

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	8 900

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