

Department of Economic Development and Planning

Vote 06

To be appropriated by Vote in 2009/2010	R 490 663 000
Statutory amount	R 1 006 000
Responsible MEC	MEC of Economic Development and Planning
Administering department	Department of Economic Development and Planning
Accounting Officer	Deputy Director General: Economic Development and Planning

1. Overview

1.1 Vision

A competitive and adaptive economy that improves the quality of life of all people in the province.

1.2 Mission

To facilitate, implement and co-ordinate integrated planning and stimulate sustainable economic development.

To take the leading role in the development of the economy in the province.

1.3 Values

“The department is guided by the following core values:

Integrity: Officials must be dedicated to the adherence of a strict moral and ethical code of conduct in the execution of their duties and responsibilities.

Fairness: Officials must conform to the rules and standards set out by the department. All decisions should be made free from bias and must always be considerate and just.

Accountability: Officials are, at all times, to be responsible for the performance and results of their agreed upon duties and responsibilities. This refers to the pyramid responsibility that begins with the individuals and builds up to top management.

Transparency: Officials will recognise the right to access of information excluding information that is specifically protected by law.

Professionalism: Officials will behave and execute their duties in a manner that enhances the reputation of the department adhering to the highest ethical standards.

1.4 Strategic goals and objectives

- Stimulate robust and sustainable economic growth,
- Reduce unemployment, poverty and inequality,
- Contribute towards the reduction of the spread of HIV and AIDS,
- Facilitate human resource development with relevant skills and entrepreneurial culture,
- Drive and monitor integrated planning in the province, and
- Implement policies and legislation that contributes towards the creation of an environment conducive to business development and fair trade.

1.5 Legislative and other mandates

The following Acts assist the department to execute its mandate efficiently and effectively.

- The Constitution of the Republic of South Africa, Act 108 of 1996
- Public Financial Management Act No.1 of 1999
- Mpumalanga Gaming Act No. 5 of 1995
- Liquor Act of 2003
- National Gambling Act 59 of 2003

- National Liquor Act 27 of 1989
- Mpumalanga Consumer Act 6 of 1998
- Mpumalanga Trading Hours Act No.5 of 1999
- Mpumalanga Business Act No.2 of 1996
- Skills Development Act No. 97 of 1998
- National Small Business Enabling Act
- Broad – based Black Empowerment Act
- Public Service Act
- National Credit Act 34 of 2005
- Basic Condition of Employment Act
- Labour Relations Act

1.6 Broader policies, priorities and strategic goals

- Reconstruction and Development Programme,
- Growth, Employment and Redistribution Strategy, and
- Provincial Growth and Development Strategy.
- Small Medium Micro Enterprise Strategy
- Cooperative Strategy
- Accelerated Growth and Shared Initiative of South Africa (ASGISA)
- National Industrial Policy Framework (NIPF)
- Industrial Policy Action Plan (IPAP)
- Broad Based Economic Empowerment Strategy

1.7 Priorities

To meet the following objectives;

- Job creation,
- Fighting poverty, and
- Promoting equality.

1.8 Growing the economy

- Encourage more investment in key economic sectors which will benefit communities, particularly the youth, women and people with disabilities.
- Promote learnerships
- Enhance skills development
- Encourage the use of labour intensive methods in sectors of the economy

2. Review of the current financial year (2008/09)

2.1. Integrated economic development services

The Department has successfully hosted the National Small Business Advisory Council for the first time in the Province since its inauguration in 2005, as part of its mandate of creating a platform for entrepreneurs to engage government on the challenges they face on daily basis. After the finalization of the Provincial SMME strategy in the year 2007/8, a consultative process with all levels of government on key aspects/objectives of the strategy was undertaken. It then culminated in the Department hosting a Provincial workshop in partnership with the Department of Trade and Industry on the identified 10 products/services designated for procurement from small enterprises by all spheres of government. (Targeted procurement programme) As part of its efforts to create an entrepreneurship culture among the targeted groups, the department co-ordinated the Provincial Youth Entrepreneurship Seminar during the month of June. The department has assisted 16657 SMME's on the business development support and will provide business development support to about 21000 SMME's at the end of the financial year. 284 SMME's accessed financial support through Umsobomvu Youth Fund, New Business Finance,

Anglo Zimele Small Business Hubs and South African Micro Apex Funds partner organisations. 22 Cooperatives established (pre-incorporation training and formal registration with Cipro), 23 Co-operatives monitored for compliance with their registration formalities, and 5 of which were supported.

During the course of the current financial year, implementation of the Provincial Cooperative strategy is expected to begin in the second quarter. In exposing and strengthening the co-operatives movement in the Province, six cooperatives from different sectors have been taken to the National Co-operatives conference held in Pretoria from the 30th June 2008 to 5th July 2008 exhibit their products. Representatives of the three district forums were also assisted to participate in the event. The implementation of the LEF fund in partnership with MEGA, KHULA and SEDA is underway which will focus on increasing access to finance for small medium and micro enterprises especially those seeking short-term loans.

The Department has successfully hosted a BEE seminar in Gert Sibande District Municipality in June 2008, with the aim of creating awareness on BBBEE and sharing information on BBBEE opportunities. SASOL, ANGLO COAL, HARMONY GOLD and ESKOM participated in the seminar. The SASOL INZALO Share Scheme was also communicated to the participants at the seminar. Continuous engagements on BEE compliance have taken place with Komatiland Forest, TSB, Anglo-Coal, Delta Electrolytic Manganese), Sappi (Ngodwana), Delta EDM (Nelspruit) and they were all sensitised on BEE compliance. The Department participated and will continue to participate in the CFO's Forum to create awareness and influence compliance on BBBEE within the public sector supply chain management.

Participated in the analysis of 21 reviewed IDPs /LEDs for local municipalities within the province. The Department in partnership with GTZ and DBSA facilitated the appointment of a 'special purpose vehicle' for the implementation of Dr JS Moroka Municipality LED plan. Indego Consulting was awarded a two year contract to facilitate the implementation of the plan. An LED study tour has been undertaken to Germany on the 15 to 27 June 2008 as part of the exchange programme in partnership with GTZ/MRDP. At least 8 out of 24 participants were from Mpumalanga and seven of them from municipalities..

2.2. Trade and industry development

The department has participated in the international trade KOREX exhibition in South Korea and will still participate in the other 4 different domestic and international trade exhibitions, viz Export Africa 2008, FACIM in Mozambique in August 2008, Bedia exhibition in Botswana and the South African Handmade Collection exhibition in Midrand in July 2008. The department has attended two trade missions in order to attract foreign direct investments into province, namely, Ismalia province in Egypt and South Korea. The directorate is going to facilitate the establishment of four Business Process Outsourcing Centres in four areas of the province, namely, Dr JS Moroka, Govan Mbeki, Emalahleni and Mbombela.

The department has assessed five incubates for readiness to exit and two were found to be ready. The other incubates was assisted to secure bigger premises and to apply for funding for extra machinery and has begun to get bigger orders from ESKOM and Columbus. On tooling and skills centre to be established in Witbank, the stakeholders have been identified and presentation to the National Tooling Initiative which will be followed by a workshop to stakeholders. Three incubatees of Furntech were found to be ready to exit and all of them will require assistance. A business plan and costing of the Food Tech Center was produced by the service provider and a stakeholder forum has been reconfirmed.

