)	2 600	
Compensation of employees	(400)	-	Realigned budget following approved new programme structure: To compensation of employees in programme 2
Goods and services	-	2 600	From goods and services in programme 2 for the core standards appraisal
4. Health Human Resources Management and Development	(4 500)	-	
Current payments	(4 500)	-	
Compensation of employees	(4 500)	-	Realigned budget following approved new programme structure: To compensation of employees in programme 2

Table 14.2: Virements (continued)

Programme / Economic classification	R thousand		Details and motivation
	From	To	
5. Health Services	(550)	100	
Current payments	(550)	-	
Compensation of employees	(450)	-	Realigned budget following approved new programme structure: To compensation of employees in programme 2
Goods and services	(100)	-	
Transfers and Subsidies	-	100	Savings in communications, operating leases and inventories: To households in this programme
Households	-	100	
6. International Relations, Health Trade and Health Product Regulation	-	1 400	
Current payments	-	1 400	
Goods and services	-	1 400	From goods and services in programme 2 for the 30th session of the Codex Committee on Nutrition and Foods for Special Dietary Uses
Total for Vote	(10 164)	10 164	

Other adjustments – R76.488 million

Adjustments due to significant and unforeseeable economic and financial events

Programme 1: Administration

Additional funding of R9.279 million has been allocated to cover costs related to the higher than budgeted wage increase granted by the Minister for Public Service and Administration.

Programme 2: Strategic Health Programme

Additional funding of R2 million has been allocated to the South African Aids Vaccine Institute and R2 million to the National Health Laboratory Service to cover inflation pressures.

Programme 3: Health Planning and Monitoring

Additional funding of R2.704 million has been allocated to the Medical Schemes Council and R2.697 million to the Medical Research Council to cover inflation pressures.

Programme 5: Health Services

Additional funding of R57.808 million has been allocated to the national tertiary services conditional grant for higher than anticipated inflation on medicine and medical equipment.

Gifts, donations and sponsorships – R300 000

The department will make a donation of R100 000 to the Public Health Association of South Africa for hosting the fourth national PHASA conference; R100 000 to the Southern African Spinal Cord Association for hosting the International Spinal Cord Society conference; and R100 000 to the Foundation for Professional Development for hosting the first South African TB conference.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 14.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
1. Administration	229 598	100 581	43.8	213 628	93.0	246 678	149 343	60.5
2. Strategic Health Programmes	3 317 041	1 453 576	43.8	3 096 269	93.3	4 189 941	1 782 179	42.5
3. Health Planning and Monitoring	309 507	160 943	52.0	309 126	99.9	334 128	176 608	52.9
4. Health Human Resources Management and Development	1 618 791	804 911	49.7	1 613 578	99.7	1 712 766	846 723	49.4
5. Health Services	7 543 139	3 642 304	48.3	7 465 840	99.0	9 287 331	4 514 197	48.6
6. International Relations, Health Trade and Health Product Regulation	73 060	24 898	34.1	64 290	88.0	80 325	33 535	41.7
Total	13 091 136	6 187 213	47.3	12 762 731	97.5	15 851 169	7 502 585	47.3
Economic classification								
Current payments	860 267	294 704	34.3	729 565	84.8	943 721	426 082	45.1
Compensation of employees	251 826	125 550	49.9	258 604	102.7	287 674	137 017	47.6
Goods and services	608 441	169 116	27.8	470 871	77.4	656 047	289 064	44.1
Financial transactions in assets and liabilities	-	38	-	90	-	-	1	-
Transfers and subsidies	12 186 334	5 885 534	48.3	12 011 193	98.6	14 859 529	7 049 678	47.4
Provinces and municipalities	11 736 678	5 660 188	48.2	11 552 732	98.4	14 362 786	6 839 407	47.6
Departmental agencies and accounts	299 351	168 729	56.4	301 348	100.7	312 917	165 634	52.9
Universities and technikons	1 000	-	-	400	40.0	1 000	500	50.0
Foreign governments and international organisations	-	-	-	-	-	-	47	-
Non-profit institutions	149 287	56 321	37.7	156 034	104.5	182 526	43 684	23.9
Households	18	296	1 644.4	679	3772.2	300	406	135.3
Payments for capital assets	44 535	6 975	15.7	21 973	49.3	47 919	26 825	56.0
Buildings and other fixed structures	4 734	-	-	-	-	-	(14)	-
Machinery and equipment	39 501	6 655	16.8	21 686	54.9	47 919	26 839	56.0
Software and other intangible assets	300	320	106.7	287	95.7	-	-	-
Total	13 091 136	6 187 213	47.3	12 762 731	97.5	15 851 169	7 502 585	47.3

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R7.503 billion, or 47.3 per cent of the adjusted appropriation of R15.851 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R1.315 billion, or 21.3 per cent compared to spending in the first six months of 2007/08 which amounted to R6.187 billion, or 47.3 per cent of the 2007/08 adjusted appropriation.

Expenditure for 2007/08 was 97.5 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 14.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	4 166	4 717	2 055	43.6
Interest, dividends and rent on land	256	246	176	71.5
Financial transactions in assets and liabilities	1 539	667	182	27.3
Total	5 961	5 630	2 413	42.9

Actual departmental revenue collections for the first six months of 2008/09 were R2.4 million or 42.9 per cent of the adjusted estimate of R5.6 million.

Changes to transfers and subsidies, and conditional grants

Table 14.5: Summary of changes to transfers and subsidies per programme

R thousands	2008/09						Adjusted appropriation
	Main appropriation	Additional Appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
1. Administration	265	-	-	14	-	14	279
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	265	-	-	14	-	14	279
Service Sector Education and Training Authority	265	-	-	14	-	14	279
2. Strategic Health Programmes	3 280 695	155 506	300 000	600	4 000	460 106	3 740 801
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	2 987 006	-	300 000	-	-	300 000	3 287 006
Comprehensive HIV and Aids grant	2 585 423	-	300 000	-	-	300 000	2 885 423
Capital	65 295	137 803	-	-	-	137 803	203 098
Forensic pathology services grant	65 295	137 803	-	-	-	137 803	203 098
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	65 271	2 952	-	400	2 000	5 352	70 623
National Health Laboratory Services	65 271	2 952	-	-	2 000	4 952	70 223
Human Science Research Council	-	-	-	400	-	400	400
Non-profit institutions							
Current	162 123	14 751	-	-	2 000	16 751	178 874
HIV and AIDS: Non-governmental organisations	58 390	1 751	-	-	-	1 751	60 141
loveLife	63 000	13 000	-	-	-	13 000	76 000
South African Aids Vaccine Initiative	10 000	-	-	-	2 000	2 000	12 000
Households							
Other transfers							
Current	-	-	-	200	-	200	200
South African Spinal Cord Association	-	-	-	100	-	100	100
Foundation for Professional Development	-	-	-	100	-	100	100

Table 14.5: Summary of changes to transfers and subsidies per programme (continued)

2008/09							
R thousands	Main appropriation	Additional Appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements	Other adjustments		
3. Health Planning and Monitoring	236 885	-	-	-	5 401	5 401	242 286
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	234 259	-	-	-	5 401	5 401	239 660
Council for Medical Schemes	3 447	-	-	-	2 704	2 704	6 151
Medical Research Council	230 436	-	-	-	2 697	2 697	233 133
4. Health Human Resources Management and Development	1 675 999	3 062	-	-	-	3 062	1 679 061
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	1 675 999	3 062	-	-	-	3 062	1 679 061
Health professions training and development grant	1 675 999	3 062	-	-	-	3 062	1 679 061
5. Health Services	8 961 678	177 516	-	100	57 808	235 424	9 197 102
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	6 075 634	642	-	-	57 808	58 450	6 134 084
National tertiary services grant	6 075 634	642	-	-	57 808	58 450	6 134 084
Capital	2 882 663	176 874	-	-	-	176 874	3 059 537
Hospital revitalisation grant	2 882 663	176 874	-	-	-	176 874	3 059 537
Households							
Other transfers							
Current	-	-	-	100	-	100	100
Public Health Association of South Africa	-	-	-	100	-	100	100

Table 14.6: Summary of changes to conditional grants: Provinces¹

2008/09							
R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Other adjustments		
2. Strategic Health Programmes							
Comprehensive HIV and AIDS Grant	2 585 423	-	300 000	-	-	300 000	2 885 423
Forensic pathology services grant	466 878	137 803	-	-	-	137 803	604 681
5. Health Services							
Hospital revitalisation grant	2 882 663	176 874	-	-	-	176 874	3 059 537
National tertiary services grant	6 075 634	642	-	-	-	642	6 076 276
4. Health Human Resources Management and Development							
Health professions training and development grant	1 675 999	3 062	-	-	-	3 062	1 679 061

¹ Main appropriation detail provided in the Division of Revenue Act, 2008

Vote 15

Labour

Adjusted budget summary

R thousand	2008/09			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	1 732 911	1 747 606	-	14 695
<i>of which:</i>				
Current payments	1 237 766	1 217 564	(20 202)	-
Transfers and subsidies	450 431	491 721	-	41 290
Payments for capital assets	44 714	38 321	(6 393)	-
Direct charge against the National Revenue Fund	7 529 600	7 529 600	-	-
Executive authority	Minister of Labour			
Accounting officer	Director-General of Labour			

Aim

The aim of the Department of Labour is to reduce unemployment, poverty and inequality through 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.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of jobs registered on employment services database	6 000	10 930
Percentage of registered work seekers placed in permanent employment	60% (3 600)	75% (4 500)
Number of small BEE SMMEs and co-operatives that receive skills development support	1 200	766
Number of people participating in trade tests at INDLELA	10 000	4 405
Percentage pass rate for trade tests	40%	39%
Number of artisans registered for training by SETAs	18 693	2 190
Number of JSE listed companies assessed for employment equity	11	11
Number of occupational health and safety incidents investigated	2 000	2 464
Percentage decrease in workplace related injuries, diseases and death	2% (2 049)	(39%) (2 053)
Percentage compliance with labour legislation by inspected workplaces	71% (127 800)	38.6% (69 538)

The number of jobs registered on the employment services database and the percentage of registered work seekers placed in permanent employment has exceeded the projected figures, mainly due to the opening of a second power station in Lephalale in Limpopo and the good relationship that has been fostered with employers in the Western Cape.

The number of people participating in trade tests at INDLELA and the number of artisans registered for training by SETAs will pick up in the second half of the year as the recruitment and selection processes progress.

Reports of occupational health and safety incidents have increased and as a result there have been more investigations than projected.

The overall percentage of workplace related injuries, diseases and deaths has increased beyond the target, with most cases being reported in Gauteng and KwaZulu-Natal.

Adjusted Estimates of National Expenditure 2008

Table 15.1: Adjusted estimates

Programme	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
R thousand		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	387 207	-	-	-	(3 000)	(3 000)	384 207
2. Service Delivery	690 361	11 970	-	-	-	11 970	702 331
3. Employment and Skills Development Services / Human Resources Development	203 700	13 517	-	(27 960)	(10 792)	(25 235)	178 465
4. Labour Policy and Labour Market Programmes	441 142	-	-	27 960	3 000	30 960	472 102
5. Social Insurance	10 501	-	-	-	-	-	10 501
Subtotal	1 732 911	25 487	-	-	(10 792)	14 695	1 747 606
Direct charge against the National Revenue Fund	7 529 600	-	-	-	-	-	7 529 600
Sector education and training authorities	6 023 680	-	-	-	-	-	6 023 680
National Skills Fund	1 505 920	-	-	-	-	-	1 505 920
Departmental Total	9 262 511	25 487	-	-	(10 792)	14 695	9 277 206
Economic classification							
Current payments	1 237 766	18 787	-	(32 293)	(6 696)	(20 202)	1 217 564
Compensation of employees	643 627	-	-	(10 960)	(3 792)	(14 752)	628 875
Goods and services	594 139	18 787	-	(21 333)	(2 904)	(5 450)	588 689
Transfers and subsidies	7 980 031	-	-	38 290	3 000	41 290	8 021 321
Departmental agencies and accounts	7 901 230	-	-	-	3 000	3 000	7 904 230
Public corporations and private enterprises	5 080	-	-	-	-	-	5 080
Foreign governments and international organisations	7 736	-	-	(47)	-	(47)	7 689
Non-profit institutions	65 795	-	-	37 593	-	37 593	103 388
Households	190	-	-	744	-	744	934
Payments for capital assets	44 714	6 700	-	(5 997)	(7 096)	(6 393)	38 321
Buildings and other fixed structures	29 276	6 700	-	(2 000)	(6 700)	(2 000)	27 276
Machinery and equipment	15 438	-	-	(3 997)	(396)	(4 393)	11 045
Total	9 262 511	25 487	-	-	(10 792)	14 695	9 277 206

Details of adjustments to Estimates of National Expenditure 2008

Roll-over of funds – R25.487 million

Programme 2: Services Delivery

R11.97 million has been rolled over for repair and maintenance programme in the Gauteng South sheltered employment factory in Village Main.

Programme 3: Employment and Skills Development Services/Human Resources Development

R6.817 million has been rolled over for Employment Services for South Africa (ESSA) processes.

R6.7 million has been rolled over for upgrading security at the Institute of the National Development of Learnerships, Employment Skills and Labour Assessments (INDLELA).

Virements

Table 15.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
2. Service Delivery	(744)	744	
Transfers and Subsidies	(47)	744	
Foreign governments and international organisations	(47)	-	Affiliation to World Association of Public Employment Services has been terminated: To households in this programme
Households	-	744	R47 000 from foreign governments and international organisations in this programme R697 000 from machinery and equipment in this programme For resignation, retirement and severance package benefits
Payments for capital assets	(697)	-	
Machinery and equipment	(697)	-	Equipment budgeted at more than R5 000 was less than R5 000: The difference was shifted to households in this programme
3. Employment and Skills Development Services/ Human Resource Development	(27 960)	-	
Current payments	(22 660)	-	
Compensation of employees	(10 960)	-	It was envisaged that staff would be appointed to the Department of Labour to facilitate the Quality Council for Trades and Occupations development process, but a strategic decision was taken not to: To non-profit institutions in programme 4
Goods and services	(11 700)	-	Less expenditure on goods and services related to unfilled posts: To non-profit institutions in programme 4
Payments for capital assets	(5 300)	-	
Buildings and other fixed structures	(2 000)	-	INDLELA security project discontinued due to concerns about dolomite in the sub-soil: To non-profit institutions in programme 4
Machinery and equipment	(3 300)	-	Equipment for the INDLELA security project no longer required: To non-profit institutions in programme 4
4. Labour Policy and Labour Market Programmes	(9 633)	37 593	
Current payments	(9 633)	-	
Goods and services	(9 633)	-	Revision to the communications strategy for the DG review system: R1 million to non-profit institutions in this programme Major projects on the research; monitoring and evaluation agenda were finalised early and only minor projects will be undertaken this year: R8.6 million to non-profit institutions in this programme
Transfers and Subsidies	-	37 593	
Non-profit institutions	-	37 593	R10.96 million from compensation of employees in programme 3 R11.7 million from goods and services in programme 3 R2 million from buildings and other fixed structures in programme 3 R3.3 million from machinery and equipment in programme 3 For liquidity shortfalls in the sheltered employment factories (SEF) due to reduced sales revenue following the removal of the factories' preferential procurement status (R14 million), and for repairs and maintenance (R13.9 million) R9.633 million from goods and services in this programme for establishing a provident fund for wage workers and salary alignment of staff at the SEFs (R6.4 million), and for repairs and maintenance (R3.2 million)
Total for Vote	(38 337)	38 337	

Other adjustments – R10.792 million

Declared savings

Programme 3: Employment and Skills Development Services/Human Resource Development

Savings of R6.7 million have been declared due to the suspension of the security upgrading at INDLELA because the grounds are situated in a dolomite area.

Savings of R4.092 million have been declared due to vacant posts.

Funds shifted within a vote**Programme 1: Administration**

R3 million has been reclassified from goods and services in programme 1 to departmental agencies and accounts in programme 4 to facilitate the efficient payment of invoices, especially from small businesses, for May Day celebrations by labour federations.

Programme 2: Service Delivery

R349 000 has been reclassified from machinery and equipment to goods and services because equipment budgeted at more than R5 000 was less than R5 000.

Expenditure 2007/08 and preliminary expenditure 2008/09**Table 15.3: Expenditure trends**

Programme	2007/08					2008/09			
	Expenditure outcome					Preliminary expenditure			
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007- Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation	
1. Administration	365 653	141 798	38.8	328 384	89.8	384 207	186 414	48.5	
2. Service Delivery	665 409	322 038	48.4	656 753	98.7	702 331	301 901	43.0	
3. Employment and Skills Development Services/ Human Resources Development	575 039	217 449	37.8	540 119	93.9	178 465	80 591	45.2	
4. Labour Policy and Labour Market Programmes	421 763	190 947	45.3	417 467	99.0	472 102	215 428	45.6	
5. Social Insurance	10 001	3 925	39.2	5 898	59.0	10 501	1 804	17.2	
Subtotal	2 037 865	876 157	43.0	1 948 621	95.6	1 747 606	786 138	45.0	
Direct charge against the National Revenue Fund	6 800 000	2 696 306	39.7	6 284 306	92.4	7 529 600	3 455 566	45.9	
Sector education and training authorities	5 440 000	2 086 804	38.4	5 027 445	92.4	6 023 680	2 764 453	45.9	
National Skills Fund	1 360 000	609 502	44.8	1 256 861	92.4	1 505 920	691 113	45.9	
Total	8 837 865	3 572 463	40.4	8 232 927	93.2	9 277 206	4 241 704	45.7	
Economic classification									
Current payments	1 181 464	520 721	44.1	1 108 582	93.8	1 217 564	551 256	45.3	
Compensation of employees	580 694	288 986	49.8	543 826	93.7	628 875	266 861	42.4	
Goods and services	600 770	230 766	38.4	562 442	93.6	588 689	283 902	48.2	
Financial transactions in assets and liabilities	-	969	-	2 314	-	-	493	-	
Transfers and subsidies	7 624 660	3 048 556	40.0	7 112 665	93.3	8 021 321	3 687 216	46.0	
Provinces and municipalities	-	26	-	-	-	-	-	-	
Departmental agencies and accounts	7 169 705	2 876 991	40.1	6 655 553	92.8	7 904 230	3 647 538	46.1	
Public corporations and private enterprises	400 000	150 000	37.5	400 000	100.0	5 080	660	13.0	
Foreign governments and international organisations	7 620	-	-	7 416	97.3	7 689	-	-	
Non-profit institutions	46 433	19 317	41.6	46 361	99.8	103 388	37 007	35.8	
Households	902	2 222	246.3	3 335	369.7	934	2 011	215.3	

Table 15.3: Expenditure trends (continued)

R thousand	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007- Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
Economic classification								
Payments for capital assets	31 741	3 186	10.0	11 680	36.8	38 321	3 232	8.4
Buildings and other fixed structures	14 389	627	4.4	6 260	43.5	27 276	1 319	4.8
Machinery and equipment	17 269	2 424	14.0	5 420	31.4	11 045	1 387	12.6
Software and other intangible assets	83	135	162.7	-	-	-	526	-
Total	8 837 865	3 572 463	40.4	8 232 927	93.2	9 277 206	4 241 704	45.7

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R4.242 billion, or 45.7 per cent of the adjusted appropriation of R9.277 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R669.2 million or 18.7 per cent compared to spending in the first six months of 2007/08 which amounted to R3.572 billion, or 40.4 per cent of the 2007/08 adjusted appropriation.

The main increases compared to the 2007/08 are related to transfers made to the sheltered employment factories and also to transfers of statutory amounts to the SETAs and to the National Skills Fund.

Expenditure for 2007/08 was 93.2 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 15.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	4 251	4 988	2 437	48.9
Fines, penalties and forfeits	408	447	221	49.4
Interest, dividends and rent on land	1 085	2 770	2 262	81.7
Financial transactions in assets and liabilities	2 588	18 923	2 668	14.1
Total	8 332	27 128	7 588	28.0

Actual departmental revenue collections for the first six months of 2008/09 were R7.6 million or 28 per cent of the adjusted estimate of R27.1 million.

Changes to transfers and subsidies, and conditional grants

Table 15.5: Summary of changes to transfers and subsidies per programme

2008/09							
R thousands	Main appropriation	Additional Appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements	Other adjustments		
2. Service Delivery	849	-	-	697	-	697	1 546
Foreign governments and international organisations							
Current	47	-	-	(47)	-	(47)	-
World Association of Public Employment Services (WAPES)	47	-	-	(47)	-	(47)	-
Households							
Social benefits							
Current	190	-	-	744	-	744	934
Resignation packages	190	-	-	744	-	744	934
4. Labour Policy and Labour Market Programmes	358 914	-	-	37 593	3 000	40 593	399 507
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	286 042	-	-	-	3 000	3 000	289 042
Development Institute for Training, Support and Education for Labour	10 373	-	-	-	3 000	3 000	13 373
Non-profit institutions							
Current	65 183	-	-	37 593	-	37 593	102 776
Subsidised work centres for the disabled	57 818	-	-	37 593	-	37 593	95 411

Vote 16

Social Development

Adjusted budget summary

R thousand	2008/09			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	76 007 974	76 554 151	-	546 177
<i>of which:</i>				
Current payments	422 643	431 584	-	8 941
Transfers and subsidies	75 576 636	76 113 872	-	537 236
Payments for capital assets	8 695	8 695	-	-
Executive authority	Minister for 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.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of beneficiaries receiving social assistance	12 735 671	12 458 721
- old age grant	2 341 148	2 286 280
- war veteran grant	1 886	1 742
- disability grant	1 567 236	1 366 632
- child support grant	8 231 541	8 142 260
- foster care grant	483 992	551 667
-care dependency grant	109 868	110 140
Number of child abuse cases recorded in the national child protection register	20 000	7 184
Number of national adoptions registered	3 500	2 457
Number of role players trained on the Children's Act (2005)	1 500	1 467
Number of registered early childhood development sites captured on the national database	10 755	10 867
Number of groundbreakers trained through loveLife	500	525
Number of HIV and Aids prevention programmes	4	1
Number of youth in the National Youth Service programme	330	0
Number of youth in the Masupatsela youth pioneer programme	3 120	1 753
Number of social work scholarships awarded	3 000	1 934
Percentage of NPO applications dealt with in 2 months	80%	66%

The department is in the process of filling posts to increase capacity for dealing with non-profit organisation (NPO) applications.

Adjusted Estimates of National Expenditure 2008

Table 16.1: Adjusted estimates

Programme	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	152 428	-	-	7 000	-	7 000	159 428
2. Comprehensive Social Security	75 318 431	-	500 000	820	27 477	528 297	75 846 728
3. Policy Development, Review and Implementation Support for Welfare Services		1 000	-	(4 820)	6 900	3 080	273 402
4. Community Development	173 394	-	-	(1 000)	-	(1 000)	172 394
5. Strategy and Governance	93 399	10 800	-	(2 000)	-	8 800	102 199
Departmental Total	76 007 974	11 800	500 000	-	34 377	546 177	76 554 151
Economic classification							
Current payments	422 643	10 800	-	(1 859)	-	8 941	431 584
Compensation of employees	196 669	-	-	(4 200)	-	(4 200)	192 469
Goods and services	225 974	10 800	-	2 341	-	13 141	239 115
Transfers and subsidies	75 576 636	1 000	500 000	1 859	34 377	537 236	76 113 872
Departmental agencies and accounts	4 779 082	-	-	65 000	34 377	99 377	4 878 459
Foreign governments and international organisations	1 480	-	-	389	-	389	1 869
Non-profit institutions	55 085	1 000	-	1 650	-	2 650	57 735
Households	70 740 989	-	500 000	(65 180)	-	434 820	71 175 809
Payments for capital assets	8 695	-	-	-	-	-	8 695
Machinery and equipment	7 866	-	-	-	-	-	7 866
Software and other intangible assets	829	-	-	-	-	-	829
Total	76 007 974	11 800	500 000	-	34 377	546 177	76 554 151

Details of adjustments to Estimates of National Expenditure 2008

Roll-over of funds – R11.8 million

Programme 3: Policy Development, Review and Implementation Support for Welfare Services
R1 million has been rolled over for the Planned Parenthood Association.

Programme 5: Strategy and Governance

R5 million has been rolled over for an integrated management information system for the Appeals Tribunal.
R5.8 million has been rolled over for improving the social development management information systems.

Unforeseeable and unavoidable expenditure – R500 million

Programme 2: Comprehensive Social Security

Social Assistance Transfer funds

An additional amount of R500 million is requested to provide short term social relief to communities and households facing undue hardship.

Virements

Table 16.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	(740)	7 740	
Current payments	(740)	7 740	
Compensation of employees	(740)	-	Delays in recruitment for and filling of vacant funded posts: To goods and services in this programme R740 000 from compensation of employees in this programme R1.71 million from compensation of employees in programme 3 R3.29 million from goods and services in programme 3 For increased cross-cutting operational costs (IT, office accommodation and water and electricity) R1.75 million from compensation of employees in programme 5 R250 000 from goods and services in programme 5 For operational costs for the social assistance debtors project
Goods and services	-	7 740	
2. Comprehensive Social Security	(65 180)	66 000	
Current payments	-	791	
Goods and services	-	791	From goods and services in programme 4 to finalise research projects and the impact evaluation study for social assistance that started in 2007/08
Transfers and Subsidies	(65 180)	65 209	
Departmental agencies and accounts	-	65 000	From households in this programme for projected overspending on contractor fees in the South African Social Security Agency
Foreign governments and international organisations	-	209	From goods and services in programme 4 for increased membership fees for the International Social Security Association due to exchange rate fluctuations
Households	(65 180)	-	Slower than projected uptake of social assistance grants: R65 million to departmental agencies and accounts in this programme R180 000 to foreign governments and international organisations in programme 3
3. Policy Development, Review and Implementation	(6 600)	1 780	
Current payments	(6 600)	-	
Compensation of employees	(1 710)	-	Delays in recruitment for and filling of vacant funded posts: To goods and services in programme 1 R3.29 million to goods and services in programme 1 R1.6 million to non-profit institutions in this programme
Goods and services	(4 890)	-	
Transfers and Subsidies	-	1 780	
Foreign governments and international organisations	-	180	From households in programme 2 for social welfare subsidies in terms of the Walvis Bay agreement.
Non-profit institutions	-	1 600	From goods and services in this programme R1.5 million for the Association of South African Social Work Education Institutions R100 000 for the Foundation for Professional Development
4. Community Development	(1 050)	50	
Current payments	(1 050)	-	
Goods and services	(1 050)	-	Delays in starting planned projects: R209 000 to foreign governments and international organizations in programme 2 R791 000 to goods and services in programme 2 R50 000 to non-profit institutions in this programme
Transfers and Subsidies	-	50	
Non-profit institutions	-	50	From goods and services in this programme for the Edwin Radithupa Mabitse Trust.
5. Strategy and Governance	(2 000)	-	
Current payments	(2 000)	-	
Compensation of employees	(1 750)	-	Delays in recruitment for and filling of vacant funded posts: To goods and services in programme 1
Goods and services	(250)	-	Delays in starting planned projects: To goods and services in programme 1
Total for Vote	(75 570)	75 570	

Other adjustments – R34.377 million

Adjustments due to significant and unforeseeable economic and financial events

Programme 2: Comprehensive Social Security

Additional funding of R27.477 million has been allocated to cover personnel inflation related costs for South African Social Security Agency (SASSA).

Programme 3: Policy Development, Review and Implementation Support for Welfare Services

Additional funding of R6.9 million has been allocated to cover inflation related costs for the National Student Financial Aid Scheme.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 16.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
1. Administration	138 902	63 304	45.6	141 119	101.6	159 428	82 750	51.9
2. Comprehensive Social Security	66 637 339	34 820 162	52.3	66 661 456	100.0	75 846 728	36 832 870	48.6
3. Policy Development, Review and Implementation Support for Welfare Services	194 976	94 669	48.6	162 734	83.5	273 402	156 474	57.2
4. Community Development	163 528	74 572	45.6	153 167	93.7	172 394	81 685	47.4
5. Strategy and Governance	94 363	30 152	32.0	72 928	77.3	102 199	43 451	42.5
Total	67 229 108	35 082 859	52.2	67 191 404	99.9	76 554 151	37 197 230	48.6
Economic classification								
Current payments	385 375	133 949	34.8	321 378	83.4	431 584	186 924	43.3
Compensation of employees	169 386	61 093	36.1	133 590	78.9	192 469	86 615	45.0
Goods and services	215 989	72 851	33.7	187 471	86.8	239 115	100 309	42.0
Financial transactions in assets and liabilities	-	5	-	317	-	-	-	-
Transfers and subsidies	66 834 281	34 946 284	52.3	66 862 282	100.0	76 113 872	37 005 342	48.6
Provinces and municipalities	-	30	-	-	-	-	-	-
Departmental agencies and accounts	4 321 910	2 185 956	50.6	4 322 285	100.0	4 878 459	2 385 568	48.9
Foreign governments and international organisations	1 746	147	8.4	461	26.4	1 869	-	-
Non-profit institutions	49 854	21 000	42.1	52 214	104.7	57 735	15 292	26.5
Households	62 460 771	32 739 151	52.4	62 486 861	100.0	71 175 809	34 604 482	48.6
Payments for capital assets	9 452	2 626	27.8	7 744	81.9	8 695	4 964	57.1
Machinery and equipment	8 311	2 626	31.6	7 744	93.2	7 866	4 964	63.1
Software and other intangible assets	1 141	-	-	-	-	829	-	-
Total	67 229 108	35 082 859	52.2	67 191 404	99.9	76 554 151	37 197 230	48.6

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R37.197 billion, or 48.6 per cent of the adjusted appropriation of R76.554 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R 2.114 billion, or 6.03 per cent compared to spending in the first six months of 2007/08 which amounted to R35.083 billion, or 52.2 per cent of the 2007/08 adjusted appropriation.

The main reasons for the increases in the budget allocation for 2008/09 compared to 2007/08 are:

The budget for programme 1 increased by 14.8 per cent compared to 2007/08 due to increased capacity as part of the expansion of the department's establishment as well as an increase in the allocation for property management and the allocation for audit fees related to the social assistance transfer funds.

The budget for programme 2 increased by 13.8 per cent compared to 2007/08, mainly due to the increased allocation for the social assistance transfer funds and SASSA.

The budget of programme 3 increased by 40.2 per cent compared to 2007/08, mainly due to the increased allocation for the National Financial Student Aid Scheme from R50 million to R 111.9 million.

The budget for programme 4 increased by 5.4 per cent compared to 2007/08.

The budget for programme 5 increased by 8.3 per cent compared to 2007/08, due to increased capacity as part of the expansion of the department's establishment and related operational costs.

Expenditure for 2007/08 was 99.9 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 16.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	24	92	46	50.0
Interest, dividends and rent on land	28	2 210	2 207	99.9
Financial transactions in assets and liabilities	92	92	77	83.7
Total	144	2 394	2 330	97.3

Actual departmental revenue collections for the first six months of 2008/09 were R2.33 million or 97.3 per cent of the adjusted estimate of R2.4 million.

Changes to transfers and subsidies, and conditional grants

Table 16.5: Summary of changes to transfers and subsidies per programme

R thousands	2008/09						Adjusted appropriation
	Main appropriation	Additional Appropriation				Total additional appropriation	
		Roll- overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
2. Comprehensive Social Security	75 279 388	-	500 000	29	27 477	527 506	75 806 894
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	4 537 815	-	-	65 000	27 477	92 477	4 630 292
South African Social Security Agency (SASSA)	4 517 815	-	-	65 000	27 477	92 477	4 610 292
Foreign governments and international organisations							
Current	584	-	-	209	-	209	793
International Social Security Association	584	-	-	209	-	209	793
Households							
Other transfers							
Current	70 740 989	-	500 000	(65 180)	-	434 820	71 175 809
Disaster Relief Fund	10 000	-	-	(10 000)	-	(10 000)	-
Social Assistance transfers	70 725 989	-	500 000	(65 180)	-	434 820	71 160 809
Social Relief Fund	5 000	-	-	10 000	-	10 000	15 000

Table 16.5: Summary of changes to transfers and subsidies per programme (continued)

2008/09							
R thousands	Main appropriation	Additional Appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements	Other adjustments		
3. Policy Development, Review and Implementation Support for Welfare Services	157 227	1 000	-	1 780	6 900	9 680	166 907
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	105 000	-	-	-	6 900	6 900	111 900
National Student Financial Aid Scheme	105 000	-	-	-	6 900	6 900	111 900
Foreign governments and international organisations							
Current	180	-	-	180	-	180	360
Walvis Bay	-	-	-	180	-	180	180
Non-profit institutions							
Current	52 047	1 000	-	1 600	-	2 600	54 647
Planned Parenthood Association of South Africa	500	1 000	-	-	-	1 000	1 500
Association of South African Social Work Educators Institutions	-	-	-	1 500	-	1 500	1 500
Foundation for Professional Development	-	-	-	100	-	100	100
4. Community Development	139 705	-	-	50	-	50	139 755
Non-profit institutions							
Current	3 038	-	-	50	-	50	3 088
Edwin Radithupa Mabitse Trust	-	-	-	50	-	50	50

Vote 17

Sport and Recreation South Africa

Adjusted budget summary

R thousand	2008/09			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	3 496 248	4 909 686	-	1 413 438
<i>of which:</i>				
Current payments	252 798	261 581	-	8 783
Transfers and subsidies	3 240 249	4 644 904	-	1 404 655
Payments for capital assets	3 201	3 201	-	-
Executive authority	Minister of Sport and Recreation			
Accounting officer	Director-General of Sport and Recreation South Africa			

Aim

The aim of Sport and Recreation South Africa is to improve the quality 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.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of people trained as coaches in the community sport and recreation programme	2 000	1 083
Number of people trained actively participating in community sport and recreation (members of community and clubs)	2 000 000	2 453 000
Number of people trained as coaches in the school sport and mass participation programme	5 500	4 200
Number of life skills, including HIV and Aids, training courses presented	1 000	180
Number of hubs turned into NPOs in the community sport and recreation programme	1 000	45
Number of new clubs established in the club development programme	450	120
Number of coaches trained and supported in high performance sport	800	300
Number of volunteers trained for the SA Games and the preliminary draw for the 2010 FIFA World Cup	2 500	100
Number of existing clubs to which assistance is provided in the club development programme	300	120

More trained people than projected are actively participating in community sport and recreation because new hubs and schools were brought into the programme.

