

VOTE 4

Economic Development and Tourism

Operational budget	R 1 623 377 510
MEC remuneration	R 1 420 490
Total amount to be appropriated	R 1 624 798 000
Responsible MEC	Mr M. Mabuyakhulu, MEC for Economic Development and Tourism
Administrating department	Economic Development and Tourism
Accounting officer	Head: Economic Development and Tourism

1. Overview

Vision

The vision of the Department of Economic Development and Tourism is: *For KwaZulu-Natal to become a competitive economy that improves the lives of its people.*

Mission statement

The department's mission is to: *Develop and implement strategies that encourage participatory sustainable economic development.*

Strategic objectives

The department's policies and strategies are underpinned and aligned to both national and provincial strategies and priorities. Following the review of the economic conditions and the various priorities, the department has identified the following strategic objectives:

- To facilitate globally competitive and sustainable industries and services;
- To support the development of sustainable small, micro and medium and social enterprises that contribute to food security, wealth and job creation;
- To facilitate integrated planning that ensures effective implementation of sustainable economic development policies, strategies and programmes;
- To effectively promote and package KwaZulu-Natal as the choice destination;
- To strengthen compliance with relevant legislation and government policies;
- To be the centre of excellence through effective and efficient administration that promotes service delivery and good corporate governance;
- To create a conducive environment for shared economic growth;
- To champion economic transformation;
- To oversee and co-ordinate implementation of economic policies and strategies; and
- To provide leadership in the formulation of economic policy, strategy and related legislation.

Core functions

The department's core functions are summarised as follows:

- To drive the economic development strategies of the province;
- To facilitate strategies to enhance the competitiveness of priority sectors of the economy, in line with the industrial development strategy;
- To promote the development of small business and social enterprises;
- To promote and facilitate economic empowerment programmes;
- To manage the SMME, Co-operative and Growth Funds;
- To provide an effective and efficient consumer protection service; and
- To ensure effective and prudent business regulation in the province.

Legislative mandate

The legislative mandate of the department largely stems from the following Acts and Regulations:

- Constitution of the Republic of South Africa, Act No. 108 of 1996
- Public Service Act, Act No. 103 of 1994
- Public Service Regulations, 2001
- Public Finance Management Act, Act No. 1 of 1999, as amended, and Treasury Regulations
- Labour Relations Act, Act No. 66 of 1995
- Promotion of Access to Information Act, Act No. 2 of 2000
- Employment Equity Act, Act No. 55 of 1998
- Promotion of Administrative Justice Act, Act No. 3 of 2000
- Basic Conditions of Employment Act, Act No. 75 of 1997
- The Companies Act, Act No. 20 of 2004
- Equality and Prevention of Unfair Discrimination Act, Act No. 4 of 2000
- KwaZulu-Natal Liquor Bill
- Liquor Act, Act No. 27 of 1989

2. Review of the 2009/10 financial year

Section 2 provides a review of 2009/10, outlining the main achievements and progress made by the department, as well as providing a brief discussion on challenges and new developments.

Economic recession

The provincial economy was faced with an economic recession, necessitating that the department focus its attention on mechanisms and strategies that could be introduced to minimise job loss and declining economic growth in the region. New projects also emerged, which required a review of the budget to ensure that the new priorities were taken into consideration. This included the hosting of the Economic Recovery Summit, along with the strategic reviews and sessions held to develop sector specific strategies in conjunction with the department's respective partners.

This process emanated from the initial review of the 2005 Industrial Development Strategy and the review of the Provincial Spatial Economic Development Strategy (PSEDS).

Administration

During the year, work-flow systems and project management solutions were introduced to assist in managing backlogs and ensuring efficiencies. Although a new organisational structure was approved in 2008, securing appropriate candidates proved to be a challenge, particularly in areas such as sector development. As a result, consultants were employed on a contractual basis to provide specific technical expertise. The department, once again, achieved an unqualified audit opinion in 2008/09 and no emphasis of matter items were noted, which reflects the improvements made in internal control.

Tourism development

Following the reconfiguration of provincial departments which took place after the 2009 elections, the Tourism function was shifted to the department from Vote 15: Arts and Culture. This included the movement of the public entities KwaZulu-Natal Tourism Authority (TKZN) and the KwaZulu-Natal Sharks Board (KZN Sharks Board) to the department.

