Vote 18

Labour

Adjusted budget summary

R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
	2013/14			
Amount to be appropriated	**2 415 247**	**2 445 247**	–	30 000
of which:				
Current payments	1 562 194	1 560 525	(1 669)	–
Transfers and subsidies	818 733	824 164	–	5 431
Payments for capital assets	34 320	60 558	–	26 238
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	Outcome	Annual performance: Projected for 2013/14 as published in the 2013 ENE	Achieved in the first six months of 2013/14 (April to September)	Changed target for 2013/14
Number of workplaces inspected per year	Inspection and Enforcement Services	Outcome 4: Decent employment through inclusive economic growth	150 040	89 288	–
Number of complaints resolved within 14 days at registration services per year	Inspection and Enforcement Services		–[1]	38 623	–
Number of work seekers registered on the employment services of South Africa system per year	Public Employment Services		500 000	310 841	–
Percentage (and number) of registered work seekers provided with employment counselling per year	Public Employment Services		50% (250 000)	41% (127 445)	–
Number of work seekers placed in registered employment opportunities per year	Public Employment Services		19 000	6 840	–
Number of sectoral determinations reviewed and published per year	Labour Policy and Industrial Relations		4	2	–

1. This indicator is dependent on the number of cases reported, thus data for a specific year is only available in the following year.

Mid-year progress

By 30 September, 6 840 work seekers were placed in registered employment opportunities. This is much lower than expected due to insufficient capacity at labour centres and a mismatch between skills possessed by registered job seekers and skills sought by registered employers. Except for this indicator, the department is on track to meet its other performance targets.

Adjusted Estimates of National Expenditure 2013

Programme	2013/14							
		Adjustments appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Administration	785 449	30 000	–	25 000	–	–	55 000	840 449
Inspection and Enforcement Services	465 190	–	–	(25 000)	–	–	(25 000)	440 190
Public Employment Services	400 117	–	–	–	–	–	–	400 117
Labour Policy and Industrial Relations	764 491	–	–	–	–	–	–	764 491
Total	**2 415 247**	**30 000**	**–**	**–**	**–**	**–**	**30 000**	**2 445 247**
Economic classification								
Current payments	**1 562 194**	**30 000**	**–**	**(31 669)**	**–**	**–**	**(1 669)**	**1 560 525**
Compensation of employees	982 905	–	–	(100 949)	–	–	(100 949)	881 956
Goods and services	579 289	30 000	–	69 280	–	–	99 280	678 569
Transfers and subsidies	**818 733**	**–**	**–**	**5 431**	**–**	**–**	**5 431**	**824 164**
Provinces and municipalities	–	–	–	239	–	–	239	239
Departmental agencies and accounts	676 171	–	–	35	–	–	35	676 206
Foreign governments and international organisations	11 312	–	–	4 282	–	–	4 282	15 594
Non-profit institutions	130 970	–	–	–	–	–	–	130 970
Households	280	–	–	875	–	–	875	1 155
Payments for capital assets	**34 320**	**–**	**–**	**26 238**	**–**	**–**	**26 238**	**60 558**
Buildings and other fixed structures	5 486	–	–	–	–	–	–	5 486
Machinery and equipment	28 834	–	–	26 238	–	–	26 238	55 072
Total	**2 415 247**	**30 000**	**–**	**–**	**–**	**–**	**30 000**	**2 445 247**

Programme 1: Administration

Subprogramme	2013/14							
		Adjustments appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Ministry	15 147	–	–	3	–	–	3	15 150
Management	440 841	–	–	(12 916)	–	–	(12 916)	427 925
Corporate Services	56 692	–	–	5 382	–	–	5 382	62 074
Office of the Chief Financial Officer	105 951	–	–	32 531	–	–	32 531	138 482
Office Accommodation	166 818	30 000	–	–	–	–	30 000	196 818
Total	**785 449**	**30 000**	**–**	**25 000**	**–**	**–**	**55 000**	**840 449**
Economic classification								
Current payments	**751 011**	**30 000**	**–**	**(1 700)**	**–**	**–**	**28 300**	**779 311**
Compensation of employees	330 403	–	–	(58 303)	–	–	(58 303)	272 100
Goods and services	420 608	30 000	–	56 603	–	–	86 603	507 211
Transfers and subsidies	**188**	**–**	**–**	**985**	**–**	**–**	**985**	**1 173**
Provinces and municipalities	–	–	–	239	–	–	239	239
Departmental agencies and accounts	–	–	–	35	–	–	35	35
Households	188	–	–	711	–	–	711	899

