

# 2016 BUDGET

ESTIMATES OF NATIONAL EXPENDITURE

**TOURISM**

**VOTE 33**



**national treasury**

Department:  
National Treasury  
**REPUBLIC OF SOUTH AFRICA**



# **Estimates of National Expenditure**

## **2016**

**National Treasury**

**Republic of South Africa**

24 February 2016



**ISBN: 978-0-621-44244-1**

**RP: 15/2016**

The 2016 Estimates of National Expenditure e-publications are compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za).

Compared to the abridged version of the 2016 ENE, the 2016 ENE e-publications contain more comprehensive coverage of goods and services, transfers and subsidies, and programme specific personnel expenditure. Budget information is also provided for the public entities that are not shown in detail in the abridged publication. The abridged version of the ENE contains one additional table at the end of a chapter that shows expenditure on infrastructure, whereas the vote ENE e-publications' additional tables also contain information on conditional grants to provinces and municipalities, public private partnerships and donor funding. Expenditure information at the level of service delivery is also included, where appropriate.



# Foreword

The 2016 Budget is tabled at a time when both global and domestic economic conditions continue to be difficult. Government is unwavering in its commitment to stay the course of sound fiscal management in the face of this challenging environment. The approach of using the expenditure ceiling as a fiscal anchor, which was adopted in 2012, serves us well. To achieve the fiscal adjustment necessary, the expenditure level has been reduced and further revenue enhancement measures are introduced in the 2016 MTEF period.

Over the 2016 MTEF period expenditure is R3.73 trillion and will grow at an average annual rate of 7.5 per cent. Spending growth is slower than prior to 2008, but it still remains above the projected inflation rate. During consultations in the budget preparation process trade-offs in financing different policy objectives were carefully examined and culminated in recommendations on how institutional policies, practices and organisational arrangements would be adjusted in line with the national development plan and the 2014-2019 medium term strategic framework on the one hand, and in a manner consistent with fiscal consolidation, on the other hand.

For the 2016 MTEF period, budget amendments were effected through the reprioritisation of existing funding within the lowered expenditure ceiling, with movements away from areas of lower priority to key priorities. Labour-intensive departments received substantial funding for compensation of employees, owing to spending pressures related to the 2015 public sector wage agreement. In the case of departments which historically underspend on their wage bill, the budgets for compensation of employees have been reduced accordingly. A ceiling is put on compensation of employees budgets of national departments through the 2016 Appropriation Act. Resources cannot be diverted from frontline services for the wage bill.

Further reductions have been effected on goods and services budgets. In some cases departments have been asked to provide evidence of service delivery performance before funding can be appropriated to programmes under their specific votes. These provisional allocations, pending programme viability and verifiable record of good performance, total R17.8 billion in 2018/19. Given these measures, government service delivery will not be negatively affected even as spending growth is curtailed.

The financial information and key performance indicators in the institutional budget plans set out in the Estimates of National Expenditure, provide Parliament and the public with the information to hold government accountable against its 14 outcomes, set out in its medium term strategic framework.

The budget process is ably directed by the Ministers' Committee on the Budget, supported by a devoted Medium Term Expenditure Committee of Directors-General in central government departments. As the National Treasury team we are eternally grateful for their guidance and hard work. We are also indebted to the Budget Council, the Budget Forum and our national and provincial counterparts for making what is otherwise an impossible task, seem easier. The presentation of this budget is the product of all their collective efforts.



**Lungisa Fuzile**  
**Director-General: National Treasury**



# Introduction

## **The Estimates of National Expenditure publications**

The Estimates of National Expenditure (ENE) publications provide comprehensive information on how institutions have spent their budgets in previous years, and how institutions plan to spend the resources allocated to them over the upcoming three-year medium term expenditure framework (MTEF) period. Key performance indicators are included for each national government vote and entity reporting to the same executive authority, showing what institutions aim to achieve by spending their budget allocations in a particular manner. This information is based on government's 2014-2019 medium term strategic framework (MTSF), particularly as it is expressed in institutional strategic and annual performance plans, and in annual reports. Coupled with financial information, performance information provides Parliament and the public with the necessary facts to hold government accountable against the 14 outcomes set out in the 2014-2019 medium term strategic framework.

Each chapter in the abridged 2016 ENE publication relates to a specific budget vote. A separate, more detailed, e-publication is also available for each vote. These e-publications provide more detailed information than the relevant chapter in the abridged ENE, including on goods and services, transfers and subsidies, as well as on programme specific personnel expenditure. Budget information is also provided for the public entities that are not shown in detail in the abridged publication. Each chapter in the abridged ENE publication has a summary table showing expenditure on infrastructure, whereas the vote ENE e-publications' additional tables also contain summaries of expenditure on conditional grants to provinces and municipalities, departmental public private partnerships and information on donor funding. In some e-publications more detailed information at the level of site service delivery is also included.

In addition, a separate 2016 ENE Overview e-publication is also available summarising the ENE information across votes. The 2016 ENE Overview contains a narrative explanation and summary tables; a description of the budgeting approach; and it also has a write-up on how to interpret the information that is contained in each section of the publications.





# **Tourism**

**National Treasury  
Republic of South Africa**



# Contents

<b>Budget summary .....</b>	<b>1</b>
<b>Vote purpose.....</b>	<b>1</b>
<b>Mandate .....</b>	<b>1</b>
<b>Selected performance indicators .....</b>	<b>1</b>
<b>Expenditure analysis.....</b>	<b>2</b>
<b>Expenditure trends .....</b>	<b>3</b>
<b>Expenditure estimates .....</b>	<b>5</b>
<b>Personnel information .....</b>	<b>6</b>
<b>Departmental receipts .....</b>	<b>6</b>
<b>Programme 1: Administration .....</b>	<b>6</b>
<b>Programme 2: Policy and Knowledge Services .....</b>	<b>8</b>
<b>Programme 3: International Tourism.....</b>	<b>11</b>
<b>Programme 4: Domestic Tourism .....</b>	<b>13</b>
<b>Entities.....</b>	<b>16</b>
<b>Additional table.....</b>	<b>21</b>

# Vote 33

## Tourism

### Budget summary

R million	2016/17				2017/18	2018/19
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	237.5	233.2	0.2	4.1	245.1	252.9
Policy and Knowledge Services	1 272.6	133.9	1 137.2	1.5	1 324.6	1 400.3
International Tourism	54.7	47.2	6.3	1.2	56.3	58.7
Domestic Tourism	444.7	256.8	82.4	105.6	441.3	460.8
<b>Total expenditure estimates</b>	<b>2 009.5</b>	<b>671.1</b>	<b>1 226.1</b>	<b>112.4</b>	<b>2 067.3</b>	<b>2 172.6</b>
Executive authority	Minister of Tourism					
Accounting officer	Director General of Tourism					
Website address	www.tourism.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public private partnerships, conditional grants to provinces and municipalities and expenditure information at the level of service delivery, where appropriate.

### Vote purpose

Promote and support the growth and development of an equitable, competitive and sustainable tourism sector, enhancing its contribution to national priorities.

### Mandate

The mandate of the Department of Tourism, as outlined in the Tourism Act ( 2014), is to: promote the practice of responsible tourism for the benefit of South Africa and for the enjoyment of all its residents and foreign visitors; provide for the effective domestic and international marketing of South Africa as a tourist destination; promote quality tourism products and services; promote growth in and development of the tourism sector; and enhance cooperation and coordination between all spheres of government in developing and managing tourism.

In recognition of tourism as a national priority with the potential to contribute significantly to economic development, the 1996 White Paper on the Development and Promotion of Tourism in South Africa provides for the promotion of domestic and international tourism. The national tourism sector strategy provides a blueprint for the sector to meet the growth targets contained in the national development plan.

### Selected performance indicators

**Table 33.1 Performance indicators by programme and related outcome**

Indicator	Programme	Outcome	Past			Current	Projections		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Number of tourism attractions supported to enhance destination competitiveness per year	Policy and Knowledge Services	Outcome 4: Decent employment through inclusive economic growth	-1	-1	-1	2	3	3	3
Number of priority areas incentivised per year	Policy and Knowledge Services		-1	-1	-1	3	3	3	3
Number of skills development opportunities facilitated through bilateral cooperation per year	International Tourism		-1	-1	-1	1	3	1	1

**Table 33.1 Performance indicators by programme and related outcome**

Indicator	Programme	Outcome	Past			Current	Projections		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Number of full time equivalent jobs created through the social responsibility implementation programme of the expanded public works programme per year	Domestic Tourism	Outcome 4: Decent employment through inclusive economic growth	5 645	2 797	3 037	3 008	3488	3347	3488
Number of rural enterprises supported for development per year	Domestic Tourism	Outcome 7: Comprehensive rural development and land reform	1 664	891	466	250	100	150	225
Number of programmes implemented to grow the contribution of tourism to the oceans economy per year	Domestic Tourism	Outcome 4: Decent employment through inclusive economic growth	-1	-1	-1	-1	1	1	1
Number of capacity building programmes implemented per year	Domestic Tourism	Outcome 4: Decent employment through inclusive economic growth	-1	-1	-1	-1	4	4	4

1. No historical data is available as these are new indicators.

## Expenditure analysis

The national development plan recognises tourism as one of the main drivers of employment and economic growth and as contributing to a long term solution to reducing inequality, improving living standards, and supporting a dignified existence for all South Africans. Tourism already contributes to considerable economic growth, services exports and social development. Tourism's direct contribution to GDP was R103.6 billion in 2013, about 2.9 per cent of total GDP; and its direct contribution to employment was 655 609 or 4.4 per cent of total employment. Tourist arrivals to South Africa continue to grow every year, and the number of tourist arrivals is projected to increase from 10.4 million in 2016/17 to 11.4 million in 2018/19.

In support of outcome 4 (decent employment through inclusive economic growth) of the 2014-2019 medium term strategic framework, the department's focus over the medium term will be on encouraging tourism in South Africa and stimulating the transformation of the sector. To this end, new areas of spending will drive the department's mandate, vision and mission: developing new tourism attractions, supporting rural enterprises, and growing domestic tourism. Spending on these areas is in transfers and subsidies to the expanded public works programme and South African Tourism, constituting 66.8 per cent of the department's total budget over the medium term.

Cabinet has approved reductions of R17.5 million in 2017/18 and R26.6 million in 2018/19 to the department's compensation of employees budget as part of its decision to lower the national aggregate expenditure ceiling. Cabinet also approved an increase in the budget for compensation of employees by R6.1 million in 2016/17 due to the 2015 public sector wage agreement. The ceiling on the budget for compensation of employees is R265.5 million in 2016/17, R274.9 million in 2017/18 and R285.8 million in 2018/19. After consultation with the Department of Public Service and Administration and the National Treasury, the department will develop and implement a plan to manage its personnel expenditure within these budget ceilings.

### Developing new tourism attractions

The tourism incentive programme, in the *Policy and Knowledge Services* programme, became fully operational in 2015/16. It receives R575.1 million over the MTEF period and spending will be focused on developing tourism attractions to enhance South Africa's competitiveness as a tourism destination. Under-utilised public recreation facilities and resorts will be redeveloped as tourism destinations. The department will: enhance infrastructure facilities; promote greater participation in tourism and leisure activities, particularly among low income groups; attract private sector investment in tourism infrastructure facilities; transform the tourism sector; and address the uneven geographical spread of tourism products and tourism seasonality. Further, the tourism incentive programme will assist SMMEs to participate in local and international trade exhibitions, thus creating direct linkages with international tourism companies. More broadly, these activities will contribute to job creation and economic growth.

### Supporting rural enterprises

16.1 per cent of the department's total expenditure over the medium term, or R1 billion, will go to the expanded public works programme, which is budgeted for in the *Social Responsibility Implementation* subprogramme in the *Domestic Tourism* programme. This follows the Cabinet approved reductions of R40 million in 2016/17,

R50 million in 2017/18 and R60 million in the 2018/19, aligning the programme's growth to the department's service delivery capacity. A new expenditure area is support for rural enterprises, which will contribute to rural economic growth and poverty reduction, and more broadly to government's objectives of inclusive economic growth, job creation, poverty reduction, transformation, empowerment, and rural development. Through the expanded public works programme, the department allocates funding to service providers to implement projects that create job opportunities. The department also monitors these projects. It is projected that the expanded public works programme will support 300 rural enterprises over the medium term, and that 11 914 full time equivalent jobs will be created, targeting the poor and unemployed, including women, youth and people living with disabilities. This spending will also contribute to a skilled and capable workforce in the tourism sector.

