

# **Estimates of Public Expenditure**

**2009**

## **Government Communication and Information System**

**National Treasury  
Republic of South Africa**



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To obtain copies please contact:

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

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# Vote 6

## Government Communication and Information System

### Budget summary

R thousand	2009/10				2010/11	2011/12
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	112 547	111 402	–	1 145	139 362	123 353
Policy and Research	18 898	18 898	–	–	19 984	21 319
Government and Media Liaison	24 299	23 893	–	406	25 564	27 134
Provincial Coordination and Programme Support	57 339	57 208	–	131	62 209	66 092
Communication Service Agency	52 831	51 972	–	859	55 228	61 544
International Marketing and Media Development	182 712	–	182 712	–	195 605	167 446
Government Publication	33 369	33 369	–	–	35 146	37 948
<b>Total expenditure estimates</b>	<b>481 995</b>	<b>296 742</b>	<b>182 712</b>	<b>2 541</b>	<b>533 098</b>	<b>504 836</b>
Executive authority	Minister in the Presidency					
Accounting officer	Chief Executive Officer: Government Communication and Information System					
Website address	<a href="http://www.gcis.gov.za">www.gcis.gov.za</a>					

### Aim

*The aim of the Government Communication and Information System is to provide a comprehensive communication service on behalf of government to facilitate the involvement of the majority of South Africans in governance, reconstruction and development, nation building and reconciliation.*

### Programme purposes

#### Programme 1: Administration

**Purpose:** Provide for the overall management of the department.

#### Programme 2: Policy and Research

**Purpose:** Conduct communication research to provide communication advice on governance. Monitor the development and implementation of government programmes from a communication perspective.

#### Programme 3: Government and Media Liaison

**Purpose:** Coordinate effective, integrated and comprehensive communication and media liaison services across government.

#### Programme 4: Provincial Coordination and Programme Support

**Purpose:** Promote development communication. Strengthen the government communication and information system in all spheres of government. Facilitate the establishment of Thusong service centres to make services and information more accessible to the public, particularly disadvantaged communities.

### **Programme 5: Communication Service Agency**

**Purpose:** Provide core communication services to the Government Communication and Information System and other government departments, both in-house and outsourced.

### **Programme 6: International Marketing and Media Development**

**Purpose:** Market South Africa internationally. Promote local media development and diversity.

### **Programme 7: Government Publication**

**Purpose:** Create a communication vehicle that provides citizens with information on economic and other opportunities and how these can be accessed.

## **Strategic overview: 2005/06 – 2011/12**

The Government Communication and Information System is primarily responsible for a communication system for informing the public about government policies, plans and programmes, with an emphasis on socioeconomic development and direct dialogue, especially with people in disadvantaged areas.

The department markets South Africa abroad through the International Marketing Council. It promotes media development and diversity through the Media Development and Diversity Agency, a statutory development agency, which aims to enable historically disadvantaged communities to gain access to the media by developing community and small media.

### **Key strategic objectives**

#### *Raising public awareness*

Key priorities over the medium term include providing ongoing communication support for, among other government targets, the millennium development goals, the Accelerated and Shared Growth Initiative for South Africa, the 2010 FIFA World Cup, and the five-year strategic agenda for local government. Over the short to medium term, the Government Communication and Information System will anchor communication on government's apex priorities to ensure visible and practical implementation of government programmes targeting the poor.

The Thusong service centres aim to provide public access to government information and services at at least one centre per local municipality by 2014. The refurbishment of the first generation Thusong service centres will improve service delivery standards, coordination and infrastructure development, and branding. The department will ensure that these service centres provide comprehensive information and services to communities through the development communication approach.

Following the power outages in early 2008, government identified the need for an ongoing awareness campaign on energy conservation for both ordinary citizens and the business sector. The Government Communication and Information System received additional funds to spearhead the campaign with other partners and key stakeholders. The campaign will continue over the MTEF period.

The 2010 FIFA World Cup is a unique communication opportunity to market South Africa as a tourism and investment destination, build national unity, and promote African solidarity. To coordinate government messaging around this global event, a dedicated communication unit has been established in the department.

In 2008, the department entered into a partnership agreement with South African Tourism to introduce a quantitative tracker of media coverage of the 2010 FIFA World Cup and the image of South Africa in 158 leading domestic and international media. The department provides government and key stakeholders with daily and weekly monitoring and qualitative analyses. The department also produced publications on government preparations for the 2010 FIFA World Cup.

*Broadening access to information*

Providing information products in all official languages for major government campaigns will continue to be a key focus area. To fulfil the objectives of the Language Bill, the Government Communication and Information System established a translation unit to facilitate communication in all official languages and empower communities with accessible information.

Over the MTEF period, the Media Development and Diversity Agency will continue to focus on giving grants for media development in rural and marginalised communities, as well as in historically diminished languages and cultural groups and inadequately serviced communities. The agency will aim to ensure that all citizens have adequate access to media in the language of their choice, thus contributing to transforming media access, ownership and control patterns in South Africa.

*Marketing South Africa abroad*

The International Marketing Council is in its sixth year of operation. Over the medium term, it aims to extend its marketing focus to the East. This will require a comprehensive marketing plan, in-depth research, media buying, and hiring a brand manager to work jointly with the Department of Foreign Affairs. Other international marketing efforts will be aimed at Russia, Brazil and the Middle East.

*Policy developments*

The gazetting of the Marketing, Advertising and Communication Industry Transformation Charter in August 2008 was a milestone for the transformation of the marketing, advertising and communication industry. The department is planning workshops with industry stakeholders on the requirements of the charter.

## Selected performance and operations indicators

**Table 6.1 Government Communication and Information System**

Indicator	Programme	Past			Current 2008/09	Projections		
		2005/06	2006/07	2007/08		2009/10	2010/11	2011/12
Total number of Thusong service centres	Provincial Coordination and Programme Support	86	96	123	136	156	176	186
Total number of information distribution points	Provincial Coordination and Programme Support	4 300	4 862	5 646	5 200	6 600	6 700	6 800
Number of new agencies appointed for panel of advertising and public relations agencies	Communication Service Agency	206	6	5	6	6	6	6
Number of new media buying briefs conducted	Communication Service Agency	112	287	206	90	130	140	140
Number of new radio advertisements/dramas produced	Communication Service Agency	25	40	40	45	45	150	150
Number of new video programmes produced	Communication Service Agency	13	9	18	13	13	13	13
Number of new requests for photographic coverage handled	Communication Service Agency	–	200	383	200	300	300	300
Number of new live broadcasts on community radio stations	Communication Service Agency	28	30	59	35	100	100	100
Number of new radio talk shows arranged	Communication Service Agency	–	39	7	40	15	15	15
Number of new government and national events covered by video	Communication Service Agency	–	66	195	100	150	150	150
Number of new graphic designs produced	Communication Service Agency	90	100	162	100	100	100	100
Number of new copies of Vuk'uzenzele magazines printed and distributed	Government Publication	7.5 million	8.9 million	9.5 million	9.5 million	9.5 million	9.5 million	9.5 million

