# Vote 33

# Tourism

## Budget summary

| | 2018/19 | | | | 2019/20 | 2020/21 |
|---|---|---|---|---|---|---|
| R million | Total | Current payments | Transfers and subsidies | Payments for capital assets | Total | Total |
| **MTEF allocation** | | | | | | |
| Administration | 271.4 | 266.3 | 0.2 | 4.9 | 290.8 | 311.6 |
| Tourism Research, Policy and International Relations | 1 282.0 | 66.9 | 1 214.5 | 0.5 | 1 350.5 | 1 424.8 |
| Destination Development | 401.8 | 102.0 | 81.4 | 218.3 | 446.2 | 470.2 |
| Tourism Sector Support Services | 306.7 | 120.7 | 185.7 | 0.3 | 316.8 | 336.0 |
| **Total expenditure estimates** | **2 261.8** | **555.9** | **1 481.8** | **224.1** | **2 404.3** | **2 542.6** |
| Executive authority | Minister of Tourism | | | | | |
| Accounting officer | Director General of Tourism | | | | | |
| Website address | www.tourism.gov.za | | | | | |

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

## Vote purpose

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

## Mandate

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

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

## Selected performance indicators

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

| Indicator | Programme | MTSF outcome | Past | | | Current | Projections | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 |
| Number of platforms facilitated to improve tourism sector stakeholder engagement and national tourism sector strategy implementation per year | Tourism Research, Policy and International Relations | Outcome 11: Create a better South Africa, a better Africa and a better world | 2 | 2 | 1 | 1 | 1 | 1 | 1 |
| Number of full-time equivalent jobs created through the Working for Tourism programme per year | Destination Development | Outcome 4: Decent employment through inclusive growth | 3 037 | 3 059 | 1 734 | 3 085 | 4 813 | 4 331 | 4 331 |
| Number of enterprise development programmes implemented per year | Tourism Sector Support Services | Outcome 7: Comprehensive rural development and land reform | 466 | 250 | 100 | 400 | 400 | 500 | 500 |

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

| Indicator | Programme | MTSF outcome | Past | | | Current | Projections | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 |
| Number of incentivised programmes implemented per year | Tourism Sector Support Services | Outcome 4: Decent employment through inclusive growth | –[1] | –[1] | 3 | 4 | 4 | 5 | 5 |
| Number of capacity building programmes implemented per year | Tourism Sector Support Services | | –[1] | 3 | 8 | 9 | 9 | 9 | 9 |

*1. No historical data available.*

## Expenditure analysis

The NDP recognises tourism as one of the main drivers of employment and economic growth, and envisages the promotion of South Africa as a major tourist and business events destination. Outcome 4 (decent employment through inclusive growth) and outcome 7 (comprehensive rural development and land reform) of government's 2014-2019 medium-term strategic framework make reference to specific targets towards the realisation of this vision.

In 2016, the tourism sector directly employed 700 000 people, and tourist arrivals to South Africa continue to grow every year. As such, the Department of Tourism contributes to the NDP's vision by reducing inequality, improving living standards, and supporting a dignified existence for all South Africans. Over the medium term, the department intends focusing on marketing South Africa as a tourist destination, supporting initiatives that encourage transformation in the sector, improving tourism facilities, and creating job opportunities in rural areas.

The department relies on South African Tourism to market the country, and is set to transfer 52.7 per cent (R3.8 billion) of its budget to the entity for this purpose over the MTEF period. Cabinet has approved additional funding of R35 million in 2019/20 and R36.9 million in 2020/21 through the economic competitiveness and support package in the *Tourism Incentive Programme* subprogramme. This funding is intended to increase economic growth and job creation through the provision of support for market access and tourism grading, the implementation of energy efficient initiatives, and transformation initiatives that encourage capital investment by black businesspeople. The leveraged investment capital will be used to support 1 400 small, medium and micro enterprises (SMMEs) in the rural tourism sector over the MTEF period through the enterprise development programme, with the aim of transforming the sector and increasing its geographic footprint.

Over the medium term, 14.9 per cent (R1.1 billion) of the department's total budget is allocated to the *Working for Tourism* subprogramme through the expanded public works programme. This is budgeted for in the *Destination Development* programme. Working for Tourism facilitates the development of tourism infrastructure that leads to job creation, particularly for SMMEs, and accredited training and skills development facilities and programmes targeted at food safety, as well as young sommeliers and chefs. These initiatives are expected to create an estimated 13 475 full-time equivalent jobs by 2020/21.

To remain within government's expenditure ceiling for compensation of employees, the department aims to reduce its number of personnel from 519 in 2017/18 to 471 in 2020/21. Operational expenditure, including compensation of employees, accounts for an estimated 27.5 per cent (R2 billion) of the department's budget over the MTEF period.

# Expenditure trends

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

**Programmes**
1. Administration
2. Tourism Research, Policy and International Relations
3. Destination Development
4. Tourism Sector Support Services

| **Programme** | Annual budget | Adjusted appropriation | Audited outcome | Annual budget | Adjusted appropriation | Audited outcome | Annual budget | Adjusted appropriation | Audited outcome | Annual budget | Adjusted appropriation | Revised estimate | Average: Outcome/Annual budget (%) | Average: Outcome/Adjusted appropriation (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R million | | **2014/15** | | | **2015/16** | | | **2016/17** | | | **2017/18** | | **2014/15 - 2017/18** | |
| Programme 1 | 221.8 | 224.6 | 219.8 | 231.8 | 233.7 | 222.8 | 237.5 | 237.5 | 227.1 | 219.1 | 234.1 | 234.1 | 99.3% | 97.2% |
| Programme 2 | 951.4 | 953.0 | 938.2 | 1 055.9 | 1 056.7 | 1 034.4 | 1 107.4 | 1 108.4 | 1 102.8 | 1 208.7 | 1 203.1 | 1 203.1 | 99.0% | 99.0% |
| Programme 3 | 425.6 | 341.2 | 306.3 | 279.1 | 280.0 | 277.3 | 417.1 | 418.3 | 400.3 | 444.0 | 431.9 | 431.9 | 90.4% | 96.2% |
| Programme 4 | 63.3 | 64.5 | 93.3 | 233.4 | 223.9 | 242.8 | 247.6 | 245.4 | 189.4 | 268.4 | 271.1 | 271.1 | 98.0% | 99.0% |
| **Total** | **1 662.1** | **1 583.3** | **1 557.6** | **1 800.2** | **1 794.2** | **1 777.4** | **2 009.5** | **2 009.5** | **1 919.6** | **2 140.2** | **2 140.2** | **2 140.2** | **97.1%** | **98.2%** |
| Change to 2017 Budget estimate | | | | | | | | | | | – | | | |
| | | | | | | | | | | | | | | |
| **Economic classification** | | | | | | | | | | | | | | |
| **Current payments** | **380.3** | **373.7** | **460.8** | **403.0** | **559.0** | **452.6** | **671.1** | **615.6** | **584.7** | **635.9** | **648.9** | **648.9** | **102.7%** | **97.7%** |
| Compensation of employees | 233.3 | 229.3 | 231.5 | 246.1 | 250.1 | 252.9 | 265.5 | 269.5 | 266.1 | 271.9 | 284.9 | 284.9 | 101.8% | 100.2% |
| Goods and services | 147.0 | 144.4 | 229.3 | 156.9 | 309.0 | 199.7 | 405.5 | 346.1 | 318.6 | 364.1 | 364.1 | 364.1 | 103.6% | 95.5% |
| **Transfers and subsidies** | **1 272.6** | **1 199.2** | **1 083.7** | **1 391.1** | **1 229.0** | **1 230.8** | **1 226.1** | **1 167.3** | **1 169.7** | **1 392.0** | **1 379.0** | **1 379.0** | **92.1%** | **97.8%** |
| Departmental agencies and accounts | 881.9 | 886.3 | 886.3 | 983.9 | 983.9 | 1 045.6 | 1 029.4 | 1 029.4 | 1 040.0 | 1 139.1 | 1 139.1 | 1 139.1 | – | – |
| Higher education institutions | – | – | – | 3.8 | – | – | – | – | – | – | – | – | – | – |
| Foreign governments and international organisations | 5.9 | 5.9 | 8.6 | 6.0 | 6.0 | 5.8 | 6.3 | 6.3 | 6.4 | 6.6 | 6.6 | 6.6 | 110.2% | 110.2% |
| Public corporations and private enterprises | – | – | – | – | 93.6 | 72.9 | 109.0 | 79.2 | 75.3 | 88.3 | 88.3 | 88.3 | 119.9% | 90.6% |
| Non-profit institutions | 24.0 | 25.2 | 26.5 | 14.8 | 14.8 | 24.2 | 16.0 | 16.0 | 0.2 | 0.5 | 0.5 | 0.5 | 92.9% | 90.9% |
| Households | 360.8 | 281.9 | 162.5 | 382.7 | 130.8 | 82.3 | 65.3 | 36.4 | 47.8 | 157.5 | 144.5 | 144.5 | 45.2% | 73.6% |
| **Payments for capital assets** | **9.3** | **10.4** | **12.8** | **6.1** | **6.1** | **93.4** | **112.4** | **226.6** | **164.5** | **112.2** | **112.2** | **112.2** | **159.6%** | **107.8%** |
| Buildings and other fixed structures | – | – | – | – | – | 87.2 | 104.7 | 218.8 | 159.0 | 107.5 | 107.5 | 107.5 | 166.7% | 108.4% |
| Machinery and equipment | 9.1 | 10.2 | 10.7 | 5.8 | 5.8 | 6.2 | 7.3 | 7.3 | 5.4 | 4.7 | 4.7 | 4.7 | 100.3% | 96.3% |
| Software and other intangible assets | 0.1 | 0.1 | 2.1 | 0.3 | 0.3 | 0.0 | 0.4 | 0.4 | 0.2 | – | – | – | 264.1% | 264.1% |
| **Payments for financial assets** | **–** | **–** | **0.3** | **–** | **–** | **0.6** | **–** | **–** | **0.8** | **–** | **–** | **–** | **–** | **–** |
| **Total** | **1 662.1** | **1 583.3** | **1 557.6** | **1 800.2** | **1 794.2** | **1 777.4** | **2 009.5** | **2 009.5** | **1 919.6** | **2 140.2** | **2 140.2** | **2 140.2** | **97.1%** | **98.2%** |

