

Vote 18

Labour

Adjusted budget summary

R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	2 119 726	2 139 566	–	19 840
of which:				
Current payments	1 446 931	1 446 710	(221)	–
Transfers and subsidies	639 284	656 369	–	17 085
Payments for capital assets	33 511	36 487	–	2 976
Executive authority	Minister of Labour			
Accounting officer	Director-General of Labour			
Website address	www.labour.gov.za			

Aim

Play a significant role in reducing unemployment, poverty and inequality through pursuing the objectives of full and productive employment and decent work for all including: employment creation and enterprise development; standards and rights at work including equality of opportunities; social protection; and social dialogue.

Mid-year performance status

Indicator	Programme	Annual performance		
		Projected for 2012/13 as published in the 2012 ENE	Achieved in the first six months of 2012/13 (April to September)	Changed estimate for 2012/13
As published in the 2012 ENE	Programme linked to the indicator			
Number of workplaces inspected per year	Inspection and Enforcement Services	140 000	34 958	–
Number of complaints resolved within 14 days at Registration Services per year	Inspection and Enforcement Services	– ¹	8 037	–
Number of job seekers registered on the Employment Services for South Africa system per year	Public Employment Services	700 000	131 379	–
Number of job seekers placed in job opportunities or referred to other services per year	Public Employment Services	560 000	1 999	–
Number of employers registering vacancies on the Employment Services for South Africa system per year	Public Employment Services	4 000	580	–
Number of sectoral determinations reviewed and published per year	Labour Policy and Industrial Relations	6	4	–

1. This indicator is dependent on number of cases reported; therefore data for an entire specific year is only available in the following year.

Mid-year progress

The number of jobseekers registered and placed, or referred to other services on the Employment Services for South Africa system is currently much lower than expected due to a lack of capacity at Labour Centres. An additional constraint is that registered jobseekers often do not meet the job requirements and employers then recruit externally (outside of the Employment Services system).

Registering jobs and workers on the system's database facilitates access to employment for the unemployed and the underemployed, thus contributing to economic growth and improved livelihoods.

Protection of vulnerable workers is provided by reviewing and publishing four sectoral determinations for the following sectors: Hospitality and Taxi sectors in June 2012; Private Security and Civil Engineering Sectors in August 2012.

Adjustments to Estimates of National Expenditure 2012

Programme	2012/13							Adjusted Appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments		
R thousand								
Administration	732 606	–	–	17 000	–	14 979	31 979	764 585
Inspection and Enforcement Services	429 181	–	–	(28 805)	–	–	(28 805)	400 376
Public Employment Services	322 021	–	–	11 805	–	505	12 310	334 331
Labour Policy and Industrial Relations	635 918	1 713	–	–	–	2 643	4 356	640 274
Total	2 119 726	1 713	–	–	–	18 127	19 840	2 139 566
Economic classification								
Current payments	1 446 931	1 713	–	(17 413)	–	15 479	(221)	1 446 710
Compensation of employees	883 331	–	–	(51 269)	–	15 479	(35 790)	847 541
Goods and services	563 600	1 713	–	33 830	–	–	35 543	599 143
Interest and rent on land	–	–	–	26	–	–	26	26
Transfers and subsidies	639 284	–	–	14 437	–	2 648	17 085	656 369
Provinces and municipalities	–	–	–	88	–	–	88	88
Departmental agencies and accounts	551 392	–	–	13	–	2 648	2 661	554 053
Foreign governments and international organisations	10 722	–	–	2 000	–	–	2 000	12 722
Non-profit institutions	76 906	–	–	11 805	–	–	11 805	88 711
Households	264	–	–	531	–	–	531	795
Payments for capital assets	33 511	–	–	2 976	–	–	2 976	36 487
Buildings and other fixed structures	3 416	–	–	–	–	–	–	3 416
Machinery and equipment	30 095	–	–	2 976	–	–	2 976	33 071
Total	2 119 726	1 713	–	–	–	18 127	19 840	2 139 566