## Expenditure estimates

**Table 6.2 Government Communication and Information System**

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
R thousand								
1. Administration	62 038	70 939	105 706	104 542	103 917	112 547	139 362	123 353
2. Policy and Research	13 377	12 094	17 966	19 266	20 473	18 898	19 984	21 319
3. Government and Media Liaison	15 291	16 573	18 575	22 342	22 085	24 299	25 564	27 134
4. Provincial Coordination and Programme Support	33 764	38 811	45 296	49 495	49 990	57 339	62 209	66 092
5. Communication Service Agency	34 537	32 662	37 821	57 252	56 432	52 831	55 228	61 544
6. International Marketing and Media Development	76 269	93 045	123 087	154 280	154 280	182 712	195 605	167 446
7. Government Publication	18 297	28 984	32 465	32 655	32 655	33 369	35 146	37 948
<b>Total</b>	<b>253 573</b>	<b>293 108</b>	<b>380 916</b>	<b>439 832</b>	<b>439 832</b>	<b>481 995</b>	<b>533 098</b>	<b>504 836</b>
Change to 2008 Budget estimate				21 577	21 577	5 125	19 507	20 197
<b>Economic classification</b>								
<b>Current payments</b>	<b>171 102</b>	<b>195 638</b>	<b>252 292</b>	<b>282 439</b>	<b>281 868</b>	<b>296 742</b>	<b>334 714</b>	<b>334 403</b>
Compensation of employees	75 018	84 052	116 160	118 226	118 026	131 161	139 771	146 893
Goods and services	96 045	109 469	136 088	164 213	163 842	165 581	194 943	187 510
of which:								
Administrative fees	109	59	86	89	89	108	119	112
Advertising	13 169	14 972	13 273	29 108	28 929	28 788	30 246	30 842
Assets less than R5 000	1 485	2 242	2 065	2 710	2 466	4 501	16 519	5 414
Audit costs: External	826	1 083	1 242	1 200	1 200	1 660	1 863	1 649
Bursaries: Employees	693	450	493	550	550	658	738	653
Catering: Departmental activities	814	844	1 170	1 173	1 173	1 294	1 402	1 399
Communication	5 960	6 116	10 408	7 082	7 067	11 568	12 134	15 803
Computer services	2 889	7 773	9 790	12 202	12 048	12 951	20 214	10 944
Consultants and professional services: Business and advisory services	16 321	11 232	18 356	1 808	1 808	10 865	11 904	9 026
Consultants and professional services: Legal costs	343	343	50	140	140	67	75	66
Contractors	2 651	2 722	2 924	5 277	4 528	2 910	3 488	3 635
Agency and support / outsourced services	855	680	1 338	13 345	14 341	9 320	9 904	10 480
Entertainment	17	–	–	41	41	–	–	–
Inventory: Food and food supplies	–	–	–	–	–	1	1	1
Inventory: Fuel, oil and gas	–	–	1	–	–	–	–	–
Inventory: Learner and teacher support material	–	–	–	109	109	–	–	–
Inventory: Materials and supplies	30	–	22	17	17	–	–	–
Inventory: Medical supplies	4	1	8	10	10	26	29	26
Inventory: Other consumables	289	611	772	190	190	988	1 097	1 005
Inventory: Stationery and printing	11 188	26 268	31 745	8 935	8 885	13 583	14 180	10 076
Lease payments	22 635	10 312	10 713	13 809	13 509	14 352	14 052	29 377
Owned and leasehold property expenditure	611	296	503	1 200	1 200	682	752	706
Travel and subsistence	10 132	12 080	13 661	16 841	16 733	13 160	14 140	14 707
Training and development	1 657	1 998	4 190	5 048	5 008	5 462	6 070	5 613
Operating expenditure	1 874	7 056	9 925	39 937	39 946	29 293	32 405	32 333
Venues and facilities	1 493	2 331	3 353	3 392	3 855	3 344	3 611	3 643
Financial transactions in assets and liabilities	39	2 117	44	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>76 574</b>	<b>93 309</b>	<b>123 329</b>	<b>154 322</b>	<b>154 522</b>	<b>182 712</b>	<b>195 605</b>	<b>167 446</b>
Provinces and municipalities	230	69	–	–	–	–	–	–
Departmental agencies and accounts	76 269	93 045	123 087	154 280	154 280	182 712	195 605	167 446
Households	75	195	242	42	242	–	–	–
<b>Payments for capital assets</b>	<b>5 897</b>	<b>4 161</b>	<b>5 295</b>	<b>3 071</b>	<b>3 442</b>	<b>2 541</b>	<b>2 779</b>	<b>2 987</b>
Machinery and equipment	4 741	3 305	4 567	3 071	3 442	2 541	2 779	2 987
Software and other intangible assets	1 156	856	728	–	–	–	–	–
<b>Total</b>	<b>253 573</b>	<b>293 108</b>	<b>380 916</b>	<b>439 832</b>	<b>439 832</b>	<b>481 995</b>	<b>533 098</b>	<b>504 836</b>

## Expenditure trends

Between 2005/06 and 2008/09, expenditure increased from R253.6 million to R439.8 million, at an average annual rate of 20.2 per cent. This was due mainly to: the introduction of the Vuk'uzenzele magazine; funds devolved from the Department of Public Works for office accommodation management; departmental activities in preparation for the 2010 FIFA World Cup; government's initiatives in the second economy; additional capacity in provincial offices; the branding of the first generation Thusong service centres; and the increase in the transfer to the International Marketing Council for the 2010 FIFA World Cup.

A significant part of the department's expenditure is made up of transfer payments to the International Marketing Council and the Media Development and Diversity Agency. The transfers constitute on average 32.3 per cent of total expenditure between 2005/06 and 2008/09, increasing to 33.2 per cent by 2011/12.

Over the MTEF period, expenditure will increase at an average annual rate of 4.7 per cent mainly because the Government Communication and Information System and the International Marketing Council will have completed their activities relating to the 2010 FIFA World Cup.

Over the MTEF period, the department receives additional funds of R16 million, R33.1 million, and R33.2 million. These funds will mainly be used for: accommodating the Re Kgabisa Tshwane project in 2010/11 and 2011/12; upgrading IT infrastructure at provincial offices in 2010/11; establishing an employee awareness programme for provincial offices in 2010/11 and 2011/12; the state of the nation address and the opening of parliament in 2009/10; establishing the government community radio link in 2011/12; running the energy campaign; inflation related adjustments in compensation of employees and payments for capital assets.

Over the medium term, savings of R10 million, R12.2 million and R11.6 million have been identified in goods and services, and transfer payments to public entities.

## Departmental receipts

Departmental revenue is mainly derived from the sale of publications, photos and videos, interest on outstanding debt, and the sale of advertising space in Vuk'uzenzele. It is estimated that departmental revenue will be R2.9 million per year over the MTEF period.

**Table 6.3 Departmental receipts**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimate		
	2005/06	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
<b>Departmental receipts</b>	<b>665</b>	<b>3 060</b>	<b>3 134</b>	<b>2 697</b>	<b>3 297</b>	<b>2 947</b>	<b>2 961</b>	<b>2 986</b>
Sales of goods and services produced by department	536	1 925	2 653	2 477	2 707	2 477	2 477	2 477
Sales of scrap, waste, arms and other used current goods	–	–	4	–	–	–	–	–
Interest, dividends and rent on land	23	244	137	120	250	210	211	222
Financial transactions in assets and liabilities	106	891	340	100	340	260	273	287
<b>Total</b>	<b>665</b>	<b>3 060</b>	<b>3 134</b>	<b>2 697</b>	<b>3 297</b>	<b>2 947</b>	<b>2 961</b>	<b>2 986</b>

## Programme 1: Administration

### Expenditure estimates

Table 6.4 Administration

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R thousand							
Management	4 370	6 477	5 812	7 527	8 295	8 840	9 307
Corporate Services	48 522	55 046	89 684	83 269	87 383	110 609	78 088
Property Management	9 146	9 416	10 210	13 746	16 869	19 913	35 958
<b>Total</b>	<b>62 038</b>	<b>70 939</b>	<b>105 706</b>	<b>104 542</b>	<b>112 547</b>	<b>139 362</b>	<b>123 353</b>
Change to 2008 Budget estimate				3 414	2 048	17 888	18 009