Economic planning

The department is now equipped to produce quarterly analysis of the economic trends for the province and to provide regular analysis of relevant statistics as and when released.

Local economic development

The department has a funding partnership with the European Union (EU), known as the Gijima KZN LED Support Programme, which funds various local economic development (LED) projects. In this regard, in 2009/10 the department implemented 182 projects, of which 58 were completed. As part of this programme, the department contracted with the University of KwaZulu-Natal (UKZN) in December 2009 to offer a LED post graduate programme, which consists of a post graduate diploma and a masters degree. It is envisaged that this post-graduate programme will enhance the LED body of knowledge and capacitate municipal officials, as well as other LED stakeholders and practitioners.

In addition to the above, a total of 24 trading centre projects, designed to bring economic rejuvenation to various small towns by means of small business stimulus projects, were contracted during the year. This involved three infrastructure implementation projects in the Uthukela and uThungulu districts, as well as 20 feasibility study projects in various parts of the province, which will be completed during 2010.

Sector development

The approach to sector based co-operatives has proved to be successful, with attention initially being given to the clothing and textiles, agricultural and crafts sectors. Secondary co-operatives and institutional frameworks were established. As part of this approach, Kenyan specialists were employed, whose task it was to mobilise and mentor co-operatives in the province. These specialists made significant progress in 2009/10, in the area of skills development programmes, including establishing appropriate curricula for co-operative theory and practical business applications. Progress was also made in the establishment of Savings and Credit Co-operatives (SACCO), which are democratic, member-driven, self-help co-operatives, owned, governed and managed by the members. These members agree to save their money together in the SACCO, and to make loans to each other at reasonable rates of interest. These are considered particularly appropriate now, in view of the current economic conditions. The relationship between the department and the University of Zululand with regard to co-operative training continued, and the department expects the first intake of students early in 2010.

Economic empowerment

The funding of both co-operatives and SMMEs was challenging, given the economic downturn. However, a review of the loan granting and after-care support system resulted in a more comprehensive support structure being provided by the department and its partners, the financial institutions. The department's relationship with Further Education and Training (FET) colleges continues to strengthen, with training in business management for SMMEs and practical business skills for co-operatives taking place.

Specific courses were designed to deal with the particular skills shortages of these entrepreneurs. Significant focus was placed on 2010 World Cup activation programmes during 2009, in partnership with TKZN. This led to aggressive marketing and communication campaigns, wherein the department

launched the first provincial 2010 portal website in the country. The website provides information, news and updates on provincial preparations and developments regarding the tournament. Several international trips were undertaken to promote the province at prominent international platforms. The department recognised the need for support to the informal sector which is a major player in the second economy of this province, and a draft informal sector policy was drafted which will be discussed with the various stakeholders, and hopefully finalised by the end of 2009/10.

3. Outlook for the 2010/11 financial year

Recent economic indicators presented an indication that the worst of the recession is over. This provides an opportunity to strengthen the initiatives which the department introduced in 2009/10, wherein a strategy was developed to consolidate efforts to minimise the impact of the recession on the province. At the end of 2009, an Economic Recovery Conference was held, following which an Economic Council was established, comprising representatives from government, the private sector business and labour. A service provider has been appointed to draft the terms of reference of this Economic Council. These processes will ensure an improvement in existing strategies with integration at a localised level, and with rural development being highlighted as a priority.

2010 World Cup

2010 presents a unique opportunity for the country and this province with regard to investment and tourism opportunities. Specific programmes will be driven, to ensure that the department contributes adequately toward the hosting of the 2010 World Cup, and to create a lasting impression on international visitors. The 2010 World Cup programme includes international platform promotional events, increasing communication relating to events, as well as general information of importance to visitors.

The department wants to ensure that all citizens of this province are afforded an opportunity to participate in this event, and will therefore continue hosting the public viewing areas (PVAs) in various district municipalities. These PVAs will be integrated events, with various government departments participating to enhance their success. Specific focus will be on the tourism sector, including the launching of the Tourism Buddy programme, which trains individuals with the correct protocol and information required to assist foreign tourists in a guide capacity. The 2010 World Cup programme will end with an analysis of the economic impact of the event on the region as a whole, which will form the basis of analysing such events going forward, in particular the benefits versus the investment made by government.