# Expenditure estimates

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

**Programmes**
1. Administration
2. Tourism Research, Policy and International Relations
3. Destination Development
4. Tourism Sector Support Services

| **Programme** | **Revised estimate** | **Average growth rate (%)** | **Average: Expenditure/ Total (%)** | | **Medium-term expenditure estimate** | | **Average growth rate (%)** | **Average: Expenditure/ Total (%)** |
|---|---|---|---|---|---|---|---|---|
| R million | **2017/18** | **2014/15 - 2017/18** | | **2018/19** | **2019/20** | **2020/21** | **2017/18 - 2020/21** | |
| Programme 1 | 234.1 | 1.4% | 12.2% | 271.4 | 290.8 | 311.6 | 10.0% | 11.9% |
| Programme 2 | 1 203.1 | 8.1% | 57.9% | 1 282.0 | 1 350.5 | 1 424.8 | 5.8% | 56.3% |
| Programme 3 | 431.9 | 8.2% | 19.1% | 401.8 | 446.2 | 470.2 | 2.9% | 18.7% |
| Programme 4 | 271.1 | 61.4% | 10.8% | 306.7 | 316.8 | 336.0 | 7.4% | 13.2% |
| **Total** | **2 140.2** | **10.6%** | **100.0%** | **2 261.8** | **2 404.3** | **2 542.6** | **5.9%** | **100.0%** |
| Change to 2017 Budget estimate | | | | (26.3) | 7.2 | 7.6 | | |

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

| Economic classification | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
|---|---|---|---|---|---|---|---|---|
| R million | 2017/18 | 2014/15 - 2017/18 | | 2018/19 | 2019/20 | 2020/21 | 2017/18 - 2020/21 | |
| **Current payments** | **648.9** | **20.2%** | **29.0%** | **555.9** | **699.0** | **741.0** | **4.5%** | **28.3%** |
| Compensation of employees | 284.9 | 7.5% | 14.0% | 310.4 | 334.4 | 360.3 | 8.1% | 13.8% |
| Goods and services | 364.1 | 36.1% | 15.0% | 245.6 | 364.6 | 380.7 | 1.5% | 14.5% |
| **Transfers and subsidies** | **1 379.0** | **4.8%** | **65.8%** | **1 481.8** | **1 500.1** | **1 581.2** | **4.7%** | **63.6%** |
| Departmental agencies and accounts | 1 139.1 | 8.7% | 55.6% | 1 232.5 | 1 297.4 | 1 367.7 | 6.3% | 53.9% |
| Foreign governments and international organisations | 6.6 | 4.2% | 0.4% | 2.5 | 2.2 | 2.3 | -29.6% | 0.1% |
| Public corporations and private enterprises | 88.3 | – | 3.2% | 161.5 | 163.9 | 172.6 | 25.0% | 6.3% |
| Non-profit institutions | 0.5 | -72.9% | 0.7% | 0.5 | 0.4 | 0.4 | -4.5% | 0.0% |
| Households | 144.5 | -20.0% | 5.9% | 84.9 | 36.2 | 38.2 | -35.8% | 3.2% |
| **Payments for capital assets** | **112.2** | **121.1%** | **5.2%** | **224.1** | **205.2** | **220.4** | **25.2%** | **8.1%** |
| Buildings and other fixed structures | 107.5 | – | 4.8% | 218.6 | 199.9 | 214.8 | 26.0% | 7.9% |
| Machinery and equipment | 4.7 | -22.9% | 0.4% | 5.3 | 5.1 | 5.4 | 4.8% | 0.2% |
| Software and other intangible assets | – | -100.0% | 0.0% | 0.2 | 0.2 | 0.2 | – | 0.0% |
| **Total** | **2 140.2** | **10.6%** | **100.0%** | **2 261.8** | **2 404.3** | **2 542.6** | **5.9%** | **100.0%** |

# Expenditure trends and estimates for significant spending items

### Table 33.4 Expenditure trends and estimates for significant spending items

| | Audited outcome | | | Adjusted appropriation | Average growth rate (%) | Average: Expen-diture/ Total Vote (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expen-diture/ Total Vote (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2014/15 - 2017/18 | | 2018/19 | 2019/20 | 2020/21 | 2017/18 - 2020/21 | |
| South African Tourism | 880 009 | 977 712 | 1 024 847 | 1 134 288 | 8.8% | 54.3% | 1 208 048 | 1 271 539 | 1 340 491 | 5.7% | 53.0% |
| Working for Tourism | 280 236 | 249 013 | 365 984 | 329 513 | 5.5% | 16.6% | 334 786 | 352 919 | 372 129 | 4.1% | 14.9% |
| **Total** | **1 160 245** | **1 226 725** | **1 390 831** | **1 463 801** | **14.3%** | **70.9%** | **1 542 834** | **1 624 458** | **1 712 620** | **9.8%** | **67.9%** |

# Goods and services expenditure trends and estimates

### Table 33.5 Vote goods and services expenditure trends and estimates

| | Audited outcome | | | Adjusted appropriation | Average growth rate (%) | Average: Expen-diture/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expen-diture/ Total (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2014/15 - 2017/18 | | 2018/19 | 2019/20 | 2020/21 | 2017/18 - 2020/21 | |
| Administrative fees | 191 | 240 | 160 | 225 | 5.6% | 0.1% | 512 | 531 | 558 | 35.4% | 0.1% |
| Advertising | 2 854 | 2 673 | 2 303 | 3 554 | 7.6% | 1.0% | 3 075 | 3 294 | 3 471 | -0.8% | 1.0% |
| Minor assets | 558 | 269 | 619 | 322 | -16.7% | 0.2% | 2 389 | 2 272 | 2 392 | 95.1% | 0.5% |
| Audit costs: External | 4 210 | 4 985 | 6 257 | 5 000 | 5.9% | 1.8% | 6 029 | 7 731 | 9 632 | 24.4% | 2.1% |
| Bursaries: Employees | 1 063 | 1 171 | 1 734 | 2 719 | 36.8% | 0.6% | 2 836 | 3 051 | 3 216 | 5.8% | 0.9% |
| Catering: Departmental activities | 1 709 | 1 868 | 3 247 | 2 498 | 13.5% | 0.8% | 3 008 | 3 390 | 3 574 | 12.7% | 0.9% |
| Communication | 5 036 | 5 194 | 5 161 | 6 033 | 6.2% | 1.9% | 6 862 | 7 527 | 7 938 | 9.6% | 2.1% |
| Computer services | 14 334 | 19 109 | 18 251 | 22 020 | 15.4% | 6.6% | 25 453 | 25 270 | 26 639 | 6.6% | 7.3% |
| Consultants: Business and advisory services | 3 357 | 19 490 | 20 799 | 69 017 | 173.9% | 10.1% | 65 593 | 180 847 | 185 477 | 39.0% | 37.0% |
| Legal services | 493 | 520 | 607 | – | -100.0% | 0.1% | 415 | 265 | 280 | – | 0.1% |
| Contractors | 2 653 | 4 530 | 4 932 | 76 403 | 206.5% | 8.0% | 5 320 | 5 938 | 6 298 | -56.5% | 6.9% |
| Agency and support/outsourced services | 3 130 | 1 124 | 2 029 | 1 100 | -29.4% | 0.7% | 302 | 153 | 161 | -47.3% | 0.1% |
| Entertainment | 55 | 45 | 42 | – | -100.0% | – | 107 | 130 | 139 | – | – |
| Fleet services (including government motor transport) | 1 221 | 895 | 937 | – | -100.0% | 0.3% | 2 138 | 2 354 | 2 481 | – | 0.5% |
| Consumable supplies | 2 275 | 2 083 | 1 611 | 2 465 | 2.7% | 0.8% | 3 229 | 3 224 | 3 400 | 11.3% | 0.9% |
| Consumables: Stationery, printing and office supplies | 4 097 | 3 958 | 2 972 | 6 722 | 17.9% | 1.6% | 5 967 | 6 106 | 6 437 | -1.4% | 1.9% |
| Operating leases | 32 139 | 34 390 | 33 874 | 29 594 | -2.7% | 11.7% | 33 515 | 36 550 | 38 531 | 9.2% | 10.2% |
| Rental and hiring | 120 | 229 | 212 | 256 | 28.7% | 0.1% | 12 | 15 | 16 | -60.3% | – |
| Property payments | 2 459 | 3 335 | 3 146 | – | -100.0% | 0.8% | 5 067 | 5 573 | 5 875 | – | 1.2% |
| Transport provided: Departmental activity | – | – | 65 | – | – | – | – | – | – | – | – |
| Travel and subsistence | 31 169 | 33 062 | 32 293 | 44 465 | 12.6% | 12.7% | 41 177 | 46 374 | 48 891 | 3.2% | 13.4% |
| Training and development | 106 173 | 51 247 | 165 667 | 76 411 | -10.4% | 35.9% | 12 255 | 3 546 | 3 737 | -63.4% | 7.1% |
| Operating payments | 5 081 | 4 747 | 3 385 | 6 886 | 10.7% | 1.8% | 4 557 | 4 655 | 4 908 | -10.7% | 1.6% |
| Venues and facilities | 4 905 | 4 548 | 8 251 | 8 387 | 19.6% | 2.3% | 15 742 | 15 806 | 16 661 | 25.7% | 4.2% |
| **Total** | **229 282** | **199 712** | **318 554** | **364 077** | **16.7%** | **100.0%** | **245 560** | **364 602** | **380 712** | **1.5%** | **100.0%** |