The HIV and Aids training programmes have now been coupled with awareness campaigns and voluntary testing clinics.

The community sport and recreation programme has now been aligned with the municipal ward system. The programme now aims to establish non-profit organisations (NPOs) within the wards.

Adjusted Estimates of National Expenditure 2008

Table 17.1: Adjusted estimates

Programme	2008/09						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
Roll-overs		Unforeseeable /unavoidable	Virement	Other adjustments			
R thousand							
1. Administration	83 320	-	-	1 600	1 660	3 260	86 580
2. Sport Support Services	106 631	7 623	-	-	500	8 123	114 754
3. Mass Participation	341 566	3 655	-	(300)	-	3 355	344 921
4. International Liaison and Events	42 488	-	-	-	-	-	42 488
5. Facilities Co-ordination	6 105	-	-	(300)	-	(300)	5 805
6. 2010 FIFA World Cup Unit	2 916 138	-	1 400 000	(1 000)	-	1 399 000	4 315 138
Departmental Total	3 496 248	11 278	1 400 000	-	2 160	1 413 438	4 909 686
Economic classification							
Current payments	252 798	7 623	-	(1 000)	2 160	8 783	261 581
Compensation of employees	62 331	-	-	(4 280)	2 160	(2 120)	60 211
Goods and services	190 467	7 623	-	3 280	-	10 903	201 370
Transfers and subsidies	3 240 249	3 655	1 400 000	1 000	-	1 404 655	4 644 904
Provinces and municipalities	3 185 000	3 655	1 400 000	-	-	1 403 655	4 588 655
Departmental agencies and accounts	7 543	-	-	-	-	-	7 543
Public corporations and private enterprises	141	-	-	-	-	-	141
Non-profit institutions	21 415	-	-	1 000	-	1 000	22 415
Households	26 150	-	-	-	-	-	26 150
Payments for capital assets	3 201	-	-	-	-	-	3 201
Machinery and equipment	3 201	-	-	-	-	-	3 201
Total	3 496 248	11 278	1 400 000	-	2 160	1 413 438	4 909 686

Details of adjustments to Estimates of National Expenditure 2008

Roll-over of funds – R11.278 million

Programme 2: Education and Training

R1.286 million has been rolled over for club development training.

R6.337 million has been rolled over for training volunteers for the 2010 FIFA World Cup.

Programme 3: Mass Participation

R3.655 million has been rolled over for the mass sport and recreation participation programme conditional grant for various sports equipment in Northern Cape, Limpopo, Mpumalanga and Western Cape.

Unforeseeable and unavoidable expenditure – R1.4 billion

R1.4 billion has been allocated for the 2010 FIFA World cup stadium development grant.

Virements

Table 17.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	(1 680)	3 280	
Current payments	(1 680)	3 280	
Compensation of employees	(1 680)	-	Four unfilled vacant posts due to long vetting processes: To goods and services in this programme R1.68 million from compensation of employees in this programme R300 000 from compensation of employees in programme 3 R300 000 from compensation of employees in programme 5 R1 million from compensation of employees in programme 6 For higher than expected municipal rates increases and additional office accommodation to relieve the space shortage at Regent Place
Goods and services	-	3 280	
2. Sport Support Services	(1 000)	1 000	
Current payments	(1 000)	-	
Goods and services	(1 000)	-	Efficiency savings: To non-profit institutions in this programme
Transfers and Subsidies	-	1 000	
Non-profit institutions	-	1 000	From goods and services in this programme for development and transformation projects
3. Mass Participation	(300)	-	
Current payments	(300)	-	
Compensation of employees	(300)	-	Three unfilled vacant posts, likely to be filled in the next few months: To goods and services in programme 1
4. International Liaison and Events	(1 000)	1 000	
Current payments	(1 000)	1 000	
Compensation of employees	(1 000)	-	Vacant posts in the SCSA Zone VI unit unfilled: To goods and services in this programme From compensation of employees in this programme for services for the SCSA Zone VI U20 Youth Games
Goods and services	-	1 000	
5. Facilities Co-ordination	(300)	-	
Current payments	(300)	-	
Compensation of employees	(300)	-	Two unfilled vacant posts, which have reached the shortlist stage: To goods and services in programme 1
6. 2010 FIFA World Cup Unit	(1 000)	-	
Current payments	(1 000)	-	
Compensation of employees	(1 000)	-	Three posts in the 2010 unit have been abolished: To goods and services in programme 1
Total for Vote	(5 280)	5 280	

Other adjustments – R2.16 million

Adjustments due to significant and unforeseeable economic and financial events

Additional funding of R2.16 million has been allocated to cover costs related to the higher than budgeted wage increase made by the Minister for Public Service and Administration.

Programme 1: Administration

R1.66 million

Programme 2: Sport Support Services

R500 000

Funds shifted within a vote

Programme 3: Community Mass Participation

R300 000 has been shifted to programme 1 for higher than expected municipal rates increases and additional office accommodation to address the present space shortage.

Programme 5: Planning and Advocacy

R300 000 has been shifted to programme 1 for higher than expected municipal rates increases and additional office accommodation to address the present space shortage.

Programme 6: 2010 FIFA World Cup

R1 million has been shifted to programme 1 for higher than expected municipal rates increases and additional office accommodation to address the present space shortage.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 17.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 - Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 - Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 - Sep 08 % of adjusted appropriation
1. Administration	80 667	28 566	35.4	82 697	102.5	86 580	41 486	47.9
2. Sport Support Services	97 830	46 626	47.7	84 992	86.9	114 754	29 639	25.8
3. Mass Participation	248 970	139 347	56.0	248 677	99.9	344 921	200 565	58.1
4. International Liaison and Events	12 109	1 628	13.4	11 931	98.5	42 488	6 310	14.9
5. Facilities Co-ordination	5 631	658	11.7	3 819	67.8	5 805	2 758	47.5
6. 2010 FIFA World Cup Unit	4 622 000	1 364 583	29.5	4 615 884	99.9	4 315 138	2 596 408	60.2
Total	5 067 207	1 581 408	31.2	5 048 000	99.6	4 909 686	2 877 166	58.6
Economic classification								
Current payments	199 054	61 781	31.0	185 602	93.2	261 581	86 005	32.9
Compensation of employees	46 079	19 141	41.5	43 425	94.2	60 211	26 187	43.5
Goods and services	152 975	42 640	27.9	142 020	92.8	201 370	59 818	29.7
Transfers and subsidies	4 865 093	1 518 188	31.2	4 859 456	99.9	4 644 904	2 789 646	60.1
Provinces and municipalities	4 799 004	1 482 980	30.9	4 799 002	100.0	4 588 655	2 773 452	60.4
Departmental agencies and accounts	16 151	4 741	29.4	10 520	65.1	7 543	3 436	45.6
Public corporations and private enterprises	-	9	-	-	-	141	139	98.6
Foreign governments and international organisations	120	-	-	137	114.2	-	-	-
Non-profit institutions	24 818	20 203	81.4	24 748	99.7	22 415	-	-
Households	25 000	10 255	41.0	25 049	100.2	26 150	12 619	48.3
Payments for capital assets	3 060	1 439	47.0	2 942	96.1	3 201	1 515	47.3
Machinery and equipment	3 060	1 341	43.8	2 781	90.9	3 201	1 515	47.3
Software and other intangible assets	-	98	-	69	-	-	-	-
Total	5 067 207	1 581 408	31.2	5 048 000	99.6	4 909 686	2 877 166	58.6

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R2.877 billion, or 58.6 per cent of the adjusted appropriation of R4.91 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R1.296 billion, or 81.9 per cent compared to spending in the first six months of 2007/08 which amounted to R1.581 billion, or 31.2 per cent of the 2007/08 adjusted appropriation.

The main increase compared to 2007/08 is related to the Beijing Olympics.

Expenditure for 2007/08 was 99.6 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 17.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	44	47	28	59.6
Transfers received	-	75	75	100.0
Interest, dividends and rent on land	2	2	(1)	(50.0)
Financial transactions in assets and liabilities	9	100	83	83.0
Total	55	224	185	82.6

Actual departmental revenue collections for the first six months of 2008/09 were R185 000 or 82.6 per cent of the adjusted estimate of R224 000.

Changes to transfers and subsidies, and conditional grants

Table 17.5: Summary of changes to transfers and subsidies per programme

R thousands	2008/09						Adjusted appropriation
	Main appropriation	Additional Appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
2. Sport Support Services	55 054	-	-	1 000	-	1 000	56 054
Non-profit institutions							
Current	21 415	-	-	1 000	-	1 000	22 415
Sport federations	21 415	-	-	1 000	-	1 000	22 415
3. Mass Participation	290 000	3 655	-	-	-	3 655	293 655
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	290 000	3 655	-	-	-	3 655	293 655
Mass sport and recreation participation programme grant	290 000	3 655	-	-	-	3 655	293 655
6. 2010 FIFA World Cup Unit	2 895 000	-	1 400 000	-	-	1 400 000	4 295 000
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	2 895 000	-	1 400 000	-	-	1 400 000	4 295 000
2010 FIFA world cup stadiums development grant	2 895 000	-	1 400 000	-	-	1 400 000	4 295 000

Table 17.6: Summary of changes to conditional grants: Provinces¹

		2008/09					
		Additional appropriation				Total	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	additional appropriation	
3. Mass Participation							
	Mass sport and recreation participation programme grant	290 000	3 655	–	–	–	293 655

¹ Main appropriation detail provided in the Division of Revenue Act, 2008

Table 17.7: Summary of changes to conditional grants: Local Government (Municipalities)¹

		2008/09					
		Additional appropriation				Total	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	additional appropriation	
6. 2010 FIFA World Cup Unit							
	2010 FIFA world cup stadiums development grant	2 895 000	–	1 400 000	–	–	4 295 000

¹ Main appropriation detail provided in the Division of Revenue Act, 2008

Vote 18

Correctional Services

2008/09				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	11 671 834	12 338 820	-	666 986
<i>of which:</i>				
Current payments	10 521 407	11 045 887	-	524 480
Transfers and subsidies	34 419	35 325	-	906
Payments for capital assets	1 116 008	1 257 608	-	141 600
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.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of escapes from facilities per 10 000 inmates	4.8	2.2
Number of assaults in facilities per 10 000 inmates	92	34
Level of overcrowding in facilities	38% (43 800)	41.84% (48 492)
Number of offenders serving more than 24 months who are assessed and have sentence plans	2 800	2 718
Number of correctional centres implementing unit management	138	90
Number of correctional centres implementing comprehensive primary health care services	72	72
Number of needs based care sessions provided	282 800	194 190
Number of offenders participating in formal education programmes	22 000	17 245
Number of offenders participating in development programmes	70 000	103 891
Number of violations of correctional and parole supervision	10 000	4 029
Percentage of reviewed offenders awarded parole	43% (22 360)	40.46% (10 804)
Increase in the number of beds in correctional centres	114 100	114 100
Number of correctional centres improved	89	27

Adjusted Estimates of National Expenditure 2008

Table 18.1: Adjusted estimates

Programme	2008/09						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	3 111 582	-	-	-	58 254	58 254	3 169 836
2. Security	3 873 242	-	-	-	303 556	303 556	4 176 798
3. Corrections	1 064 678	-	-	-	(2 586)	(2 586)	1 062 092
4. Care	1 394 735	-	-	-	22 139	22 139	1 416 874
5. Development	396 615	-	-	-	50 342	50 342	446 957
6. Social Reintegration	386 538	-	-	-	26 133	26 133	412 671
7. Facilities	1 444 444	205 600	-	-	3 548	209 148	1 653 592
Departmental Total	11 671 834	205 600	-	-	461 386	666 986	12 338 820
Economic classification							
Current payments	10 521 407	-	-	64 000	460 480	524 480	11 045 887
Compensation of employees	7 144 145	-	-	-	460 480	460 480	7 604 625
Goods and services	3 377 210	-	-	64 000	-	64 000	3 441 210
Interest and rent on land	52	-	-	-	-	-	52
Transfers and subsidies	34 419	-	-	-	906	906	35 325
Provinces and municipalities	5 801	-	-	-	-	-	5 801
Departmental agencies and accounts	4 284	-	-	-	-	-	4 284
Households	24 334	-	-	-	906	906	25 240
Payments for capital assets	1 116 008	205 600	-	(64 000)	-	141 600	1 257 608
Buildings and other fixed structures	894 246	205 600	-	-	-	205 600	1 099 846
Machinery and equipment	221 762	-	-	(64 000)	-	(64 000)	157 762
Total	11 671 834	205 600	-	-	461 386	666 986	12 338 820

Details of adjustments to Estimates of National Expenditure 2008

Roll-overs – R205.6 million

Programme 7: Facilities

R205.6 million has been rolled over for the ongoing construction of the Kimberley correctional centre.

Virements

Table 18.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
2. Security	(64 000)	64 000	
Current payments	-	64 000	
Goods and services	-	64 000	From machinery and equipment in this programme for staffing security control rooms and maintenance of the access control system
Payments for capital assets	(64 000)	-	
Machinery and equipment	(64 000)	-	Funds for purchasing and installing access control equipment only partly spent in line with approved tender: To goods and services in this programme
Total for Vote	(64 000)	64 000	

Other adjustments – R461.386 million

Adjustments due to significant and unforeseeable economic and financial events

Additional funding of R460.48 million has been allocated to cover costs related to the higher than budgeted wage increase made by the Minister for Public Service and Administration.

Programme 1: Administration

R58.254 million

Programme 2: Security

R303.556 million

Programme 3: Corrections

R38.508 million

Programme 4: Care

R21.007 million

Programme 5: Development

R9.474 million

Programme 6: Social Reintegration

R26.133 million

Programme 7: Facilities

R3.548 million

Funds shifted within a vote

Programme 3: Corrections

R42 million incorrectly classified in the 2008 ENE have been reclassified from goods and services in this programme to goods and services in programme 4 (R1.132 million) and programme 5 (R40.868 million).

Self-financing expenditure

Programme 3: Corrections

R2.718 million was collected from hiring out offender labour and surrendered into the National Revenue Fund. 33.33 per cent, or R906 000, is reallocated to the department to supplement the budget for offender gratuities.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 18.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 - Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 - Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 - Sep 08 % of adjusted appropriation
R thousand								
1. Administration	2 874 543	1 325 663	46.1	2 857 713	99.4	3 169 836	1 696 917	53.5
2. Security	3 444 847	1 630 069	47.3	3 732 277	108.3	4 176 798	2 145 256	51.4
3. Corrections	1 091 580	432 286	39.6	909 327	83.3	1 062 092	500 897	47.2
4. Care	1 291 561	576 574	44.6	1 263 820	97.9	1 416 874	626 376	44.2
5. Development	394 348	164 817	41.8	365 934	92.8	446 957	225 170	50.4
6. Social Reintegration	371 356	170 644	46.0	370 812	99.9	412 671	197 630	47.9
7. Facilities	1 916 174	556 318	29.0	1 622 496	84.7	1 653 592	722 380	43.7
Total	11 384 409	4 856 371	42.7	11 122 379	97.7	12 338 820	6 114 626	49.6
Economic classification								
Current payments	9 856 717	4 514 264	45.8	9 914 647	100.6	11 045 887	5 635 115	51.0
Compensation of employees	6 761 950	3 117 104	46.1	6 799 221	100.6	7 604 625	3 876 866	51.0
Goods and services	3 094 717	1 396 573	45.1	3 112 850	100.6	3 441 210	1 757 276	51.1
Interest and rent on land	50	-	-	22	44.0	52	-	-
Financial transactions in assets and liabilities	-	587	-	2 554	-	-	973	-
Transfers and subsidies	32 013	14 579	45.5	33 196	103.7	35 325	18 700	52.9
Provinces and municipalities	5 757	780	13.5	2 062	35.8	5 801	805	13.9
Departmental agencies and accounts	3 908	-	-	3 474	88.9	4 284	-	-
Public corporations and private enterprises	-	196	-	159	-	-	219	-
Households	22 348	13 603	60.9	27 501	123.1	25 240	17 676	70.0
Payments for capital assets	1 495 679	327 528	21.9	1 174 536	78.5	1 257 608	460 811	36.6
Buildings and other fixed structures	1 400 592	299 008	21.3	1 087 049	77.6	1 099 846	432 282	39.3
Machinery and equipment	95 087	28 520	30.0	87 487	92.0	157 762	28 459	18.0
Biological and cultivated assets	-	-	-	-	-	-	70	-
Total	11 384 409	4 856 371	42.7	11 122 379	97.7	12 338 820	6 114 626	49.6

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R6.115 billion, or 49.6 per cent of the adjusted appropriation of R12.339 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R1.258 billion, or 25.9 per cent compared to spending in the first six months of 2007/08 which amounted to R4.856 billion, or 42.7 per cent of the 2007/08 adjusted appropriation.

The main increases compared to 2007/08 are related to the higher inflation experienced in the current financial year, payments for the White Paper on Correctional projects which were concluded earlier than in the previous year, payments for capital works projects, and for increased overtime payments due to the implementation of Resolution 1 of 2007.

Expenditure for 2007/08 was 97.7 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 18.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	65 573	65 573	48 501	74.0
Fines, penalties and forfeits	19 984	19 984	7 794	39.0
Interest, dividends and rent on land	289	289	132	45.7
Sales of capital assets	1	1 069	1 070	100.1
Financial transactions in assets and liabilities	44 239	44 239	23 704	53.6
Total	130 086	131 154	81 201	61.9

Actual departmental revenue collections for the first six months of 2008/09 were R81.2 million or 61.9 per cent of the adjusted estimate of R131.2 million.

Changes to transfers and subsidies

Table 18.5: Summary of changes to transfers and subsidies per programme

R thousands	2008/09						
	Main appropriation	Additional Appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
3. Corrections	18 810	-	-	-	906	906	19 716
Households							
Other transfers							
Current	18 810	-	-	-	906	906	19 716
Cash payment gratuity earnings	18 810	-	-	-	906	906	19 716

Vote 19

Defence

Adjusted budget summary

2008/09				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	28 233 155	27 899 027	(334 128)	-
<i>of which:</i>				
Current payments	18 050 911	18 495 321	-	444 410
Transfers and subsidies	9 760 579	8 787 848	(972 731)	-
Payments for capital assets	421 665	615 858	-	194 193
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.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Total number of defence diplomatic missions	37	37
Number of external operations	9	9
Average number of personnel deployed daily in external missions	3 084	2 928
Average number of personnel deployed daily in internal operations	504	509
Number of internal operations in support of other government departments	1	8
Number of flying hours in support of operations	9 500	6 853
Number of sea hours on patrol in South African maritime zones	10 478	3 036
Number of health care interventions per member	14	5.1
Number of joint and interdepartmental exercises	1	2
Number of multinational exercises	9	9
Number of members trained through the military skills development system	2 972	2 421
Number of active reserves	12 210	23 523
Number of students graduating from the Military Academy with a Bachelor's degree	45	0
Number of members professionally developed at senior departmental training institutions. (SANDF Defence College, SANDF War College, Warrant Officers' Academy)	189	36

The number of members deployed externally was less than projected as some operations are only scheduled to take place later in the year.

The number of members deployed internally was more than projected due to the deployment of an additional 296 members to combat the violence against foreign nationals in May and June 2008 and 186 members during the South African Development Community Summit in August 2008.

The projected targets for flying and sea hours will be met as requirements and commitments increase in the course of the year.

The original projection of 10 multinational exercises included an exercise to take place in 2009/10, therefore this projection has been reduced to 9. The joint, interdepartmental and some of the multinational exercises will be conducted towards the end of the financial year.

The number of graduates and professionally developed members will be known by the end of the academic year when they complete their courses.

Adjusted Estimates of National Expenditure 2008

Table 19.1: Adjusted estimates

Programme	2008/09						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
Roll-overs		Unforeseeable /unavoidable	Virement	Other adjustments			
R thousand							
1. Administration	2 426 930	-	-	(45 490)	77 806	32 316	2 459 246
2. Landward Defence	6 792 237	-	-	(4 000)	274 442	270 442	7 062 679
3. Air Defence	9 006 514	-	-	-	(985 223)	(985 223)	8 021 291
4. Maritime Defence	1 809 630	-	-	-	65 038	65 038	1 874 668
5. Military Health Support	2 119 145	12 800	-	-	16 234	29 034	2 148 179
6. Defence Intelligence	509 850	-	-	-	3 014	3 014	512 864
7. General Support	3 933 746	197 477	-	49 490	(143 770)	103 197	4 036 943
8. Force Employment	1 635 103	29 723	100 000	-	18 331	148 054	1 783 157
Departmental Total	28 233 155	240 000	100 000	-	(674 128)	(334 128)	27 899 027
Economic classification							
Current payments	18 050 911	95 807	100 000	(50 510)	299 113	444 410	18 495 321
Compensation of employees	10 687 269	-	53 289	-	167 550	220 839	10 908 108
Goods and services	7 363 642	95 807	46 711	(50 510)	131 563	223 571	7 587 213
Transfers and subsidies	9 760 579	-	-	510	(973 241)	(972 731)	8 787 848
Departmental agencies and accounts	9 104 979	-	-	-	(1 008 371)	(1 008 371)	8 096 608
Public corporations and private enterprises	530 624	-	-	-	35 130	35 130	565 754
Non-profit institutions	3 956	-	-	510	-	510	4 466
Households	121 020	-	-	-	-	-	121 020
Payments for capital assets	421 665	144 193	-	50 000	-	194 193	615 858
Buildings and other fixed structures	112 143	124 593	-	50 000	-	174 593	286 736
Machinery and equipment	308 107	19 600	-	-	-	19 600	327 707
Biological and cultivated assets	60	-	-	-	-	-	60
Software and other intangible assets	1 355	-	-	-	-	-	1 355
Total	28 233 155	240 000	100 000	-	(674 128)	(334 128)	27 899 027

Details of adjustments to Estimates of National Expenditure 2008

Roll-over of funds – R240 million

Programme 5: Military Health Support

R12.8 million has been rolled over to settle outstanding invoices for vehicles and to convert panel vans into ambulances.

Programme 7: General Support

R66.084 million has been rolled over for repairing and maintaining facilities; R124.593 million for upgrading and constructing buildings; and R6.8 million to settle outstanding invoices for buses.

Programme 8: Force Employment

R29.723 million has been rolled over to settle outstanding invoices for spare parts and 60mm and 81mm mortar bombs.

Unforeseeable and unavoidable expenditure – R100 million

Programme 8: Force Employment

R100 million has been allocated to the South Africa National Defence Force for the peace support operation in Burundi.

Virements

Table 19.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	(46 000)	510	
Current payments	(46 000)	-	
Goods and services	(46 000)	-	R4 million from goods and services in programme 2 for training support by the SA National War College to the SA Army via the Centre for Conflict Simulation and Cybersim Overprovision of devolved funds for municipal services: R50 million to buildings and other fixed structures in programme 7
Transfers and Subsidies	-	510	
Non-profit institutions	-	510	From goods and services in programme 7 for the implementation of service conditions for part time and contracted employees (Resolution 1 of 2007)
2. Landward Defence	(4 000)	-	
Current payments	(4 000)	-	
Goods and services	(4 000)	-	Training budget shifted to chief of training when expenditure occurs: To goods and services in programme 1
7. General Support	(510)	50 000	
Current payments	(510)	-	
Goods and services	(510)	-	Claims against the department have been less than anticipated: To non-profit institutions in programme 1
Payments for capital assets	-	50 000	
Buildings and other fixed structures	-	50 000	From goods and services in programme 1 for upgrading the runway at the Air Force Base Waterkloof
Total for Vote	(50 510)	50 510	

Other adjustments – (R674.128 million)

Adjustments due to significant and unforeseeable economic and financial events

Additional funding of R202.68 million has been allocated to cover costs related to the higher than budgeted wage increase made by the Minister for Public Service and Administration.

Programme 1: Administration

R11.289 million

Programme 2: Landward Defence

R59.747 million

Programme 3: Air Defence

R23.689 million

Programme 4: Maritime Defence

R36.409 million

Programme 5: Military Health Support

R20.290 million

Programme 6: Defence Intelligence

R2.384 million

Programme 7: General Support

R39.597 million

Programme 8: Force Employment

R9.275 million

Adjustments due to significant and unforeseeable economic and financial events

R131.563 million has been allocated as an inflation adjustment for fuel costs.

Programme 1: Administration

R1.678 million

Programme 2: Landward Defence

R28.998 million

Programme 3: Air Defence

R56.092 million

Programme 4: Maritime Defence

R27.654 million

Programme 5: Military Health Support

R3.708 million

Programme 6: Defence Intelligence

R0.335 million

Programme 7: General Support

R9.172 million

Programme 8: Force Employment

R3.926 million

Funds shifted within a vote

Programme 2: Landward Defence

Funds incorrectly classified in the 2008 ENE have been reclassified from goods and services in this programme to goods and services in programme 1 (R9.17 million), programme 6 (R295 000) and programme 8 (R144 000).

Programme 3: Air Defence

R480 000 incorrectly classified in the 2008 ENE has been reclassified from goods and services in this programme to goods and services in programme 8.

Programme 4: Maritime Defence

R3.342 million incorrectly classified in the 2008 ENE has been shifted from goods and services in this programme to goods and services in programme 8.

Programme 5: Military Health Support

R7.764 million incorrectly classified in the 2008 ENE has been shifted from goods and services in this programme to goods and services in programme 7.

Programme 7: General Support

R55.669 million will be shifted to programme 1 to establish the new defence headquarters unit following the termination of the Minister of Defence's General Support Base.

R24.861 million will be shifted to programme 2 following the transfer of 101 Air Supply Unit to the SA Army to ensure a continuously maintained, sustained and combat ready air supply capability.

R118.609 million will be shifted to programme 2 due to the termination of the General Support Base concept and the migration of general support bases Garrison and Wonderboom to the SA Army.

Self-financing expenditure

Programme 2: Landward Defence

R51.836 million has been realised from the sale of equipment and spares procured through the Special Defence Account. The funds have been surrendered into the National Revenue Fund.

Programme 3: Air Defence

R64.327 million has been realised from the sale of equipment and spares procured through the Special Defence Account. The funds have been surrendered into the National Revenue Fund.

Programme 4: Maritime Defence

R4.317 million has been realised from the sale of equipment and spares procured through the Special Defence Account. The funds have been surrendered into the National Revenue Fund.

Declared savings

Programme 3: Air Defence

Due to delays in the delivery of strategic defence equipment the allocation for this equipment was reduced by R1 966.400 million and will be added back in 2009/10. R837.549 million not requisitioned for the Strategic Defence Procurement programme this year is to be reallocated in 2008/09. The net effect is a reduction in the department's 2008/09 baseline of R1 128.851 million.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 19.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	% of adjusted appropriation	Apr 2007 - Mar 2008	% of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	% of adjusted appropriation
1. Administration	2 046 217	783 151	38.3	2 029 743	99.2	2 459 246	1 048 853	42.6
2. Landward Defence	6 435 830	2 726 371	42.4	6 495 026	100.9	7 062 679	3 064 930	43.4
3. Air Defence	8 000 933	2 869 846	35.9	7 227 929	90.3	8 021 291	3 314 229	41.3
4. Maritime Defence	2 351 992	933 562	39.7	2 381 626	101.3	1 874 668	803 615	42.9
5. Military Health Support	1 845 754	830 955	45.0	1 877 742	101.7	2 148 179	976 301	45.4
6. Defence Intelligence	402 193	153 524	38.2	398 074	99.0	512 864	81 380	15.9
7. General Support	3 573 481	1 443 189	40.4	3 212 431	89.9	4 036 943	1 599 086	39.6
8. Force Employment	1 635 385	715 411	43.7	1 557 542	95.2	1 783 157	783 825	44.0
Total	26 291 785	10 456 009	39.8	25 180 113	95.8	27 899 027	11 672 219	41.8
Economic classification								
Current payments	16 102 917	6 988 726	43.4	15 755 504	97.8	18 495 321	7 894 065	42.7
Compensation of employees	9 726 699	4 670 182	48.0	9 735 905	100.1	10 908 108	5 067 820	46.5
Goods and services	6 376 218	2 310 939	36.2	5 987 370	93.9	7 587 213	2 812 250	37.1
Financial transactions in assets and liabilities	-	7 605	-	32 229	-	-	13 995	-
Transfers and subsidies	9 653 981	3 352 232	34.7	8 926 890	92.5	8 787 848	3 631 485	41.3
Departmental agencies and accounts	9 087 651	2 923 860	32.2	8 243 440	90.7	8 096 608	3 152 398	38.9
Public corporations and private enterprises	467 427	330 527	70.7	473 826	101.4	565 754	388 677	68.7
Non-profit institutions	3 432	1 416	41.3	2 878	83.9	4 466	3 358	75.2
Households	95 471	96 429	101.0	170 036	178.1	121 020	87 052	71.9
Payments for capital assets	534 887	115 051	21.5	497 719	93.1	615 858	146 669	23.8
Buildings and other fixed structures	218 116	22 197	10.2	93 357	42.8	286 736	60 253	21.0
Machinery and equipment	308 711	92 798	30.1	395 937	128.3	327 707	86 342	26.3
Biological and cultivated assets	-	-	-	-	-	60	-	-
Software and other intangible assets	8 060	56	0.7	8 425	104.5	1 355	74	5.5
Total	26 291 785	10 456 009	39.8	25 180 113	95.8	27 899 027	11 672 219	41.8

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R11.672 billion, or 41.8 per cent of the adjusted appropriation of R27.899 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R1.216 billion, or 11.6 per cent compared to spending in the first six months of 2007/08 which amounted to R10.456 billion, or 39.8 per cent of the 2007/08 adjusted appropriation.

The main increases compared to 2007/08 are due to management intervention to prevent abnormal expenditure in March 2009.

Expenditure for 2007/08 was 95.8 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 19.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	346 642	346 642	92 148	26.6
Transfers received	-	2 694	675	25.1
Fines, penalties and forfeits	2 564	1 667	651	39.1
Interest, dividends and rent on land	398	1 140	570	50.0
Sales of capital assets	115 456	92 365	-	-
Financial transactions in assets and liabilities	40 293	30 220	12 026	39.8
Total	505 353	474 728	106 070	22.3

Actual departmental revenue collections for the first six months of 2008/09 were R106.1 million or 22.3 per cent of the adjusted estimate of R474.7 million.

