

Vote 38

Tourism

Adjusted budget summary

R thousand	Appropriation	2022/23 Adjustments appropriation		Adjusted appropriation
		Decrease	Increase	
Amount to be appropriated	2 491 580	–	–	2 491 580
<i>of which:</i>				
Current payments	921 130	–	–	921 130
Transfers and subsidies	1 565 615	–	–	1 565 615
Payments for capital assets	4 835	–	–	4 835
Executive authority	Minister of Tourism			
Accounting officer	Director-General of Tourism			
Website	www.tourism.gov.za			

Vote purpose

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

Performance

Indicator	Programme	MTSF priority	Annual performance		
			Projected for 2022/23	Achieved in the first half of 2022/23 (April to September)	Changed target for 2022/23
Number of monitoring and evaluation reports produced	Tourism Research, Policy and International Relations	Priority 2: Economic transformation and job creation	1	1	–
Number of work opportunities created through the Working for Tourism programme per year	Destination Development		4 104	3 791	–
Number of programmes implemented to increase participation of SMMEs in the tourism sector for inclusive economic growth	Tourism Sector Support Services		1	1	–
Number of capacity building programmes implemented per year	Tourism Sector Support Services		10	4	4 ¹

1. Target changed to align with the department's revised strategic plan and 2022/23 annual performance plan.

Progress

In the first half of 2022/23, 3 791 work opportunities were created through Working for Tourism projects against an annual target of 4 104. This high achievement is due to projects from 2021/22 being rolled over.

The department began implementing 4 capacity building programmes at the beginning of the financial year and will continue to implement them until they are concluded.

Adjusted estimates

Programme		2022/23							Adjusted appropriation
R thousand	Appropriation	Adjustments appropriation					Total adjustments appropriation		
		Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds		Other adjustments ¹	
Administration	325 119	-	-	-	-	-	-	-	325 119
Tourism Research, Policy and International Relations	1 415 983	-	-	-	-	-	-	-	1 415 983
Destination Development	393 871	-	-	-	-	-	-	-	393 871
Tourism Sector Support Services	356 607	-	-	-	-	-	-	-	356 607
Total	2 491 580	-	-	-	-	-	-	-	2 491 580
Economic classification									
Current payments	921 130	-	-	-	-	-	-	-	921 130
Compensation of employees	370 766	-	-	-	-	-	-	-	370 766
Goods and services	550 364	-	-	-	-	-	-	-	550 364
Transfers and subsidies	1 565 615	-	-	-	-	-	-	-	1 565 615
Departmental agencies and accounts	1 333 682	-	-	-	-	-	-	-	1 333 682
Foreign governments and international organisations	2 502	-	-	-	-	-	-	-	2 502
Public corporations and private enterprises	225 172	-	-	-	-	-	-	-	225 172
Non-profit institutions	443	-	-	-	-	-	-	-	443
Households	3 816	-	-	-	-	-	-	-	3 816
Payments for capital assets	4 835	-	-	-	-	-	-	-	4 835
Machinery and equipment	3 858	-	-	-	-	-	-	-	3 858
Software and other intangible assets	977	-	-	-	-	-	-	-	977
Total	2 491 580	-	-	-	-	-	-	-	2 491 580

1. Other adjustments include funds shifted within a vote following a function shift, funds shifted between votes, adjustments due to significant and unforeseeable economic and financial events, self-financing expenditure, and the use of funds in terms of section 16 of the Public Finance Management Act (1999).

Programme 1: Administration

Subprogramme		2022/23							Adjusted appropriation
R thousand	Appropriation	Adjustments appropriation					Total adjustments appropriation		
		Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds		Other adjustments	
Ministry Management	40 069	-	-	-	-	-	-	-	40 069
Corporate Management	3 331	-	-	-	-	-	-	-	3 331
Financial Management	182 169	-	-	-	-	-	-	-	182 169
Office Accommodation	62 251	-	-	-	-	-	-	-	62 251
	37 299	-	-	-	-	-	-	-	37 299
Total	325 119	-	-	-	-	-	-	-	325 119

Programme 1: Administration (continued)

Economic classification	2022/23								
	Appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds	Other adjustments		
R thousand									
Current payments	321 404	–	–	–	–	–	–	–	321 404
Compensation of employees	174 097	–	–	–	–	–	–	–	174 097
Goods and services	147 307	–	–	–	–	–	–	–	147 307
Transfers and subsidies	188	–	–	–	–	–	–	–	188
Departmental agencies and accounts	188	–	–	–	–	–	–	–	188
Payments for capital assets	3 527	–	–	–	–	–	–	–	3 527
Machinery and equipment	2 550	–	–	–	–	–	–	–	2 550
Software and other intangible assets	977	–	–	–	–	–	–	–	977
Total	325 119	–	–	–	–	–	–	–	325 119