Programme 1: Administration (continued)

R thousand	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
	2013/14	Adjustments appropriation						
Payments for capital assets	**34 250**	**–**	**–**	**25 715**	**–**	**–**	**25 715**	**59 965**
Buildings and other fixed structures	5 486	–	–	–	–	–	–	5 486
Machinery and equipment	28 764	–	–	25 715	–	–	25 715	54 479
Total	**785 449**	**30 000**	**–**	**25 000**	**–**	**–**	**55 000**	**840 449**

Programme 2: Inspection and Enforcement Services

Subprogramme R thousand	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
	2013/14	Adjustments appropriation						
Management Support Services: Inspection and Enforcement Services	15 117	–	–	–	–	–	–	15 117
Occupational Health and Safety	16 514	–	–	5 000	–	–	5 000	21 514
Registration: Inspection and Enforcement Services	102 143	–	–	–	–	–	–	102 143
Compliance, Monitoring and Enforcement	324 910	–	–	(41 700)	–	–	(41 700)	283 210
Training of Staff: Inspection and Enforcement Services	4 647	–	–	11 700	–	–	11 700	16 347
Statutory and Advocacy Services	1 859	–	–	–	–	–	–	1 859
Total	**465 190**	**–**	**–**	**(25 000)**	**–**	**–**	**(25 000)**	**440 190**
Economic classification								
Current payments	**465 134**	**–**	**–**	**(25 000)**	**–**	**–**	**(25 000)**	**440 134**
Compensation of employees	384 301	–	–	(41 700)	–	–	(41 700)	342 601
Goods and services	80 833	–	–	16 700	–	–	16 700	97 533
Transfers and subsidies	**56**	**–**	**–**	**–**	**–**	**–**	**–**	**56**
Households	56	–	–	–	–	–	–	56
Total	**465 190**	**–**	**–**	**(25 000)**	**–**	**–**	**(25 000)**	**440 190**

Programme 3: Public Employment Services

Subprogramme R thousand	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
	2013/14	Adjustments appropriation						
Management and Support Services: Public Employment Services	31 098	–	–	–	–	–	–	31 098
Employer Services	91 382	–	–	–	–	–	–	91 382
Work Seeker Services	99 645	–	–	–	–	–	–	99 645
Designated Groups Special Services	801	–	–	–	–	–	–	801
Sheltered Employment Factories and Subsidies to Designated Workshops	119 290	–	–	–	–	–	–	119 290
Productivity South Africa	40 285	–	–	–	–	–	–	40 285
Compensation Fund	15 640	–	–	–	–	–	–	15 640
Training of Staff: Public Employment Services	1 975	–	–	–	–	–	–	1 975
Total	**400 117**	**–**	**–**	**–**	**–**	**–**	**–**	**400 117**

Programme 3: Public Employment Services (continued)

R thousand	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
	2013/14							
		Adjustments appropriation						
Economic classification								
Current payments	**229 690**	**–**	**–**	**(250)**	**–**	**–**	**(250)**	**229 440**
Compensation of employees	196 250	–	–	–	–	–	–	196 250
Goods and services	33 440	–	–	(250)	–	–	(250)	33 190
Transfers and subsidies	**170 427**	**–**	**–**	**–**	**–**	**–**	**–**	**170 427**
Departmental agencies and accounts	55 925	–	–	–	–	–	–	55 925
Non-profit institutions	114 466	–	–	–	–	–	–	114 466
Households	36	–	–	–	–	–	–	36
Payments for capital assets	**–**	**–**	**–**	**250**	**–**	**–**	**250**	**250**
Machinery and equipment	–	–	–	250	–	–	250	250
Total	**400 117**	**–**	**–**	**–**	**–**	**–**	**–**	**400 117**