#### Economic classification

	58 441	68 376	102 189	102 829	111 402	138 063	121 935
<b>Current payments</b>							
Compensation of employees	27 583	31 138	54 347	45 178	49 337	52 640	55 199
Goods and services	30 843	35 351	47 832	57 651	62 065	85 423	66 736
<i>of which:</i>							
Administrative fees	109	50	56	61	75	84	74
Advertising	1 516	1 511	2 702	1 418	3 613	4 055	3 589
Assets less than R5 000	774	1 314	1 262	1 975	1 687	12 893	1 675
Audit costs: External	820	1 083	1 242	1 200	1 660	1 863	1 649
Bursaries: Employees	539	450	491	550	656	736	651
Catering: Departmental activities	241	284	426	509	569	638	565
Communication	977	1 059	1 555	1 359	2 079	2 333	2 065
Computer services	2 754	7 541	9 340	11 473	12 487	19 712	10 400
Consultants and professional services: Business and advisory services	4 437	1 566	3 775	986	5 046	5 662	2 245
Consultants and professional services: Legal costs	343	339	50	140	67	75	66
Contractors	436	614	696	2 645	930	1 394	1 324
Agency and support / outsourced services	825	677	925	5 323	1 237	1 388	1 228
Entertainment	–	–	–	25	–	–	–
Inventory: Food and food supplies	–	–	–	–	1	1	1
Inventory: Fuel, oil and gas	–	–	1	–	–	–	–
Inventory: Learner and teacher support material	–	–	–	92	–	–	–
Inventory: Materials and supplies	30	–	19	1	–	–	–
Inventory: Medical supplies	1	1	–	–	25	28	25
Inventory: Other consumables	174	487	623	132	833	935	827
Inventory: Stationery and printing	2 362	3 693	5 475	2 277	7 319	7 332	2 646
Lease payments	9 706	9 684	10 174	13 355	13 602	13 263	28 508
Owned and leasehold property expenditure	576	224	373	1 129	499	560	496
Travel and subsistence	2 074	2 459	3 171	4 311	2 360	2 757	2 210
Training and development	931	1 047	3 272	2 991	4 374	4 908	4 344
Operating expenditure	757	701	1 202	4 571	1 607	3 303	818
Venues and facilities	461	567	1 002	1 128	1 339	1 503	1 330
Financial transactions in assets and liabilities	15	1 887	10	–	–	–	–
<b>Transfers and subsidies</b>	<b>95</b>	<b>42</b>	<b>167</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Provinces and municipalities	79	25	–	–	–	–	–
Households	16	17	167	–	–	–	–
<b>Payments for capital assets</b>	<b>3 502</b>	<b>2 521</b>	<b>3 350</b>	<b>1 713</b>	<b>1 145</b>	<b>1 299</b>	<b>1 418</b>
Machinery and equipment	2 346	1 833	2 651	1 713	1 145	1 299	1 418
Software and other intangible assets	1 156	688	699	–	–	–	–
<b>Total</b>	<b>62 038</b>	<b>70 939</b>	<b>105 706</b>	<b>104 542</b>	<b>112 547</b>	<b>139 362</b>	<b>123 353</b>

Table 6.4 Administration (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
<b>Details of transfers and subsidies</b>							
<b>Provinces and municipalities</b>							
<b>Municipalities</b>							
<b>Municipal bank accounts</b>							
<b>Current</b>	79	25	-	-	-	-	-
Regional Services Council levies	79	25	-	-	-	-	-
<b>Households</b>							
<b>Social benefits</b>							
<b>Current</b>	16	17	167	-	-	-	-
Employer social benefit	16	17	167	-	-	-	-

## Expenditure trends

Expenditure increased at an average annual rate of 19 per cent between 2005/06 and 2008/09 due mainly to communication programmes linked to the 2010 FIFA World Cup and the rental of Thusong service centres. The 49 per cent increase between 2006/07 and 2007/08 was mainly due to the implementation of 2010 FIFA World Cup programmes in 2007/08 and a once-off payment to the National Security Fund pension of R16.8 million.

Over the medium term, expenditure is estimated to increase at an average annual rate of 5.7 per cent due to inflation related salary adjustments. Expenditure will increase in 2010/11 and 2011/12 to cater for head office accommodation for the Re Kgabisa Tshwane project. The decrease of 11.5 per cent to the baseline in 2011/12 is due to the department completing its 2010 FIFA World Cup programmes.

## Programme 2: Policy and Research

- *Management.*
- *Policy* contributes to media, communication and information policy, and government policy on communication.
- *Research* researches the information and communication needs of government and the public.

### Objectives and measures

- Inform government's communication strategy and decisions by analysing the communications environment on a weekly, monthly and quarterly basis, and conducting quarterly research on the public's communication needs.

### Service delivery and spending focus

The tracker project continues to keep government abreast of the perceptions and information needs of the public. In 2007/08, 6 national government departments aligned with this project.

The effectiveness of various government communication products and initiatives was improved through 20 research projects.

The economic opportunities publication has been updated, and a 12-page insert on province specific programmes was included for the first time. In October 2008, a radio programme profiling government's second economy programmes and beneficiaries was broadcast on all SABC language stations.

## Expenditure estimates

### Table 6.5 Policy and Research

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R thousand							
Management	874	946	1 849	1 517	1 878	2 024	2 137
Policy	5 443	3 599	6 723	9 948	8 293	8 727	9 303
Research	7 060	7 549	9 394	7 801	8 727	9 233	9 879
<b>Total</b>	<b>13 377</b>	<b>12 094</b>	<b>17 966</b>	<b>19 266</b>	<b>18 898</b>	<b>19 984</b>	<b>21 319</b>
Change to 2008 Budget estimate				2 095	439	458	368

#### Economic classification

	13 363	11 950	17 850	19 228	18 898	19 984	21 319
<b>Current payments</b>							
Compensation of employees	4 328	4 844	5 065	6 494	7 911	8 478	8 916
Goods and services	9 035	7 104	12 774	12 734	10 987	11 506	12 403
<i>of which:</i>							
Advertising	1	10	397	1	1 055	1 075	1 105
Assets less than R5 000	–	46	29	34	25	26	28
Audit costs: External	6	–	–	–	–	–	–
Bursaries: Employees	17	–	–	–	–	–	–
Catering: Departmental activities	20	63	33	45	28	29	31
Communication	91	94	91	151	77	81	88
Computer services	135	175	149	276	127	133	144
Consultants and professional services: Business and advisory services	8 231	6 037	8 436	6	12	18	24
Contractors	–	2	199	–	–	–	–
Agency and support / outsourced services	–	–	–	5 850	6 734	7 071	7 654
Inventory: Materials and supplies	–	–	–	1	–	–	–
Inventory: Other consumables	–	1	4	–	3	3	3
Inventory: Stationery and printing	58	138	2 720	161	180	185	190
Travel and subsistence	246	290	505	553	430	451	489
Training and development	129	156	124	609	105	110	119
Operating expenditure	23	17	21	4 977	2 155	2 265	2 464
Venues and facilities	78	75	66	70	56	59	64
Financial transactions in assets and liabilities	–	2	11	–	–	–	–
<b>Transfers and subsidies</b>	<b>14</b>	<b>4</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Provinces and municipalities	14	4	–	–	–	–	–
<b>Payments for capital assets</b>	<b>–</b>	<b>140</b>	<b>116</b>	<b>38</b>	<b>–</b>	<b>–</b>	<b>–</b>
Machinery and equipment	–	94	116	38	–	–	–
Software and other intangible assets	–	46	–	–	–	–	–
<b>Total</b>	<b>13 377</b>	<b>12 094</b>	<b>17 966</b>	<b>19 266</b>	<b>18 898</b>	<b>19 984</b>	<b>21 319</b>

#### Details of transfers and subsidies

<b>Provinces and municipalities</b>							
<b>Municipalities</b>							
<b>Municipal bank accounts</b>							
<b>Current</b>	<b>14</b>	<b>4</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Regional Services Council levies	14	4	–	–	–	–	–

## Expenditure trends

Expenditure increased rapidly from R13.4 million in 2005/06 to R19.3 million in 2008/09, at an average annual rate of 12.9 per cent, due mainly to communication programmes on the Accelerated and Growth Initiative for South Africa and second economy initiatives. Expenditure grew by 48.6 per cent between 2006/07 and 2007/08 due mainly to the R3 million received from 12 departments to provide for the mass communication campaign on second economy interventions. Expenditure is expected to increase at an average annual rate of 3.4 per cent over the MTEF period due to inflation related salary adjustments.

## Programme 3: Government and Media Liaison

- *Management.*
- *National Liaison* coordinates the development of a communication strategy and submissions across government.
- *International and Media Liaison* provides ongoing media liaison services and coordinates external communication and marketing programmes in collaboration with national departments and other stakeholders. It also coordinates international visits, including non-media visits.
- *News Services* provides government and development related news and information to community media and national and international mainstream media.
- *Parliamentary Liaison* provides strategic communication support to government departments and liaises with parliamentary correspondents.

## Objectives and measures

- Manage communication activities across government by convening 3 government communicators' forums a year.
- Ensure consistent media reporting on the work of government by providing communication and media liaison support to government departments through regular meetings with departments, convening national and provincial communication forums, and liaising with parliamentary correspondents.
- Improve cooperation and good working relations between government and the media by convening at least 1 high level meeting a year between Cabinet and private media editors.
- Communicate government's programme of action by producing 3 daily news articles and 1 weekly feature article for the media.