## Transfers and subsidies expenditure trends and estimates

### Table 33.6 Vote transfers and subsidies trends and estimates

| R thousand | Audited outcome 2014/15 | Audited outcome 2015/16 | Audited outcome 2016/17 | Adjusted appropriation 2017/18 | Average growth rate (%) 2014/15 - 2017/18 | Average: Expen-diture/Total (%) 2014/15 - 2017/18 | Medium-term expenditure estimate 2018/19 | Medium-term expenditure estimate 2019/20 | Medium-term expenditure estimate 2020/21 | Average growth rate (%) 2017/18 - 2020/21 | Average: Expen-diture/Total (%) 2017/18 - 2020/21 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Departmental agencies and accounts** | | | | | | | | | | | |
| **Departmental agencies (non-business entities)** | | | | | | | | | | | |
| **Current** | **886 257** | **1 045 570** | **1 040 012** | **1 139 097** | **8.7%** | **84.5%** | **1 232 475** | **1 297 411** | **1 367 674** | **6.3%** | **84.8%** |
| Culture, Arts, Tourism, Hospitality and Sports Sector Education and Training Authority | 230 | 176 | 185 | 197 | -5.0% | – | 179 | 157 | 165 | -5.7% | – |
| Public Service Sector Education and Training Authority | 388 | – | – | – | -100.0% | – | – | – | – | – | – |
| South African Tourism | 880 009 | 977 712 | 1 024 847 | 1 134 288 | 8.8% | 82.6% | 1 208 048 | 1 271 539 | 1 340 491 | 5.7% | 83.4% |
| Tourism incentive programme | – | 61 689 | 10 588 | – | – | 1.5% | 20 000 | 22 000 | 23 101 | – | 1.1% |
| National tourism careers expo | 3 630 | 3 993 | 4 392 | 4 612 | 8.3% | 0.3% | 4 248 | 3 715 | 3 917 | -5.3% | 0.3% |
| Tourism accelerated apprenticeship programme | 2 000 | 2 000 | – | – | -100.0% | 0.1% | – | – | – | – | – |
| **Households** | | | | | | | | | | | |
| **Other transfers to households** | | | | | | | | | | | |
| **Current** | **160 440** | **80 025** | **47 347** | **144 519** | **-3.4%** | **8.9%** | **84 852** | **36 183** | **38 171** | **-35.8%** | **5.1%** |
| Employee social benefits | – | 403 | – | – | – | – | – | – | – | – | – |
| Bursaries for non-employees | 3 720 | 3 800 | 4 791 | 4 212 | 4.2% | 0.3% | 3 979 | 3 480 | 3 669 | -4.5% | 0.3% |
| Expanded public works programme | 120 528 | 66 027 | 42 556 | 91 165 | -8.9% | 6.6% | 50 000 | 100 | 107 | -89.5% | 2.4% |
| Expanded public works programme incentive | 20 831 | 9 745 | – | 49 142 | 33.1% | 1.6% | 30 873 | 32 603 | 34 395 | -11.2% | 2.5% |
| Tourism incentive programme | 15 361 | 50 | – | – | -100.0% | 0.3% | – | – | – | – | – |
| **Households** | | | | | | | | | | | |
| **Social benefits** | | | | | | | | | | | |
| **Current** | **2 031** | **2 264** | **433** | **–** | **-100.0%** | **0.1%** | **–** | **–** | **–** | **–** | **–** |
| Employee social benefits | 2 031 | 2 264 | 433 | – | -100.0% | 0.1% | – | – | – | – | – |
| **Non-profit institutions** | | | | | | | | | | | |
| **Current** | **26 450** | **24 200** | **200** | **500** | **-73.4%** | **1.1%** | **472** | **413** | **435** | **-4.5%** | **–** |
| Strategic Partners in Tourism | 25 000 | – | – | – | -100.0% | 0.5% | – | – | – | – | – |
| Tourism incentive programme | – | 10 000 | – | – | – | 0.2% | – | – | – | – | – |
| Federated Hospitality Association of South Africa | 200 | 200 | 200 | 500 | 35.7% | – | 472 | 413 | 435 | -4.5% | – |
| Various institutions: SMME development | – | 13 500 | – | – | – | 0.3% | – | – | – | – | – |
| Tourism interpretive signage | 1 250 | 500 | – | – | -100.0% | – | – | – | – | – | – |
| **Foreign governments and international organisations** | | | | | | | | | | | |
| **Current** | **8 552** | **5 810** | **6 368** | **6 638** | **-8.1%** | **0.6%** | **2 508** | **2 194** | **2 313** | **-29.6%** | **0.2%** |
| Regional Tourism Organisation of South Africa | 6 266 | 3 712 | 3 529 | 3 983 | -14.0% | 0.4% | – | – | – | -100.0% | 0.1% |
| United Nations World Tourism Organisation | 2 286 | 2 098 | 2 839 | 2 655 | 5.1% | 0.2% | 2 508 | 2 194 | 2 313 | -4.5% | 0.2% |
| **Public corporations and private enterprises** | | | | | | | | | | | |
| **Other transfers to private enterprises** | | | | | | | | | | | |
| **Current** | **–** | **72 915** | **75 312** | **88 279** | **–** | **4.9%** | **161 501** | **163 903** | **172 619** | **25.0%** | **9.9%** |
| Southern African Tourism Services Association | – | 725 | – | – | – | – | – | – | – | – | – |
| N12 Treasure Route Association | – | 300 | 600 | 600 | – | – | 567 | – | – | -100.0% | – |
| Tourism incentive programme | – | 71 890 | 74 712 | 87 679 | – | 4.8% | 160 934 | 163 903 | 172 619 | 25.3% | 9.8% |
| **Total** | **1 083 730** | **1 230 784** | **1 169 672** | **1 379 033** | **8.4%** | **100.0%** | **1 481 808** | **1 500 104** | **1 581 212** | **4.7%** | **100.0%** |

# Personnel information

## Table 33.7 Vote personnel numbers and cost by salary level and programme[1]

**Programmes**
1. Administration
2. Tourism Research, Policy and International Relations
3. Destination Development
4. Tourism Sector Support Services

| | Number of posts estimated for 31 March 2018 | | Number and cost[2] of personnel posts filled / planned for on funded establishment | | | | | | | | | | | | | | | Number | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Number of funded posts | Number of posts additional to the establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | Average growth rate (%) | Average: Salary level/Total (%) |
| | | | 2016/17 | | | 2017/18 | | | 2018/19 | | | 2019/20 | | | 2020/21 | | | 2017/18 - 2020/21 | |
| Tourism | | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | |
| **Salary level** | **519** | **–** | **519** | **266.1** | **0.5** | **519** | **284.9** | **0.5** | **484** | **310.4** | **0.6** | **477** | **334.4** | **0.7** | **471** | **360.3** | **0.8** | **-3.2%** | **100.0%** |
| 1 – 6 | 131 | – | 131 | 29.2 | 0.2 | 131 | 31.1 | 0.2 | 102 | 31.7 | 0.3 | 100 | 34.0 | 0.3 | 98 | 36.3 | 0.4 | -9.2% | 22.1% |
| 7 – 10 | 208 | – | 208 | 87.3 | 0.4 | 208 | 94.8 | 0.5 | 206 | 105.3 | 0.5 | 204 | 114.0 | 0.6 | 202 | 123.2 | 0.6 | -1.0% | 42.0% |
| 11 – 12 | 113 | – | 113 | 82.8 | 0.7 | 113 | 87.5 | 0.8 | 112 | 96.8 | 0.9 | 109 | 102.8 | 0.9 | 108 | 111.2 | 1.0 | -1.5% | 22.7% |
| 13 – 16 | 65 | – | 65 | 62.9 | 1.0 | 65 | 67.3 | 1.0 | 62 | 71.8 | 1.2 | 62 | 78.4 | 1.3 | 61 | 84.0 | 1.4 | -2.1% | 12.8% |
| Other | 2 | – | 2 | 4.0 | 2.0 | 2 | 4.1 | 2.1 | 2 | 4.7 | 2.4 | 2 | 5.1 | 2.6 | 2 | 5.6 | 2.8 | – | 0.4% |
| **Programme** | **519** | **–** | **519** | **266.1** | **0.5** | **519** | **284.9** | **0.5** | **484** | **310.4** | **0.6** | **477** | **334.4** | **0.7** | **471** | **360.3** | **0.8** | **-3.2%** | **100.0%** |
| Programme 1 | 262 | – | 262 | 125.8 | 0.5 | 262 | 131.5 | 0.5 | 254 | 147.9 | 0.6 | 250 | 158.9 | 0.6 | 247 | 171.1 | 0.7 | -1.9% | 51.9% |
| Programme 2 | 72 | – | 72 | 51.7 | 0.7 | 72 | 38.5 | 0.5 | 62 | 45.5 | 0.7 | 61 | 49.0 | 0.8 | 60 | 52.7 | 0.9 | -5.9% | 13.1% |
| Programme 3 | 73 | – | 73 | 56.8 | 0.8 | 73 | 47.1 | 0.6 | 67 | 48.3 | 0.7 | 66 | 51.9 | 0.8 | 65 | 55.6 | 0.9 | -3.8% | 13.9% |
| Programme 4 | 112 | – | 112 | 31.9 | 0.3 | 112 | 67.7 | 0.6 | 101 | 68.6 | 0.7 | 100 | 74.6 | 0.7 | 99 | 80.9 | 0.8 | -4.0% | 21.1% |