On the KMIA Industrial Park the two sites have been identified where the park will be built but will await approval. The wood cluster has been established and is operational in a sense that the cluster has met once in this financial year. The department has put an advert on both local and national newspaper to get the service provider that will develop a tertiary education student database. The students will be used to implement PRIME in manufacturing industries as well as assistance in placement of these students in industries identified. On IPAP, a conference is being

organised in collaboration with the Department of Water Affairs and Forestry to assist the Small Enterprises in the Forestry Industry.

Over the past years the department has put great effort and resources towards the development of incubation centers in the province. Thus far the Jewellery manufacturing Center at Umjindi, the Furniture Technology Center in White River and the Mpumalanga Stainless Initiatives in Middelburg are all operational. The focus from now will be ensuring that quality training programmes are conducted in these incubators. Furthermore the department is in discussions with the National Tooling Initiative to strengthen the tooling and die making industries in the province. The aim of this initiative is to support the existing TDM industry to compete globally as well as rapidly commence a program to significantly improve skills and tool making training. At the same time the National Tooling Initiative has formed a Public-Private Partnership with the Department of Trade & Industry and the National Treasury to support the above program. Greater effort will be expended in entering into partnerships with the private sector in capacity building in the prioritized sectors.

In agro-processing we are hoping that the investment prospectus for the Food Technology Center that was developed with MEGA will attract the required investment for the Food Technology Center, a state of the art facility that will provide a processing facility , Incubation of small emerging processors , a training and resource center and laboratory for both commercial and emerging processors ,

The department has launched Mpumalanga Tourism Forum on the 25th of April 2008. The Tourism Forum will amongst others assist the province and the department on issues of transformation, tourism infrastructure development, and funding in the tourism industry. As a way of a continuous capacity building of municipalities and role players of tourism, a training programme based on Responsible Tourism Planning has been initiated and a service provider has been appointed to that effect. The capacity building in question will be conducted in all three (3) district municipalities in the province. The department and the MTPA have conducted workshops in three district municipalities with a view of ensuring that the municipalities align their tourism plans with the Mpumalanga Tourism Growth Strategy (MTGS). In respect of the tourism aspect of the Greening Mpumalanga, Heritage and Tourism Flagship Programme, the department will continue to facilitate the implementation of the tourism projects within the programme.

2.3. Business regulation and governance

The department managed to resolve 1642 consumer cases out of the 1200 that has been planned for in the current financial year and will continue to resolve the 500 more cases for the current financial year. The directorate anticipate an increase in the number of consumer complaints as a result of the unfavourable economic conditions adversely affecting consumer spending.

Various educational programmes were held throughout the Province. 88 workshops, 10 roadshows and 48 radio slots were conducted in the nine months. Most workshops and radio slots focused on over-indebtedness debt counselling and reckless lending. These educational programmes were accelerated even above the planned quarterly output as intervention measures to alert consumers on debt management. The rest of the planned educational programmes will be conducted during the remaining quarters of the financial year.

The department is currently in the process of appointing consumer court members. This will assist a great deal in the effective implementation of the Consumer Affairs Act in order to expedite the control and prohibition of unfair business practices in the province.

The Mpumalanga Liquor Board considered 1107 new liquor applications, approved 683 applications, disapproved 111 applications, deferred 310 applications, and 3 applications was withdrawn. The Board held 8 hearings of non-compliance with the Act and 27 community workshops were held in partnership with the South African Police Service. 166 liquor inspections were conducted on licensed and new premises, and 617 trade inspections were conducted on retail outlets. The Mpumalanga Liquor Regulations and the Gambling Amendment Bill were

published for public comments. 9 municipalities capacitated and 8 ready to submit street-trading by laws for approval

2.4. Economic planning

The department is in the final stages of drafting the Mpumalanga Economic Development Strategy. The third draft was presented to the EXCO committee on Economy, Investment and Employment cluster where it was well received. The strategy will focus on achieving, simultaneously, high and sustainable economic growth rates and equity. A set of sector plans will be developed during the financial year.

The department is on the process of finalising the identification of economic opportunities for the Moloto Development Corridor and a report will be handed over for approval once the opportunities have been identified. The directorate will also continue to conduct four sector studies which will be completed by the end of the financial year.

The Department has developed a geographic information system (GIS) that can be accessible to Departments that have direct access to the network at Head Office. This has been done using internet based technology. It is also providing information services to stakeholders by processing information requests pertaining to Mpumalanga's economy. An economic status and outlook was incorporated in the Department's policy and budget speech to assist in setting economic development priorities.

It should be noted that the department will on a continuous basis analyse and monitor the impact the economic development strategies have on the economy of the province.

3. Outlook for the coming financial year (2009/2010)

3.1. Integrated economic development services

Enterprise development will be focusing on implementing both the Provincial SMME and Cooperative strategies strategy which will be the key focus of the department in the forthcoming years. Furthermore the department will continue to monitor the implementation support of programmes through SEDA and the spatial coverage of enterprise development services to all Districts of the Province which will result in more entrepreneurs accessing services. The department will facilitate enterprise, LED and empowerment programmes in the province by ensuring that there is a fully functional integrated support services which is going to be realised by the three components. The Department will continue with its effort to create an entrepreneurship culture through planned entrepreneurial seminars for the targeted groups.

The department will endeavour to mobilise support from stakeholders on the establishment of the Provincial SMME and Cooperative Support Agency ensure and SMME's access financial support from the financial institutions that work with the department and we will have 30 Cooperatives established and 25 maintained. In order to track the number SMME's that have been assisted, the department will create and maintain a database of cooperatives established and will be classified according to sectors.

The Department will focus on the facilitation of the empowerment of historically disadvantaged individuals through the implementation of the Provincial BBBEE Strategy and the creation of awareness on BBBEE in the province. Advocacy meetings with big corporations and the public sector will be held and the Codes of Good Practice communicated. The Department will continue to strengthen and give support to the Provincial BBBEE Advisory Committee and its activities.

In order to stimulate robust and sustainable economic growth that would lead to the reduction of poverty, unemployment and inequalities by 2014, the Directorate will continue to support municipalities to achieve the following:

- All municipalities must have credible LED plans in place by the financial year 2009/10.
- To continuously facilitate capacity building programmes to create a conducive environment for business investment.
- The municipalities must be able to attract more investment by making use of the investment plans which will be developed during this financial year 2008/09.
- The Directorate shall co-ordinate joint project planning and implementation by both the three spheres of government to enhance alignment and integration of policy for service delivery.