Changes to transfers and subsidies, and conditional grants

Table 19.5: Summary of changes to transfers and subsidies per programme

R thousands	2008/09						Adjusted appropriation
	Main appropriation	Additional Appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
1. Administration	22 954	-	-	510	-	510	23 464
Non-profit institutions							
Current	3 376	-	-	510	-	510	3 886
Reserve Force Council	3 376	-	-	510	-	510	3 886
2. Landward Defence	1 925 380	-	-	-	52 728	52 728	1 978 108
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	1 903 424	-	-	-	51 836	51 836	1 955 260
Special defence account: Procurement services	1 151 172	-	-	-	51 836	51 836	1 203 008
Households							
Social benefits							
Current	21 956	-	-	-	892	892	22 848
Severance packages	21 956	-	-	-	892	892	22 848
3. Air Defence	6 007 012	-	-	-	(1 064 524)	(1 064 524)	4 942 488
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	5 988 536	-	-	-	(1 064 524)	(1 064 524)	4 924 012
Special defence account: Procurement services	2 195 639	-	-	-	64 327	64 327	2 259 966
Special defence account: Strategic defence programme	3 787 206	-	-	-	(1 128 851)	(1 128 851)	2 658 355

Table 19.5: Summary of changes to transfers and subsidies per programme (continued)

R thousands	2008/09						Adjusted appropriation
	Main appropriation	Additional Appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
4. Maritime Defence	376 704	-	-	-	26 615	26 615	403 319
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	251 215	-	-	-	4 317	4 317	255 532
Special defence account: Procurement services	96 687	-	-	-	4 317	4 317	101 004
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	95 359	-	-	-	22 298	22 298	117 657
Armaments Corporation of South Africa Ltd (Dockyard)	95 359	-	-	-	22 298	22 298	117 657
7. General Support	915 153	-	-	-	11 940	11 940	927 093
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	435 265	-	-	-	12 832	12 832	448 097
Armaments Corporation of South Africa Ltd	435 265	-	-	-	12 832	12 832	448 097
Households							
Social benefits							
Current	12 887	-	-	-	(892)	(892)	11 995
Severance packages	12 887	-	-	-	(892)	(892)	11 995

Vote 20

Independent Complaints Directorate

Adjusted budget summary

2008/09				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	98 497	98 497	-	-
<i>of which:</i>				
Current payments	90 733	90 722	(11)	-
Transfers and subsidies	56	56	-	-
Payments for capital assets	7 708	7 719	-	11
Executive authority	Minister for Safety and Security			
Accounting officer	Executive Director of the Independent Complaints Directorate			

Aim

The aim of the Independent Complaints Directorate is to provide an accessible complaints processing mechanism and efficient and effective investigation of complaints of deaths, misconduct and criminality allegedly committed by members of the South African Police Service and Municipal Police Services, and to make appropriate recommendations.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Percentage of complaints registered and allocated within 48 hours	100% (5 800)	92 % (3 162)
Percentage of investigation of complaints of deaths in custody where there is police involvement completed within 120 days	80% (289)	63% (282)
Percentage of investigation of complaints of criminality completed in 120 days	70% (1 301)	49% (535)
Percentage of applications for exemptions in terms of the Domestic Violence Act completed within 30 days	100% (45)	100% (9)
Number of police stations audited for compliance with the Domestic Violence Act	54	277
Research projects and recommendation reports	3	0
Number of community awareness programmes	230	119

Adjusted Estimates of National Expenditure 2008

Table 20.1: Adjusted estimates

Programme	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
R thousand		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	35 631	-	-	-	-	-	35 631
2. Complaints Processing, Monitoring and Investigation	49 964	-	-	-	-	-	49 964
3. Information Management and Research	12 902	-	-	-	-	-	12 902
Departmental Total	98 497	-	-	-	-	-	98 497
Economic classification							
Current payments	90 733	-	-	(301)	290	(11)	90 722
Compensation of employees	56 243	-	-	(276)	-	(276)	55 967
Goods and services	34 490	-	-	(25)	290	265	34 755
Transfers and subsidies	56	-	-	-	-	-	56
Departmental agencies and accounts	56	-	-	-	-	-	56
Payments for capital assets	7 708	-	-	301	(290)	11	7 719
Machinery and equipment	7 418	-	-	301	-	301	7 719
Software and other intangible assets	290	-	-	-	(290)	(290)	-
Total	98 497	-	-	-	-	-	98 497

Details of adjustments to Estimates of National Expenditure 2008

Virements

Table 20.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	(221)	221	
Current payments	(221)	121	
Compensation of employees	(221)	-	- Delays in filling the executive director post and high staff turnover: R121 000 to goods and services in this programme R100 000 to machinery and equipment in this programme
Goods and services	-	121	From compensation of employees in this programme for traveling and accommodation costs for increased follow-up investigations
Payments for capital assets	-	100	
Machinery and equipment	-	100	From compensation of employees in this programme for relocating offices
2. Complaints Processing, Monitoring and Investigation	(150)	150	
Current payments	(150)	-	
Compensation of employees	(55)	-	- Delays in filling vacant posts and high staff turnover: To equipment and machinery in this programme
Goods and services	(95)	-	- Reduced traveling and accommodation costs due to the opening of satellite offices: To machinery and equipment in this programme
Payments for capital assets	-	150	
Machinery and equipment	-	150	R55 000 from compensation of employees in this programme R95 000 from goods and services in this programme For relocating offices
3. Information Management and Research	(51)	51	
Current payments	(51)	-	
Goods and services	(51)	-	- Reduced traveling and accommodation costs due to the opening of satellite offices: To machinery and equipment in this programme
Payments for capital assets	-	51	
Machinery and equipment	-	51	From goods and services in this programme for relocating offices
Total for Vote	(422)	422	

Other adjustments

Funds shifted within a vote

Programme 1: Administration

R68 000 has been shifted from software and other intangible assets to goods and services. These funds were incorrectly classified in the 2008 ENE.

Programme 2: Complaints Processing, Monitoring and Investigation

R155 000 has been shifted from software and other intangible assets to goods and services. These funds were incorrectly classified in the 2008 ENE.

Programme 3: Information Management and Research

R67 000 has been shifted from software and other intangible assets to goods and services. These funds were incorrectly classified in the 2008 ENE.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 20.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 - Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 - Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 - Sep 08 % of adjusted appropriation
R thousand								
1. Administration	29 125	11 819	40.6	27 402	94.1	35 631	15 386	43.2
2. Complaints Processing, Monitoring and Investigation	35 231	10 902	30.9	36 597	103.9	49 964	26 018	52.1
3. Information Management and Research	16 535	12 502	75.6	16 892	102.2	12 902	4 968	38.5
Total	80 891	35 223	43.5	80 891	100.0	98 497	46 372	47.1
Economic classification								
Current payments	76 622	34 348	44.8	74 110	96.7	90 722	45 306	49.9
Compensation of employees	46 678	22 146	47.4	45 695	97.9	55 967	27 091	48.4
Goods and services	29 944	12 198	40.7	28 406	94.9	34 755	18 215	52.4
Financial transactions in assets and liabilities	-	4	-	9	-	-	-	-
Transfers and subsidies	48	-	-	48	100.0	56	-	-
Departmental agencies and accounts	48	-	-	48	100.0	56	-	-
Payments for capital assets	4 221	875	20.7	6 733	159.5	7 719	1 066	13.8
Machinery and equipment	4 038	688	17.0	3 752	92.9	7 719	1 066	13.8
Software and other intangible assets	183	187	102.2	2 981	1629.0	-	-	-
Total	80 891	35 223	43.5	80 891	100.0	98 497	46 372	47.1

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R46.4 million or 47.1 per cent of the adjusted appropriation of R98.5 million for the year as a whole. Expenditure in the first six months of 2008/09 increased by R11.1 million, or 31.7 per cent compared to spending in the first six months of 2007/08 which amounted to R35.2 million, or 43.5 per cent of the 2007/08 adjusted appropriation.

The main increases compared to 2007/08 are due to cost increases related to monitoring and investigations, inflation related cost increases as well as costs associated with the relocation of offices.

All funds appropriated for 2007/08 were spent.

Departmental receipts

Table 20.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	60	55	25	45.5
Interest, dividends and rent on land	-	4	3	75.0
Financial transactions in assets and liabilities	-	1	(10)	-
Total	60	60	18	30.0

Actual departmental revenue collections for the first six months of 2008/09 were R18 000 or 30 per cent of the adjusted estimate of R60 000.

Vote 21

Justice and Constitutional Development

Adjusted budget summary

2008/09				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	8 341 432	8 515 525	-	174 093
<i>of which:</i>				
Current payments	6 670 230	6 631 853	(38 377)	-
Transfers and subsidies	1 150 745	1 334 678	-	183 933
Payments for capital assets	520 457	548 994	-	28 537
Direct charge against the National Revenue Fund	1 389 329	1 389 329	-	-
Executive authority	Minister of 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.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of backlog cases finalised	5 % (32 608)	0.7% (39 450) ¹
Outstanding court roll at end of financial year	186 374	215 649 ¹
Conviction rate:		
• High courts	86%	89% ¹
• Regional courts	73%	74% ¹
• District courts	87%	87% ¹
• Sexual offences courts	66%	67% ¹
National prosecution service		
• Conviction rate	86%	85.5% ¹
• Number of cases finalised with diversion	417 765	181 376 ¹
• Number of cases finalised without diversion	333 506	134 764 ¹
Directorate of special operations		
• Conviction rate	85%	87% ¹
• Number of investigations finalised	200	50 ¹
• Number of prosecutions finalised	200	28 ¹
Asset forfeiture unit:		
• Success rate	86%	86%
• Number of restraints	255	120
• Number of completed forfeiture cases	250	114
• Value of new restraints (R million)	330	114
Specialist commercial crime unit:		
• Conviction rate	94%	95.5% ¹
• Number of cases finalised	2 767	1 538 ¹
Percentage of witnesses who abandon the witness protection programme	2%	8%

1. For five months, due to time lag in the manual collection of data.

The Directorate of Special Operations will not achieve its projected targets, mainly due to limited staff and low staff morale. The current vacancy rate is 45.95 per cent. Only 90 and 50 investigations and prosecutions, respectively, will be finalised.

The percentage of witnesses who abandon the witness protection programme is not on target, mainly due to changes to the definition to include people that voluntarily left the programme before testifying, were given notice to leave the programme due to misconduct, or left the safe house without prior notice. The revised target is 16 per cent.

Adjusted Estimates of National Expenditure 2008

Table 21.1: Adjusted estimates

Programme	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
R thousand		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	941 145	-	-	17 227	9 397	26 624	967 769
2. Court Services	3 371 615	54 885	-	(137 215)	53 197	(29 133)	3 342 482
3. State Legal Services	503 153	-	-	(11 946)	11 946	-	503 153
4. National Prosecuting Authority	2 122 727	-	-	(41 270)	34 064	(7 206)	2 115 521
5. Auxiliary and Associated Services	1 402 792	-	-	173 204	10 604	183 808	1 586 600
Subtotal	8 341 432	54 885	-	-	119 208	174 093	8 515 525
Direct charge against the National Revenue Fund	1 389 329	-	-	-	-	-	1 389 329
Judges' salaries	370 315	-	-	-	-	-	370 315
Magistrates' salaries	1 019 014	-	-	-	-	-	1 019 014
Departmental Total	9 730 761	54 885	-	-	119 208	174 093	9 904 854
Economic classification							
Current payments	8 059 559	-	-	(141 329)	102 952	(38 377)	8 021 182
Compensation of employees	5 194 250	-	-	(108 873)	108 604	(269)	5 193 981
Goods and services	2 865 309	-	-	(32 463)	(5 652)	(38 115)	2 827 194
Financial transactions in assets and liabilities	-	-	-	7	-	7	7
Transfers and subsidies	1 150 745	-	-	173 329	10 604	183 933	1 334 678
Departmental agencies and accounts	1 061 729	-	-	173 204	10 604	183 808	1 245 537
Foreign governments and international organisations	4 240	-	-	-	-	-	4 240
Households	84 776	-	-	125	-	125	84 901
Payments for capital assets	520 457	54 885	-	(32 000)	5 652	28 537	548 994
Buildings and other fixed structures	368 303	54 885	-	-	-	54 885	423 188
Machinery and equipment	142 762	-	-	(27 000)	5 652	(21 348)	121 414
Software and other intangible assets	9 392	-	-	(5 000)	-	(5 000)	4 392
Total	9 730 761	54 885	-	-	119 208	174 093	9 904 854

Details of adjustments to Estimates of National Expenditure 2008

Roll-over of funds – R54.885 million

Programme 2: Court Services

R54.885 million has been rolled over to continue providing facilities for people with disabilities at all courts.

Virements

Table 21.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	(7 602)	24 829	
Current payments	(7 602)	24 704	
Compensation of employees	(7 602)	-	Filling of vacant posts delayed to reprioritise funds: To departmental agencies and accounts in programme 5
Goods and services	-	24 697	R5.756 million from compensation of employees in programme 2 R19.073 million from goods and services in programme 2 For audit fees, the National Forum Against Racism, the Ginwala Commission of Enquiry, the launch of the victim charter, the South African Woman Lawyers Association programme and conferences, and the media project to improve the public image of the department (R12 million)
Financial transactions in assets and liabilities	-	7	Internal efficiency measures: R7 000 to financial transactions in assets and liabilities in this programme R125 000 to households for leave and other gratuities in this programme From goods and services in this programme for theft and losses
Transfers and Subsidies	-	125	
Households	-	125	From goods and services in this programme for leave and other gratuities
2. Court Services	(137 215)	-	
Current payments	(137 215)	-	
Compensation of employees	(118 142)	-	Filling of vacant posts delayed to reprioritise funds: R5.756 million to goods and services in programme 1 R112.386 million to departmental agencies and accounts in programme 5
Goods and services	(19 073)	-	Filling of vacant posts delayed to reprioritise funds: R19.073 million to goods and services in programme 1
3. State Legal Services	(11 946)	-	
Current payments	(11 946)	-	
Compensation of employees	(11 946)	-	Filling of vacant posts delayed to reprioritise funds: To departmental agencies and accounts in programme 5
4. National Prosecuting Authority	(70 087)	28 817	
Current payments	(38 087)	28 817	
Compensation of employees	-	28 817	R38.087 million from goods and services in this programme R27 000 from machinery and equipment in this programme R5 000 from software and other intangible assets in this programme For implementing the occupation specific dispensation in the National Prosecuting Authority
Goods and services	(38 087)	-	Filling of vacant posts delayed to reprioritise funds: R41.27 million to departmental agencies and accounts in programme 5 R5.858 million to compensation of employees in programme 1 Savings due to internal efficiency measures and project rescheduling: To compensation of employees in this programme
Payments for capital assets	(32 000)	-	
Machinery and equipment	(27 000)	-	Savings due to lease agreement efficiencies: To compensation of employees in this programme
Software and other intangible assets	(5 000)	-	Savings due to purchasing efficiencies: To compensation of employees in this programme
5. Auxiliary and Associated Services	-	173 204	
Transfers and Subsidies	-	173 204	
Departmental agencies and accounts	-	173 204	R7.602 million from compensation of employees in programme 1 R87.786 million from compensation of employees in programme 2 R11.946 million from compensation of employees in programme 3 R41.27 million from compensation of employees in programme 4 For implementing the occupation specific dispensation for legally qualified professionals in the Legal Aid Board R24.6 million from compensation of employees in programme 2 for case backlogs in the Legal Aid Board
Total for Vote	(226 850)	226 850	

Other adjustments – R119.208 million**Adjustments due to significant and unforeseeable economic and financial events**

Additional funding of R119.208 million has been allocated to cover costs related to the higher than budgeted wage increase made by the Minister for Public Service and Administration.

Programme 1: Administration

R7.602 million

Programme 2: Court Services

R47.786 million

Programme 3: State Legal Services

R11.946 million

Programme 4: National Prosecuting Authority

R41.27 million

Programme 5: Auxiliary and Associated Services

R10.604 million

Fund shifts within a vote

Programme 1: Administration

R5.411 million will be shifted to programme 2 following the shift of the National Operations Centre.

Programme 2: Court Services

R5.652 million will be shifted from goods and services to machinery and equipment in this programme due to a incorrect classification in the 2008 ENE.

Programme 4: National Prosecuting Authority

R7.206 million will be shifted to programme 1 following the merger of the department's internal audit units.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 21.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
1. Administration	885 952	328 080	37.0	910 294	102.7	967 769	427 554	44.2
2. Court Services	3 155 670	1 187 234	37.6	2 950 018	93.5	3 342 482	1 510 300	45.2
3. State Legal Services	443 625	175 769	39.6	377 491	85.1	503 153	242 668	48.2
4. National Prosecuting Authority	1 804 691	837 015	46.4	1 860 269	103.1	2 115 521	957 725	45.3
5. Auxiliary and Associated Services	1 248 729	556 684	44.6	1 275 694	102.2	1 586 600	693 407	43.7
Subtotal	7 538 667	3 084 782	40.9	7 373 766	97.8	8 515 525	3 831 654	45.0

Table 21.3: Expenditure trends (continued)

R thousand	2007/08 Expenditure outcome					2008/09 Preliminary expenditure		
	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 - Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 - Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 - Sep 08 % of adjusted appropriation
Direct charge against the National Revenue Fund	1 266 518	571 070	45.1	1 184 527	93.5	1 389 329	616 797	44.4
Judges' salaries	337 870	140 750	41.7	298 471	88.3	370 315	154 439	41.7
Magistrates' salaries	928 648	430 320	46.3	886 056	95.4	1 019 014	462 358	45.4
Total	8 805 185	3 655 852	41.5	8 558 293	97.2	9 904 854	4 448 451	44.9
Economic classification								
Current payments	7 201 233	3 027 402	42.0	6 981 287	96.9	8 021 182	3 599 637	44.9
Compensation of employees	4 405 834	2 054 673	46.6	4 338 868	98.5	5 193 981	2 380 974	45.8
Goods and services	2 795 399	971 167	34.7	2 638 457	94.4	2 827 194	1 218 000	43.1
Financial transactions in assets and liabilities	-	1 562	-	3 962	-	7	664	9485.7
Unauthorised expenditure	-	-	-	-	-	-	(1)	-
Transfers and subsidies	1 038 592	466 674	44.9	1 024 216	98.6	1 334 678	615 686	46.1
Provinces and municipalities	200	130	65.0	-	-	-	1	-
Departmental agencies and accounts	957 453	448 346	46.8	977 098	102.1	1 245 537	593 074	47.6
Foreign governments and international organisations	4 220	-	-	3 573	84.7	4 240	1 105	26.1
Households	76 719	18 198	23.7	43 545	56.8	84 901	21 506	25.3
Payments for capital assets	565 360	161 776	28.6	552 790	97.8	548 994	233 128	42.5
Buildings and other fixed structures	414 622	68 013	16.4	296 205	71.4	423 188	206 739	48.9
Machinery and equipment	144 088	90 338	62.7	251 762	174.7	121 414	26 141	21.5
Software and other intangible assets	6 650	3 425	51.5	4 823	72.5	4 392	248	5.6
Total	8 805 185	3 655 852	41.5	8 558 293	97.2	9 904 854	4 448 451	44.9

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R4.448 billion, or 44.9 per cent of the adjusted appropriation of R9.905 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R792.6 million, or 21.7 per cent compared to spending in the first six months of 2007/08 which amounted to R3.656 billion, or 41.5 per cent of the 2007/08 adjusted appropriation.

The main increases compared to 2007/08 are related to increases in municipal rates and taxes payments, costs associated with the construction of the new buildings, lease payments and on consultant services, security and witness fees. The increased spending in foreign governments and international organisations is because membership fee payments took place earlier than in the previous year. The decrease in spending on machinery and equipment can mainly be attributed to the slow delivery of motor vehicles and other equipment.

Expenditure for 2007/08 was 97.2 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 21.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	12 655	12 655	5 488	43.4
Transfers received	-	21	21	100.0
Fines, penalties and forfeits	283 307	283 307	34 623	12.2
Interest, dividends and rent on land	54 303	54 303	22 625	41.7
Sales of capital assets	-	9	9	100.0
Financial transactions in assets and liabilities	48 139	48 109	16 637	34.6
Total	398 404	398 404	79 403	19.9

Actual departmental revenue collections for the first six months of 2008/09 were R79.4 million or 19.9 per cent of the adjusted estimate of R398.4 million.

Changes to transfers and subsidies, and conditional grants

Table 21.5: Summary of changes to transfers and subsidies per programme

R thousands	2008/09						Adjusted appropriation
	Main appropriation	Additional Appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
1. Administration	8 661	-	-	125	-	125	8 786
Households							
Social benefits							
Current	-	-	-	125	-	125	125
Leave gratuity	-	-	-	125	-	125	125
5. Auxiliary and Associated Services	1 056 068	-	-	173 204	10 604	183 808	1 239 876
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	1 056 068	-	-	173 204	10 604	183 808	1 239 876
Commission on Gender Equality	44 193	-	-	-	2 000	2 000	46 193
Legal Aid Board	660 312	-	-	173 204	8 604	181 808	842 120
Direct Charges	69 335	-	-	-	-	-	69 335

Vote 22

Safety and Security

Adjusted budget summary

2008/09				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	40 453 243	41 492 309	-	1 039 066
<i>of which:</i>				
Current payments	37 869 631	38 908 697	-	1 039 066
Transfers and subsidies	353 474	353 474	-	-
Payments for capital assets	2 230 138	2 230 138	-	-
Executive authority	Minister for Safety and Security			
Accounting officer	National Commissioner of the South African 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.

Mid-year performance status

Indicators	Annual performance	
	Recorded for 2007/08 as published in the 2008 ENE ¹	Achieved in the first three months of 2008/09 (April to June 2008) ²
As published in the 2008 ENE		
Rate of detecting contact and property crimes	34%	46%
Rate of convicting contact and property crimes	-	Contact crimes 17% Property crimes 26%
Percentage of previous conviction reports generated within 30 days	85%	71%
Percentage of exhibits analysed within 35 days	85%	91%
Rate of reduction of contact and property related crimes	-	5%
Percentage of security breaches in relation to security provided	-	0%
Number of partnerships to prevent contact and property crimes	-	12
Number of police actions for contact and property crimes and crimes dependent on police action for detection	-	5 070

1. Past performance is not sufficient to make projections for these indicators as results are largely dependent on the frequency of crimes, which cannot be projected accurately.

2. Information is currently only available for the first quarter.

Adjusted Estimates of National Expenditure 2008

Table 22.1: Adjusted estimates

2008/09							
Programme	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	13 382 925	-	-	-	458 772	458 772	13 841 697
2. Visible Policing	17 081 910	-	-	-	113 630	113 630	17 195 540
3. Detective Services	6 494 606	-	-	-	220 159	220 159	6 714 765
4. Crime Intelligence	1 427 925	-	-	-	20 864	20 864	1 448 789
5. Protection and Security Services	2 065 877	-	-	-	225 641	225 641	2 291 518
Departmental Total	40 453 243	-	-	-	1 039 066	1 039 066	41 492 309

Table 22.1: Adjusted estimates (continued)

R thousand	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
Economic classification							
Current payments	37 869 631	-	-	-	1 039 066	1 039 066	38 908 697
Compensation of employees	28 416 836	-	-	-	668 378	668 378	29 085 214
Goods and services	9 452 795	-	-	-	370 688	370 688	9 823 483
Transfers and subsidies	353 474	-	-	-	-	-	353 474
Provinces and municipalities	19 432	-	-	-	-	-	19 432
Departmental agencies and accounts	17 657	-	-	-	-	-	17 657
Households	316 385	-	-	-	-	-	316 385
Payments for capital assets	2 230 138	-	-	-	-	-	2 230 138
Buildings and other fixed structures	843 278	-	-	-	-	-	843 278
Machinery and equipment	1 386 325	-	-	-	-	-	1 386 325
Biological and cultivated assets	535	-	-	-	-	-	535
Total	40 453 243	-	-	-	1 039 066	1 039 066	41 492 309

Details of adjustments to Estimates of National Expenditure 2008

Other adjustments – R1 039.066 million

Adjustments due to significant and unforeseeable economic and financial events

Additional funding of R370.688 million has been allocated for inflation related costs for fuel.

Programme 1: Administration

R194.443 million

Programme 2: Visible Policing

R40.807 million

Programme 3: Detective Services

R114.574 million

Programme 4: Crime Intelligence

R20.864 million

Adjustments due to significant and unforeseeable economic and financial events

R668.378 million has been allocated to cover costs related to the higher than budgeted wage increase made by the Minister for Public Service and Administration.

Programme 1: Administration

R264.329 million

Programme 2: Visible Policing

R72.823 million

Programme 3: Detective Services
R105.585 million

Programme 5: Protection and Security Services
R225.641 million

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 22.2: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007- Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
1. Administration	11 907 609	5 325 865	44.7	12 063 129	101.3	13 841 697	6 522 323	47.1
2. Visible Policing	15 706 164	7 152 021	45.5	15 332 583	97.6	17 195 540	8 352 917	48.6
3. Detective Services	5 805 816	2 779 058	47.9	5 978 782	103.0	6 714 765	3 264 414	48.6
4. Crime Intelligence	1 284 546	610 898	47.6	1 299 424	101.2	1 448 789	693 749	47.9
5. Protection and Security Services	1 681 970	716 538	42.6	1 712 187	101.8	2 291 518	987 679	43.1
Total	36 386 105	16 584 380	45.6	36 386 105	100.0	41 492 309	19 821 082	47.8
Economic classification								
Current payments	34 057 651	15 720 226	46.2	33 461 927	98.3	38 908 697	18 654 724	47.9
Compensation of employees	25 685 020	12 172 742	47.4	25 522 647	99.4	29 085 214	13 997 529	48.1
Goods and services	8 372 631	3 545 137	42.3	7 935 853	94.8	9 823 483	4 656 165	47.4
Financial transactions in assets and liabilities	-	2 347	-	3 427	-	-	1 030	-
Transfers and subsidies	320 076	168 606	52.7	334 134	104.4	353 474	197 303	55.8
Provinces and municipalities	17 453	7 729	44.3	19 630	112.5	19 432	10 097	52.0
Departmental agencies and accounts	15 893	7 759	48.8	16 298	102.5	17 657	8 689	49.2
Households	286 730	153 118	53.4	298 206	104.0	316 385	178 517	56.4
Payments for capital assets	2 008 378	695 548	34.6	2 590 044	129.0	2 230 138	969 055	43.5
Buildings and other fixed structures	727 019	247 650	34.1	732 470	100.7	843 278	449 766	53.3
Machinery and equipment	1 280 859	447 427	34.9	1 856 602	144.9	1 386 325	517 618	37.3
Biological and cultivated assets	500	471	94.2	972	194.4	535	1 671	312.3
Total	36 386 105	16 584 380	45.6	36 386 105	100.0	41 492 309	19 821 082	47.8

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R19.821 billion, or 47.8 per cent of the adjusted appropriation of R41.492 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R3.237 billion, or 19.5 per cent compared to spending in the first six months of 2007/08 which amounted to R16.584 billion, or 45.6 per cent of the 2007/08 adjusted appropriation.

Expenditure on biological and cultivated assets has increased significantly due to purchases of horses and dogs for breeding purposes for the 2010 Soccer World Cup.

All the funds appropriated for 2007/08 were spent.

Departmental receipts

Table 22.3: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	180 120	202 754	103 539	51.1
Fines, penalties and forfeits	4 650	8 355	6 012	72.0
Interest, dividends and rent on land	1 250	1 723	1 092	63.4
Sales of capital assets	1 000	665	165	24.8
Financial transactions in assets and liabilities	101 200	110 342	61 942	56.1
Total	288 220	323 839	172 750	53.3

Actual departmental revenue collections for the first six months of 2008/09 were R172.8 million or 53.3 per cent of the revised estimate of R323.8 million.

Vote 23

Agriculture

Adjusted budget summary

2008/09				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	2 534 671	2 937 748	-	403 077
<i>of which:</i>				
Current payments	1 021 785	1 006 251	(15 534)	-
Transfers and subsidies	1 473 338	1 888 950	-	415 612
Payments for capital assets	39 548	42 547	-	2 999
Executive authority	Minister of 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.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of reports published on the economic performance of the sector	24	8
Number of beneficiaries accessing CASP	80 000	48 039
Number of farmers awarded production loans	7 000	29
Number of additional personnel at ports of entry	35	0
Number of compliance guidelines developed:		
- Biosafety	2	0
- Plant health	3	0
- Agricultural product inspection services	2	0
Number of community gene sample bank projects established	2	0
Number of animal genetic samples distributed nationally	500	165
Number of power hoes distributed to food security projects to mechanise agriculture	200	163
Number of community seed production schemes established	3	3
Number of hectares under irrigation	1.4 million	1.4 million
Number of trainees on industry focused farmer training programme	1 000	393
Number of trainees on commodity master mentorship programme	7 500	4 658
Number of protocol agreements signed	8	0

Number of farmers awarded production loans was low due to Land Bank suspension of activities in relation to the micro agricultural finance scheme, MAFISA.

Compliance guidelines for Biosafety, Plant Health and Agricultural Product Inspection Services, are in the process of being developed.

Adjusted Estimates of National Expenditure 2008

Table 23.1: Adjusted estimates

Programme	2008/09						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	300 364	-	-	7 652	-	7 652	308 016
2. Livelihoods, Economics and Business Development		3 206	76 000	(224 246)	-	(145 040)	756 774
3. Bio-security and Disaster Management	311 721	181 137	140 700	(15 294)	(1 081)	305 462	617 183
4. Production and Resources Management	259 900	2 034	-	218 118	(1 577)	218 575	478 475
5. Sector Services and Partnerships	760 872	-	-	13 770	2 658	16 428	777 300
Departmental Total	2 534 671	186 377	216 700	-	-	403 077	2 937 748
Economic classification							
Current payments	1 021 785	-	-	(12 411)	(3 123)	(15 534)	1 006 251
Compensation of employees	585 811	-	-	(23 016)	(12 663)	(35 679)	550 132
Goods and services	435 974	-	-	10 605	9 540	20 145	456 119
Transfers and subsidies	1 473 338	186 377	216 700	12 411	124	415 612	1 888 950
Provinces and municipalities	584 301	93 077	125 000	96 000	-	314 077	898 378
Departmental agencies and accounts	548 627	-	-	65 496	(1 400)	64 096	612 723
Universities and technikons	7 604	-	-	641	(2 000)	(1 359)	6 245
Public corporations and private enterprises	299 442	-	21 100	(164 900)	1	(143 799)	155 643
Foreign governments and international organisations	26 618	-	-	4 000	3 212	7 212	33 830
Non-profit institutions	6 400	-	-	11 132	100	11 232	17 632
Households	346	93 300	70 600	42	211	164 153	164 499
Payments for capital assets	39 548	-	-	-	2 999	2 999	42 547
Buildings and other fixed structures	23 104	-	-	-	-	-	23 104
Machinery and equipment	15 828	-	-	-	2 475	2 475	18 303
Biological and cultivated assets	-	-	-	-	320	320	320
Software and other intangible assets	616	-	-	-	204	204	820
Total	2 534 671	186 377	216 700	-	-	403 077	2 937 748

Details of adjustments to Estimates of National Expenditure 2008

Roll-over of funds – R186.377 million

Programme 2: Livelihoods, Economics and Business Development

R3.206 million has been rolled over for CASP projects and will be transferred to Limpopo as a conditional grant.

Programme 3: Bio-security and Disaster Management

R93.300 million has been rolled over for the classical swine fever campaign in Eastern Cape.

R87.837 million has been rolled over for agricultural disasters and will be transferred to the following provinces as conditional grants:

R45 million to Limpopo

R36.618 million to Mpumalanga

R6.219 million to Northern Cape.

Programme 4: Production and Resources Management

R2.034 million has been rolled over for LandCare projects and will be transferred to Limpopo as a conditional grant.

Unforeseeable and unavoidable expenditure – R216.7 million

Programme 2: Livelihoods, Economics and Business Support

R76 million has been allocated to provide agricultural starter packs to vulnerable households to mitigate the impact of high food prices.

Programme 3: Bio-security and Disaster Management

R70.6 million has been allocated for the classical swine fever campaign in Eastern Cape; R21 million for payment to BlueLiliesbush Dairy Farming (Pty) Ltd in terms of a court order; R40 million for Limpopo, KwaZulu-Natal, Eastern Cape, Gauteng and Free State for the recent veld fires: and R9 million to Western Cape for floods.

Virements

Table 23.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	(2 498)	10 150	
Current payments	(2 498)	10 150	
Compensation of employees	(2 498)	-	- Savings due to unfilled vacant posts
Goods and services	-	10 150	R1.6 million Youth in Agricultural and Rural Development from programme 2 goods and services for facilitating the mobilisation of young people to be involved in agricultural related programmes R8.5 million Agri-TV from programme 3 compensation of employees
2. Livelihoods, Economics and Business Development	(235 353)	11 107	
Current payments	(10 453)	-	
Compensation of employees	(1 646)	-	- Savings due to unfilled vacant posts
Goods and services	(8 807)	-	- R3.9 million within this programme to transfers for Farmer Register R5 million to transfers for National Farmers Union (NAFU) R4.5 million for transfers for Cotton SA R1.6 million to programme 1 goods and services for Youth in Agricultural and Rural Development R966 000 to transfers for National Movement for Rural Woman R641 000 to transfers for Free State University
Transfers and Subsidies	(224 900)	11 107	
Universities and technikons	-	641	R641 000 from goods and services to Free State University
Public corporations & private enterprises	(224 900)	-	- Reprioritisation of MAFISA funds to Ilima / Letsema project
Non-profit institutions	-	10 466	R4.5 million for Cotton SA from programme 2 goods and services R5 million National African Farmers Union from programme 2 goods and services R966 000 National Movement for Rural Woman from programme 2 goods and services
3. Bio-security and Disaster Management	(16 002)	708	
Current payments	(16 002)	-	
Compensation of employees	(15 760)	-	- R8.55 million to programme 1 goods and services for Agri-TV R466 000 to programme 3 transfers OBP Centenary organising committee R4 million to programme 5 to foreign organisations and to multi-stakeholder consultative process R2.744 million savings due to unfilled vacant posts
Goods and services	(242)	-	- Savings from goods and services to OBP Centenary organising committee and Foot and Mouth Disease in Limpopo
Transfers and Subsidies	-	708	
Non-profit institutions	-	666	Savings in this programme to OBP Centenary organising committee

Table 23.2: Virements (continued)

Programme / Economic classification	R thousand		Details and motivation
	From	To	
4. Production and Resources Management	(3 378)	221 496	
Current payments	(3 378)	-	
Compensation of employees	(2 882)	-	- Savings due to unfilled posts to be shifted to programme 5 goods and services and will be used for multi-stakeholder participative process
Goods and services	(496)	-	- Shifted to programme 4 Water Research Council transfers
Transfers and Subsidies	-	221 496	
Provinces and municipalities	-	96 000	From programme 2 transfers to the Land Bank for MAFISA - Ilima / Letsema project
Departmental agencies and accounts	-	65 496	From programme 2 transfers to the Land Bank for MAFISA - Ilima / Letsema project and Water Research Council - R496 000
Public corporations and private enterprises	-	60 000	From programme 2 transfers to the Land Bank for MAFISA to Ilima / Letsema project
5. Sector Services and Partnerships	(230)	14 000	
Current payments	(230)	10 000	
Compensation of employees	(230)	-	- Savings due to delays in acquiring appropriate skills
Goods and services	-	10 000	R1.6 million Youth in Agricultural and Rural Development from programme 2 goods and services for facilitating the mobilisation of the young people to be involved in agricultural related programmes R8.5 million Agri-TV from programme 3 compensation of employees
Transfers and Subsidies	-	4 000	
Foreign governments and international organisations	-	4 000	Shifted from programme 3 compensation of employees for International Membership fee for International Fund for Agricultural Development (IFAD)
Total for Vote	(257 461)	257 461	

Gifts, donations and sponsorships – R1.732 million

The department will make donations of: R100 000 to the 10th World Conference on Animal Production; R665 600 to the Onderstepoort Centenary Organising Committee; and R966 000 to the National Movement for Rural Women.