Programme 2: Tourism Research, Policy and International Relations

Subprogramme	2022/23								
	Appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds	Other adjustments		
R thousand									
Tourism Research, Policy and International Relations Management	9 744	–	–	–	–	–	–	–	9 744
Research and Knowledge Management	31 444	–	–	–	–	–	–	–	31 444
Policy Planning and Strategy	15 612	–	–	–	–	–	–	–	15 612
South African Tourism	1 329 206	–	–	–	–	–	–	–	1 329 206
International Relations and Cooperation	29 977	–	–	–	–	–	–	–	29 977
Total	1 415 983	–	–	–	–	–	–	–	1 415 983
Economic classification									
Current payments	79 360	–	–	–	–	–	–	–	79 360
Compensation of employees	57 377	–	–	–	–	–	–	–	57 377
Goods and services	21 983	–	–	–	–	–	–	–	21 983
Transfers and subsidies	1 335 524	–	–	–	–	–	–	–	1 335 524
Departmental agencies and accounts	1 329 206	–	–	–	–	–	–	–	1 329 206
Foreign governments and international organisations	2 502	–	–	–	–	–	–	–	2 502
Households	3 816	–	–	–	–	–	–	–	3 816
Payments for capital assets	1 099	–	–	–	–	–	–	–	1 099
Machinery and equipment	1 099	–	–	–	–	–	–	–	1 099
Total	1 415 983	–	–	–	–	–	–	–	1 415 983

Programme 3: Destination Development

Subprogramme		2022/23							
		Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation	Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds	Other adjustments		
Destination Development Management	28 328	-	-	-	-	-	-	-	28 328
Tourism Enhancement	23 037	-	-	-	-	-	-	-	23 037
Destination Planning and Investment Coordination Working for Tourism	30 853	-	-	-	-	-	-	-	30 853
	311 653	-	-	-	-	-	-	-	311 653
Total	393 871	-	-	-	-	-	-	-	393 871
Economic classification									
Current payments	393 731	-	-	-	-	-	-	-	393 731
Compensation of employees	59 922	-	-	-	-	-	-	-	59 922
Goods and services	333 809	-	-	-	-	-	-	-	333 809
Payments for capital assets	140	-	-	-	-	-	-	-	140
Machinery and equipment	140	-	-	-	-	-	-	-	140
Total	393 871	-	-	-	-	-	-	-	393 871

Programme 4: Tourism Sector Support Services

Subprogramme		2022/23							
		Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation	Special appropriation	Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds		
Tourism Sector Support Services Management	11 326	-	-	-	-	-	-	-	11 326
Tourism Human Resource Development Enterprise Development and Transformation	30 329	-	-	-	-	-	-	-	30 329
Tourism Visitor Services	47 634	-	-	-	-	-	-	-	47 634
Tourism incentive programme	25 360	-	-	-	-	-	-	-	25 360
	241 958	-	-	-	-	-	-	-	241 958
Total	356 607	-	-	-	-	-	-	-	356 607
Economic classification									
Current payments	126 635	-	-	-	-	-	-	-	126 635
Compensation of employees	79 370	-	-	-	-	-	-	-	79 370
Goods and services	47 265	-	-	-	-	-	-	-	47 265
Transfers and subsidies	229 903	-	-	-	-	-	-	-	229 903
Departmental agencies and accounts	4 288	-	-	-	-	-	-	-	4 288
Public corporations and private enterprises	225 172	-	-	-	-	-	-	-	225 172
Non-profit institutions	443	-	-	-	-	-	-	-	443
Payments for capital assets	69	-	-	-	-	-	-	-	69
Machinery and equipment	69	-	-	-	-	-	-	-	69
Total	356 607	-	-	-	-	-	-	-	356 607