3.2. Trade and industry development

Priorities will be scheduled to focus on industry, trade development and growth programmes, namely:

- Inculcation of export culture in producers not yet exposed to the export environment
 - The Mpumalanga Department of Economic Development and Planning in partnership with the Department of Science and technology's Advanced Manufacturing Technology Strategy Implementation Unit (AMTS) is in the process of implementing one of the AMTS's HRD programmes known as the **Programme for Industrial Manufacturing Excellence (PRIME)**.
 - The KMIA Industrial Park will be built upon approval of the identified sites.
 - On IPAP the department will continue to work closely with DWAF to assist land claimants in the Forestry Industry thereby creating sustainable jobs.
 - Capacity building in export management and operations and product development skills
 - Practical exposure to the market environment through exhibitions and selling shows both domestic and international
 - Intensive follow-up on prospective deals
 - Creation of linkages of programmes to the Craft Prioritized Sector Programme.
 - The SADC Trade Protocol brought about the Free Trade Area (FTA) that would enhance regional economic integration thus fostering smooth trade between countries neighbouring the Province such as Swaziland and Mozambique. Such declaration of the FTA would create an enabling environment for trade to take place between member countries in the region thus reducing poverty and unemployment in the region. The Maputo Corridor flagship would be a reality with such agreements in place as they create a platform for trade to take place. The creation of the One Stop Border Post at the Lebombo Ressano Garcia is one of the industrial infrastructures that would create a seamless border between Mozambique and South Africa as exports are being taken to and from the Port of Maputo.
 - The Department will continue to support Small Exporters through domestic and foreign trade exhibitions and pavillion to broaden their market base.
- Priorities on the promotion of investment in the Province will be based on the following areas:
- The latter is part of the AsgiSA programme to half unemployment and to reduce poverty in the country.
 - The Chief Directorate would be engaged vigorously in the promotion of foreign direct investment (FDI) in the province through outward bound and inward trade missions that have been planned with MEGA. Through the marketing of investment opportunities present in the province to foreign countries, bilateral agreements could ensue and this could create a platform for investments to take place.
- Priorities on the Sector Development in the Province will be based on the following areas:

- The establishment and support of three incubators in the Province in agro-processing and stainless steel such as the Food Technology Centre, Mpumalanga Stainless Initiative(MSI) and Wool Processing Centre in Mbombela, Steve Tshwete and gert Sibande.
- The promotion of downstream and upstream beneficiation of minerals such as coal and stainless steel would be the focus so that more jobs can be created along the chain and not be dependent on the exporting of these resources as raw materials.
- Attraction of investments in four areas of the Province for Business Process Outsourcing (BPO) call centres namely: Dr JS Moroka, Govan Mbeki, Mbombela and Emalahleni Local municipalities. These could attract at least 600 jobs combined if such investments could be attracted for the BPOs.
- Develop, facilitate and support the small scale mining and energy sector through the Mining and Energy Supply Park in Nkangala District Municipality.
- The support and establishment of the Food Technology Centre in the Ehlanzeni District with the support of Institutions of Higher Learning such as Tshwane University of Technology (TUT).

As part of the flagship programmes the Maputo Development Corridor will spearhead the promotion of investment in the province. An Investment Plan is being finalized for the purposes of identification of investment s opportunities that are present in the Province along the MDC. This is so done in collaboration with the municipalities so that these municipalities could be the ones creating the environment suitable for investment in these areas identified. Alignment with municipalities' IDPs would be very important as they are responsible for land tenure in areas meant for infrastructural investment. The bilateral agreements between our Province and Maputo Province and City will be key in the realization of the investment opportunities that will be created through such agreements. Key infrastructure projects are expected to be invested in both the Provinces and City of Mozambique and Mpumalanga.

The department will on a continuous basis review, monitor and evaluate the implementation of the Mpumalanga Tourism Growth Strategy to ensure that Mpumalanga remains the destination of choice. The department will also do the following plans to enhance the Tourism Growth Strategy: Tourism Safety, Transformation and SMME support Plans. The department will monitor closely the implementation of the Tourism Flagship project. As a way of continuous capacity building of municipalities and role players of tourism, training programme based on Responsible Tourism Planning has been initiated. Capacity building programme will be conducted in three districts to ensure alignment of tourism plans with the Mpumalanga Tourism Growth Strategy (MTGS). The Department will continue to facilitate the implementation of the tourism projects through the Greening Mpumalanga, Heritage and Tourism Flagship programme

3.3. Business regulation and governance

The Directorate will be adequately capacitated to handle all planned outputs for the 2009/10 financial year. The regulations in terms of the Mpumalanga Consumer Affairs Act shall have been finalized and the court will be in full operation to handle all cases of unfair business practices.

Our participation in the national Consumer Protection Forum, which is a body composed of the DTI and all provincial departments responsible for consumer protection as well as Regulatory bodies, will enhance the quality of education and awareness programmes and ease the process of resolution of consumer cases.

The Consumer Protection Bill which is envisaged to be in operation in the next financial year will go a great deal in the effective protection of consumer's rights.

3.4. Economic planning

The world is gripped by an economic crisis of unprecedented proportions. Even though South Africa is not directly facing the structural anomalies and market extravagance that gave rise to this state of affairs, we are also going to be greatly affected by the resultant global economic downturn. It is therefore within this environment that we have to re-assess our priorities and respond appropriately to the new challenges.

The Department will analyse and generate reports that give direction to economic development direction, based on the State of the Nation Address, the State of the Province Address, the national and provincial budget as well as the Medium Term Budget and Policy Statement. In order to manage responses to economic development challenges, using the National Industrial Policy Framework and the Industrial Policy Action Plan, the Department will seek to identify policy interventions that can assist in ameliorating the economic challenges facing our economy. Following on from the Economic Development Strategy of the previous year, a plan for Industrial Development will be crafted. It will finalise the development of sector strategies on ICT, Bio-fuels as well as develop a strategy on tourism safety and a plan for Tourism SMME support.

Research will be carried out on, labour market demands in the sectors of the economy, as well as determination of priority sectors and interventions in order to achieve ASGISA targets on growth and unemployment taking into account the economic challenges. Research on export route map will also be conducted. As a continuation from the Moloto Corridor economic scoping exercise, detailed research will be conducted on identified key industries along the corridor to identify priority sector interventions to achieve the ASGISA targets on growth and unemployment, taking into account the economic challenges.

The Department will roll out its economic information resource services to district municipalities and will update its database and GIS information as well as improve its access and functionality at the Department's regional offices. It will continue to process information requests and will analyse statistical data to publish an economic profile of the Province and create a knowledge base on economic opportunities as well as initiate discussion on development path options. Analysis will be carried out on the impact of tourism development and skills development, on the economy and livelihoods of the people of the Province. There shall be monitoring and impact evaluation on the implementation of infrastructure programmes including the Maputo Development Corridor, on growth and employment.

4. Receipts and financing

4.1 Summary of receipts

Table 6.1: Summary of receipts: Economic Development & Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
Equitable share	165 995	311 485	351 348	421 270	420 270	384 179	467 348	497 717	527 180
Conditional grants									
Departmental receipts	24 500	10 000	20 000	21 384	21 384	21 384	23 095	24 942	26 439
Total receipts	190 495	321 485	371 348	442 654	441 654	405 563	490 443	522 659	553 619

4.2 Departmental receipts collection

Table 6.2: Departmental receipts: Economic Development Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
Tax receipts	27 404	29 419	31 966	33 762	33 762	37 701	51 281	51 397	70 607
Casino taxes	22 444	24 088	25 951	27 988	27 988	32 917	44 586	44 350	63 246
Horse racing taxes	3 500	4 000	4 000	4 000	4 000	4 122	4 725	4 961	5 209
Liquor licences	1 344	1 195	1 823	1 556	1 556	662	1 711	1 796	1 881
Tourist Guide	95	110	160	180	180		216	245	226
Commission of Insurance	21	26	32	38	38		43	45	45
Sales of goods and services other than capital assets						223			
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	684	774	758	832	832	2 195	2 232	2 343	2 454
Sales of capital assets						120			
Financial transactions in assets and li	55	54	70	86	86		92	96	99
Total departmental receipts	28 143	30 247	32 794	34 680	34 680	40 239	53 605	53 836	73 160