Programme 1: Administration

Subprogramme	2012/13							Adjusted Appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments		
R thousand								
Ministry	14 394	–	–	1 007	–	–	1 007	15 401
Management	403 559	–	–	17 198	–	14 979	32 177	435 736
Corporate Services	53 812	–	–	(26)	–	–	(26)	53 786
Office of the Chief Financial Officer	76 776	–	–	24 007	–	–	24 007	100 783
Office Accommodation	184 065	–	–	(25 186)	–	–	(25 186)	158 879
Total	732 606	–	–	17 000	–	14 979	31 979	764 585
Economic classification								
Current payments	699 050	–	–	16 605	–	14 979	31 584	730 634
Compensation of employees	283 525	–	–	(421)	–	14 979	14 558	298 083
Goods and services	415 525	–	–	17 000	–	–	17 000	432 525
Interest and rent on land	–	–	–	26	–	–	26	26
Transfers and subsidies	178	–	–	395	–	–	395	573
Provinces and municipalities	–	–	–	88	–	–	88	88
Departmental agencies and accounts	–	–	–	13	–	–	13	13
Households	178	–	–	294	–	–	294	472
Payments for capital assets	33 378	–	–	–	–	–	–	33 378
Buildings and other fixed structures	3 416	–	–	–	–	–	–	3 416
Machinery and equipment	29 962	–	–	–	–	–	–	29 962
Total	732 606	–	–	17 000	–	14 979	31 979	764 585

Programme 2: Inspection and Enforcement Services

Subprogramme	2012/13								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments			
R thousand									
Management Support Services: Inspection and Enforcement Services	13 994	-	-	2 665	-	-	2 665	16 659	
Occupational Health and Safety	14 542	-	-	573	-	-	573	15 115	
Registration: Inspection and Enforcement Services	94 762	-	-	(4 094)	-	-	(4 094)	90 668	
Compliance, Monitoring and Enforcement	301 179	-	-	(27 965)	-	-	(27 965)	273 214	
Training of Staff: Inspection and Enforcement Services	4 704	-	-	16	-	-	16	4 720	
Total	429 181	-	-	(28 805)	-	-	(28 805)	400 376	
Economic classification									
Current payments	429 128	-	-	(31 054)	-	-	(31 054)	398 074	
Compensation of employees	352 936	-	-	(45 884)	-	-	(45 884)	307 052	
Goods and services	76 192	-	-	14 830	-	-	14 830	91 022	
Transfers and subsidies	53	-	-	237	-	-	237	290	
Households	53	-	-	237	-	-	237	290	
Payments for capital assets	-	-	-	2 012	-	-	2 012	2 012	
Machinery and equipment	-	-	-	2 012	-	-	2 012	2 012	
Total	429 181	-	-	(28 805)	-	-	(28 805)	400 376	

Programme 3: Public Employment Services

Subprogramme	2012/13								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments			
R thousand									
Management and Support Services: Public Employment Services	29 972	-	-	(4 064)	-	-	(4 064)	25 908	
Employer Services	82 890	-	-	3 648	-	-	3 648	86 538	
Work Seeker Services	90 092	-	-	-	-	-	-	90 092	
Designated Groups Special Services	758	-	-	-	-	-	-	758	
Sheltered Employment Factories and Subsidies to Designated Workshops	66 747	-	-	11 805	-	-	11 805	78 552	
Productivity South Africa	36 545	-	-	-	-	505	505	37 050	
Unemployment Insurance Fund	1	-	-	-	-	-	-	1	
Compensation Fund	14 085	-	-	-	-	-	-	14 085	
Training of Staff: Public Employment Services	931	-	-	416	-	-	416	1 347	
Total	322 021	-	-	11 805	-	505	12 310	334 331	
Economic classification									
Current payments	210 253	-	-	(900)	-	-	(900)	209 353	
Compensation of employees	180 163	-	-	(4 964)	-	-	(4 964)	175 199	
Goods and services	30 090	-	-	4 064	-	-	4 064	34 154	
Transfers and subsidies	111 768	-	-	11 805	-	505	12 310	124 078	
Departmental agencies and accounts	50 631	-	-	-	-	505	505	51 136	
Non-profit institutions	61 104	-	-	11 805	-	-	11 805	72 909	
Households	33	-	-	-	-	-	-	33	
Payments for capital assets	-	-	-	900	-	-	900	900	
Machinery and equipment	-	-	-	900	-	-	900	900	
Total	322 021	-	-	11 805	-	505	12 310	334 331	