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

# Departmental receipts

## Table 33.8 Departmental receipts by economic classification

| | Audited outcome | | | Adjusted estimate | Revised estimate | Average growth rate (%) | Average: Receipt item/ Total (%) | Medium-term receipts estimate | | | Average growth rate (%) | Average: Receipt item/ Total (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 2014/15 | 2015/16 | 2016/17 | 2017/18 | | 2014/15 - 2017/18 | | 2018/19 | 2019/20 | 2020/21 | 2017/18 - 2020/21 | |
| **Departmental receipts** | **3 504** | **6 770** | **5 321** | **1 756** | **1 756** | **-20.6%** | **100.0%** | **1 934** | **1 934** | **1 939** | **3.4%** | **100.0%** |
| **Sales of goods and services produced by department** | **163** | **165** | **157** | **162** | **162** | **-0.2%** | **3.7%** | **163** | **163** | **165** | **0.6%** | **8.6%** |
| Sales by market establishments | 84 | 77 | 72 | 82 | 82 | -0.8% | 1.8% | 82 | 82 | 83 | 0.4% | 4.4% |
| *of which:* | | | | | | | | | | | | |
| *Rent collected from the letting of open and covered parking* | *84* | *77* | *72* | *82* | *82* | *-0.8%* | *1.8%* | *82* | *82* | *83* | *0.4%* | *4.4%* |
| Administrative fees | – | – | 1 | – | – | – | – | – | – | – | – | – |
| *of which:* | | | | | | | | | | | | |
| *Appeals Fees* | – | – | *1* | – | – | – | – | – | – | – | – | – |
| Other sales | 79 | 88 | 84 | 80 | 80 | 0.4% | 1.9% | 81 | 81 | 82 | 0.8% | 4.3% |
| *of which:* | | | | | | | | | | | | |
| *Commission received on deduction of insurance and other premiums from employees salaries* | *79* | *88* | *84* | *80* | *80* | *0.4%* | *1.9%* | *81* | *81* | *82* | *0.8%* | *4.3%* |
| **Sales of scrap, waste, arms and other used current goods** | **–** | **–** | **6** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| *of which:* | | | | | | | | | | | | |
| *Sales of scrap* | – | – | *6* | – | – | – | – | – | – | – | – | – |
| **Interest, dividends and rent on land** | **10** | **559** | **146** | **120** | **120** | **128.9%** | **4.8%** | **100** | **100** | **101** | **-5.6%** | **5.6%** |
| Interest | 10 | 559 | 146 | 120 | 120 | 128.9% | 4.8% | 100 | 100 | 101 | -5.6% | 5.6% |
| **Sales of capital assets** | **24** | **84** | **39** | **40** | **40** | **18.6%** | **1.1%** | **40** | **40** | **41** | **0.8%** | **2.1%** |
| **Transactions in financial assets and liabilities** | **3 307** | **5 962** | **4 973** | **1 434** | **1 434** | **-24.3%** | **90.3%** | **1 631** | **1 631** | **1 632** | **4.4%** | **83.7%** |
| **Total** | **3 504** | **6 770** | **5 321** | **1 756** | **1 756** | **-20.6%** | **100.0%** | **1 934** | **1 934** | **1 939** | **3.4%** | **100.0%** |

# Programme 1: Administration

## Programme purpose

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

## Expenditure trends and estimates

**Table 33.9 Administration expenditure trends and estimates by subprogramme and economic classification**

| Subprogramme | Audited outcome | | | Adjusted appropriation | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R million | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2014/15 - 2017/18 | | 2018/19 | 2019/20 | 2020/21 | 2017/18 - 2020/21 | |
| Ministry | 30.8 | 26.0 | 26.8 | 25.2 | -6.6% | 12.0% | 23.6 | 25.3 | 27.2 | 2.7% | 9.1% |
| Management | 14.5 | 13.4 | 17.1 | 3.1 | -40.1% | 5.3% | 2.7 | 2.9 | 3.1 | -0.1% | 1.1% |
| Corporate Management | 116.3 | 120.8 | 120.5 | 146.1 | 7.9% | 55.7% | 172.7 | 183.5 | 195.7 | 10.2% | 63.0% |
| Financial Managament | 23.7 | 25.4 | 25.6 | 30.1 | 8.3% | 11.6% | 35.0 | 38.2 | 42.4 | 12.1% | 13.1% |
| Office Accomodation | 34.4 | 37.3 | 37.0 | 29.6 | -4.9% | 15.3% | 37.5 | 41.0 | 43.2 | 13.4% | 13.7% |
| **Total** | **219.8** | **222.8** | **227.1** | **234.1** | **2.1%** | **100.0%** | **271.4** | **290.8** | **311.6** | **10.0%** | **100.0%** |
| Change to 2017 Budget estimate | | | | 15.0 | | | 38.8 | 58.2 | 79.0 | | |
| | | | | | | | | | | | |
| **Economic classification** | | | | | | | | | | | |
| **Current payments** | **207.0** | **216.8** | **221.8** | **232.1** | **3.9%** | **97.1%** | **266.3** | **286.3** | **306.9** | **9.8%** | **98.5%** |
| Compensation of employees | 115.1 | 119.3 | 125.8 | 131.5 | 4.5% | 54.4% | 147.9 | 158.9 | 171.1 | 9.2% | 55.0% |
| Goods and services[1] | 91.9 | 97.5 | 96.0 | 100.6 | 3.0% | 42.7% | 118.4 | 127.4 | 135.7 | 10.5% | 43.5% |
| *of which:* | | | | | | | | | | | |
| *Audit costs: External* | *4.2* | *5.0* | *5.2* | *5.0* | *5.9%* | *2.2%* | *6.0* | *7.7* | *9.6* | *24.4%* | *2.6%* |
| *Computer services* | *14.3* | *18.2* | *14.7* | *22.0* | *15.5%* | *7.7%* | *22.3* | *24.0* | *25.3* | *4.7%* | *8.4%* |
| *Operating leases* | *32.1* | *34.4* | *33.9* | *29.6* | *-2.7%* | *14.4%* | *33.3* | *36.3* | *38.3* | *8.9%* | *12.4%* |
| *Property payments* | *2.4* | *3.3* | *3.1* | *–* | *-100.0%* | *1.0%* | *5.1* | *5.6* | *5.9* | *–* | *1.5%* |
| *Travel and subsistence* | *15.1* | *13.4* | *12.0* | *15.6* | *1.1%* | *6.2%* | *15.5* | *16.1* | *17.0* | *2.9%* | *5.8%* |
| *Venues and facilities* | *1.2* | *1.7* | *1.8* | *5.4* | *64.1%* | *1.1%* | *7.7* | *8.2* | *8.6* | *16.9%* | *2.7%* |
| **Transfers and subsidies[1]** | **2.5** | **2.2** | **1.2** | **0.2** | **-57.3%** | **0.7%** | **0.2** | **0.2** | **0.2** | **-5.7%** | **0.1%** |
| Departmental agencies and accounts | 0.6 | 0.2 | 0.2 | 0.2 | -31.7% | 0.1% | 0.2 | 0.2 | 0.2 | -5.7% | 0.1% |
| Households | 1.9 | 2.1 | 1.0 | – | -100.0% | 0.6% | – | – | – | – | – |
| **Payments for capital assets** | **10.1** | **3.6** | **3.6** | **1.8** | **-43.6%** | **2.1%** | **4.9** | **4.4** | **4.6** | **37.0%** | **1.4%** |
| Buildings and other fixed structures | – | – | – | – | – | – | 0.7 | – | – | – | 0.1% |
| Machinery and equipment | 8.0 | 3.6 | 3.4 | 1.8 | -39.1% | 1.9% | 4.1 | 4.2 | 4.5 | 35.2% | 1.3% |
| Software and other intangible assets | 2.1 | 0.0 | 0.2 | – | -100.0% | 0.3% | 0.2 | 0.2 | 0.2 | – | – |
| **Payments for financial assets** | **0.2** | **0.1** | **0.5** | **–** | **-100.0%** | **0.1%** | **–** | **–** | **–** | **–** | **–** |
| **Total** | **219.8** | **222.8** | **227.1** | **234.1** | **2.1%** | **100.0%** | **271.4** | **290.8** | **311.6** | **10.0%** | **100.0%** |
| **Proportion of total programme expenditure to vote expenditure** | **14.1%** | **12.5%** | **11.8%** | **10.9%** | **–** | **–** | **12.0%** | **12.1%** | **12.3%** | **–** | **–** |

1. *Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.*

# Programme 2: Tourism Research, Policy and International Relations

## Programme purpose

Enhance the strategic policy environment, monitor the tourism sector's performance and enable stakeholder relations.

## Objectives

- Provide knowledge services to inform policy, planning and decision-making by:
  - developing the national tourism sector strategy report on the state of tourism, the implementation report, evaluation reports on the tourism guide training programme and the tourism incentive programme on the grading of accommodation establishments over the medium term
  - maintaining mobile applications for tour guides and visitor information centres by March 2019
  - developing the national tourism information and monitoring system, and a database for black-owned tourism products and services.

- Enhance regional tourism integration by:
  - hosting the sharing best practices workshop in 2019 targeted at African countries that have tourism agreements with South Africa
  - hosting of two tourism initiatives during South Africa’s chairship of the Indian Ocean Rim Association.
- Enhance understanding and awareness of the value of tourism and its opportunities by hosting the annual public lecture, and meetings of the national tourism research committee over the medium term.

## Subprogrammes

- *Tourism Research, Policy and International Relations Management* provides strategic direction, comprehensive administration and operational support services, research, and information and knowledge management. This subprogramme also manages policy development and evaluation, and promotes sector transformation and responsible tourism.
- *Research and Knowledge Management* oversees tourism research, knowledge management and impact evaluation of the sector.
- *Policy Planning and Strategy* oversees and guides policy and strategy development for the tourism sector, and ensures efficient and effective stakeholder relations management.
- *South African Tourism* stimulates sustainable international and domestic demand for South African tourism experiences, and regulates the standard of tourism facilities and services.
- *International Relations and Cooperation* drives South Africa’s interests through international relations and cooperation.