Table 6.3: Summary of receipts: Economic Development and Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Treasury funding									
Equitable share	165 995	311 485	351 348	421 270	420 270	384 179	467 348	497 717	527 180
Conditional grants									
Other (Specify)	24 500	10 000	20 000	21 384	21 384	21 384	23 095	24 942	26 439
Total Treasury funding	190 495	321 485	371 348	442 654	441 654	405 563	490 443	522 659	553 619
Departmental receipts									
Tax receipts	27 404	29 419	31 966	33 762	33 762	37 701	51 281	51 397	70 607
Casino taxes	22 444	24 088	25 951	27 988	27 988	32 917	44 586	44 350	63 246
Horse racing taxes	3 500	4 000	4 000	4 000	4 000	4 122	4 725	4 961	5 209
Liquor licences	1 344	1 195	1 823	1 556	1 556	662	1 711	1 796	1 881
Tourism	95	110	160	180	180		216	245	226
Commision	21	26	32	38	38		43	45	45
Motor vehicle licences									
Sales of goods and services other than capital assets						223			
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	684	774	758	832	832	2 195	2 232	2 343	2 454
Sales of capital assets						120			
Financial transactions in assets and	55	54	70	86	86		92	96	99
Total departmental receipts	28 143	30 247	32 794	34 680	34 680	40 239	53 605	53 836	73 160
Total receipts	218 638	351 732	404 142	477 334	476 334	445 802	544 048	576 495	626 779

5. Payment summary

5.1 Key assumptions

- ICT Strategy
- Project Bravo
- Business linkages for project Kusile
- KMIA Industrial Park

5.2 Programme Summary

Table 6.4: Summary of payments and estimates: Economic Development and Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Administration	32 893	41 427	52 168	86 369	66 179	66 179	86 653	101 105	113 718
Integrated Economic Development	10 269	165 206	259 594	93 825	89 392	85 916	95 766	104 567	108 845
Trade and Industry Development	133 833	79 524	19 806	203 713	229 538	199 714	235 548	244 230	254 671
Business Regulation		21 058	14 796	43 129	43 129	43 129	58 281	55 427	58 675
Economic Planning	13 500	14 270	24 984	15 618	13 416	10 625	14 195	17 330	17 710
Total payments and estimates: (nar)	190 495	321 485	371 348	442 654	441 654	405 563	490 443	522 659	553 619

5.3 Summary of Economic Classification

Table 6.5: Summary of provincial payments and estimates by economic classification: Economic Development and

R thousand	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Current payments	184 295	167 255	130 819	170 657	136 157	136 157	185 469	199 144	209 991
Compensation of employees	91 673	94 671	42 508	94 369	69 369	69 369	93 281	105 485	116 201
Goods and services	92 622	72 584	88 311	76 288	66 788	66 788	92 188	93 659	93 790
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to:	4 700	154 024	238 029	269 372	300 372	300 372	301 274	322 015	340 928
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private entities	2 500	3 400	123 651	63 950	63 950	63 950	67 148	70 506	74 031
Foreign governments and international organisations									
Non-profit institutions	2 200	150 624	114 378	205 422	236 422	236 422	234 126	251 509	266 897
Households									
Payments for capital assets	1 500	206	2 500	2 625	5 125	5 125	3 700	1 500	2 700
Buildings and other fixed structures									
Machinery and equipment	1 500	206	2 500	2 625	5 125	5 125	3 700	1 500	2 700
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification: (na	190 495	321 485	371 348	442 654	441 654	441 654	490 443	522 659	553 619

5.4 Transfers

5.4.1 Transfers to public entities

Table 6.6: Summary of departmental transfers to public entities

R thousand	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
MEGA	2 500	3 400	60 905	63 950	63 950	63 950	67 148	70 506	74 031
MTPA		137 228	147 606	168 916	192 916	164 625	193 654	200 861	212 782
MGB		6 636	21 853	25 506	25 506	25 508	34 835	36 648	39 115
Zithabiseni	2 200	6 760	7 665	11 000	18 000	18 000	10 300	14 000	15 000
Total departmental	4 700	154 024	238 029	269 372	300 372	272 083	305 937	322 015	340 928

6. Programme description

6.1 Programme 1: Administration

6.1.1 Description and objectives

- Provide effective and efficient administrative support service and leadership for the department.
- Provide sound financial and administrative support to the department.

Strategic objectives

- Provide political leadership, management and oversight of economic development institutions and systems for effective and efficient implementation of the political mandate.
- Provide effective and efficient strategic leadership to the department. Conduct an oversight and Chief Accounting Role.
- Provide efficient and effective administration support to the department.

Table 6.7: Summary of payments and estimates: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
Office of the MEC	5 643	4 735	4 725	4 152	4 536	3 331	4 992	5 390	5 918
Management Services	5 300	3 527	6 808	6 049	6 298	5 704	6 777	7 032	7 600
Financial Management		16 188	24 638	40 609	31 949	33 843	40 053	51 662	55 600
Corporate Services	21 950	16 977	15 997	35 559	23 396	23 301	34 831	37 021	44 600
Total payments and estimate:	32 893	41 427	52 168	86 369	66 179	66 179	86 653	101 105	113 718

Table 6.8: Summary of provincial payments and estimates by economic classification: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Current payments	31 393	41 221	49 668	85 144	62 454	64 284	84 353	99 605	111 018
Compensation of employees	13 500	18 469	27 454	43 634	29 842	29 444	40 750	54 815	63 900
Goods and services	17 893	22 752	22 214	41 510	32 612	34 840	43 603	44 790	47 118
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to:						20			
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households						20			
Payments for capital assets	1 500	206	2 500	1 225	3 725	1 875	2 300	1 500	2 700
Buildings and other fixed structures									
Machinery and equipment	1 500	206	2 500	1 225	3 725	1 875	2 300	1 500	2 700
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification: Program	32 893	41 427	52 168	86 369	66 179	66 179	86 653	101 105	113 718

6.2 Programme 2: Integrated Economic Development Services

6.2.1 Description and objectives

- Enhance shared economic growth through sustainable enterprises.

Strategic Objectives

- Promote and develop small enterprises.
- Facilitate local economic development.
- Facilitate the process of implementation of Broad-Based Black Economic Empowerment [BBBEE] Policy.

Table 6.9: Summary of payments and estimates: Integrated Economic Development Services

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
CD: Office Support	1 500	1 605	1 685	1 685	2 510	1 402	1 269	1 857	2 000
Enterprise Development	8 769	162 401	253 999	82 311	78 069	78 238	85 509	91 685	95 269
Local Economic Development			1 810	2 644	3 627	2 092	3 409	3 066	3 219
Economic Empowerment		1 200	2 100	7 185	5 186	4 184	5 579	7 959	8 357
Total payments and estimate:	10 269	165 206	259 594	93 825	89 392	85 916	95 766	104 567	108 845

Table 6.10: Summary of provincial payments and estimates by economic classification: Integrated Economic Development Services

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Current payments	5 569	11 182	21 565	29 375	24 942	21 517	28 618	34 061	34 814
Compensation of employees	2 500	4 206	6 380	17 636	13 805	10 350	15 114	16 760	17 704
Goods and services	3 069	6 976	15 185	11 739	11 137	11 167	13 504	17 301	17 110
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to:	4 700	154 024	238 029	63 950	63 950	63 950	67 148	70 506	74 031
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises		3 400	123 651	63 950	63 950	63 950	67 148	70 506	74 031
Foreign governments and international organisations									
Non-profit institutions	2 500	150 624	114 378						
Households	2 200								
Payments for capital assets				500	500	449			
Buildings and other fixed structures									
Machinery and equipment				500	500	449			
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification: Program	10 269	165 206	259 594	93 825	89 392	85 916	95 766	104 567	108 845