Sector development

In 2009/10, a Cabinet decision was taken to establish a Special Purpose Vehicle (SPV) for commercial farmers which will result in the establishment of the Agri-Business Development Agency in the 2010/11 MTEF. This new agency, which will be launched early in 2010/11, is seen to be the solution to the failed land reform projects, and it is therefore critical that the appropriate mechanisms and systems are in place to avoid duplication of previous shortcomings. The aim of the project is that areas, which have been expropriated under land reform claims, will be assessed for viable development. Business plans and financing will then be directed to the establishment of viable development in these areas. A seconded team is currently preparing the agency for its new mandate, and the projects for the new financial year have been identified and are being packaged appropriately.

The Richards Bay Industrial Development Zone (RBIDZ) project will continue to be funded, as the land ownership problem is in the process of being resolved, and the project has been granted a business licence to trade as an industrial development zone. This has enabled it to source funding from the Department of Trade and Industry amounting to R80 million. This funding is additional to the funding which the department has allocated to the project. Consultants have been appointed to develop a business plan for the project. The RBIDZ is looking at the feasibility of being registered as a public entity.

The Dube TradePort (DTP) project is progressing well, and construction work on the DTP and its attendant new international airport is on track. The laying of asphalt on the runway and most of the interlinking taxiways has been completed.

In addition, work on the apron taxi-lanes and the installation of airfield lighting is progressing well, while the top-soiling and hydro-seeding of the runway strip has been fully completed. The final commissioning of the sophisticated baggage-handling system is underway. Work on the placement of internal signage within the terminal has also commenced. The installation of the mechanical equipment for cargo-handling is at an advanced stage. Landscaping work within the terminal precinct has commenced and is progressing well. The control tower has been completed. The bulk earthworks in the trade zone area have been completed and the development of roads and other infrastructure is progressing well. The multi-storey parkade building is complete, while the car-park entrance, attendant external roads and landscaping are all presently being undertaken. The fire and rescue building has been finished and work on its external areas is in progress. The airport portion of the project will be completed in 2010/11, but work will continue to allow for further development of the multi-nodal logistics hub at the airport site.

Local economic development

The department has undergone a lengthy process of prioritisation, focussing on strategic thrusts such as job creation and skills development. An area in which results will become visible is in the trading centres project. This includes the development of infrastructure in areas where informal trading takes place in the open, in order to provide premises for these traders. It is essential that these structures respond to the particular circumstances of the municipal area in which they are situated, to ensure that they are sustainable over a period of time through the collection of rentals from entrepreneurs.

The donor funding contract with the EU (i.e. the Gijima KZN LED Support Programme) reaches its conclusion during the year, but a proposal has been formulated for continued funding. This will be presented to the EU for approval. The funding will continue to play a critical role in the implementation of feasible and profitable projects in local areas.

Enterprise development

With regard to SMMEs and co-operatives, the focus this year will be on the resuscitation of existing entrepreneurs, who have been affected by the economic recession. Specific programmes will be designed to deal with the problems faced at a practical level and unique to each individual company. This will tie into the Business Retention and Expansion Strategy, wherein the applicable company will be diagnosed to ensure that it is able to not only become sustainable, but also competitive through the introduction of new technologies and partnerships with established companies.

Policy and planning

The department has recognised the need to enhance research skills development in the area of knowledge management, and will be partnering with respective tertiary institutions to improve the quality of the research skills of the students leaving such institutions.

4. Receipts and financing

4.1 Summary of receipts and financing

Table 4.1 below shows the sources of funding for the department over the seven-year period 2006/07 to 2012/13. The table also compares actual and budgeted receipts against actual and budgeted payments.