## Expenditure trends and estimates

**Table 33.10 Tourism Research, Policy and International Relations expenditure trends and estimates by subprogramme and economic classification**

| Subprogramme | Audited outcome | | | Adjusted appropriation | Average growth rate (%) | Average: Expen-diture/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expen-diture/ Total (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R million | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2014/15 - 2017/18 | | 2018/19 | 2019/20 | 2020/21 | 2017/18 - 2020/21 | |
| Tourism Research, Policy and International Relations Management | 4.0 | 2.7 | 6.6 | 7.4 | 22.4% | 0.5% | 8.7 | 9.4 | 10.1 | 11.0% | 0.7% |
| Research and Knowledge Management | 22.1 | 27.2 | 31.2 | 26.0 | 5.5% | 2.5% | 26.3 | 27.7 | 29.8 | 4.6% | 2.1% |
| Policy Planning and Strategy | 12.9 | 11.6 | 19.1 | 11.3 | -4.3% | 1.3% | 11.7 | 12.7 | 13.7 | 6.7% | 0.9% |
| South African Tourism | 880.0 | 977.7 | 1 024.8 | 1 134.3 | 8.8% | 93.9% | 1 208.0 | 1 271.5 | 1 340.5 | 5.7% | 94.2% |
| International Relations and Cooperation | 19.1 | 15.3 | 21.1 | 24.1 | 8.0% | 1.9% | 27.3 | 29.1 | 30.6 | 8.3% | 2.1% |
| **Total** | **938.2** | **1 034.4** | **1 102.8** | **1 203.1** | **8.6%** | **100.0%** | **1 282.0** | **1 350.5** | **1 424.8** | **5.8%** | **100.0%** |
| Change to 2017 Budget estimate | | | | (5.6) | | | (9.8) | 58.7 | 133.0 | | |
| | | | | | | | | | | | |
| **Economic classification** | | | | | | | | | | | |
| **Current payments** | **44.9** | **46.1** | **66.9** | **57.2** | **8.4%** | **5.0%** | **66.9** | **72.8** | **77.8** | **10.8%** | **5.2%** |
| Compensation of employees | 33.4 | 33.4 | 51.7 | 38.5 | 4.9% | 3.7% | 45.5 | 49.0 | 52.7 | 11.0% | 3.5% |
| Goods and services[1] | 11.6 | 12.7 | 15.2 | 18.6 | 17.3% | 1.4% | 21.5 | 23.8 | 25.1 | 10.4% | 1.7% |
| *of which:* | | | | | | | | | | | |
| *Computer services* | *0.0* | *0.8* | *2.1* | *–* | *-100.0%* | *0.1%* | *1.2* | *1.3* | *1.4* | *–* | *0.1%* |
| *Consultants: Business and advisory services* | *1.4* | *1.4* | *1.1* | *9.8* | *89.5%* | *0.3%* | *5.3* | *5.6* | *5.9* | *-15.3%* | *0.5%* |
| *Consumables: Stationery, printing and office supplies* | *0.3* | *0.4* | *0.4* | *0.5* | *13.1%* | *–* | *0.7* | *0.7* | *0.8* | *15.6%* | *0.1%* |
| *Travel and subsistence* | *3.2* | *3.5* | *4.1* | *3.4* | *1.9%* | *0.3%* | *5.9* | *7.2* | *7.5* | *30.9%* | *0.5%* |
| *Operating payments* | *1.8* | *2.2* | *1.1* | *2.9* | *17.4%* | *0.2%* | *2.2* | *2.3* | *2.5* | *-5.2%* | *0.2%* |
| *Venues and facilities* | *1.9* | *0.6* | *1.6* | *1.0* | *-19.8%* | *0.1%* | *2.5* | *3.0* | *3.1* | *46.3%* | *0.2%* |
| **Transfers and subsidies[1]** | **892.3** | **987.5** | **1 035.3** | **1 145.1** | **8.7%** | **94.9%** | **1 214.5** | **1 277.2** | **1 346.5** | **5.5%** | **94.7%** |
| Departmental agencies and accounts | 880.0 | 977.7 | 1 024.8 | 1 134.3 | 8.8% | 93.9% | 1 208.0 | 1 271.5 | 1 340.5 | 5.7% | 94.2% |
| Foreign governments and international organisations | 8.6 | 5.8 | 6.4 | 6.6 | -8.1% | 0.6% | 2.5 | 2.2 | 2.3 | -29.6% | 0.3% |
| Households | 3.7 | 3.9 | 4.1 | 4.2 | 4.0% | 0.4% | 4.0 | 3.5 | 3.7 | -4.5% | 0.3% |

**Table 33.10 Tourism Research, Policy and International Relations expenditure trends and estimates by subprogramme and economic classification**

| Economic classification | Audited outcome | | | Adjusted appropriation | Average growth rate (%) | Average: Expen-diture/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expen-diture/ Total (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R million | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2014/15 - 2017/18 | | 2018/19 | 2019/20 | 2020/21 | 2017/18 - 2020/21 | |
| **Payments for capital assets** | **0.9** | **0.8** | **0.6** | **0.8** | **-3.4%** | **0.1%** | **0.5** | **0.5** | **0.5** | **-14.2%** | **–** |
| Machinery and equipment | 0.9 | 0.8 | 0.6 | 0.8 | -2.3% | 0.1% | 0.5 | 0.5 | 0.5 | -14.2% | – |
| Software and other intangible assets | 0.0 | – | – | – | -100.0% | – | – | – | – | – | – |
| **Payments for financial assets** | **0.1** | **0.0** | **0.0** | **–** | **-100.0%** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Total** | **938.2** | **1 034.4** | **1 102.8** | **1 203.1** | **8.6%** | **100.0%** | **1 282.0** | **1 350.5** | **1 424.8** | **5.8%** | **100.0%** |
| **Proportion of total programme expenditure to vote expenditure** | **60.2%** | **58.2%** | **57.4%** | **56.2%** | **–** | **–** | **56.7%** | **56.2%** | **56.0%** | **–** | **–** |
| | | | | | | | | | | | |
| **Details of selected transfers and subsidies** | | | | | | | | | | | |
| **Departmental agencies and accounts** | | | | | | | | | | | |
| **Departmental agencies (non-business entities)** | | | | | | | | | | | |
| **Current** | **880.0** | **977.7** | **1 024.8** | **1 134.3** | **8.8%** | **93.9%** | **1 208.0** | **1 271.5** | **1 340.5** | **5.7%** | **94.2%** |
| South African Tourism | 880.0 | 977.7 | 1 024.8 | 1 134.3 | 8.8% | 93.9% | 1 208.0 | 1 271.5 | 1 340.5 | 5.7% | 94.2% |

1. *Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.*

# Programme 3: Destination Development

## Programme purpose

Facilitate and coordinate tourism destination development.

## Objectives

- Diversify and enhance tourism offerings by:
  - reporting on the implementation of 6 destination enhancement projects (Shangoni Gate, Phalaborwa Wildlife Activity Hub, Blyde River Canyon, Hilltop Camp, Gariep Dam Nature Reserve and Dwesa-Cwebe Nature Reserve) in 2018/19
  - developing 2 tourism precinct plans by March 2019
  - supporting 6 projects over the medium term that contribute to the maintenance or improvement of routes to tourism destinations
  - hosting 2 workshops in each of the 9 provinces to institutionalise the manual as a planning tool by March 2019
  - implementing the blue flag programme at 25 South African beaches by March 2019
  - developing 3 master plans for prioritised tourism nodes (Sutherland to Carnarvon, Hondeklipbaai to Port Nolloth and Port St Johns to Coffee Bay).
- Create employment opportunities by implementing tourism projects (Lotlamoreng Dam, Phiphidi Waterfall, Platfontein Game Farm, National Youth Chefs, 1 sommelier training course, youth hospitality training and 1 food safety programme) through the expanded public works programme, resulting in 13 475 full-time equivalent jobs over the medium term.

## Subprogrammes

- *Destination Development Management* provides strategic leadership and administrative support to the programme's activities.
- *Tourism Enhancement* increases the competitiveness of South Africa's tourism industry.
- *Destination Planning and Investment Coordination* ensures that tourism infrastructure supports the current and future growth of the sector.
- *Working for Tourism* facilitates the development of tourism infrastructure projects under the expanded public works programme through labour intensive methods that target the unemployed, youth, women, disabled people and SMMEs.