### Growing domestic tourism

South African Tourism is responsible for marketing South Africa as a domestic and international tourist destination, promoting a culture of domestic tourism, and grading tourist accommodation. Transfers to South African Tourism for domestic marketing programmes constitute 51.8 per cent of the departmental budget over the medium term. This includes an increase of R105 million in 2016/17 from government's economic competitiveness support package in the *Tourism Incentive Programme* subprogramme in the *Policy and Knowledge Services* programme. Over the medium term, South African Tourism will focus on increasing tourism's contribution to the economy by growing the number of domestic holiday trips and total domestic direct tourism spending, as well as tourist arrivals and tourism revenue in general.

## Expenditure trends

**Table 33.2 Vote expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. Policy and Knowledge Services														
3. International Tourism														
4. Domestic Tourism														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Outcome/Annual budget Average (%)	Outcome/Adjusted appropriation Average (%)
R million	2012/13			2013/14			2014/15			2015/16			2012/13 - 2015/16	
Programme 1	195.0	191.9	179.2	205.7	208.1	212.0	221.8	224.6	219.8	231.8	233.7	233.7	98.9%	98.4%
Programme 2	788.0	793.4	794.0	875.5	901.8	908.8	925.2	928.9	929.6	1 215.6	1 206.2	1 181.2	100.2%	99.6%
Programme 3	46.8	41.8	27.1	49.6	41.0	37.9	51.9	45.4	45.1	46.7	47.3	47.3	80.7%	89.7%
Programme 4	337.5	347.0	371.6	369.8	369.6	354.0	463.2	384.4	363.1	306.2	307.0	307.0	94.5%	99.1%
<b>Total</b>	<b>1 367.3</b>	<b>1 374.1</b>	<b>1 372.0</b>	<b>1 500.6</b>	<b>1 520.6</b>	<b>1 512.7</b>	<b>1 662.1</b>	<b>1 583.3</b>	<b>1 557.6</b>	<b>1 800.2</b>	<b>1 794.2</b>	<b>1 769.2</b>	<b>98.1%</b>	<b>99.0%</b>
Change to 2015 Budget estimate											(6.1)			
Economic classification														
<b>Current payments</b>	<b>331.1</b>	<b>330.3</b>	<b>287.2</b>	<b>359.2</b>	<b>360.7</b>	<b>340.8</b>	<b>380.3</b>	<b>373.7</b>	<b>460.8</b>	<b>403.0</b>	<b>559.0</b>	<b>559.0</b>	<b>111.8%</b>	<b>101.5%</b>
Compensation of employees	180.6	174.7	171.2	205.8	205.8	202.4	233.3	229.3	231.5	246.1	250.1	250.1	98.8%	99.5%
Goods and services	150.3	155.0	116.0	153.3	154.9	138.4	147.0	144.4	229.3	156.9	309.0	309.0	130.5%	103.9%
of which:														
Administrative fees	25.4	1.2	0.7	26.5	25.8	2.2	1.7	1.7	0.2	0.3	0.3	0.3	6.3%	11.7%
Advertising	2.1	2.0	2.7	2.2	2.8	4.2	2.4	2.0	2.9	5.8	5.8	5.8	124.6%	123.2%
Minor assets	4.0	3.2	1.5	4.4	16.0	0.9	4.0	4.0	0.6	1.4	1.4	1.4	31.7%	17.8%
Audit costs: External	5.6	5.1	3.8	6.0	4.9	4.2	6.1	6.1	4.2	6.0	6.0	6.0	76.5%	82.1%
Bursaries: Employees	1.5	1.2	0.8	1.3	0.9	0.8	1.3	1.3	1.1	0.9	0.9	0.9	71.1%	81.2%
Catering: Departmental activities	1.3	1.5	1.0	1.2	1.5	1.7	0.9	0.9	1.7	1.9	1.9	1.9	121.4%	109.0%

Table 33.2 Vote expenditure trends by programme and economic classification

Economic classification	2012/13			2013/14			2014/15			2015/16			2012/13 - 2015/16	
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Outcome/Annual budget Average (%)	Outcome/Adjusted appropriation Average (%)
R million														
Communication	4.0	4.1	5.1	4.2	4.3	5.2	4.6	5.7	5.0	5.5	5.5	5.5	114.2%	106.5%
Computer services	19.7	19.6	7.9	22.5	20.2	17.1	20.9	20.9	14.3	20.1	20.1	20.1	71.4%	73.6%
Consultants: Business and advisory services	9.8	14.0	13.9	8.6	3.2	7.3	6.6	6.5	3.4	8.5	28.5	28.5	158.4%	101.7%
Legal services	-	-	-	-	-	-	-	0.1	0.5	0.2	0.2	0.2	428.7%	299.1%
Science and technological services	0.1	0.1	0.2	0.1	0.1	0.2	0.1	-	-	-	-	-	175.5%	187.9%
Contractors	8.3	10.8	4.5	5.8	4.3	2.6	5.3	5.3	2.7	2.9	52.9	52.9	281.1%	85.5%
Agency and support/outourced services	0.9	0.8	2.2	1.0	0.9	2.6	1.0	1.0	3.1	2.0	2.0	2.0	202.3%	209.2%
Entertainment	0.1	0.1	0.2	0.1	0.3	0.2	0.1	0.1	0.1	0.2	0.2	0.2	98.5%	73.9%
Fleet services (including government motor transport)	0.0	0.4	0.7	0.0	0.3	1.2	0.5	0.5	1.2	1.6	1.6	1.6	223.0%	165.9%
Inventory: Food and food supplies	0.2	0.1	0.0	0.2	-	-	-	-	-	-	-	-	8.0%	16.8%
Inventory: Fuel, oil and gas	1.0	1.0	0.6	1.1	-	-	-	-	-	-	-	-	27.7%	58.2%
Inventory: Learner and teacher support material	-	0.0	0.1	-	-	-	-	-	-	-	-	-	-	350.0%
Inventory: Materials and supplies	0.3	0.3	0.2	0.3	0.1	-	-	-	-	-	-	-	35.5%	56.4%
Inventory: Other supplies	-	1.4	1.1	1.4	-	-	-	-	-	-	-	-	76.9%	76.4%
Consumable supplies	1.3	-	-	-	3.0	1.7	6.1	5.8	2.3	2.1	2.1	2.1	63.4%	55.8%
Consumables: Stationery, printing and office supplies	7.9	7.9	4.1	8.4	6.4	4.0	5.4	5.1	4.1	4.1	4.1	4.1	63.6%	69.8%
Operating leases	1.0	0.1	19.8	1.0	-	26.9	26.5	26.5	32.1	25.2	25.2	25.2	193.5%	200.9%
Rental and hiring	0.3	24.2	1.8	0.3	0.2	0.2	0.8	1.3	0.1	0.4	0.4	0.4	149.2%	9.8%
Property payments	-	0.0	-	0.0	-	-	-	0.8	2.5	3.6	3.6	3.6	167.1%	137.8%
Transport provided: Departmental activity	38.5	38.9	32.6	40.1	40.5	41.8	37.8	-	-	-	-	-	63.9%	93.7%
Travel and subsistence	3.9	3.4	2.7	4.1	4.2	3.6	4.0	36.0	31.2	46.0	46.0	46.0	143.9%	93.0%
Training and development	7.2	6.6	2.0	6.8	6.1	4.8	5.6	3.3	106.2	4.5	86.6	86.6	829.2%	194.7%
Operating payments	4.9	5.7	5.5	4.5	8.0	4.6	4.0	5.6	5.1	5.9	5.9	5.9	109.9%	83.9%
Venues and facilities	1.2	1.1	0.4	1.3	0.8	0.4	1.3	4.0	4.9	7.9	7.9	7.9	115.7%	98.0%
Interest and rent on land	0.2	0.5	-	0.2	-	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>1 029.0</b>	<b>1 034.3</b>	<b>1 074.8</b>	<b>1 133.8</b>	<b>1 156.8</b>	<b>1 160.1</b>	<b>1 272.6</b>	<b>1 199.2</b>	<b>1 083.7</b>	<b>1 391.1</b>	<b>1 229.0</b>	<b>1 204.0</b>	<b>93.7%</b>	<b>97.9%</b>
Departmental agencies and accounts	753.3	759.0	759.0	836.0	862.6	872.6	881.9	886.3	886.3	983.9	1 077.5	983.9	101.4%	97.7%
Higher education institutions	-	2.5	2.5	3.1	3.1	3.1	3.7	3.7	3.7	3.8	3.8	3.8	123.4%	100.0%
Foreign governments and international organisations	5.3	3.5	3.5	5.5	1.8	4.8	5.9	5.9	8.6	6.0	6.0	6.0	100.9%	133.0%
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	-	-	68.6	-	-
Non-profit institutions	27.7	26.6	26.1	26.0	26.0	26.0	24.0	25.2	26.5	14.8	14.8	14.8	100.8%	100.8%
Households	242.8	242.8	283.8	263.2	263.2	253.6	357.0	278.2	158.8	382.7	127.0	127.0	66.1%	90.3%
<b>Payments for capital assets</b>	<b>7.2</b>	<b>9.6</b>	<b>9.9</b>	<b>7.5</b>	<b>3.1</b>	<b>11.6</b>	<b>9.3</b>	<b>10.4</b>	<b>12.8</b>	<b>6.1</b>	<b>6.1</b>	<b>6.1</b>	<b>134.4%</b>	<b>138.6%</b>
Buildings and other fixed structures	-	-	3.1	-	-	-	-	-	-	-	-	-	-	-
Machinery and equipment	7.0	9.3	6.6	7.4	3.1	10.3	9.1	10.2	10.7	5.8	5.8	5.8	113.7%	117.2%
Software and other intangible assets	0.1	0.2	0.2	0.1	0.0	1.3	0.1	0.1	2.1	0.3	0.3	0.3	538.8%	556.4%
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>0.3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 367.3</b>	<b>1 374.1</b>	<b>1 372.0</b>	<b>1 500.6</b>	<b>1 520.6</b>	<b>1 512.7</b>	<b>1 662.1</b>	<b>1 583.3</b>	<b>1 557.6</b>	<b>1 800.2</b>	<b>1 794.2</b>	<b>1 769.2</b>	<b>98.1%</b>	<b>99.0%</b>