## Service delivery and spending focus

In 2007/08, BuaNews produced 3 editions every weekday and 1 on weekends. By October 2008, the use of BuaNews articles by mainstream internet users had grown, with the number of hits and page impressions on the redesigned BuaNews website increasing from 211 027 in April 2008 to 341 912.

The department hosted the following meetings: 3 government communicators' forum meetings and 1 special government communication forum; 2 ministerial liaison officer forum meetings; 2 provincial heads of communications meetings; and 13 pre-Cabinet meetings. All communication clusters' strategies were drafted. Media briefings were organised for directors-general to brief the media on the progress of the clusters. In addition, parliamentary media briefings and 4 sets of programme of action media briefings were held.

Based on research, the Government Communicators' Handbook was improved.

Networking sessions promoted good relations with the media, and strategic input from the Government Communication and Information System contributed to the successful hosting of the Inter-Parliamentary Union's conference and to government media briefings.

## Expenditure estimates

Table 6.6 Government and Media Liaison

Subprogramme	Audited outcome			Adjusted	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R thousand							
Management	3 251	3 678	4 270	4 352	4 566	4 856	5 140
National Liaison	3 563	3 800	3 973	5 084	5 649	5 916	6 286
International and Media Liaison	3 143	3 438	3 780	5 622	6 248	6 550	6 956
News Services	3 334	3 663	4 139	3 319	5 082	5 316	5 645
Parliamentary Liaison	2 000	1 994	2 413	3 965	2 754	2 926	3 107
<b>Total</b>	<b>15 291</b>	<b>16 573</b>	<b>18 575</b>	<b>22 342</b>	<b>24 299</b>	<b>25 564</b>	<b>27 134</b>
Change to 2008 Budget estimate				(354)	97	(184)	(382)

## Economic classification

	15 132	16 304	18 128	21 963	23 893	25 134	26 679
<b>Current payments</b>							
Compensation of employees	10 285	10 836	12 007	15 349	17 423	18 345	19 327
Goods and services	4 837	5 458	6 120	6 614	6 470	6 789	7 352
<i>of which:</i>							
Administrative fees	–	–	–	1	–	–	–
Advertising	–	–	–	418	428	438	448
Assets less than R5 000	90	114	81	206	90	94	102
Bursaries: Employees	84	–	–	–	–	–	–
Catering: Departmental activities	243	234	343	335	382	401	435
Communication	720	784	809	687	902	946	1 025
Computer services	–	57	–	–	–	–	–
Consultants and professional services: Business and advisory services	1 054	1 121	1 331	154	164	174	184
Consultants and professional services: Legal costs	–	4	–	–	–	–	–
Contractors	22	51	9	10	10	10	11
Agency and support / outsourced services	–	–	–	759	892	944	1 055
Entertainment	4	–	–	1	–	–	–
Inventory: Learner and teacher support material	–	–	–	17	–	–	–
Inventory: Materials and supplies	–	–	–	2	–	–	–
Inventory: Medical supplies	–	–	1	2	1	1	1
Inventory: Other consumables	3	1	4	2	4	4	4
Inventory: Stationery and printing	449	305	449	335	501	525	569
Lease payments	139	165	133	120	148	155	168
Owned and leasehold property expenditure	–	–	85	–	95	100	108
Travel and subsistence	1 653	1 732	1 904	2 040	1 769	1 860	2 010
Training and development	121	193	144	360	161	169	183
Operating expenditure	103	67	179	170	200	210	228
Venues and facilities	152	630	648	995	723	758	821
Financial transactions in assets and liabilities	10	10	1	–	–	–	–
<b>Transfers and subsidies</b>	<b>32</b>	<b>9</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Provinces and municipalities	32	9	–	–	–	–	–
<b>Payments for capital assets</b>	<b>127</b>	<b>260</b>	<b>447</b>	<b>379</b>	<b>406</b>	<b>430</b>	<b>455</b>
Machinery and equipment	127	260	447	379	406	430	455
<b>Total</b>	<b>15 291</b>	<b>16 573</b>	<b>18 575</b>	<b>22 342</b>	<b>24 299</b>	<b>25 564</b>	<b>27 134</b>

## Details of transfers and subsidies

<b>Provinces and municipalities</b>							
<b>Municipalities</b>							
<b>Municipal bank accounts</b>							
<b>Current</b>	<b>32</b>	<b>9</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Regional Services Council levies	32	9	–	–	–	–	–

## Expenditure trends

Expenditure increased at an average annual rate of 13.5 per cent between 2005/06 and 2008/09, and is estimated to increase at 6.7 per cent over the MTEF period due mainly to inflation related salary adjustments. Major cost drivers include subscription costs to the South African Press Association, the imbizo programme, media briefings on government's programme of action, BuaNews, the Government Communicators' Handbook and the annual government communicators' awards event.

## Programme 4: Provincial Coordination and Programme Support

- *Management.*
- *Provincial Coordination* manages and coordinates partnerships and stakeholders in support of provincial directorates, and provides strategic guidance and support to provincial offices, to strengthen the government communication system both provincially and locally.
- *Provincial Liaison* is responsible for: government information centres and communication partnerships in municipalities; implementing local communication and information campaigns aligned with the government communication programme; and supporting and strengthening local communication partnerships and the distribution of government information material. It is also responsible for rolling out Thusong service centres.

## Objectives and measures

- Address the communication and information needs of communities through ward liaison, information sessions and communication projects on a monthly basis.
- Improve access to government services and information by:
  - addressing identified service delivery issues at the first generation Thusong service centres by the end of 2011/12
  - facilitating the establishment and rollout of 20 second generation Thusong service centres a year in line with provincial business plans
  - increasing the existing 5 700 distribution points to 6 800 by 2011/12.

## Service delivery and spending focus

In 2007/08, the eighth annual assessment workshop for the Thusong service centre programme was held with stakeholders from national, provincial and local spheres. The Government Communication and Information System, with the South African Local Government Association and the Department of Provincial and Local Government, released a set of guidelines for local government communication. Ward councillors were trained in North West, Northern Cape and Free State.

All provincial core teams on local government communication and 38 district communication forums are operational. The forums serve as points from which communication activities for local government can be coordinated with national and provincial government.

In the first half of 2008/09, 6 Thusong service centres were operationalised, increasing the total number of operationalised centres to 129. By September 2008, 686 new distribution points were established in local municipalities. Through ward liaison visits and information sessions, 2 496 communication projects and activities were conducted by March 2008. By September 2008, 2 362 communication projects and activities had been initiated.

## Expenditure estimates

Table 6.7 Provincial Coordination and Programme Support

Subprogramme	Audited outcome			Adjusted	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	appropriation	2009/10	2010/11	2011/12
R thousand				2008/09			
Management	1 113	974	1 223	1 213	1 356	1 445	1 538
Provincial Coordination	4 449	6 621	5 381	4 317	7 725	9 415	10 094
Provincial Liaison	28 202	31 216	38 692	43 965	48 258	51 349	54 460
<b>Total</b>	<b>33 764</b>	<b>38 811</b>	<b>45 296</b>	<b>49 495</b>	<b>57 339</b>	<b>62 209</b>	<b>66 092</b>
Change to 2008 Budget estimate				515	(1 917)	(2 041)	(3 923)

