

Tourism

Adjusted budget summary

2024/25				
R thousand	Appropriation	Adjustments appropriation		Adjusted appropriation
		Decrease	Increase	
Amount to be appropriated	2 380 908	–	–	2 380 908
of which:				
Current payments	883 150	–	–	883 150
Transfers and subsidies	1 427 610	–	–	1 427 610
Payments for capital assets	70 148	–	–	70 148
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 2024/25 as published in the 2024 ENE	Achieved in the first half of 2024/25 (April to September)	Changed target for 2024/25
Number of monitoring and evaluation reports produced per year	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		5 820	2 888	–
Number of programmes implemented per year to increase SMME participation 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		5	5	–

Progress

In an effort to increase the participation of small, medium and micro enterprises in the tourism sector, the department implemented the business incubation programme in the first half of the financial year. This was done through the community-based tourism enterprises incubator, women in tourism in Limpopo and the homestay pilot programme in Eastern Cape.

The department implemented all 5 targeted capacity-building programmes in the first half of 2024/25 due to an increased focus on training and placing unemployed young people with host employers through skills development and job creation programmes.

Adjusted estimates

Programme		2024/25							
		Adjustments appropriation							
		Amounts announced in the budget	Unforeseeable /Unavoidable	Virements and shifts	Roll- overs	Use of funds in emergency situations	Other adjustments ¹	Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation								
Administration	359 427	—	—	—	—	—	—	—	359 427
Tourism Research, Policy and International Relations	1 335 623	—	—	—	—	—	—	—	1 335 623
Destination Development	367 801	—	—	—	—	—	—	—	367 801
Tourism Sector Support Services	318 057	—	—	—	—	—	—	—	318 057
Total	2 380 908	—	—	—	—	—	—	—	2 380 908
Economic classification									
Current payments	883 150	—	—	—	—	—	—	—	883 150
Compensation of employees	411 949	—	—	—	—	—	—	—	411 949
Goods and services	471 201	—	—	—	—	—	—	—	471 201
Transfers and subsidies	1 427 610	—	—	—	—	—	—	—	1 427 610
Departmental agencies and accounts	1 248 382	—	—	—	—	—	—	—	1 248 382
Foreign governments and international organisations	2 750	—	—	—	—	—	—	—	2 750
Public corporations and private enterprises	172 067	—	—	—	—	—	—	—	172 067
Non-profit institutions	459	—	—	—	—	—	—	—	459
Households	3 952	—	—	—	—	—	—	—	3 952
Payments for capital assets	70 148	—	—	—	—	—	—	—	70 148
Buildings and other fixed structures	65 450	—	—	—	—	—	—	—	65 450
Machinery and equipment	4 698	—	—	—	—	—	—	—	4 698
Total	2 380 908	—	—	—	—	—	—	—	2 380 908

1. Other adjustments include the shifting of funds between votes, the shifting of funds within a vote following a function shift, self-financing expenditure, declared unspent funds, and significant and unforeseeable economic and financial events.

Programme 1: Administration

Subprogramme		2024/25							
		Adjustments appropriation							
		Amounts announced				Use of funds in		Total	
R thousand	Appropriation	in the budget	Unforeseeable /Unavoidable	Virements and shifts	Roll- overs	emergency situations	Other adjustments	adjustments appropriation	Adjusted appropriation
Ministry	34 413	—	—	—	—	—	—	—	34 413
Management	2 728	—	—	—	—	—	—	—	2 728
Corporate Management	207 186	—	—	—	—	—	—	—	207 186
Financial Management	74 550	—	—	—	—	—	—	—	74 550
Office Accommodation	40 550	—	—	—	—	—	—	—	40 550
Total	359 427	—	—	—	—	—	—	—	359 427
Economic classification									
Current payments	355 447	—	—	—	—	—	—	—	355 447
Compensation of employees	195 617	—	—	—	—	—	—	—	195 617
Goods and services	159 830	—	—	—	—	—	—	—	159 830
Transfers and subsidies	203	—	—	—	—	—	—	—	203
Departmental agencies and accounts	203	—	—	—	—	—	—	—	203
Payments for capital assets	3 777	—	—	—	—	—	—	—	3 777
Machinery and equipment	3 777	—	—	—	—	—	—	—	3 777
Total	359 427	—	—	—	—	—	—	—	359 427

Programme 2: Tourism Research, Policy and International Relations

Subprogramme		2024/25							
		Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation	Amounts announced in the budget	Unforeseeable /Unavoidable	Virements and shifts	Roll-overs	Use of funds in emergency situations	Other adjustments		
Tourism Research, Policy and International Relations Management	9 050	–	–	–	–	–	–	–	9 050
Research and Knowledge Management	36 306	–	–	–	–	–	–	–	36 306
Policy Planning and Strategy	16 844	–	–	–	–	–	–	–	16 844
South African Tourism	1 243 555	–	–	–	–	–	–	–	1 243 555
International Relations and Cooperation	29 868	–	–	–	–	–	–	–	29 868
Total	1 335 623	–	–	–	–	–	–	–	1 335 623
Economic classification									
Current payments	85 108	–	–	–	–	–	–	–	85 108
Compensation of employees	60 777	–	–	–	–	–	–	–	60 777
Goods and services	24 331	–	–	–	–	–	–	–	24 331
Transfers and subsidies	1 250 257	–	–	–	–	–	–	–	1 250 257
Departmental agencies and accounts	1 243 555	–	–	–	–	–	–	–	1 243 555
Foreign governments and international organisations	2 750	–	–	–	–	–	–	–	2 750
Households	3 952	–	–	–	–	–	–	–	3 952
Payments for capital assets	258	–	–	–	–	–	–	–	258
Machinery and equipment	258	–	–	–	–	–	–	–	258
Total	1 335 623	–	–	–	–	–	–	–	1 335 623

Programme 3: Destination Development

Subprogramme		2024/25							
		Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation	Amounts announced in the budget	Unforeseeable /Unavoidable	Virements and shifts	Roll-overs	Use of funds in emergency situations	Other adjustments		
Destination Development Management	12 905	–	–	–	–	–	–	–	12 905
Tourism Enhancement	25 817	–	–	–	–	–	–	–	25 817
Destination Planning and Investment Coordination	31 424	–	–	–	–	–	–	–	31 424
Working for Tourism	297 655	–	–	–	–	–	–	–	297 655
Total	367 801	–	–	–	–	–	–	–	367 801
Economic classification									
Current payments	301 933	–	–	–	–	–	–	–	301 933
Compensation of employees	64 530	–	–	–	–	–	–	–	64 530
Goods and services	237 403	–	–	–	–	–	–	–	237 403
Payments for capital assets	65 868	–	–	–	–	–	–	–	65 868
Buildings and other fixed structures	65 450	–	–	–	–	–	–	–	65 450
Machinery and equipment	418	–	–	–	–	–	–	–	418
Total	367 801	–	–	–	–	–	–	–	367 801

Programme 4: Tourism Sector Support Services

Subprogramme		2024/25							
		Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation	Amounts announced in the budget	Unforeseeable /Unavoidable	Virements and shifts	Roll-overs	Use of funds in emergency situations	Other adjustments		
Tourism Sector Support	11 353	–	–	–	–	–	–	–	11 353
Services Management									
Tourism Human Resource Development	33 065	–	–	–	–	–	–	–	33 065
Enterprise Development and Transformation	53 308	–	–	–	–	–	–	–	53 308
Tourism Visitor Services	28 886	–	–	–	–	–	–	–	28 886
Tourism incentive programme	191 445	–	–	–	–	–	–	–	191 445
Total	318 057	–	–	–	–	–	–	–	318 057
Economic classification									
Current payments	140 662	–	–	–	–	–	–	–	140 662
Compensation of employees	91 025	–	–	–	–	–	–	–	91 025
Goods and services	49 637	–	–	–	–	–	–	–	49 637
Transfers and subsidies	177 150	–	–	–	–	–	–	–	177 150
Departmental agencies and accounts	4 624	–	–	–	–	–	–	–	4 624
Public corporations and private enterprises	172 067	–	–	–	–	–	–	–	172 067
Non-profit institutions	459	–	–	–	–	–	–	–	459
Payments for capital assets	245	–	–	–	–	–	–	–	245
Machinery and equipment	245	–	–	–	–	–	–	–	245
Total	318 057	–	–	–	–	–	–	–	318 057

Expenditure outcome for 2023/24 and actual expenditure for 2024/25

Programme		2023/24				2024/25			
		Outcome				Adjusted appropriation/Total (%)		Actual expenditure	
R thousand	Adjusted appropriation	Apr 23 - Sep 23	% of adjusted appropriation	Apr 23 - Mar 24	% of adjusted appropriation			Apr 24 - Sep 24	% of adjusted appropriation
Administration	330 111	154 239	46.7	303 112	91.8	359 427	15.1	143 813	40.0
Tourism	1 378 213	622 593	45.2	1 367 469	99.2	1 335 623	56.1	1 100 063	82.4
Research, Policy and International Relations									
Destination Development	396 533	84 364	21.3	359 972	90.8	367 801	15.4	126 930	34.5
Tourism Sector Support Services	355 688	70 009	19.7	341 699	96.1	318 057	13.4	68 060	21.4
Total	2 460 545	931 205	37.8	2 372 252	96.4	2 380 908	100.0	1 438 866	60.4