## Expenditure estimates

**Table 33.3 Vote expenditure estimates by programme and economic classification**

<b>Programmes</b>								
1. Administration								
2. Policy and Knowledge Services								
3. International Tourism								
4. Domestic Tourism								
<b>Programme</b>	<b>Revised estimate</b>	<b>Average growth rate (%)</b>	<b>Expenditure/ Total: Average (%)</b>	<b>Medium-term expenditure estimate</b>			<b>Average growth rate (%)</b>	<b>Expenditure/ Total: Average (%)</b>
R million	<b>2015/16</b>	<b>2012/13 - 2015/16</b>		<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2015/16 - 2018/19</b>	
Programme 1	233.7	6.8%	13.6%	237.5	245.1	252.9	2.7%	12.1%
Programme 2	1 181.2	14.2%	61.4%	1 272.6	1 324.6	1 400.3	5.8%	64.6%
Programme 3	47.3	4.2%	2.5%	54.7	56.3	58.7	7.4%	2.7%
Programme 4	307.0	-4.0%	22.5%	444.7	441.3	460.8	14.5%	20.6%
<b>Total</b>	<b>1 769.2</b>	<b>8.8%</b>	<b>100.0%</b>	<b>2 009.5</b>	<b>2 067.3</b>	<b>2 172.6</b>	<b>7.1%</b>	<b>100.0%</b>
Change to 2015 Budget estimate				(42.0)	(60.9)	(78.6)		
<b>Economic classification</b>								
<b>Current payments</b>	<b>559.0</b>	<b>19.2%</b>	<b>26.5%</b>	<b>671.1</b>	<b>686.7</b>	<b>719.9</b>	<b>8.8%</b>	<b>32.9%</b>
Compensation of employees	250.1	12.7%	13.8%	265.5	274.9	285.8	4.6%	13.4%
Goods and services	309.0	25.8%	12.8%	405.5	411.8	434.1	12.0%	19.5%
of which:								
Administrative fees	0.3	-39.7%	0.1%	0.3	0.3	0.4	12.3%	0.0%
Advertising	5.8	41.9%	0.3%	6.5	6.9	6.8	5.4%	0.3%
Minor assets	1.4	-24.3%	0.1%	1.3	1.4	1.5	1.0%	0.1%
Audit costs: External	6.0	5.6%	0.3%	6.3	6.5	6.9	4.5%	0.3%
Bursaries: Employees	0.9	-10.6%	0.1%	0.9	0.9	1.0	5.3%	0.0%
Catering: Departmental activities	1.9	6.5%	0.1%	1.9	2.1	2.1	4.3%	0.1%
Communication	5.5	10.6%	0.3%	5.6	5.8	6.1	3.6%	0.3%
Computer services	20.1	0.8%	1.0%	20.5	21.8	22.5	3.9%	1.1%
Consultants: Business and advisory services	28.5	26.9%	0.9%	29.4	29.7	31.2	3.0%	1.5%
Legal services	0.2	–	0.0%	0.2	0.2	0.2	5.5%	0.0%
Science and technological services	–	-100.0%	0.0%	0.0	0.0	–	–	0.0%
Contractors	52.9	69.8%	1.0%	55.3	55.1	58.3	3.3%	2.8%
Agency and support/outourced services	2.0	33.8%	0.2%	2.4	3.1	3.3	17.1%	0.1%
Entertainment	0.2	14.7%	0.0%	0.2	0.2	0.2	3.5%	0.0%
Fleet services (including government motor transport)	1.6	57.2%	0.1%	1.3	1.3	1.7	3.7%	0.1%
Consumable supplies	2.1	–	0.1%	2.3	2.2	2.3	3.1%	0.1%
Consumables: Stationery, printing and office supplies	4.1	-19.2%	0.3%	4.8	5.1	5.4	9.4%	0.2%
Operating leases	25.2	690.8%	1.7%	26.5	27.9	29.5	5.3%	1.4%
Rental and hiring	0.4	-75.4%	0.0%	0.0	0.0	0.4	5.3%	0.0%
Property payments	3.6	446.6%	0.1%	3.1	2.1	2.2	-14.9%	0.1%
Transport provided: Departmental activity	–	-100.0%	1.2%	14.1	15.1	–	–	0.4%
Travel and subsistence	46.0	137.3%	1.3%	31.8	33.5	52.2	4.3%	2.0%
Training and development	86.6	136.3%	3.2%	177.6	176.9	186.3	29.1%	7.8%
Operating payments	5.9	1.3%	0.3%	6.1	6.4	5.5	-2.3%	0.3%
Venues and facilities	7.9	91.6%	0.2%	7.2	7.3	8.0	0.7%	0.4%
<b>Transfers and subsidies</b>	<b>1 204.0</b>	<b>5.2%</b>	<b>72.8%</b>	<b>1 226.1</b>	<b>1 278.2</b>	<b>1 351.6</b>	<b>3.9%</b>	<b>63.1%</b>
Departmental agencies and accounts	983.9	9.0%	56.4%	1 029.4	1 080.9	1 143.6	5.1%	52.8%
Higher education institutions	3.8	15.2%	0.2%	4.0	4.2	4.5	5.4%	0.2%
Foreign governments and international organisations	6.0	19.8%	0.4%	6.3	6.6	7.0	5.4%	0.3%
Public corporations and private enterprises	68.6	–	1.1%	109.0	108.3	113.9	18.4%	5.0%
Non-profit institutions	14.8	-17.8%	1.5%	16.0	16.9	17.9	6.7%	0.8%
Households	127.0	-19.4%	13.3%	61.3	61.2	64.7	-20.1%	3.9%
<b>Payments for capital assets</b>	<b>6.1</b>	<b>-13.9%</b>	<b>0.7%</b>	<b>112.4</b>	<b>102.4</b>	<b>101.1</b>	<b>155.1%</b>	<b>4.0%</b>
Buildings and other fixed structures	–	–	0.1%	104.7	94.3	92.7	–	3.6%
Machinery and equipment	5.8	-14.9%	0.5%	7.3	7.7	8.0	11.4%	0.4%
Software and other intangible assets	0.3	16.7%	0.1%	0.4	0.4	0.5	9.9%	0.0%
<b>Total</b>	<b>1 769.2</b>	<b>8.8%</b>	<b>100.0%</b>	<b>2 009.5</b>	<b>2 067.3</b>	<b>2 172.6</b>	<b>7.1%</b>	<b>100.0%</b>



## Personnel information

**Table 33.4 Vote personnel numbers and cost by salary level and programme<sup>1</sup> prior to Cabinet approved reduction, effective from 2017/18<sup>2</sup>; budget reductions and aggregate baseline total**

Programmes		Number and cost <sup>3</sup> of personnel posts filled / planned for on funded establishment															Number		
Number of posts estimated for 31 March 2016																	Average growth rate (%)	Salary level/Total: Average (%)	
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						2015/16 - 2018/19					
		2014/15			2015/16			2016/17		2017/18		2018/19							
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
<b>Tourism</b>																			
<b>Salary level</b>	<b>530</b>		<b>548</b>	<b>231.5</b>	<b>0.4</b>	<b>530</b>	<b>250.1</b>	<b>0.5</b>	<b>530</b>	<b>265.5</b>	<b>0.5</b>	<b>530</b>	<b>292.4</b>	<b>0.6</b>	<b>530</b>	<b>312.4</b>	<b>0.6</b>		<b>100.0%</b>
1 – 6	109		118	26.3	0.2	109	27.4	0.3	109	28.5	0.3	109	31.4	0.3	109	33.5	0.3		20.6%
7 – 10	225		229	76.9	0.3	225	82.3	0.4	225	86.1	0.4	225	94.8	0.4	225	101.3	0.5		42.5%
11 – 12	128		129	70.6	0.5	128	75.2	0.6	128	79.5	0.6	128	87.5	0.7	128	93.5	0.7		24.2%
13 – 16	66		70	54.1	0.8	66	61.4	0.9	66	67.5	1.0	66	74.3	1.1	66	79.4	1.2		12.5%
Other	2		2	3.7	1.8	2	3.8	1.9	2	4.0	2.0	2	4.4	2.2	2	4.7	2.4		0.4%
<b>Programme</b>	<b>530</b>		<b>548</b>	<b>231.5</b>	<b>0.4</b>	<b>530</b>	<b>250.1</b>	<b>0.5</b>	<b>530</b>	<b>265.5</b>	<b>0.5</b>	<b>530</b>	<b>292.4</b>	<b>0.6</b>	<b>530</b>	<b>312.4</b>	<b>0.6</b>		<b>100.0%</b>
Programme 1	281		291	115.1	0.4	281	122.8	0.4	281	130.4	0.5	281	143.5	0.5	281	153.3	0.5		53.0%
Programme 2	77		84	35.7	0.4	77	40.2	0.5	77	42.6	0.6	77	47.0	0.6	77	50.2	0.7		14.5%
Programme 3	69		71	32.0	0.5	69	36.3	0.5	69	38.6	0.6	69	42.5	0.6	69	45.5	0.7		13.0%
Programme 4	103		102	48.7	0.5	103	50.7	0.5	103	53.9	0.5	103	59.4	0.6	103	63.5	0.6		19.4%
<b>Reduction</b>																			
<b>Total</b>	<b>530</b>		<b>548</b>	<b>231.5</b>	<b>0.4</b>	<b>530</b>	<b>250.1</b>	<b>0.5</b>	<b>530</b>	<b>265.5</b>	<b>0.5</b>	<b>530</b>	<b>274.9</b>		<b>530</b>	<b>285.8</b>			

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. The department's compensation of employees budget has been reduced by R44.1 million for 2017/18 and 2018/19. After consultation with the Department of Public Service and Administration and National Treasury, the department will finalise, develop and implement a plan to manage its personnel expenditure within this reduced expenditure ceiling.

3. Rand million.

## Departmental receipts

**Table 33.5 Departmental receipts by economic classification**

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Receipt item/ Total: Average (%)	Medium-term receipts estimate			Average growth rate (%)	Receipt item/ Total: Average (%)
	2012/13	2013/14	2014/15	2015/16		2012/13 - 2015/16		2016/17	2017/18	2018/19	2015/16 - 2018/19	
R thousand												
<b>Departmental receipts</b>	<b>1 479</b>	<b>4 209</b>	<b>3 504</b>	<b>1 864</b>	<b>1 864</b>	<b>8.0%</b>	<b>100.0%</b>	<b>1 832</b>	<b>1 833</b>	<b>1 837</b>	<b>-0.5%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>123</b>	<b>141</b>	<b>163</b>	<b>168</b>	<b>168</b>	<b>11.0%</b>	<b>5.4%</b>	<b>162</b>	<b>162</b>	<b>163</b>	<b>-1.0%</b>	<b>8.9%</b>
Sales by market establishments	69	69	84	80	80	5.1%	2.7%	82	82	82	0.8%	4.4%
of which:												
Rent collected from the letting of open and covered parking	69	69	84	80	80	5.1%	2.7%	82	82	82	0.8%	4.4%
Other sales	54	72	79	88	88	17.7%	2.7%	80	80	81	-2.7%	4.5%
of which:												
Commission received on deduction of insurance and other premiums from employees salaries	54	72	79	88	88	17.7%	2.7%	80	80	81	-2.7%	4.5%
<b>Interest, dividends and rent on land</b>	<b>8</b>	<b>11</b>	<b>10</b>	<b>11</b>	<b>11</b>	<b>11.2%</b>	<b>0.4%</b>	<b>15</b>	<b>15</b>	<b>17</b>	<b>15.6%</b>	<b>0.8%</b>
Interest	8	11	10	11	11	11.2%	0.4%	15	15	17	15.6%	0.8%
<b>Sales of capital assets</b>	<b>11</b>	<b>592</b>	<b>24</b>	<b>135</b>	<b>135</b>	<b>130.7%</b>	<b>6.9%</b>	<b>25</b>	<b>25</b>	<b>26</b>	<b>-42.3%</b>	<b>2.9%</b>
<b>Transactions in financial assets and liabilities</b>	<b>1 337</b>	<b>3 465</b>	<b>3 307</b>	<b>1 550</b>	<b>1 550</b>	<b>5.1%</b>	<b>87.4%</b>	<b>1 630</b>	<b>1 631</b>	<b>1 631</b>	<b>1.7%</b>	<b>87.5%</b>
<b>Total</b>	<b>1 479</b>	<b>4 209</b>	<b>3 504</b>	<b>1 864</b>	<b>1 864</b>	<b>8.0%</b>	<b>100.0%</b>	<b>1 832</b>	<b>1 833</b>	<b>1 837</b>	<b>-0.5%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