## Economic classification

	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
<b>Current payments</b>	<b>32 811</b>	<b>38 186</b>	<b>44 428</b>	<b>49 372</b>	<b>57 208</b>	<b>62 070</b>	<b>65 944</b>
Compensation of employees	22 536	24 566	29 700	34 287	38 260	40 902	43 021
Goods and services	10 261	13 419	14 708	15 085	18 948	21 168	22 923
<i>of which:</i>							
Advertising	38	64	165	553	1 829	2 583	2 592
Assets less than R5 000	214	614	518	441	2 504	3 292	3 377
Bursaries: Employees	53	–	–	–	–	–	–
Catering: Departmental activities	195	194	299	225	238	250	277
Communication	1 766	1 790	2 073	2 181	2 198	2 309	2 559
Consultants and professional services: Business and advisory services	51	527	256	8	647	680	753
Contractors	1 267	1 339	1 729	1 649	1 645	1 728	1 914
Agency and support / outsourced services	2	–	4	10	–	–	–
Entertainment	13	–	–	15	–	–	–
Inventory: Materials and supplies	–	–	3	5	–	–	–
Inventory: Medical supplies	3	–	7	8	–	–	–
Inventory: Other consumables	109	117	137	38	144	151	167
Inventory: Stationery and printing	436	1 060	1 256	520	1 302	1 368	1 516
Lease payments	369	444	355	281	545	572	634
Owned and leasehold property expenditure	35	72	45	71	88	92	102
Travel and subsistence	4 817	5 882	5 914	7 429	6 191	6 444	7 150
Training and development	241	292	235	414	359	377	418
Operating expenditure	163	95	152	181	117	123	136
Venues and facilities	489	929	1 560	1 056	1 141	1 199	1 328
Financial transactions in assets and liabilities	14	201	20	–	–	–	–
<b>Transfers and subsidies</b>	<b>130</b>	<b>78</b>	<b>75</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Provinces and municipalities	71	21	–	–	–	–	–
Households	59	57	75	–	–	–	–
<b>Payments for capital assets</b>	<b>823</b>	<b>547</b>	<b>793</b>	<b>123</b>	<b>131</b>	<b>139</b>	<b>148</b>
Machinery and equipment	823	547	793	123	131	139	148
<b>Total</b>	<b>33 764</b>	<b>38 811</b>	<b>45 296</b>	<b>49 495</b>	<b>57 339</b>	<b>62 209</b>	<b>66 092</b>

## Details of transfers and subsidies

<b>Provinces and municipalities</b>							
<b>Municipalities</b>							
<b>Municipal bank accounts</b>							
<b>Current</b>	<b>71</b>	<b>21</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Regional Services Council levies	71	21	–	–	–	–	–
<b>Households</b>							
<b>Social benefits</b>							
<b>Current</b>	<b>59</b>	<b>57</b>	<b>75</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Employer social benefit	59	57	75	–	–	–	–

## Expenditure trends

Expenditure increased at an average annual rate of 13.6 per cent between 2005/06 and 2008/09 due mainly to operational costs, such as travel and subsistence, and inventory, of the provincial offices. It is estimated to increase at 10.1 per cent over the MTEF period to cater for the refurbishment and branding of the first generation Thusong service centres. The moderate increase between 2008/09 and 2010/11 is due to once-off additional funds for the state of the nation address and the opening of Parliament.

## Programme 5: Communication Service Agency

- *Management.*
- *Marketing* manages government's corporate identity; develops strategies for marketing campaigns, events management, public relations campaigns and advertising; manages a government distribution network; and provides a media bulk buying service.
- *Product Development* develops broadcast strategies and products for government campaigns and projects; produces videos and radio programmes; supplies graphic design and layout services; and provides photographic services for national and provincial departments.
- *Content Development* identifies government's communication and the public's information needs; develops content for individual and transversal campaigns; provides editorial services and language translations; and produces the South Africa Yearbook.

## Objectives and measures

- Promote awareness of the opportunities that democracy has brought by conducting 130 bulk media buying briefs and 6 public relations and advertising campaigns per year.
- Support key government information campaigns by producing graphic design products, radio advertisements, radio dramas and community radio programmes; broadcasting live coverage of events; and commissioning photographic coverage of events.
- Improve and develop content for government communication campaigns and products in support of government's vision to create a better life for all.
- Provide leadership in government communication and ensure improved performance by the communication system by compiling four advertising spending reports per year over the next three years.
- Produce 45 000 copies of the South Africa Yearbook, 20 000 copies of the Pocket Guide to South Africa, and 4 000 copies of the South Africa Yearbook CD Rom.

## Service delivery and spending focus

In 2007/08, 45 000 copies of the South Africa Yearbook and 20 000 copies of the Pocket Guide to South Africa were printed. 27 000 copies of the South Africa Yearbook were distributed to schools, public libraries and tertiary institutions.

As in preceding years, in 2008/09 the Government Communication and Information System contributed to multimedia products for campaigns, celebrations and awards. The department used innovative marketing products, such as mobile communications platforms, the branding of delivery vehicles, and MXit technology, for several campaigns.

The department also assumed a leadership role in several of government's capacity building activities.

## Expenditure estimates

**Table 6.8 Communication Service Agency**

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R thousand							
Management	1 779	2 173	2 379	2 602	2 832	3 020	3 189
Marketing	16 762	15 565	16 652	31 747	26 801	27 692	29 064
Product Development	11 569	10 154	12 694	11 814	11 946	12 822	16 722
Content Development	4 427	4 770	6 096	11 089	11 252	11 694	12 569
<b>Total</b>	<b>34 537</b>	<b>32 662</b>	<b>37 821</b>	<b>57 252</b>	<b>52 831</b>	<b>55 228</b>	<b>61 544</b>
Change to 2008 Budget estimate				15 743	7 541	7 215	9 872

Table 6.8 Communication Service Agency (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
<b>Economic classification</b>							
<b>Current payments</b>	<b>33 232</b>	<b>31 914</b>	<b>37 261</b>	<b>56 392</b>	<b>51 972</b>	<b>54 317</b>	<b>60 578</b>
Compensation of employees	8 374	10 140	11 866	13 482	14 579	15 492	16 305
Goods and services	24 858	21 757	25 393	42 910	37 393	38 825	44 273
<i>of which:</i>							
Administrative fees	–	8	6	1	7	8	9
Advertising	10 194	10 587	8 360	25 790	20 098	20 240	21 097
Assets less than R5 000	366	115	165	41	184	202	219
Bursaries: Employees	–	–	2	–	2	2	2
Catering: Departmental activities	55	58	57	39	64	70	76
Communication	2 341	2 272	5 699	2 550	6 118	6 261	9 845
Computer services	–	–	301	453	337	369	400
Consultants and professional services: Business and advisory services	1 282	1 323	2 428	171	2 715	2 974	3 223
Contractors	915	716	290	968	324	355	385
Agency and support / outsourced services	25	3	409	408	457	501	543
Inventory: Materials and supplies	–	–	–	8	–	–	–
Inventory: Other consumables	3	4	4	18	4	4	4
Inventory: Stationery and printing	7 882	3 695	5 085	5 556	4 191	4 670	5 035
Lease payments	37	19	51	37	57	62	67
Travel and subsistence	1 211	1 474	1 899	2 111	2 123	2 327	2 522
Training and development	235	300	387	594	433	474	514
Operating expenditure	76	1 053	195	4 052	218	239	259
Venues and facilities	236	130	55	113	61	67	73
Financial transactions in assets and liabilities	–	17	2	–	–	–	–
<b>Transfers and subsidies</b>	<b>29</b>	<b>130</b>	<b>–</b>	<b>42</b>	<b>–</b>	<b>–</b>	<b>–</b>
Provinces and municipalities	29	9	–	–	–	–	–
Households	–	121	–	42	–	–	–
<b>Payments for capital assets</b>	<b>1 276</b>	<b>618</b>	<b>560</b>	<b>818</b>	<b>859</b>	<b>911</b>	<b>966</b>
Machinery and equipment	1 276	504	531	818	859	911	966
Software and other intangible assets	–	114	29	–	–	–	–
<b>Total</b>	<b>34 537</b>	<b>32 662</b>	<b>37 821</b>	<b>57 252</b>	<b>52 831</b>	<b>55 228</b>	<b>61 544</b>
<b>Details of transfers and subsidies</b>							
<b>Provinces and municipalities</b>							
<b>Municipalities</b>							
<b>Municipal bank accounts</b>							
<b>Current</b>	<b>29</b>	<b>9</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Regional Services Council levies	29	9	–	–	–	–	–
<b>Households</b>							
<b>Social benefits</b>							
<b>Current</b>	<b>–</b>	<b>121</b>	<b>–</b>	<b>42</b>	<b>–</b>	<b>–</b>	<b>–</b>
Employer social benefit	–	121	–	42	–	–	–

## Expenditure trends

Expenditure increased at an average annual rate of 18.4 per cent between 2005/06 and 2008/09 mainly due to increased dissemination of information on government's programme of action and R15 million received for the energy efficiency campaign. Over the medium term, expenditure is expected to increase at an average annual rate of 2.4 per cent because of the energy efficiency campaign and the government community radio link to be established in 2011/12.

## Programme 6: International Marketing and Media Development

- *International Marketing Council* markets South Africa internationally.
- *Media Development and Diversity Agency* promotes local media development and diversity.