6.2.5 Service Delivery Measures

Programme / Subprogramme / Performance Measures	Estimated Annual Targets		
	2009/2010	2010/2011	2011/2012
Programme 2: Integrated Economic Development			
2.1 Enterprise Development			
Number of SMMEs supported through the institutions	100	100	100
Number of cooperatives supported	30	30	30
Number of institutions established	0	0	1
Number of institutions supported	4	4	5
2.2 Local Economic Development			
Number of economic development projects supported at municipalities	3	3	3
Number of capacity building interventions at municipalities	3	3	3
Number of LED strategies aligned to PGDS and other spatial development plans	21	21	21
2.3 Economic Empowerment			
Number of BBBEE workshops conducted	4	4	4

6.3 Programme 3: Trade and Industry Development

6.3.1 Description and objectives

- Drive trade, industry development, export promotion and to attract investments.
- Stimulate sustainable tourism growth and enhance biodiversity conservation.

Strategic Objective

- Ensure growth in exports and investment in the province
- Ensure the development of competitive industries in growth sectors
- Ensure industrial development in the province
- Create a platform to enhance sustainable tourism growth. Ensure that the MTPA delivers on the mandate of the department

Table 6.11: Summary of payments and estimates: Trade and Sector Development

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
CD: Office Support			1 685	1 685	1 685	2 196	1 269	1 847	1 624
Trade and Investment Promotor	80 833	59 100	8 400	7 820	5 509	4 973	8 261	8 817	9 258
Sector Development	25 000	12 424	5 915	5 211	4 546	2 279	11 523	6 914	7 260
Strategic Initiatives	28 000	8 000	3 806	4 897	2 632	1 789	5 841	6 191	6 501
Tourism				184 100	215 166	188 477	208 654	220 461	230 028
Total payments and estimate:	133 833	79 524	19 806	203 713	229 538	199 714	235 548	244 230	254 671

Table 6.12: Summary of provincial payments and estimates by economic classification: Trade and Sector Development

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Current payments	133 833	79 524	19 806	23 497	18 322	16 501	31 594	29 369	26 889
Compensation of employees	73 400	61 512	4 025	15 437	8 620	9 229	13 021	11 450	11 013
Goods and services	60 433	18 012	15 781	8 060	9 702	7 272	18 573	17 919	15 876
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to:				179 916	210 916	182 653	203 954	214 861	227 782
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions				179 916	210 916	182 625	203 954	214 861	227 782
Households						28			
Payments for capital assets				300	300	560			
Buildings and other fixed structures									
Machinery and equipment				300	300	560			
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification: Program	133 833	79 524	19 806	203 713	229 538	199 714	235 548	244 230	254 671

6.3.2 Service Delivery Measures

Programme / Subprogramme / Performance Measures	Estimated Annual Targets		
	2009/2010	2010/2011	2011/2012
Programme 3: Trade and Industry Development			
3.1 Trade and Investment Promotion			
Number of Foreign Direct Investments facilitated	5	5	5
Value of investments attracted	R200m	R200m	R200m
Number of companies actively assisted with export support	6	8	8
3.2 Sector Development Industry			
Number of key sectors identified and supported	6	6	6
Number of interventions implemented in key sectors	3	3	2
3.3 Industry Development			
Number of high-impact initiatives packaged/developed	4	4	4
Number of high impact initiatives implemented	4	4	4

6.4 Programme 4: Business Regulation

6.4.1 Description and objectives

- Implement policies and legislation that contributes towards the creation of an environment conducive to business development and fair trade.

Strategic Objective

- Implement consumer protection and awareness strategies that create an environment conducive to fair trade
- Develop and implement liquor regulatory policies and legislation that ensures compliance with applicable liquor Laws.
- Develop and implement Gambling and Betting regulatory policies and legislation that ensures compliance.
- Develop and implement Business regulatory policies and legislation that ensures compliance with business legislation

Table 6.13: Summary of payments and estimates: Business Regulation and Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
CD: Office Support			1 685	1 685	1 685	1 685	1 269	1 847	1 624
Consumer Protection		21 058	4 898	11 277	11 277	11 277	17 433	12 476	13 257
Regulation Services			4 898	30 167	30 167	30 167	39 579	41 104	43 794
Liquor Regulation									
Gambling and Betting			3 315						
Total payments and estimate:		21 058	14 796	43 129	43 129	43 129	58 281	55 427	58 675

Table 6.14: Summary of provincial payments and estimates by economic classification: Business Regulation and Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
Current payments		21 058	14 796	17 323	17 323	17 314	23 446	18 779	19 560
Compensation of employees		8 000	2 317	11 461	11 461	11 461	16 422	13 213	13 874
Goods and services		13 058	12 479	5 862	5 862	5 853	7 024	5 566	5 686
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to:				25 506	25 506	25 508	34 835	36 648	39 115
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions				25 506	25 506	25 508	34 835	36 648	39 115
Households									
Payments for capital assets				300	300	307			
Buildings and other fixed structures									
Machinery and equipment				300	300	307			
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification: Program		21 058	14 796	43 129	43 129	43 129	58 281	55 427	58 675

6.4.2 Service Delivery Measures

Programme / Subprogramme / Performance Measures	Estimated Annual Targets		
	2009/2010	2010/2011	2011/2012
Programme 4: Business Regulations and Governance			
4.1 Regulation services			
Number of barriers identified(link with objectives)			
Number of barriers addressed(link with objectives)			
4.2 Consumer Protection			
Number of complaints resolved	1200	1300	1300
Number of consumer rights interventions conducted	176	176	176
4.3 Liquor Regulation			
Number of liquor license applications processed	950	950	950

6.5 Programme 5: Economic Planning

6.5.1 Description and objectives

- Provide economic development policy and research, knowledge management and impact monitoring and evaluation services

Strategic Objective

- Formulate provincial economic policy priorities for integration into the PGDS and to inform program interventions. Drive provincial integrated economic planning.
- Drive and co-ordinate relevant provincial economic research
- Provide economic and development information intelligence services.
- Determine the impact and effectiveness of economic policy priorities, strategies and targeted intervention programmes in the province.

Table 6.15: Summary of payments and estimates: Economic Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
CD: Office Support				1 685	1 045	903	1 269	1 847	1 624
Economic Policy and Planning	1 500	1 605	1 685	3 051	1 295	2 304	2 866	3 273	3 437
Research and Development	3 500	3 745	13 932	4 007	3 122	3 534	4 000	4 545	4 600
Knowledge Management	6 000	6 420	6 742	4 200	4 002	2 867	3 198	4 631	4 863
Monitoring and Evaluation	2 500	2 500	2 625	2 675	3 952	1 017	2 862	3 034	3 186
Total payments and estimate:	13 500	14 270	24 984	15 618	13 416	10 625	14 195	17 330	17 710

Table 6.16: Summary of provincial payments and estimates by economic classification: Economic Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
Current payments	13 500	14 270	24 984	15 318	13 116	10 407	14 195	17 330	17 710
Compensation of employees	2 273	2 484	2 332	6 201	5 641	5 516	8 641	9 247	9 710
Goods and services	11 227	11 786	22 652	9 117	7 475	4 891	5 554	8 083	8 000
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to:									
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households									
Payments for capital assets				300	300	218			
Buildings and other fixed structures									
Machinery and equipment				300	300	218			
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification: Program	13 500	14 270	24 984	15 618	13 416	10 625	14 195	17 330	17 710

6.5.2 Service Delivery Measures

Programme / Subprogramme / Performance Measures	Estimated Annual Targets		
	2009/2010	2010/2011	2011/2012
Programme 5: Economic Planning			
5.1 Policy and Planning			
Number of integrated policies	4	4	4
Number of strategies developed	4	4	4
Number of policies reviewed/updated	4	4	4
5.2 Research and Development			
Number of research reports compiled	4	4	4
5.3 Knowledge Management			
Number of economic intelligence reports developed	2	2	2
Number of knowledge management modules developed	3	3	3
5.4 Monitoring and Evaluation			
Number of monitoring reports	3	3	3
Number of evaluation reports	3	3	3

6.6. Other Programme Information

6.6.1 Personnel numbers and costs

Table 6.17: Personnel numbers and costs¹: Economic Development and Planning

Personnel numbers	As at 31 March 2006	As at 31 March 2007	As at 31 March 2008	As at 31 March 2009	As at 31 March 2010	As at 31 March 2011	As at 31 March 2012
Programme 1: Administration	28	63	112	150	193	199	200
Programme 2: Integrated Economic Development	10	22	74	74	70	85	85
Programme 3: Trade and Industry Development	233	176	173	77	67	67	67
Programme 4: Business Regulation and Governance		38	30	82	92	92	92
Programme 5: Economic Planning	24	19	19	31	34	34	34
Total provincial personnel numbers	295	318	408	414	456	477	478
Total department personnel cost (R thousand)	91 673	94 671	42 508	69 369	93 948	105 485	116 201
Unit cost (R thousand)	311	298	104	168	206	221	243

1. Full-time equivalent

Table 6.18: Summary of departmental personnel numbers and costs

R thousand	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Total for province									
Personnel numbers (head count)	295	318	408	414	414	414	456	477	478
Personnel cost (R thousands)	91 673	94 671	42 508	94 369	69 369	71 479	93 948	105 485	116 201
Human resources component									
Personnel numbers (head count)									
Personnel cost (R thousands)									
Head count as % of total for province									
Personnel cost as % of total for province									
Finance component									
Personnel numbers (head count)		24	45	45	45	45	45	45	45
Personnel cost (R thousands)		6 108	15 431	19 695	11 035	11 035	15 914	23 603	29 500
Head count as % of total for province		8%	11%	11%	11%	11%	10%	9%	9%
Personnel cost as % of total for province		6%	36%	21%	16%	15%	17%	22%	25%
Full time workers									
Personnel numbers (head count)	281	313	369	378	378	378	409	430	431
Personnel cost (R thousands)	91 673	94 667	43 604	93 869	68 495	70 605	93 948	104 652	116 237
Head count as % of total for province	95%	98%	90%	91%	91%	91%	90%	90%	90%
Personnel cost as % of total for provinc	100%	100%	103%	99%	99%	99%	100%	99%	100%
Part-time workers									
Personnel numbers (head count)									
Personnel cost (R thousands)									
Head count as % of total for province									
Personnel cost as % of total for province									
Contract workers									
Personnel numbers (head count)			12	24	24	24			
Personnel cost (R thousands)			504	1000	1000	1000			
Head count as % of total for province									
Personnel cost as % of total for province									

6.6.2 Training

Table 6.19(a): Payments on training: Economic Development and Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Programme 1: Administration	959	351	351	400	400	400	550	650	750
<i>of which</i>									
Subsistence and travel									
Payments on tuition	959	351	351	400	400	400	550	650	750
Programme 2: (name)									
Subsistence and travel									
Payments on tuition									
....									
Programme n: (name)									
Subsistence and travel									
Payments on tuition									
Total payments on training: (name of i	959	351	351	400	400	400	550	650	750

Table 6.19(b): Information on training: Economic Development and Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Number of staff									
Number of personnel trained	84	126	126	160	160	160	99	180	220
<i>of which</i>									
Male	63	51	51	70	70	70	90	90	90
Female	21	75	75	90	90	90	9	90	90
Number of training opportunities	101	69	69	105	105	105	120	120	120
<i>of which</i>									
Tertiary	29	31	31	45	45	45	50	50	50
Workshops	51	25	25	35	35	35	40	40	40
Seminars									
Other	21	13	13	25	25	25	30	30	30
Number of bursaries offered	29	31	31	45	45	45	50	50	50
Number of interns appointed									
Number of learnerships appointed	22	22	22	28	28	28	30	30	30
Number of days spent on training									

6.6.3 Reconciliation of structural changes

Table 6.20: Reconciliation of structural changes: Economic Development and Planning

	Programmes for 2007/08		Programmes for 2009/10	
	2008/09 Equivalent		Programme	Subprogramme
	Programme	Subprogramme		
Pr 1. Administration	1		Pr 1. Administration	1
Office of the MEC		1.1	Office of the MEC	1.1
Management services		1.2	Management Services	1.2
Financial Management		1.3	Financial Management	1.3
Corporate Services		1.4	Corporate Services	1.4
Pr 2. Intergrated Economic Development Services	2		Pr 2. Intergrated Economic Development Services	2
Enterprise Development		2.1	CD:Office Support	2.1
Local Economic Development		2.2	Enterprise Development	2.2
Economic Empowerment		2.3	Local Economic Development	2.3
			Economic Empowerment	2.4
Pr 3. Trade and Industry Development	3		Pr 3. Trade and Sector Development	3
Trade and Investment Promotion		3.1	CD:Office Support	3.1
Sector Development		3.2	Trade and Investment Promotion	3.2
Industry Development		3.3	Sector Development	3.3
			Strategic Inniatives	3.4
			Tourism	3.5
Pr 4. Business Regulation	4		Pr 4. Business Regulation and Governance	4
Corporate Services		4.1	CD:Office Support	4.1
Consumer Protection		4.2	Consumer Protection	4.2
Regulation Services		4.3	Regulation Services	4.3
Gambling and Beting		4.4	Liquor Regulation	4.4
Pr 5. Economic Planning	5		Pr 5. Economic Planning	5
Policy and Planning		5.1	CD:Office Support	5.1
Research and Development		5.2	Policy and Planning	5.2
Knowledge Management		5.3	Research and Development	5.3
Monitoring and Evaluation		5.4	Knowledge Management	5.4
			Monitoring and Evaluation	5.5

Annexure to Budget statement 2

Table B.1: Specification of receipts: Economic Development and Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
Tax receipts	27 288	29 283	31 774	33 544	33 544	37 701	51 022	51 107	70 336
Casino taxes	22 444	24 088	25 951	27 988	27 988	32 917	44 586	44 350	63 246
Horse racing taxes	3 500	4 000	4 000	4 000	4 000	4 122	4 725	4 961	5 209
Liquor licences	1 344	1 195	1 823	1 556	1 556	662	1 711	1 796	1 881
Motor vehicle licences									
Sales of goods and services other than capital assets	116	136	192	218	218	223	259	290	271
Sale of goods and services produced by department (excluding capital assets)									
Sales by market establishments									
Administrative fees									
Other sales	116	136	192	218	218	223	259	290	271
Of which									
Tourist	95	110	160	180	180	181	216	245	226
Commission on Insurance	21	26	32	38	38	42	43	45	45
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
Transfers received from:									
Other governmental units									
Universities and technikons									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions									
Fines, penalties and forfeits									
Interest, dividends and rent on land	684	774	758	832	832	2 195	2 232	2 343	2 454
Interest	684	774	758	832	832	2 195	2 232	2 343	2 454
Dividends									
Rent on land									
Sales of capital assets									
Land and subsoil assets									
Other capital assets									
Financial transactions in assets and liabilities	55	54	70	86	86	120	92	96	99
Total departmental receipts	28 143	30 247	32 794	34 680	34 680	40 239	53 605	53 836	73 160

Table B.2: Financial summary for the MEGA

R thousand	Outcome			Revised estimate 2008/09	Medium-term estimates		
	2005/06	2006/07	2007/08		2009/10	2010/11	2011/12
Revenue							
Tax revenue							
Non-tax revenue	25 059	27 513	35 486	60 891	72 080	88 317	576 733
Sale of goods and services other than capital assets	4 832	5 219	3 486	30 000	33 700	37 100	38 955
<i>Of which:</i>							
Admin fees							
Interest	4 832	5 219	3 486	30 000	33 700	37 100	38 955
Non-market est. sales							
Other non-tax revenue	20 227	22 294	32 000	30 891	38 380	51 217	537 778
Transfers received							
Sale of capital assets							
Total revenue	25 059	27 513	35 486	60 891	72 080	88 317	576 733
Expenses							
Current expense	93 376	150 474	126 818	144 366	155 855	158 217	166 128
Compensation of employees	24 604	26 102	32 640	35 375	37 515	41 275	43 339
Goods and services	43 977	100 943	46 234	84 666	93 650	91 587	96 166
Depreciation	919	1 057	944	1 125	790	900	945
Interest, dividends and rent on land	23 876	22 372	47 000	23 200	23 900	24 455	25 678
Interest	3 024	2 723		1 200	800	200	210
Dividends							
Rent on land	20 852	19 649	47 000	22 000	23 100	24 255	25 468
Tax and Outside shareholders Interest							
Adjustments to Fair Value							
Unearned reserves (social security funds only)							
Transfers and subsidies	12 177	18 983					
Total expenses	93 376	150 474	126 818	144 366	155 855	158 217	166 128
Surplus / (Deficit)	(68 317)	(122 961)	(91 332)	(83 475)	(83 775)	(69 900)	410 605
Cash flow summary							
Adjust surplus / (deficit) for accrual transactions	919	85 153	944	1 125	790	900	945
Adjustments for:							
Depreciation	919	1 057	944	1 125	790	900	945
Interest							
Net (profit) / loss on disposal of fixed assets		4 965					
Other		79 131					
Operating surplus / (deficit) before changes in working capital	(67 398)	(37 808)	(90 388)	(82 350)	(82 985)	(69 000)	411 550
Changes in working capital	25 099	(10 709)					
(Decrease) / increase in accounts payable							
Decrease / (increase) in accounts receivable	(12 787)	(10 709)					
(Decrease) / increase in provisions	37 886						
Cash flow from operating activities	(42 299)	(48 517)	(90 388)	(82 350)	(82 985)	(69 000)	411 550
Transfers from government							
<i>Of which: Capital</i>							
<i>: Current</i>							
Cash flow from investing activities	(74 348)	(23 904)	(199 032)	(74 700)	(114 968)	(144 744)	(151 980)
Acquisition of Assets	(30 753)	(1 912)	(81 100)	(23 350)	(42 084)	(43 468)	(45 641)
Other flows from Investing Activities	(43 595)	(21 992)	(117 932)	(51 350)	(72 884)	(101 276)	(106 339)
Cash flow from financing activities							
Net increase / (decrease) in cash and cash equivalents	(116 647)	(72 421)	(289 420)	(157 050)	(197 953)	(213 744)	259 570
Balance Sheet Data							
Carrying Value of Assets	272 087	219 197	227 309	249 454	290 742	332 910	349 555
Investments	21 468	19 592	56 424	84 426	115 223	172 303	180 918
Cash and Cash Equivalents	38 721	21 464	61 464	61 464	61 464	61 464	64 537
Receivables and Prepayments	3 883	6 197	6 450	6 480	7 395	8 424	8 855
Inventory	160	31	30	30	30	30	32
TOTAL ASSETS	336 319	266 481	351 677	401 854	474 854	575 131	603 897
Capital & Reserves	31 485	(70 459)	(105 671)	(88 596)	(61 766)	(10 001)	1 051
Borrowings	23 888	21 042	7 462				
Post Retirement Benefits							
Trade and Other Payables	23 469	21 185	21 033	17 595	17 568	17 263	18 126
Provisions	3 159	3 098	3 240	3 240	3 240	3 545	3 722
Managed Funds							
TOTAL EQUITY & LIABILITIES	82 001	(25 134)	(73 936)	(67 761)	(40 958)	10 807	22 899
Contingent Liabilities							

Table B.3: Financial summary for the MTPA

R thousand	Outcome			Revised estimate 2008/09	Medium-term estimates		
	2005/06	2006/07	2007/08		2009/10	2010/11	2011/12
Revenue							
Tax revenue							
Non-tax revenue			25 238	27 200	25 000	30 000	31 500
Sale of goods and services other than capital assets			13 000	11 200	5 000	6 000	6 300
<i>Of which:</i>							
Admin fees			3 000	4 000	5 000	6 000	6 300
Sales by market establishments			10 000	7 200			
Non-market est. sales							
Other non-tax revenue			12 238	16 000	20 000	24 000	25 200
Transfers received							
Sale of capital assets							
Total revenue			25 238	27 200	25 000	30 000	31 500
Expenses							
Current expense			154 308	269 864	295 468	320 392	336 411
Compensation of employees			86 702	136 000	146 880	158 630	166 561
Goods and services			50 200	117 480	141 168	153 662	161 345
Depreciation			5 239	7 100	7 420	8 100	8 505
Interest, dividends and rent on land			12 167	9 284			
Interest			550				
Dividends							
Rent on land			11 617	9 284			
Tax and Outside shareholders Interest							
Adjustments to Fair Value							
Unearned reserves (social security funds only)							
Transfers and subsidies							
Total expenses			154 308	269 864	295 468	320 392	336 411
Surplus / (Deficit)			(129 070)	(242 664)	(270 468)	(290 392)	(304 911)
Cash flow summary							
Adjust surplus / (deficit) for accrual transactions			(4 761)	(100)	7 420	8 100	8 505
Adjustments for:							
Depreciation			5 239	7 100	7 420	8 100	8 505
Interest			(10 000)	(7 200)			
Net (profit) / loss on disposal of fixed assets							
Other							
Operating surplus / (deficit) before changes in working capital			(133 831)	(242 764)	(263 048)	(282 292)	(296 406)
Changes in working capital							
(Decrease) / increase in accounts payable							
Decrease / (increase) in accounts receivable							
(Decrease) / increase in provisions							
Cash flow from operating activities			(133 831)	(242 764)	(263 048)	(282 292)	(296 406)
Transfers from government			137 228	159 355	167 323	17 689	18 573
<i>Of which: Capital</i>							
<i>: Current</i>			137 228	159 355	167 323	17 689	18 573
Cash flow from investing activities							
Acquisition of Assets							
Other flows from Investing Activities							
Cash flow from financing activities							
Net increase / (decrease) in cash and cash equivalents			(133 831)	(242 764)	(263 048)	(282 292)	(296 406)
Balance Sheet Data							
Carrying Value of Assets			10 920	14 930	15 690	15 810	16 600
Investments							
Cash and Cash Equivalents			4 800	2 200	2 200	1 800	1 890
Receivables and Prepayments			1 458	1 620	2 400	2 400	2 520
Inventory							
TOTAL ASSETS			17 178	18 750	20 290	20 010	21 010
Capital & Reserves			(129 070)	(371 734)	(642 202)	932 594	979 223
Borrowings			27 000	45 000	45 000	45 000	47 250
Post Retirement Benefits							
Trade and Other Payables			3 000	1 200	1 200	2 200	2 310
Provisions			584	15 600	3 120	3 180	3 339
Managed Funds			16 000	25 000	42 000	42 000	44 100
TOTAL EQUITY & LIABILITIES			(82 486)	(284 934)	(550 882)	1024 974	1076 222
Contingent Liabilities							

Table B.4: Financial summary for the MGB

R thousand	Outcome			Revised estimate 2008/09	Medium-term estimates		
	2005/06	2006/07	2007/08		2009/10	2010/11	2011/12
Revenue							
Tax revenue	493	404	443	400	400	400	420
Non-tax revenue	65	215	155	100	100	100	105
Sale of goods and services other than capital assets		43					
Of which:							
Admin fees							
Interest		43					
Non-market est. sales							
Other non-tax revenue	65	172	155	100	100	100	105
Transfers received							
Sale of capital assets							
Total revenue	558	619	598	500	500	500	525
Expenses							
Current expense	15 035	17 301	17 808	24 140	27 839	29 854	31 345
Compensation of employees	9 854	11 153	12 045	15 808	18 178	19 996	20 995
Goods and services	4 008	5 173	4 792	6 978	8 307	8 504	8 929
Depreciation	1 173	975	971	1 354	1 354	1 354	1 421
Interest, dividends and rent on land							
Interest							
Dividends							
Rent on land							
Tax and Outside shareholders Interest							
Adjustments to Fair Value							
Unearned reserves (social security funds only)							
Transfers and subsidies	137	149	106	120	132	145	
Total expenses	15 035	17 301	17 808	24 140	27 839	29 854	31 345
Surplus / (Deficit)	(14 477)	(16 682)	(17 210)	(23 640)	(27 339)	(29 354)	(30 820)
Cash flow summary							
Adjust surplus / (deficit) for accrual transactions	1 201	615	528	954	954	914	
Adjustments for:							
Depreciation	1 173	976	971	1 354	1 354	1 354	1 421
Interest	(493)	(404)	(443)	(400)	(400)	(440)	(462)
Net (profit) / loss on disposal of fixed assets	28	43					
Other	493						
Operating surplus / (deficit) before changes in working capital	(13 276)	(16 067)	(16 682)	(22 686)	(26 385)	(28 440)	(30 820)
Changes in working capital							
(Decrease) / increase in accounts payable							
Decrease / (increase) in accounts receivable							
(Decrease) / increase in provisions							
Cash flow from operating activities	(13 276)	(16 067)	(16 682)	(22 686)	(26 385)	(28 440)	(30 820)
Transfers from government	14 192	17 140	20 000	26 853	28 464	30 172	31 680
Of which: Capital							
: Current	14 192	17 140	20 000	26 853	28 464	30 172	31 680
Cash flow from investing activities	306	564	323	2 450	2 597	2 753	2 890
Acquisition of Assets	306	564	323	2 450	2 597	2 753	2 890
Other flows from Investing Activities							
Cash flow from financing activities							
Net increase / (decrease) in cash and cash equivalents	(12 970)	(15 503)	(16 359)	(20 236)	(23 788)	(25 687)	(27 930)
Balance Sheet Data							
Carrying Value of Assets	6 441	10 085	9 437	10 533	11 776	13 018	13 668
Investments							
Cash and Cash Equivalents	9 916	8 883	8 883	8 883	8 883	8 883	8 487
Receivables and Prepayments	573	1 905	1 180	1 475	1 475	1 200	1 260
Inventory							
TOTAL ASSETS	16 930	20 873	19 500	20 891	22 134	23 101	23 415
Capital & Reserves	(2 807)	(15 274)	(33 963)	(54 630)	(81 109)	(109 850)	115 342
Borrowings							
Post Retirement Benefits							
Trade and Other Payables	5 123	4 702	4 702	3 000	3 250	3 500	3 675
Provisions							
Managed Funds							
TOTAL EQUITY & LIABILITIES	2 316	(10 572)	(29 261)	(51 630)	(77 859)	(106 350)	119 017
Contingent Liabilities							

Table B.5: Financial summary for the Zithabiseni

R thousand	Outcome			Revised estimate 2008/09	Medium-term estimates		
	2005/06	2006/07	2007/08		2009/10	2010/11	2011/12
Revenue							
Tax revenue							
Non-tax revenue							
Sale of goods and services other than capital assets							
<i>Of which:</i>							
Admin fees							
Sales by market establishments							
Non-market est. sales							
Other non-tax revenue							
Transfers received							
Sale of capital assets							
Total revenue							
Expenses							
Current expense	5 720	6 760	7 300	11 000	13 000	14 000	15 000
Compensation of employees	5 720	6 760	7 300	11 000	13 000	14 000	15 000
Goods and services							
Depreciation							
Interest, dividends and rent on land							
Interest							
Dividends							
Rent on land							
Tax and Outside shareholders Interest							
Adjustments to Fair Value							
Unearned reserves (social security funds only)							
Transfers and subsidies							
Total expenses	5 720	6 760	7 300	11 000	13 000	14 000	15 000
Surplus / (Deficit)	(5 720)	(6 760)	(7 300)	(11 000)	(13 000)	(14 000)	(15 000)
Cash flow summary							
Adjust surplus / (deficit) for accrual transactions							
Adjustments for:							
Depreciation							
Interest							
Net (profit) / loss on disposal of fixed assets							
Other							
Operating surplus / (deficit) before changes in working capital	(5 720)	(6 760)	(7 300)	(11 000)	(13 000)	(14 000)	(15 000)
Changes in working capital							
(Decrease) / increase in accounts payable							
Decrease / (increase) in accounts receivable							
(Decrease) / increase in provisions							
Cash flow from operating activities	(5 720)	(6 760)	(7 300)	(11 000)	(13 000)	(14 000)	(15 000)
Transfers from government							
<i>Of which: Capital</i>							
<i>: Current</i>							
Cash flow from investing activities							
Acquisition of Assets							
Other flows from Investing Activities							
Cash flow from financing activities							
Net increase / (decrease) in cash and cash equivalents	(5 720)	(6 760)	(7 300)	(11 000)	(13 000)	(14 000)	(15 000)
Balance Sheet Data							
Carrying Value of Assets							
Investments							
Cash and Cash Equivalents							
Receivables and Prepayments							
Inventory							
TOTAL ASSETS							
Capital & Reserves							
Borrowings							
Post Retirement Benefits							
Trade and Other Payables							
Provisions							
Managed Funds							
TOTAL EQUITY & LIABILITIES							
Contingent Liabilities							