## Expenditure trends and estimates

**Table 33.6 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2015/16	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2012/13	2013/14	2014/15		2012/13 - 2015/16	Expenditure/Total: Average (%)	2016/17	2017/18	2018/19	2015/16 - 2018/19	
R thousand											
Ministry	28 698	35 567	30 834	36 129	8.0%	15.5%	32 356	33 847	34 892	-1.2%	14.2%
Management	16 151	16 259	14 543	18 859	5.3%	7.8%	19 339	19 823	20 608	3.0%	8.1%
Corporate Affairs	109 674	131 325	140 000	150 174	11.0%	62.9%	156 493	161 822	166 059	3.4%	65.5%
Office Accommodation	24 701	28 849	34 406	28 494	4.9%	13.8%	29 268	29 594	31 310	3.2%	12.2%
<b>Total</b>	<b>179 224</b>	<b>212 000</b>	<b>219 783</b>	<b>233 656</b>	<b>9.2%</b>	<b>100.0%</b>	<b>237 456</b>	<b>245 086</b>	<b>252 869</b>	<b>2.7%</b>	<b>100.0%</b>
Change to 2015 Budget estimate				1 883			(5 506)	(10 320)	(17 351)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>171 521</b>	<b>201 812</b>	<b>207 015</b>	<b>230 266</b>	<b>10.3%</b>	<b>96.0%</b>	<b>233 153</b>	<b>240 570</b>	<b>248 176</b>	<b>2.5%</b>	<b>98.3%</b>
Compensation of employees	89 898	102 462	115 076	122 821	11.0%	50.9%	130 408	133 001	138 279	4.0%	54.1%
Goods and services	81 623	99 350	91 939	107 445	9.6%	45.0%	102 745	107 569	109 897	0.8%	44.1%
of which:											
Administrative fees	236	2 066	83	116	-21.1%	0.3%	124	138	151	9.2%	0.1%
Advertising	1 081	1 381	1 009	2 404	30.5%	0.7%	1 978	2 133	2 214	-2.7%	0.9%
Minor assets	1 104	596	373	1 115	0.3%	0.4%	899	948	1 004	-3.4%	0.4%
Audit costs: External	3 754	4 197	4 210	4 545	6.6%	2.0%	4 781	5 020	5 311	5.3%	2.0%
Bursaries: Employees	817	783	957	846	1.2%	0.4%	890	934	988	5.3%	0.4%
Catering: Departmental activities	645	789	405	981	15.0%	0.3%	993	1 083	1 151	5.5%	0.4%
Communication	4 171	4 050	3 909	3 797	-3.1%	1.9%	3 704	3 848	4 210	3.5%	1.6%
Computer services	6 816	15 990	14 285	16 689	34.8%	6.4%	16 707	18 021	18 445	3.4%	7.2%
Consultants: Business and advisory services	9 966	3 865	260	3 670	-28.3%	2.1%	3 686	3 937	3 967	2.6%	1.6%
Legal services	75	5	420	7	-54.6%	0.1%	-	-	8	4.6%	-
Science and technological services	-	-	-	-	-	-	8	8	-	-	-
Contractors	1 633	1 552	1 478	1 563	-1.4%	0.7%	1 556	1 671	1 768	4.2%	0.7%
Agency and support/outourced services	2 131	2 570	3 110	2 007	-2.0%	1.2%	2 387	3 051	3 228	17.2%	1.1%
Entertainment	155	170	52	190	7.0%	0.1%	194	203	214	4.0%	0.1%
Fleet services (including government motor transport)	672	1 242	1 220	1 561	32.4%	0.6%	1 280	1 343	1 739	3.7%	0.6%
Inventory: Food and food supplies	23	-	-	-	-100.0%	-	-	-	-	-	-
Inventory: Fuel, oil and gas	575	-	-	-	-100.0%	0.1%	-	-	-	-	-
Inventory: Materials and supplies	179	-	-	-	-100.0%	-	-	-	-	-	-
Inventory: Medical supplies	22	-	-	-	-100.0%	-	-	-	-	-	-
Inventory: Other supplies	700	-	-	-	-100.0%	0.1%	-	-	-	-	-
Consumable supplies	-	1 189	1 676	1 585	-	0.5%	1 721	1 581	1 677	1.9%	0.7%
Consumables: Stationery, printing and office supplies	2 539	2 237	2 678	2 459	-1.1%	1.2%	2 524	2 751	2 911	5.8%	1.1%
Operating leases	19 750	26 894	32 139	25 223	8.5%	12.3%	26 533	27 859	29 474	5.3%	11.3%
Rental and hiring	350	352	109	361	1.0%	0.1%	2	2	421	5.3%	0.1%
Property payments	1 812	104	2 400	3 464	24.1%	0.9%	2 936	1 946	2 061	-15.9%	1.1%
Transport provided: Departmental activity	-	-	-	-	-	-	14 089	15 073	-	-	3.0%
Travel and subsistence	17 488	23 113	15 099	27 085	15.7%	9.8%	7 955	8 545	22 799	-5.6%	6.9%
Training and development	2 144	2 464	2 222	2 839	9.8%	1.1%	3 170	2 630	2 127	-9.2%	1.1%
Operating payments	1 068	1 727	2 626	2 251	28.2%	0.9%	2 498	2 541	1 468	-13.3%	0.9%
Venues and facilities	1 717	2 014	1 219	2 687	16.1%	0.9%	2 130	2 103	2 561	-1.6%	1.0%
<b>Transfers and subsidies</b>	<b>560</b>	<b>204</b>	<b>2 536</b>	<b>176</b>	<b>-32.0%</b>	<b>0.4%</b>	<b>185</b>	<b>197</b>	<b>208</b>	<b>5.7%</b>	<b>0.1%</b>
Departmental agencies and accounts	-	-	618	176	-	0.1%	185	197	208	5.7%	0.1%
Households	560	204	1 918	-	-100.0%	0.3%	-	-	-	-	-
<b>Payments for capital assets</b>	<b>7 059</b>	<b>9 876</b>	<b>10 053</b>	<b>3 214</b>	<b>-23.1%</b>	<b>3.6%</b>	<b>4 118</b>	<b>4 319</b>	<b>4 485</b>	<b>11.7%</b>	<b>1.7%</b>
Buildings and other fixed structures	3 134	-	-	-	-100.0%	0.4%	-	-	-	-	-
Machinery and equipment	3 776	8 639	7 984	2 900	-8.4%	2.8%	3 742	3 927	4 070	12.0%	1.5%
Software and other intangible assets	149	1 237	2 069	314	28.2%	0.4%	376	392	415	9.7%	0.2%
<b>Payments for financial assets</b>	<b>84</b>	<b>108</b>	<b>179</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>179 224</b>	<b>212 000</b>	<b>219 783</b>	<b>233 656</b>	<b>9.2%</b>	<b>100.0%</b>	<b>237 456</b>	<b>245 086</b>	<b>252 869</b>	<b>2.7%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	13.1%	14.0%	14.1%	13.0%	-	-	11.8%	11.9%	11.6%	-	-

**Table 33.6 Administration expenditure trends and estimates by subprogramme and economic classification**

Details of transfers and subsidies		Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
		2012/13	2013/14	2014/15				2015/16	2016/17	2017/18		
R thousand												
<b>Households</b>												
<b>Other transfers to households</b>												
Current		560	204	1 918	–	-100.0%	0.3%	–	–	–	–	–
Employee social benefits		285	204	1 918	–	-100.0%	0.3%	–	–	–	–	–
Bursaries: Non-employees		275	–	–	–	-100.0%	–	–	–	–	–	–
<b>Departmental agencies and accounts</b>												
<b>Departmental agencies (non-business entities)</b>												
Current		–	–	618	176	–	0.1%	185	197	208	5.7%	0.1%
Public Service Sector Education and Training Authority		–	–	388	–	–	–	–	–	–	–	–
Culture, Arts, Tourism, Hospitality and Sports Sector Education and Training Authority		–	–	230	176	–	–	185	197	208	5.7%	0.1%

## Personnel information

**Table 33.7 Administration personnel numbers and cost by salary level<sup>1</sup> prior to Cabinet approved reduction, effective from 2017/18<sup>2</sup>; budget reductions and aggregate baseline total**

Number of posts estimated for 31 March 2016		Number and cost <sup>3</sup> of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/Total: Average (%)				
		2014/15		2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19							
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
<b>Administration</b>																			
<b>Salary level</b>																			
281	–	291	115.1	0.4	281	122.8	0.4	281	130.4	0.5	281	143.5	0.5	281	153.3	0.5	–	100.0%	
1 – 6	88	–	91	20.0	0.2	88	21.9	0.2	88	22.5	0.3	88	24.8	0.3	88	26.5	0.3	–	31.3%
7 – 10	114	–	118	40.6	0.3	114	42.4	0.4	114	44.5	0.4	114	49.0	0.4	114	52.4	0.5	–	40.6%
11 – 12	50	–	51	27.4	0.5	50	29.3	0.6	50	31.2	0.6	50	34.3	0.7	50	36.6	0.7	–	17.8%
13 – 16	27	–	29	23.4	0.8	27	25.4	0.9	27	28.1	1.0	27	30.9	1.1	27	33.1	1.2	–	9.6%
Other	2	–	2	3.7	1.8	2	3.8	1.9	2	4.0	2.0	2	4.4	2.2	2	4.7	2.4	–	0.7%
<b>Reduction</b>	–	–	–	–	–	–	–	–	–	–	–	–	(10.5)	–	–	(15.0)	–	–	–
<b>Total</b>	281	–	291	115.1	0.4	281	122.8	0.4	281	130.4	0.5	–	133.0	–	–	138.3	–	–	–

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. This programme's compensation of employees budget has been reduced by R25.4 million for 2017/18 and 2018/19. After consultation with the Department of Public Service and Administration and National Treasury, the department will finalise, develop and implement a plan to manage its personnel expenditure within this reduced expenditure ceiling.

3. Rand million.

## Programme 2: Policy and Knowledge Services

### Programme purpose

Provide strategic policy development, monitoring and evaluation, research, and knowledge management services.

### Objectives

- Facilitate tourism capacity building programmes by:
  - developing the tourist guiding skills development programme, which includes building the capacity of tourist guides, at 2 world heritage sites by the end of 2016/17
  - training 90 new entrants as tourist guides in specialities and providing continuous professional development for registered tourist guides by the end of 2016/17.
- Contribute to informing policy, planning and decision making by:
  - developing 1 monitoring and evaluation report on the state of tourism by the end of 2016/17
  - developing 2 and maintaining 7 frameworks for information and knowledge systems and services in 2016/17

- developing 1 and maintaining 2 national information sites for tourism getaways by the end of 2016/17.
- Create an enabling legislative and regulatory environment for tourism development and growth by developing a policy framework for tourism special economic zones in 2016/17.
- Diversify and enhance South Africa's tourism offering by:
  - supporting 3 tourist attraction sites, Shangani Gate (Limpopo), Phalaborwa Wildlife Activity Hub (Limpopo) and the National Heritage Monument (Gauteng), to enhance destination competitiveness in 2016/17
  - implementing the market access, energy efficiency and tourism grading priority areas for the tourism incentive programme by the end of 2016/17.
- Accelerate transformation in the tourism sector by:
  - developing quarterly reports on the implementation of the Tourism B-BBEE Charter Council plan of action in 2016/17
  - conducting a study to establish a baseline for the amended tourism BEE sector code in 2016/17.
- Facilitate the development and growth of tourism enterprises to contribute to inclusive economic growth and job creation by:
  - developing an enterprise and supplier development portal of black owned enterprises to accelerate the empowerment of enterprises in the tourism sector in 2016/17.
- Enhance understanding and awareness of the value of the tourism sector and its opportunities by hosting the annual national tourism stakeholder forum in 2016/17.

### **Subprogrammes**

- *Policy and Knowledge Services Management* provides strategic direction, comprehensive administrative and operational support services, research, and information and knowledge management. It also manages policy development and evaluation, and promotes sector transformation and responsible tourism.
- *Policy Development and Evaluation* manages the development of integrated policies, sector planning, intergovernmental coordination and stakeholder relations; and promotes responsible tourism practices in the industry as well as its transformation.
- *Research and Knowledge Management* monitors and evaluates tourism policies and strategies and the projects carried out by the department; and facilitates research, and information and knowledge management in the tourism sector.
- *South African Tourism* stimulates sustainable international and domestic demand for South African tourism experiences, and regulates the standard of tourism facilities and services.
- *Tourism Incentive Programme* creates direct linkages between South African inbound tour operators with international tourism companies by assisting South African tour operators in exhibiting their products at trade shows across the world.