## Expenditure estimates

**Table 6.9 International Marketing and Media Development**

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R thousand							
International Marketing Council	69 269	83 425	111 096	139 722	166 120	177 340	147 331
Media Development and Diversity Agency	7 000	9 620	11 991	14 558	16 592	18 265	20 115
<b>Total</b>	<b>76 269</b>	<b>93 045</b>	<b>123 087</b>	<b>154 280</b>	<b>182 712</b>	<b>195 605</b>	<b>167 446</b>
Change to 2008 Budget estimate				–	(1 288)	(1 975)	(1 691)
<b>Economic classification</b>							
<b>Transfers and subsidies</b>	<b>76 269</b>	<b>93 045</b>	<b>123 087</b>	<b>154 280</b>	<b>182 712</b>	<b>195 605</b>	<b>167 446</b>
Departmental agencies and accounts	76 269	93 045	123 087	154 280	182 712	195 605	167 446
<b>Total</b>	<b>76 269</b>	<b>93 045</b>	<b>123 087</b>	<b>154 280</b>	<b>182 712</b>	<b>195 605</b>	<b>167 446</b>
<b>Details of transfers and subsidies</b>							
<b>Departmental agencies and accounts</b>							
<b>Departmental agencies (non-business entities)</b>							
<b>Current</b>	<b>76 269</b>	<b>93 045</b>	<b>123 087</b>	<b>154 280</b>	<b>182 712</b>	<b>195 605</b>	<b>167 446</b>
International Marketing Council	69 269	83 425	111 096	139 722	166 120	177 340	147 331
Media Development and Diversity Agency	7 000	9 620	11 991	14 558	16 592	18 265	20 115

## Expenditure trends

The International Marketing Council receives its funding mainly from the department. Funding increased from R69.3 million in 2005/06 to R139.7 million in 2008/09 at an average annual rate of 26.4 per cent, mainly to accommodate 2010 FIFA World Cup marketing activities. Over the medium term, the total funding increases from R139.7 million in 2008/09 to R147.3 million in 2011/12, slowing the average annual growth rate to 1.8 per cent due to the completion of 2010 FIFA World Cup marketing activities.

The main reason for the growth in the International Marketing Council's funding is to accelerate marketing activities towards the start of the 2009 FIFA Confederation Cup and the 2010 FIFA World Cup. In addition, global marketing costs, particularly in relation to the mass media advertising campaign, have been highly affected by currency fluctuations, with the dollar and the pound being much stronger than the rand.

The Media Development and Diversity Agency promotes local media development and diversity. The agency is funded through a transfer at the beginning of each financial year. The funds are used to support the agency's mandate of ensuring that disadvantaged communities and individuals gain access to the media.

The transfer to the agency increased at an average annual rate of 27.6 per cent between 2005/06 and 2008/09 due to new posts and higher overall administrative costs. The total budget for the print and broadcast media and the budget allocation from the Government Communication and Information System increased to R18.9 million in 2005/06; R22.5 million in 2006/07, and R25.4 million in 2007/08. The department's allocation to the agency increased from R7 million in 2005/06 to R14.6 million in 2008/09 at an average annual rate of 27.6 per cent,

due mainly to capacity building and administrative costs. The allocation to the agency over the medium term increases from R16.6 million in 2009/10 to R20.1 million in 2011/12 at an annual average rate of 11.4 per cent.

The trends in the provision of grants were influenced by stricter adherence to approving grants within the available grant funding amount between 2006/07 and 2007/08. It was also influenced by the additional mandate derived from an agreement signed between the Media Development and Diversity Agency and the Department of Communications for supporting the programme production capacity of community radio stations worth R20 million in 2008/09. The Department of Communications has not yet committed itself to the renewal of this agreement for 2009/10.

## Public entities

### International Marketing Council

#### Strategic overview: 2005/06 - 2011/12

The International Marketing Council was established as a public private collaboration with a mandate to position South Africa as one of the highly considered, non-traditional markets in terms of world trade, investment and tourism. The council's main objective is to market South Africa domestically and internationally through its Brand South Africa campaign. To do this it has to develop and implement a proactive and coordinated international marketing and communication strategy for South Africa. The International Marketing Council's goal is to contribute to turning South Africa into one of the top 10 nation brands in the world. The ultimate goal is to contribute to job creation by encouraging local and foreign investment, tourism and trade through the promotion of Brand South Africa.

Over the medium term, the council will intensify its marketing and communication presence in its current hubs, London, New York and Mumbai, and other hubs with a strong soccer following, such as Brazil and West Africa, to attract as many visitors as possible to the 2010 FIFA World Cup. The council also plans to intensify its presence at major world events where its targeted constituencies come together, such as the World Economic Forum, the International Labour Organisation annual conference, the Commonwealth summit, and the World Trade Organisation summit. There will also be an emphasis on engaging regional hubs for trade and investment. Country managers will continue to lobby the media, respond to media issues, facilitate meetings for government and business visitors, manage inbound missions, and conceive and lead missions to South Africa. The council will also broaden its monitoring and analysis of international media content. It will track foreign media coverage on governance, exports, tourism, investment, trade, and safety and security, and compile international marketing reports for relevant parties and government communicators.

#### Selected performance and operations indicators

**Table 6.10 International Marketing Council**

Indicator	Past			Current	Projections		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Number of global publicity campaigns:							
- moving billboards: branded taxis	20	64	100	120	150	180	200
- print advertisements in major global publications	23	32	8	50	70	70	70
- television spots	63	523	2 418	600	700	720	750
Number of domestic publicity campaigns:							
- television spots	121	1 649	494	400	420	500	121
- radio spots	2 921	4 333	1 940	2 921	2 921	3 215	2 921
Number of visits to the web portal	2 270 000	2 500 000	3 100 000	2 500 000	3 100 000	3 100 000	3 100 000
Number of The South African Story booklets produced in other languages:		250 000	185 200	250 000	50 000	60 000	70 000
- German	-	-	915	10 000	10 000	10 000	10 000
- Spanish	-	-	1 035	10 000	10 000	10 000	10 000
- French	-	-	1 047	10 000	10 000	10 000	10 000
- Arabic	-	-	100	10 000	10 000	10 000	10 000
- Portuguese	-	-	10 000	10 000	10 000	10 000	10 000
- Russian	-	-	-	10 000	10 000	10 000	10 000
- Mandarin	-	-	-	10 000	10 000	10 000	10 000
- Japanese	-	-	10 000	10 000	10 000	10 000	10 000

## Service delivery and spending focus

In 2007/08, the council's work focused on limiting the damage to South Africa's reputation caused by the electricity crisis and other infrastructure related issues, the skills shortage and the deteriorating situation in Zimbabwe, and on countering negative perceptions by:

- putting South Africa's hosting of the 2010 FIFA World Cup at the centre of country marketing efforts
- aligning other major South African marketing efforts through stakeholder consultation and support
- highlighting the need for continuity between the present government and the next one.

Delivering a consistent message to investors as well as cultivating key individuals to promote South Africa abroad and help alter perceptions in key sectors have seen positive results. The council has assisted its stakeholders with Brand South Africa through presentations and speeches and arranging media opportunities.

The International Marketing Council also ventured into on-line media, with a new international advertisement flighted on major global media organisations' websites, such as CNN and Time.

In partnership with the Department of Foreign Affairs, SA Tourism and the Government Communication and Information System, the council developed a 2010 information toolkit for South Africa's embassies. In partnership with the Newspaper Association of South Africa, the council hosted the 60th World Association of Newspapers Congress and the 14<sup>th</sup> World Editors Forum, in Cape Town.

The successful establishment of the Brand South Africa MediaClub was one of the highlights of 2007/08. The club functions as a web portal dedicated to providing international and domestic media with data on South Africa's economic, social and political developments. It also focuses on communicating about the 2010 FIFA World Cup with key domestic and international stakeholders.

At the January 2008 meeting of the World Economic Forum in Davos, the International Marketing Council in collaboration with the Department of Trade and Industry launched an advertisement for flighting on CNN.