Programme 4: Labour Policy and Industrial Relations

Subprogramme R thousand	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
	2013/14							
		Adjustments appropriation						
Management and Support Services: Labour Policy and Industrial Relations	13 038	–	–	368	–	–	368	13 406
Strengthen Civil Society	16 504	–	–	–	–	–	–	16 504
Collective Bargaining	12 882	–	–	474	–	–	474	13 356
Employment Equity	13 735	–	–	(886)	–	–	(886)	12 849
Employment Standards	12 372	–	–	925	–	–	925	13 297
Commission for Conciliation, Mediation and Arbitration	594 418	–	–	–	–	–	–	594 418
Research, Policy and Planning	16 096	–	–	(3 428)	–	–	(3 428)	12 668
Labour Market Information and Statistics	34 536	–	–	(235)	–	–	(235)	34 301
International Labour Matters	24 455	–	–	2 959	–	–	2 959	27 414
National Economic Development and Labour Council	26 455	–	–	(177)	–	–	(177)	26 278
Total	**764 491**	**–**	**–**	**–**	**–**	**–**	**–**	**764 491**
Economic classification								
Current payments	**116 359**	**–**	**–**	**(4 719)**	**–**	**–**	**(4 719)**	**111 640**
Compensation of employees	71 951	–	–	(946)	–	–	(946)	71 005
Goods and services	44 408	–	–	(3 773)	–	–	(3 773)	40 635
Transfers and subsidies	**648 062**	**–**	**–**	**4 446**	**–**	**–**	**4 446**	**652 508**
Departmental agencies and accounts	620 246	–	–	–	–	–	–	620 246
Foreign governments and international organisations	11 312	–	–	4 282	–	–	4 282	15 594
Non-profit institutions	16 504	–	–	–	–	–	–	16 504
Households	–	–	–	164	–	–	164	164
Payments for capital assets	**70**	**–**	**–**	**273**	**–**	**–**	**273**	**343**
Machinery and equipment	70	–	–	273	–	–	273	343
Total	**764 491**	**–**	**–**	**–**	**–**	**–**	**–**	**764 491**

Roll-overs – R30 million

Programme 1: Administration

R30 million has been rolled over for unpaid invoices owing to the Department of Public Works for rent for office buildings. The invoices were unpaid as the Department of Public Works did not submit the invoices on time.

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		**(58 305)**	**Programme 1**		**58 305**
Compensation of employees	Over-budgeting in the ministry[1]	(941)	Goods and services	Transport for the minister, workshops and imbizos	941
	Over-budgeting in the ministry[1]	(1)	Provinces and municipalities	Vehicle licence for the minister's car	1
	Savings realised following a review of the percentage split at provincial offices[1]	(50 000)	Goods and services	Payment to service provider for IT support following the termination of the private public partnership contract	50 000
	Savings realised following a review of the percentage split at provincial offices[1]	(5 100)	Goods and services	Fleet services	5 100
	Savings realised following a review of the percentage split at provincial offices[1]	(564)	Goods and services	Venues and facilities	564
	Savings realised following a review of the percentage split at provincial offices[1]	(711)	Households	Leave gratuities	711
	Savings realised following a review of the percentage split at provincial offices[1]	(715)	Machinery and equipment	Furniture and equipment at labour centres	715
	Savings realised following a review of the percentage split at provincial offices[1]	(35)	Departmental agencies and accounts	Payment of television licences	35
	Savings realised following a review of the percentage split at provincial offices[1]	(236)	Provinces and municipalities	Payment of vehicle licences for inspectors	236
Goods and services	Reduction in stationery and printing due to savings[1]	(2)	Provinces and municipalities	Payment of vehicle licences for inspectors	2
Shifts within the programme as a percentage of the programme budget		7.4%			
Virements to other programmes as percentage of the programme budget		**0.0%**			