## Expenditure trends and estimates

Table 33.8 Policy and Knowledge Services expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18		
R thousand					2012/13 - 2015/16		2016/17	2017/18	2018/19	2015/16 - 2018/19	
Policy and Knowledge Services Management	4 274	4 460	4 024	6 849	17.0%	0.5%	4 734	4 831	5 024	-9.8%	0.4%
Policy Development and Evaluation	17 126	17 963	23 490	21 297	7.5%	2.1%	27 737	28 381	29 507	11.5%	2.1%
Research and Knowledge Management	17 695	20 034	22 123	29 882	19.1%	2.3%	26 364	27 307	28 467	-1.6%	2.2%
South African Tourism	754 929	866 333	880 009	977 712	9.0%	90.2%	1 024 847	1 076 089	1 138 502	5.2%	81.0%
Tourism Incentive Programme	–	265	18 046	170 474	–	4.9%	188 931	188 002	198 777	5.3%	14.3%
<b>Total</b>	<b>794 024</b>	<b>909 055</b>	<b>947 692</b>	<b>1 206 214</b>	<b>15.0%</b>	<b>100.0%</b>	<b>1 272 613</b>	<b>1 324 610</b>	<b>1 400 277</b>	<b>5.1%</b>	<b>100.0%</b>
Change to 2015 Budget estimate				(9 357)			(1 500)	(3 373)	(4 730)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>35 677</b>	<b>39 116</b>	<b>47 491</b>	<b>129 937</b>	<b>53.9%</b>	<b>6.5%</b>	<b>133 930</b>	<b>135 097</b>	<b>141 796</b>	<b>3.0%</b>	<b>10.4%</b>
Compensation of employees	24 721	28 940	35 725	40 168	17.6%	3.4%	42 647	43 536	45 263	4.1%	3.3%
Goods and services	10 956	10 176	11 766	89 769	101.6%	3.2%	91 283	91 561	96 533	2.5%	7.1%
of which:											
Administrative fees	99	53	76	78	-7.6%	–	83	87	120	15.4%	–
Advertising	1 098	530	937	1 773	17.3%	0.1%	1 867	1 961	2 048	4.9%	0.1%
Minor assets	76	71	38	117	15.5%	–	121	129	137	5.4%	–
Bursaries: Employees	–	–	–	10	–	–	10	10	11	3.2%	–
Catering: Departmental activities	134	240	527	250	23.1%	–	262	272	288	4.8%	–
Communication	215	273	278	777	53.5%	–	798	826	874	4.0%	0.1%
Computer services	1 083	1 075	49	705	-13.3%	0.1%	716	726	768	2.9%	0.1%
Consultants: Business and advisory services	574	51	1 435	21 155	232.8%	0.6%	22 077	21 948	23 221	3.2%	1.7%
Contractors	614	–	85	50 000	333.4%	1.3%	52 301	51 970	54 984	3.2%	4.0%
Agency and support/outourced services	–	3	9	9	–	–	10	12	13	13.0%	–
Entertainment	2	1	1	4	26.0%	–	1	1	1	-37.0%	–
Inventory: Fuel, oil and gas	2	–	–	–	-100.0%	–	–	–	–	–	–
Inventory: Learner and teacher support material	70	–	–	–	-100.0%	–	–	–	–	–	–
Inventory: Materials and supplies	2	–	–	–	-100.0%	–	–	–	–	–	–
Inventory: Other supplies	55	–	–	–	-100.0%	–	–	–	–	–	–
Consumable supplies	–	46	54	70	–	–	73	79	83	5.8%	–
Consumables: Stationery, printing and office supplies	410	393	376	673	18.0%	–	699	736	778	5.0%	0.1%
Travel and subsistence	3 741	3 987	3 212	6 344	19.3%	0.4%	5 263	5 532	5 577	-4.2%	0.4%
Training and development	452	538	934	1 131	35.8%	0.1%	1 163	1 197	1 266	3.8%	0.1%
Operating payments	532	2 110	1 789	3 075	79.5%	0.2%	2 548	2 724	2 842	-2.6%	0.2%
Venues and facilities	1 797	805	1 966	3 598	26.0%	0.2%	3 291	3 351	3 522	-0.7%	0.3%
<b>Transfers and subsidies</b>	<b>757 507</b>	<b>869 473</b>	<b>899 116</b>	<b>1 075 118</b>	<b>12.4%</b>	<b>93.4%</b>	<b>1 137 223</b>	<b>1 187 980</b>	<b>1 256 882</b>	<b>5.3%</b>	<b>89.5%</b>
Departmental agencies and accounts	754 929	866 333	880 009	977 712	9.0%	90.2%	1 024 847	1 076 089	1 138 502	5.2%	81.0%
Higher education institutions	2 490	3 105	3 720	3 809	15.2%	0.3%	4 011	4 212	4 456	5.4%	0.3%
Public corporations and private enterprises	–	–	–	93 597	–	2.4%	108 365	107 679	113 924	6.8%	8.1%
Households	88	35	15 387	–	-100.0%	0.4%	–	0	–	–	–
<b>Payments for capital assets</b>	<b>837</b>	<b>466</b>	<b>1 025</b>	<b>1 159</b>	<b>11.5%</b>	<b>0.1%</b>	<b>1 460</b>	<b>1 533</b>	<b>1 599</b>	<b>11.3%</b>	<b>0.1%</b>
Machinery and equipment	837	444	996	1 130	10.5%	0.1%	1 425	1 495	1 559	11.3%	0.1%
Software and other intangible assets	–	22	29	29	–	–	35	38	40	11.3%	–
<b>Payments for financial assets</b>	<b>3</b>	<b>–</b>	<b>60</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>794 024</b>	<b>909 055</b>	<b>947 692</b>	<b>1 206 214</b>	<b>15.0%</b>	<b>100.0%</b>	<b>1 272 613</b>	<b>1 324 610</b>	<b>1 400 277</b>	<b>5.1%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	57.9%	60.1%	60.8%	67.2%	–	–	63.3%	64.1%	64.5%	–	–
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>88</b>	<b>35</b>	<b>15 387</b>	<b>–</b>	<b>-100.0%</b>	<b>0.4%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Employee social benefits	88	35	26	–	-100.0%	–	–	–	–	–	–
Tourism incentive programme	–	–	15 361	–	–	0.4%	–	–	–	–	–
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>754 929</b>	<b>866 333</b>	<b>880 009</b>	<b>977 712</b>	<b>9.0%</b>	<b>90.2%</b>	<b>1 024 847</b>	<b>1 076 089</b>	<b>1 138 502</b>	<b>5.2%</b>	<b>81.0%</b>
South African Tourism	754 929	866 333	880 009	977 712	9.0%	90.2%	1 024 847	1 076 089	1 138 502	5.2%	81.0%

**Table 33.8 Policy and Knowledge Services expenditure trends and estimates by subprogramme and economic classification**

Details of transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
Audited outcome			2015/16				2012/13 - 2015/16	2016/17	2017/18		
R thousand	2012/13	2013/14		2014/15							
<b>Higher education institutions</b>											
<b>Current</b>	2 490	3 105	3 720	3 809	15.2%	0.3%	4 011	4 212	4 456	5.4%	0.3%
Various institutions: National tourism framework	2 490	3 105	3 720	3 809	15.2%	0.3%	4 011	4 212	4 456	5.4%	0.3%
<b>Public corporations and private enterprises</b>											
<b>Private enterprises</b>											
<b>Other transfers to private enterprises</b>											
<b>Current</b>	-	-	-	93 597	-	2.4%	108 365	107 679	113 924	6.8%	8.1%
Tourism incentive programme	-	-	-	93 597	-	2.4%	108 365	107 679	113 924	6.8%	8.1%

## Personnel information

**Table 33.9 Policy and Knowledge Services personnel numbers and cost by salary level<sup>1</sup> prior to Cabinet approved reduction, effective from 2017/18<sup>2</sup>; budget reductions and aggregate baseline total**

Number of posts estimated for 31 March 2016		Number and cost <sup>3</sup> of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
		2014/15		2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19							
Policy and Knowledge Services		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
<b>Salary level</b>	77	-	84	35.7	0.4	77	40.2	0.5	77	42.6	0.6	77	47.0	0.6	77	50.2	0.7	-	100.0%
1 – 6	4	-	9	2.1	0.2	4	1.1	0.3	4	1.2	0.3	4	1.3	0.3	4	1.4	0.3	-	5.2%
7 – 10	38	-	38	11.5	0.3	38	13.5	0.4	38	14.5	0.4	38	15.9	0.4	38	17.0	0.4	-	49.4%
11 – 12	21	-	21	11.3	0.5	21	12.6	0.6	21	13.0	0.6	21	14.3	0.7	21	15.3	0.7	-	27.3%
13 – 16	14	-	16	10.8	0.7	14	13.0	0.9	14	14.1	1.0	14	15.5	1.1	14	16.6	1.2	-	18.2%
<b>Reduction</b>	-	-	-	-	-	-	-	-	-	-	-	-	(3.4)	-	-	(4.9)	-	-	-
<b>Total</b>	77	-	84	35.7	0.4	77	40.2	0.5	77	42.6	0.6	-	43.5	-	-	45.3	-	-	-

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. This programme's compensation of employees budget has been reduced by R8.3 million for 2017/18 and 2018/19. After consultation with the Department of Public Service and Administration and National Treasury, the department will finalise, develop and implement a plan to manage its personnel expenditure within this reduced expenditure ceiling.

3. Rand million.

## Programme 3: International Tourism

### Programme purpose

Develop and support South Africa's worldwide tourism potential.

### Objectives

- Facilitate tourism training programmes by:
  - creating 3 tourism skills development opportunities for chef learners and frontline staff in accommodation establishments in 2016/17
  - designing tour operator and travel agent development programmes in line with international best practices in 2016/17.
- Reduce barriers to tourism growth to enhance tourism competitiveness by:
  - accrediting travel companies for visa facilitation in 2016/17
  - hosting 2 ministerial road shows in 2016/17.
- Enhance regional tourism integration by hosting a ministerial session at the tourism indaba to advance a regional tourism integration agenda in 2016/17.

### Subprogrammes

- International Tourism Management* provides a comprehensive administrative and operational support service to the programme for carrying out its activities, which include collating and consolidating inputs to the

branch business plans and annual performance reports; and develops and supports the growth of South Africa's tourist attractions.

- *Americas and Western Europe* manages the development of South Africa's tourism potential in the North and Central American, Latin American, Caribbean and Western European markets. It also manages engagements with the United Nations (UN) World Tourism Organisation, the World Travel and Tourism Council, the T20 group of tourism ministers, and regional organisations.
- *Africa and Middle East* manages the development of South Africa's tourism potential on a political and policy level in Africa and the Middle East.
- *Asia, Australasia and Eastern Europe* manages the development of South Africa's tourism potential on a political and policy level throughout Asia, Australasia, the Pacific Islands, Eastern Europe and the Mediterranean.