Programme 4: Labour Policy and Industrial Relations

Subprogramme		2012/13						
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted Appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other Adjustments		
Management and Support Services: Labour Policy and Industrial Relations	11 315	–	–	696	–	190	886	12 201
Strengthen Civil Society	15 802	–	–	–	–	–	–	15 802
Collective Bargaining	12 031	–	–	381	–	–	381	12 412
Employment Equity	12 637	953	–	51	–	38	1 042	13 679
Employment Standards	12 791	760	–	(1 064)	–	–	(304)	12 487
Commission for Conciliation, Mediation and Arbitration	476 697	–	–	–	–	2 048	2 048	478 745
Research, Policy and Planning	15 207	–	–	(3 505)	–	–	(3 505)	11 702
Labour Market Information and Statistics	32 450	–	–	165	–	272	437	32 887
International Labour Matters	22 337	–	–	3 106	–	–	3 106	25 443
National Economic Development and Labour Council	24 651	–	–	170	–	95	265	24 916
Total	635 918	1 713	–	–	–	2 643	4 356	640 274
Economic classification								
Current payments	108 500	1 713	–	(2 064)	–	500	149	108 649
Compensation of employees	66 707	–	–	–	–	500	500	67 207
Goods and services	41 793	1 713	–	(2 064)	–	–	(351)	41 442
Transfers and subsidies	527 285	–	–	2 000	–	2 143	4 143	531 428
Departmental agencies and accounts	500 761	–	–	–	–	2 143	2 143	502 904
Foreign governments and international organisations	10 722	–	–	2 000	–	–	2 000	12 722
Non-profit institutions	15 802	–	–	–	–	–	–	15 802
Payments for capital assets	133	–	–	64	–	–	64	197
Machinery and equipment	133	–	–	64	–	–	64	197
Total	635 918	1 713	–	–	–	2 643	4 356	640 274

Details of adjustments to Estimates of National Expenditure 2012**Roll-overs – R1.713 million**

Programme 4: Labour Policy and Industrial Relations

R760 000 has been rolled over for the printing of 430 000 booklets on Farm Work, Domestic Work and Regulations on Hazardous Work.

R953 000 has been rolled over for the flighting of Employment Equity television advertisements.

Virements and shifts

Programmes

1. Administration
2. Inspection and Enforcement Services
3. Public Employment Services
4. Labour Policy and Industrial Relations

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(421)	Programme 1		421
Compensation of employees	Vacant posts	(421)	Departmental agencies and accounts	Payment of television licences	13
			Households	Leave gratuity	294
			Provinces and municipalities	Payment of car licences	88
			Interest and rent on land	Payment of interest on finance lease	26
Shifts within the programme as percentage of programme budget		0.1%			
Virements to other programmes as percentage of programme budget		0.0%			
Programme 2		(45 884)	Programme 1		17 000
Compensation of employees	Vacant posts	(45 884)	Goods and services	Payment of the information technology public private partnership exit and transfer services	17 000
			Programme 2		17 079
			Goods and services	For tools of the trade for inspectors	14 830
				For payment of transport, workshops and imbizo's	
			Households	Leave gratuities	237
			Machinery and equipment	For furniture and equipment and tools of the trade for inspectors	2 012
			Programme 3		11 805
			Non-profit institutions	For operations at the Sheltered Employment Factories ¹	11 805
Shifts within the programme as percentage of programme budget		4.0%			
Virements to other programmes as percentage of programme budget		6.7%			
Programme 3		(4 964)	Programme 3		4 964
Compensation of employees	Vacant posts	(4 964)	Goods and services	For career exhibitions at Labour Centres	4 064
				For marketing of Public Employment Services	
				For Job Fair/Summits and staff training on negotiation and recruitment skills	
			Machinery and equipment	For furniture and equipment including wall banners, light probes, and kiosks at Labour Centres	900
Shifts within the programme as percentage of programme budget		1.5%			
Virements to other programmes as percentage of programme budget		0.0%			