## Expenditure trends and estimates

**Table 33.11 Destination Development expenditure trends and estimates by subprogramme and economic classification**

| Subprogramme | Audited outcome | | | Adjusted appropriation | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R million | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2014/15 - 2017/18 | | 2018/19 | 2019/20 | 2020/21 | 2017/18 - 2020/21 | |
| Destination Development Management | 3.6 | 4.1 | 4.4 | 46.4 | 134.9% | 4.1% | 20.3 | 46.8 | 48.2 | 1.2% | 9.2% |
| Tourism Enhancement | 13.2 | 15.0 | 25.3 | 19.3 | 13.3% | 5.1% | 19.0 | 21.5 | 23.1 | 6.2% | 4.7% |
| Destination Planning and Investment Coordination | 9.2 | 9.2 | 4.6 | 36.6 | 58.3% | 4.2% | 27.7 | 24.9 | 26.8 | -9.9% | 6.6% |
| Working for Tourism | 280.2 | 249.0 | 366.0 | 329.5 | 5.5% | 86.5% | 334.8 | 352.9 | 372.1 | 4.1% | 79.4% |
| **Total** | **306.3** | **277.3** | **400.3** | **431.9** | **12.1%** | **100.0%** | **401.8** | **446.2** | **470.2** | **2.9%** | **100.0%** |
| Change to 2017 Budget estimate | | | | (12.1) | | | (61.4) | (17.0) | 7.1 | | |
| | | | | | | | | | | | |
| **Economic classification** | | | | | | | | | | | |
| **Current payments** | **163.7** | **111.7** | **235.2** | **182.4** | **3.7%** | **49.0%** | **102.0** | **213.3** | **220.7** | **6.6%** | **41.1%** |
| Compensation of employees | 49.4 | 51.7 | 56.8 | 47.1 | -1.6% | 14.5% | 48.3 | 51.9 | 55.6 | 5.6% | 11.6% |
| Goods and services[1] | 114.3 | 60.0 | 178.4 | 135.3 | 5.8% | 34.5% | 53.7 | 161.5 | 165.1 | 6.9% | 29.5% |
| *of which:* | | | | | | | | | | | |
| *Consultants: Business and advisory services* | *1.6* | *0.7* | *3.6* | *40.2* | *192.3%* | *3.3%* | *27.8* | *141.9* | *144.4* | *53.1%* | *20.2%* |
| *Consumables: Stationery, printing and office supplies* | *0.6* | *0.5* | *0.4* | *1.2* | *22.8%* | *0.2%* | *1.4* | *1.5* | *1.5* | *9.4%* | *0.3%* |
| *Travel and subsistence* | *6.7* | *8.2* | *9.7* | *10.8* | *17.3%* | *2.5%* | *9.7* | *12.3* | *12.9* | *6.3%* | *2.6%* |
| *Training and development* | *103.0* | *46.7* | *156.9* | *75.4* | *-9.9%* | *27.0%* | *7.5* | *0.6* | *0.7* | *-79.4%* | *4.8%* |
| *Operating payments* | *0.5* | *0.6* | *0.1* | *1.7* | *46.4%* | *0.2%* | *0.8* | *0.9* | *1.0* | *-16.1%* | *0.3%* |
| *Venues and facilities* | *0.2* | *0.8* | *3.0* | *1.0* | *75.2%* | *0.3%* | *1.8* | *1.2* | *1.2* | *7.7%* | *0.3%* |
| **Transfers and subsidies[1]** | **141.4** | **77.2** | **43.3** | **140.9** | **-0.1%** | **28.4%** | **81.4** | **32.7** | **34.5** | **-37.4%** | **16.5%** |
| Public corporations and private enterprises | – | 1.0 | 0.6 | 0.6 | – | 0.2% | 0.6 | – | – | -100.0% | 0.1% |
| Households | 141.4 | 76.2 | 42.7 | 140.3 | -0.3% | 28.3% | 80.9 | 32.7 | 34.5 | -37.3% | 16.5% |
| **Payments for capital assets** | **1.1** | **88.4** | **121.6** | **108.5** | **355.4%** | **22.6%** | **218.3** | **200.1** | **215.1** | **25.6%** | **42.4%** |
| Buildings and other fixed structures | – | 87.2 | 121.0 | 107.5 | – | 22.3% | 217.9 | 199.9 | 214.8 | 26.0% | 42.3% |
| Machinery and equipment | 1.1 | 1.2 | 0.6 | 1.1 | -3.0% | 0.3% | 0.4 | 0.2 | 0.3 | -37.7% | 0.1% |
| **Payments for financial assets** | **0.0** | **0.0** | **0.2** | **–** | **-100.0%** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Total** | **306.3** | **277.3** | **400.3** | **431.9** | **12.1%** | **100.0%** | **401.8** | **446.2** | **470.2** | **2.9%** | **100.0%** |
| **Proportion of total programme expenditure to vote expenditure** | **19.7%** | **15.6%** | **20.9%** | **20.2%** | **–** | **–** | **17.8%** | **18.6%** | **18.5%** | **–** | **–** |
| | | | | | | | | | | | |
| **Details of selected transfers and subsidies** | | | | | | | | | | | |
| **Households** | | | | | | | | | | | |
| **Other transfers to households** | | | | | | | | | | | |
| **Current** | **141.4** | **75.8** | **42.6** | **140.3** | **-0.2%** | **28.3%** | **80.9** | **32.7** | **34.5** | **-37.3%** | **16.5%** |
| Expanded public works programme | 120.5 | 66.0 | 42.6 | 91.2 | -8.9% | 22.6% | 50.0 | 0.1 | 0.1 | -89.5% | 8.1% |
| Expanded public works programme incentive | 20.8 | 9.7 | – | 49.1 | 33.1% | 5.6% | 30.9 | 32.6 | 34.4 | -11.2% | 8.4% |

1. *Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.*

# Programme 4: Tourism Sector Support Services

## Programme purpose

Enhance transformation of the sector, increase skills levels and support its development to ensure that South Africa is a competitive tourism destination.

## Objectives

- Accelerate the transformation of the tourism sector over the medium term by:
  – monitoring the implementation of the amended tourism broad-based black economic empowerment sector codes
  – facilitating 5 social tourism initiatives that promote open access to selected government-owned attractions.
- Facilitate the development and growth of tourism enterprises to contribute to inclusive economic growth and job creation by March 2019 by:

 – supporting the development of 400 enterprises
 – launching a tourism incubation programme to implement the enterprise development programme
 – implementing the tourism incentive programme (market access support, tourism grading, energy efficiency, universal accessibility and sector transformation).
- Facilitate tourism capacity building programmes by March 2019 by:
 – training 577 chefs, 300 in the blue flag training programme, 1 200 tourism monitors, 500 food safety inspectors and 60 learners in the resource efficiency training programme
 – establishing a coordinating body for tourism human resource development
 – implementing the local government tourism induction programme, focusing on rural areas with tourism potential in 10 district municipalities
 – placing 20 black female managers of tourism enterprises at institutions of higher learning for management training.

## Subprogrammes

- *Tourism Sector Support Services Management* provides administrative support to the programme's activities.
- *Tourism Sector Human Resource Development* facilitates the efficient management and implementation of human resource development initiatives for the tourism sector.
- *Enterprise Development and Transformation* facilitates inclusive participation and sustainability in the tourism sector.
- *Tourism Visitor Services* ensures information integrity and facilitates accurate information for travelling.
- *Tourism Incentive Programme* creates direct linkages between South African inbound tour operators and international tourism companies by assisting South African tour operators to exhibit their products at trade shows across the world.

## Expenditure trends and estimates

**Table 33.12 Tourism Sector Support Services expenditure trends and estimates by subprogramme and economic classification**

| Subprogramme | Audited outcome | | | Adjusted appropriation | Average growth rate (%) | Average: Expen-diture/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expen-diture/ Total (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R million | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2014/15 - 2017/18 | | 2018/19 | 2019/20 | 2020/21 | 2017/18 - 2020/21 | |
| Tourism Sector Support Services Management | 7.9 | 9.2 | 9.0 | 8.4 | 2.1% | 4.3% | 12.7 | 10.4 | 11.1 | 9.6% | 3.5% |
| Tourism Human Resource Development | 17.4 | 18.1 | 19.5 | 27.5 | 16.6% | 10.3% | 22.6 | 23.6 | 25.5 | -2.5% | 8.1% |
| Enterprise Development and Transformation | 39.5 | 33.4 | 12.2 | 44.4 | 3.9% | 16.2% | 49.7 | 55.1 | 58.5 | 9.7% | 16.9% |
| Tourism Visitor Services | 10.5 | 16.2 | 15.6 | 22.8 | 29.6% | 8.2% | 22.9 | 22.8 | 24.8 | 2.7% | 7.6% |
| Tourism Incentive Programmes | 18.0 | 166.0 | 133.2 | 168.0 | 110.4% | 60.9% | 198.8 | 204.9 | 216.2 | 8.8% | 64.0% |
| **Total** | **93.3** | **242.8** | **189.4** | **271.1** | **42.7%** | **100.0%** | **306.7** | **316.8** | **336.0** | **7.4%** | **100.0%** |
| Change to 2017 Budget estimate | | | | 2.7 | | | 6.2 | 16.3 | 35.5 | | |

## Table 33.12 Tourism Sector Support Services expenditure trends and estimates by subprogramme and economic classification

| Economic classification | Audited outcome | | | Adjusted appropriation | Average growth rate (%) | Average: Expen-diture/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expen-diture/ Total (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R million | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2014/15 - 2017/18 | | 2018/19 | 2019/20 | 2020/21 | 2017/18 - 2020/21 | |
| **Current payments** | **45.1** | **77.9** | **60.8** | **177.3** | **57.8%** | **45.3%** | **120.7** | **126.5** | **135.7** | **-8.5%** | **45.5%** |
| Compensation of employees | 33.6 | 48.5 | 31.9 | 67.7 | 26.3% | 22.8% | 68.6 | 74.6 | 80.9 | 6.1% | 23.7% |
| Goods and services[1] | 11.5 | 29.5 | 28.9 | 109.6 | 112.2% | 22.5% | 52.0 | 52.0 | 54.8 | -20.6% | 21.8% |
| *of which:* | | | | | | | | | | | |
| *Catering: Departmental activities* | *0.7* | *0.8* | *1.1* | *0.8* | *5.7%* | *0.4%* | *1.8* | *1.9* | *2.0* | *33.9%* | *0.5%* |
| *Communication* | *0.3* | *0.4* | *0.3* | *0.5* | *24.9%* | *0.2%* | *1.1* | *1.1* | *1.2* | *30.1%* | *0.3%* |
| *Consultants: Business and advisory services* | *0.1* | *15.9* | *13.4* | *17.4* | *598.5%* | *5.9%* | *31.3* | *32.0* | *33.7* | *24.7%* | *9.3%* |
| *Consumables: Stationery, printing and office supplies* | *0.4* | *0.6* | *0.2* | *1.3* | *43.9%* | *0.3%* | *0.8* | *0.8* | *0.9* | *-13.4%* | *0.3%* |
| *Travel and subsistence* | *6.2* | *8.0* | *6.5* | *14.7* | *33.3%* | *4.4%* | *10.0* | *10.8* | *11.4* | *-8.2%* | *3.8%* |
| *Venues and facilities* | *1.6* | *1.5* | *1.9* | *1.0* | *-13.8%* | *0.7%* | *3.7* | *3.5* | *3.7* | *54.2%* | *1.0%* |
| **Transfers and subsidies[1]** | **47.5** | **163.9** | **89.9** | **92.8** | **25.0%** | **49.5%** | **185.7** | **190.0** | **200.1** | **29.2%** | **54.3%** |
| Departmental agencies and accounts | 5.6 | 67.7 | 15.0 | 4.6 | -6.4% | 11.7% | 24.2 | 25.7 | 27.0 | 80.3% | 6.6% |
| Public corporations and private enterprises | – | 71.9 | 74.7 | 87.7 | – | 29.4% | 160.9 | 163.9 | 172.6 | 25.3% | 47.6% |
| Non-profit institutions | 26.5 | 24.2 | 0.2 | 0.5 | -73.4% | 6.4% | 0.5 | 0.4 | 0.4 | -4.5% | 0.1% |
| Households | 15.4 | 0.1 | 0.0 | – | -100.0% | 1.9% | – | – | – | – | – |
| **Payments for capital assets** | **0.7** | **0.6** | **38.7** | **1.1** | **13.1%** | **5.2%** | **0.3** | **0.2** | **0.2** | **-41.8%** | **0.1%** |
| Buildings and other fixed structures | – | – | 38.0 | – | – | 4.8% | – | – | – | – | – |
| Machinery and equipment | 0.7 | 0.6 | 0.7 | 1.1 | 13.1% | 0.4% | 0.3 | 0.2 | 0.2 | -43.0% | 0.1% |
| **Payments for financial assets** | **0.0** | **0.4** | **0.1** | **–** | **-100.0%** | **0.1%** | **–** | **–** | **–** | **–** | **–** |
| **Total** | **93.3** | **242.8** | **189.4** | **271.1** | **42.7%** | **100.0%** | **306.7** | **316.8** | **336.0** | **7.4%** | **100.0%** |
| **Proportion of total programme expenditure to vote expenditure** | **6.0%** | **13.7%** | **9.9%** | **12.7%** | **–** | **–** | **13.6%** | **13.2%** | **13.2%** | **–** | **–** |
| | | | | | | | | | | | |
| **Details of selected transfers and subsidies** | | | | | | | | | | | |
| **Households** | | | | | | | | | | | |
| **Other transfers to households** | | | | | | | | | | | |
| **Current** | **15.4** | **0.1** | **–** | **–** | **-100.0%** | **1.9%** | **–** | **–** | **–** | **–** | **–** |
| Tourism incentive programme | 15.4 | 0.1 | – | – | -100.0% | 1.9% | – | – | – | – | – |
| **Departmental agencies and accounts** | | | | | | | | | | | |
| **Departmental agencies (non-business entities)** | | | | | | | | | | | |
| **Current** | **5.6** | **67.7** | **15.0** | **4.6** | **-6.4%** | **11.7%** | **24.2** | **25.7** | **27.0** | **80.3%** | **6.6%** |
| Tourism incentive programme | – | 61.7 | 10.6 | – | – | 9.1% | 20.0 | 22.0 | 23.1 | – | 5.3% |
| National tourism careers expo | 3.6 | 4.0 | 4.4 | 4.6 | 8.3% | 2.1% | 4.2 | 3.7 | 3.9 | -5.3% | 1.3% |
| Tourism accelerated apprenticeship programme | 2.0 | 2.0 | – | – | -100.0% | 0.5% | – | – | – | – | – |
| **Public corporations and private enterprises** | | | | | | | | | | | |
| **Private enterprises** | | | | | | | | | | | |
| **Other transfers to private enterprises** | | | | | | | | | | | |
| **Current** | **–** | **71.9** | **74.7** | **87.7** | **–** | **29.4%** | **160.9** | **163.9** | **172.6** | **25.3%** | **47.6%** |
| Tourism incentive programme | – | 71.9 | 74.7 | 87.7 | – | 29.4% | 160.9 | 163.9 | 172.6 | 25.3% | 47.6% |

1. *Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.*

# Entity[1]

## South African Tourism

### *Mandate*

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

### *Selected performance indicators*

**Table 33.13 South African Tourism performance indicators by programme/objective/activity and related outcome**

| Indicator | Programme/Objective/Activity | MTSF outcome | Past | | | Current | Projections | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 |
| Number of international tourist arrivals per year | Leisure tourism marketing | Outcome 4: Decent employment through inclusive growth | –[1] | 8 903 773 | 9 945 373 | 11 000 000 | 12 000 000 | 13 000 000 | 13 000 000 |
| Total tourist foreign direct spend per year | Leisure tourism marketing | | –[1] | R68.1bn | R75.5bn | R80.3bn | R86.5bn | R89.7bn | R109bn |
| Number of domestic holiday trips per year | Leisure tourism marketing | | –[1] | 2 700 000 | 2 950 000 | 2 906 000 | 3 106 000 | 3 306 000 | 3 506 000 |
| Total domestic direct spend per year | Leisure tourism marketing | | –[1] | R23.6bn | R26.5bn | R24.8bn | R26.7bn | R28.5bn | R30.3bn |
| Number of international delegates hosted in South Africa per year | Business events | | –[1] | –[1] | 73 866 | 81 678 | 86 006 | 90 564 | 90 564 |
| Number of graded accommodation establishments per year | Improve visitor experience in line with the brand promise | | 5 369 | 5 230 | 5 650 | 5 932 | 6 229 | 6 540 | 6 867 |
| Number of business events hosted in South Africa per year | Contribute to inclusive economic growth by increasing the number of international business events in South Africa | | 52 | 87 | 125 | 145 | 153 | 161 | 161 |

*1. No historical data available.*

### *Expenditure analysis*

The NDP envisages the promotion of South Africa as a major tourist and business events destination to boost tourist numbers, and enable the sector to contribute directly to poverty reduction and economic growth, especially through job creation. The priorities articulated in government's 2014-2019 medium-term strategic framework, particularly outcome 4 (decent employment through inclusive growth), are embodied in South African Tourism's strategic plan and the targets set by the tourism industry.

Over the medium term, the entity intends focusing on marketing South Africa as a tourism destination of choice, and increasing the contribution of the sector to the South African economy by increasing the number of tourist arrivals from a projected 11 million in 2017/18 to 13 million in 2020/21. This is expected to lead to an increase in tourism revenue from R91.7 billion in 2017/18 to R139.3 billion in 2020/21. Accordingly, the entity's budget is expected to increase at an average annual rate of 3 per cent, from R1.5 billion in 2017/18 to R1.6 billion in 2020/21.

The entity plans to transfer R713.8 million to all international offices to expand media and trade events tailored to specific markets, media campaigns, customer relations management and joint marketing agreements with private sector operators to collaborate on the marketing of tourism packages. Through collaborative efforts with stakeholders, South African Tourism plans to implement domestic, regional and international marketing strategies that are informed by research, data and knowledge sharing.

The entity will continue to market South Africa as a destination for business events and provide support for bids to host such events in its efforts to increase the number of business events hosted from 153 to a projected 161 over the MTEF period. In 2016, South Africa hosted 125 international and regional meetings and conferences, which attracted almost 74 000 delegates. These events represented 538 combined conference days and generated an estimated R1.1 billion. The entity plans to spend R129.3 million in 2018/19 to increase

1. This section has been compiled with the latest available information from the entity concerned.

the number of delegates attending business events in South Africa to 90 564 in 2020/21. Revenue generated from international delegates attending conferences and business events is estimated to reach R74.6 billion by 2020/21. Cabinet has approved additional allocations of R30 million in 2018/19, R40 million in 2019/20 and R42 million in 2020/21 to increase South Africa's competitiveness in attracting business events, and provide increased support for bids to host these events.

The number of domestic trips taken in South Africa increased from 2.7 million in 2015/16 to 3 million in 2016/17 despite persistently high levels of unemployment and weak economic growth. This is a good sign that the entity's marketing efforts are gaining traction. To entrench a culture of travel among South Africans, the entity plans to spend R110 million on media campaigns, and R47.1 million on joint marketing agreements and consumer activations.

## *Programmes/Objectives/Activities*

**Table 34.14 South African Tourism expenditure trends and estimates by programme/objective/activity**

| | Audited outcome | | | Revised estimate | Average growth rate (%) | Average: Expen-diture/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expen-diture/ Total (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R million | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2014/15 - 2017/18 | | 2018/19 | 2019/20 | 2020/21 | 2017/18 - 2020/21 | |
| Administration | 98.7 | 93.1 | 102.1 | 140.0 | 12.4% | 8.5% | 132.3 | 136.7 | 142.5 | 0.6% | 9.2% |
| Business Enablement | 48.0 | 63.1 | 99.9 | 81.3 | 19.2% | 5.7% | 85.9 | 90.7 | 95.7 | 5.6% | 5.9% |
| Leisure Tourism Marketing | 837.8 | 1 001.0 | 847.0 | 1 045.7 | 7.7% | 73.5% | 1 026.3 | 1 079.0 | 1 143.0 | 3.0% | 71.4% |
| Business Events | 67.0 | 57.7 | 154.6 | 119.0 | 21.1% | 7.8% | 129.3 | 139.3 | 142.5 | 6.2% | 8.8% |
| Visitor Experience | 56.5 | 45.2 | 54.0 | 76.6 | 10.7% | 4.6% | 65.8 | 69.5 | 73.3 | -1.5% | 4.7% |
| **Total** | **1 108.0** | **1 260.2** | **1 257.6** | **1 462.6** | **9.7%** | **100.0%** | **1 439.6** | **1 515.2** | **1 596.9** | **3.0%** | **100.0%** |