## Expenditure trends and estimates

**Table 33.10 International Tourism expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2015/16	Average growth rate (%) 2012/13 - 2015/16	Expenditure/Total: Average (%) 2015/16	Medium-term expenditure estimate			Average growth rate (%) 2015/16 - 2018/19	Expenditure/Total: Average (%) 2015/16 - 2018/19
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19		
R thousand											
International Tourism Management	3 702	4 020	3 582	3 480	-2.0%	9.4%	4 637	4 750	4 938	12.4%	8.2%
Americas and Western Europe	9 445	13 723	15 530	17 332	22.4%	35.6%	19 956	20 530	21 393	7.3%	36.5%
Africa and Middle East	8 057	10 063	15 496	14 371	21.3%	30.5%	16 267	16 797	17 536	6.9%	29.9%
Asia, Australasia and Eastern Europe	5 929	10 080	10 486	12 125	26.9%	24.5%	13 848	14 243	14 794	6.9%	25.4%
<b>Total</b>	<b>27 133</b>	<b>37 886</b>	<b>45 094</b>	<b>47 308</b>	<b>20.4%</b>	<b>100.0%</b>	<b>54 708</b>	<b>56 320</b>	<b>58 661</b>	<b>7.4%</b>	<b>100.0%</b>
Change to 2015 Budget estimate				582			1 408	(141)	(1 075)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>22 795</b>	<b>32 396</b>	<b>35 726</b>	<b>40 360</b>	<b>21.0%</b>	<b>83.4%</b>	<b>47 222</b>	<b>48 472</b>	<b>50 381</b>	<b>7.7%</b>	<b>85.9%</b>
Compensation of employees	17 963	25 754	32 030	36 348	26.5%	71.2%	38 606	39 431	40 994	4.1%	71.6%
Goods and services	4 832	6 642	3 696	4 012	-6.0%	12.2%	8 616	9 041	9 387	32.8%	14.3%
of which:											
Administrative fees	369	27	20	18	-63.5%	0.3%	57	28	28	15.9%	0.1%
Advertising	109	648	71	98	-3.5%	0.6%	562	616	653	88.2%	0.9%
Minor assets	140	152	63	108	-8.3%	0.3%	202	216	229	28.5%	0.3%
Bursaries: Employees	-	-	54	-	-	-	-	-	-	-	-
Catering: Departmental activities	46	67	28	71	15.6%	0.1%	82	92	97	11.0%	0.2%
Communication	169	250	211	301	21.2%	0.6%	406	408	281	-2.3%	0.6%
Computer services	12	6	-	10	-5.9%	-	10	11	12	6.3%	-
Consultants: Business and advisory services	-	-	102	-	-	0.1%	-	-	-	-	-
Contractors	-	1	26	-	-	-	-	-	-	-	-
Agency and support/outsourced services	1	-	6	-	-100.0%	-	-	-	-	-	-
Entertainment	2	2	-	1	-20.6%	-	1	1	1	-	-
Fleet services (including government motor transport)	-	-	1	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	1	-	-	-	-100.0%	-	-	-	-	-	-
Inventory: Other supplies	3	-	-	-	-100.0%	-	-	-	-	-	-
Consumable supplies	-	179	82	172	-	0.3%	199	206	218	8.2%	0.4%
Consumables: Stationery, printing and office supplies	592	614	350	225	-27.6%	1.1%	723	769	814	53.5%	1.2%
Property payments	-	-	1	-	-	-	-	-	-	-	-
Travel and subsistence	3 025	3 393	1 964	2 631	-4.5%	7.0%	5 063	5 325	5 606	28.7%	8.6%



**Table 33.10 International Tourism expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation 2015/16	Average growth rate (%) 2012/13 - 2015/16	Expenditure/Total: Average (%) 2012/13 - 2015/16	Medium-term expenditure estimate			Average growth rate (%) 2015/16 - 2018/19	Expenditure/Total: Average (%) 2015/16 - 2018/19
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19		
	R thousand										
Training and development	21	432	147	16	-8.7%	0.4%	387	401	424	198.1%	0.6%
Operating payments	71	606	446	223	46.4%	0.9%	676	708	749	49.8%	1.1%
Venues and facilities	271	265	124	138	-20.1%	0.5%	248	260	275	25.8%	0.4%
<b>Transfers and subsidies</b>	<b>3 490</b>	<b>4 909</b>	<b>8 592</b>	<b>6 004</b>	<b>19.8%</b>	<b>14.6%</b>	<b>6 322</b>	<b>6 638</b>	<b>7 023</b>	<b>5.4%</b>	<b>12.0%</b>
Foreign governments and international organisations	3 490	4 813	8 552	6 004	19.8%	14.5%	6 322	6 638	7 023	5.4%	12.0%
Households	-	96	40	-	-	0.1%	-	-	-	-	-
<b>Payments for capital assets</b>	<b>848</b>	<b>581</b>	<b>774</b>	<b>944</b>	<b>3.6%</b>	<b>2.0%</b>	<b>1 164</b>	<b>1 210</b>	<b>1 257</b>	<b>10.0%</b>	<b>2.1%</b>
Machinery and equipment	848	562	774	944	3.6%	2.0%	1 164	1 210	1 257	10.0%	2.1%
Software and other intangible assets	-	19	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>27 133</b>	<b>37 886</b>	<b>45 094</b>	<b>47 308</b>	<b>20.4%</b>	<b>100.0%</b>	<b>54 708</b>	<b>56 320</b>	<b>58 661</b>	<b>7.4%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>2.0%</b>	<b>2.5%</b>	<b>2.9%</b>	<b>2.6%</b>	<b>-</b>	<b>-</b>	<b>2.7%</b>	<b>2.7%</b>	<b>2.7%</b>	<b>-</b>	<b>-</b>

  

Details of transfers and subsidies											
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	-	96	40	-	-	0.1%	-	-	-	-	-
Employee social benefits	-	96	40	-	-	0.1%	-	-	-	-	-
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>3 490</b>	<b>4 813</b>	<b>8 552</b>	<b>6 004</b>	<b>19.8%</b>	<b>14.5%</b>	<b>6 322</b>	<b>6 638</b>	<b>7 023</b>	<b>5.4%</b>	<b>12.0%</b>
Regional Tourism Organisation of South Africa	1 971	2 983	6 266	3 602	22.3%	9.4%	3 793	3 983	4 214	5.4%	7.2%
United Nations World Tourism Organisation	1 519	1 830	2 286	2 402	16.5%	5.1%	2 529	2 655	2 809	5.4%	4.8%

## Personnel information

**Table 33.11 International Tourism personnel numbers and cost by salary level<sup>1</sup> prior to Cabinet approved reduction, effective from 2017/18<sup>2</sup>; budget reductions and aggregate baseline total**

Number of posts estimated for 31 March 2016	Number and cost <sup>3</sup> of personnel posts filled / planned for on funded establishment															Number				
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%) 2015/16 - 2018/19	Salary level/total: Average (%)				
			2014/15		2015/16		2016/17		2017/18		2018/19									
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost						
<b>International Tourism</b>																				
<b>Salary level</b>	<b>69</b>	-	-	<b>71</b>	<b>32.0</b>	<b>0.5</b>	<b>69</b>	<b>36.3</b>	<b>0.5</b>	<b>69</b>	<b>38.6</b>	<b>0.6</b>	<b>69</b>	<b>42.5</b>	<b>0.6</b>	<b>69</b>	<b>45.5</b>	<b>0.7</b>	-	<b>100.0%</b>
1 – 6	7	-	-	8	1.9	0.2	7	2.0	0.3	7	2.0	0.3	7	2.2	0.3	7	2.4	0.3	-	10.1%
7 – 10	25	-	-	26	8.9	0.3	25	8.8	0.4	25	9.1	0.4	25	10.0	0.4	25	10.7	0.4	-	36.2%
11 – 12	24	-	-	24	12.0	0.5	24	13.9	0.6	24	14.3	0.6	24	15.8	0.7	24	16.9	0.7	-	34.8%
13 – 16	13	-	-	13	9.3	0.7	13	11.6	0.9	13	13.1	1.0	13	14.4	1.1	13	15.4	1.2	-	18.8%
<b>Reduction</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>(3.1)</b>	-	-	<b>(4.5)</b>	-	-	-
<b>Total</b>	<b>69</b>	-	-	<b>71</b>	<b>32.0</b>	<b>0.5</b>	<b>69</b>	<b>36.3</b>	<b>0.5</b>	<b>69</b>	<b>38.6</b>	<b>0.6</b>	<b>69</b>	<b>39.4</b>	<b>-</b>	<b>69</b>	<b>41.0</b>	<b>-</b>	<b>-</b>	<b>-</b>

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. This programme's compensation of employees budget has been reduced by R7.6 million for 2017/18 and 2018/19. After consultation with the Department of Public Service and Administration and National Treasury, the department will finalise, develop and implement a plan to manage its personnel expenditure within this reduced expenditure ceiling.

3. Rand million.

## Programme 4: Domestic Tourism

### Programme purpose

Promote the development and growth of sustainable domestic tourism.

### Objectives

- Create employment opportunities by implementing tourism projects through the expanded public works programme, resulting in 10 323 full time equivalent jobs over the medium term.

- Facilitate tourism training programmes by:
  - training 577 trainee chefs in 2016/17
  - training 300 learners as sommeliers in 2016/17
  - training 2 000 learners in the hospitality service training programme in 2016/17
  - recruiting and placing 500 learners for the food safety assurance programme in 2016/17
  - implementing the local government tourism induction programme with a focus on rural areas with tourism potential in 8 district municipalities in 2016/17
  - implementing phase two of the tourism human resource development strategy in 2016/17
  - placing 15 black women at higher learning institutions in 2016/17.
- Facilitate the development and growth of tourism enterprises to contribute to inclusive economic growth and job creation by:
  - supporting 100 rural enterprises for development in 2016/17
  - implementing an enterprise development programme focusing on incubation and business support services in 2016/17.
- Enhance understanding and awareness of the value of the tourism sector and its opportunities by convening the National Tourism Careers Expo annually.
- Diversify and enhance tourism offerings by:
  - implementing the blue flag programme for 50 beaches in 2016/17
  - implementing service excellence standards in 4 tourism products in 2016/17
  - providing funding for the development of tourism interpretation signage at 4 iconic national heritage sites in 2016/17
  - supporting awareness and public accessibility programmes at 3 iconic sites/destinations in 2016/17
  - supporting 2 sustainable, community based wildlife tourism projects in 2016/17.

## Subprogrammes

- *Domestic Tourism Management* provides administrative support to the programme's activities.
- *Domestic Tourism Management: Southern Region* promotes and supports the growth of domestic tourism in Free State, Western Cape, Eastern Cape and Northern Cape; develops and updates tourism profiles through research; supports product development; implements the rural tourism strategy; and supports national tourism programmes in the region.
- *Domestic Tourism Management: Northern Region* promotes and supports the growth of domestic tourism in Gauteng, North West, Limpopo, KwaZulu-Natal and Mpumalanga. This entails conducting research to develop and update tourism profiles, providing support for product development, and implementing the rural tourism strategy.
- *Social Responsibility Implementation* facilitates the development of tourism infrastructure projects under the expanded public works programme through labour intensive methods targeting the unemployed, youth, women, the disabled and SMMEs. This subprogramme also produces skills development initiatives such as the young chefs training programme.
- *Strategic Partners in Tourism* makes transfers and subsidies for small businesses. This subprogramme's total budget is transferred to the Tourism Enterprise Partnership.