## Expenditure estimates

**Table 6.11 International Marketing Council: Project information**

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Mass media advertising	38 409	41 657	58 367	68 397	87 902	92 892	75 537
E- Marketing	6 334	7 197	8 103	9 383	10 776	11 597	11 627
Collateral: The South African Story	6 204	6 472	5 325	6 945	8 143	8 753	7 877
Research	5 474	5 707	4 495	9 845	10 195	11 225	10 127
Partnership and mobilisation	8 368	6 789	7 753	8 870	10 124	10 788	10 262
Other projects	7 882	21 099	29 965	37 232	39 542	42 747	31 861
<b>Total expense</b>	<b>72 672</b>	<b>88 920</b>	<b>114 009</b>	<b>140 671</b>	<b>166 683</b>	<b>178 004</b>	<b>147 290</b>

**Table 6.12 International Marketing Council: Financial information**

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
<b>Statement of financial performance</b>							
<b>Revenue</b>							
<b>Non-tax revenue</b>	<b>3 998</b>	<b>6 705</b>	<b>2 937</b>	<b>1 673</b>	<b>1 100</b>	<b>1 204</b>	<b>1 005</b>
<i>Other non-tax revenue</i>	3 998	6 705	2 937	1 673	1 100	1 204	1 005
<b>Transfers received</b>	<b>69 269</b>	<b>83 425</b>	<b>111 096</b>	<b>139 722</b>	<b>166 120</b>	<b>177 340</b>	<b>147 331</b>
<b>Total revenue</b>	<b>73 267</b>	<b>90 130</b>	<b>114 033</b>	<b>141 395</b>	<b>167 220</b>	<b>178 544</b>	<b>148 336</b>
<b>Expenses</b>							
<b>Current expense</b>	<b>72 647</b>	<b>88 920</b>	<b>114 009</b>	<b>140 671</b>	<b>166 683</b>	<b>178 004</b>	<b>147 290</b>
Compensation of employees	12 770	14 727	13 580	17 615	23 670	25 348	26 594
Goods and services	59 555	73 795	99 853	122 545	142 432	152 018	119 984
Depreciation	322	398	576	511	581	638	712
<b>Transfers and subsidies</b>	<b>25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total expenses</b>	<b>72 672</b>	<b>88 920</b>	<b>114 009</b>	<b>140 671</b>	<b>166 683</b>	<b>178 004</b>	<b>147 290</b>
<b>Surplus / (Deficit)</b>	<b>595</b>	<b>1 210</b>	<b>24</b>	<b>724</b>	<b>537</b>	<b>540</b>	<b>1 046</b>
<b>Acquisition of assets</b>	<b>351</b>	<b>926</b>	<b>868</b>	<b>590</b>	<b>530</b>	<b>640</b>	<b>680</b>

## Expenditure trends

The International Marketing Council receives its funding mainly from the Government Communication and Information System. The transfer increased from R69.3 million in 2005/06 to R139.7 million in 2008/09, at an average annual rate of 26.4 per cent, mainly to accommodate 2010 FIFA World Cup marketing activities. Over the medium term, funding increases from R139.7 million in 2008/09 to R147.3 million in 2011/12, with projected growth slowing to an average annual rate of 1.8 per cent, as the 2010 FIFA World Cup marketing activities will be completed.

Non-tax revenue grew by 67.7 per cent in 2006/07 due to income from value added tax.

The main reason for the growth in the International Marketing Council's revenue is to accelerate marketing activities for the 2009 FIFA Confederations Cup and the 2010 FIFA World Cup. In addition, global marketing costs, particularly in relation to mass media advertising campaigns, have been greatly affected by currency fluctuations, particularly in relation to the strong US dollar and UK pound sterling. This is reflected in the 27.2 per cent increase in spending on goods and services between 2005/06 and 2008/09. Spending on compensation of employees in 2008/09 and 2009/10 grows by 29.7 per cent and 34.4 per cent respectively because compensation of country managers, incorrectly classified under global marketing, has been reclassified under compensation of employees, and because there was a small increase in personnel numbers.

## Media Development and Diversity Agency

### Strategic overview: 2005/06-2011/12

The Media Development and Diversity Agency was set up in terms of the Media Development and Diversity Agency Act (2002) to enable historically disadvantaged communities and individuals to gain access to the media.

The mandate of the Media Development and Diversity Agency is to:

- create an enabling environment for media development and diversity that reflects the needs and aspirations of all South Africans
- redress the exclusion and marginalisation of disadvantaged communities and people from access to the media and the media industry
- promote media development and diversity by providing support primarily to community and small commercial media projects.

The Media Development and Diversity Agency's strategic focus for 2009 to 2012 is to ensure that all citizens can access information in a language of their choice and to transform media access, ownership and control patterns in South Africa. Activities will include: advocacy, grant and seed funding support for community radio, communications and public awareness of the sector and the agency, capacity building for beneficiary organisations and communities, and promotion of a culture of reading.

## Selected performance and operations indicators

**Table 6.13 Media Development and Diversity Agency**

Indicator	Past			Current	Projections		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Number of community media projects each year	44	22	19	21	28	28	28
Number of small commercial media projects each year	22	18	9	11	20	20	19
Number of research and training activities each year	4	3	7	25	25	30	30
Number of community media projects and conferences on multilingualism each year	2	1	4	12	12	12	12

## Service delivery and spending focus

From its inception to 2007/08, the Media Development and Diversity Agency has supported 172 different projects. Approximately R58 million in grants have been approved for disbursement since January 2007. The agency has provided more than 49 different media managers with bursaries, and funded media representing women, children, people with disabilities, and the elderly, and on gay and lesbian issues.

The agency has revised its processes and systems, and aligned and customised the project tracking system, which is a computerised monitoring and administration of the grant making cycle. In 2007/08, the agency approved R13 million for disbursements to support 36 projects.

By end of September 2008, 200 different projects had been approved, worth approximately R68 million in grants. The agency continued to support community and small commercial media initiatives, and media on a range of issues such as the environment, disability, gender, religious debate and the youth.

## Expenditure estimates

**Table 6.14 Media Development and Diversity Agency: Financial information**

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2005/06	2006/07	2007/08		2008/09	2009/10	2010/11
<b>Statement of financial performance</b>							
<b>Revenue</b>							
<b>Non-tax revenue</b>	1 804	2 750	3 261	7 902	4 082	4 614	4 965
<i>Other non-tax revenue</i>	1 804	2 750	3 261	7 902	4 082	4 614	4 965
<b>Transfers received</b>	17 138	19 720	22 091	44 658	27 392	29 065	30 915
<b>Total revenue</b>	18 942	22 470	25 352	52 560	31 474	33 679	35 880
<b>Expenses</b>							
<b>Current expense</b>	4 813	5 336	6 996	9 492	9 656	10 510	9 802
Compensation of employees	2 047	2 011	2 321	3 984	4 272	4 438	5 015
Goods and services	2 544	3 104	4 451	5 196	5 164	5 894	4 545
Depreciation	222	221	224	312	220	178	242
<b>Transfers and subsidies</b>	9 591	25 511	14 621	37 234	20 718	21 866	24 351
<b>Total expenses</b>	14 404	30 847	21 617	46 726	30 374	32 376	34 153
<b>Surplus / (Deficit)</b>	4 538	(8 377)	3 735	5 834	1 100	1 303	1 727
<b>Acquisition of assets</b>	106	298	391	268	115	129	122

## Expenditure trends

The Media Development and Diversity Agency is funded by transfers from the Government Communication and Information System. This allocation increased due to new posts and higher overall administrative costs. The total budget increased from R18.9 million in 2005/06 to R52.6 million in 2008/09, at an average annual rate of 40.5 per cent. The allocation from the Government Communication and Information System increased from R7 million in 2005/06 to R14.6 million in 2008/09 at an average annual rate of 27.6 per cent, due mainly to capacity building and administrative costs. The allocation over the medium term increases from R16.6 million in 2009/10 to R20.1 million in 2011/12 at an average annual rate of 11.4 per cent.

Trends in spending on transfers and subsidies were influenced by strict adherence to approving grants within the available grant funding amount between 2006/07 and 2007/08. They were also influenced by the additional mandate derived from the R20 million agreement signed in 2008/09 between the Media Development and Diversity Agency and the Department of Communications for supporting the programme production capacity of community radio stations. The agreement is due for renewal in 2009/10. The increase in transfers and subsidies paid in 2006/07 and 2008/09 is due to funds received from the Department of Communications

Compensation of employees has grown by 71.7 per cent in 2008/09 due to an increase in capacity. The strong growth in goods and services between 2005/06 and 2008/09 is due to an increase in administrative costs as well as costs related to increased capacity.