2012 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 4		(2 064)	Programme 4		2 064
Goods and services	Funds incorrectly classified in the 2012 ENE were reclassified	(64)	Machinery and equipment	For office furniture for the Department's library	64
	Finalisation of Research, Monitoring and Evaluation (RME) Agenda 21	(2 000)	Foreign governments and international organisations	For foreign exchange rate fluctuations in respect of the membership fee payable to the African Regional Labour Administration Centre	2 000
Shifts within the programme as percentage of programme budget		0.3%			
Virements to other programmes as percentage of programme budget		0.0%			
Total		(53 333)			
			53 333		

1. National Treasury approval has been obtained.

Other adjustments – R18.127 million

Adjustments due to significant and unforeseeable economic and financial events

An additional R18.127 million has been allocated for higher personnel remuneration increases than the main budget provided for, as follows:

Programme 1: Administration

R14.979 million

Programme 3: Public Employment Services

R505 000 for Productivity South Africa.

Programme 4: Labour Policy and Industrial Relations

R500 000

R2.048 million for the Commission for Conciliation, Mediation and Arbitration

R95 000 for the National Economic Development and Labour Council

Expenditure for 2011/12 and preliminary expenditure for 2012/13

Programme	R thousand	2011/12 Expenditure outcome				2012/13 Preliminary expenditure		
		Adjusted appropriation	Apr 11 - Sep 11 % of adjusted appropriation	Apr 11 - Mar 12	Apr 11 - Mar 12 % of adjusted appropriation	Adjusted appropriation	Apr 12 - Sep 12 % of adjusted appropriation	Apr 12 - Sep 12 % of adjusted appropriation
Administration	698 455	291 342	41.7	704 270	100.8	764 585	328 878	43.0
Inspection and Enforcement Services	389 290	179 486	46.1	375 749	96.5	400 376	191 700	47.9
Public Employment Services	324 809	151 923	46.8	332 194	102.3	334 331	169 217	50.6
Labour Policy and Industrial Relations	604 829	288 262	47.7	594 909	98.4	640 274	299 888	46.8
Total	2 017 383	911 013	45.2	2 007 122	99.5	2 139 566	989 683	46.3

	2011/12 Expenditure outcome				2012/13 Preliminary expenditure			
	Adjusted appropriation	Apr 11 - Sep 11	Apr 11 - Sep 11 % of adjusted appropriation	Apr 11 - Mar 12	Apr 11 - Mar 12 % of adjusted appropriation	Adjusted appropriation	Apr 12 - Sep 12	Apr 12 - Sep 12 % of adjusted appropriation
R thousand								
Economic classification								
Current payments	1 273 052	601 967	47.3	1 250 512	98.2	1 446 710	602 788	41.7
Compensation of employees	786 312	368 799	46.9	757 883	96.4	847 541	399 046	47.1
Goods and services	486 740	233 152	47.9	492 599	101.2	599 143	203 730	34.0
Interest and rent on land	–	16	0.0	30	0.0	26	12	46.2
Transfers and subsidies	626 267	304 882	48.7	640 952	102.3	656 369	332 128	50.6
Provinces and municipalities	12	25	208.3	70 215	585125.0	88	117	133.0
Departmental agencies and accounts	542 184	267 986	49.4	472 019	87.1	554 053	276 916	50.0
Foreign governments and international organisations	10 211	–	0.0	14 211	139.2	12 722	–	0.0
Public corporations and private enterprises	–	–	0.0	67 671	0.0	–	–	0.0
Non-profit institutions	73 258	36 414	49.7	15 968	21.8	88 711	54 188	61.1
Households	602	457	75.9	868	144.2	795	907	114.1
Payments for capital assets	118 064	3 491	3.0	114 985	97.4	36 487	54 767	150.1
Buildings and other fixed structures	3 996	1 996	49.9	4 571	114.4	3 416	2 839	83.1
Machinery and equipment	114 068	1 495	1.3	110 414	96.8	33 071	51 928	157.0
Payments for financial assets	–	673	–	673	–	–	–	–
Total	2 017 383	911 013	45.2	2 007 122	99.5	2 139 566	989 683	46.3

Main expenditure trends for the first half of 2012/13

Total expenditure for 2011/12 was 99.5 per cent of the 2011/12 adjusted appropriation. Expenditure in the first six months of 2012/13 was R989.683 million, or 46.3 per cent of the adjusted appropriation of R2.140 billion for the year as a whole. In comparison, mid-year expenditure in 2011/12 was R911.013 million, or 45.2 per cent of the 2011/12 adjusted appropriation. Expenditure in the first six months of 2012/13 increased by R78.670 million or 8.6 per cent, compared to expenditure in the first six months of 2011/12.