Expenditure 2007/08 and preliminary expenditure 2008/09**Table 23.3: Expenditure trends**

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 - Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 - Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 - Sep 08 % of adjusted appropriation
R thousand								
1. Administration	281 148	136 834	48.7	238 813	84.9	308 016	134 009	43.5
2. Livelihoods, Economics and Business Development	1 559 958	253 645	16.3	1 541 955	98.8	756 774	363 605	48.0
3. Bio-security and Disaster Management	732 673	104 447	14.3	641 799	87.6	617 183	111 728	18.1
4. Production and Resources Management	243 483	108 303	44.5	226 320	93.0	478 475	116 190	24.3
5. Sector Services and Partnerships	652 341	365 041	56.0	679 530	104.2	777 300	446 514	57.4
Total	3 469 603	968 270	27.9	3 328 417	95.9	2 937 748	1 172 046	39.9
Economic classification								
Current payments	879 303	392 596	44.6	865 610	98.4	1 006 251	432 082	42.9
Compensation of employees	477 963	217 738	45.6	446 279	93.4	550 132	243 458	44.3
Goods and services	401 340	174 761	43.5	419 012	104.4	456 119	187 814	41.2
Financial transactions in assets and liabilities	-	97	-	319	-	-	810	-

Table 23.3: Expenditure trends (continued)

R thousand	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 - Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 - Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 - Sep 08 % of adjusted appropriation
Transfers and subsidies	2 524 194	549 632	21.8	2 418 733	95.8	1 888 950	727 730	38.5
Provinces and municipalities	762 086	207 977	27.3	762 099	100.0	898 378	369 855	41.2
Departmental agencies and accounts	518 469	310 427	59.9	522 169	100.7	612 723	328 065	53.5
Universities and technikons	3 806	200	5.3	3 806	100.0	6 245	3 604	57.7
Public corporations and private enterprises	965 722	922	0.1	1 000 045	103.6	155 643	2 050	1.3
Foreign governments and international organisations	28 915	28 124	97.3	32 865	113.7	33 830	16 783	49.6
Non-profit institutions	5 640	1 050	18.6	5 780	102.5	17 632	6 500	36.9
Households	239 556	932	0.4	91 969	38.4	164 499	873	0.5
Payments for capital assets	66 106	26 042	39.4	44 074	66.7	42 547	12 234	28.8
Buildings and other fixed structures	31 319	21 013	67.1	5 208	16.6	23 104	3 866	16.7
Machinery and equipment	33 305	4 492	13.5	37 000	111.1	18 303	7 982	43.6
Biological and cultivated assets	540	527	97.6	527	97.6	320	334	104.4
Software and other intangible assets	942	10	1.1	1 339	142.1	820	52	6.3
Total	3 469 603	968 270	27.9	3 328 417	95.9	2 937 748	1 172 046	39.9

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R1.172 billion, or 39.9 per cent of the adjusted appropriation of R2.938 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R203.8 million, or 21 per cent compared to spending in the first six months of 2007/08 which amounted to R968.3 million, or 27.9 per cent of the 2007/08 adjusted appropriation.

The main increases compared to 2007/08 are related to the Comprehensive Agricultural Support Programme grant payments to provinces.

Expenditure for 2007/08 was 95.9 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 23.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	59 237	59 234	22 774	38.4
Transfers received	–	29	29	100.0
Fines, penalties and forfeits	3	10	10	100.0
Interest, dividends and rent on land	306	18 500	1 416	7.7
Sales of capital assets	10 000	500	13	2.6
Financial transactions in assets and liabilities	2 484	140 000	120 843	86.3
Total	72 030	218 273	145 085	66.5

Actual departmental revenue collections for the first six months of 2008/09 were R145.1 million or 66.5 per cent of the adjusted estimate of R218.3 million.

Changes to transfers and subsidies, and conditional grants

Table 23.5: Summary of changes to transfers and subsidies per programme

R thousands	2008/09						Adjusted appropriation
	Main appropriation	Additional Appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements	Other adjustments		
1. Administration	733	-	-	-	22	22	755
Households							
Social benefits							
Current	-	-	-	-	22	22	22
Employer social benefit cash	-	-	-	-	22	22	22
2. Livelihoods, Economics and Business Development	761 172	3 206	76 000	(213 793)	-	(134 587)	626 585
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	434 918	3 206	76 000	-	-	79 206	514 124
Comprehensive agricultural support programme grant	434 918	3 206	76 000	-	-	79 206	514 124
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	22 459	-	-	-	2 000	2 000	24 459
Owen Sithole Agricultural College - capacity building SMME development	-	-	-	-	1 000	1 000	1 000
Tompi Seleke Agricultural Training Centre - capacity building SMME development	-	-	-	-	1 000	1 000	1 000
Universities and technikons							
Current	4 000	-	-	641	(2 000)	(1 359)	2 641
Free State University - capacity building SMME development	1 000	-	-	641	-	641	1 641
Tompi Seleke Agricultural Training Centre - capacity building SMME development	1 000	-	-	-	(1 000)	(1 000)	-
Owen Sithole Agricultural College - capacity building SMME development	1 000	-	-	-	(1 000)	(1 000)	-
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	299 395	-	-	(224 900)	-	(224 900)	74 495
Land and Agricultural Bank of SA - MAFISA	247 000	-	-	(224 900)	-	(224 900)	22 100
Non-profit institutions							
Current	400	-	-	10 466	-	10 466	10 866
Cotton SA	-	-	-	4 500	-	4 500	4 500
National African Farmers Union	-	-	-	5 000	-	5 000	5 000
National Movement for Rural Woman	-	-	-	966	-	966	966

Table 23.5: Summary of changes to transfers and subsidies per programme (continued)

2008/09							
R thousands	Main appropriation	Additional Appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
3. Bio-security and Disaster Management	6 016	181 137	140 700	708	189	322 734	328 750
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	-	87 837	49 000	-	-	136 837	136 837
Agricultural Disaster Management Grant	-	87 837	49 000	-	-	136 837	136 837
Public corporations and private enterprises							
Private enterprises							
Other transfers							
Current	-	-	21 100	-	-	21 100	21 100
Blueliliesbush Dairy Farming (PTY) LTD	-	-	21 100	-	-	21 100	21 100
Non-profit institutions							
Current	6 000	-	-	666	-	666	6 666
Onderstepoort Centenary Organising Committee	-	-	-	666	-	666	666
Households							
Social benefits							
Current	16	-	-	-	189	189	205
Employer social benefit cash	16	-	-	-	189	189	205
Other transfers							
Current	-	93 300	70 600	42	-	163 942	163 942
Classical Swine Fever	-	93 300	70 600	-	-	163 900	163 900
Foot and Mouth Disease Limpopo	-	-	-	42	-	42	42
4. Production and Resources Management	55 180	2 034	-	221 496	100	223 630	278 810
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	48 969	2 034	-	96 000	-	98 034	147 003
Land Care Programme Grant: Poverty Relief and Infrastructure Development Grant	48 969	2 034	-	-	-	2 034	51 003
Ilima / Letsema projects	-	-	-	96 000	-	96 000	96 000
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	2 004	-	-	65 496	-	65 496	67 500
Water Research Commission	2 004	-	-	496	-	496	2 500
Eastern Cape Rural Finance Corporation	-	-	-	65 000	-	65 000	65 000
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	-	-	-	60 000	-	60 000	60 000
Development Bank of South Africa	-	-	-	60 000	-	60 000	60 000
Non-profit institutions							
Current	-	-	-	-	100	100	100
World Conference on Animal Production	-	-	-	-	100	100	100

Table 23.5: Summary of changes to transfers and subsidies per programme (continued)

2008/09							
R thousands	Main appropriation	Additional Appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements	Other adjustments		
5. Sector Services and Partnerships	650 237	-	-	4 000	(187)	3 813	654 050
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	460 711	-	-	-	(3 400)	(3 400)	457 311
National Student Financial Aid Scheme	8 422	-	-	-	(3 400)	(3 400)	5 022
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	-	-	-	-	1	1	1
Red Meat Industry Forum	-	-	-	-	1	1	1
Foreign governments and international organisations							
Current	26 618	-	-	4 000	3 212	7 212	33 830
International Union for the Protection of New Varieties of Plants	298	-	-	-	92	92	390
Commonwealth Agricultural Bureau International	218	-	-	-	(50)	(50)	168
Consultative Group on International Agricultural Research	3 330	-	-	-	559	559	3 889
Food & Agriculture Organisation of the United Nations membership fees	9 115	-	-	-	2 353	2 353	11 468
International Commission of Agricultural Engineering	57	-	-	-	(2)	(2)	55
International Grains Council	139	-	-	-	50	50	189
Office International de la Vigne et du Vin	404	-	-	-	210	210	614
International Fund for Agricultural Development	-	-	-	4 000	-	4 000	4 000

Table 23.6: Summary of changes to conditional grants: Provinces¹

2008/09							
R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Other adjustments		
2. Livelihoods, Economics and Business Development							
Comprehensive Agricultural Support Programme grant	434 918	3 206	76 000	-	-	79 206	514 124
3. Bio-security and Disaster Management							
Agricultural Disaster Management Grant	-	87 837	49 000	-	-	136 837	136 837
4. Production and Resources Management							
Land Care programme grant: poverty relief and infrastructure development grant	48 969	2 034	-	-	-	2 034	51 003
Ilima / Letsema projects	-	-	-	96 000	-	96 000	96 000

¹ Main appropriation detail provided in the Division of Revenue Act, 2008

Vote 24

Communications

Adjusted budget summary

R thousand	2008/09			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	1 723 605	2 331 509	-	607 904
<i>of which:</i>				
Current payments	363 814	973 814	-	610 000
Transfers and subsidies	1 351 633	1 349 537	(2 096)	-
Payments for capital assets	8 158	8 158	-	-
Executive authority	Minister of Communications			
Accounting officer	Director-General of Communications			

Aim

Develop information and communication technology (ICT) policies and legislation that create conditions for accelerated and shared sustainable economic growth and that positively impact on the wellbeing of all South Africans.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of Dinaledi schools with ICT connectivity	250	0
Percentage of public broadcasting infrastructure digitised as per Sentech's plan in terms of digital coverage of population	50%	0%
Number of reports on corporate governance of public entities	2	0
Number of stadiums with 100% ICT infrastructure coverage in fulfillment of ICT guarantees for the 2010 FIFA World Cup	5	0
Percentage of World Summit on Information Society targets met (to be achieved by 2015)	10%	0%
Percentage of unqualified audit reports from five state owned entities	100%	80%
Percentage operational submarine cable	25%	0%
Number of post offices rolled out to promote universal service and access objectives		
- new branches	85	7
- upgrades and relocations	81	17
Number of new addresses rolled out	1 800 000	827 188

233 Dinaledi schools have been identified to be connected to Sentech's wireless broadband network. There has been approximately 90 per cent acquisition of the GIS data sets for mapping. The network design has also been finalised. Furthermore, the ICT technical working group has been established to inform the process of connectivity and the deployment of ICT equipment.

Last year Sentech was doing the civil works in preparation for installing the infrastructure/transmitters for digital migration of public broadcasting. Thirteen per cent population coverage is expected by 1 November 2008 and 40 per cent by 31 March 2009.

A preferred service provider is currently doing reports on corporate governance in the SABC and Sentech, to be completed by the end of November 2008.

The scope of the guarantees has been clarified with the Local Organising Committee and the host cities, and the DoC/LOC agreement is being finalised. The Sentech contract has been finalised and procurement of the satellite equipment for 2010 has begun. The Telkom contract is in progress and should also be concluded by the third quarter of 2008/09. Telkom has already installed the access network outside the stadium precinct at all the venues. Telkom has also begun upgrading the national backbone, and the process for upgrading the SAT3 and SAFE submarine cables. Refurbishment on the International Broadcast Centre (IBC) started in April 2008, with surveying and detailed design in progress. Lastly, an emergency communications plan has been developed by the National Joint Command Centre.

Regarding the information society, the National ISAD plan was approved in 2007/08, and is being implemented. Capacity building: 370 young people were trained on e-Literacy and then deployed as volunteers providing IT support as part of community service. In North West, Northern Cape and Limpopo, they are performing community service in health institutions. In Eastern Cape, Free State, Gauteng, KwaZulu-Natal, Mpumalanga and Western Cape, they have been deployed in Dinaledi and other schools.

The Kigali Protocol (Protocol on Policy and Regulatory Framework for the NEPAD ICT Broadband Infrastructure Network) was ratified by South Africa in July 2007, and is now in force as 51% of signatories have ratified it. The IGA Ministerial meeting, having met in October 2007, decided to extend the network to encircle the whole of Africa, with onward connections to Europe, Brazil and the Middle East, and to name the submarine cable system UHURUNET, the terrestrial network UMOJANET, and the company that will own, operate and maintain the submarine network, Baharicom. The following South African companies have expressed interest in participating in UHURUNET: Telkom, Sentech, MTN and Vodacom. A memorandum of understanding has also been signed between InfraCo and Baharicom for the West Coast segment. The development of the Project Implementation Memorandum (PIM) that will provide information to potential shareholders and investors of the Baharicom Development Company and the NEPAD SPV has begun. PIM will also assist in the business case for investment, management, structure and financial projections. The Baharicom Development Company will construct, maintain, own, operate and manage the NEPAD UHURUNET cable system.

Adjusted Estimates of National Expenditure 2008

Table 24.1: Adjusted estimates

Programme	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	146 810	-	-	-	-	-	146 810
2. ICT International Affairs and Trade	41 249	-	-	-	-	-	41 249
3. ICT Policy Development	91 992	-	-	(15 000)	-	(15 000)	76 992
4. ICT Enterprise Development	1 321 466	-	7 904	-	-	7 904	1 329 370
5. ICT Infrastructure Development	90 476	-	600 000	-	-	600 000	690 476
6. Presidential National Commission	31 612	-	-	15 000	-	15 000	46 612
Departmental Total	1 723 605	-	607 904	-	-	607 904	2 331 509
Economic classification							
Current payments	363 814	-	600 000	10 000	-	610 000	973 814
Compensation of employees	127 897	-	-	-	-	-	127 897
Goods and services	235 917	-	600 000	10 000	-	610 000	845 917
Transfers and subsidies	1 351 633	-	7 904	(10 000)	-	(2 096)	1 349 537
Departmental agencies and accounts	331 073	-	7 904	-	-	7 904	338 977
Public corporations and private enterprises	1 017 360	-	-	(10 000)	-	(10 000)	1 007 360
Foreign governments and international organisations	700	-	-	-	-	-	700
Non-profit institutions	2 500	-	-	-	-	-	2 500
Payments for capital assets	8 158	-	-	-	-	-	8 158
Machinery and equipment	8 158	-	-	-	-	-	8 158
Total	1 723 605	-	607 904	-	-	607 904	2 331 509

Details of adjustments to Estimates of National Expenditure 2008

Unforeseeable and unavoidable expenditure – R607.904 million

Programme 4: ICT Enterprise Development

R7.904 million has been allocated for the Universal Service and Access Agency of South Africa.

Programme 5: ICT Infrastructure Development

R600 million has been allocated for the “last mile” access network between 2010 FIFA World Cup stadium venues and the Telkom national network.

Virements

Table 24.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
3. ICT Policy Development	(15 000)	-	
Current payments	(5 000)	-	
Goods and services	(5 000)	-	To goods and services in programme 6
Transfers and Subsidies	(10 000)	-	
Public corporations and private enterprises	(10 000)	-	To goods and services in programme 6
6. Presidential National Commission	-	15 000	
Current payments	-	15 000	
Goods and services	-	15 000	R5 million from goods and services in programme 3 R10 million from public corporations and private enterprises in programme 3 For Apex priority number 3, namely increasing the uptake and usage of ICTs by government and individuals
Total for Vote	(15 000)	15 000	

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 24.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
1. Administration	100 590	39 988	39.8	97 504	96.9	146 810	71 268	48.5
2. ICT International Affairs and Trade	42 764	12 031	28.1	43 145	100.9	41 249	38 896	94.3
3. ICT Policy Development	78 258	10 823	13.8	54 875	70.1	76 992	22 983	29.9
4. ICT Enterprise Development	1 608 963	517 124	32.1	1 619 869	100.7	1 329 370	461 410	34.7
5. ICT Infrastructure Development	65 762	33 471	50.9	69 094	105.1	690 476	51 286	7.4
6. Presidential National Commission	28 146	11 243	39.9	27 291	97.0	46 612	14 749	31.6
Total	1 924 483	624 680	32.5	1 911 778	99.3	2 331 509	660 592	28.3
Economic classification			-		-			-
Current payments	322 639	123 770	38.4	310 963	96.4	973 814	184 470	18.9
Compensation of employees	109 114	48 903	44.8	97 707	89.5	127 897	47 337	37.0
Goods and services	213 525	74 834	35.0	213 191	99.8	845 917	137 096	16.2
Financial transactions in assets and liabilities	-	33	-	65	-	-	37	-

Table 24.3: Expenditure trends (continued)

R thousand	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
Economic classification								
Transfers and subsidies	1 594 301	497 832	31.2	1 592 345	99.9	1 349 537	468 914	34.7
Provinces and municipalities	6	3	50.0	69	1150.0	-	3	-
Departmental agencies and accounts	310 565	168 359	54.2	319 565	102.9	338 977	126 049	37.2
Universities and technikons	-	-	-	-	-	-	98	-
Public corporations and private enterprises	1 280 330	329 364	25.7	1 269 386	99.1	1 007 360	340 124	33.8
Foreign governments and international organisations	1 400	-	-	1 178	84.1	700	2	0.3
Non-profit institutions	2 000	50	2.5	2 050	102.5	2 500	2 600	104.0
Households	-	56	-	97	-	-	38	-
Payments for capital assets	7 543	3 078	40.8	8 470	112.3	8 158	7 208	88.4
Buildings and other fixed structures	-	17	-	-	-	-	-	-
Machinery and equipment	7 543	3 029	40.2	18	0.2	8 158	3 098	38.0
Heritage assets	-	-	-	8 075	-	-	-	-
Software and other intangible assets	-	32	-	377	-	-	4 110	-
			-		-			-
Total	1 924 483	624 680	32.5	1 911 778	99.3	2 331 509	660 592	28.3

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R661 million, or 28.3 per cent of the adjusted appropriation of R2.332 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by 5.7 per cent compared to spending in the first six months of 2007/08 which amounted to R624.7 million or 32.5 per cent of the 2007/08 adjusted appropriation.

Expenditure for 2007/08 was 99.3 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 24.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	2 088 773	1 848 139	1 051 138	56.9
Interest, dividends and rent on land	1 144 191	1 369 840	1 368 621	99.9
<i>Of which:</i>				
Dividends	1 141 297	1 366 514	1 366 514	100.0
Sales of capital assets	-	296	296	100.0
Financial transactions in assets and liabilities	654	654	407	62.2
Total	3 233 618	3 218 929	2 420 462	75.2

Actual departmental revenue collections for the first six months of 2008/09 were R2.4 billion or 75.2 per cent of the adjusted estimate of R3.2 billion.

Changes to transfers and subsidies, and conditional grants

Table 24.5: Summary of changes to transfers and subsidies per programme

		2008/09					
		Additional Appropriation				Total additional appropriation	Adjusted appropriation
R thousands	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements	Other adjustments		
3. ICT Policy Development	37 060	-	-	(10 000)	-	(10 000)	27 060
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	37 060	-	-	(10 000)	-	(10 000)	27 060
South African Broadcasting Corporation: Programme Production	25 000	-	-	(10 000)	-	(10 000)	15 000
4. ICT Enterprise Development	1 303 760	-	7 904	-	-	7 904	1 311 664
Departmental agencies and accounts (non-business entities)							
Current	329 460	-	7 904	-	-	7 904	337 364
Universal Service and Access Agency of South Africa	22 304	-	7 904	-	-	7 904	30 208

Vote 25

Environmental Affairs and Tourism

Adjusted budget summary

2008/09				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	3 061 686	3 206 557	-	144 871
<i>of which:</i>				
Current payments	729 224	765 189	-	35 965
Transfers and subsidies	2 318 139	2 427 335	-	109 196
Payments for capital assets	14 323	14 033	(290)	-
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.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of the 2008/09 (April to September)
As published in the 2008 ENE		
Number of tourism SMMEs trained in tourism related business skills	4 600	544
Number of transactional business linkages facilitated between SMMEs and established business through the Tourism Enterprise Programme	605	170
Number of tourist guides trained	145	0
Number of 2010 FIFA World Cup 'tourism ambassadors' trained	2 500	280
Number of tourism establishments graded	6 365	6 825
Percentage of national environmental impact management applications processed within stipulated timeframes	85%	85%
Percentage reduction in number of un-permitted waste disposal sites (currently at 580)	30%	18%
Number of environmental management inspectors designated	950	975
Number of ambient air quality monitoring stations providing information to the South African air quality information system	18	6
Number of temporary jobs created through EPWP projects	14 000	5 976
Number of permanent jobs created through EPWP projects	200	324

The training needs and aspects for tourist guides have been identified and are to be confirmed with provincial registrars. Training will happen in the second half of the year.

Adjusted Estimates of National Expenditure 2008

Table 25.1: Adjusted estimates

Programme	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
R thousand		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	198 366	-	-	-	(4 270)	(4 270)	194 096
2. Environmental Quality and Protection	268 956	-	-	-	1 163	1 163	270 119
3. Marine and Coastal Management	396 742	-	-	-	32 293	32 293	429 035
4. Tourism	693 022	-	-	-	(2 238)	(2 238)	690 784
5. Biodiversity and Conservation	396 342	-	-	-	219	219	396 561
6. Sector Services and International Relations	1 108 258	-	109 000	-	8 704	117 704	1 225 962
Departmental Total	3 061 686	-	109 000	-	35 871	144 871	3 206 557
Economic classification							
Current payments	729 224	-	19 000	6 178	10 787	35 965	765 189
Compensation of employees	394 575	-	-	5 888	12 761	18 649	413 224
Goods and services	334 649	-	19 000	290	(1 974)	17 316	351 965
Transfers and subsidies	2 318 139	-	90 000	(5 888)	25 084	109 196	2 427 335
Departmental agencies and accounts	1 546 449	-	-	(5 888)	25 210	19 322	1 565 771
Foreign governments and international organisations	14 000	-	-	-	(5 000)	(5 000)	9 000
Non-profit institutions	89 366	-	-	-	4 874	4 874	94 240
Households	668 324	-	90 000	-	-	90 000	758 324
Payments for capital assets	14 323	-	-	(290)	-	(290)	14 033
Machinery and equipment	14 007	-	-	(290)	-	(290)	13 717
Software and other intangible assets	316	-	-	-	-	-	316
Total	3 061 686	-	109 000	-	35 871	144 871	3 206 557

Details of adjustments to Estimates of National Expenditure 2008

Unforeseeable and unavoidable expenditure

Programme 6: Sector Services and International Relations

R109 million has been allocated for a cashflow adjustment for the Expanded Public Works Programme.

Virements

Table 25.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
3. Marine and Coastal Management	(6 088)	6 088	
Current payments	(200)	5 888	
Compensation of employees	-	5 888	From departmental agencies and accounts in this programme (MLRF) for control officers for protecting abalone resources.
Goods and services	(200)	-	To machinery and equipment in this programme
Transfers and Subsidies	(5 888)	-	
Departmental agencies and accounts	(5 888)	-	To compensation of employees in this programme
Payments for capital assets	-	200	
Machinery and equipment	-	200	From goods and services in this programme for Antarctic and island machinery and equipment
6. Sector Services and International Relations	(490)	490	
Current payments	-	490	
Goods and services	-	490	From machinery and equipment in this programme for equipment less than R5 000
Payments for capital assets	(490)	-	
Machinery and equipment	(490)	-	To goods and services in this programme
Total for Vote	(6 578)	6 578	

Other adjustments – R35.871 million

Adjustments due to significant and unforeseeable economic and financial events

Additional funding of R12.761 million has been allocated to cover costs related to the higher than budgeted wage increase made by the Minister for Public Service and Administration.

Programme 3: Marine and Coastal Management

Additional funding of R23.11 million has been allocated for inflation related increases in fuel costs for the inshore and offshore patrol and research vessels, and for the SA Agulhas for voyages to Marion Island, Gough Island and Antarctica.

Funds shifted within a vote

Programme 2: Environmental Quality and Protection

Funds were incorrectly classified as goods and services in the ENE for transfers of R580 000 to the National Association of Clean Air for the 3rd Annual Air Quality Governance Lekgotla and of R500 000 to the National Off-Road Workshop for the implementation of the strategy for self-regulation and recreational off-road driving.

Programme 4: Tourism

Funds were incorrectly classified as goods and services in the ENE for the following transfers:

South African Tourism: R3 million to enable the Tourism BEE Charter Council to carry out its mandate; R1.4 million for Tourism Month; R350 000 for the Tourism Grading Council of South Africa (TGCSA) to review the grading process; and R250 000 for TGCS to develop and implement the national responsible tourism grading programme for the tourism industry.

The Federated Hospitality Association of South Africa: R200 000 to conduct a tourism and hospitality schools survey aiming to address the significant shortage of skills; and R300 000 to contribute to hosting the Imvelo Responsible Tourism Awards 2008.

The National Business Initiative: R2 million to host and project manage the National Tourism Career Fair.

The Tourism Business Council of South Africa: R500 000 for hosting the Hospitality Investment Conference for Africa.

Programme 5: Biodiversity and Conservation

Funds were incorrectly classified as goods and services in the ENE for the following transfers:

Botanical Society: R474 000 for developing a suite of fiscal instruments and incentives that promote sound environmental management and biodiversity stewardship.

Endangered Wildlife Trust: R320 000 for the consultation process for establishing the Biodiversity Stewardship: South Africa programme.

Programme 6: Sector Services and International Relations

Funds were incorrectly classified as goods and services in the ENE for the transfer to the Council for Scientific Research of R1 million for the Earth Observation Service Centre for remote sensing imagery and applications.

Funds were incorrectly classified as a transfer payment to the African Ministerial Conference on the Environment. The expenditure was in fact for hosting the conference and not merely a transfer payment. Funds have been reclassified under goods and services to provide for the venues and related expenditure.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 25.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007- Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
1. Administration	167 284	92 929	55.6	193 120	115.4	194 096	101 007	52.0
2. Environmental Quality and Protection	245 977	130 990	53.3	241 503	98.2	270 119	135 902	50.3
3. Marine and Coastal Management	340 945	205 692	60.3	349 298	102.4	429 035	204 609	47.7
4. Tourism	616 314	368 787	59.8	612 477	99.4	690 784	391 612	56.7
5. Biodiversity and Conservation	362 990	213 402	58.8	359 833	99.1	396 561	235 608	59.4
6. Sector Services and International Relations	1 057 011	559 660	52.9	1 032 526	97.7	1 225 962	673 545	54.9
Total	2 790 521	1 571 460	56.3	2 788 757	99.9	3 206 557	1 742 283	54.3
Current payments	672 879	318 298	47.3	663 918	98.7	765 189	385 613	50.4
Compensation of employees	344 312	169 563	49.2	342 195	99.4	413 224	200 471	48.5
Goods and services	328 567	148 674	45.2	321 514	97.9	351 965	185 021	52.6
Financial transactions in assets and liabilities	-	61	-	209	-	-	121	-
Transfers and subsidies	2 111 221	1 246 277	59.0	2 114 491	100.2	2 427 335	1 353 309	55.8
Departmental agencies and accounts	1 380 963	756 828	54.8	1 373 701	99.5	1 565 771	907 488	58.0
Universities and technikons	300	-	-	300	100.0	-	-	-
Foreign governments and international organisations	-	-	-	-	-	9 000	5 000	55.6
Non-profit institutions	88 054	85 750	97.4	87 852	99.8	94 240	56 883	60.4
Households	641 904	403 699	62.9	652 638	101.7	758 324	383 938	50.6
Payments for capital assets	6 421	6 885	107.2	10 348	161.2	14 033	3 361	24.0
Machinery and equipment	6 116	6 759	110.5	10 131	165.6	13 717	3 147	22.9
Software and other intangible assets	305	126	41.3	217	71.1	316	214	67.7
Total	2 790 521	1 571 460	56.3	2 788 757	99.9	3 206 557	1 742 283	54.3

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R1.742 billion, or 54.3 per cent of the adjusted appropriation of R3.206 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R171 million, or 10.9 per cent compared to spending in the first six months of 2007/08 which amounted to R1.571 billion, or 56.3 per cent of the 2007/08 adjusted appropriation.

The main increases compared to 2007/08 are related to increased transfer payments.

Expenditure for 2007/08 was 99.9 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 25.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	1 087	500	251	50.2
Transfers received	-	362	362	100.0
Interest, dividends and rent on land	-	100	84	84.0
Financial transactions in assets and liabilities	-	3 450	3 450	100.0
Total	1 087	4 412	4 147	94.0

Actual departmental revenue collections for the first six months of 2008/09 were R4.1 million or 94 per cent of the adjusted estimate of R4.4 million.

Changes to transfers and subsidies, and conditional grants

Table 25.5: Summary of changes to transfers and subsidies per programme

R thousands	2008/09						Adjusted appropriation
	Main appropriation	Additional Appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
2. Environmental Quality and Protection	144 916	-	-	-	1 080	1 080	145 996
Non-profit institutions							
Current	20 000	-	-	-	1 080	1 080	21 080
National Off-Road Workshop	-	-	-	-	500	500	500
National Association of Clean Air	-	-	-	-	580	580	580
3. Marine and Coastal Management	182 029	-	-	(5 888)	19 210	13 322	195 351
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	182 029	-	-	(5 888)	19 210	13 322	195 351
Marine Living Resources Fund	182 029	-	-	(5 888)	19 210	13 322	195 351
4. Tourism	646 501	-	-	-	8 000	8 000	654 501
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	577 135	-	-	-	5 000	5 000	582 135
South African Tourism	577 135	-	-	-	5 000	5 000	582 135
Non-profit institutions							
Current	69 366	-	-	-	3 000	3 000	72 366
Federated Hospitality Association of South Africa	-	-	-	-	500	500	500
National Business Initiative	-	-	-	-	2 000	2 000	2 000
Tourism Business Council of South Africa	-	-	-	-	500	500	500
5. Biodiversity and Conservation	354 269	-	-	-	794	794	355 063
Non-profit institutions							
Current	-	-	-	-	794	794	794
Botanical society	-	-	-	-	474	474	474
Endangered wildlife trust	-	-	-	-	320	320	320
6. Sector Services and International Relations	990 424	-	90 000	-	(4 000)	86 000	1 076 424
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	500	-	-	-	1 000	1 000	1 500
Council for Scientific and Industrial Research	500	-	-	-	1 000	1 000	1 500
Foreign governments and international organisations							
Current	14 000	-	-	-	(5 000)	(5 000)	9 000
African Ministerial Conference on the Environment (AMCEN)	5 000	-	-	-	(5 000)	(5 000)	-
Households							
Social benefits							
Current	668 324	-	90 000	-	-	90 000	758 324
Expanded Public Works Programme	668 324	-	90 000	-	-	90 000	758 324

Vote 26

Housing

Adjusted budget summary

2008/09				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	10 586 523	10 928 487	-	341 964
<i>of which:</i>				
Current payments	497 429	507 454	-	10 025
Transfers and subsidies	10 081 581	10 408 682	-	327 101
Payments for capital assets	7 513	12 351	-	4 838
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.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of houses completed and in process of completion	226 471	113 761
Number of units completed in rental programme	900	0
Number of individual credit linked subsidies approved	700	102 (five months) ¹
Number of beneficiaries approved in the People's Housing Process	12 500	6 633 (five months) ¹
Number of municipalities provided with capacity development to support accreditation	18	18
Number of sector impact publications	4	2
Turnaround time for projects to units (months)	37 - 48	37 - 48

1. At the time of going to print, the department had provided figures for five months.

Construction work on the rental programme has commenced. Projects are between 30% and 60% complete.

Adjusted Estimates of National Expenditure 2008

Table 26.1: Adjusted estimates

Programme	2008/09						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	126 509	3 300	-	10 000	-	13 300	139 809
2. Housing Policy Research and Planning	105 542	-	-	(10 000)	-	(10 000)	95 542
3. Housing Delivery Support	182 926	13 568	-	-	-	13 568	196 494
4. Housing Development Finance	10 171 546	74 600	-	-	250 496	325 096	10 496 642
Departmental Total	10 586 523	91 468	-	-	250 496	341 964	10 928 487

Table 26.1: Adjusted estimates (continued)

R thousand	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
Economic classification							
Current payments	497 429	15 368	-	(5 343)	-	10 025	507 454
Compensation of employees	133 625	-	-	6	-	6	133 631
Goods and services	363 804	15 368	-	(5 349)	-	10 019	373 823
Transfers and subsidies	10 081 581	74 600	-	2 005	250 496	327 101	10 408 682
Provinces and municipalities	9 852 842	74 600	-	-	250 496	325 096	10 177 938
Departmental agencies and accounts	227 739	-	-	-	-	-	227 739
Foreign governments and international organisations	1 000	-	-	-	-	-	1 000
Households	-	-	-	2 005	-	2 005	2 005
Payments for capital assets	7 513	1 500	-	3 338	-	4 838	12 351
Machinery and equipment	7 313	1 500	-	2 523	-	4 023	11 336
Software and other intangible assets	200	-	-	815	-	815	1 015
Total	10 586 523	91 468	-	-	250 496	341 964	10 928 487

Details of adjustments to Estimates of National Expenditure 2008

Roll-over of funds – R91.468 million

Programme 1: Administration

R3.3 million has been rolled over for furniture and audiovisual equipment for the newly refurbished office in Cape Town and for a generator for the Pretoria office.

Programme 3: Housing Delivery Support

R2.568 million has been rolled over to Hlaniki/Wits Business School for the councillor training programme.

R11 million has been rolled over for the media campaigns administered by the Government Communication and Information Systems for the department.

Programme 4: Housing Development Finance

R74.6 million has been rolled over on the integrated housing and human settlement development grant for completing various housing projects in the Western Cape (R56.062 million) and Limpopo (R18.538 million).