## Programme 7: Government Publication

- *Vuk'uzenzele Magazine* produces, prints and distributes the print, Braille and web versions of *Vuk'uzenzele* every second month, and is also responsible for the translation, marketing and advertising of the magazine.

## Objectives and measures

- Improve unmediated and direct communication by government to the public by:
  - maintaining the print run and distribution of Vuk'uzenzele at 1.6 million every second month
  - updating the electronic version of Vuk'uzenzele every second month
  - disseminating the Braille version to visually impaired individuals and organisations every second month.

## Service delivery and spending focus

In 2007/08, 1.5 million copies of the first five editions of Vuk'uzenzele, and 2 million of the sixth edition, which included the state of the nation address, were printed. The magazine was distributed in all nine provinces in peri-urban, rural and deep rural areas, with a particular focus on the poorer sectors of society. In April 2008, the print run was increased to 1.6 million copies. Vuk'uzenzele is audited by the Audit Bureau of Circulation.

## Expenditure estimates

Table 6.15 Government Publication

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R thousand							
Vuk'uzenzele Magazine	18 297	28 984	32 465	32 655	33 369	35 146	37 948
<b>Total</b>	<b>18 297</b>	<b>28 984</b>	<b>32 465</b>	<b>32 655</b>	<b>33 369</b>	<b>35 146</b>	<b>37 948</b>
Change to 2008 Budget estimate				164	(1 795)	(1 854)	(2 056)
<b>Economic classification</b>							
<b>Current payments</b>	<b>18 123</b>	<b>28 908</b>	<b>32 436</b>	<b>32 655</b>	<b>33 369</b>	<b>35 146</b>	<b>37 948</b>
Compensation of employees	1 912	2 528	3 175	3 436	3 651	3 914	4 125
Goods and services	16 211	26 380	29 261	29 219	29 718	31 232	33 823
<i>of which:</i>							
Administrative fees	–	1	24	26	26	27	29
Advertising	1 420	2 800	1 649	928	1 765	1 855	2 011
Assets less than R5 000	41	39	10	13	11	12	13
Catering: Departmental activities	60	11	12	20	13	14	15
Communication	65	117	181	154	194	204	221
Consultants and professional services: Business and advisory services	1 266	658	2 130	483	2 281	2 396	2 597
Contractors	11	–	1	5	1	1	1
Agency and support / outsourced services	3	–	–	995	–	–	–
Inventory: Other consumables	–	1	–	–	–	–	–
Inventory: Stationery and printing	1	17 377	16 760	86	90	100	120
Lease payments	12 384	–	–	16	–	–	–
Travel and subsistence	131	243	268	397	287	301	326
Training and development	–	10	28	80	30	32	35
Operating expenditure	752	5 123	8 176	25 986	24 996	26 265	28 428
Venues and facilities	77	–	22	30	24	25	27
<b>Transfers and subsidies</b>	<b>5</b>	<b>1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Provinces and municipalities	5	1	–	–	–	–	–
<b>Payments for capital assets</b>	<b>169</b>	<b>75</b>	<b>29</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Machinery and equipment	169	67	29	–	–	–	–
Software and other intangible assets	–	8	–	–	–	–	–
<b>Total</b>	<b>18 297</b>	<b>28 984</b>	<b>32 465</b>	<b>32 655</b>	<b>33 369</b>	<b>35 146</b>	<b>37 948</b>
<b>Details of transfers and subsidies</b>							
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	5	1	–	–	–	–	–
Regional Services Council levies	5	1	–	–	–	–	–

## **Expenditure trends**

Expenditure increased at an annual average rate of 21.3 per cent between 2005/06 and 2008/09, with the largest increase of 58.4 per cent in 2006/07 due to the launch of the magazine in the second half of 2005/06. The first full financial year of publishing was 2006/07. Expenditure over the medium term is expected to increase at an average annual rate of 5.1 per cent due to inflation related salary adjustments.

## Additional tables

**Table 6.A Summary of expenditure trends and estimates per programme and economic classification**

Programme	Appropriation		Audited outcome	Appropriation			Revised estimate
	Main	Adjusted		Main	Additional	Adjusted	
R thousand	2007/08		2007/08	2008/09			2008/09
1. Administration	100 716	106 015	105 706	101 128	3 414	104 542	103 917
2. Policy and Research	16 383	18 883	17 966	17 171	2 095	19 266	20 473
3. Government and Media Liaison	19 622	19 835	18 575	22 696	(354)	22 342	22 085
4. Provincial Coordination and Programme Support	46 330	46 330	45 296	48 980	515	49 495	49 990
5. Communication Service Agency	39 489	37 706	37 821	41 509	15 743	57 252	56 432
6. International Marketing and Media Development	123 087	123 087	123 087	154 280	–	154 280	154 280
7. Government Publication	30 185	32 156	32 465	32 491	164	32 655	32 655
<b>Total</b>	<b>375 812</b>	<b>384 012</b>	<b>380 916</b>	<b>418 255</b>	<b>21 577</b>	<b>439 832</b>	<b>439 832</b>

  

Economic classification							
	250 515	257 942	252 292	261 658	20 781	282 439	281 868
<b>Current payments</b>							
Compensation of employees	113 823	116 848	116 160	113 638	4 588	118 226	118 026
Goods and services	136 692	141 094	136 088	148 020	16 193	164 213	163 842
Financial transactions in assets and liabilities	–	–	44	–	–	–	–
<b>Transfers and subsidies</b>	<b>123 087</b>	<b>123 262</b>	<b>123 329</b>	<b>154 280</b>	<b>42</b>	<b>154 322</b>	<b>154 522</b>
Departmental agencies and accounts	123 087	123 087	123 087	154 280	–	154 280	154 280
Households	–	175	242	–	42	42	242
<b>Payments for capital assets</b>	<b>2 210</b>	<b>2 808</b>	<b>5 295</b>	<b>2 317</b>	<b>754</b>	<b>3 071</b>	<b>3 442</b>
Machinery and equipment	2 210	2 808	4 567	2 317	754	3 071	3 442
Software and intangible assets	–	–	728	–	–	–	–
<b>Total</b>	<b>375 812</b>	<b>384 012</b>	<b>380 916</b>	<b>418 255</b>	<b>21 577</b>	<b>439 832</b>	<b>439 832</b>

**Table 6.B Summary of personnel numbers and compensation of employees**

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
<b>Permanent and full time contract employees</b>							
Compensation (R thousand)	74 568	83 602	115 302	117 476	130 291	138 901	146 023
Unit cost (R thousand)	190	199	269	250	271	289	304
Personnel numbers (head count)	393	420	428	469	481	481	481
<b>Interns</b>							
Compensation of interns (R thousand)	450	450	858	750	870	870	870
Unit cost (R thousand)	18	18	34	30	35	35	35
Number of interns	25	25	25	25	25	25	25
<b>Total for department</b>							
<b>Compensation (R thousand)</b>	<b>75 018</b>	<b>84 052</b>	<b>116 160</b>	<b>118 226</b>	<b>131 161</b>	<b>139 771</b>	<b>146 893</b>
<b>Unit cost (R thousand)</b>	<b>179</b>	<b>189</b>	<b>256</b>	<b>239</b>	<b>259</b>	<b>276</b>	<b>290</b>
<b>Personnel numbers (head count)</b>	<b>418</b>	<b>445</b>	<b>453</b>	<b>494</b>	<b>506</b>	<b>506</b>	<b>506</b>
<b>Learnerships</b>							
Payments for learnerships (R thousand)	242	240	240	240	240	240	240
Number of learnerships (head count)	10	10	10	10	10	10	10

Table 6.C Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Compensation of employees (R thousand)	75 018	84 052	116 160	118 226	132 025	141 100	148 296
Training expenditure (R thousand)	2 350	2 448	4 685	5 048	6 120	6 808	6 266
Training as percentage of compensation	3.1%	2.9%	4.0%	4.3%	4.6%	4.8%	4.2%
Total number trained in department (head count)	211	262	370	367			
<i>of which:</i>							
<i>Employees receiving bursaries (head count)</i>	73	211	71	71			
<i>Learnerships trained (head count)</i>	10	10	10	10			
<i>Internships trained (head count)</i>	25	25	25	25			