Table 4.1: Summary of receipts and financing

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Provincial allocation	495 706	1 485 426	2 753 798	2 487 690	2 487 690	2 487 690	1 624 798	1 473 278	1 547 147
Total	495 706	1 485 426	2 753 798	2 487 690	2 487 690	2 487 690	1 624 798	1 473 278	1 547 147
Total payments	507 910	1 510 954	1 771 422	2 487 690	2 492 401	2 470 752	1 624 798	1 473 278	1 547 147
Surplus/(Deficit) before financing	(12 204)	(25 528)	982 376	-	(4 711)	16 938	-	-	-
Financing									
of which									
Provincial roll-overs	110 000	-	-	-	-	-	-	-	-
Provincial cash resources	-	84 000	(700 837)	-	4 711	4 711	-	-	-
Suspension to ensuing year									
Surplus/(deficit) after financing	97 796	58 472	281 539	-	-	21 649	-	-	-

The departmental budget peaked at R2.754 billion in 2008/09. It should be noted that the funding of the department, including prior year comparatives, was adjusted in 2009/10 due to the shift of the Tourism function from Vote 15: Arts and Culture. The under-expenditure in 2006/07 can be ascribed to contractual problems experienced with the Bee Foundation project, as well as delays in the establishment of facilities and mentorship of primary and secondary co-operatives. In 2006/07, the department received a roll-over of R100 million towards the construction costs of DTP as well as R10 million to cover the Bee Foundation project, which was not completed in the prior year.

The under-spending in 2007/08 was caused by delays in the implementation of training and mentorship programmes due to challenges in meeting the deliverables, as well as delays in the finalisation of service level agreements for the training of primary co-operatives. This under-spending was further compounded by delays in finalising a contract for the Music Cluster project. In 2007/08, the department received additional funding of R84 million to cover the escalated costs of the construction of DTP.

In 2008/09, the department ended the year with a surplus of R982.376 million, before financing, due to the slow uptake of funding by Ithala Development Finance Corporation (Ithala), because of changed lending policies, and a delay in the establishment of the KwaZulu-Natal Liquor Entity (KZN Liquor Entity). An amount of R700.837 million was surrendered to the Provincial Revenue Fund, obtained collectively from the Co-operatives, SMME and Growth Funds as well as the KZN Liquor Entity, due to the slow uptake of the funds and a delay in the establishment of this entity. This led to the department ending this year with a surplus of R281.539 million.

From 2010/11, the allocation to the department drops as a result of lower funding requirements for DTP, as well as the reduction of the Growth and SMME Funds to R100 million each for the duration of the MTEF, and the reduction of the Co-operatives Fund to R80 million, R84.300 million and R89.500 million over the 2010/11 MTEF. In 2011/12 this downward trend continues due to further reduction in DTP funding. Thereafter the allocation increases once again.

As part of the Cabinet-approved Provincial Recovery Plan, the department undertook to absorb the shortfall of the higher than anticipated 2009 wage agreement through internal reprioritisation. The department is projecting that it will under-spend its budget in 2009/10 due to delays in LED and Tourism projects. The department is projecting a balanced budget over the 2010/11 MTEF.

4.2 Departmental receipts collection

Table 4.2 below gives a summary of the receipts collected by the department. Details of departmental receipts are presented in the *Annexure – Vote 4: Economic Development and Tourism*.

Table 4.2: Details of departmental receipts

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Tax receipts	3 760	4 017	4 282	38 095	38 095	5 000	41 905	46 095	48 400
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	3 760	4 017	4 282	38 095	38 095	5 000	41 905	46 095	48 400
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	48	57	90	128	128	143	136	144	151
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	2	1	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	1 100	414	415	38	38	42	40	42	44
Total receipts	4 910	4 489	4 787	38 261	38 261	5 185	42 081	46 281	48 595

The main revenue collected by the department is in respect of liquor licences fees. It is expected that the KwaZulu-Natal Liquor Bill (KZN Liquor Bill) will be promulgated in 2010/11. In the interim, the Liquor Act (Act No. 27 of 1989) is still applicable. The new Bill proposes the establishment of a new public entity, the KZN Liquor Entity, which will be responsible for the liquor licensing functions. When the Bill

is promulgated, the tariffs for liquor licences will be revised in order to cover the administrative costs of the entity.

The substantial increase in the budgeted revenue in the 2009/10 Main Appropriation was based on the expectation of the KZN Liquor Bill being promulgated in 2009/10. The reduction in the 2009/10 Revised Estimate reflects the delay in promulgating this bill. The budgeted increased revenue from this source over the 2010/11 MTEF is linked to the expected increase in the basic tariffs applicable to these licences, as well as the recovery of the administrative costs of running the controlling entity which will be collected from the licensees.