The main expenditure increase compared to 2011/12 is due to increased transfer payments to Productivity South Africa and Sheltered Employment Factories to address operational funding pressures, and to an increase in the number of filled posts compared to the same period in the previous financial year.

Departmental receipts

R thousand	2011/12					2012/13			
	Adjusted estimate	Audited outcome				Actual receipts			
		Apr 11 - Sep 11	Apr 11 - Sep 11 adjusted estimate	Apr 11 - Mar 12	Apr 11 - Mar 12 adjusted estimate	Budget estimate	Adjusted estimate	Apr 12 - Sep 12	Apr 12 - Sep 12 adjusted estimate
Departmental receipts	10 801	6 735	62.4	7 622	70.6	8 136	8 136	6 197	76.2
Sales of goods and services produced by department	2 523	1 273	50.5	2 577	102.1	2 484	2 484	1 404	56.5
Sales of scrap, waste, arms and other used current goods	12	4	33.3	7	58.3	12	12	7	58.3
Fines, penalties and forfeits	585	363	62.1	993	169.7	600	600	572	95.3
Interest, dividends and rent on land	488	545	111.7	1 065	218.2	480	480	849	176.9
Transactions in financial assets and liabilities	7 193	4 550	63.3	2 980	41.4	4 560	4 560	3 365	73.8
Total	10 801	6 735	62.4	7 622	70.6	8 136	8 136	6 197	76.2

Main departmental revenue trends for the first half of 2012/13

Departmental revenue collection in the first six months of 2012/13 was R6.197 million, or 76.2 per cent of the adjusted revenue estimate of R8.136 million for the year as a whole. In comparison, mid-year revenue collection in 2011/12 was R6.735 million, or 62.4 per cent of the 2011/12 adjusted estimate. Departmental revenue collection in the first six months of 2012/13 decreased by R538 000 or 8 per cent, compared to revenue in the first six months of 2011/12.

This decrease is attributed to less staff debt recovered compared to the previous financial year and a decrease in Indlela trade test fees collected by the Department on behalf of the Department of Higher Education and Training.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

R thousand	2012/13							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments		
Administration								
Provinces and municipalities								
Municipalities								
Municipal bank accounts								
Current	-	-	-	88	-	-	88	88
Vehicle licences	-	-	-	2	-	-	2	2
Vehicle licences	-	-	-	86	-	-	86	86
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	-	-	-	13	-	-	13	13
Non-life insurance	-	-	-	13	-	-	13	13
Households								
Social benefits								
Current	-	-	-	294	-	-	294	294
Households	-	-	-	223	-	-	223	223
Households	-	-	-	45	-	-	45	45
Households	-	-	-	26	-	-	26	26

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

R thousand	2012/13							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments		
Inspection and Enforcement Services								
Households								
Other transfers to households								
Current	53	-	-	237	-	-	237	290
Employee social benefits	15	-	-	97	-	-	97	112
Employee social benefits	38	-	-	135	-	-	135	173
Employee social benefits	-	-	-	5	-	-	5	5
Public Employment Services								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	36 545	-	-	-	-	505	505	37 050
Productivity South Africa	36 545	-	-	-	-	505	505	37 050
Non-profit institutions								
Current	51 224	-	-	11 805	-	-	11 805	63 029
Subsidised Work-Centres for the Disabled	51 224	-	-	11 805	-	-	11 805	63 029
Labour Policy and Industrial Relations								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	500 761	-	-	-	-	2 143	2 143	502 904
Commission for Conciliation, Mediation and Arbitration	476 697	-	-	-	-	2 048	2 048	478 745
National Economic Development and Labour Council	24 064	-	-	-	-	95	95	24 159
Foreign governments and international organisations								
Current	666	-	-	2 000	-	-	2 000	2 666
African Regional Labour Administration Centre	666	-	-	2 000	-	-	2 000	2 666