## Expenditure trends and estimates

**Table 33.12 Domestic Tourism expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2012/13	2013/14	2014/15				2015/16	2012/13 - 2015/16	2016/17		
R thousand											
Domestic Tourism Management	10 077	9 428	8 300	10 548	1.5%	2.8%	13 814	14 300	17 516	18.4%	3.4%
Domestic Tourism Management: Southern Region	11 549	12 541	14 976	12 085	1.5%	3.7%	14 031	14 790	15 376	8.4%	3.4%
Domestic Tourism Management: Northern Region	10 603	15 973	16 513	17 269	17.7%	4.4%	15 259	17 200	17 883	1.2%	4.1%
Social Responsibility Implementation	314 349	290 784	280 236	253 598	-6.9%	82.7%	386 108	378 566	392 654	15.7%	85.3%
Strategic Partners in Tourism	25 000	25 000	25 000	13 500	-18.6%	6.4%	15 527	16 429	17 382	8.8%	3.8%
<b>Total</b>	<b>371 578</b>	<b>353 726</b>	<b>345 025</b>	<b>307 000</b>	<b>-6.2%</b>	<b>100.0%</b>	<b>444 739</b>	<b>441 285</b>	<b>460 811</b>	<b>14.5%</b>	<b>100.0%</b>
Change to 2015 Budget estimate				837			(38 189)	(46 456)	(55 219)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>57 212</b>	<b>67 481</b>	<b>170 554</b>	<b>158 481</b>	<b>40.4%</b>	<b>32.9%</b>	<b>256 758</b>	<b>262 597</b>	<b>279 514</b>	<b>20.8%</b>	<b>57.9%</b>
Compensation of employees	38 623	45 215	48 673	50 714	9.5%	13.3%	53 880	58 928	61 265	6.5%	13.6%
Goods and services	18 589	22 266	121 881	107 767	79.6%	19.6%	202 878	203 669	218 249	26.5%	44.3%
of which:											
Administrative fees	23	60	12	61	38.4%	-	67	71	88	13.0%	-
Advertising	385	1 634	837	1 560	59.4%	0.3%	2 062	2 163	1 922	7.2%	0.5%
Minor assets	202	72	84	70	-29.8%	-	74	78	82	5.4%	-
Audit costs: External	-	-	-	1 500	-	0.1%	1 500	1 500	1 587	1.9%	0.4%
Bursaries: Employees	-	-	52	-	-	-	-	-	-	-	-
Catering: Departmental activities	211	637	749	566	38.9%	0.2%	595	622	585	1.1%	0.1%
Communication	583	629	638	640	3.2%	0.2%	694	728	771	6.4%	0.2%
Computer services	6	74	-	2 668	663.3%	0.2%	3 083	3 088	3 267	7.0%	0.7%
Consultants: Business and advisory services	3 336	3 405	1 560	3 686	3.4%	0.9%	3 658	3 841	3 973	2.5%	0.9%
Infrastructure and planning services	14	-	-	-	-100.0%	-	-	-	-	-	-
Legal services	-	230	73	143	-	-	151	159	168	5.5%	-
Science and technological services	91	-	-	-	-100.0%	-	-	-	-	-	-
Contractors	2 279	1 024	1 064	1 332	-16.4%	0.4%	1 402	1 472	1 557	5.3%	0.3%
Agency and support/outsourced services	58	14	5	14	-37.7%	-	15	16	17	6.7%	-
Entertainment	2	1	2	1	-20.6%	-	1	1	1	-	-
Inventory: Food and food supplies	2	-	-	-	-100.0%	-	-	-	-	-	-
Inventory: Fuel, oil and gas	1	-	-	-	-100.0%	-	-	-	-	-	-
Inventory: Materials and supplies	5	-	-	-	-100.0%	-	-	-	-	-	-
Inventory: Other supplies	320	-	-	-	-100.0%	-	-	-	-	-	-
Consumable supplies	-	290	463	280	-	0.1%	296	311	329	5.5%	0.1%
Consumables: Stationery, printing and office supplies	600	767	693	788	9.5%	0.2%	828	869	921	5.3%	0.2%
Rental and hiring	17	-	11	-	-100.0%	-	-	-	-	-	-
Property payments	-	129	58	128	-	-	134	141	149	5.2%	-
Transport provided: Departmental activity	4 770	-	-	-	-100.0%	0.3%	-	-	-	-	-
Travel and subsistence	3 609	11 258	10 894	9 906	40.0%	2.6%	13 532	14 113	18 215	22.5%	3.4%
Training and development	99	116	102 870	82 637	841.6%	13.5%	172 875	172 488	182 492	30.2%	36.9%
Operating payments	506	380	220	357	-11.0%	0.1%	407	428	453	8.3%	0.1%
Venues and facilities	1 470	1 546	1 596	1 430	-0.9%	0.4%	1 504	1 580	1 672	5.3%	0.4%
<b>Transfers and subsidies</b>	<b>313 234</b>	<b>285 529</b>	<b>173 486</b>	<b>147 743</b>	<b>-22.2%</b>	<b>66.8%</b>	<b>82 353</b>	<b>83 336</b>	<b>87 534</b>	<b>-16.0%</b>	<b>24.2%</b>
Departmental agencies and accounts	4 050	6 300	5 630	5 993	14.0%	1.6%	4 392	4 612	4 879	-6.6%	1.2%
Non-profit institutions	26 060	26 000	26 450	14 750	-17.3%	6.8%	16 627	17 529	17 911	6.7%	4.0%
Households	283 124	253 229	141 406	127 000	-23.5%	58.4%	61 334	61 195	64 744	-20.1%	19.0%
<b>Payments for capital assets</b>	<b>1 120</b>	<b>706</b>	<b>964</b>	<b>776</b>	<b>-11.5%</b>	<b>0.3%</b>	<b>105 628</b>	<b>95 352</b>	<b>93 763</b>	<b>394.4%</b>	<b>17.9%</b>
Buildings and other fixed structures	-	-	-	-	-	-	104 651	94 322	92 692	-	17.6%
Machinery and equipment	1 092	685	964	776	-10.8%	0.3%	977	1 030	1 071	11.3%	0.2%
Software and other intangible assets	28	21	-	-	-100.0%	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>12</b>	<b>10</b>	<b>21</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>371 578</b>	<b>353 726</b>	<b>345 025</b>	<b>307 000</b>	<b>-6.2%</b>	<b>100.0%</b>	<b>444 739</b>	<b>441 285</b>	<b>460 811</b>	<b>14.5%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>27.1%</b>	<b>23.4%</b>	<b>22.2%</b>	<b>17.1%</b>	<b>-</b>	<b>-</b>	<b>22.1%</b>	<b>21.3%</b>	<b>21.2%</b>	<b>-</b>	<b>-</b>

**Table 33.12 Domestic Tourism expenditure trends and estimates by subprogramme and economic classification**

Details of transfers and subsidies	Audited outcome			Adjusted appropriation 2015/16	Average growth rate (%) 2012/13 - 2015/16	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%) 2015/16 - 2018/19	Expenditure/ Total: Average (%)
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19		
R thousand											
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	283 124	253 229	141 406	127 000	-23.5%	58.4%	61 334	61 195	64 744	-20.1%	19.0%
Employee social benefits	151	8	47	-	-100.0%	-	-	-	-	-	-
Bursaries: Non-employees	208	-	-	-	-100.0%	-	-	-	-	-	-
Expanded public works programme	242 709	214 114	120 528	68 754	-34.3%	46.9%	-	-	-	-100.0%	4.2%
Expanded public works programme incentive	40 056	39 107	20 831	58 246	13.3%	11.5%	61 334	61 195	64 744	3.6%	14.8%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	4 050	6 300	5 630	5 993	14.0%	1.6%	4 392	4 612	4 879	-6.6%	1.2%
National Tourism Careers Expo	3 000	3 300	3 630	3 993	10.0%	1.0%	4 392	4 612	4 879	6.9%	1.1%
Tourism accelerated apprenticeship programme	1 050	3 000	2 000	2 000	24.0%	0.6%	-	-	-	-100.0%	0.1%
<b>Non-profit institutions</b>											
<b>Current</b>	26 060	26 000	26 450	14 750	-17.3%	6.8%	16 627	17 529	17 911	6.7%	4.0%
Strategic Partners in Tourism	25 000	25 000	25 000	-	-100.0%	5.4%	-	-	-	-	-
Ezemvelo KwaZulu-Natal Wildlife	500	500	-	-	-100.0%	0.1%	-	-	-	-	-
Federated Hospitality Association of South Africa	500	500	200	500	-	0.1%	500	500	529	1.9%	0.1%
Tourism accelerated apprenticeship programme	60	-	-	-	-100.0%	-	-	-	-	-	-
Various institutions: Small, medium and micro enterprises development	-	-	-	13 500	-	1.0%	15 527	16 429	17 382	8.8%	3.8%
Tourism interpretive signage	-	-	1 250	750	-	0.1%	-	-	-	-100.0%	-
N12 Treasure Route Association	-	-	-	-	-	-	600	600	-	-	0.1%

## Personnel information

**Table 33.13 Domestic Tourism personnel numbers and cost by salary level<sup>1</sup> prior to Cabinet approved reduction, effective from 2017/18<sup>2</sup>; budget reductions and aggregate baseline total**

Salary level	Number of funded posts	Number of posts additional to the establishment	Number and cost <sup>3</sup> of personnel posts filled / planned for on funded establishment															Number	
			Actual 2014/15			Revised estimate 2015/16			Medium-term expenditure estimate						Average growth rate (%) 2015/16 - 2018/19	Salary level/total: Average (%)			
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	2016/17		2017/18		2018/19						
									Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
<b>Domestic Tourism</b>			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
	103	-	102	48.7	0.5	103	50.7	0.5	103	53.9	0.5	103	59.4	0.6	103	63.5	0.6	-	100.0%
1 – 6	10	-	10	2.3	0.2	10	2.4	0.2	10	2.8	0.3	10	3.0	0.3	10	3.3	0.3	-	9.7%
7 – 10	48	-	47	15.9	0.3	48	17.5	0.4	48	18.0	0.4	48	19.8	0.4	48	21.2	0.4	-	46.6%
11 – 12	33	-	33	19.9	0.6	33	19.4	0.6	33	21.0	0.6	33	23.2	0.7	33	24.8	0.8	-	32.0%
13 – 16	12	-	12	10.6	0.9	12	11.3	0.9	12	12.2	1.0	12	13.4	1.1	12	14.3	1.2	-	11.7%
<b>Reduction</b>	-	-	-	-	-	-	-	-	-	-	-	-	(0.5)	-	-	(2.3)	-	-	-
<b>Total</b>	<b>103</b>	<b>-</b>	<b>102</b>	<b>48.7</b>	<b>0.5</b>	<b>103</b>	<b>50.7</b>	<b>0.5</b>	<b>103</b>	<b>53.9</b>	<b>0.5</b>	<b>103</b>	<b>58.9</b>	<b>-</b>	<b>103</b>	<b>61.3</b>	<b>-</b>	<b>-</b>	<b>-</b>

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. This programme's compensation of employees budget has been reduced by R2.8 million for 2017/18 and 2018/19. After consultation with the Department of Public Service and Administration and National Treasury, the department will finalise, develop and implement a plan to manage its personnel expenditure within this reduced expenditure ceiling.

3. Rand million.

## Entities

### South African Tourism

#### Mandate

The Tourism Act (2014), as amended, mandates South African Tourism to: market South Africa internationally and domestically as a preferred tourism and business events destination, ensure that tourist facilities and services are of the highest standard, and monitor and evaluate the performance of the tourism sector.

## Selected performance indicators

**Table 33.14 South African Tourism performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Number of tourist arrivals per year	Contribute to the growth of international tourist arrivals in South Africa	Outcome 4: Decent employment through inclusive economic growth	- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>	10 977 407	10 350 797	10 881 517	11 415 284
Number of domestic holiday trips per year	Contribute to the growth of domestic tourism in South Africa		- <sup>1</sup>	3 100 000	2 776 000	2 841 209	3 059 764	3 278 319	3 507 801
Total revenue generated per year	Increase tourism revenue		- <sup>1</sup>	R90bn	R119.2bn	R107.4bn	R92.3bn	R96.4bn	R104.2bn
Percentage of people within target market who know of South Africa as an international destination for leisure purposes per year <sup>2</sup>	Maintain brand awareness of South Africa as a tourist destination		79% (22 534 053)	79% (22 534 053)	80% (22 534 050)	80% (87 618 900)	81% (92 262 702)	82% (92 262 702)	80% (92 262 702)
Number of graded accommodation establishments per year	Provide quality assurance for tourism products to enhance visitor experiences		6 022	5 587	5 369	6 493	6 948	7 643	8 407
Number of international business events delegated in South Africa per year	Increase the number of business events hosted in South Africa		- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>	87	138	145	153

1. No historical data is available as these are new indicators.

2. Figures are estimates of the number of people within the target market who are aware of South Africa as a tourism destination. The target market comprises adults in developed countries who have indicated a willingness to travel long distance and who have the disposable income to do so. These estimates do not reflect awareness in non-core markets such as Japan.

## Expenditure analysis

The national development plan specifically recognises tourism as one of the main drivers of South Africa's economy, and job creation in particular. The plan envisages the promotion of South Africa as a major tourist and business events destination to boost tourist numbers and enable the sector to contribute directly to poverty reduction and economic growth. The national development plan's long term perspective and the priorities articulated in government's 2014-2019 medium term strategic framework, particularly outcome 4 (decent employment through inclusive economic growth) are embodied in South African Tourism's strategic plan and the targets set by the tourism industry. The national tourism sector strategy and the domestic tourism growth strategy further reinforce these priorities.

Tourism in South Africa recorded growth of 6.6 per cent in tourist arrivals, from 9 million in 2013 to 9.5 million in 2014, exceeding average global growth in the sector, and maintaining the status of tourism as a key driver of South Africa's economic development. South African Tourism intends to maintain the positive trend through marketing and sales strategies that build brand awareness of South Africa as a tourism destination and position the country among the top 10 long haul destinations for business events. According to the national development plan, this is expected to increase the contribution of tourism revenue to the economy from R88.7 billion in 2015 to R120 billion by 2021.