## *Statements of historical financial performance and position*

**Table 34.15 South African Tourism statements of historical financial performance and position**

| **Statement of financial performance** | Budget | Audited outcome | Budget | Audited outcome | Budget | Audited outcome | Budget estimate | Revised estimate | Average: Outcome/ Budget (%) |
|---|---|---|---|---|---|---|---|---|---|
| R million | 2014/15 | | 2015/16 | | 2016/17 | | 2017/18 | | 2014/15 - 2017/18 |
| **Revenue** | | | | | | | | | |
| **Non-tax revenue** | **83.9** | **147.0** | **91.8** | **174.9** | **94.4** | **132.1** | **104.7** | **203.7** | **175.5%** |
| Other non-tax revenue | 83.9 | 147.0 | 91.8 | 174.9 | 94.4 | 132.1 | 104.7 | 203.7 | 175.5% |
| **Transfers received** | **958.3** | **991.6** | **1 081.7** | **1 100.9** | **1 124.3** | **1 162.4** | **1 258.9** | **1 258.9** | **102.0%** |
| **Total revenue** | **1 042.2** | **1 138.6** | **1 173.6** | **1 275.8** | **1 218.7** | **1 294.5** | **1 363.6** | **1 462.6** | **107.8%** |
| **Expenses** | | | | | | | | | |
| **Current expenses** | **1 042.2** | **1 108.0** | **1 173.6** | **1 260.2** | **1 212.9** | **1 257.6** | **1 363.6** | **1 462.6** | **106.2%** |
| Compensation of employees | 109.0 | 179.6 | 191.8 | 166.7 | 179.6 | 186.3 | 204.3 | 204.3 | 107.6% |
| Goods and services | 933.2 | 920.7 | 966.5 | 1 080.6 | 1 016.9 | 1 059.7 | 1 147.0 | 1 246.0 | 106.0% |
| Depreciation | – | 7.7 | 15.2 | 12.8 | 16.5 | 11.6 | 12.3 | 12.3 | 101.3% |
| **Total expenses** | **1 042.2** | **1 108.0** | **1 173.6** | **1 260.2** | **1 212.9** | **1 257.6** | **1 363.6** | **1 462.6** | **106.2%** |
| **Surplus/(Deficit)** | **–** | **31.0** | **–** | **16.0** | **6.0** | **37.0** | **–** | **–** | |
| | | | | | | | | | |
| **Statement of financial position** | | | | | | | | | |
| Carrying value of assets | 78.0 | 57.3 | 60.0 | 107.6 | 114.3 | 101.3 | 107.1 | 107.1 | 103.9% |
| Loans | 0.1 | 0.0 | – | – | – | 0.0 | – | – | 20.7% |
| Receivables and prepayments | 24.6 | 31.7 | 33.6 | 44.3 | 47.0 | 20.7 | 21.9 | 21.9 | 93.3% |
| Cash and cash equivalents | 236.9 | 374.1 | 395.8 | 459.4 | 487.8 | 551.3 | 582.7 | 582.7 | 115.5% |
| **Total assets** | **339.7** | **463.1** | **489.3** | **611.2** | **649.1** | **673.3** | **711.7** | **711.7** | **112.3%** |
| Accumulated surplus/(deficit) | 3.3 | 123.7 | 130.8 | 139.3 | 147.9 | 238.2 | 251.8 | 251.8 | 141.0% |
| Capital and reserves | 25.4 | 26.5 | 28.1 | 70.5 | 74.9 | 70.6 | 74.6 | 74.6 | 119.4% |
| Finance lease | – | 0.4 | 0.4 | 0.3 | 0.4 | 0.2 | 0.2 | 0.2 | 117.0% |
| Trade and other payables | 256.4 | 267.4 | 282.2 | 347.8 | 369.3 | 320.7 | 328.6 | 328.6 | 102.3% |
| Provisions | 43.0 | 45.2 | 47.8 | 53.3 | 56.6 | 43.6 | 46.1 | 46.1 | 97.2% |
| Derivatives financial instruments | 2.5 | – | – | – | – | – | – | – | – |
| **Total equity and liabilities** | **330.6** | **463.1** | **489.3** | **611.2** | **649.1** | **673.3** | **701.3** | **701.3** | **112.8%** |

## *Statements of estimates of financial performance and position*

### Table 34.16 South African Tourism statements of estimates of financial performance and position

| Statement of financial performance | Revised estimate | Average growth rate (%) | Average: Expen- diture/ Total (%) | Medium-term estimate | | | Average growth rate (%) | Average: Expen- diture/ Total (%) |
|---|---|---|---|---|---|---|---|---|
| R million | 2017/18 | 2014/15 - 2017/18 | | 2018/19 | 2019/20 | 2020/21 | 2017/18 - 2020/21 | |
| **Revenue** | | | | | | | | |
| **Non-tax revenue** | **203.7** | **11.5%** | **12.7%** | **100.7** | **106.3** | **112.2** | **-18.0%** | **8.7%** |
| Other non-tax revenue | 203.7 | 11.5% | 12.7% | 100.7 | 106.3 | 112.2 | -18.0% | 8.7% |
| **Transfers received** | **1 258.9** | **8.3%** | **87.3%** | **1 338.9** | **1 408.9** | **1 484.7** | **5.7%** | **91.3%** |
| **Total revenue** | **1 462.6** | **8.7%** | **100.0%** | **1 439.6** | **1 515.2** | **1 596.9** | **3.0%** | **100.0%** |
| **Expenses** | | | | | | | | |
| **Current expenses** | **1 462.6** | **9.7%** | **100.0%** | **1 439.6** | **1 515.2** | **1 596.9** | **3.0%** | **100.0%** |
| Compensation of employees | 204.3 | 4.4% | 14.6% | 216.1 | 228.4 | 241.1 | 5.7% | 14.8% |
| Goods and services | 1 246.0 | 10.6% | 84.6% | 1 210.5 | 1 273.1 | 1 341.3 | 2.5% | 84.3% |
| Depreciation | 12.3 | 16.8% | 0.9% | 13.0 | 13.8 | 14.5 | 5.6% | 0.9% |
| **Total expenses** | **1 462.6** | **9.7%** | **100.0%** | **1 439.6** | **1 515.2** | **1 596.9** | **3.0%** | **100.0%** |
| **Surplus/(Deficit)** | **–** | | | **–** | **–** | **–** | | |
| | | | | | | | | |
| **Statement of financial position** | | | | | | | | |
| Carrying value of assets | 107.1 | 23.2% | 15.0% | 113.2 | 119.6 | 126.1 | 5.6% | 15.1% |
| Receivables and prepayments | 21.9 | -11.6% | 5.1% | 23.1 | 24.4 | 25.8 | 5.6% | 3.1% |
| Cash and cash equivalents | 582.7 | 15.9% | 79.9% | 615.9 | 650.4 | 686.2 | 5.6% | 81.9% |
| **Total assets** | **711.7** | **15.4%** | **100.0%** | **752.3** | **794.4** | **838.1** | **5.6%** | **100.0%** |
| Accumulated surplus/(deficit) | 251.8 | 26.7% | 30.2% | – | – | – | -100.0% | 9.0% |
| Capital and reserves | 74.6 | 41.2% | 9.6% | 78.9 | 83.3 | 87.9 | 5.6% | 23.1% |
| Finance lease | 0.2 | -14.9% | 0.0% | 0.2 | 0.2 | 0.2 | 3.7% | 0.1% |
| Trade and other payables | 328.6 | 7.1% | 52.3% | 347.3 | 366.8 | 38.7 | -51.0% | 53.6% |
| Provisions | 46.1 | 0.6% | 7.9% | 48.7 | 51.4 | 54.3 | 5.6% | 14.3% |
| **Total equity and liabilities** | **701.3** | **14.8%** | **100.0%** | **475.1** | **501.7** | **181.2** | **-36.6%** | **100.0%** |

## *Personnel information*

### Table 34.17 South African Tourism personnel numbers and cost by salary level

| | Number of posts estimated for 31 March 2018 | | Number and cost[1] of personnel posts filled / planned for on funded establishment | | | | | | | | | | | | | | | Number | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Number of funded posts | Number of posts on approved establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | Average growth rate (%) | Average: Salary level/Total (%) |
| | | | 2016/17 | | | 2017/18 | | | 2018/19 | | | 2019/20 | | | 2020/21 | | | 2017/18 - 2020/21 | |
| South African Tourism | | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | |
| **Salary level** | **202** | **202** | **168** | **186.3** | **1.1** | **202** | **204.3** | **1.0** | **202** | **216.1** | **1.1** | **202** | **228.4** | **1.1** | **202** | **241.1** | **1.2** | **5.7%** | **100.0%** |
| 1 – 6 | 9 | 9 | 20 | 53.4 | 2.7 | 9 | 20.5 | 2.3 | 9 | 21.7 | 2.4 | 9 | 22.9 | 2.5 | 9 | 24.2 | 2.7 | 5.7% | 4.5% |
| 7 – 10 | 86 | 86 | 66 | 30.0 | 0.5 | 86 | 41.6 | 0.5 | 86 | 44.0 | 0.5 | 86 | 46.5 | 0.5 | 86 | 49.1 | 0.6 | 5.7% | 42.6% |
| 11 – 12 | 39 | 39 | 30 | 24.3 | 0.8 | 39 | 33.4 | 0.9 | 39 | 35.4 | 0.9 | 39 | 37.4 | 1.0 | 39 | 39.5 | 1.0 | 5.7% | 19.3% |
| 13 – 16 | 67 | 67 | 51 | 75.9 | 1.5 | 67 | 106.0 | 1.6 | 67 | 112.1 | 1.7 | 67 | 118.5 | 1.8 | 67 | 125.1 | 1.9 | 5.7% | 33.2% |
| 17 – 22 | 1 | 1 | 1 | 2.5 | 2.5 | 1 | 2.8 | 2.8 | 1 | 2.9 | 2.9 | 1 | 3.1 | 3.1 | 1 | 3.3 | 3.3 | 5.7% | 0.5% |

1. *Rand million.*

## Additional table: Summary of expenditure on infrastructure

| Project name | Service delivery outputs | Current project stage | Total project cost | Audited outcome | | | Adjusted appropriation | Medium-term expenditure estimate | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R million | | | | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 |
| **Departmental infrastructure** | | | | | | | | | | |
| **Large projects (total project cost of at least R250 million but less than R1 billion over the project life cycle)** | | | | | | | | | | |
| Working for Tourism | Upgrading of and additions to tourism attractions and venues | Tender | 928.3 | – | 87.2 | 121.0 | 87.5 | 217.9 | 199.9 | 214.8 |
| **Small projects (total project cost of less than R250 million over the project life cycle)** | | | | | | | | | | |
| Tourism incentive programme | Upgrading of and additions to tourism attractions and venues | Tender | 38.0 | – | – | 38.0 | – | – | – | – |
| Domestic tourism product development | Creation of new tourist attractions | Design | – | – | – | – | 20.0 | – | – | – |
| Tourism House maintenance and upgrades | Office upgrades and maintenance | Design | – | – | – | – | – | 0.7 | – | – |
| **Total** | | | **966.3** | **–** | **87.2** | **159.0** | **107.5** | **218.6** | **199.9** | **214.8** |