Expenditure outcome for 2023/24 and actual expenditure for 2024/25 (continued)

Economic classification	2023/24					2024/25			
	Adjusted appropriation	Outcome				Adjusted appropriation	Adjusted appropriation/Total (%)	Actual expenditure	
		Apr 23 - Sep 23	Apr 23 - Sep 23 % of adjusted appropriation	Apr 23 - Mar 24	Apr 23 - Mar 24 % of adjusted appropriation			Apr 24 - Sep 24	Apr 24 - Sep 24 % of adjusted appropriation
R thousand									
Current payments	924 931	332 516	34.9	722 297	78.1	883 150	37.1	349 988	39.6
Compensation of employees	395 463	183 289	46.3	364 410	92.1	411 949	17.3	185 748	45.1
Goods and services	529 468	139 225	26.3	357 885	67.6	471 201	19.8	164 239	34.9
Interest and rent on land	–	2	–	2	–	–	–	1	–
Transfers and subsidies	1 528 918	603 711	39.5	1 526 994	99.9	1 427 610	60.0	1 085 867	76.1
Departmental agencies and accounts	1 294 358	586 683	45.3	1 501 348	116.0	1 248 382	52.4	1 065 333	85.3
Foreign governments and international organisations	2 982	2 734	91.7	2 733	91.6	2 750	0.1	2 478	90.1
Public corporations and private enterprises	225 692	12 194	5.4	18 702	8.3	172 067	7.2	13 874	8.1
Non-profit institutions	439	439	100.0	439	100.0	459	0.0	459	100.0
Households	5 447	1 661	30.5	3 772	69.2	3 952	0.2	3 723	94.2
Payments for capital assets	6 483	4 769	73.6	122 657	1 892.0	70 148	2.9	3 010	4.3
Buildings and other fixed structures	–	–	–	115 000	–	65 450	2.7	–	–
Machinery and equipment	6 483	4 769	73.6	7 657	118.1	4 698	0.2	3 010	64.1
Payments for financial assets	213	209	98.1	304	142.7	–	–	1	–
Total	2 460 545	931 205	37.8	2 372 252	96.4	2 380 908	100.0	1 438 866	60.4

Expenditure trends

Total expenditure in 2023/24 was R2.4 billion, 96.4 per cent of the adjusted appropriation for the year. Mid-year expenditure in 2023/24 was R931.2 million, 37.8 per cent of the adjusted appropriation, whereas expenditure in the first half of 2024/25 was R1.4 billion, 60.4 per cent of the adjusted appropriation of R2.4 billion. Compared to the first half of 2023/24, expenditure over the same period in 2024/25 increased by R507.7 million, 54.5 per cent. This was mainly due to an increase in transfers to South African Tourism and higher spending on projects within the expanded public works programme.

Departmental receipts

	2023/24					2024/25				
	Adjusted estimate	Outcome				Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Actual receipts	
		Apr 23 - Sep 23	Apr 23 - Sep 23 % of adjusted estimate	Apr 23 - Mar 24	Apr 23 - Mar 24 % of adjusted estimate				Apr 24 - Sep 24	Apr 24 - Sep 24 % of adjusted estimate
R thousand										
Departmental receipts	63 962	51 477	80.5	66 599	104.1	2 989	43 060	100.0	22 936	53.3
Sales of goods and services produced by department	191	89	46.6	178	93.2	193	193	0.4	87	45.1
Sales of scrap, waste, arms and other used current goods	21	–	–	–	–	22	–	–	–	–
Interest, dividends and rent on land	60 000	50 174	83.6	64 730	107.9	106	40 000	92.9	21 943	54.9
Sales of capital assets	1 200	663	55.3	752	62.7	67	67	0.2	12	17.9
Transactions in financial assets and liabilities	2 550	551	21.6	939	36.8	2 601	2 800	6.5	894	31.9
Total	63 962	51 477	80.5	66 599	104.1	2 989	43 060	100.0	22 936	53.3

Revenue trends

Mid-year revenue in 2023/24 was R51.5 million, 80.5 per cent of the adjusted estimate, whereas revenue for the first half of 2024/25 was R22.9 million, 53.3 per cent of the adjusted estimate of R43.1 million. Compared to the first half of 2023/24, revenue over the same period in 2024/25 decreased by R28.5 million, 55.4 per cent. This was mainly due to a decrease in interest earned on project funds.