FROM:			TO:		
Programme by economic classification	**Motivation**	**R thousand**	**Programme by economic classification**	**Motivation**	**R thousand**
Programme 2		**(41 700)**	**Programme 1**		**25 000**
Compensation of employees	Vacant posts for inspectors	(25 000)	Machinery and equipment	Procurement of vehicles for inspectors	25 000
			Programme 2		**16 700**
	Vacant posts for inspectors	(11 700)	Goods and services	Investigation skills training for inspectors	11 700
	Vacant posts for inspectors	(5 000)		Travel costs and conference for inspectors	5 000
Shifts within the programme as a percentage of the programme budget		3.6%			
Virements to other programmes as percentage of the programme Budget		**5.4%**			
Programme 3		**(250)**	**Programme 3**		**250**
Goods and services	Reallocation of funds	(250)	Machinery and equipment	Furniture and equipment for new appointees	250
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as percentage of programme budget		**0.0%**			
Programme 4		**(4 719)**	**Programme 4**		**4 719**
Compensation of employees	Vacant posts	(164)	Households	Leave gratuities	164
	Vacant posts[1]	(782)	Foreign governments and international organisations	Exchange rate fluctuations in relation to the membership fee for the International Labour Organisation	782
Goods and services	Fewer research agenda projects[1]	(3 500)	Foreign governments and international organisations	Exchange rate fluctuations in relation to the membership fee for the International Labour Organisation	3 500
	Reprioritisation of funds	(273)	Machinery and equipment	Furniture and equipment for new appointees	273
Shifts within the programme as a percentage of the programme budget		0.6%			
Virements to other programmes as percentage of the programme Budget		**0.0%**			
Total		**(104 974)**			**104 974**

1. National Treasury approval has been obtained.

Expenditure for 2012/13 and preliminary expenditure for 2013/14

Programme	**2012/13 Expenditure outcome**					**2013/14 Preliminary expenditure**			
R thousand	**Adjusted appropriation**	**Apr 12 - Sep 12**	**Apr 12 - Sep 12 % of adjusted appropriation**	**Apr 12 - Mar 13**	**Apr 12 - Mar 13 % of adjusted appropriation**	**Adjusted appropriation**	**Adjusted appropriation/ total (%)**	**Apr 13 - Sep 13**	**Apr 13 - Sep 13 % of adjusted appropriation**
Administration	764 585	328 878	43.0	687 695	89.9	840 449	34.4	326 979	38.9
Inspection and Enforcement Services	400 376	191 700	47.9	395 574	98.8	440 190	18.0	197 258	44.8
Public Employment Services	334 331	169 217	50.6	331 651	99.2	400 117	16.4	206 507	51.6
Labour Policy and Industrial Relations	640 274	299 888	46.8	619 652	96.8	764 491	31.3	364 695	47.7
Total	**2 139 566**	**989 683**	**46.3**	**2 034 572**	**95.1**	**2 445 247**	**100.0**	**1 095 439**	**44.8**

R thousand	2012/13 Expenditure outcome Adjusted appropriation	Apr 12 - Sep 12	Apr 12 - Sep 12 % of adjusted appropriation	Apr 12 - Mar 13	Apr 12 - Mar 13 % of adjusted appropriation	2013/14 Preliminary expenditure Adjusted appropriation	Adjusted appropriation/ total (%)	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation
Economic classification									
Current payments	**1 446 710**	**602 788**	**41.7**	**1 276 484**	**88.2**	**1 560 525**	**63.8**	**666 919**	**42.7**
Compensation of employees	847 541	399 046	47.1	820 465	96.8	881 956	36.1	423 285	48.0
Goods and services	599 143	203 730	34.0	455 996	76.1	678 569	27.8	243 634	35.9
Interest and rent on land	26	12	46.2	23	88.5	–	0.0	–	0.0
Transfers and subsidies	**656 369**	**332 128**	**50.6**	**658 425**	**100.3**	**824 164**	**33.7**	**408 920**	**49.6**
Provinces and municipalities	88	117	133.0	227	258.0	239	0.0	141	59.0
Departmental agencies and accounts	554 053	276 916	50.0	554 070	100.0	676 206	27.7	346 507	51.2
Foreign governments and international organisations	12 722	–	0.0	13 692	107.6	15 594	0.6	21	0.1
Non-profit institutions	88 711	54 188	61.1	88 030	99.2	130 970	5.4	60 341	46.1
Households	795	907	114.1	2 406	302.6	1 155	0.0	1 910	165.4
Payments for capital assets	**36 487**	**54 767**	**150.1**	**93 427**	**256.1**	**60 558**	**2.5**	**19 600**	**32.4**
Buildings and other fixed structures	3 416	2 839	83.1	8 637	252.8	5 486	0.2	89	1.6
Machinery and equipment	33 071	51 928	157.0	84 790	256.4	55 072	2.3	19 511	35.4
Payments for financial assets	**–**	**–**	**–**	**6 236**	**–**	**–**	**0.0**	**–**	**0.0**
Total	**2 139 566**	**989 683**	**46.3**	**2 034 572**	**95.1**	**2 445 247**	**100.0**	**1 095 439**	**44.8**