The focus of South African Tourism over the medium term will be on marketing South Africa as a tourism destination of choice, and increasing the contribution of tourism to the South African economy by growing the number of tourist arrivals from an expected 10.4 million in 2016/17 to 11.4 million in 2018/19.

South African Tourism markets South Africa through partnerships that will continue to position South Africa as a popular year round tourist destination for both leisure and business. Selling points include an enhanced visitor experience and consumer confidence in South Africa's tourism products. Spending of R690 million over the medium term on implementing marketing and sales strategies that build brand awareness of South Africa is projected. This work will be undertaken by 173 personnel, and this number is expected to remain constant over the medium term.

The organisation will continue to market South Africa as a business events destination and provide support for bids to increase the number of events hosted from 118 to an expected 153 over the medium term, and the number of international delegates from 77 567 to an expected 86 006 over the period. Through collaborative efforts with stakeholders, South African Tourism will develop and implement domestic, regional and international marketing strategies for South Africa that are informed by research, data and knowledge sharing.

## Programmes/objectives/activities

**Table 33.15 South African Tourism expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18		
R thousand											
Administration	105 465	140 631	108 188	117 384	3.6%	11.0%	123 841	130 033	137 575	5.4%	10.1%
Increase foreign visitor arrivals coming to South Africa	251 927	277 294	286 835	312 149	7.4%	26.1%	325 211	338 871	358 526	4.7%	26.5%
Increase domestic tourism in South Africa	45 113	46 372	38 017	143 800	47.2%	6.2%	149 000	156 450	165 524	4.8%	12.2%
Increase tourism trended revenue contribution to the economy	251 927	277 294	286 835	312 149	7.4%	26.1%	325 211	338 871	358 526	4.7%	26.5%
Increase awareness of South Africa as a tourist destination	245 851	225 158	273 455	205 947	-5.7%	22.2%	218 303	229 218	242 513	5.6%	17.8%
Provide quality assurance for tourism products	35 397	37 889	48 352	48 425	11.0%	3.9%	49 871	52 364	55 401	4.6%	4.1%
Increase business events	43 216	51 982	66 335	33 700	-8.0%	4.5%	34 000	35 700	37 771	3.9%	2.8%
<b>Total</b>	<b>978 896</b>	<b>1 056 620</b>	<b>1 108 017</b>	<b>1 173 554</b>	<b>6.2%</b>	<b>100.0%</b>	<b>1 225 437</b>	<b>1 281 507</b>	<b>1 355 836</b>	<b>4.9%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

**Table 33.16 South African Tourism statements of historical financial performance and position**

Statement of financial performance									Outcome/ Budget Average (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R thousand	2012/13		2013/14		2014/15		2015/16		2012/13 - 2015/16
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>80 777</b>	<b>102 833</b>	<b>82 339</b>	<b>128 378</b>	<b>83 929</b>	<b>146 995</b>	<b>91 843</b>	<b>91 842</b>	<b>138.7%</b>
Other non-tax revenue	80 777	102 833	82 339	128 378	83 929	146 995	91 843	91 842	138.7%
<b>Transfers received</b>	<b>831 303</b>	<b>866 924</b>	<b>909 973</b>	<b>997 622</b>	<b>958 309</b>	<b>991 647</b>	<b>1 081 712</b>	<b>1 081 712</b>	<b>104.1%</b>
<b>Total revenue</b>	<b>912 080</b>	<b>969 757</b>	<b>992 312</b>	<b>1 126 000</b>	<b>1 042 238</b>	<b>1 138 642</b>	<b>1 173 555</b>	<b>1 173 554</b>	<b>107.0%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>912 080</b>	<b>978 896</b>	<b>992 312</b>	<b>1 056 620</b>	<b>1 042 238</b>	<b>1 108 017</b>	<b>1 173 554</b>	<b>1 173 554</b>	<b>104.8%</b>
Compensation of employees	120 662	149 315	142 011	169 474	108 998	179 558	191 792	191 792	122.5%
Goods and services	774 020	813 025	831 929	861 364	933 240	919 022	966 541	966 541	101.5%
Depreciation	17 398	15 805	18 373	25 200	-	9 437	15 221	15 221	128.8%
Interest, dividends and rent on land	-	751	-	582	-	-	-	-	-
<b>Total expenses</b>	<b>912 080</b>	<b>978 896</b>	<b>992 312</b>	<b>1 056 620</b>	<b>1 042 238</b>	<b>1 108 017</b>	<b>1 173 554</b>	<b>1 173 554</b>	<b>104.8%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>(9 139)</b>	<b>-</b>	<b>69 380</b>	<b>-</b>	<b>30 625</b>	<b>1</b>	<b>-</b>	

**Table 33.16 South African Tourism statements of historical financial performance and position**

Statement of financial position		Budget		Audited outcome		Budget estimate		Revised estimate		Outcome/ Budget Average (%)
R thousand	2012/13	2013/14	2014/15	2015/16	2012/13 - 2015/16					
Carrying value of assets	46 967	70 108	73 626	54 205	78 032	57 336	60 446	60 030	93.3%	
of which:										
Acquisition of assets	(6 491)	–	–	–	–	–	–	–	–	
Loans	–	117	–	43	130	19	–	–	137.5%	
Receivables and prepayments	32 519	22 140	8 000	42 221	24 642	31 715	47 082	33 554	115.5%	
Cash and cash equivalents	250 270	212 845	180 000	312 500	236 902	374 055	260 148	395 750	139.7%	
<b>Total assets</b>	<b>329 756</b>	<b>305 210</b>	<b>261 626</b>	<b>408 969</b>	<b>339 706</b>	<b>463 125</b>	<b>367 676</b>	<b>489 334</b>	<b>128.3%</b>	
Accumulated surplus/(deficit)	3 948	3 275	12 413	59 472	3 274	123 652	3 438	130 824	1 374.9%	
Capital and reserves	19 593	25 382	18 216	24 820	25 382	26 529	26 651	28 068	116.6%	
Finance lease	2 952	–	2 697	–	–	353	–	373	12.9%	
Deferred income	50 241	–	79 507	20 062	–	–	–	–	15.5%	
Trade and other payables	231 449	233 088	130 000	240 618	256 431	267 373	268 322	282 229	115.5%	
Provisions	21 573	41 193	10 358	62 461	43 019	45 218	69 265	47 841	136.4%	
Derivatives financial instruments	–	2 272	8 434	1 536	2 529	–	–	–	34.7%	
<b>Total equity and liabilities</b>	<b>329 756</b>	<b>305 210</b>	<b>261 626</b>	<b>408 969</b>	<b>330 635</b>	<b>463 125</b>	<b>367 676</b>	<b>489 335</b>	<b>129.2%</b>	

**Statements of estimates of financial performance and position****Table 33.17 South African Tourism statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Expen- diture/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expen- diture/ Total: Average (%)
R thousand	Revised estimate 2015/16	2012/13 - 2015/16		2016/17	2017/18	2018/19	2015/16 - 2018/19	
<b>Revenue</b>								
Non-tax revenue	91 842	-3.7%	10.7%	96 590	101 417	107 302	5.3%	7.9%
Other non-tax revenue	91 842	-3.7%	10.7%	96 590	101 417	107 302	5.3%	7.9%
<b>Transfers received</b>	<b>1 081 712</b>	<b>7.7%</b>	<b>89.3%</b>	<b>1 128 847</b>	<b>1 180 089</b>	<b>1 248 534</b>	<b>4.9%</b>	<b>92.1%</b>
<b>Total revenue</b>	<b>1 173 554</b>	<b>6.6%</b>	<b>100.0%</b>	<b>1 225 437</b>	<b>1 281 506</b>	<b>1 355 836</b>	<b>4.9%</b>	<b>100.0%</b>
<b>Expenses</b>								
Current expenses	1 173 554	6.2%	100.0%	1 225 437	1 281 507	1 355 836	4.9%	–
Compensation of employees	191 792	8.7%	16.0%	202 675	213 060	225 418	5.5%	16.5%
Goods and services	966 541	5.9%	82.5%	993 115	1 037 318	1 112 244	4.8%	81.6%
Depreciation	15 221	-1.2%	1.5%	29 647	31 129	18 174	6.1%	1.9%
<b>Total expenses</b>	<b>1 173 554</b>	<b>6.2%</b>	<b>100.0%</b>	<b>1 225 437</b>	<b>1 281 507</b>	<b>1 355 836</b>	<b>4.9%</b>	<b>–</b>
<b>Surplus/(Deficit)</b>	<b>–</b>	<b>(1)</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Statement of financial position</b>								
Carrying value of assets	60 030	-5.0%	15.2%	70 283	74 359	78 672	9.4%	13.2%
Receivables and prepayments	33 554	14.9%	7.8%	35 501	37 560	39 738	5.8%	6.8%
Cash and cash equivalents	395 750	23.0%	76.9%	418 704	438 106	463 525	5.4%	80.0%
<b>Total assets</b>	<b>489 334</b>	<b>17.0%</b>	<b>100.0%</b>	<b>524 487</b>	<b>550 025</b>	<b>581 935</b>	<b>5.9%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	130 824	241.8%	17.3%	138 412	146 439	154 933	5.8%	26.6%
Capital and reserves	28 068	3.4%	6.5%	29 696	29 383	31 087	3.5%	5.5%
Finance lease	373	–	0.0%	395	418	451	6.5%	0.1%
Trade and other payables	282 229	6.6%	62.7%	283 079	297 233	314 473	3.7%	54.9%
Provisions	47 841	5.1%	12.1%	72 906	76 551	80 991	19.2%	12.9%
<b>Total equity and liabilities</b>	<b>489 335</b>	<b>17.0%</b>	<b>100.0%</b>	<b>524 487</b>	<b>550 025</b>	<b>581 935</b>	<b>38.6%</b>	<b>100.0%</b>



## Personnel information

**Table 33.18 South African Tourism personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2016		Number and cost <sup>1</sup> of personnel posts filled / planned for on funded establishment															Number	
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/Total: Average (%)			
		2014/15		2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19						
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
<b>South African Tourism</b>																		
Salary level	175																	
		173	179.6	1.0	175	191.8	1.1	175	202.7	1.2	175	213.1	1.2	175	225.4	1.3	5.5%	100.0%
1 – 6	17	17	28.6	1.7	17	30.3	1.8	17	32.1	1.9	17	34.1	2.0	17	36.0	2.1	5.9%	9.7%
7 – 10	65	65	37.4	0.6	65	40.5	0.6	65	42.6	0.7	65	45.1	0.7	65	48.4	0.7	6.1%	37.1%
11 – 12	48	48	46.6	1.0	48	49.8	1.0	48	52.7	1.1	48	54.7	1.1	48	57.9	1.2	5.2%	27.4%
13 – 16	44	44	64.2	1.5	44	68.3	1.6	44	72.2	1.6	44	76.0	1.7	44	79.8	1.8	5.3%	25.1%
17 – 22	1	1	2.7	2.7	1	2.9	2.9	1	3.1	3.1	1	3.2	3.2	1	3.4	3.4	5.0%	0.6%

1. Rand million.

## Additional table

Table 33.A Summary of donor funding

Donor	Project	Programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome		Estimate	Medium-term expenditure estimate	
							2012/13	2013/14		2014/15	2016/17
R thousand											
Foreign											
In cash											
European Union	Golden Gate Highlands National Park interpretation centre	Domestic Tourism	3 years	120 000	Non-profit institutions	Construction of an interpretive centre featuring dinosaur relics found in the park. The centre will also be a tourist destination	-	-	31 100	12 600	-
<b>Total</b>				<b>120 000</b>			<b>-</b>	<b>-</b>	<b>31 100</b>	<b>12 600</b>	<b>-</b>





# 2016 BUDGET

ESTIMATES OF NATIONAL EXPENDITURE

40 Church Square, Pretoria, 0002 | Private Bag X115, Pretoria, 0001 | T (012) 395 6697, F (012) 315 5126



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA