

# VOTE 3

## DEPARTMENT OF ECONOMIC DEVELOPMENT

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To be appropriated	R 1 084 655 000
Responsible MEC	MEC for Economic Development
Administering department	Department of Economic Development
Accounting officer	Head of Department

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### 1. OVERVIEW

#### **Vision**

To facilitate the creation of decent work sustainable, and shared economic growth the development of the Gauteng Global City Region as an integrated region and to contribute to the building of a society which is just and inclusive.

#### **Mission**

To stimulate the growth of Gauteng's economy by providing leadership to achieve the following objectives throughout the Gauteng Global City Region (GCR):

- Creation of direct jobs
- Sector and industry development
- Trade and investment promotion
- Strategic economic infrastructure
- Local Economic Development
- SMME and co-operative development and support
- Supporting resource efficiency and corporate governance
- Effective regulation

#### **Legislative mandate**

##### *National legislation*

- Credit Agreements Act, 1980
- Business Act, 1991
- Public Service Act, 1994
- Sale and Service Matters Amendment Act, 1995
- Skills Development Act, 1998
- Employment Equity Act, 1998
- World Heritage Convention Act, 1999
- Public Finance Management Act (PFMA), 1999
- Promotion of Access to Information Act, 2000
- Administration of Justice Act, 2000
- Preferential Procurement Policy Framework Act, 2000
- Municipality Systems Act, 2000
- Municipal Finance Management Act (MFMA), 2004
- Convention Concerning the Protection of the World Cultural and Natural Heritage (adopted by the General Conference UNESCO on 16 November 1972 and by the RSA on 10 July 1997)
- National Environmental Management: Protected Areas Act, 2003

### *Provincial legislation*

- Gauteng Gambling Act, 1995, 1996, 2001
- Gauteng Unfair Business Practices Act, 1996
- Gauteng Tourism Act, 2001
- Liquor Act, 2003
- Blue IQ Investment Holding Act, 2003
- Intergovernmental Fiscal Relations Act, 1997

### *Policy mandates*

- 2009-2014 Electoral Manifesto
- Medium Term Strategic Framework (MTSF)
- GCR perspective: This perspective envisages Gauteng's future as that of an integrated and globally competitive region where the economic activities of different parts of the province complement each other in consolidating it as an economic hub of Africa and an internationally recognised global city region.
- Gauteng Employment, Growth and Development Strategy (GEGDS): The GEGDS, an integrated socio-economic development and poverty reduction strategy which is currently under review, outlines the specific provincial commitments to attaining national government's goal of halving unemployment by 2014.

### *Strategic objectives*

- Strategic economic infrastructure: To direct investment into strategic economic infrastructure in targeted sectors;
- Local economic development: To promote equitable and balanced economic development across all GCR localities;
- Sector and industry development: To accelerate the development of high growth, competitive and labour absorbing sectors;
- SMME support: To promote, support and develop sustainable SMMEs and co-operatives;
- Trade and investment promotion: To attract domestic direct investment (DDI) and foreign direct investment (FDI) in identified industries and unlock increased trade opportunities on the African continent and across the globe;
- Resource efficiency and corporate governance: To use resources efficiently and to achieve high standards of corporate governance and accountability; and
- Regulation: To promote an efficient, equitable and socially responsible business environment.

## 2. REVIEW OF THE 2009/10 FINANCIAL YEAR

The commencement of the new term of governance in 2009/10 resulted in the formulation and adoption of seven new provincial strategic priorities, based on the 2014 Medium Term Strategic Framework.

By virtue of its mandate, the department subscribes to the provincial strategic priority of creating decent work and building a growing and inclusive economy through promoting the programmes outlined below.

Government encourages employment and other economic opportunities in key sectors, including tourism. In particular, it assists Small Medium and Micro Enterprises. During the year the Gauteng Tourism Authority (GTA) assisted 95 SMMEs by providing information about establishment of a tourism business. To prepare for tourists' arrival it also hosted eight familiarization tours for international and local media, tour operators, and business persons in the travel trade, musicians and influential domestic groups. To position the province as a tourism destination, GTA met with 30 FIFA accredited tour operators and six club association event planners to package Gauteng attractions and accommodation for the 2010 football event. The Authority also star graded 405 rooms by the end of the third quarter.

Blue IQ contributes to the promotion of tourism through the Cradle of Humankind (COH) Reserve and Dinokeng Game Reserve (DGR). There has been progress in infrastructure development, marketing activities, legal requirements and completed research reports at COH. A 20-kilometre cycle track and four traffic circles within the reserve were constructed during 2009/10. The COH was marketed at a cocktail event in Cape Town attended by more than 250 tour operators, and it was publicized at the World Travel Market, a premier annual global travel industry exhibition in London, and at the Soccerex event as well as in media advertisements. Legally, the COH is awaiting the approval of the Master of the Supreme Court of the amended trust deed relating to the trust reconstitution procedure. Research has taken place on how best to manage the ongoing investment, and research reports and international trend reports have been completed.

In DRG, construction of fencing is in progress and will be completed by the end of 2009/10. The Department is also constructing five gates within the reserve. With regard to sourcing funds, the reserve profiled local firms that could provide support and developed an interim fundraising strategy. Research has taken place on how best to manage the ongoing investment, and research reports and international trend reports have been completed.

In creating conditions for the creation of more decent work, the province planned to promote its competitive advantages as a leading investment destination and trade and export partner. In this regard, the Gauteng Economic Development Agency (GEDA) facilitated investments worth R1.2 billion that created 1 575 jobs. This included a R22 million investment in the furniture industry that created 75 jobs. GEDA also exposed 35 companies to new export markets thus facilitating exports worth R464 million.

Contributing to government's provision of financial and non-financial support to SMMEs and its development of an accessible network of one-stop business support centres, the Gauteng Economic Propeller (GEP) approved loans totaling R30.4 million by the end of the third quarter. These loans comprise R1 million for start-ups; R15.8 million for contract finance; R2.1 million for franchises and R10.5 million for expansion purposes. It is the aim of GEP to serve as a one-stop service point for SMMEs. GEP provides a basket of services including facilitating the registration of businesses and intellectual property rights through the Companies and Intellectual Property Registration Office (CIPRO) and training of SMMEs and cooperatives. GEP registered approximately 68 SMMEs and trained 318 SMMEs and 16 cooperatives.

Government's plans to accelerate economic growth include promoting the ICT sector, research and development, and the film and other creative industries. The Gauteng Film Commission (GFC) facilitated the creation of 895 employment opportunities through permitted productions. GFC supported ten film and television projects (namely: Bela Bela, Ke mo fumane, Masters of Rhythm, Violence, Mbo's Comedy Show, My Zulu Wedding, Down Memory Club, Vuma, Doctor Phuthu, Khabzela and Foreigner). Partnerships between the GFC and other organizations yielded social benefits. The continuation of the training partnership between the GFC and Big Fish School of Digital Filmmaking benefitted 60 people. Another partnership, with the Women of the Sun, resulted in the training of 70 people. The First Wednesday Film Club screenings held in partnership with Atlas Studios attracted 720 audience members. A total of 1 535 people attended the GFC outreach screenings held during the third quarter.

With regard to ICT, the Department put strategies in place enabling the call centre and business process outsourcing industries to contribute significantly to the Gauteng economy. This is a stage in planning to market the province to international investors in these industries, given that the province is the key economic hub of the country. The Department consulted the City of Johannesburg and the City of Tshwane metropolitan municipalities regarding proposed projects in each. The Department also consulted GEDA about attracting potential domestic and international investors to the province. Blue IQ initiated the Student Support Programme and identified a suitable partner for developing the IT platform for this programme. Progress includes the development of a test site for the project and populating the system with information. The project is ready for piloting in five schools in the province.

In relation to research and development, Blue IQ developed a concept document for the Johannesburg Science Park that will focus on health research and medicines. In providing marginalized sectors with access to economic activity, the government planned to review the Broad-Based Black Economic Empowerment (BBBEE) Strategy. Accordingly, the Department completed the draft of the revised strategy during the financial year and completed the first phase of linking the province with the Department of Trade and Industry's Opportunity Database through an IT portal to standardize and centralise BBBEE reporting. Through workshops held during the year, the Department highlighted the BEE opportunities available to entrepreneurs with disabilities.

Government committed to supporting local economic development (LED) to improve business competitiveness. Some of these initiatives relate to the development and implementation of the Gauteng-wide LED strategic framework and strategies. In 2009/10 the Department therefore finalised the LED framework, the Cooperative Strategy and the Cooperative Strategy implementation plan. The LED-related initiatives to date include a workshop held with the foundry industry, the launch of the West Rand District Mining and Manufacturing Forum, the Plastic Recycling Cluster in West Rand and the Alexandra Shared Industrial Production Facility built on land provided by the City of Johannesburg Metropolitan Municipality.

In relation to stimulating inclusive and equitable economic development in the province, the Department reviewed the Growth and Development Strategy and drafted the Decent Work Framework, Gauteng response to

the economic crisis, the Gauteng Employment Growth and Development Strategy, the Funeral Industry Bill and the Cluster Report.

There has been progress in development planning during the financial year relating to phases 1 and 2 of the Gauteng Spatial Development Framework (GSDF), the Gauteng Planning and Development Bill (GPDB) and implementation of electronic systems. The Department consulted key sector departments to obtain input to GSDF and presented phases 1 and 2 of this framework to the Gauteng Planning Commission. The drafting of the fourth version of the GPDB and the outline of the associated regulations was completed. The first draft of the Land Use Management System is complete. The Department is implementing phase 1 of the development electronic application system.

### 3. OUTLOOK FOR THE 2010/11 FINANCIAL YEAR

In the coming financial year, the Department will continue to focus on projects and programmes that give effect to the provincial strategic priority of creating decent work and building a growing and inclusive economy.

The Department will focus on the Community Works Programme in order to create employment in the short term. This flagship programme intends to create real jobs in communities, which also assist in building up communities and improving the services and infrastructure available.

Based on statistics that indicate that the majority of youth is unemployed, the Department plans to intervene by launching a programme that will promote employment for school leavers. The programme aims to connect school leavers with the job market as soon as possible thus increasing their prospects of employment. The pilot phase of the programme will take place in 2010/11.

The government has committed to promoting sustainable energy for the economy and development by supporting sectors that create green jobs. This will also mitigate the impact of climate change. The Department will focus on green jobs and a Green Economy Strategy that will promote long-term sustainable economic growth and development. The focus of the strategy is on pro-green buildings that reduce carbon emissions and promote energy savings in GPG buildings. It also promotes investment opportunities through developing a concentrated solar power plant to provide efficient and green energy at a lower cost.

The province has responded to the economic recession through the Gauteng Economic Recovery Plan. This identifies short term and medium term interventions that include accelerating labour-intensive infrastructure projects to create more jobs; providing social packages to assist distressed households; SMME support interventions; and plans to support distressed industries, prioritising the hardest hit such as the automotive, clothing, textile, leather and footwear industries.

The Department has effected improvements in the traditional support for municipal LED initiatives by focusing on enhancing LEDs especially in the areas in which it will implement the Community Works Programme. The focus will be on Buy Back Centres that support community groups, cooperatives and individuals involved in environmental projects to earn income from waste recycling. The focus will also be on the development of shared industrial facilities to provide infrastructure supporting light industrial activities in marginalized areas such as townships. A key factor in this initiative is the support that the municipalities will provide in the form of capacity required for implementing the initiatives.

The Department will intervene strategically to mobilise and empower the marginalized and impoverished members of local communities by creating an enabling environment for businesses, SMMEs and cooperatives. For this reason, the Department developed a strategy and implementation plan for supporting SMMEs and cooperatives. The key strategic areas are building entrepreneurial skills, providing education, disseminating information, coaching, mentoring and facilitating linkages with big businesses.

The Department will develop an industrial policy framework and sectoral development strategies to promote growth and development in sectors with employment multipliers and backward linkages.

Tourism in 2010 will benefit from implementation of the Gauteng 2010 Soccer World Cup Tourism Strategy that aims to leverage off the World Cup to support SMMEs in marginalized areas and promote Gauteng tourism products to local and international tourists.

The Department will implement the turnaround strategy for liquor affairs. The strategy involves addressing the backlogs in licensing, improving revenue collections, bolstering data collections and mapping with geographic information system (GIS) software, establishing processes to eliminate fraud and eliminate the issuing of illegal licenses.

Other strategies on which the Department will focus in 2010/11 include: development of a strategy to support the film industry with bias towards the post-production facilities in the province; finalisation of the GEGDS; implementation of the recommendations from the Gauteng Cost of Doing Business Study; implementation of BBBEE reporting; and a joint review of departmental agencies with the OoP.

## 4. RECEIPTS AND FINANCING

### 4.1 Summary of receipts

TABLE 1: SUMMARY OF RECEIPTS:ECONOMIC DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Equitable share	665 055	635 826	913 167	913 715	875 719	875 719	1 084 655	1 228 598	846 746
<b>Total receipts</b>	<b>665 055</b>	<b>635 826</b>	<b>913 167</b>	<b>913 715</b>	<b>875 719</b>	<b>875 719</b>	<b>1 084 655</b>	<b>1 228 598</b>	<b>846 746</b>

The allocation to the department is in the form of the equitable share. The departmental budget allocation has grown by 40 per cent between 2006/07 and 2008/09.

In the 2009/10 financial year, the appropriated funds declined to R875.7 million due to a surrender of R40 million to the Provincial Revenue Fund to fund priority areas within the province. The savings resulted from cost containment measures during the year.

The budget increases from R913.7 million in 2009/10 to R1.1 billion in the 2010/11 financial year and subsequently to R1.2 billion in 2011/12, followed by a sharp decrease in the 2012/13 financial year due to the termination of the motorsports contracts. The department reviewed the government's costly long term contractual obligations of the motorsports project in order to realise efficiency savings to be reallocated towards job-creation initiatives that promote inclusive economic growth. The breakage costs of these contracts are in the process of being finalised, however certain commitments still need to be fulfilled in the 2010/11 financial year, as a result of the rights for certain motorsport events that have already been paid for in the 2009/10 financial year. The savings in the motorsport contracts have enabled the department to focus more on job creation initiatives through industrial development as well as the focus on green jobs and the green economy, which have resulted in increased expenditure in the first two years of the 2010 MTEF.

### 4.2 Departmental receipts collection

Revenue sources for the department are classified as monies prescribed by law, casino taxes, betting taxes, liquor license revenue (reflected in the trading account), fines and forfeitures and own departmental revenue tariffs like parking fees and waste paper recycling.

TABLE 2: DEPARTMENTAL RECEIPTS: ECONOMIC DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Tax receipts	454 145	532 819	553 479	625 996	625 996	565 696	613 874	649 749	687 771
Casino taxes	427 034	502 128	521 608	593 911	593 911	533 007	525 203	556 718	590 118
Horse racing taxes	27 111	30 691	31 871	32 085	32 085	32 689	72 671	77 031	81 653
Liquor licences							16 000	16 000	16 000
Motor vehicle licences									

## 2010 Estimates of Provincial Expenditure

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Sales of goods and services other than capital assets	9 666	8 966	(6011)	42 448	42 448	3 239			
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	3 756	5 589	7 470			2 849			
Sales of capital assets									
Transactions in financial assets and liabilities	12 855	57	261	236	236	214	250	261	272
<b>Total departmental receipts</b>	<b>480 422</b>	<b>547 431</b>	<b>555 199</b>	<b>668 680</b>	<b>668 680</b>	<b>571 998</b>	<b>614 124</b>	<b>650 010</b>	<b>688 043</b>

The department is one of the four main contributors to the revenue collected in the province. This department generates revenue from gambling taxes which is comprised of casino and horseracing taxes. The department is also liable for direct charges, which are the charges that the department pays to the primary collectors who collect revenue on behalf of the department. Gambling revenue collected is undertaken by the Gauteng Gambling Board which is paid a commission of 6 per cent to finance its operations.

The revenue increased steadily from R480.4 million in the 2006/07 financial year to R555.2 million in 2008/09 financial year as a result of better than projected revenue collection. The anticipated revenue over the 2010 MTEF is expected to increase because of the improved tax collection. In the 2010/11 financial year revenue is projected at R614.1 million as a result of the economic slump in the country which has impacted on the income of many casinos and subsequently casino taxes.

## 5. PAYMENT SUMMARY

### 5.1 Key assumptions

The budget was compiled in accordance with the Provincial Budget Guidelines. The new departmental strategies, based on the 2014 Medium Term Strategic Framework, inform the Department's budget. Cost-saving strategies, inflation-related adjustments, personnel cost increases and performance bonuses for levels 1 to 12 were taken into account.

### 5.2 Programme summary

**TABLE 3: SUMMARY OF PAYMENTS AND ESTIMATES: ECONOMIC DEVELOPMENT**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
1. Administration	54 838	80 623	93 945	83 130	96 330	96 330	106 829	123 406	99 159
2. Integrated Economic Development Services	124 431	183 903	155 159	261 468	230 368	230 368	249 022	605 290	266 561

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
3. Trade and Sector Development	449 006	288 818	518 599	514 680	485 280	485 280	649 386	422 779	412 369
4. Business Regulation and Governance	20 173	29 611	38 099	40 705	47 705	47 705	56 218	51 773	51 739
5. Economic Planning	6 554	9 205	20 027	13 732	16 036	16 036	23 200	25 350	16 918
<b>Total payments and estimates</b>	<b>655 002</b>	<b>592 160</b>	<b>825 829</b>	<b>913 715</b>	<b>875 719</b>	<b>875 719</b>	<b>1 084 655</b>	<b>1 228 598</b>	<b>846 746</b>

### 5.3 Summary of economic classification

TABLE 4: SUMMARY OF ECONOMIC CLASSIFICATION: ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
<b>Current payments</b>	<b>107 746</b>	<b>129 125</b>	<b>155 903</b>	<b>155 688</b>	<b>178 902</b>	<b>178 346</b>	<b>219 770</b>	<b>237 114</b>	<b>195 433</b>
Compensation of employees	48 918	69 978	75 534	84 559	90 713	90 157	115 662	124 367	120 223
Goods and services	58 828	59 147	80 370	71 129	88 189	88 189	104 108	112 747	75 210
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>542 975</b>	<b>453 300</b>	<b>666 514</b>	<b>755 126</b>	<b>693 626</b>	<b>693 626</b>	<b>862 382</b>	<b>988 924</b>	<b>649 505</b>
Provinces and municipalities	78	5 700	2 500	10 000	10 000	10 000	21 500	10 000	10 000
Departmental agencies and accounts	385 553	354 389	368 456	430 345	386 645	386 645	485 135	803 176	445 172
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises	157 231	93 211	295 558	314 781	296 981	296 981	355 747	175 748	194 333
Non-profit institutions									
Households	113								
<b>Payments for capital assets</b>	<b>4 268</b>	<b>2 734</b>	<b>3 412</b>	<b>2 901</b>	<b>3 191</b>	<b>3 747</b>	<b>2 504</b>	<b>2 560</b>	<b>1 808</b>
Buildings and other fixed structures									
Machinery and equipment	4 268	2 734	3 412	2 901	3 191	3 747	2 504	2 560	1 808
Heritage Assets									



## 2010 Estimates of Provincial Expenditure

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>13</b>	<b>7 001</b>							
<b>Total economic classification</b>	<b>655 002</b>	<b>592 160</b>	<b>825 829</b>	<b>913 715</b>	<b>875 719</b>	<b>875 719</b>	<b>1 084 655</b>	<b>1 228 598</b>	<b>846 746</b>

Expenditure increased from R655 million in 2006/07 to R825.8 million in the 2008/09 financial year, an average growth rate of 30 per cent over the two-year period. The Trade and Sector Development Programme contributed an average of 60 per cent to the total expenditure of the department due transfers made to public entities.

In the 2009/10 financial year the budget decreased from R913.7 million to R875.7 million due a reprioritisation of the budget and a surrender of R40 million worth of savings realised from the implementation of cost saving measures.

The budget grows by an average of 12 per cent from R913.7 million in 2009/10 to R1.2 billion in the 2011/12 financial year as a result of funds allocated towards the motor sports projects. An expected decline of five per cent in the allocation for the 2012/13 financial year is due to the anticipated completion of motor sports projects.

The budget for compensation of employees increases from R84.6 million in 2009/10 to R120.2 million in the 2012/13 financial year as a result of inflationary adjustments to personnel costs. Over the 2010 MTEF compensation of employees slightly increases to accommodate inflationary adjustments.

Transfers and subsidies escalate from R755 million in 2009/10 to R988.9 million in 2011/12 due to transfers made to the departmental agencies that drive the objectives of the department. Payments for capital assets reflect a decline at a rate of 27 per cent per annum over the 2010 MTEF period.

## 5.4 Transfers

### 5.4.1 Transfers to public entities

TABLE 5: SUMMARY OF DEPARTMENTAL TRANSFERS TO PUBLIC ENTITIES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
1. Gauteng Economic Development Agency	42 500	70 486	56 993	57 000	64 000	64 000	65 836	52 234	54 846
2. Gauteng Tourism Agency	33 500	40 500	58 786	49 500	48 500	48 500	64 151	51 987	55 043
3. Gauteng Film office	14 100	48 550	39 036	20 000	16 400	16 400	16 070	15 007	15 603
4. Gauteng Enterprise Propeller	80 000	103 009	53 650	136 324	126 324	126 324	128 559	131 963	138 561
5. Blue IQ Investment Holding (Pty) Ltd	157 231	93 211	295 558	314 781	296 981	296 981	355 747	175 748	194 333
6. Gauteng Gambling Board	9 213								



	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
<b>Total transfers to public entities</b>	<b>336 544</b>	<b>355 756</b>	<b>504 023</b>	<b>577 605</b>	<b>552 205</b>	<b>552 205</b>	<b>630 363</b>	<b>426 939</b>	<b>458 386</b>

Transfers to public entities increase from R336.5 million in 2006/07 to R504 million in the 2008/09 financial year. During 2010/11, transfers to public entities declined from R577.6 million to R552.2 million due to an internal reprioritisation of the budget to fund priority areas in the province and a surrender of R40 million to the provincial revenue fund.

The total allocation for transfers to public entities increases from R577.6 million in 2009/10 to R630.4 million in the 2010/11 financial year due to an increase in transfers to entities.

The increase in the allocated transfers over the 2010 MTEF relates mainly to entities to stimulate economic growth and render integrated economic development services to the province in different ways, including:

- Financing the expansion of the tourism market share;
- Continuing with government guarantees to support SMMEs and their participation in the mainstream economy;
- Developing and promoting of the audiovisual industry; and
- Attracting and managing infrastructure development for sustainable economic growth.

### 5.3.2 Transfers to local government

**TABLE 6: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT: ECONOMIC DEVELOPMENT**

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Category A	78						3 600	11 600	17 200
Category B		300	2 500	3 575	3 575	3 575		6 300	10 000
Category C		5400		6 425	6 425	6 425	10 000	10 900	5 200
<b>Total departmental transfers to local government</b>	<b>78</b>	<b>5700</b>	<b>2 500</b>	<b>10 000</b>	<b>10 000</b>	<b>10 000</b>	<b>13 600</b>	<b>28 800</b>	<b>32 400</b>

Transfers and subsidies to local government fluctuate between R78 000 in 2006/07 and R2.5 million in the 2008/09 financial year. These transfers relate to the development of local economies in partnership with key stakeholders by aligning local economic development (LED) initiatives with government programmes.

Transfers to local government remains constant in the 2009/10 financial year amounting to R10 million of which R3.8 million constitutes Category B transfers and R6.4 million constitutes Category C transfers. Over the 2010 MTEF, transfers increase from R13.6 million in 2010/11 to R32.4 million in 2012/13.

## 6. PROGRAMME DESCRIPTION AND INPUT

### PROGRAMME 1: ADMINISTRATION

#### Programme description

Administration comprises the following programmes: Office of the MEC, Office of the HOD, Financial Management and Corporate Services. It is responsible for providing leadership, strategic management in accordance with legislation, regulations, and policies and ensuring appropriate support services to all other programmes.

#### Programme objectives

The programme's objective is to effectively and efficiently manage and direct the activities of the MEC, manage and direct the transversal administrative programmes that give leadership to the Department, provide effective financial management, ensure the implementation of the PFMA and other related financial regulations and policies, provide planning and budgeting support to the department, ensure implementation of risk management and provide strategic support to the department.

TABLE 7: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
1. Office of the MEC	7 290	7 989	13 035	11 761	12 311	12 311	11 429	12 356	11 193
2. Office of the HOD	3 529	20 088	20 647	8 317	9 317	9 317	22 300	31 330	14 876
3. Financial Management	14 737	13 612	16 481	15 450	17 500	17 500	18 150	19 620	18 290
4. Corporate Services	29 282	38 934	43 782	47 602	57 202	57 202	54 950	60 100	54 800
<b>Total payments and estimates</b>	<b>54 838</b>	<b>80 623</b>	<b>93 945</b>	<b>83 130</b>	<b>96 330</b>	<b>96 330</b>	<b>106 829</b>	<b>123 406</b>	<b>99 159</b>

TABLE 8 : SUMMARY OF ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
<b>Current payments</b>	<b>53 504</b>	<b>79 691</b>	<b>80 786</b>	<b>82 502</b>	<b>95 412</b>	<b>95 412</b>	<b>106 259</b>	<b>122 836</b>	<b>98 779</b>
Compensation of employees	22 037	36 853	37 425	48 049	51 399	51 399	55 620	60 600	58 290
Goods and services	31 467	42 838	43 362	34 453	44 013	44 013	50 639	62 236	40 489
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>41</b>		<b>11 500</b>						
Provinces and municipalities	16								
Departmental agencies and accounts			11 500						
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	25								

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
<b>Payments for capital assets</b>	<b>1 280</b>	<b>932</b>	<b>1 659</b>	<b>628</b>	<b>918</b>	<b>918</b>	<b>570</b>	<b>570</b>	<b>380</b>
Buildings and other fixed structures									
Machinery and equipment	1 280	932	1 659	628	918	918	570	570	380
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>13</b>								
<b>Total economic classification</b>	<b>54 838</b>	<b>80 623</b>	<b>93 945</b>	<b>83 130</b>	<b>96 330</b>	<b>96 330</b>	<b>106 829</b>	<b>123 406</b>	<b>99 159</b>

The total expenditure for the programme escalates from R54.8 million in 2006/07 to R93.4 million in 2008/09 financial year at an annual average growth rate of 32 per cent. The sub-programme that have a significant impact on the programme budget and expenditure is Corporate Services contributing 57 per cent to overall expenditure in 2008/09 as a result of support services provided to the Department.

During the 2009/10 financial year, the budget was adjusted upwards by 16 percent from R83 million to R96.3 million due to an internal reallocation of funding to provide finance for the development of a new communication strategy in the Office of the HOD. The contract for cleaning services was also renewed, provision was made for rates and taxes, a new security company was appointed and new software licenses were purchased.

The budget escalates from R106.3 million in 2010/11 to R123.4 million in 2011/12 as a result of an increase in current payments to expand the capacity of the programme. The budget for compensation of employees increases at an annual average rate of six per cent over the 2010 MTEF as a result of inflationary adjustments to personnel costs in the public service. The budget for capital assets relates to the purchasing of equipment for additional capacity. The budget for capital assets does not have a substantial impact on the spending pattern and decreases from R570 million in 2011/12 to R370 million in 2012/13.

**PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES****Programme description**

This programme consists of the Enterprise Development, Regional and Local Economic Development and Economic Empowerment sub-programmes. It is responsible for the promotion and support of sustainable integrated economic development through the development of enterprises, local economies and the empowerment of previously disadvantaged individuals.

**Programme objectives**

The programme's objective is to support and develop business enterprises directly and indirectly through financial and non financial assistance, to provide strategic economic development support to local and regional municipalities in terms of planning, alignment and implementation in partnership with key stakeholders, and to promote and support the participation of previously disadvantaged individuals in the mainstream economy through business intelligence, skills development and enterprise development.

**TABLE 9: SUMMARY OF PAYMENTS AND ESTIMATES: INTEGRATED ECONOMIC DEVELOPMENT SERVICES**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
1. Enterprise Development	85 089	103 673	60 877	138 418	131 418	131 418	130 907	134 788	140 641
2. Regional and Local Economic Development		6 312	5 427	10 033	13 033	13 033	23 759	12 212	11 850
3. Economic Empowerment	39 342	73 918	88 855	113 017	85 917	85 917	94 356	458 290	114 070
<b>Total payments and estimates</b>	<b>124 431</b>	<b>183 903</b>	<b>155 159</b>	<b>261 468</b>	<b>230 368</b>	<b>230 368</b>	<b>249 022</b>	<b>605 290</b>	<b>266 561</b>

**TABLE 10 : SUMMARY OF ECONOMIC CLASSIFICATION: INTEGRATED ECONOMIC DEVELOPMENT SERVICES**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
<b>Current payments</b>	<b>28 283</b>	<b>19 599</b>	<b>29 196</b>	<b>29 239</b>	<b>36 239</b>	<b>36 239</b>	<b>32 736</b>	<b>35 682</b>	<b>25 890</b>
Compensation of employees	10 911	14 698	12 207	9 926	11 926	11 926	11 020	11 795	10 405
Goods and services	17 372	4 901	16 989	19 313	24 313	24 313	21 716	23 887	15 485
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>93 819</b>	<b>162 782</b>	<b>125 342</b>	<b>231 324</b>	<b>193 224</b>	<b>193 224</b>	<b>216 026</b>	<b>569 388</b>	<b>240 591</b>
Provinces and municipalities	41	5 700	2 500	10 000	10 000	10 000	21 500	10 000	10 000
Departmental agencies and accounts	93 778	157 082	122 842	221 324	183 224	183 224	194 526	559 388	230 591
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
<b>Payments for capital assets</b>	<b>2 329</b>	<b>1 522</b>	<b>621</b>	<b>905</b>	<b>905</b>	<b>905</b>	<b>260</b>	<b>220</b>	<b>80</b>
Buildings and other fixed structures									
Machinery and equipment	2 329	1 522	621	905	905	905	260	220	80
Heritage Assets									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>124 431</b>	<b>183 903</b>	<b>155 159</b>	<b>261 468</b>	<b>230 368</b>	<b>230 368</b>	<b>249 022</b>	<b>605 290</b>	<b>266 561</b>

Expenditure for 2006/07 to 2008/08 fluctuates, having increased from R124.4 million in 2006/07 to R183.9 million in 2007/08, and subsequently declining in 2008/09 to R155 million mainly as a result of internal budgetary reallocations. The sub-programmes Economic Empowerment and Enterprise Development contribute the largest share of to the programme expenditure. Expenditure under Enterprise Development contributes 39 per cent to total programme expenditure in 2008/09 and fluctuated from 2006/07 to 2008/09. Economic Empowerment contributed 57 per cent to total expenditure in 2008/09 with an upward trend from 2006/07 to 2008/09.

In the 2009/10 financial year the budget of the programme was adjusted downwards due to the reprioritisation of funds and a surrender of R40 million to the provincial revenue fund. This resulted in a decrease in transfers to departmental agencies and accounts. The minimal capital budget of R950 000 in 2009/10 remained constant and was not adjusted in order to fund the acquisition of equipment for departmental operations.

Over the 2010 MTEF period, the allocation fluctuates from R249 million in the 2010/11 financial year to R605.3 million in 2011/12 as a result of a large financial injection into departmental agencies and accounts in that year, declining subsequently to R267 million in 2012/13. In the 2011/12 financial year, the sub-programme Economic Empowerment is to receive R458.3 million or 75 per cent of the total budget. The cost driver of the programme over the 2010 MTEF is transfers to departmental agencies and accounts. The budget for current payments declines over the 2010 MTEF from R32.7 million in 2010/11 to R25.9 million in 2012/13. The minimal budget for capital assets also decreases over the seven year period under review from R2.3 million in 2006/07 to R80 000 in the 2012/13 financial year.

## KEY OUTPUTS AND SERVICE DELIVERY MEASURES

### INTEGRATED ECONOMIC DEVELOPMENT

Programme/Subprogramme/Performance measures	Estimated Annual Targets		
	2010/11	2011/12	2012/13
<b>2.1 Enterprise Development</b>			
Number of existing SMME'S supported	130	180	230
Number of existing cooperatives supported	150	175	200
<b>2.2 Regional &amp; local economic development</b>			
Number of capacity building interventions to municipalities	14	28	28

**PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT****Programme description**

The Trade and Sector Development Programme is responsible for the stimulation, facilitation and increase of economic growth through sector development, trade and investment promotion.

**Programme objectives**

The programme objective is to facilitate trade and export promotion and attract investment, by developing strategies for positioning the industrial sector as a key contributor to economic growth and development and facilitating the implementation of strategic programme that will stimulate the competitiveness of priority sectors.

**TABLE 11: SUMMARY OF PAYMENTS AND ESTIMATES: TRADE AND SECTOR DEVELOPMENT**

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
1. Trade and Investment Promotion	42 500	70 486	59 220	58 328	65 328	65 328	67 236	53 697	56 381
2. Sector Development	249 275	125 121	163 821	141 571	122 971	122 971	226 403	193 334	161 655
3. Strategic Initiatives	157 231	93 211	295 558	314 781	296 981	296 981	355 747	175 748	194 333
<b>Total payments and estimates</b>	<b>449 006</b>	<b>288 818</b>	<b>518 599</b>	<b>514 680</b>	<b>485 280</b>	<b>485 280</b>	<b>649 386</b>	<b>422 779</b>	<b>412 369</b>

**TABLE 12 : SUMMARY OF ECONOMIC CLASSIFICATION: TRADE AND SECTOR DEVELOPMENT**

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
<b>Current payments</b>			<b>2 227</b>	<b>1 313</b>	<b>1 313</b>	<b>1 284</b>	<b>2 916</b>	<b>3 128</b>	<b>3 339</b>
Compensation of employees			2 136	1 275	1 275	1 246	2 743	2 967	3 177
Goods and services			91	38	38	38	173	161	162
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>449 006</b>	<b>288 818</b>	<b>516 372</b>	<b>513 352</b>	<b>483 952</b>	<b>483 952</b>	<b>646 356</b>	<b>419 536</b>	<b>408 914</b>
Provinces and municipalities									
Departmental agencies and accounts	291 775	195 607	220 814	198 571	186 971	186 971	290 609	243 788	214 581
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises	157 231	93 211	295 558	314 781	296 981	296 981	355 747	175 748	194 333
Non-profit institutions									
Households									
<b>Payments for capital assets</b>				<b>15</b>	<b>15</b>	<b>44</b>	<b>115</b>	<b>115</b>	<b>116</b>
Buildings and other fixed structures									
Machinery and equipment				15	15	44	115	115	116
Heritage Assets									
Specialised military assets									
Biological assets									

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>449 006</b>	<b>288 818</b>	<b>518 599</b>	<b>514 680</b>	<b>485 280</b>	<b>485 280</b>	<b>649 386</b>	<b>422 779</b>	<b>412 369</b>

Expenditure for the period 2006/07 to 2008/09 fluctuated from R449 million in 2006/07 to R518.6 million in the 2008/09 financial year as a result of variations in transfers to departmental agencies, public corporations and private enterprises over the three years. In the 2006/07 financial year the sub-programme Sector Development contributed 56 per cent to total expenditure for the programme. The sub-programme Strategic Initiatives contributed 57 per cent to the total programme expenditure in the 2008/09 financial year.

In the 2009/10 financial year, the budget for the programme was adjusted downwards from R514.7 million to R485.2 million in order to surrender surplus funds amounting to R40 million to the provincial revenue fund. The internal reallocation of the budget in 2009/10 enabled an escalation in the budget for capital assets.

Over the 2010 MTEF the largest share of the budget is allocated to the sub-programmes Strategic Initiatives and Sector Development due to the transfer of funds to public entities. The cost drivers of the programme are transfers to departmental agencies, public corporations and private corporations. This formed almost 100 per cent of the total budget of the programme of in the 2010/11 financial year and the increase in transfers to departmental agencies and accounts is as a result the motorsports projects. The largest share of the budget is allocated for the development of strategic economic infrastructure to facilitate economic growth and contribute to job creation through Blue IQ Investment Holdings (Pty) Ltd.

Transfers to public entities contributing to economic growth includes institutions such as GFC, that promotes the film and audio visual industry, and projects such as Dinokeng, the Cradle of Humankind GTA that will generate sustainable economic returns to Gauteng. The Gauteng Economic Development Agency (GEDA) promote foreign investment in the Gauteng province.

The allocation for payments for capital assets escalates from R15 000 in the 2008/09 financial year to R115 000 over the 2010 MTEF. Compensation of employees reflects an average annual growth rate of 7 per cent over the 2010 MTEF increasing from R2.7 million in 2010/11 to R3.2 million in 2012/13 financial year.

## KEY OUTPUTS AND SERVICE DELIVERY MEASURES

### TRADE AND SECTOR DEVELOPMENT

Programme/Sub programme/Performance measures	Estimated Annual Targets		
	2010/11	2011/12	2012/13
<b>3.1 Trade and Investment Promotion</b>			
Value of investments attracted	R2bn	R2bn	2Rbn
Number of companies actively assisted with export support	30	30	30
<b>3.2 Sector Development Industry</b>			
Number of key sectors identified and supported	5	3	3
Number of interventions implemented in key sectors	2	1	0
<b>3.3 Industry Development</b>			
Number of high-impact initiatives packaged/developed	1	1	1
Number of high impact initiatives implemented	1	1	1



**PROGRAMME 4: BUSINESS REGULATION AND GOVERNANCE****Programme description**

The Programme consists of Governance (Agency Oversight and BroadBBBEE), consumer protection, Liquor Regulation and Gambling and Betting. It is responsible for ensuring an equitable, socially responsible and predictable business environment.

**Programme objectives**

The programme objective is to promote an equitable, socially responsible and predictable business environment that ensures fair trade and good governance.

**TABLE 13: SUMMARY OF PAYMENTS AND ESTIMATES: BUSINESS REGULATION AND GOVERNANCE**

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
1. Governance	8 748	9 075	12 096	15 353	14 853	14 853	12 592	13 850	14 432
2. Regulation Services			515	2 677	4 177	4 177	2 886	3 334	2 790
3. Consumer Protection	11 425	11 778	12 188	12 225	12 225	12 225	12 150	12 370	11 920
4. Liquor Regulation		7 058	13 300	10 450	16 450	16 450	28 590	22 219	22 597
5. Gambling and Betting		1 700							
<b>Total payments and estimates</b>	<b>20 173</b>	<b>29 611</b>	<b>38 099</b>	<b>40 705</b>	<b>47 705</b>	<b>47 705</b>	<b>56 218</b>	<b>51 773</b>	<b>51 739</b>

**TABLE 14: SUMMARY OF ECONOMIC CLASSIFICATION: BUSINESS REGULATION AND GOVERNANCE**

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
<b>Current payments</b>	<b>19 624</b>	<b>20 703</b>	<b>24 017</b>	<b>29 823</b>	<b>30 823</b>	<b>30 296</b>	<b>54 934</b>	<b>50 403</b>	<b>50 682</b>
Compensation of employees	12 228	13 893	15 923	20 364	20 364	19 837	38 484	40 550	40 541
Goods and services	7 396	6 810	8 094	9 459	10 459	10 459	16 450	9 853	10 141
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>108</b>	<b>1 700</b>	<b>13 300</b>	<b>10 450</b>	<b>16 450</b>	<b>16 450</b>			
Provinces and municipalities	20								
Departmental agencies and accounts		1 700	13 300	10 450	16 450	16 450			
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	88								
<b>Payments for capital assets</b>	<b>441</b>	<b>207</b>	<b>782</b>	<b>432</b>	<b>432</b>	<b>959</b>	<b>1 284</b>	<b>1 370</b>	<b>1 057</b>
Buildings and other fixed structures									
Machinery and equipment	441	207	782	432	432	959	1 284	1 370	1 057
Heritage Assets									
Specialised military assets									

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>		7 001							
<b>Total economic classification</b>	20 173	29 611	38 099	40 705	47 705	47 705	56 218	51 773	51 739

The programme expenditure increased from R20 million in 2006/07 to R38.1 million in the 2008/09 financial year. The sub-programmes Consumer Protection and Governance contributed the largest portions to total expenditure over the period 2006/07 to 2008/09. The cost drivers of expenditure for the 2007/08 and 2008/09 financial years were current payments, transfers and subsidies , payment for financial assets and payment for capital assets.

During the 2009/10 financial year, the budget of the programme increased from R40.7 million to R47.7 million to ensure that priority areas are funded. The allocation for the sub-programme Regulation Services escalated by 56 per cent from R2.7 million to R4.2 million, the allocation for Liquor Regulation increased by R6 million and Governance declined with R500 000.

The appropriated funds increase by R47.7 million in 2009/10 to R56.2 million in the 2011/12 financial year, due to an escalation in the budget for Liquor Regulation. The average annual growth rate over the 2010 MTEF period is 10 per cent mainly attributable to current payments and payments for capital assets. The budget for compensation of employees grows over the 2010 MTEF from R38.5 million in the financial year 2010/11 to R40.5 million in 2012/13 to provide for inflationary adjustments to personnel costs. . The allocation for goods and services over the 2010 MTEF decreases and the budget for capital assets range between R1.2 million in 2010/11 and R1.3 million in the 2011/12 financial year.

## KEY OUTPUTS AND SERVICE DELIVERY MEASURES

### BUSINESS REGULATIONS AND GOVERNANCE

Programme/Subprogramme/Performance measures	Estimated Annual Targets		
	2010/11	2011/12	2012/13
<b>4.1 Governance</b>			
The number of agency performance reports received and analysed	6	6	6
<b>4.2 Regulation Services</b>			
Number of barriers identified	4	4	4
No of barriers addressed	4	4	4
<b>4.3 Consumer Protection</b>			
Number of consumer education programmes conducted	264	290	320
Number of complaints received	1340	1340	1340
<b>4.4 Liquor Regulation</b>			
Number of licences issued	1540	1694	1863

**PROGRAMME 5: ECONOMIC PLANNING****Programme description**

The Programme consists of Policy and Planning, Research and Development, Knowledge Management and Monitoring and Evaluation. It is responsible for the development of provincial economic policies and strategies to achieve and measure sustainable economic development.

**Programme objectives**

The Programme objective is to develop provincial economic policies and strategies which can be implemented to achieve sustainable economic development.

**TABLE 14: SUMMARY OF PAYMENTS AND ESTIMATES: ECONOMIC PLANNING**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
1. Policy and Planning		7 086	8 352	4 426	4 426	5 230	4 500	4 700	4 060
2. Research and Development		2 103	5 545	3 786	6 590	5 786	6 500	7 200	5 593
3. Knowledge Management							2 600	2 750	2 500
4. Monitoring and Evaluation	6 554	16	6 130	5 520	5 020	5 020	9 600	10 700	4 765
<b>Total payments and estimates</b>	<b>6 554</b>	<b>9 205</b>	<b>20 027</b>	<b>13 732</b>	<b>16 036</b>	<b>16 036</b>	<b>23 200</b>	<b>25 350</b>	<b>16 918</b>

**TABLE 15 : SUMMARY OF ECONOMIC CLASSIFICATION: ECONOMIC PLANNING**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
<b>Current payments</b>	<b>6 335</b>	<b>9 132</b>	<b>19 677</b>	<b>12 811</b>	<b>15 115</b>	<b>15 115</b>	<b>22 925</b>	<b>25 065</b>	<b>16 743</b>
Compensation of employees	3 742	4 534	7 843	4 945	5 749	5 749	7 795	8 455	7 810
Goods and services	2 593	4 598	11 834	7 866	9 366	9 366	15 130	16 610	8 933
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>1</b>								
Provinces and municipalities	1								
Departmental agencies and accounts									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
<b>Payments for capital assets</b>	<b>218</b>	<b>73</b>	<b>350</b>	<b>921</b>	<b>921</b>	<b>921</b>	<b>275</b>	<b>285</b>	<b>175</b>
Buildings and other fixed structures									
Machinery and equipment	218	73	350	921	921	921	275	285	175
Heritage Assets									
Specialised military assets									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>6 554</b>	<b>9 205</b>	<b>20 027</b>	<b>13 732</b>	<b>16 036</b>	<b>16 036</b>	<b>23 200</b>	<b>25 350</b>	<b>16 918</b>

There was a 40 per cent escalation in programme expenditure from R6.6 million in 2006/07 to R9.2 million in the financial year 2007/08 to increase the capacity of the programme to implement provincial economic policies. In 2008/09 there was rapid growth in the expenditure of the programme due to an escalation in the allocation for the sub-programmes Policy and Planning and Research and Development to expand their capacity. Capital expenditure fluctuates in the period 2006/07 to 2008/09 ranging from R73 000 in the 2007/08 financial year to R350 000 in the 2008/09 financial year.

In 2009/10, the allocation increased from R13.7 million to R16 million as a result of an internal reallocation of funds. The budget of the programme is to grow by 60 per cent from 16 million in 2009/10 to R23.2 million in the 2010/11 financial year as a result of increased investment in the development of policies and strategies that will sustain economic development. The total allocation of the programme for the 2011/12 financial year escalates by 9 per cent as a result of inflationary adjustments. There is a decline of 33 per cent in the 2012/13 financial year. The allocation for compensation of employees, goods and services and capital assets fluctuates over the 2010 MTEF as a result of the implementation of the key projects of the department.

## KEY OUTPUTS AND SERVICE DELIVERY MEASURES

### ECONOMIC PLANNING

Programme/Sub programme/Performance measures	Estimated Annual Targets		
	2010/11	2011/12	2012/13
<b>5.1 Policy and Planning</b>			
Number of strategies developed	5	3	3
Number of policies developed	4	2	2
<b>5.2 Research and Development</b>			
Number of research reports	3	4	4
<b>5.3 Knowledge Management</b>			
Number of knowledge economy reports	3	2	2
<b>5.4 Monitoring and Evaluation</b>			
Number of monitoring reports	1	1	3
Number of evaluation reports	1	2	2

## 7. OTHER PROGRAMME INFORMATION

### 7.1 Personnel numbers and costs

TABLE 16: PERSONNEL NUMBERS AND COST: ECONOMIC DEVELOPMENT

Personnel numbers	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	As at 31 March 2013
1. Administration	78	144	133	133	144	144	144
2. Integrated Economic Development Services	47	82	55	55	36	36	36
3. Trade and Sector Development	13	13	4	4	2	2	2
4. Business Regulation and Governance	71	77	59	59	138	138	138
5. Economic Planning	17	18	69	103	24	24	24
<b>Total departmental personnel numbers</b>	<b>226</b>	<b>334</b>	<b>320</b>	<b>354</b>	<b>344</b>	<b>344</b>	<b>344</b>
Total departmental personnel cost (R thousand)	48 918	69 978	75 534	84 559	115 662	124 367	120 223
Unit cost (R thousand)	216	210	236	239	336	362	349

TABLE 17: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS: ECONOMIC DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
<b>Total for department</b>									
Personnel numbers (head count)	226	334	320	354	354	354	344	344	344
Personnel cost (R thousands)	48 918	69 978	75 534	84 559	90 713	90 157	115 662	124 367	120 223
<b>Human resources component</b>									
Personnel numbers (head count)	14	12	22	22	22	22	22	22	22
Personnel cost (R thousands)	5 464	6 001	6 301	6 616	6 616	6 616	6 301	6 301	6 301
Head count as % of total for department	6%	4%	7%	6%	6%	6%	6%	6%	6%
Personnel cost as % of total for department	11%	10%	7%	7%	7%	7%	6%	6%	6%
<b>Finance component</b>									
Personnel numbers (head count)	18	28	28	28	28	28	28	28	28
Personnel cost (R thousands)	3 988	7 074	7 498	7 873	7 873	7 873	8 345	8 345	8 345
Head count as % of total for department	8%	8%	8%	8%	8%	8%	8%	8%	8%
Personnel cost as % of total for department	8%	11%	9%	8%	8%	8%	8%	8%	8%
<b>Full time workers</b>									
Personnel numbers (head count)	117	200	186	206	206	206	206	206	206
Personnel cost (R thousands)	40 307	55 282	60 891	75 840	75 840	75 840	82 841	90 336	90 336
Head count as % of total for department	52%	60%	57%	58%	58%	58%	58%	58%	58%

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Personnel cost as % of total for department	82%	76%	79%	87%	87%	87%	82%	82%	82%
<b>Part-time workers</b>									
Personnel numbers (head count)	97	103	52	96	96	96	96	96	96
Personnel cost (R thousands)	4 055	2 036	17 789	680	680	680	680	680	680
Head count as % of total for department	43%	31%	30%	27%	27%	27%	27%	27%	27%
Personnel cost as % of total for department	8%	3%	1%	1%	1%	1%	1%	1%	1%
<b>Contract workers</b>									
Personnel numbers (head count)	12	31	52	52	52	52	52	52	52
Personnel cost (R thousands)	4 556	12 660	17 789	17 789	17 789	17 789	17 789	17 789	17 789
Head count as % of total for department	5%	9%	16%	16%	16%	16%	16%	16%	16%
Personnel cost as % of total for department	9%	20%	21%	21%	21%	21%	21%	21%	21%

## 7.2 Training

TABLE 18: PAYMENTS ON TRAINING: ECONOMIC DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
<b>R thousand</b>									
1. Administration	205	1539	6633	6733	6733	6733	6833	7000	7000
of which									
Subsistence and travel									
Payments on tuition	205	1539	6633	6733	6733	6733	6833	7000	7000
2. Integrated Economic Development	58	251	3213	3315	3315	3315	3413	3666	3666
of which									
Subsistence and travel									
Payments on tuition	58	251	3213	3315	3315	3315	3413	3666	3666
3. Trade and Sector Development		110	100	122	122	122	138	141	141
of which									
Subsistence and travel									
Payments on tuition		110	100	122	122	122	138	141	141
4. Business Regulation and Governance	75	459	2954	3101	3101	3101	3303	3603	3603
of which									
Subsistence and travel									
Payments on tuition	75	459	2954	3101	3101	3101	3303	3603	3603
5. Economic Planning	75	459	2954	3101	3101	3101	3303	3603	3603
of which									
Subsistence and travel									
Payments on tuition	75	459	2954	3101	3101	3101	3303	3603	3603
<b>Total payments on training</b>	<b>338</b>	<b>2359</b>	<b>12900</b>	<b>13271</b>	<b>13271</b>	<b>13271</b>	<b>13687</b>	<b>14410</b>	<b>14410</b>

## **ANNEXURE TO ESTIMATES OF PROVINCIAL EXPENDITURE**



TABLE 19: SPECIFICATION OF RECEIPTS: ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
<b>Tax receipts</b>	<b>454 145</b>	<b>532 819</b>	<b>553 479</b>	<b>625 996</b>	<b>625 996</b>	<b>565 696</b>	<b>613 874</b>	<b>649 749</b>	<b>687 771</b>
Casino taxes	427 034	502 128	521 608	593 911	593 911	533 007	525 203	556 718	590 118
Horse racing taxes	27 111	30 691	31 871	32 085	32 085	32 689	72 671	77 031	81 653
Liquor licences							16 000	16 000	16 000
Motor vehicle licences									
<b>Sales of goods and services other than capital assets</b>	<b>9 666</b>	<b>8 966</b>	<b>(6 011)</b>	<b>42 448</b>	<b>42 448</b>	<b>3 239</b>			
Sale of goods and services produced by department (excluding capital assets)	9 666	8 966	(6 011)	42 448	42 448	3 239			
Sales by market establishments									
Administrative fees									
Other sales	9 666	8 966	(6 011)	42 448	42 448	3 239			
<i>of which</i>									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
<b>Transfers received from:</b>									
Other governmental units									
Universities and technikons									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions									
<b>Fines, penalties and forfeits Interest, dividends and rent on land</b>	<b>3 756</b>	<b>5 589</b>	<b>7 470</b>			<b>2 849</b>			
Interest	3 756	5 589	7 470			2 849			
Rent on land									
<b>Sales of capital assets</b>									
Land and sub-soil assets									
Other capital assets									
<b>Transactions in financial assets and liabilities</b>	<b>12 855</b>	<b>57</b>	<b>261</b>	<b>236</b>	<b>236</b>	<b>214</b>	<b>250</b>	<b>261</b>	<b>272</b>
<b>Total receipts</b>	<b>480 422</b>	<b>547 431</b>	<b>555 199</b>	<b>668 680</b>	<b>668 680</b>	<b>571 998</b>	<b>614 124</b>	<b>650 010</b>	<b>688 043</b>

## 2010 Estimates of Provincial Expenditure

**TABLE 20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
<b>Current payments</b>	<b>53 504</b>	<b>79 691</b>	<b>80 786</b>	<b>82 502</b>	<b>95 412</b>	<b>95 412</b>	<b>106 259</b>	<b>122 836</b>	<b>98 779</b>
Compensation of employees	22 037	36 853	37 425	48 049	51 399	51 399	55 620	60 600	58 290
Salaries and wages	21 775	26 803	32 428	39 252	42 662	41 723	46 950	51 160	49 430
Social contributions	262	10 050	4 997	8 797	8 737	9 676	8 670	9 440	8 860
Goods and services	31 467	42 838	43 362	34 453	44 013	44 013	50 639	62 236	40 489
<i>of which</i>									
Administrative fees	119	11	65	160	130	130	175	188	155
Advertising	2 990	11 882	3 704	3 551	3 671	3 671	3 545	3 802	3 230
Assets <R5000	840	132	103	872	202	202	255	247	168
Audit cost: External	4 338	2 344	3 130	1 271	3 071	3 071	2 441	2 695	2 440
Bursaries (employees)	181	161	83	225	225	225	350	380	320
Catering: Departmental activities	325	2 196	1 888	1 484	1 483	1 483	340	395	240
Communication	5 377	5 340	1 547	3 725	5 807	5 807	6 010	6 655	6 195
Computer services	1 950	857	544	2 851	4 051	4 051	1 380	1 484	1 200
Cons./prof:business & advisory services	4 336	9 418	7 807	1 907	3 317	3 317	16 628	25 457	9 720
Cons./prof: Legal cost	1 259	1 871	3 349	769	2 269	2 269	1 800	1 930	1 480
Contractors	564		1 404	1 900	1 911	1 911	825	1 100	735
Agency & support/outsourced services	537		3 637	3 131	4 775	4 775	4 420	4 625	4 410
Entertainment	75	554	874	196	195	195	255	305	150
Government motor transport				10	10	10	30	35	20
Inventory: Food and food supplies			122	168	168	168	205	220	145
Inventory: Other consumables			86	141	141	141	215	243	121
Inventory: Stationery and printing			2 106	1 788	1 803	1 691	1 755	1 615	1 410
Lease payments	325	196	549	655	649	649	775	855	750
Owned & leasehold property expenditure		172	2 097	2 116	3 366	3 366	4 400	4 650	4 050
Transport provided dept activity	68		5						
Travel and subsistence	4 417	3 973	6 444	3 944	3 360	3 472	1 640	1 575	1 030
Training & staff development	917	580	1 271	1 437	1 297	1 297	1 550	1 890	1 160
Operating expenditure	610	520	307	550	550	550	525	595	480
Venues and facilities	991	1 097	2 129	1 151	1 116	1 116	1 060	1 215	830
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>41</b>		<b>11 500</b>						
Provinces and municipalities	16								
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	16								
Municipalities	16								
Departmental agencies and accounts			11 500						
Entites			11 500						
Universities									
Non-profit institutions									

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Households	25								
Social benefits	25								
Other transfers to households									
<b>Payments for capital assets</b>	<b>1 280</b>	<b>932</b>	<b>1 659</b>	<b>628</b>	<b>918</b>	<b>918</b>	<b>570</b>	<b>570</b>	<b>380</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	1 280	932	1 659	628	918	918	570	570	380
Transport equipment	132								
Other machinery and equipment	1 148	932	1 659	628	918	918	570	570	380
Heritage Assets									
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>13</b>								
<b>Total economic classification</b>	<b>54 838</b>	<b>80 623</b>	<b>93 945</b>	<b>83 130</b>	<b>96 330</b>	<b>96 330</b>	<b>106 829</b>	<b>123 406</b>	<b>99 159</b>

TABLE 21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
<b>Current payments</b>	<b>28 283</b>	<b>19 599</b>	<b>29 196</b>	<b>29 239</b>	<b>36 239</b>	<b>36 239</b>	<b>32 736</b>	<b>35 682</b>	<b>25 890</b>
Compensation of employees	10 911	14 698	12 207	9 926	11 926	11 926	11 020	11 795	10 405
Salaries and wages	9 694	13 562	10 965	9 137	11 137	11 102	10 450	11 170	10 040
Social contributions	1 217	1 136	1 242	789	789	824	570	625	365
Goods and services	17 372	4 901	16 989	19 313	24 313	24 313	21 716	23 887	15 485
<i>of which</i>									
Administrative fees	58		33	94	96	96	86	130	75
Advertising	6 347	841	715	487	432	432	145	180	100
Assets <R5000	349	1	20	39	154	154	111	130	35
Audit cost: External									
Bursaries (employees)									
Catering: Departmental activities		12	264	164	175	175	105	250	65
Communication	329	93	133	266	280	280	166	300	130
Computer services	5 466	1	13	147	3 017	3 017	287	240	140
Cons/prof:business & advisory services	456	941	10 270	13 699	16 482	16 568	19 056	21 230	14 168
Contractors			200	26	2	2	4	10	8
Agency & support/outsourced services			356	125	105	105	106	110	100
Entertainment	46	128	170	52	31	31	29	27	15
Inventory: Food and food supplies			24	74	57	57	67	100	30
Inventory: Other consumables			1	5	5	5	6	12	8
Inventory: Stationery and printing			372	370	379	379	135	205	75
Lease payments	4		456	312	353	353	168	125	75

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	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Owned & leasehold property expenditure			7	101	105	105	20	15	5
Transport provided dept activity	130								
Travel and subsistence	2 733	1 274	3 348	2 457	1 793	1 707	700	330	220
Training & staff development	116	76	62	294	191	191	145	130	70
Operating expenditure	18	12		30	1	1	2	5	2
Venues and facilities	505	72	543	563	650	650	373	350	160
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>93 819</b>	<b>162 782</b>	<b>125 342</b>	<b>231 324</b>	<b>193 224</b>	<b>193 224</b>	<b>216 026</b>	<b>569 388</b>	<b>240 591</b>
Provinces and municipalities	41	5 700	2 500	10 000	10 000	10 000	21 500	10 000	10 000
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	41	5 700	2 500	10 000	10 000	10 000	21 500	10 000	10 000
Municipalities	41	5 700	2 500	10 000	10 000	10 000	21 500	10 000	10 000
of which: Regional service council levies									
Municipal agencies and funds									
Departmental agencies and accounts	93 778	157 082	122 842	221 324	183 224	183 224	194 526	559 388	230 591
Social security funds									
Entities	93 778	157 082	122 842	221 324	183 224	183 224	194 526	559 388	230 591
Universities									
<b>Payments for capital assets</b>	<b>2 329</b>	<b>1 522</b>	<b>621</b>	<b>905</b>	<b>905</b>	<b>905</b>	<b>260</b>	<b>220</b>	<b>80</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	2 329	1 522	621	905	905	905	260	220	80
Transport equipment									
Other machinery and equipment	2 329	1 522	621	905	905	905	260	220	80
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>124 431</b>	<b>183 903</b>	<b>155 159</b>	<b>261 468</b>	<b>230 368</b>	<b>230 368</b>	<b>249 022</b>	<b>605 290</b>	<b>266 561</b>

TABLE 22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRADE AND SECTOR DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
<b>Current payments</b>			<b>2 227</b>	<b>1 313</b>	<b>1 313</b>	<b>1 284</b>	<b>2 916</b>	<b>3 128</b>	<b>3 339</b>
Compensation of employees			2 136	1 275	1 275	1 246	2 743	2 967	3 177
Salaries and wages			2 129	1 256	1 256	1 155	2 723	2 946	3 156
Social contributions			7	19	19	91	19	21	21
Goods and services			91	38	38	38	173	161	162
Advertising							30	30	30
Assets <R5000							5	5	5
Catering: Departmental activities			1	6	6	6	11	12	12
Communication			2	2	2	2	23	25	25
Computer services							4	4	4
Cons/prof:business & advisory services			51	20	20	20	22		
Cons/prof:business & advisory services			51	20	20	20	22		
Contractors			1	2	2	2	13	14	16
Inventory: Food and food supplies			2	4	4	4	25	26	29
Inventory: Stationery and printing			18	4	4	4	5	10	6
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>449 006</b>	<b>288 818</b>	<b>516 372</b>	<b>513 352</b>	<b>483 952</b>	<b>483 952</b>	<b>646 356</b>	<b>419 536</b>	<b>408 914</b>
Provinces and municipalities									
Provinces									
Departmental agencies and accounts	291 775	195 607	220 814	198 571	186 971	186 971	290 609	243 788	214 581
Social security funds									
Entities	291 775	195 607	220 814	198 571	186 971	186 971	290 609	243 788	214 581
Universities									
Public corporations and private enterprises	157 231	93 211	295 558	314 781	296 981	296 981	355 747	175 748	194 333
Public corporations	157 231	93 211	295 558	314 781	296 981	296 981	355 747	175 748	194 333
Subsidies on production									
Other transfers	157 231	93 211	295 558	314 781	296 981	296 981	355 747	175 748	194 333
<b>Payments for capital assets</b>				<b>15</b>	<b>15</b>	<b>44</b>	<b>115</b>	<b>115</b>	<b>116</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment				15	15	44	115	115	116
Transport equipment									
Other machinery and equipment				15	15	44	115	115	116
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									

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	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Payments for financial assets									
Total economic classification	449 006	288 818	518 599	514 680	485 280	485 280	649 386	422 779	412 369

**TABLE 23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: BUSINESS REGULATION AND GOVERNANCE**

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
<b>Current payments</b>	<b>19 624</b>	<b>20 703</b>	<b>24 017</b>	<b>29 823</b>	<b>30 823</b>	<b>30 296</b>	<b>54 934</b>	<b>50 403</b>	<b>50 682</b>
Compensation of employees	12 228	13 893	15 923	20 364	20 364	19 837	38 484	40 550	40 541
Salaries and wages	10 776	12 366	14 105	18 364	18 484	17 637	35 673	37 700	37 601
Social contributions	1 452	1 527	1 818	2 000	1 880	2 200	2 811	2 850	2 940
Goods and services	7 396	6 810	8 094	9 459	10 459	10 459	16 450	9 853	10 141
<i>of which</i>									
Administrative fees	95	156	4	11	79	79	81	140	58
Advertising	1 860	473	338	216	187	187	190	435	180
Assets <R5000	465	5	126	95	92	92	93	185	151
Catering: Departmental activities	471	358	50	183	185	185	200	175	95
Communication	466	255	230	241	252	252	275	475	215
Computer services	24	14	50	1	3	3	10	22	16
Cons/prof:business & advisory services	1 379	2 784	3 346	3 939	6 153	6 153	13 581	5 880	7 518
Cons/prof: Legal cost	81	10		65	64	64	95	150	105
Contractors			552	2	6	6	8	150	12
Agency & support/outsourced services			22	895	504	504	200	250	150
Entertainment	19	11	12	93	83	83	92	94	110
Inventory: Food and food supplies			32	50	58	58	64	120	75
Inventory: Fuel, oil and gas				3	3	3	4	10	10
Inventory: Learn & teacher support material				1	2	2	4	20	8
Inventory: Other consumables			2	53	13	13	24	30	26
Inventory: Stationery and printing			209	208	206	206	200	290	295
Lease payments	12		117	240	232	232	245	260	195
Owned & leasehold property expenditure				100	102	102	196	225	105
Transport provided dept activity	19								
Travel and subsistence	962	1 464	1 649	1 191	761	761	398	400	310
Training & staff development	74	239	455	375	378	378	370	390	400
Operating expenditure	89	73		204	4	4	6	7	8
Venues and facilities	562	440	900	1 293	1 092	1 092	114	145	99
<b>Transfers and subsidies to</b>	<b>108</b>	<b>1 700</b>	<b>13 300</b>	<b>10 450</b>	<b>16 450</b>	<b>16 450</b>			
Provinces and municipalities	20								
Municipalities	20								
Municipalities	20								
Departmental agencies and accounts		1 700	13 300	10 450	16 450	16 450			

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Social security funds									
Entities		1 700	13 300	10 450	16 450	16 450			
Universities									
Non-profit institutions									
Households	88								
Social benefits	88								
Other transfers to households									
<b>Payments for capital assets</b>	<b>441</b>	<b>207</b>	<b>782</b>	<b>432</b>	<b>432</b>	<b>959</b>	<b>1 284</b>	<b>1 370</b>	<b>1 057</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	441	207	782	432	432	959	1 284	1 370	1 057
Transport equipment									
Other machinery and equipment	441	207	782	432	432	959	1 284	1 370	1 057
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>		<b>7 001</b>							
<b>Total economic classification</b>	<b>20 173</b>	<b>29 611</b>	<b>38 099</b>	<b>40 705</b>	<b>47 705</b>	<b>47 705</b>	<b>56 218</b>	<b>51 773</b>	<b>51 739</b>

TABLE 24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ECONOMIC PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
<b>Current payments</b>	<b>6 335</b>	<b>9 132</b>	<b>19 677</b>	<b>12 811</b>	<b>15 115</b>	<b>15 115</b>	<b>22 925</b>	<b>25 065</b>	<b>16 743</b>
Compensation of employees	3 742	4 534	7 843	4 945	5 749	5 749	7 795	8 455	7 810
Salaries and wages	3 351	3 929	7 171	4 393	4 893	5 231	7 205	7 830	7 450
Social contributions	391	605	672	552	856	518	590	625	360
Goods and services	2 593	4 598	11 834	7 866	9 366	9 366	15 130	16 610	8 933
Administrative fees		144	153	11	20	20	40	45	20
Advertising	290		1 079	396	419	419	345	275	130
Assets <R5000	195	14	11		20	20	45	45	20
Catering: Departmental activities		15	5	47	47	47	55	75	35
Communication	281	169	197	159	185	185	170	170	50
Computer services	526	260	34	511	611	611	150	180	35
Cons./prof:business & advisory services	313	1 424	5 595	4 039	5 471	5 471	12 897	14 181	8 030
Inventory: Stationery and printing			274	244	249	249	158	184	65
Lease payments	56	93	16	11	41	41	57	60	50



## 2010 Estimates of Provincial Expenditure

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Owned & leasehold property expenditure									
Transport provided dept activity									
Travel and subsistence	51	444	2 233	1 895	1 743	1 743	510	510	180
Training & staff development	47	28	29	143	143	143	220	310	100
Operating expenditure	56		1 562	102	102	102	110	125	35
Venues and facilities	277	206	633	261	261	261	310	335	125
<b>Transfers and subsidies to</b>	<b>1</b>								
Provinces and municipalities	1								
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	1								
Municipalities	1								
Departmental agencies and accounts									
Social security funds									
Entities									
Universities									
<b>Payments for capital assets</b>	<b>218</b>	<b>73</b>	<b>350</b>	<b>921</b>	<b>921</b>	<b>921</b>	<b>275</b>	<b>285</b>	<b>175</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	218	73	350	921	921	921	275	285	175
Transport equipment									
Other machinery and equipment	218	73	350	921	921	921	275	285	175
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>6 554</b>	<b>9 205</b>	<b>20 027</b>	<b>13 732</b>	<b>16 036</b>	<b>16 036</b>	<b>23 200</b>	<b>25 350</b>	<b>16 918</b>

TABLE 25: TRANSFERS TO LOCAL GOVERNMENT: ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
<b>Category A</b>	<b>78</b>						<b>3 600</b>	<b>11 600</b>	<b>17 200</b>
City of Ekurhuleni							600	10 000	1 400
City of JHB	78						3 000	300	12 900
City of Tshwane								1 300	2 900
<b>Category B</b>		<b>300</b>	<b>2 500</b>	<b>3 575</b>	<b>3 575</b>	<b>3 575</b>		<b>6 300</b>	<b>10 000</b>
Nokeng Tsa Taemang									
Kungwini									
Emfuleni		300						300	
Mid Vaal									
Lesedi									10 000
Mogale City								6 000	
Randfontein			2 500	3 575	3 575	3 575			
Westonaria									
<b>Category C</b>		<b>5 400</b>		<b>6 425</b>	<b>6 425</b>	<b>6 425</b>	<b>10 000</b>	<b>10 900</b>	<b>5 200</b>
Metsweding District Municipality							5 000	7 300	2 400
Sedibeng District Municipalities							5 000	3 300	400
West Rand District Municipality		5 400		6 425	6 425	6 425		300	2 400
<b>Total transfers to Local Government</b>	<b>78</b>	<b>5 700</b>	<b>2 500</b>	<b>10 000</b>	<b>10 000</b>	<b>10 000</b>	<b>13 600</b>	<b>28 800</b>	<b>32 400</b>