Virements

Table 26.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	(175)	10 175	
Current payments	(175)	8 734	
Compensation of employees	(175)	-	Various low level posts were filled late: To machinery and equipment in this programme R10 million from goods and services in programme 2 for the Special Investigation Unit to conduct additional investigations into housing related corruption and fraud Equipment budgeted at less than R5 000 was more than R5 000, and the expenditure was reclassified: R5 000 to households in this programme R1.111 million to machinery and equipment in this programme R150 000 to software and other intangible assets in this programme
Goods and services	-	8 734	

Table 26.2: Virements (continued)

Programme / Economic classification	R thousand		Details and motivation
	From	To	
Transfers and Subsidies	-	5	
Households	-	5	From goods and services in this programme for gifts
Payments for capital assets	-	1 436	
Machinery and equipment	-	1 286	R175 000 from compensation of employees in this programme R1.111 million from goods and services in this programme for computers, notebooks and printers
Software and other intangible assets	-	150	From goods and services in this programme for computer software
2. Housing Policy Research and Planning	(10 925)	925	
Current payments	(10 925)	-	
Goods and services	(10 925)	-	Savings on the management of various housing information databases: R10 million to goods and services in programme 1 Equipment budgeted at less than R5 000 was more than R5 000, and the expenditure was reclassified: R270 000 to machinery and equipment in this programme R655 000 to software and other intangible assets in this programme
Payments for capital assets	-	925	
Machinery and equipment	-	270	From goods and services for computer equipment
Software and other intangible assets	-	655	From goods and services for computer software
3. Housing Delivery Support	(2 889)	2 889	
Current payments	(2 889)	-	
Goods and services	(2 889)	-	Equipment budgeted at less than R5 000 was more than R5 000, and the expenditure was reclassified: R2 million to households in this programme R889 000 shifted to machinery and equipment in this programme
Transfers and Subsidies	-	2 000	
Households	-	2 000	From goods and services in this programme for bursaries to non-employees
Payments for capital assets	-	889	
Machinery and equipment	-	889	From goods and services in this programme for computers and printers
4. Housing Development Finance	(269)	269	
Current payments	(269)	181	
Compensation of employees	-	181	From goods and services in this programme for appointing interns
Goods and services	(269)	-	Equipment budgeted at less than R5 000 was more than R5 000, and the expenditure was reclassified: R181 000 to compensation of employees in this programme R78 000 to machinery and equipment in this programme R10 000 to software and other intangible assets in this programme
Payments for capital assets	-	88	
Machinery and equipment	-	78	From goods and services in this programme for computers and printers
Software and other intangible assets	-	10	From goods and services in this programme for computer software
Total for Vote	(14 258)	14 258	

Other adjustments – R250.496 million

Adjustments due to significant and unforeseeable economic and financial events

Programme 4: Housing Development Finance

Additional funding of R250.496 million has been allocated on the Integrated Housing and Human Settlement development grant for the increasing costs of construction materials.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 26.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007- Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
1. Administration	122 419	47 803	39.0	114 050	93.2	139 809	60 693	43.4
2. Housing Policy Research and Planning	77 979	13 214	16.9	72 744	93.3	95 542	26 710	28.0
3. Housing Delivery Support	143 926	25 446	17.7	140 411	97.6	196 494	110 918	56.4
4. Housing Development Finance	8 638 034	3 728 284	43.2	8 259 067	95.6	10 496 642	5 147 449	49.0
Total	8 982 358	3 814 747	42.5	8 586 272	95.6	10 928 487	5 345 770	48.9
Economic classification								
Current payments	377 175	99 923	26.5	352 487	93.5	507 454	214 562	42.3
Compensation of employees	108 973	43 905	40.3	97 241	89.2	133 631	57 554	43.1
Goods and services	268 202	56 018	20.9	255 246	95.2	373 823	157 008	42.0
Transfers and subsidies	8 601 112	3 713 221	43.2	8 228 340	95.7	10 408 682	5 126 242	49.2
Provinces and municipalities	8 342 946	3 671 655	44.0	8 149 869	97.7	10 177 938	4 991 480	49.0
Departmental agencies and accounts	257 166	41 367	16.1	77 165	30.0	227 739	133 457	58.6
Foreign governments and international organisations	1 000	-	-	606	60.6	1 000	359	35.9
Households	-	199	-	700	-	2 005	946	47.2
Payments for capital assets	4 071	1 603	39.4	5 445	133.8	12 351	4 966	40.2
Machinery and equipment	3 958	1 589	40.1	5 343	135.0	11 336	4 775	42.1
Software and other intangible assets	113	14	12.4	102	90.3	1 015	191	18.8
Total	8 982 358	3 814 747	42.5	8 586 272	95.6	10 928 487	5 345 770	48.9

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R5.346 billion, or 48.9 per cent of the adjusted appropriation of R10.928 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R1.531 billion, or 40.1 per cent compared to spending in the first six months of 2007/08 which amounted to R3.815 billion, or 42.5 per cent of the 2007/08 adjusted appropriation.

The increase in expenditure is largely related to the Integrated Housing and Human Settlement development grant. The department has transferred R4.991 billion or 49 per cent to provinces in the first six months of the 2008/09 financial year compared to 44 per cent over the same period in the last financial year. Further increases in spending compared to 2007/08 are related to the increased support provided to provinces and to the improved project monitoring at provincial level in programme 3.

Expenditure for 2007/08 was 95.6 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 26.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	120	120	36	30.0
Interest, dividends and rent on land	66	458	229	50.0
Financial transactions in assets and liabilities	475	475	110	23.2
Total	661	1 053	375	35.6

Actual departmental revenue collections for the first six months of 2008/09 were R375 000 or 35.6 per cent of the adjusted estimate of R1.1 million.

Changes to transfers and subsidies, and conditional grants

Table 26.5: Summary of changes to transfers and subsidies per programme

R thousands	2008/09						Adjusted appropriation
	Main appropriation	Additional Appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements	Other adjustments		
1. Administration	-	-	-	5	-	5	5
Households							
Other transfers							
Current	-	-	-	5	-	5	5
Gifts and donations	-	-	-	5	-	5	5
3. Housing Delivery Support	-	-	-	2 000	-	2 000	2 000
Households							
Other transfers							
Current	-	-	-	2 000	-	2 000	2 000
Bursaries for non-employees	-	-	-	2 000	-	2 000	2 000
4. Housing Development Finance	10 080 581	74 600	-	-	250 496	325 096	10 405 677
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Capital	9 852 842	74 600	-	-	250 496	325 096	10 177 938
Integrated Housing and Human Settlement Development Grant	9 852 842	74 600	-	-	250 496	325 096	10 177 938
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	227 739	-	-	-	-	-	227 739
Social Housing Foundation	21 738	-	-	196 000	-	196 000	217 738
Social Housing Regulator	196 000	-	-	(196 000)	-	(196 000)	-

Table 26.6: Summary of changes to conditional grants: Provinces¹

R thousand	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virement	Other adjustments		
4. Housing Development Finance							
Integrated Housing and Human Settlement Development Grant	9 852 842	74 600	-	-	250 496	325 096	10 177 938

¹ Main appropriation detail provided in the Division of Revenue Act, 2008

Vote 27

Land Affairs

Adjusted budget summary

R thousand	2008/09			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	6 659 396	6 659 396	-	-
<i>of which:</i>				
Current payments	1 097 306	1 314 153	-	216 847
Transfers and subsidies	4 661 488	3 970 386	(691 102)	-
Payments for capital assets	900 602	1 374 857	-	474 255
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 to create and maintain an equitable and sustainable land dispensation that results in social and economic development for all South Africans.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of square kilometers of earth imagery of South Africa at 0.5m ground sample distance acquired	220 000	60 000
Number of square kilometers of updated topographical data captured for the integrated database of fundamental geo-spatial information	150 000	37 000
Number of maps of the national map series of South Africa produced	1 614	358
Percentage of approved cadastral documents able to be registered	98%	100%
Number of days for processing all requests for information	5	5
Number of provinces in which an operational surveyor-general's office is introduced	1	0
Number of land claims settled	3 485	104
Number of hectares of land redistributed to land reform beneficiaries	647 125	283 910
Number of Land Use Management Bill pilot projects implemented	2	0

The surveyor-general's office will be operational by the end of the year. The project team has been appointed and the action plan is in place.

Protracted negotiations and community disputes are some of the reasons for the delays in settling land claims.

The Land Use Management Bill pilot projects will be implemented by the end of the year. The project team has been appointed and the action plan is in place.

Adjusted Estimates of National Expenditure 2008

Table 27.1: Adjusted estimates

Programme	2008/09						Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	
R thousand							
1. Administration	434 582	-	-	2 067	(12 767)	(10 700)	423 882
2. Surveys and Mapping	88 189	-	-	-	3 226	3 226	91 415
3. Cadastral Surveys	105 334	-	-	-	9 541	9 541	114 875
4. Restitution	3 097 305	-	-	1 000	-	1 000	3 098 305
5. Land Reform	2 888 469	-	-	-	-	-	2 888 469
6. Spatial Planning and Information	32 286	-	-	-	-	-	32 286
7. Auxiliary and Associated Services	13 231	-	-	(3 067)	-	(3 067)	10 164
Departmental Total	6 659 396	-	-	-	-	-	6 659 396
Economic classification							
Current payments	1 097 306	-	-	198 535	18 312	216 847	1 314 153
Compensation of employees	640 656	-	-	91 280	-	91 280	731 936
Goods and services	456 650	-	-	107 255	18 312	125 567	582 217
Transfers and subsidies	4 661 488	-	-	(691 102)	-	(691 102)	3 970 386
Provinces and municipalities	-	-	-	4	-	4	4
Departmental agencies and accounts	2 494	-	-	-	-	-	2 494
Public corporations and private enterprises	1	-	-	-	-	-	1
Foreign governments and international organisations	-	-	-	1 200	-	1 200	1 200
Non-profit institutions	2 080	-	-	-	-	-	2 080
Households	4 656 913	-	-	(692 306)	-	(692 306)	3 964 607
Payments for capital assets	900 602	-	-	492 567	(18 312)	474 255	1 374 857
Buildings and other fixed structures	-	-	-	129	15	144	144
Machinery and equipment	34 263	-	-	11 514	(5 727)	5 787	40 050
Software and other intangible assets	13 666	-	-	292	(12 600)	(12 308)	1 358
Land and subsoil assets	852 673	-	-	480 632	-	480 632	1 333 305
Total	6 659 396	-	-	-	-	-	6 659 396

Details of adjustments to Estimates of National Expenditure 2008

Virements

Table 27.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	(21 000)	23 067	
Current payments	(21 000)	22 129	
Compensation of employees	(21 000)	-	Posts unfilled due to scarce skills: R20.062 million to goods and services in this programme R1 000 to provinces and municipalities in this programme R756 000 to machinery and equipment in this programme R181 000 to software and other intangible assets in this programme
Goods and services	-	22 129	R20.062 million from compensation of employees in this programme R2.067 million from machinery and equipment in programme 7 Mainly for consultants to investigate the department's 2007/08 audit qualification relating to the proactive land acquisition strategy (PLAS)
Transfers and Subsidies	-	1	
Provinces and municipalities	-	1	From compensation of employees in this programme for vehicle licensing fees
Payments for capital assets	-	937	
Machinery and equipment	-	756	From compensation of employees in this programme for security services equipment
Software and other intangible assets	-	181	From goods and services in this programme for replacing redundant software

Table 27.2: Virements (continued)

Programme / Economic classification	R thousand		Details and motivation
	From	To	
2. Surveys and Mapping	(4 081)	4 081	
Current payments	(3 526)	-	
Goods and services	(3 526)	-	Savings on consultants: R3 000 to provinces and municipalities in this programme R1.2 million to foreign governments and international organisations in this programme R129 000 to buildings and other fixed structures in this programme R2.083 million to machinery and equipment in this programme R111 000 to software and other intangible assets in this programme
Transfers and Subsidies	(555)	1 203	
Provinces and municipalities	-	3	From goods and services in this programme for municipalities
Foreign governments and international organisations	-	1 200	From goods and services in this programme for membership fees for Surveys and Mapping International
Households	(555)	-	Savings on social benefits: To machinery and equipment in this programme
Payments for capital assets	-	2 878	
Buildings and other fixed structures	-	129	From goods and services in this programme
Machinery and equipment	-	2 638	R2.083 million from goods and services in this programme R555 000 from households in this programme For upgrading the existing digital data online storage facility
Software and other intangible assets	-	111	From goods and services in this programme for inflation related increases
4. Restitution	(169 691)	170 691	
Current payments	-	158 716	
Compensation of employees	-	100 488	From households in this programme for human capacity to improve delivery of restitution grants
Goods and services	-	58 228	R57.228 million from households in this programme R1 million from machinery and equipment in programme 7 For inflation on the costs of consultants for the restitution process
Transfers and Subsidies	(169 691)	-	
Households	(169 691)	-	Savings on restitution grants: R100.488 million to compensation of employees in this programme R57.228 million to goods and services in this programme R11.975 million to machinery and equipment in this programme
Payments for capital assets	-	11 975	
Machinery and equipment	-	8 975	R11.975 million from households in this programme for inflation on the costs of machinery
Land and subsoil assets	-	3 000	Savings on restitution grants: R3 million shifted to land and subsoil assets in this programme From machinery and equipment for inflation related increases
5. Land Reform	(522 060)	522 060	
Current payments	-	42 616	
Compensation of employees	-	19 292	From households in this programme for human capacity to improve on delivery of restitution grants
Goods and services	-	23 324	From households in this programme for consultants and valuers, and for inflation on other services
Transfers and Subsidies	(522 060)	-	
Households	(522 060)	-	Savings on restitution grants: R19.292 million to compensation of employees in this programme R23.324 million to goods and services in this programme R1.812 million to machinery and equipment in this programme R477 632 to land and subsoil assets in this programme
Payments for capital assets	-	479 444	
Machinery and equipment	-	1 812	From households in this programme for computer hardware
Land and subsoil assets	-	477 632	From households in this programme for PLAS for buying agricultural land for redistribution

Table 27.2: Virements (continued)

Programme / Economic classification	R thousand		Details and motivation
	From	To	
6. Spatial Planning and Information	(7 500)	7 500	
Current payments	(7 500)	7 100	
Compensation of employees	(7 500)	-	Vacancies due to scarce skills: R7.1 million to goods and services in this programme R400 000 to machinery and equipment in this programme
Goods and services	-	7 100	From compensation of employees in this programme for consultants with scarce skills
Payments for capital assets	-	400	
Machinery and equipment	-	400	From compensation of employees in this programme for consultants with scarce skills
7. Auxiliary and Associated Services	(3 067)	-	
Payments for capital assets	(3 067)	-	
Machinery and equipment	(3 067)	-	Savings on departmental pool cars: R1 million to goods and services in programme 4 R2.067 million to goods and services in programme 1
Total for Vote	(727 399)	727 399	

Expenditure 2007/08 and preliminary expenditure 2008/09**Table 27.3: Expenditure trends**

Programme	2007/08 Expenditure outcome					2008/09 Preliminary expenditure		
	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 - Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 - Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 - Sep 08 % of adjusted appropriation
R thousand								
1. Administration	433 720	164 585	37.9	424 994	98.0	423 882	192 060	45.3
2. Surveys and Mapping	105 621	28 219	26.7	97 257	92.1	91 415	30 760	33.6
3. Cadastral Surveys	141 352	56 653	40.1	137 616	97.4	114 875	55 300	48.1
4. Restitution	3 577 095	1 976 253	55.2	3 638 465	101.7	3 098 305	1 771 154	57.2
5. Land Reform	1 635 682	544 316	33.3	1 571 073	96.1	2 888 469	1 451 607	50.3
6. Spatial Planning and Information	22 206	7 367	33.2	21 836	98.3	32 286	16 548	51.3
7. Auxiliary and Associated Services	12 593	2 876	22.8	6 256	49.7	10 164	622	6.1
Total	5 928 269	2 780 269	46.9	5 897 497	99.5	6 659 396	3 518 051	52.8
Economic classification								
Current payments	1 244 408	467 001	37.5	1 148 312	92.3	1 314 153	572 886	43.6
Compensation of employees	574 408	222 355	38.7	476 092	82.9	731 936	288 413	39.4
Goods and services	670 000	244 080	36.4	668 388	99.8	582 217	284 048	48.8
Financial transactions in assets and liabilities	-	566	-	3 832	-	-	425	-
Transfers and subsidies	3 763 982	2 010 241	53.4	3 832 849	101.8	3 970 386	2 070 741	52.2
Provinces and municipalities	54	56	103.7	77	142.6	4	24	600.0
Departmental agencies and accounts	2 353	1 718	73.0	2 351	99.9	2 494	1 961	78.6
Public corporations and private enterprises	44	-	-	50	113.6	1	-	-
Foreign governments and international organisations	1 100	-	-	1 026	93.3	1 200	-	-
Non-profit institutions	-	-	-	-	-	2 080	850	40.9
Households	3 760 431	2 008 467	53.4	3 829 345	101.8	3 964 607	2 067 906	52.2
Payments for capital assets	919 879	303 027	32.9	916 336	99.6	1 374 857	874 424	63.6
Buildings and other fixed structures	-	-	-	2 442	-	144	-	-
Machinery and equipment	49 831	10 224	20.5	63 137	126.7	40 050	9 717	24.3
Biological and cultivated assets	-	-	-	9 491	-	-	-	-
Software and other intangible assets	20 986	388	1.8	8 433	40.2	1 358	-	-
Land and subsoil assets	849 062	292 415	34.4	832 833	98.1	1 333 305	864 707	64.9
Total	5 928 269	2 780 269	46.9	5 897 497	99.5	6 659 396	3 518 051	52.8

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R3.518 billion, or 52.8 per cent of the adjusted appropriation of R6.659 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R738 million, or 26.5 per cent compared to spending in the first six months of 2007/08 which amounted to R2.78 billion, or 46.9 per cent of the 2007/08 adjusted appropriation.

The main increases compared to 2007/08 relate to the acquisition of land through the Pro-active Land Acquisition Strategy for the purpose of land reform.

Expenditure for 2007/08 was 99.5 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 27.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	24 790	18 402	10 296	56.0
Interest, dividends and rent on land	159 000	175 793	16 342	9.3
<i>Of which:</i>				
Dividends	140 000	140 000	-	-
Sales of capital assets	-	209	209	100.0
Financial transactions in assets and liabilities	6 800	10 000	9 818	98.2
Total	190 590	204 404	36 665	17.9

Actual departmental revenue collections for the first six months of 2008/09 were R36.7 million or 17.9 per cent of the adjusted estimate of R204.4 million.

Changes to transfers and subsidies, and conditional grants

Table 27.5: Summary of changes to transfers and subsidies per programme

R thousands	Main appropriation	2008/09 Additional Appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
1. Administration	115	-	-	1	-	1	116
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	-	-	-	1	-	1	1
Vehicle licences	-	-	-	1	-	1	1
2. Surveys and Mapping	1 498	-	-	648	-	648	2 146
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	-	-	-	3	-	3	3
Vehicle licences	-	-	-	3	-	3	3
Foreign governments and international organisations							
Current	-	-	-	1 200	-	1 200	1 200
Subscription fees	-	-	-	1 200	-	1 200	1 200
Households							
Social benefits							
Current	1 498	-	-	(555)	-	(555)	943
Leave gratuity	58	-	-	(3)	-	(3)	55
Employer social benefit	1 440	-	-	(552)	-	(552)	888

Table 27.5: Summary of changes to transfers and subsidies per programme (continued)

R thousands	2008/09						Adjusted appropriation
	Main appropriation	Additional Appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
4. Restitution	2 891 635	-	-	(169 691)	-	(169 691)	2 721 944
Households							
Other transfers							
Capital	2 891 635	-	-	(169 691)	-	(169 691)	2 721 944
Restitution Grants	2 891 635	-	-	(169 691)	-	(169 691)	2 721 944
5. Land Reform	1 766 133	-	-	(522 060)	-	(522 060)	1 244 073
Households							
Other transfers							
Capital	1 763 640	-	-	(522 060)	-	(522 060)	1 241 580
Land Reform Grants	1 763 640	-	-	(522 060)	-	(522 060)	1 241 580

Vote 28

Minerals and Energy

R thousand	2008/09			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	3 595 423	3 786 241	-	190 818
<i>of which:</i>				
Current payments	645 584	654 329	-	8 745
Transfers and subsidies	2 939 959	3 120 234	-	180 275
Payments for capital assets	9 880	11 678	-	1 798
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.

Changes to programme purposes, objectives and measures

The Clean Energy Chief Directorate shifted from Programme 5: Hydrocarbons and Energy Planning to the Programme 6: Electricity and Nuclear, hence the change in name to Electricity, Nuclear and Clean Energy and the change in purpose. The shift did not impact on the objective, measures and selected indicators that were published in the 2008 ENE. The 2008 objectives for Programme 6: Electricity and Nuclear already reflected the objective and measures for clean energy.

Programme 5: Hydrocarbons and Energy Planning

Changed purpose: Promote the sustainable use of energy resources through integrated energy planning and appropriate promotion, including the development of policies and regulations for petroleum products, coal and gas sectors.

Programme 6: Electricity, Nuclear and Clean Energy

Changed purpose: Ensure that development in the electricity and nuclear sectors are monitored; policies governing the sectors are improved and implemented; there is oversight of relevant public entities; universal access to electricity is achieved; sustainable use of energy resources through energy efficiency and regulation of the renewable energy.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of occupational health and safety inspections and mine audits	12 700	7 873
Number of environmental inspections	1 380	407 ¹
Number of mine rehabilitation projects implemented	13	0
Number of charter inspections	160	34 ¹
Number of new rights granted to historically disadvantaged individuals	27	42 ¹
Number of women led companies licensed	18	15 ¹
Number of sustainable SMME and small scale mining projects	35	6

Indicators	Annual performance	
Number of petroleum license applications	13 300	13 900
Number of petroleum facilities inspected	480	487
Number of clean development mechanism projects approved	30	22
Number of electricity connections made to households	150 000	0
Number of electricity connections made to schools	2 500	212
Number of bulk substations built	10	0

1. As at 31 July 2008

The number of sustainable and small scale mining projects is low because the Small Scale Mining Board was disbanded to form a new committee and because the late signing of a memorandum of understanding between the department and the Industrial Development Corporation of South Africa, as the new project manager for small-scale mining projects, resulted in delays.

The target for inspecting petroleum facilities has been revised to 620. The monitoring of fuel specifications has not been implemented, which allows for the reallocation of resources to inspections.

Most municipalities have just completed their 2007/08 contracts and are only starting to implement 2008/09 projects, therefore no connections to households have been reported for 2008/09. The contract with Eskom was signed in late September 2008. Eskom will start reporting on connections from the end of October 2008.

The target for the number of electricity connections made to schools could be revised to 2 000 due to the available data and impact of connection costs, which are subject to the location of schools and the materials required.

Due to long lead times for material and late approvals of the Environmental Impact Assessments only 8 substations will be completed in 2008/09.

Adjusted Estimates of National Expenditure 2008

Table 28.1: Adjusted estimates

Programme	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	209 498	-	-	4 993	6 000	10 993	220 491
2. Promotion of Mine Safety and Health	129 753	-	-	(2 800)	-	(2 800)	126 953
3. Mineral Regulation	167 161	-	-	(5 020)	-	(5 020)	162 141
4. Mineral Policy and Promotion	57 535	-	-	5 810	1 600	7 410	64 945
5. Hydrocarbons and Energy Planning	65 097	-	-	(3 013)	(16 173)	(19 186)	45 911
6. Electricity, Nuclear and Clean Energy	61 991	1 950	-	30	197 441	199 421	261 412
7. Associated Services	2 904 388	-	-	-	-	-	2 904 388
Departmental Total	3 595 423	1 950	-	-	188 868	190 818	3 786 241
Economic classification							
Current payments	645 584	1 950	-	(2 073)	8 868	8 745	654 329
Compensation of employees	360 221	-	-	(21 156)	11 768	(9 388)	350 833
Goods and services	285 363	1 950	-	19 083	(2 900)	18 133	303 496
Transfers and subsidies	2 939 959	-	-	275	180 000	180 275	3 120 234
Provinces and municipalities	595 637	-	-	-	-	-	595 637
Departmental agencies and accounts	257 164	-	-	-	-	-	257 164
Public corporations and private enterprises	2 085 935	-	-	200	180 000	180 200	2 266 135
Households	1 223	-	-	75	-	75	1 298
Payments for capital assets	9 880	-	-	1 798	-	1 798	11 678
Machinery and equipment	8 380	-	-	1 000	-	1 000	9 380
Software and other intangible assets	1 500	-	-	-	-	-	1 500
Land and subsoil assets	-	-	-	798	-	798	798
Total	3 595 423	1 950	-	-	188 868	190 818	3 786 241

Details of adjustments to Estimates of National Expenditure 2008

Roll-over of funds – R1.95 million

Programme 6: Electricity, Nuclear and Clean Energy

R1.95 million has been rolled over for completing the technical audit of electrification projects which is outsourced to Eskom.

Virements

Table 28.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	(4 015)	9 008	
Current payments	(4 015)	7 873	
Compensation of employees	(4 015)		High turnover and financial inability to retain staff resulted in several vacancies: - R2.98 million to goods and services in this programme R35 000 to households in this programme R1 million to machinery and equipment in this programme
Goods and services	-	7 873	R2.98 million from compensation of employees in this programme R2.8 million from compensation of employees in programme 2 R2.093 million from compensation of employees in programme 5 For legal fees, vetting field unit, gender empowerment and special projects, assessment of the mining charter, and hosting international events
Transfers and Subsidies	-	135	
Public corporations & private enterprises	-	100	From compensation of employees in programme 3 for a donation to the Girl Guide Movement
Households	-	35	From compensation of employees in this programme for a payment as an act of grace to remunerate staff who incurred damages while on official duty
Payments for capital assets	-	1 000	
Machinery and equipment	-	1 000	From compensation of employees in this programme for security risk officers equipment at Centurion
2. Promotion of Mine Safety and Health	(2 800)	-	
Current payments	(2 800)	-	
Compensation of employees	(2 800)		High turnover and financial inability to retain staff resulted in several vacancies: To goods and services in programme 1
3. Mineral Regulation	(5 020)	-	
Current payments	(5 020)	-	
Compensation of employees	(5 020)		High turnover and financial inability to retain staff resulted in several vacancies: R100 000 to public corporations and private enterprises in programme 1 R4.92 million to goods and services in programme 4
4. Mineral Policy and Promotion	(5 500)	11 310	
Current payments	(5 500)	11 310	
Compensation of employees	(5 500)		High turnover and financial inability to retain staff resulted in several vacancies: To goods and services in this programme
Goods and services	-	11 310	R4.92 million from compensation of employees in programme 3 R5.5 million from compensation of employees in this programme R890 000 from compensation of employees in programme 5 For maintaining and developing the SAMINDEX-system and for leasing printing and CD writing equipment
5. Hydrocarbons and Energy Planning	(3 013)	-	
Current payments	(3 013)	-	
Compensation of employees	(3 013)		High turnover and financial inability to retain staff resulted in several vacancies: R2.093 million to compensation of employees in programme 1 R890 000 to goods and services in programme 4 R30 000 to land and subsoil assets in programme 6

Table 28.2: Virements (continued)

Programme / Economic classification	R thousand		Details and motivation
	From	To	
6. Electricity, Nuclear and Clean Energy	(908)	938	
Current payments	(908)	-	
Compensation of employees	(808)	-	- High turnover and financial inability to retain staff resulted in several vacancies: R40 000 to household in this programme R768 000 land and subsoil assets in this programme
Goods and services	(100)	-	- Savings on operational expenditure, such as subsistence and transport and membership fees: To public corporations and private enterprises in this programme
Transfers and Subsidies	-	140	
Public corporations and private enterprises	-	100	From compensation of employees in programme 1 for the launch of the Darling wind energy project
Households	-	40	From compensation of employees in this programme 6 as an act of grace to assist the families of employees who passed away
Payments for capital assets	-	798	
Land and subsoil assets	-	798	R30 000 from compensation of employees in programme 5 R768 000 from compensation of employees in programme 6 For retaining the land option agreement for the peaking power project at the Avon site in KwaZulu-Natal
Total for Vote	(21 256)	21 256	

Other adjustments – R188.868 million

Expenditure already announced in the budget speech of the Minister of finance but not allocated at that stage

Programme 6: Electricity, Nuclear and Clean Energy

Additional funding of R180 million has been allocated for the roll-out by Eskom of the energy demand side management programme. The principal focus is replacing incandescent light bulbs with compact fluorescent light bulbs as part of the strategy to mitigate against the current electricity emergency situation.

Adjustments due to significant and unforeseeable economic and financial events

Additional funding of R11.768 million has been allocated to cover costs related to the higher than budgeted wage increase made by the Minister for Public Service and Administration.

Programme 1: Administration

R6 million

Programme 4: Mineral Policy and Promotion

R4.5 million

Programme 5: Hydrocarbons and Energy Planning

R500 000

Programme 6: Electricity, Nuclear and Clean Energy

R768 000

Funds shifted between votes or to follow the transfer of functions in terms of section 42 of the PFMA

Programme 4: Mineral Policy and Promotion

R2.9 million will be transferred to the Department of Trade and Industry for the presentation of three South African trade expositions in the China.

Funds shifted within a vote

Programme 5: Hydrocarbons and Energy Planning

R16.673 million will be transferred to programme 6 following the shift of the Clean Energy chief directorate.

Gifts, donations and sponsorships – R275 000

The department will make a donation of R100 000 to the Girl Guide movement for hosting the international Girl Guides conference in South Africa.

The department will make a donation of R100 000 to the Darling wind farm project for the official launch of the Darling National Demonstration Wind Energy Project.

The department approved payments of R20 000 each as an act of grace for the families of three employees who passed away, to assist with funeral arrangements and associated costs.

The department approved payments of R5 000 each for three employees who sustained losses on duty.

Expenditure 2007/08 and preliminary expenditure 2008/09**Table 28.3: Expenditure trends**

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007- Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
1. Administration	179 602	84 379	47.0	191 394	106.6	220 491	100 315	45.5
2. Promotion of Mine Safety and Health	121 845	53 135	43.6	104 283	85.6	126 953	61 904	48.8
3. Mineral Regulation	157 087	61 410	39.1	137 800	87.7	162 141	61 145	37.7
4. Mineral Policy and Promotion	70 140	31 126	44.4	73 554	104.9	64 945	39 508	60.8
5. Hydrocarbons and Energy Planning	52 334	20 847	39.8	35 633	68.1	45 911	23 880	52.0
6. Electricity, Nuclear and Clean Energy	60 470	30 589	50.6	86 661	143.3	261 412	40 934	15.7
7. Associated Services	2 333 459	1 240 243	53.2	2 318 042	99.3	2 904 388	790 413	27.2
Total	2 974 937	1 521 729	51.2	2 947 367	99.1	3 786 241	1 118 099	29.5
Economic classification								
Current payments	582 271	260 037	44.7	573 385	98.5	654 329	293 367	44.8
Compensation of employees	317 453	145 020	45.7	290 561	91.5	350 833	160 902	45.9
Goods and services	264 818	115 017	43.4	277 222	104.7	303 496	132 464	43.6
Financial transactions in assets and liabilities	-	-	-	5 602	-	-	1	-
Transfers and subsidies	2 383 507	1 260 400	52.9	2 366 512	99.3	3 120 234	821 719	26.3
Provinces and municipalities	467 827	134 378	28.7	462 506	98.9	595 637	53 554	9.0
Departmental agencies and accounts	262 148	122 265	46.6	262 148	100.0	257 164	136 395	53.0
Public corporations and private enterprises	1 652 367	1 002 477	60.7	1 639 784	99.2	2 266 135	631 016	27.8
Households	1 165	1 280	109.9	2 074	178.0	1 298	754	58.1
Payments for capital assets	9 159	1 292	14.1	7 470	81.6	11 678	3 013	25.8
Machinery and equipment	7 659	1 292	16.9	5 272	68.8	9 380	2 215	23.6
Software and other intangible assets	1 500	-	-	2 198	146.5	1 500	-	-
Land and subsoil assets	-	-	-	-	-	798	798	100.0
Total	2 974 937	1 521 729	51.2	2 947 367	99.1	3 786 241	1 118 099	29.5

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R1.118 billion, or 29.5 per cent of the adjusted appropriation of R3.786 billion for the year as a whole. Expenditure in the first six months of 2008/09 decreased by R403.6 million, or 26.5 per cent compared to spending in the first six months of 2007/08 which amounted to R1.522 billion, or 51.2 per cent of the 2007/08 adjusted appropriation.

The main decrease compared to 2007/08 is related to the transfer payments to Eskom for the integrated national electrification programme that did not realise as anticipated. The expenditure delay was due to the late approval of Eskom projects by the Department. This was due to over expenditure from Eskom for the 2007/08 financial year not being explained in detail by project to the Department. During regazetting all the project allocations will be aligned and corrected to give a true picture of actual expenditure.

Expenditure for 2007/08 was 99.1 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 28.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	2 622	4 500	2 492	55.4
Fines, penalties and forfeits	64	120	60	50.0
Interest, dividends and rent on land	197 002	190 000	66 479	35.0
Financial transactions in assets and liabilities	187	3 500	2 482	70.9
Total	199 875	198 120	71 513	36.1

Actual departmental revenue collections for the first six months of 2008/09 were R71.5 million or 36.1 per cent of the adjusted estimate of R198.1 million.

Changes to transfers and subsidies, and conditional grants

Table 28.5: Summary of changes to transfers and subsidies per programme

R thousands	2008/09						
	Main appropriation	Additional Appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
1. Administration	1 223	-	-	135	-	135	1 358
Public corporations and private enterprises							
Private enterprises							
Subsidies on production or products							
Current	-	-	-	100	-	100	100
Girl Guide Movement	-	-	-	100	-	100	100
Households							
Other transfers							
Current	-	-	-	35	-	35	35
Donations	-	-	-	35	-	35	35

Table 28.5: Summary of changes to transfers and subsidies per programme (continued)

		2008/09					
		Additional Appropriation					
R thousands	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments	Total additional appropriation	Adjusted appropriation
5. Hydrocarbons and Energy Planning	5 406	-	-	-	(5 406)	(5 406)	-
Public corporations and private enterprises							
Private enterprises							
Subsidies on production or products							
Current	5 406	-	-	-	(5 406)	(5 406)	-
Renewable Energy Subsidy Scheme	5 406	-	-	-	(5 406)	(5 406)	-
6. Electricity, Nuclear and Clean Energy	-	-	-	140	185 406	185 546	185 546
Public corporations and private enterprises							
Public corporations							
Subsidies on products and production							
Capital	-	-	-	-	180 000	180 000	180 000
Eskom: Electricity Demand Side Management Programme	-	-	-	-	180 000	180 000	180 000
Private enterprises							
Subsidies on production or products							
Current	-	-	-	100	5 406	5 506	5 506
Renewable Energy Subsidy Scheme	-	-	-	-	5 406	5 406	5 406
Darling Wind Energy Project	-	-	-	100	-	100	100
Households							
Other transfers							
Current	-	-	-	40	-	40	40
Gifts and Donations	-	-	-	40	-	40	40

Vote 29

Provincial and Local Government

Adjusted budget summary

2008/09				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	34 193 880	35 639 007	-	1 445 127
<i>of which:</i>				
Current payments	370 348	371 576	-	1 228
Transfers and subsidies	33 816 748	35 259 364	-	1 442 616
Payments for capital assets	6 784	8 067	-	1 283
Executive authority	Minister for Provincial and Local Government			
Accounting officer	Director-General of Provincial and Local Government			

Aim

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

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of provinces involved in the pilot for the intergovernmental relations capacity building programme	4	4
Percentage of IDPs drafted in accordance with framework	85%	42%
Number of provinces with capacity building plans	3	3
Number of municipalities receiving support on financial statements	160	96
Number of fully functional disaster management centres across the three spheres of government	9	6
Number of nodal municipalities with spatial development frameworks for land use and management plans reflected in their IDPs	2	2
Number of nodal municipalities with strategic LED projects reflected in their IDP budgets for public sector investments	2	2
Amount spent by municipalities on municipal infrastructure grants by end of municipal financial year and as a percentage of total allocation for that year	R8.7bn (100%)	R3.615bn (45%)
Number of households reached with basic services by MIG:		
- water	1 020 293	408 157
- sanitation	566 070	226 428
- roads	817 636	327 054
- community lighting	388 183	116 455
Percentage of indigent households (5 517 090 in total in 2001) accessing free basic services:		
- water	85%	40%
- electricity	73%	30%

Adjusted Estimates of National Expenditure 2008

Table 29.1: Adjusted estimates

Programme	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
R thousand		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	150 219	-	-	(1 460)	1 931	471	150 690
2. Governance, Policy and Research	44 449	-	-	(1 669)	892	(777)	43 672
3. Urban and Rural Development	11 577	-	-	1 050	247	1 297	12 874
4. Systems and Capacity Building	108 399	-	-	(3 395)	1 303	(2 092)	106 307
5. Free Basic Services and Infrastructure	41 430	-	-	(1 026)	700	(326)	41 104
6. Provincial and Local Government Transfers	33 745 775	-	768 856	-	671 000	1 439 856	35 185 631
7. Fiscal Transfers	92 031	-	-	6 500	198	6 698	98 729
Departmental Total	34 193 880	-	768 856	-	676 271	1 445 127	35 639 007
Economic classification							
Current payments	370 348	-	-	(4 043)	5 271	1 228	371 576
Compensation of employees	166 390	-	-	(17 314)	5 271	(12 043)	154 347
Goods and services	203 958	-	-	13 241	-	13 241	217 199
Financial transactions in assets and liabilities	-	-	-	30	-	30	30
Transfers and subsidies	33 816 748	-	768 856	2 760	671 000	1 442 616	35 259 364
Provinces and municipalities	33 745 975	-	768 856	120	671 000	1 439 976	35 185 951
Departmental agencies and accounts	65 973	-	-	1 500	-	1 500	67 473
Public corporations and private enterprises	100	-	-	-	-	-	100
Non-profit institutions	4 700	-	-	-	-	-	4 700
Households	-	-	-	1 140	-	1 140	1 140
Payments for capital assets	6 784	-	-	1 283	-	1 283	8 067
Machinery and equipment	6 784	-	-	1 283	-	1 283	8 067
Total	34 193 880	-	768 856	-	676 271	1 445 127	35 639 007

Details of adjustments to Estimates of National Expenditure 2008

Unforeseeable and unavoidable expenditure – R768.856 million

Programme 6: Provincial and Local Government Transfers

R281.498 million has been allocated for the rehabilitation of infrastructure destroyed by flooding in the Western Cape and Eastern Cape in November 2007.

R22.186 million has been allocated for the rehabilitation of infrastructure damaged by flooding in Western Cape in July 2008.

R418.125 million has been allocated for the recovery and rehabilitation of infrastructure damaged by the storm in KwaZulu-Natal in June 2008 and to ensure community and structural resilience to future incidents.

R17.04 million has been allocated to Gauteng and R30.007 million to Western Cape for costs incurred by various stakeholders in managing the temporary accommodation for displaced people caused by the violence against foreign nationals

Virements

Table 29.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	(6 334)	4 874	
Current payments	(6 334)	3 864	
Compensation of employees	(6 334)	-	- Savings due to 33 vacant posts, at various stages of being filled: R3.834 million to goods and services in this programme R30 000 to financial transactions in assets and liabilities in this programme R120 000 to provinces and municipalities in this programme R890 000 to machinery and equipment in this programme
Goods and services	-	3 834	From compensation of employees in this programme: For audit consultants (R1 million); the 365 days of activism against women and children campaign which was previously only 16 days (R1 million); and for legal costs on pending cases in Moutse and Matatiele (R1.834 million)
Financial transactions in assets and liabilities	-	30	From compensation of employees in this programme for thefts and losses
Transfers and Subsidies	-	120	
Provinces and municipalities	-	120	From compensation of employees in this programme for vehicle licenses and non life assurance for ministers' vehicles
Payments for capital assets	-	890	
Machinery and equipment	-	890	From compensation of employees in this programme for the filing system
2. Governance, Policy and Research	(4 323)	2 654	
Current payments	(4 281)	2 414	
Compensation of employees	(4 281)	-	- Savings due to 25 vacant posts, at various stages of being filled: R912 000 to goods and services in this programme R240 000 to households in this programme R3.129 million to goods and services in programme 7
Goods and services	-	2 414	R912 000 from compensation of employees in this programme R42 000 from machinery and equipment in this programme For consultants to finalise the implementation of the White Paper process
Transfers and Subsidies	-	240	
Households	-	240	From compensation of employees in this programme for severance packages
Payments for capital assets	(42)	-	
Machinery and equipment	(42)	-	- Equipment for a temporary senior manager no longer required as work was done in-house: To goods and services in this programme
3. Urban and Rural Development	(643)	1 693	
Current payments	(643)	1 673	
Compensation of employees	(643)	-	- Savings due to 3 vacant posts, in the process of being filled: To goods and services in this programme.
Goods and services	-	1 673	R643 000 from compensation of employees in this programme for consultants on the rural policy review R1.03 million from compensation of employees in programme 4 for consultants on the state of the nodes report
Payments for capital assets	-	20	
Machinery and equipment	-	20	From compensation of employees in programme 4 for office furniture for the new chief director
4. Systems and Capacity Building	(4 394)	999	
Current payments	(4 394)	584	
Compensation of employees	(4 394)	-	- Savings due to 19 vacant posts, at various stages of being filled: R1.03 million to goods and services in programme 3 R20 000 to machinery and equipment in programme 3 R584 000 to goods and services in this programme R415 000 to machinery and equipment in this programme R845 000 to goods and services in programme 7 R1.5 million to departmental agencies and accounts in programme 7
Goods and services	-	584	From compensation of employees in this programme for traveling costs for municipalities to monitor the implementation of the Municipal Property Rates Act
Payments for capital assets	-	415	
Machinery and equipment	-	415	From compensation of employees in this programme for disaster management software for the 2010 FIFA World Cup

Table 29.2: Virements (continued)

Programme / Economic classification	R thousand		Details and motivation
	From	To	
5. Free Basic Services and Infrastructure	(2 662)	1 636	
Current payments	(2 662)	736	
Compensation of employees	(2 662)	-	Savings due to 23 vacant posts, at various stages of being filled: R736 000 to goods and services in this programme R900 000 to households in this programme R1 million to compensation of employees in programme 7 R26 000 to goods and services in programme 7
Goods and services	-	736	From compensation of employees in this programme for updating unit costs and service level agreements between contractors and municipalities
Transfers and Subsidies	-	900	
Households	-	900	From compensation of employees in this programme for severance packages
7. Fiscal Transfers	-	6 500	
Current payments	-	5 000	
Compensation of employees	-	1 000	From compensation of employees in programme 5 for basic salaries in the National House of Traditional Leaders and the Commission on Disputes and Claims
Goods and services	-	4 000	R3.129 million from compensation of employees in programme 2 R845 000 from compensation of employees in programme 4 R26 000 from compensation of employees in programme 5 For increased legal costs due to the number of hearings by the Commission on Traditional Leadership Disputes and Claims, and for traveling and accommodation costs for the National House of Traditional Leaders after the Chamber was moved from Pretoria to Cape Town
Transfers and Subsidies	-	1 500	
Departmental agencies and accounts	-	1 500	From compensation of employees in programme 4 for the Commission for the Promotion and Protection of the Rights of Cultural, Linguistic and Religious Communities for convening two national consultative conference
Total for Vote	(18 356)	18 356	

Other adjustments – R676.271 million**Adjustments due to significant and unforeseeable economic and financial events**

Additional funding of R5.271 million has been allocated to cover costs related to the higher than budgeted wage increase made by the Minister for Public Service and Administration.

Programme 1: Administration

R1.931 million

Programme 2: Governance, Policy and Research

R892 000

Programme 3: Urban and Rural Development

R247 000

Programme 4: Systems and Capacity Building

R1.303 million

Programme 5: Free Basic Services

R700 000

Programme 7: Fiscal Transfer

R198 000

Adjustments due to significant and unforeseeable economic and financial events

Programme 6: Provincial and Local Government Transfers

R671 million has been allocated to cover municipal costs for providing free basic services, due to the electricity price increase.

Funds shifted within a vote

Programme 1: Administration

R1.46 million will be shifted from compensation of employees to goods and services in programme 2 following the shift of the library services function.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 29.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 - Sep 07 % of adjusted appropriation	Apr 2007- Mar 2008	Apr 07 - Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 - Sep 08 % of adjusted appropriation
1. Administration	137 876	64 822	47.0	143 690	104.2	150 690	74 999	49.8
2. Governance, Policy and Research	43 303	15 318	35.4	38 780	89.6	43 672	19 496	44.6
3. Urban and Rural Development	10 682	3 769	35.3	8 626	80.8	12 874	4 621	35.9
4. Systems and Capacity Building	95 123	37 377	39.3	89 605	94.2	106 307	42 781	40.2
5. Free Basic Services and Infrastructure	40 402	15 001	37.1	34 542	85.5	41 104	17 447	42.4
6. Provincial and Local Government Transfers	29 629 760	10 523 168	35.5	29 629 759	100.0	35 185 631	12 110 614	34.4
7. Fiscal Transfers	79 605	42 747	53.7	84 714	106.4	98 729	57 798	58.5
Total	30 036 751	10 702 202	35.6	30 029 716	100.0	35 639 007	12 327 756	34.6
Economic classification			-		0.0			
Current payments	339 043	146 367	43.2	329 730	97.3	371 576	167 250	45.0
Compensation of employees	141 346	62 832	44.5	128 146	90.7	154 347	72 346	46.9
Goods and services	197 697	83 401	42.2	199 955	101.1	217 199	94 849	43.7
Financial transactions in assets and liabilities	-	134	-	1 629	0.0	30	55	183.3
Transfers and subsidies	29 692 421	10 554 581	35.5	29 692 145	100.0	35 259 364	12 156 230	34.5
Provinces and municipalities	29 631 357	10 523 176	35.5	29 629 769	100.0	35 185 951	12 110 619	34.4
Departmental agencies and accounts	56 572	29 024	51.3	56 572	100.0	67 473	43 257	64.1
Public corporations and private enterprises	81	170	209.9	393	485.2	100	221	221.0
Foreign governments and international organisations	-	-	-	139	0.0	-	146	0.0
Non-profit institutions	4 400	2 200	50.0	4 473	101.7	4 700	1 175	25.0
Households	11	11	100.0	799	7263.6	1 140	812	71.2
Payments for capital assets	5 287	1 254	23.7	7 841	148.3	8 067	4 276	53.0
Machinery and equipment	5 287	1 254	23.7	6 751	127.7	8 067	4 276	53.0
Software and other intangible assets	-	-	-	1 090	0.0	-	-	0.0
Total	30 036 751	10 702 202	35.6	30 029 716	100.0	35 639 007	12 327 756	34.6

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R12.328 billion, or 34.6 per cent of the adjusted appropriation of R35.639 billion for the year as a whole. Expenditure in the first six months of 2008/09

increased by R1.626 billion, or 15.2 per cent compared to spending in the first six months of 2007/08 which amounted to R10.702 billion, or 35.6 per cent of the 2007/08 adjusted appropriation.

The main increases compared to 2007/08 are related to inflation related adjustments on salaries and municipal services.

Expenditure for 2007/08 was 100 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 29.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	112	112	75	67.0
Interest, dividends and rent on land	3	3	-	-
Financial transactions in assets and liabilities	20	280	223	79.6
Total	135	395	298	75.4

Actual departmental revenue collections for the first six months of 2008/09 were R298 000 or 75.4 per cent of the adjusted estimate of R395 000.

Changes to transfers and subsidies, and conditional grants

Table 29.5: Summary of changes to transfers and subsidies per programme

R thousands	2008/09						Adjusted appropriation
	Main appropriation	Additional Appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements	Other adjustments		
1. Administration	300	-	-	120	-	120	420
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	200	-	-	120	-	120	320
Vehicle licenses	200	-	-	120	-	120	320
2. Governance, Policy and Research	-	-	-	240	-	240	240
Households							
Social benefits							
Current	-	-	-	240	-	240	240
Severance packages	-	-	-	240	-	240	240
5. Free Basic Services and Infrastructure	-	-	-	900	-	900	900
Households							
Social benefits							
Current	-	-	-	900	-	900	900
Severance packages	-	-	-	900	-	900	900

Table 29.5: Summary of changes to transfers and subsidies per programme (continued)

2008/09							
R thousands	Main appropriation	Additional Appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements	Other adjustments		
6. Provincial and Local Government Transfers	33 745 775	-	768 856	-	671 000	1 439 856	35 185 631
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Capital	-	-	29 730	-	-	29 730	29 730
Internally displaced people management grant	-	-	29 730	-	-	29 730	29 730
Municipalities							
Municipal bank accounts							
Current	25 088 685	-	-	-	671 000	671 000	25 759 685
Local government equitable share	24 888 685	-	-	-	671 000	671 000	25 559 685
Capital	-	-	17 317	-	-	17 317	17 317
Internally displaced people management grant	-	-	17 317	-	-	17 317	17 317
Municipal agencies and funds							
Capital	8 657 090	-	721 809	-	-	721 809	9 378 899
Municipal infrastructure grant	8 657 090	-	721 809	-	-	721 809	9 378 899
7. Fiscal Transfers	70 673	-	-	1 500	-	1 500	72 173
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	65 973	-	-	1 500	-	1 500	67 473
Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities	18 496	-	-	1 500	-	1 500	19 996

Table 29.6: Summary of changes to conditional grants: Provinces¹

2008/09							
R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Other adjustments		
Internally displaced people management grant	-	-	29 730	-	-	29 730	29 730

¹ Main appropriation detail provided in the Division of Revenue Act, 2008

Table 29.7: Summary of changes to conditional grants: Local Government (Municipalities)¹

2008/09							
R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Other adjustments		
Municipal infrastructure grant	8 657 090	-	721 809	-	-	721 809	9 378 899
Internally displaced people management grant	-	-	17 317	-	-	17 317	17 317

¹ Main appropriation detail provided in the Division of Revenue Act, 2008

Vote 30

Public Enterprises

Adjusted budget summary

2008/09				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	3 007 862	3 269 378	-	261 516
<i>of which:</i>				
Current payments	164 837	166 317	-	1 480
Transfers and subsidies	2 842 650	3 102 166	-	259 516
Payments for capital assets	375	895	-	520
Direct charge against the National Revenue Fund	-	-	-	-
Executive authority	Minister of Public Enterprises			
Accounting officer	Director-General of Public Enterprises			

Aim

The key objective 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 2008

Table 30.1: Adjusted estimates

Programme	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
R thousand		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	65 986	-	-	7 095	-	7 095	73 081
2. Energy and Broadband Enterprises	2 137 580	-	-	399	-	399	2 137 979
3. Legal, Governance, Risk and Transactions	158 163	-	-	(5 747)	-	(5 747)	152 416
4. Manufacturing Enterprises	11 641	-	259 516	(1 722)	-	257 794	269 435
5. Transport Enterprises	605 669	-	-	(1 309)	-	(1 309)	604 360
6. Joint Project Facility	28 823	-	-	1 284	2 000	3 284	32 107
Departmental Total	3 007 862	-	259 516	-	2 000	261 516	3 269 378
Economic classification							
Current payments	164 837	-	-	(520)	2 000	1 480	166 317
Compensation of employees	71 492	-	-	(3 522)	-	(3 522)	67 970
Goods and services	93 345	-	-	3 002	2 000	5 002	98 347
Transfers and subsidies	2 842 650	-	259 516	-	-	259 516	3 102 166
Public corporations and private enterprises	2 842 000	-	259 516	-	-	259 516	3 101 516
Households	650	-	-	-	-	-	650
Payments for capital assets	375	-	-	520	-	520	895
Machinery and equipment	375	-	-	520	-	520	895
Total	3 007 862	-	259 516	-	2 000	261 516	3 269 378

Details of adjustments to Estimates of National Expenditure 2008

Unforeseeable and unavoidable expenditure – R259.516 million

Programme 4: Manufacturing Enterprises

R259.516 million has been allocated for the Denel Saab Aerostructures indemnity claim.

Virements

Table 30.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	-	7 095	
Current payments	-	6 575	
Compensation of employees	-	769	R896 000 from compensation of employees in programme 3 for the salaries of employees that moved to the office of the Chief Investment Portfolio Manager
Goods and services	-	5 806	Savings of R127 000 to goods and services in this programme R127 000 from compensation of employees in programme 1 R1.858 million from compensation of employees in programme 3 R2.993 million from goods and services in programme 3 R259 000 from goods and services in programme 5 R126 000 from goods and services in programme 6 R289 000 from compensation of employees in programme 4 R674 000 from goods and services in programme 4 For the newly created office of the Chief Investment Portfolio Manager, a workstudy on the establishment in this programme, and energy saving projects in the department
Payments for capital assets	-	520	Savings of R520 000 to machinery and equipment in this programme
Machinery and equipment	-	520	From goods and services in programme 1 for a fire detection system for the building
2. Energy and Broadband Enterprises	(1 248)	1 647	
Current payments	(1 248)	1 647	
Compensation of employees	(1 248)	-	Vacancies due to scarcity of sector specialists: To goods and services in this programme
Goods and services	-	1 647	R1.248 million from compensation of employees in this programme R399 000 from goods and services in programme 4 For the review of Eskom's expansion and long term sustainability, and economic modeling projects
3. Legal, Governance, Risk and Transactions	(5 747)	-	
Current payments	(5 747)	-	
Compensation of employees	(2 754)	-	Savings due to resignations as well as movement of personnel to the Office of the Chief Investment Portfolio Manager: R896 000 to compensation of employees in programme 1 R1.858 million to goods and services in programme 1
Goods and services	(2 993)	-	Savings due to the shifting of employees and related costs to the office of the Chief Investment Portfolio Manager: To goods and services in programme 1
4. Manufacturing Enterprises	(1 722)	-	
Current payments	(1 722)	-	
Compensation of employees	(649)	-	Vacancies due to scarcity of sector specialists: R360 000 to compensation of employees in programme 6 R289 000 to goods and services in programme 1
Goods and services	(1 073)	-	Savings due to projects in Defence and Forestry that will not take place during the current financial year: R399 000 to goods and services in programme 2 R674 000 to goods and services in programme 1

Table 30.2: Virements (continued)

Programme / Economic classification	R thousand		Details and motivation
	From	To	
5. Transport Enterprises	(1 309)	-	
Current payments	(1 309)	-	
Compensation of employees	(1 050)	-	- Vacancies due to scarcity of sector specialists: To compensation of employees in programme 6
Goods and services	(259)	-	- Savings due to projects that will not take place during the current financial year: To goods and services in programme 1
6. Joint Project Facility	(126)	1 410	
Current payments	(126)	1 410	
Compensation of employees	-	1 410	R360 000 from compensation of employees in programme 4 R1.05 million from compensation of employees in programme 5 For the deficit in this programme
Goods and services	(126)	-	- Savings due to projects costing less than anticipated: To goods and services in programme 1
Total for Vote	(10 152)	10 152	

Other adjustments: R2 million

Funds shifted between votes or to follow the transfer of functions in terms of section 42 of the PFMA

R2 million will be transferred from the Department of Science and Technology for their contribution to the funding of a technology-specific element to the supplier benchmarking system.

Funds shifted within a vote

Programme 5: Transport Enterprises:

R36 million has been shifted from capital transfer payments to current transfer payments under public corporations and private enterprises, resulting in the current payment being increased from R104 million to R140 million. This payment will be made directly to Transnet Limited in respect of the purchase price of SA Express Airways (SAX), and the line has therefore been changed. The capital transfer payment to SAX will reduce to R445 million.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 30.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 - Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 - Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 - Sep 08 % of adjusted appropriation
R thousand								
1. Administration	66 332	29 888	45.1	66 281	99.9	73 081	38 115	52.2
2. Energy and Broadband Enterprises	2 514 329	3 877	0.2	2 514 327	100.0	2 137 979	1 507 821	70.5
3. Legal, Governance, Risk and Transactions	95 804	8 971	9.4	95 788	100.0	152 416	7 012	4.6
4. Manufacturing Enterprises	1 160 977	935 246	80.6	1 159 944	99.9	269 435	2 381	0.9
5. Transport Enterprises	752 130	2 231	0.3	752 128	100.0	604 360	5 103	0.8
6. Joint Project Facility	15 517	5 114	33.0	15 516	100.0	32 107	19 826	61.7
Total	4 605 089	985 327	21.4	4 603 984	100.0	3 269 378	1 580 258	48.3

Table 30.3: Expenditure trends (continued)

R thousand	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
Economic classification								
Current payments	128 616	50 356	39.2	126 566	98.4	166 317	76 246	45.8
Compensation of employees	62 010	28 898	46.6	55 998	90.3	67 970	33 223	48.9
Goods and services	66 606	21 458	32.2	70 541	105.9	98 347	43 023	43.7
Financial transactions in assets and liabilities	-	-	-	27	-	-	-	-
Transfers and subsidies	4 474 993	933 541	20.9	4 473 912	100.0	3 102 166	1 503 958	48.5
Provinces and municipalities	-	2	-	-	-	-	-	-
Public corporations and private enterprises	4 474 373	932 999	20.9	4 473 342	100.0	3 101 516	1 503 911	48.5
Households	620	540	87.1	570	91.9	650	47	7.2
Payments for capital assets	1 480	1 430	96.6	3 506	236.9	895	54	6.0
Machinery and equipment	1 480	1 301	87.9	2 377	160.6	895	54	6.0
Software and other intangible assets	-	129	-	1 129	-	-	-	-
Total	4 605 089	985 327	21.4	4 603 984	100.0	3 269 378	1 580 258	48.3

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R1.58 billion, or 48.3 per cent of the adjusted appropriation of R3.269 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R594.9 million, or 60.4 per cent compared to spending in the first six months of 2007/08 which amounted to R985.3 million, or 21.4 per cent of the 2007/08 adjusted appropriation.

The main increases compared to 2007/08 are related to transfer payments to the Pebble Bed Modular Reactor and to Infracore.

Expenditure for 2007/08 was almost equivalent to the funds appropriated for that year.

Departmental receipts

Table 30.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	34	34	19	55.9
Interest, dividends and rent on land	14	14	4	28.6
Financial transactions in assets and liabilities	22	22	21	95.5
Total	70	70	44	62.9

Actual departmental revenue collections for the first six months of 2008/09 were R44 000 or 62.9 per cent of the adjusted estimate of R70 000.

Changes to transfers and subsidies, and conditional grants

Table 30.5: Summary of changes to transfers and subsidies per programme

		2008/09					
		Additional Appropriation					
R thousands	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments	Total additional appropriation	Adjusted appropriation
4. Manufacturing Enterprises	-	-	259 516	-	-	259 516	259 516
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	-	-	259 516	-	-	259 516	259 516
Denel	-	-	259 516	-	-	259 516	259 516
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	104 000	-	-	-	36 000	36 000	140 000
Transnet: South African Express Airways (SAX)	104 000	-	-	-	36 000	36 000	140 000
Capital	481 000	-	-	-	(36 000)	(36 000)	445 000
South African Express Airways (SAX)	481 000	-	-	-	(36 000)	(36 000)	445 000

Vote 31

Science and Technology

Adjusted budget summary

R thousand	2008/09			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	3 703 972	3 721 715	-	17 743
<i>of which:</i>				
Current payments	226 629	242 852	-	16 223
Transfers and subsidies	3 475 082	3 476 728	-	1 646
Payments for capital assets	2 261	2 135	(126)	-
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.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Amount leveraged from international sources	R189m	R74m
Number of new international bilateral projects	86	162
Number of learners who attend the science week awareness programme	190 000	194 952
Number of students on the innovative bursary programme	415	0
Number of interns supported	100	0
Total number of centres of excellence established	8	7
Total number of research chairs established	72	0
Number of PhDs and postdoctoral fellowships supported at science councils and higher education institutions	155	0
Number of joint science and technology project activities between the Department of Science and Technology and other departments	14	6
Number of flagship projects supporting strategic areas of research and development	13	11

Bursaries, internships, research chairs, and PhDs and postdoctoral fellowships will be awarded at the end of the year.

Adjusted Estimates of National Expenditure 2008

Table 31.1: Adjusted estimates

Programme	2008/09						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	105 505	-	-	95	-	95	105 600
2. Research, Development and Innovation	873 097	-	-	(95)	-	(95)	873 002
3. International Co-operation and Resources	129 315	-	-	-	1 523	1 523	130 838
4. Human Capital and Knowledge Systems	1 449 024	-	-	-	3 361	3 361	1 452 385
5. Socio-Economic Partnerships	1 147 031	-	-	-	12 859	12 859	1 159 890
Departmental Total	3 703 972	-	-	-	17 743	17 743	3 721 715
Economic classification							
Current payments	226 629	-	-	16 223	-	16 223	242 852
Compensation of employees	130 170	-	-	5 719	-	5 719	135 889
Goods and services	96 459	-	-	10 504	-	10 504	106 963
Transfers and subsidies	3 475 082	-	-	(16 097)	17 743	1 646	3 476 728
Departmental agencies and accounts	1 927 672	-	-	(12 113)	(4 927)	(17 040)	1 910 632
Universities and technikons	10 000	-	-	-	8 309	8 309	18 309
Public corporations and private enterprises	550 861	-	-	3 450	324 759	328 209	879 070
Non-profit institutions	986 549	-	-	(7 849)	(310 398)	(318 247)	668 302
Households	-	-	-	415	-	415	415
Payments for capital assets	2 261	-	-	(126)	-	(126)	2 135
Machinery and equipment	2 261	-	-	(126)	-	(126)	2 135
Total	3 703 972	-	-	-	17 743	17 743	3 721 715

Details of adjustments to Estimates of National Expenditure 2008

Virements

Table 31.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	(2 680)	2 775	
Current payments	(2 554)	1 643	
Compensation of employees	-	1 643	R1.548 million from goods and services in this programme to create 4 posts for internal audit functions instead of outsourcing (R900 000); a PA post in the COO's office (173 000), 2 new posts in the strategy and planning unit (R384 000), and a new level 8 post in the deputy minister's office (R91 000)
Goods and services	(2 554)	-	R95 000 from compensation of employees in programme 2 to upgrade the legal services manager post to a general manager post R126 000 from machinery and equipment in this programme for consultants
Transfers and Subsidies	-	1 132	Savings on consultants:
Non-profit institutions	-	920	R1.548 million to compensation of employees in this programme
Households	-	212	R920 000 to non-profit institutions in this programme R212 000 to households in this programme
Payments for capital assets	(126)	-	
Machinery and equipment	(126)	-	Budgeted capital assets not purchased: To goods and services in this programme

Table 31.2: Virements (continued)

Programme / Economic classification	R thousand		Details and motivation
	From	To	
2. Research, Development and Innovation	(17 259)	17 164	
Current payments	-	17 048	
Compensation of employees	-	731	R625 000 from non-profit institutions in this programme to create a general manager post in the Hydrogen and Energy subprogramme R201 000 from goods and services in the Hydrogen and Energy subprogramme of this programme to create a manager post in the same subprogramme R95 000 moved to Programme 1 compensation of employees for the upgrade the legal services manager post to a general manager post
Goods and services	-	16 317	R8.269 million from non-profit institutions in this programme for consultants for the Astronomy Act Regulations (R50 000); hosting the SKA African partner countries forums and discussions on harnessing the economic benefits of the SA SKA Bid (R214 000); newsletters, user requirements, CNES workshops, and literature for the SKA African partner countries forums (R682 000); strategy launch, Howteq evaluation and Sunspace audits (R800 000); implementation of innovation projects and advisory services in the Department of Science and Technology instead of in the Innovation Fund (R4.5 million); NBAC projects funded via service providers (R1.5 million) and expenditure relating to the launching of the HFCT Strategy (R512 740) R8.365 million moved from Departmental Agencies and Accounts for the migration of the Innovation Fund to the Technology Innovation Agency processes Savings on venues and facilities: R201 000 to compensation of employees in this programme R116 000 to households in this programme
Transfers and Subsidies	(17 259)	116	
Departmental agencies and accounts	(8 990)	-	R8.365 million shifted from the Innovation Fund transfer to Goods and Services as this was budgeted for the migration of TIA processes as being a transfer, but now it is anticipated that these processes will be driven by the DST, therefore moved to Goods and Services R625 000 shifted to Compensation of employees for the creation of a general manager post to head this process
Non-profit institutions	(8 269)	-	R1. 010 million from Space Science and R736 000 from SKA will be reprioritized to cover related expenditure under goods and services that was originally budgeted for as transfers R512 740 from the Hydrogen Strategy will be moved to cover operational costs relating to the launching of the HFCT Strategy expensed under goods and services R4.5 million from the Innovation Projects will be moved to goods and services due to the implementation of the Innovation Projects and advisory services to be handled within the Department of Science and Technology as opposed to implementation of the same from the Innovation Fund R1.5 million from Health Innovation will be moved to goods and services to cover NBAC projects funded via service providers
Households	-	116	Shifted from Goods and Services to cover gifts and donations expensed here
3. International Co-operation and Resources	(6 773)	6 773	
Current payments	(6 773)	3 294	
Compensation of employees	-	3 294	R3 million from goods and services in this programme for foreign allowances for science and technology attaches R294 000 from goods and services in the Bilateral Cooperation subprogramme to create a manager post in the same subprogramme
Goods and services	(6 773)	-	R3 million to compensation of employees in this programme (originally budgeted under Goods and Services) Savings on travel and subsistence: R294 000 to compensation of employees in this programme R29 000 to households in this programme Decision not to participate in the SA-China 10-Year celebration expo: R3.45 million to public corporations and private enterprises
Transfers and Subsidies	-	3 479	
Public corporations and private enterprises	-	3 450	R3.45 million shifted from Goods and Services which will be used for strategic international collaboration projects.
Households	-	29	From goods and services in this programme for gifts and donations expensed here

Table 31.2: Virements (continued)

Programme / Economic classification	R thousand		Details and motivation
	From	To	
4. Human Capital and Knowledge Systems	(1 000)	1 000	
Current payments	-	942	
Compensation of employees	-	51	From goods and services in this programme for upgrading a post
Goods and services	-	891	R1 million from non-profit institutions in this programme for establishing the Nano Advisory Board, the Nano Ethics and Standards Committee and the Infrastructure Advisory Board (R500 000) and for operational expenditure for the Indigenous Knowledge Systems Advisory Ministerial Committee
			Savings on catering: R51 00 to compensation of employees in this programme R58 000 to households in this programme
Transfers and Subsidies	(1 000)	58	
Departmental agencies and accounts	(500)	-	- Savings of R500 000 within the RDI transfers due to contractual arrangements have been reprioritised to goods and services for the establishment of a Nano Advisory Board, Nano ethics & Standards Committee and Infrastructure Advisory Board
Non-profit institutions	(500)	-	- R500 000 shifted from IKS transfers relating to operational expenditure wrt the Indigenous Knowledge Systems for expenses relating to the Advisory Ministerial Committee
Households	-	58	From goods and services in this programme for gifts and donations
5. Socio-Economic Partnerships	(2 623)	2 623	
Current payments	-	2 623	
Goods and services	-	2 623	From departmental agencies and accounts in this programme for consultants to develop a detailed foundry industry development programme that supports the competitive supplier development programme
Transfers and Subsidies	(2 623)	-	
Departmental agencies and accounts	(2 623)	-	- Funding originally set aside to support the development of a detailed foundry industry development programme that supports the Competitive Supplier Development Programme (CSDP). In terms of the services that will now be required, R2.623 million will be required to contract commercial consultants to develop detailed business plans and therefore this amount will be managed as Professional and Special Services
Total for Vote	(30 335)	30 335	

Other adjustments – R17.743 million

Adjustments due to significant and unforeseeable economic and financial events

Additional funding of R19.743 million has been allocated to cover costs related to the higher than budgeted wage increase made by the Minister for Public Service and Administration.