Expenditure trends for the first half of 2013/14

Total expenditure in 2012/13 was 95.1 per cent of the 2012/13 adjusted appropriation. Expenditure in the first six months of 2013/14 was R1.095 billion, or 44.8 per cent of the adjusted appropriation of R2.445 billion for the year. In comparison, mid-year expenditure in 2012/13 was R989.683 million, or 46.3 per cent of the 2012/13 adjusted appropriation. Compared to the first six months of 2012/13, expenditure over the same period in 2013/14 increased by R105.756 million, or 10.7 per cent. This was mainly due to: the filling of vacancies; new drawdown agreements that changed transfers to sheltered employment factories and the Commission for Conciliation, Mediation and Arbitration; and the termination of the public private partnership agreements with service providers for fleet management and ICT support, which increased spending on fleet and computer services.

Departmental receipts

R thousand	2012/13 Adjusted estimate	Audited outcome Apr 12 - Sep 12	Apr 12 - Sep 12 % of adjusted estimate	Apr 12 - Mar 13	Apr 12 - Mar 13 % of adjusted estimate	2013/14 Actual receipts Budget estimate	Adjusted estimate	Adjusted receipts estimate/ total (%)	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate
Departmental receipts	**8 136**	**6 197**	**76.2**	**15 670**	**192.6**	**12 256**	**15 158**	**100.0**	**6 178**	**40.8**
Sales of goods and services produced by department	2 484	1 404	56.5	3 167	127.5	2 268	3 626	23.9	2 309	63.7
Sales of scrap, waste, arms and other used current goods	12	7	58.3	12	100.0	12	25	0.2	13	52.0
Fines, penalties and forfeits	600	572	95.3	107	17.8	600	600	4.0	10	1.7
Interest, dividends and rent on land	480	849	176.9	1 780	370.8	480	997	6.6	517	51.9
Transactions in financial assets and liabilities	4 560	3 365	73.8	10 604	232.5	8 896	9 910	65.4	3 329	33.6
Total	**8 136**	**6 197**	**76.2**	**15 670**	**192.6**	**12 256**	**15 158**	**100.0**	**6 178**	**40.8**

Revenue trends for the first half of 2013/14

Revenue in the first six months of 2013/14 was R6.178 million, or 40.8 per cent of the adjusted revenue estimate of R15.158 million. In comparison, mid-year revenue in 2012/13 was R6.197 million, or 76.2 per cent of the 2012/13 adjusted estimate. Compared to revenue in the first six months of 2012/13, revenue in the same period in 2013/14 decreased by R19 000, or 0.3 per cent. This was due to union fees received that were allocated to a suspense account for later payment to the Commission for Conciliation, Mediation and Arbitration.

Changes to transfers and subsidies, including conditional grants

Summary of changes to transfers and subsidies per programme

	2013/14							
		Adjustments appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Administration								
Provinces and municipalities								
Provinces								
Provincial agencies and funds								
Current	**–**	**–**	**–**	**239**	**–**	**–**	**239**	**239**
Vehicle licences	–	–	–	239	–	–	239	239
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	**–**	**–**	**–**	**35**	**–**	**–**	**35**	**35**
Communication	–	–	–	35	–	–	35	35
Households								
Social benefits								
Current	**188**	**–**	**–**	**711**	**–**	**–**	**711**	**899**
Employee social benefits	188	–	–	711	–	–	711	899
Labour Policy and Industrial Relations								
Foreign governments and international organisations								
Current	**10 609**	**–**	**–**	**4 282**	**–**	**–**	**4 282**	**14 891**
International Labour Organisation	10 609	–	–	4 282	–	–	4 282	14 891
Households								
Social benefits								
Current	**–**	**–**	**–**	**164**	**–**	**–**	**164**	**164**
Employee social benefits	–	–	–	164	–	–	164	164