Expenditure outcome for 2021/22 and mid-year expenditure for 2022/23

Programme	2021/22					2022/23			
	Adjusted appropriation	Outcome			Adjusted appropriation/Total (%)	Actual expenditure			
		Apr 21 - Sep 21	Apr 21 - Sep 21 % of adjusted appropriation	Apr 21 - Mar 22		Apr 21 - Mar 22 % of adjusted appropriation	Apr 22 - Sep 22	Apr 22 - Sep 22 % of adjusted appropriation	
R thousand									
Administration	309 776	125 443	40.5	288 496	93.1	325 119	13.0	152 008	46.8
Tourism	1 382 651	636 174	46.0	1 358 560	98.3	1 415 983	56.8	649 921	45.9
Research, Policy and International Relations									
Destination Development	466 326	60 133	12.9	527 185	113.1	393 871	15.8	145 930	37.1
Tourism Sector Support Services	386 585	43 192	11.2	363 536	94.0	356 607	14.3	57 699	16.2
Total	2 545 338	864 942	34.0	2 537 777	99.7	2 491 580	100.0	1 005 558	40.4
Economic classification									
Current payments	972 218	244 119	25.1	754 257	77.6	921 130	37.0	353 795	38.4
Compensation of employees	340 793	163 985	48.1	337 452	99.0	370 766	14.9	167 529	45.2
Goods and services	631 425	80 134	12.7	416 805	66.0	550 364	22.1	186 266	33.8
Transfers and subsidies	1 569 134	610 338	38.9	1 569 314	100.0	1 565 615	62.8	628 503	40.1
Departmental agencies and accounts	1 304 348	605 285	46.4	1 562 137	119.8	1 333 682	53.5	624 585	46.8
Foreign governments and international organisations	2 641	2 437	92.3	2 437	92.3	2 502	0.1	2 238	89.4
Public corporations and private enterprises	258 000	–	–	–	–	225 172	9.0	120	0.1
Non-profit institutions	431	431	100.0	431	100.0	443	0.0	443	100.0
Households	3 714	2 185	58.8	4 309	116.0	3 816	0.2	1 117	29.3
Payments for capital assets	3 986	10 308	258.6	213 959	5 367.8	4 835	0.2	22 503	465.4
Buildings and other fixed structures	–	7 000	–	206 256	–	–	–	21 000	–
Machinery and equipment	3 044	3 154	103.6	7 246	238.0	3 858	0.2	1 503	39.0
Software and other intangible assets	942	154	16.3	457	48.5	977	0.0	–	–
Payments for financial assets	–	177	–	247	–	–	–	757	–
Total	2 545 338	864 942	34.0	2 537 777	99.7	2 491 580	100.0	1 005 558	40.4

Expenditure trends

Total expenditure in 2021/22 was R2.5 billion, 99.7 per cent of the adjusted appropriation for the year. Mid-year expenditure in 2021/22 was R864.9 million, 34 per cent of the adjusted appropriation, whereas expenditure in the first half of 2022/23 was R1 billion, 40.4 per cent of the adjusted appropriation of R2.5 billion. Compared to the first half of 2021/22, expenditure over the same period in 2022/23 increased by R140.6 million, 16.3 per cent. This was mainly due to the reinstatement of services as the sector recovered from the impact of the COVID-19 pandemic.

Departmental receipts

R thousand	2021/22					2022/23				
	Adjusted estimate	Outcome				Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Actual receipts	
		Apr 21 - Sep 21	Apr 21 - Sep 21 % of adjusted estimate	Apr 21 - Mar 22	Apr 21 - Mar 22 % of adjusted estimate				Apr 22 - Sep 22	Apr 22 - Sep 22 % of adjusted estimate
Departmental receipts	80 432	69 594	86.5	81 859	101.8	2 705	2 882	100.0	625	21.7
Sales of goods and services produced by department	185	84	45.4	206	111.4	171	190	6.6	87	45.8
Sales of scrap, waste, arms and other used current goods	–	–	–	–	–	–	20	0.7	9	45.0
Interest, dividends and rent on land	103	43	41.7	60	58.3	104	105	3.6	38	36.2
Sales of capital assets	64	11	17.2	1 074	1 678.1	65	66	2.3	36	54.5
Transactions in financial assets and liabilities	80 080	69 456	86.7	80 519	100.5	2 365	2 501	86.8	455	18.2
Total	80 432	69 594	86.5	81 859	101.8	2 705	2 882	100.0	625	21.7

Revenue trends

Mid-year revenue in 2021/22 was R69.6 million, 86.5 per cent of the adjusted estimate, whereas revenue for the first half of 2022/23 was R625 000, 21.7 per cent of the adjusted estimate of R2.9 million. Compared to the first half of 2021/22, revenue over the same period in 2022/23 decreased by R69 million, 99.1 per cent. This was mainly due to funds for a project that was suspended being refunded and recorded as revenue in the first half of 2021/22.