Programme 3: International Co-operation and Resources

R1.523 million for the Africa Institute of South Africa

Programme 4: Human Capital and Knowledge Systems

R3.361 million for the National Research Foundation

Programme 5: Socio-Economic Partnerships

R6.033 million for the Human Science Research Foundation

R8.826 million for the Council for Scientific and Industrial Research

Funds shifted between votes or to follow the transfer of functions in terms of section 42 of the PFMA

Programme 5: Socio-Economic Partnerships

R2 million will be transferred to the Department of Public Enterprise to support the development of a detailed foundry industry development programme that supports the competitive supplier development programme.

Gifts, donations and sponsorships – R415 000

The department made gifts to various foreign visitors and delegations totalling R415 000. None of the transactions exceeded R100 000.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 31.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
1. Administration	115 062	42 911	37.3	113 390	98.5	105 600	53 224	50.4
2. Research, Development and Innovation	541 301	171 356	31.7	531 444	98.2	873 002	385 067	44.1
3. International Co-operation and Resources	103 776	52 922	51.0	99 433	95.8	130 838	60 832	46.5
4. Human Capital and Knowledge Systems	1 252 079	643 585	51.4	1 272 583	101.6	1 452 385	879 518	60.6
5. Socio-Economic Partnerships	1 132 011	620 513	54.8	1 110 430	98.1	1 159 890	690 488	59.5
Total	3 144 229	1 531 287	48.7	3 127 280	9.9	3 721 715	2 069 129	55.6
Economic classification								
Current payments	246 934	91 104	36.9	211 000	85.4	242 852	116 391	47.9
Compensation of employees	114 861	49 629	43.2	104 075	90.6	135 889	70 818	52.1
Goods and services	132 059	41 461	31.4	106 843	80.9	106 963	45 573	42.6
Financial transactions in assets and liabilities	14	14	100.0	82	585.7	-	-	-
Transfers and subsidies	2 894 611	1 438 528	49.7	2 908 359	100.5	3 476 728	1 951 600	56.1
Departmental agencies and accounts	1 616 012	738 221	45.7	1 516 928	93.9	1 910 632	992 882	52.0
Universities and technikons	15 033	15 533	103.3	45 817	304.8	18 309	17 013	92.9
Public corporations and private enterprises	593 534	602 128	101.4	1 023 212	172.4	879 070	698 751	79.5
Non-profit institutions	669 386	82 093	12.3	322 215	48.1	668 302	242 032	36.2
Households	646	553	85.6	187	28.9	415	922	222.2
Payments for capital assets	2 684	1 655	61.7	7 921	295.1	2 135	1 138	53.3
Machinery and equipment	2 684	1 655	61.7	7 921	295.1	2 135	1 138	53.3
Total	3 144 229	1 531 287	48.7	3 127 280	99.5	3 721 715	2 069 129	55.6

Expenditure in the first six months of 2008/09 was R2.069 billion, or 55.6 per cent of the adjusted appropriation of R3.721 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R537.8 million, or 35.1 per cent compared to spending in the first six months of 2007/08 which amounted to R1.531 billion, or 48.7 per cent of the 2007/08 adjusted appropriation.

The main increases compared to 2007/08 are due to transfer payments being disbursed earlier in the current financial year when compared to the previous year.

Expenditure for 2007/08 was 99.5 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 31.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	61	25	13	52.0
Interest, dividends and rent on land	-	6	5	83.3
Financial transactions in assets and liabilities	9	75	41	54.7
Total	70	106	59	55.7

Actual departmental revenue collections for the first six months of 2008/09 were R59 000 or 55.7 per cent of the adjusted estimate of R106 000.

Changes to transfers and subsidies, and conditional grants

Table 31.5: Summary of changes to transfers and subsidies per programme

R thousands	2008/09						Adjusted appropriation
	Main appropriation	Additional Appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements	Other adjustments		
1. Administration	2 315	-	-	1 132	-	1 132	3 447
Non-profit institutions							
Current	2 315	-	-	920	-	920	3 235
Institutional and Programme Support	-	-	-	920	-	920	920
Households							
Social benefits							
Current	-	-	-	212	-	212	212
Gifts and Donations	-	-	-	212	-	212	212
2. Research, Development and Innovation	845 493	-	-	(17 143)	-	(17 143)	828 350
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	214 859	-	-	(8 990)	4 496	(4 494)	210 365
Innovation Fund	148 990	-	-	(8 990)	-	(8 990)	140 000
South African National Energy Research Institute	44 268	-	-	-	(21 000)	(21 000)	23 268
Square Kilometer Array	-	-	-	-	25 496	25 496	25 496
Capital	-	-	-	-	165 000	165 000	165 000
Square Kilometer Array Capital	-	-	-	-	165 000	165 000	165 000
Universities and technikons							
Current	10 000	-	-	-	100	100	10 100
Biotechnology Strategy	-	-	-	-	100	100	100
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	5 000	-	-	-	2 465	2 465	7 465
Biotechnology Strategy	-	-	-	-	50	50	50
Space Science Current	-	-	-	-	2 415	2 415	2 415
Capital	-	-	-	-	14 100	14 100	14 100
Space Science Capital	-	-	-	-	14 100	14 100	14 100

Table 31.5: Summary of changes to transfers and subsidies per programme (continued)

		2008/09						
		Additional Appropriation				Total additional appropriation	Adjusted appropriation	
R thousands	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements	Other adjustments			
Non-profit institutions								
Current	295 134	-	-	(7 533)	(7 061)	(14 594)	280 540	
Biotechnology Strategy	175 507	-	-	-	(150)	(150)	175 357	
Health Innovation	20 000	-	-	(1 500)	-	(1 500)	18 500	
Hydrogen Strategy	39 071	-	-	(513)	-	(513)	38 558	
Innovation Projects	4 510	-	-	(4 510)	-	(4 510)	-	
Space Science	25 100	-	-	(1 010)	(2 415)	(3 425)	21 675	
Square Kilometer Array	25 496	-	-	-	(25 496)	(25 496)	-	
South African National Energy Research Institute	-	-	-	-	21 000	21 000	21 000	
Capital								
Space Science	15 000	-	-	-	(14 100)	(14 100)	900	
Square Kilometer Array	265 000	-	-	(736)	(165 000)	(165 736)	99 264	
Households								
Social benefits								
Current	-	-	-	116	-	116	116	
Gifts and Donations	-	-	-	116	-	116	116	
3. International Co-operation and Resources	82 154	-	-	3 479	1 523	5 002	87 156	
Departmental agencies and accounts								
Departmental agencies and accounts (non-business entities)								
Current	28 941	-	-	-	1 818	1 818	30 759	
Africa Institute of South Africa	28 941	-	-	-	1 523	1 523	30 464	
Global Science - International Resources	-	-	-	-	295	295	295	
Universities and technikons								
Current	-	-	-	-	1 409	1 409	1 409	
Global Science - International Resources	-	-	-	-	1 409	1 409	1 409	
Public corporations and private enterprises								
Public corporations								
Other transfers								
Current	-	-	-	3 450	17 677	21 127	21 127	
Global Science - Multilaterals & Africa	-	-	-	-	6 399	6 399	6 399	
Global Science - International Resources	-	-	-	-	8 112	8 112	8 112	
Global Science - Bilateral Cooperation	-	-	-	3 450	3 166	6 616	6 616	
Non-profit institutions								
Current	53 213	-	-	-	(19 381)	(19 381)	33 832	
Global Science - Multilaterals and Africa	13 203	-	-	-	(6 399)	(6 399)	6 804	
Global Science - Bilateral Cooperation	11 688	-	-	-	(3 166)	(3 166)	8 522	
Global Science - International Resources	28 322	-	-	-	(9 816)	(9 816)	18 506	
Households								
Other transfers								
Current	-	-	-	29	-	29	29	
Gifts and Donations	-	-	-	29	-	29	29	

Table 31.5: Summary of changes to transfers and subsidies per programme (continued)

		2008/09						
		Additional Appropriation				Total	Adjusted	
R thousands	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments	additional appropriation	appropriation	
4. Human Capital and Knowledge Systems	1 425 925	-	-	(942)	3 361	2 419	1 428 344	
Departmental agencies and accounts								
Social security funds								
Current	1 039 409	-	-	-	(169)	(169)	1 039 240	
Human Resource Development	256 810	-	-	6 900	(3 530)	3 370	260 180	
National Research Foundation	686 959	-	-	(6 900)	3 361	(3 539)	683 420	
Capital	141 106	-	-	(500)	(89 000)	(89 500)	51 606	
Research and Development Infrastructure	141 106	-	-	(500)	(89 000)	(89 500)	51 606	
Departmental agencies and accounts (non-business entities)								
Current	-	-	-	-	14 929	14 929	14 929	
Science Themes	-	-	-	-	14 929	14 929	14 929	
Universities and technikons								
Current	-	-	-	-	3 300	3 300	3 300	
Science and Youth	-	-	-	-	3 300	3 300	3 300	
Public corporations and private enterprises								
Public corporations								
Other transfers								
Current	-	-	-	-	3 880	3 880	3 880	
Human Resource Development	-	-	-	-	3 530	3 530	3 530	
Indigenous Knowledge System	-	-	-	-	350	350	350	
Capital	-	-	-	-	225 150	225 150	225 150	
Frontier Science and Technology Capital	-	-	-	-	136 150	136 150	136 150	
Research and Development Infrastructure Capital	-	-	-	-	89 000	89 000	89 000	
Non-profit institutions								
Current	100 910	-	-	(500)	(18 579)	(19 079)	81 831	
Academies	5 320	-	-	250	-	250	5 570	
Indigenous Knowledge System	5 270	-	-	(500)	(350)	(850)	4 420	
Science and Youth	43 188	-	-	-	(900)	(900)	42 288	
Science Themes	47 132	-	-	(250)	(17 329)	(17 579)	29 553	
Capital	-	-	-	-	-	-	-	
Frontier Science and Technology	144 500	-	-	-	(136 150)	(136 150)	8 350	
Households								
Other transfers								
Current	-	-	-	58	-	58	58	
Gifts and Donations	-	-	-	58	-	58	58	

Table 31.5: Summary of changes to transfers and subsidies per programme (continued)

2008/09							
R thousands	Main appropriation	Additional Appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
5. Socio-Economic Partnerships	1 119 195	-	-	(2 623)	12 859	10 236	1 129 431
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	503 357	-	-	(2 623)	(102 001)	(104 624)	398 733
Human Science Research Council	157 818	-	-	-	6 033	6 033	163 851
Resource Based Industries	33 201	-	-	-	(16 865)	(16 865)	16 336
Technology for Poverty Alleviation	23 660	-	-	-	(6 000)	(6 000)	17 660
Technology for Sustainable Livelihoods	32 155	-	-	-	(11 758)	(11 758)	20 397
Tshumisano	36 600	-	-	-	(36 600)	(36 600)	-
Local Systems of Innovation	6 912	-	-	-	(5 400)	(5 400)	1 512
Local Manufacturing Capacity	28 179	-	-	(2 623)	(8 750)	(11 373)	16 806
Natural Resources and Public Assets	52 832	-	-	-	(22 661)	(22 661)	30 171
Universities and technikons							
Current	-	-	-	-	3 500	3 500	3 500
Technology for Sustainable Livelihoods	-	-	-	-	3 100	3 100	3 100
Local Systems of Innovation	-	-	-	-	400	400	400
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	545 861	-	-	-	61 487	61 487	607 348
Council for Scientific and Industrial Research	545 861	-	-	-	8 826	8 826	554 687
Resource Based Industries	-	-	-	-	13 365	13 365	13 365
Information Communication Technology	-	-	-	-	24 638	24 638	24 638
Technology for Poverty Alleviation	-	-	-	-	6 000	6 000	6 000
Technology for Sustainable Livelihoods	-	-	-	-	8 658	8 658	8 658
Non-profit institutions							
Current	69 977	-	-	-	49 873	49 873	119 850
Information Communication Technology	69 977	-	-	-	(24 638)	(24 638)	45 339
Local Manufacturing Capacity	-	-	-	-	6 750	6 750	6 750
Tshumisano	-	-	-	-	36 600	36 600	36 600
Resource Based Industries	-	-	-	-	3 500	3 500	3 500
Natural Resources and Public Assets	-	-	-	-	22 661	22 661	22 661
Local Systems of Innovation	-	-	-	-	5 000	5 000	5 000

Vote 32

Trade and Industry

Adjusted budget summary

R thousand	2008/09			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	5 102 605	5 126 893	-	24 288
<i>of which:</i>				
Current payments	984 334	969 838	(14 496)	-
Transfers and subsidies	4 103 093	4 124 765	-	21 672
Payments for capital assets	15 178	32 290	-	17 112
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.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of projects implemented under the national industrial participation programme	225	200
Value of investment and export credits	US\$10bn	US\$13.5bn
Number of direct jobs created or retained	18 500	16 000
Number of companies implementing cleaner production activities	10	10
Number of support programmes for industrial innovation (SPII) projects	85	39
Total value of SPII projects	R120m	R67m
Number of business incubators supported	29	24
Number of technology transfer interventions supported	30	6
Number of SMMEs supported with conformity assessments	150	25
Number of SMMEs supported with capacity development and skills on national and international standards	500	208
Number of projects supported by the technology and human resources for industry programme (THRIP)	310	270
Number of students supported under THRIP	2 500	2 602
Number of researchers supported under THRIP	730	609
Number of enterprises supported under THRIP	400	360
Number of BEE charters assisted with alignment and gazetting in terms of sections 12 and 9 of the BEE Act	7	7

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of jobs created through incentives developed and administered	10 737	7 241
Number of firms assisted with incentives	4 260	3 685
Number of companies assisted with:		
- export market and investment assistance	205	191
- business process outsourcing and off-shoring	7	5
- black business supplier development programme	1 320	999
- enterprise development programme	3 200	2 470
- small and medium enterprise growth programme	250	0
Number of film and television productions assisted	60	20
Number of bilateral and regional trade and investment agreements signed	12	1
Number of regional intra-Africa trade agreements and successful technical and business missions undertaken	15	10
Number of targeted internal and external events and exhibitions	50	70
Number of foreign investors located in the Coega IDZ	14	6
Total value of investment	R8.6bn	R137m
Number of further investors expected	-	9
Total value of further investments	-	R22bn
Number of foreign investors located in the East London IDZ	7	7
Total value of investment	R850m	R521m
Number of jobs created	-	820
Number of further investors expected	-	6
Total value of further investments	-	R500m
Number of foreign investors located in the Richards Bay IDZ	6	1
Total value of investment	R2.4bn	R1bn
Total value of investment generated	R2.3bn	R1.2bn

The number of technology transfer interventions supported is not on target because the technology transfer policy had to be updated first and new staff appointed. It is expected that the target will be achieved by the end of the year.

The number of SMMEs supported with conformity assessments is not on target because the quality division was only transferred in July 2008.

There were sufficient funds to cover the additional number of students supported under THRIP.

The department is able to finance the additional number of targeted internal and external events and exhibitions.

Three new investors have been signed for the Coega IDZ with an estimated investment value of R170 million. The Coega Development Corporation is targeting to sign six new investors with an estimated value of R21.9 billion in the current financial year.

Negotiations are underway by the Richards Bay IDZ operator to locate another investor on site.

Adjusted Estimates of National Expenditure 2008

Table 32.1: Adjusted estimates

Programme	2008/09						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
R thousand		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	398 094	-	-	(9 105)	6 212	(2 893)	395 201
2. International Trade and Economic Development	148 767	-	-	1 276	1 300	2 576	151 343
3. Enterprise and Industry Development	1 597 612	-	-	10 327	2 000	12 327	1 609 939
4. Consumer and Corporate Regulation	184 589	-	-	(267)	-	(267)	184 322
5. The Enterprise Organisation	2 402 281	10 012	-	2 500	1 764	14 276	2 416 557
6. Trade and Investment South Africa	297 431	-	-	(2 618)	3 000	382	297 813
7. Marketing	73 831	-	-	(2 113)	-	(2 113)	71 718
Departmental Total	5 102 605	10 012	-	-	14 276	24 288	5 126 893
Economic classification							
Current payments	984 334	-	-	(25 872)	11 376	(14 496)	969 838
Compensation of employees	375 386	-	-	24 095	12 512	36 607	411 993
Goods and services	608 948	-	-	(49 967)	(1 136)	(51 103)	557 845
Transfers and subsidies	4 103 093	10 012	-	8 760	2 900	21 672	4 124 765
Departmental agencies and accounts	1 253 597	-	-	14 856	(9 343)	5 513	1 259 110
Universities and technikons	-	-	-	10 500	-	10 500	10 500
Public corporations and private enterprises	2 822 604	10 012	-	(29 674)	12 243	(7 419)	2 815 185
Foreign governments and international organisations	23 217	-	-	5 622	-	5 622	28 839
Non-profit institutions	2 475	-	-	3 600	-	3 600	6 075
Households	1 200	-	-	3 856	-	3 856	5 056
Payments for capital assets	15 178	-	-	17 112	-	17 112	32 290
Machinery and equipment	13 216	-	-	12 850	-	12 850	26 066
Total	5 102 605	10 012	-	-	14 276	24 288	5 126 893

Details of adjustments to Estimates of National Expenditure 2008

Roll-over of funds – R10.012 million

Programme 5: The Enterprise Organisation

R3.8 million has been rolled over for the black business supplier development programme for incentive scheme claims.

R6.212 million has been rolled over for the critical infrastructure programme for claims for approved infrastructure applications.

Virements

Table 32.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	(27 997)	18 892	
Current payments	(22 878)	4 792	
Compensation of employees	-	4 792	From goods and services in this programme for posts within the programme's approved establishment
Goods and services	(22 878)	-	Consultancy and special services, travel and subsistence, and communications downscaled to fund higher priority projects: R4.792 million to compensation of employees in this programme R270 000 to households in this programme R9.459 million to machinery and equipment in this programme R4.371 million to software and other intangible assets in this programme R719 000 to compensation of employees in programme 2 R557 000 to foreign governments and international organisations in programme 2 R2.71 million to public corporations and private enterprises in programme 3
Transfers and Subsidies	(5 119)	270	
Public corporations and private enterprises	(5 119)	-	Savings in the Industrial Development Corporation: Fund for Research into Industrial Development, Growth and Equity were reprioritised: To public corporations and private enterprises in programme 3
Households	-	270	From goods and services in this programme for leave gratuities
Payments for capital assets	-	13 830	
Machinery and equipment	-	9 459	From goods and services in this programme for computer equipment
Software and other intangible assets	-	4 371	From goods and services in this programme for computer software
2. International Trade and Economic Development	(192)	1 468	
Current payments	-	836	
Compensation of employees	-	719	From goods and services in programme 1 for posts within the programme's approved establishment
Goods and services	-	117	From machinery and equipment in this programme for international travel to World Trade Organisation meetings
Transfers and Subsidies	(3)	632	
Foreign governments and international organisations	-	622	R557 000 from goods and services in programme 1 R65 000 from machinery and equipment in this programme For the Organisation for the Prohibition of Chemical Weapons contribution (R621 000) and the World Trade Organisation (R1 000) contributions due to exchange rate fluctuations
Public corporations and private enterprises	(3)	-	Transfer and subsidy payments to public entities and incentive schemes reprioritised: To households in this programme
Households	-	10	R3 000 from public corporations and private enterprises in this programme R4 000 from machinery and equipment in this programme R3 000 from software and other intangible assets in this programme For employee leave gratuities
Payments for capital assets	(189)	-	
Machinery and equipment	(186)	-	Reduced costs for computers due to vacancies: R117 000 to goods and services in this programme R65 000 to foreign governments and international organisations in this programme R4 000 to households in this programme
Software and other intangible assets	(3)	-	Reduced costs for computers due to vacancies: To households in this programme
3. Enterprise and Industry Development	(36 981)	47 308	
Current payments	(9 775)	13 776	
Compensation of employees	-	13 776	R6.237 million from goods and services in this programme R6.658 million from public corporations and private enterprises in this programme R154 000 from machinery and equipment in this programme R267 000 from compensation of employees in programme 4 R118 000 from goods and services in programme 6 R342 000 from goods and services in programme 7 For under-funded posts within the programme's approved establishment
Goods and services	(9 775)	-	Resettlement, venues and facilities, and consultancy and special services downscaled to fund higher priority projects: R6.237 million to compensation of employees in this programme R3.538 million to foreign governments and international organisations in this programme

Table 32.2: Virements (continued)

Programme / Economic classification	R thousand		Details and motivation
	From	To	
Transfers and Subsidies	(27 052)	33 532	
Departmental agencies and accounts	-	10 856	From public corporations and private enterprises in this programme for the Small Enterprise Development Agency technology programme to improve its impact
Universities and technikons	-	10 500	From public corporations and private enterprises in this programme for applied research projects in line with industry needs to develop skills and opportunities for students and graduates through the centres of excellence
Foreign governments and international organisations	-	5 000	R3.538 million from goods and services in this programme R1.462 million from public corporations and private enterprises in this programme To increase the contribution to the United Nations Industrial Development Organisation due to exchange rate fluctuations
Public corporations and private enterprises	(27 052)	-	R2.71 million from goods and services in programme 1 R5.119 million from public corporations and private enterprises in programme 1 R1.171 million from goods and services in programme 7 To increase the transfer payment to the Industrial Development Corporation: Isivande Women's Fund for increased financial support for women entrepreneurs Savings in the transfer payments to the Council for Scientific and Industrial Research: Technology for Women in Business, the South African Bureau of Standards: Small Business Technical Consulting, and the Industrial Development Corporation: Support Programme for Industrial Innovation: R6.658 million to compensation of employees in this programme R10.856 million to departmental agencies and accounts in this programme R10.5 million to universities and technikons in this programme R1.462 million to foreign governments and international organisations in this programme R3 million to non-profit institutions in this programme R3.576 million to households in this programme
Non-profit institutions	-	3 600	R3 million from public corporations and private enterprises in this programme R600 000 from goods and services in programme 7 For the South African Women Entrepreneurs' Network
Households	-	3 576	From public corporations and private enterprises in this programme for sponsorships for the Technology for Women in Business (R180 000) and the Umsobomvu Youth Fund (R3 million), and for employee leave gratuities (R396 000)
Payments for capital assets	(154)	-	
Machinery and equipment	(154)	-	Certain operations downscaled to fund higher priority projects: To compensation of employees
4. Consumer and Corporate Regulation	(4 311)	4 044	
Current payments	(4 311)	-	
Compensation of employees	(509)	-	Savings due to resignations of mainly senior officials: R267 000 to compensation of employees in programme 3 R198 000 to departmental agencies and accounts in this programme R44 000 to machinery and equipment in this programme
Goods and services	(3 802)	-	Training and staff development, travel and subsistence, and consultancy and special services downscaled to fund higher priority projects: To departmental agencies and accounts in this programme.
Transfers and Subsidies	-	4 000	
Departmental agencies and accounts	-	4 000	R198 000 from compensation of employees in this programme R3.802 million from goods and services in this programme For the National Consumer Tribunal for capacity building
Payments for capital assets	-	44	
Machinery and equipment	-	44	From compensation of employees in this programme for computer equipment
5. The Enterprise Organisation	-	2 500	
Transfers and Subsidies	-	2 500	
Public corporations and private enterprises	-	2 500	From goods and services in programme 6 for the China exhibition
6. Trade and Investment South Africa	(6 452)	3 834	
Current payments	(6 452)	3 602	
Compensation of employees	-	3 602	From goods and services in this programme for staff situated abroad
Goods and services	(6 452)	-	Certain operations under travel and subsistence downscaled to fund higher priority projects: R118 000 to compensation of employees in programme 3 R2.5 million to goods and services in programme 5 R3.602 million to compensation of employees in this programme R232 000 to machinery and equipment in this programme
Payments for capital assets	-	232	
Machinery and equipment	-	232	From goods and services in this programme for computer equipment and office furniture for staff situated abroad

Table 32.2: Virements (continued)

Programme / Economic classification	R thousand		Details and motivation
	From	To	
7. Marketing	(7 283)	5 170	
Current payments	(7 177)	1 715	
Compensation of employees	-	1 715	From goods and services in this programme for posts within the programme's approved establishment
Goods and services	(7 177)	-	Certain operations under consultancy and special services downscaled to fund higher priority projects: R342 000 to compensation of employees in programme 3 R1.171 million to public corporations and private enterprises in programme 3 R600 000 to non-profit institutions in programme 3 R1.715 million to compensation of employees in this programme R3.349 million to machinery and equipment in this programme
Payments for capital assets	(106)	3 455	
Machinery and equipment	-	3 455	R3.349 million from goods and services in this programme R106 000 from software and other intangible assets in this programme For equipment for the Investment Call Centre
Software and other intangible assets	(106)	-	Savings due to delay in SITA tender processes: To machinery and equipment in this programme
Total for Vote	(83 216)	83 216	

Other adjustments – R14.276 million

Adjustments due to significant and unforeseeable economic and financial events

Additional funding of R12.512 million has been allocated to cover costs related to the higher than budgeted wage increase made by the Minister for Public Service and Administration.

Programme 1: Administration

R6.212 million

Programme 2: International Trade and Economic Development

R1.3 million

Programme 3: Enterprise and Industry Development

R2 million

Programme 6: Trade and Investment South Africa

R3 million

Funds shifted between votes or to follow the transfer of functions in terms of section 42 of the PFMA

Programme 5: The Enterprise Organisation

R1.136 million will be transferred to the Department of Arts and Culture for the production of the documentary film, The Manuscripts of Timbuktu, which is a Presidential project. This funding will ensure the continuation of the project.

R2.9 million will be transferred from the Department of Minerals and Energy as a contribution towards the total estimated cost of R26.9 million for South African exhibitions in China in October 2008.

Funds shifted within a vote

Programme 3: Enterprise and Industry Development

R20 million for the Centurion Aerospace Village has been shifted from departmental agencies and accounts to public corporations to correct the economic classification.

R39 million for the Industrial Development Corporation's customised sector programmes has been shifted from departmental agencies and accounts to public corporations to correct the economic classification.

R49.657 million for the National Metrology Institute of South Africa has been shifted from public corporations to departmental agencies to correct the economic classification.

R10 million has been shifted from the Industrial Development Corporation: Women Empowerment Fund under public corporations to the Industrial Development Corporation: Isivande Women's Fund, which is the new name of the fund.

Gifts, donations and sponsorships – R3.18 million

Programme 3: Enterprise and Industry Development

The department will make a donation of R180 000 to the Technology for Women in Business organisation for the first and second prizes of the annual awards. This sponsorship is in line with the black business supplier development programme. The department will also make a donation of R3 million to the Umsobomvu Youth Fund to co-fund training 150 community enterprise development officers as part of the national youth service programme.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 32.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 - Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 - Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 - Sep 08 % of adjusted appropriation
1. Administration	343 879	138 530	40.3	310 843	90.4	395 201	147 722	37.4
2. International Trade and Economic Development	140 680	46 480	33.0	133 522	94.9	151 343	57 539	38.0
3. Enterprise and Industry Development	1 808 022	895 963	49.6	1 793 292	99.2	1 609 939	764 494	47.5
4. Consumer and Corporate Regulation	154 969	73 341	47.3	148 525	95.8	184 322	38 991	21.2
5. The Enterprise Organisation	2 704 238	1 204 729	44.5	2 563 105	94.8	2 416 557	1 234 356	51.1
6. Trade and Investment South Africa	258 494	90 097	34.9	284 547	110.1	297 813	125 250	42.1
7. Marketing	69 151	18 275	26.4	61 517	89.0	71 718	48 933	68.2
Total	5 479 433	2 467 415	45.0	5 295 351	96.6	5 126 893	2 417 285	47.1
Current payments	795 055	306 229	38.5	746 948	93.9	969 838	391 647	40.4
Compensation of employees	310 708	145 764	46.9	327 488	105.4	411 993	173 860	42.2
Goods and services	484 347	160 130	33.1	393 588	81.3	557 845	217 569	39.0
Financial transactions in assets and liabilities	-	335	-	25 872	-	-	218	-

Table 32.3: Expenditure trends (continued)

R thousand	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 - Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 - Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 - Sep 08 % of adjusted appropriation
Transfers and subsidies	4 652 691	2 154 088	46.3	4 524 285	97.2	4 124 765	2 015 761	48.9
Provinces and municipalities	-	-	-	8	-	-	-	-
Departmental agencies and accounts	1 497 061	796 867	53.2	1 502 959	100.4	1 259 110	549 044	43.6
Universities and technikons	-	-	-	-	-	10 500	-	-
Public corporations and private enterprises	3 123 586	1 354 999	43.4	2 984 171	95.5	2 815 185	1 464 660	52.0
Foreign governments and international organisations	26 128	-	-	30 596	117.1	28 839	-	-
Non-profit institutions	5 000	1 200	24.0	5 000	100.0	6 075	1 000	16.5
Households	916	1 022	111.6	1 551	169.3	5 056	1 057	20.9
Payments for capital assets	31 687	7 098	22.4	24 118	76.1	32 290	9 877	30.6
Buildings and other fixed structures	4 426	1 137	25.7	-	-	-	-	-
Machinery and equipment	24 049	5 961	24.8	20 537	85.4	26 066	8 946	34.3
Software and other intangible assets	3 212	-	-	3 581	111.5	6 224	931	15.0
Total	5 479 433	2 467 415	45.0	5 295 351	96.6	5 126 893	2 417 285	47.1

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R2.417 billion or 47.1 per cent of the adjusted appropriation of R5.127 billion for the year as a whole. Expenditure in the first six months of 2008/09 decreased by R50.3 million, or 2 per cent compared to spending in the first six months of 2007/08 which amounted to R2.467 billion, or 45 per cent of the 2007/08 adjusted appropriation.

The main decrease compared to 2007/08 is related to the transfer payments under programme 4 which did not take place due to outstanding compliance issues.

Expenditure for 2007/08 was 96.6 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 32.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	3 307	3 597	1 242	34.5
Fines, penalties and forfeits	100 000	110 000	102 660	93.3
Interest, dividends and rent on land	100 947	95 947	102	0.1
<i>Of which:</i>				
Dividends	80 000	80 000	-	-
Sales of capital assets	-	64	64	100.0
Financial transactions in assets and liabilities	47 250	80 250	37 252	46.4
Total	251 504	289 858	141 320	48.8

Actual departmental revenue collections for the first six months of 2008/09 were R141.3 million or 48.8 per cent of the adjusted estimate of R289.9 million.

Changes to transfers and subsidies, and conditional grants

Table 32.5: Summary of changes to transfers and subsidies per programme

2008/09							
R thousands	Main appropriation	Additional Appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
1. Administration	6 919	-	-	(4 849)	-	(4 849)	2 070
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	5 719	-	-	(5 119)	-	(5 119)	600
Industrial Development Corporation: Fund for Research into Industrial Development, Growth and Equity	5 719	-	-	(5 119)	-	(5 119)	600
Households							
Social benefits							
Current	1 200	-	-	270	(1 200)	(930)	270
Household receiving Bursaries	1 200	-	-	-	(1 200)	(1 200)	-
Employee Leave Gratuity	-	-	-	270	-	270	270
Other transfers							
Current	-	-	-	-	1 200	1 200	1 200
Bursaries Non-Government Employees	-	-	-	-	1 200	1 200	1 200
2. International Trade and Economic Development	82 329	-	-	629	-	629	82 958
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	15 231	-	-	(3)	-	(3)	15 228
Development Bank of Southern Africa: Regional Spatial Development Initiatives	15 231	-	-	(3)	-	(3)	15 228
Foreign governments and international organisations							
Current	6 628	-	-	622	-	622	7 250
Organisation for the Prohibition of Chemical Weapons	1 679	-	-	621	-	621	2 300
World Trade Organisation	4 949	-	-	1	-	1	4 950
Households							
Social benefits							
Current	-	-	-	10	-	10	10
Employee Leave Gratuity	-	-	-	10	-	10	10

Table 32.5: Summary of changes to transfers and subsidies per programme (continued)

2008/09							Adjusted appropriation
R thousands	Main appropriation	Additional Appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements	Other adjustments		
3. Enterprise and Industry Development	1 425 610	-	-	6 480	-	6 480	1 432 090
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	605 556	-	-	10 856	(9 343)	1 513	607 069
National Empowerment Fund	107 000	-	-	(107 000)	-	(107 000)	-
Small Enterprise Development Agency	268 031	-	-	140 000	-	140 000	408 031
South African National Accreditation System	13 250	-	-	500	-	500	13 750
Small Enterprise Development Agency Technology Programme	61 522	-	-	15 217	-	15 217	76 739
South African Micro Finance Apex Fund	88 093	-	-	(50 000)	-	(50 000)	38 093
Centurion Aerospace Village	20 000	-	-	-	(20 000)	(20 000)	-
Industrial Development Corporation: Customised Sector Programmes	39 000	-	-	-	(39 000)	(39 000)	-
National Regulator for Compulsory Specifications	-	-	-	6 797	-	6 797	6 797
National Metrology Institute of South Africa	-	-	-	5 342	49 657	54 999	54 999
Universities and technikons							
Current	-	-	-	10 500	-	10 500	10 500
University of the Witwatersrand: National Aerospace Skills Sector Support Centre	-	-	-	3 000	-	3 000	3 000
North-West University: Advanced Manufacturing Skills Sector Support Centre	-	-	-	3 000	-	3 000	3 000
University of Pretoria: Advanced Engineering Centre of Excellence	-	-	-	2 500	-	2 500	2 500
Witwatersrand Business School: Centre for Entrepreneurship	-	-	-	2 000	-	2 000	2 000
Public corporations and private enterprises							
Public corporations							
Subsidies on products and production							
Current	49 657	-	-	-	(49 657)	(49 657)	-
National Metrology Institute of South Africa	49 657	-	-	-	(49 657)	(49 657)	-
Other transfers							
Current	231 785	-	-	13 965	39 000	52 965	284 750
Council for Scientific and Industrial Research: National Cleaner Production Centre	4 800	-	-	5 000	-	5 000	9 800
Council for Scientific and Industrial Research: Technology for Women in Business	6 171	-	-	(6 171)	-	(6 171)	-
Industrial Development Corporation: Women Empowerment Fund	10 000	-	-	-	(10 000)	(10 000)	-
South African Bureau of Standards: Research Contribution	139 508	-	-	2 636	-	2 636	142 144
South African Bureau of Standards: Small Business Technical Consulting	1 373	-	-	(500)	-	(500)	873
Industrial Development Corporation: Isivande Women's Fund	-	-	-	9 000	10 000	19 000	19 000
Council for Scientific and Industrial Research: Fibre and Textile Centre of Excellence	-	-	-	3 000	-	3 000	3 000
Council for Mineral Technology and Research: Customised Sector Programmes	-	-	-	1 000	-	1 000	1 000
Industrial Development Corporation: Customised Sector Programmes	-	-	-	-	39 000	39 000	39 000

Table 32.5: Summary of changes to transfers and subsidies per programme (continued)

2008/09							
R thousands	Main appropriation	Additional Appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
Capital	57 019	-	-	(41 017)	20 000	(21 017)	36 002
Council for Scientific and Industrial Research: Aerospace Industry	1	-	-	10 000	-	10 000	10 001
Industrial Development Corporation: Support Programme for Industrial Innovation	51 017	-	-	(51 017)	-	(51 017)	-
Centurion Aerospace Village	-	-	-	-	20 000	20 000	20 000
Foreign governments and international organisations							
Current	4 204	-	-	5 000	-	5 000	9 204
United Nations Industrial Development Organisation	4 204	-	-	5 000	-	5 000	9 204
Non-profit institutions							
Current	2 475	-	-	3 600	-	3 600	6 075
South African Women Entrepreneurs' Network	2 475	-	-	3 600	-	3 600	6 075
Households							
Social benefits							
Current	-	-	-	396	-	396	396
Employee Leave Gratuity	-	-	-	396	-	396	396
Other transfers							
Current	-	-	-	3 180	-	3 180	3 180
Technology for Women in Business: Sponsorship	-	-	-	180	-	180	180
Umsobomvu Youth Fund: Sponsorship	-	-	-	3 000	-	3 000	3 000
4. Consumer and Corporate Regulation	126 267	-	-	4 000	-	4 000	130 267
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	112 657	-	-	4 000	-	4 000	116 657
National Consumer Tribunal	7 392	-	-	4 000	-	4 000	11 392
5. The Enterprise Organisation	2 328 409	10 012	-	2 500	2 900	15 412	2 343 821
Public corporations and private enterprises							
Public corporations							
Other transfers							
Capital	834 356	-	-	38 100	-	38 100	872 456
Coega Development Corporation	635 636	-	-	82 789	-	82 789	718 425
Richards Bay Industrial Development Zone Company	44 690	-	-	(44 689)	-	(44 689)	1
Private enterprises							
Subsidies on production or products							
Current	1 280 563	-	-	21 000	(51 859)	(30 859)	1 249 704
Black Business Supplier Development Programme	32 529	-	-	-	(32 529)	(32 529)	-
Co-operatives Incentive Scheme	19 330	-	-	-	(19 330)	(19 330)	-
Sector Development Programme	20 000	-	-	(19 999)	-	(19 999)	1
Small and Medium Manufacturing Development Programme	9 661	-	-	(5 000)	-	(5 000)	4 661
Staple Food Fortification Programme	10 001	-	-	(7 000)	-	(7 000)	3 001
Industrial Development Zones-Other	5 000	-	-	(4 999)	-	(4 999)	1
Enterprise Investment Programme	40 100	-	-	(40 099)	-	(40 099)	1
Film and Television Production Incentive	179 240	-	-	(25 000)	-	(25 000)	154 240
Enterprise Development	854 701	-	-	123 097	-	123 097	977 798

Table 32.5: Summary of changes to transfers and subsidies per programme (continued)

		2008/09					
		Additional Appropriation				Total additional appropriation	Adjusted appropriation
R thousands	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements	Other adjustments		
Other transfers							
Current	106 485	3 800	-	(18 500)	54 759	40 059	146 544
Export Market and Investment Assistance	106 485	-	-	2 500	2 900	5 400	111 885
Black Business Supplier Development Programme	-	3 800	-	(11 000)	32 529	25 329	25 329
Co-operatives Incentive Scheme	-	-	-	(10 000)	19 330	9 330	9 330
Capital	107 005	6 212	-	(38 100)	-	(31 888)	75 117
Critical Infrastructure Programme	107 005	6 212	-	(38 100)	-	(31 888)	75 117

Vote 33

Transport

Adjusted budget summary

R thousand	2008/09			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	20 508 528	24 492 840	-	3 984 312
<i>of which:</i>				
Current payments	790 704	1 044 394	-	253 690
Transfers and subsidies	19 675 534	23 444 952	-	3 769 418
Payments for capital assets	42 290	3 494	(38 796)	-
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.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of Integrated rapid public transport network operational plans by metros	12	5
Number of scrapped taxis	9 180	6 590
Number of fatal road accidents	12 500	4 150
Number of bicycles distributed	120 000	9 000

Adjusted Estimates of National Expenditure 2008

Table 33.1: Adjusted estimates

Programme	2008/09						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	170 537	5 000	-	51 360	18 268	74 628	245 165
2. Transport Policy and Economic Regulation	37 733	1 261	-	(1 140)	9 357	9 478	47 211
3. Transport Regulation and Accident and Incident Investigation	255 863	8 270	-	-	168 430	176 700	432 563
4. Integrated Planning and Inter-sphere Co-ordination	7 769 453	8 745	1 035 473	(53 400)	6 741	997 559	8 767 012
5. Transport Logistics and Corridor Development	22 225	-	-	10 320	2 531	12 851	35 076
6. Public Transport	12 073 463	-	-	(740)	204 506	203 766	12 277 229
7. Public Entity Oversight and Border Operations and Control	179 254	14 000	1 200 000	(6 400)	1 301 730	2 509 330	2 688 584
Departmental Total	20 508 528	37 276	2 235 473	-	1 711 563	3 984 312	24 492 840

Table 33.1: Adjusted estimates (continued)

R thousand	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
Economic classification							
Current payments	790 704	37 276	-	5 400	211 014	253 690	1 044 394
Compensation of employees	196 176	-	-	(12 000)	46 014	34 014	230 190
Goods and services	594 528	37 276	-	17 400	165 000	219 676	814 204
Transfers and subsidies	19 675 534	-	2 235 473	33 396	1 500 549	3 769 418	23 444 952
Provinces and municipalities	6 435 993	-	1 035 473	47 696	-	1 083 169	7 519 162
Departmental agencies and accounts	4 342 793	-	1 200 000	(14 300)	1 300 000	2 485 700	6 828 493
Universities and technikons	7 796	-	-	-	-	-	7 796
Public corporations and private enterprises	8 410 872	-	-	-	200 549	200 549	8 611 421
Foreign governments and international organisations	4 871	-	-	-	-	-	4 871
Non-profit institutions	14 093	-	-	-	-	-	14 093
Households	459 116	-	-	-	-	-	459 116
Payments for capital assets	42 290	-	-	(38 796)	-	(38 796)	3 494
Buildings and other fixed structures	38 796	-	-	(38 796)	-	(38 796)	-
Machinery and equipment	3 494	-	-	-	-	-	3 494
Heritage assets	-	-	-	-	-	-	-
Total	20 508 528	37 276	2 235 473	-	1 711 563	3 984 312	24 492 840

Details of adjustments to Estimates of National Expenditure 2008

Roll-over of funds – R37.276 million

Programme 1: Administration

R5 million has been rolled over for the Arrive Alive campaign.

Programme 2: Transport Policy and Economic Regulation

R764 000 has been rolled over for the women and gender audit project.

R497 000 has been rolled over for aligning the transport sector charters with the code of good practice.

Programme 3: Transport Regulation and Accident and Incident Investigation

R8.27 million has been rolled over for oil pollution prevention.

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

R6.945 million has been rolled over for developing the national airports development plan.

R1.8 million has been rolled over for guidelines standards and monitoring for integrated transport planning.

Programme 7: Public Entity Oversight and Border Control

R14 million has been rolled over for restructuring the Road Accident Fund.

Unforeseen/unavoidable expenditure R2 235.473 million

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

R1.035 billion has been allocated to the disaster management grant for roads, bridges and stormwater damage due to recent floods in KwaZulu-Natal and Western Cape.

Programme 7: Public Entity Oversight and Border Operations and Control

R1.2 billion has been allocated to the Road Accident Fund to address liquidity constraints to provide for the payment of claims. An additional R1.3 billion was allocated in accordance with section 16 of the PFMA. R2.5 billion has thus been allocated in total.

Virements

Table 33.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	(2 140)	53 500	
Current payments	(2 140)	53 500	
Compensation of employees	(2 140)	-	35% vacancy rate and skills shortages: To goods and services in programme 1 R2.14 million from compensation of employees in this programme R2.64 million from compensation of employees in programme 2 R3.4 million from compensation of employees in programme 4 R26.2 million from goods and services in programme 4 R2.08 million from compensation of employees in programme 5 R740 000 from compensation of employees in programme 6 R1 million from compensation of employees in programme 7 R14.3 million from departmental agencies and account in programme 7 For: October Transport Month (R10 million); World Remembrance Day (R2 million); African-Indian ocean regional air navigation meeting in Durban in November 2008 (R4 million); national land transport infrastructure system maintenance (R7 million); security services (R2 million); Prague scholarship (R2.2 million); Arrive Alive campaign (R14.3 million); and R12 million for the following: recruitment process, procurement system, organisational development, office equipment for secretariat, corporate services, financial services, management service
Goods and services	-	53 500	
2. Transport Policy and Economic Regulation	(2 640)	1 500	
Current payments	(2 640)	1 500	
Compensation of employees	(2 640)	-	35% vacancy rate and skills shortages: To goods and services in programme 1 R2.5 million from goods and services in programme 4 For developing the Rail Economic Regulator Capacity constraints in this programme for the Prague scholarship: R1 million to goods and services in programme 1
Goods and services	-	1 500	
4. Integrated Planning and Inter-sphere Co-ordination	(101 096)	47 696	
Current payments	(62 300)	-	
Compensation of employees	(3 400)	-	35% vacancy rate and skills shortages: To goods and services in programme 1 Funding for implementation of road infrastructure strategic framework reduced by R50 million due to difficulties with agency agreements: R26.2 million to goods and services in programme 1 R2.5 million to goods and services in programme 2 R12.4 million to goods and services in programme 5 R8.9 million to goods and service in programme 7 Agency agreement with municipalities on rural transport not initiated: R8.9 million to provinces and municipalities in this programme
Goods and services	(58 900)	-	

Table 33.2: Virements (continued)

Programme / Economic classification	R thousand		Details and motivation
	From	To	
Transfers and Subsidies	-	47 696	
Provinces and municipalities	-	47 696	R38.796 million from buildings and other fixed structures in this programme R8.9 million from goods and services in this programme For the Sani Pass in KwaZulu-Natal, overload control and the rural transport grant
Payments for capital assets	(38 796)	-	
Buildings and other fixed structures	(38 796)	-	Agency agreement with provinces on Sani Pass (R30 million) and overload control (R8.798 million) not initiated: To provinces and municipalities in this programme
5. Transport Logistics and Corridor Development	(2 080)	12 400	
Current payments	(2 080)	12 400	
Compensation of employees	(2 080)	-	35% vacancy rate and skills shortages: To goods and services in programme 1
Goods and services	-	12 400	From goods and services in programme 4 for the national freight logistics strategy
6. Public Transport	(740)	-	
Current payments	(740)	-	
Compensation of employees	(740)	-	35% vacancy rate and skills shortages: To goods and services in programme 1
7. Public Entity Oversight and Border Operations and Control	(15 300)	8 900	
Current payments	(1 000)	8 900	
Compensation of employees	(1 000)	-	35% vacancy rate and skills shortages: To goods and services in programme 1
Goods and services	-	8 900	From goods and services in programme 4 for restructuring the Road Accident Fund (R6 million) and ACSA (R2.9 million)
Transfers and Subsidies	(14 300)	-	
Departmental agencies and accounts	(14 300)	-	Total Arrive Alive function not transferred to RTMC but retained in department: To goods and services in programme 1
Total for Vote	(123 996)	123 996	

Other adjustments – R1 711.563 million**Adjustments due to significant and unforeseeable economic and financial events**

Additional funding of R246.563 million has been allocated to cover costs related to the higher than budgeted wage increase made by the Minister for Public Service and Administration and for increases in fuel costs impacting on subsidised bus services.

Programme 1: Administration

R18.268 million

Programme 2: Transport Policy and Economic Regulation

R5.232 million

Programme 3: Transport Regulation and Accident and Incident Investigation

R7.555 million

Programme 4: Integrated Planning and Inter Sphere Coordination

R6.741 million

Programme 5: Transport Logistics and Corridor Development

R2.531 million

Programme 6: Public Transport

R3.957 million for the department and R46.014 million to the South African Railway Commuter Corporation Ltd

R154.535 million for bus subsidies

Programme 7: Public Entity Oversight and Border Operations and Control

R1.73 million

Funds shifted within a vote

Programme 3: Transport Regulation and Accident and Incident Investigation

R4.125 million was shifted to programme 2 following the 2007/08 function shift for policy work on the proposed Rail Economic Regulator.

Use of funds in emergency situations in terms of section 16 of the PFMA

Programme 7: Public Entity Oversight and Border Operations and Control

R1.3 billion was allocated to the Road Accident Fund to allow for enough cashflow for the fund to pay claims.

Self-financing expenditure

Programme 3: Transport Regulation and Accident and Incident Investigation

R165 million has been realised from transaction fees collected by the Road Traffic Management Corporation and will be used for the maintenance and ongoing development of the eNaTIS system. The funds have been surrendered into the National Revenue Fund because the function of managing the eNaTIS system has not been transferred to the Road Traffic Management Corporation.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 33.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
1. Administration	144 408	56 143	38.9	182 284	126.2	245 165	89 031	36.3
2. Transport Policy and Economic Regulation	31 536	8 267	26.2	17 586	55.8	47 211	15 480	32.8
3. Transport Regulation and Accident and Incident Investigation	231 374	63 525	27.5	209 589	90.6	432 563	129 918	30.0
4. Integrated Planning and Inter-sphere Co-ordination	5 382 034	2 139 324	39.7	5 226 216	97.1	8 767 012	3 313 571	37.8
5. Transport Logistics and Corridor Development	20 684	7 246	35.0	12 983	62.8	35 076	8 006	22.8
6. Public Transport	10 559 225	4 362 211	41.3	10 516 590	99.6	12 277 229	7 906 807	64.4
7. Public Entity Oversight and Border Operations and Control	174 671	22 870	13.1	166 379	95.3	2 688 584	77 872	2.9
Total	16 543 932	6 659 586	40.3	16 331 627	98.7	24 492 840	11 540 685	47.1
Economic classification								
Current payments	757 062	185 295	24.5	580 111	76.6	1 044 394	332 722	31.9
Compensation of employees	180 826	69 710	38.6	131 323	72.6	230 190	82 365	35.8
Goods and services	576 236	115 685	20.1	441 730	76.7	814 204	250 346	30.7
Financial transactions in assets and liabilities	-	(100)	-	7 058	-	-	11	-

Table 33.3: Expenditure trends (continued)

R thousand	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007- Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
Economic classification								
Transfers and subsidies	15 744 736	6 472 220	41.1	15 748 279	100.0	23 444 952	11 204 971	47.8
Provinces and municipalities	4 203 411	1 294 858	30.8	4 203 411	100.0	7 519 162	4 357 712	58.0
Departmental agencies and accounts	3 678 296	1 910 879	52.0	3 688 879	100.3	6 828 493	2 111 300	30.9
Universities and technikons	7 439	2 271	30.5	9 165	123.2	7 796	4 051	52.0
Public corporations and private enterprises	7 267 194	2 989 920	41.1	7 267 194	100.0	8 611 421	4 723 985	54.9
Foreign governments and international organisations	5 510	3 133	56.9	3 580	65.0	4 871	4 193	86.1
Non-profit institutions	12 775	3 777	29.6	3 830	30.0	14 093	1 000	7.1
Households	570 111	267 382	46.9	572 220	100.4	459 116	2 730	0.6
Payments for capital assets	42 134	2 071	4.9	3 237	7.7	3 494	2 992	85.6
Buildings and other fixed structures	38 221	-	-	-	-	-	-	-
Machinery and equipment	3 913	2 071	52.9	3 237	82.7	3 494	2 992	85.6
Total	16 543 932	6 659 586	40.3	16 331 627	98.7	24 492 840	11 540 685	47.1

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R11.541 billion, or 47.1 per cent of the adjusted appropriation of R24.493 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R4.881 billion, or 73.3 per cent compared to spending in the first six months of 2007/08 which amounted to R6.66 billion, or 40.3 per cent of the 2007/08 adjusted appropriation.

The main increases compared to 2007/08 are related to the transfer of conditional grants funding to provinces for the Gautrain Rapid Rail Link.

Expenditure for 2007/08 was 98.7 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 33.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	10 688	10 688	270	2.5
Transfers received	-	-	-	-
Fines, penalties and forfeits	-	-	-	-
Interest, dividends and rent on land	254 977	150 340	172	0.1
<i>Of which:</i>				
Dividends	254 964	150 000	-	-
Sales of capital assets	-	-	-	-
Financial transactions in assets and liabilities	343	25 500	25 089	98.4
Total	266 008	186 528	25 531	13.7

Actual departmental revenue collections for the first six months of 2008/09 were R25.5 million or 13.7 per cent of the adjusted estimate of R186.5 million.

Changes to transfers and subsidies, and conditional grants

Table 33.5: Summary of changes to transfers and subsidies per programme

2008/09							
R thousands	Main appropriation	Additional Appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
4. Integrated Planning and Inter-sphere Co-ordination	7 552 974	-	1 035 473	47 696	-	1 083 169	8 636 143
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Capital	-	-	1 035 473	38 796	-	1 074 269	1 074 269
Sani Pass Roads Grant	-	-	-	30 000	-	30 000	30 000
Overload control grant	-	-	-	8 796	-	8 796	8 796
Transport Disaster Management Grant	-	-	1 035 473	-	-	1 035 473	1 035 473
Municipalities							
Municipal bank accounts							
Capital	3 170 000	-	-	8 900	-	8 900	3 178 900
Rural Transport Grant	-	-	-	8 900	-	8 900	8 900
6. Public Transport	11 938 843	-	-	-	200 549	200 549	12 139 392
Public corporations and private enterprises							
Public corporations							
Subsidies on products and production							
Current	5 833 186	-	-	-	200 549	200 549	6 033 735
South African Rail Commuter Corporation	3 003 590	-	-	-	46 014	46 014	3 049 604
Bus subsidies	2 829 596	-	-	-	154 535	154 535	2 984 131
7. Public Entity Oversight and Border Operations and Control	164 630	-	1 200 000	(14 300)	1 300 000	2 485 700	2 650 330
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	164 630	-	1 200 000	(14 300)	1 300 000	2 485 700	2 650 330
Road Traffic Management Corporation	103 888	-	-	(14 300)	-	(14 300)	89 588
Road Accident Fund	-	-	1 200 000	-	1 300 000	2 500 000	2 500 000

Table 33.6: Summary of changes to conditional grants: Provinces¹

2008/09							
R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
4. Integrated Planning and Inter-sphere Co-ordination							
Sani Pass Roads Grant	-	-	-	30 000	-	30 000	30 000
Overload control grant	-	-	-	8 796	-	8 796	8 796
Transport Disaster Management Grant	-	-	1 035 473	-	-	1 035 473	1 035 473

Table 33.7: Summary of changes to conditional grants: Local Government (Municipalities) ¹

		2008/09						
		Additional appropriation				Total additional appropriation	Adjusted appropriation	
R thousand	Main appropriation	Roll- overs	Unforeseeable /unavoidable	Virement	Other adjustments			
4. Integrated Planning and Inter-sphere Co-ordination								
	Rural Transport Grant	-	-	-	8 900	-	8 900	

1. Main appropriation detail provided in the Division of Revenue Act, 2008

Vote 34

Water Affairs and Forestry

Adjusted budget summary

R thousand	2008/09			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	6 699 276	7 036 616	-	337 340
<i>of which:</i>				
Current payments	3 786 771	3 240 008	(546 763)	-
Transfers and subsidies	2 834 749	3 267 998	-	433 249
Payments for capital assets	77 756	528 610	-	450 854
Executive authority	Minister of Water Affairs and Forestry			
Accounting officer	Director-General 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 and sustainable social and economic development; to ensure the universal and efficient supply of water services at local level; and to promote the sustainable management of forests.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of water management areas where monitoring frameworks and systems are operated	20	19
Number of water management areas in which compulsory licensing processes have been completed	2	0
Number of subsidies (financial and in kind) given to resource poor farmers	300	75
Number of hectares cleared of invasive alien plants species	218 000	35 165
Number of hectares cleared of invasive alien plant species in follow up clearance	632 000	171 535
Number of forest enterprise development projects initiated by the department	44	23
Number of hectares planted (afforestation)	5 000	104.9
Number of trees planted in terms of the Million Trees programme	1 million	356 131
Percentage of licence application processed in terms of National Forest Act	90%	90%
Number of additional people provided with basic water supply by water services authorities	1.56 million	517 923
Number of additional people provided with basic water sanitation by water services authorities	1.04 million	625 320
Percentage of population with access to free basic water	82%	85%

Compulsory licensing processes for the two water management areas are in progress: draft allocation plans and frameworks for water allocation have been finalised.

Despite delays in finalising the approach to supporting resource poor farmers, the target of 300 financial and in kind subsidies will be achieved by the end of the year.

Progress on both clearing and follow-up clearing of invasive alien plants species has been delayed by procurement processes in the first quarter and climactic conditions in the second quarter.

The major challenge for afforestation is that it entails a time consuming licensing process. The department is exploring various options to speed things up.

The department is responsible for support to local government to deliver basic water services. Achieving the target for the year is on track.

Adjusted Estimates of National Expenditure 2008

Table 34.1: Adjusted estimates

Programme	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
R thousand		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	586 696	-	-	-	4 990	4 990	591 686
2. Water Resources Management	3 238 399	269 000	17 280	-	3 433	289 713	3 528 112
3. Water Services	2 427 999	-	-	-	(4 155)	(4 155)	2 423 844
4. Forestry	446 182	-	-	-	46 792	46 792	492 974
Departmental Total	6 699 276	269 000	17 280	-	51 060	337 340	7 036 616
Economic classification							
Current payments	3 786 771	-	17 280	(158 103)	(405 940)	(546 763)	3 240 008
Compensation of employees	1 265 483	-	-	50 900	16 000	66 900	1 332 383
Goods and services	2 520 536	-	17 280	(208 993)	(421 940)	(613 653)	1 906 883
Interest and rent on land	752	-	-	(10)	-	(10)	742
Transfers and subsidies	2 834 749	269 000	-	154 249	10 000	433 249	3 267 998
Provinces and municipalities	861 467	9 000	-	124 249	-	133 249	994 716
Departmental agencies and accounts	1 936 898	260 000	-	-	-	260 000	2 196 898
Public corporations and private enterprises	2 700	-	-	-	-	-	2 700
Foreign governments and international organisations	572	-	-	-	-	-	572
Non-profit institutions	387	-	-	-	-	-	387
Households	32 725	-	-	30 000	10 000	40 000	72 725
Payments for capital assets	77 756	-	-	3 854	447 000	450 854	528 610
Buildings and other fixed structures	5 559	-	-	-	413 000	413 000	418 559
Machinery and equipment	56 282	-	-	2 760	-	2 760	59 042
Software and other intangible assets	15 915	-	-	1 094	34 000	35 094	51 009
Total	6 699 276	269 000	17 280	-	51 060	337 340	7 036 616

Details of adjustments to Estimates of National Expenditure 2008

Roll-over of funds – R269 million

Programme 2: Water Resource Management

R260 million has been rolled over for phase 2A of the construction of the De Hoop Dam.

R9 million has been rolled over for the municipal drought relief grant for Eastern Cape, KwaZulu-Natal, Limpopo, Mpumalanga, and Western Cape.

Unforeseeable and unavoidable expenditure – R17.28 million

Programme 2: Water Resource Management

R9.68 million has been allocated for the Working for Water programme, and R7.6 million for Working on Fire.

Virements

Table 34.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	(20 250)	20 250	
Current payments	(20 250)	20 000	
Compensation of employees	-	20 000	R20 million from goods and services in this programme for interns
Goods and services	(20 250)	-	Interns appointed for establishing the learning academy rather than consultants: R20 million to compensation of employees in this programme R250 000 to machinery and equipment in this programme
Payments for capital assets	-	250	
Machinery and equipment	-	250	From goods and services in this programme for office furniture
2. Water Resources Management	(7 954)	7 954	
Current payments	(7 954)	6 770	
Compensation of employees	(7 944)	-	Due to restructuring, only critical posts could be filled: R6.77 million to goods and services in this programme, R1.094 million to software and other intangible assets in this programme, R80 000 to provinces and municipalities in this programme
Goods and services	-	6 770	R6.77 million from compensation of employees in this programme for the Zaragoza expo and the Water Wise campaign
Interest and rent on land	(10)	-	- To provinces and municipalities in this programme
Transfers and Subsidies	-	90	
Provinces and municipalities	-	90	R80 000 from compensation of employees in this programme R10 000 from interest and rent on land in this programme For motor vehicle licences
Payments for capital assets	-	1 094	
Software and other intangible assets	-	1 094	From compensation of employees in this programme for software licences and maintenance
3. Water Services	(195 513)	195 513	
Current payments	(195 513)	38 844	
Compensation of employees	-	38 844	From goods and services in this programme for salaries of staff not transferred to municipalities as anticipated
Goods and services	(195 513)	-	VAT savings due to shift of functions from water trading account to department: R38.844 million to compensation of employees in this programme R124.159 million to provinces and municipalities in this programme R30 million to households in this programme R2.51 million to machinery and equipment in this programme
Transfers and Subsidies	-	154 159	
Provinces and municipalities	-	124 159	From goods and services in this programme for escalating prices on refurbishment and maintenance schemes transferred to municipalities
Households	-	30 000	From goods and services in this programme for leave gratuities and severance packages for staff earmarked to be transferred
Payments for capital assets	-	2 510	
Machinery and equipment	-	2 510	From goods and services in this programme for office furniture and computer hardware
Total for Vote	(223 717)	223 717	

Other adjustments – R51.06 million**Funds shifted between votes or to follow the transfer of functions in terms of section 42 of the PFMA**

Programme 2: Water Resource Management

R3.433 million has been transferred from the Department of Arts and Culture for the Zaragoza Expo.

Funds shifted within a vote

Programme 1: Administration

R10 million has been shifted from compensation of employees to households. These funds were incorrectly classified in the 2008 ENE.

R447 million has been shifted from goods and services to buildings and other fixed structures and software and other intangible assets (R34 million). These funds were incorrectly classified in the 2008 ENE.

Programme 3: Water Services

R4.155 million has been shifted to programme 1. These funds were incorrectly classified in the 2008 ENE.

Self-financing expenditure

Programme 1: Administration

R835 000 has been received as donations from Eskom (R400 000), Rand Water (R350 000), Umgeni Water (R20 000) and the Trans-Caledon Tunnel Authority (R65 000) and will be used for the Women in Water awards. The funds have been surrendered into the National Revenue Fund.

Programme 4: Forestry

Departmental revenue of R46.972 million from forestry has been surrendered into the National Revenue Fund, following the closure of the industrial plantation trading account.

Expenditure 2007/08 and preliminary expenditure 2008/09**Table 34.3: Expenditure trends**

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 - Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 - Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 - Sep 08 % of adjusted appropriation
1. Administration	535 649	262 687	49.0	601 719	112.3	591 686	299 867	50.7
2. Water Resources Management	2 902 762	1 015 672	35.0	2 465 674	84.9	3 528 112	1 480 892	42.0
3. Water Services	1 913 660	688 445	36.0	1 866 926	97.6	2 423 844	946 532	39.1
4. Forestry	510 442	207 501	40.7	451 077	88.4	492 974	257 804	52.3
Total	5 862 513	2 174 305	37.1	5 385 396	91.9	7 036 616	2 985 095	42.4
Economic classification								
Current payments	2 959 274	1 213 405	41.0	2 854 189	96.4	3 240 008	1 390 131	42.9
Compensation of employees	1 365 435	587 462	43.0	1 162 630	85.1	1 332 383	580 747	43.6
Goods and services	1 593 121	624 451	39.2	1 686 583	105.9	1 906 883	808 877	42.4
Interest and rent on land	718	970	135.1	1 278	178.0	742	111	15.0
Financial transactions in assets and liabilities	-	522	-	3 698	-	-	396	-

Table 34.3: Expenditure trends (continued)

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07- Sep 07 % of adjusted appropriation	Apr 2007- Mar 2008	Apr 07 - Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 - Sep 08 % of adjusted appropriation
Economic classification								
Transfers and subsidies	2 439 639	897 003	36.8	2 052 568	84.1	3 267 998	1 450 525	44.4
Provinces and municipalities	722 027	269 554	37.3	732 926	101.5	994 716	484 067	48.7
Departmental agencies and accounts	1 625 839	585 155	36.0	1 190 161	73.2	2 196 898	948 634	43.2
Public corporations and private enterprises	39 040	29 484	75.5	41 737	106.9	2 700	75	2.8
Foreign governments and international organisations	525	6	1.1	510	97.1	572	-	-
Non-profit institutions	340	350	102.9	350	102.9	387	377	97.4
Households	51 868	12 454	24.0	86 884	167.5	72 725	17 372	23.9
Payments for capital assets	463 600	63 897	13.8	478 639	103.2	528 610	144 439	27.3
Buildings and other fixed structures	367 309	33 145	9.0	330 957	90.1	418 559	102 436	24.5
Machinery and equipment	46 163	23 790	51.5	44 475	96.3	59 042	35 561	60.2
Biological and cultivated assets	-	52	-	165	-	-	407	-
Software and other intangible assets	50 128	6 910	13.8	103 042	205.6	51 009	6 035	11.8
					-			
Total	5 862 513	2 174 305	37.1	5 385 396	91.9	7 036 616	2 985 095	42.4

Expenditure in the first six months of 2008/09 was R2.985 billion, or 42.4 per cent of the adjusted appropriation of R7.037 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R810.6 million, or 37.3 per cent compared to spending in the first six months of 2007/08.

The main increases compared to 2007/08 are related to transfer payments to the Water Trading Account in respect of De Hoop Dam and to the Komati Basin Water Authority (KOBWA). The refurbishment of water schemes has also resulted in increased expenditure.

Expenditure for 2007/08 was 91.9 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 34.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	40 087	40 087	27 260	68.0
Interest, dividends and rent on land	27 544	27 544	6 012	21.8
Financial transactions in assets and liabilities	24 400	24 400	13 408	55.0
Total	92 031	92 031	46 680	50.7

Actual departmental revenue collections for the first six months of 2008/09 were R46.7 million or 50.7 per cent of the adjusted estimate of R92 million.

Changes to transfers and subsidies, and conditional grants

Table 34.5: Summary of changes to transfers and subsidies per programme

2008/09							
R thousands	Main appropriation	Additional Appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements	Other adjustments		
1. Administration	1 055	-	-	-	10 000	10 000	11 055
Households							
Social benefits							
Current	-	-	-	-	10 000	10 000	10 000
Leave gratuity	-	-	-	-	10 000	10 000	10 000
2. Water Resources Management	1 969 527	269 000	-	90	-	269 090	2 238 617
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	-	9 000	-	90	-	9 090	9 090
Municipal Drought Relieve grant	-	9 000	-	-	-	9 000	9 000
Motor vehicle licences	-	-	-	90	-	90	90
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Capital	1 615 622	260 000	-	-	-	260 000	1 875 622
Water Trading Account (Infrastructure)	1 615 622	260 000	-	-	-	260 000	1 875 622
3. Water Services	861 467	-	-	154 159	-	154 159	1 015 626
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	861 467	-	-	124 159	-	124 159	985 626
Water services operating subsidy grant	861 467	-	-	124 159	-	124 159	985 626
Households							
Social benefits							
Current	-	-	-	30 000	-	30 000	30 000
Leave gratuity	-	-	-	30 000	-	30 000	30 000

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

2008/09							
R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Other adjustments		
3. Water Services							
Water services operating subsidy grant	861 467	-	-	124 159	-	124 159	985 626
2. Water Resources Management							
Municipal drought relief grant	-	9 000	-	-	-	9 000	9 000

¹ Main appropriation detail provided in the Division of Revenue Act, 2008