Revenue from the category *Sale of goods and services other than capital assets* relates to commission on insurance and rental of buildings. Revenue from commission on insurance comprises fees paid by insurance companies for the collection of insurance premiums on their behalf, while the latter is in respect of the rental of state property. The high recovery in 2008/09 is due to the settling of prior year Leige Faire expenditure previously paid for by the department and now recovered from other departments. In the 2009/10 Main Appropriation, revenue from this category was projected to increase due to increased parking fees recovered from departmental officials. The department is projecting an inflationary adjustment to this source over the 2010/11 MTEF.

Fluctuations in respect of *Transactions in financial assets and liabilities* from 2006/07 to 2009/10 relate to the once-off recovery of debts from other departments in respect of expenditure incurred in prior financial years.

4.3 Donor funding

Tables 4.3 and 4.4 reflect the projected funding to be received by the department from donor sources, as well as the expenditure thereof.

Table 4.3: Details of donor funding

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited	Audited	Audited				2010/11	2011/12	2012/13
	2006/07	2007/08	2008/09						
Donor organisation	106 107	-	-	-	-	-	37 616	-	-
European Union- Gijima KZN LED Support Programme	106 107	-	-	-	-	-	37 616	-	-
Total	106 107	-	-	-	-	-	37 616	-	-

Table 4.4: Details of payments and estimates of donor funding

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited	Audited	Audited				2010/11	2011/12	2012/13
	2006/07	2007/08	2008/09						
Donor organisation	17 239	33 726	38 035	33 517	33 517	30 007	46 471	-	-
European Union- Gijima KZN LED Support Programme	17 239	33 726	38 035	33 517	33 517	30 007	46 471	-	-
Total	17 239	33 726	38 035	33 517	33 517	30 007	46 471	-	-

The department acts as a contracting authority with regard to a LED funding partnership with the EU, the Gijima KZN LED Support Programme. This programme brings together skilled private and public sector technical teams funded through the EU and the provincial government. As at December 2009, the following was achieved:

- A cumulative total of 4 200 jobs were created through the programme (922 permanent, 1 277 saved and 2 001 temporary/seasonal employment);
- A cumulative total of 1 740 people went through training and skills development initiatives offered by the department;
- The department, together with the EU, contracted with UKZN in December 2009 to offer the LED post graduate programme. It is envisaged that this programme will enhance the LED body of knowledge and capacitate municipal officials, as well as other LED stakeholders and practitioners;

- The Richmond special development initiative project, which was aimed at bringing social stability to the Richmond area by means of economic projects, was successfully implemented and a project management office was established in the Richmond municipal offices. The project was well received by the stakeholders and communities; and
- A total of 24 trading centre projects, designed to bring economic rejuvenation to various small towns by means of small business stimulus projects, were contracted during the year. This involved three infrastructure implementation projects in the Uthukela and uThungulu districts, as well as 20 feasibility study projects in various parts of the province, which will be completed during 2010.

It should be noted that the expenditure figures in Table 4.4 exceed funds received as reflected in Table 4.3. This is because funding was received in prior years, but was not spent in the year received.

5. Payment summary

This section provides information pertaining to the vote as a whole at an aggregated level, including payments and budgeted estimates in terms of programmes and economic classification.

Further details are given in Section 6 below, as well as in the *Annexure – Vote 4: Economic Development and Tourism*. The budget structure largely conforms to the uniform budget and programme structure for the Economic Development sector.

5.1 Key assumptions

The department applied the following broad assumptions when compiling the budget:

- Salary increases of 5.3 per cent for 2010/11, 5.5 per cent for 2011/12 and 5 per cent for 2012/13, effective 1 July each year;
- Pay progression of 1.5 per cent of the wage bill effective from 1 July every year;
- Inflation related items have been based on CPIX projections;
- The cost-cutting measures as defined in Provincial Treasury Circular PT (11) of 2009/10 will be adhered to by the department over the 2010/11 MTEF; and
- Provision has been made for the filling of vacant posts. However, if the moratorium on the filling of non-critical posts is not lifted, these funds may be reallocated in the Adjustments Estimate process.

5.2 Additional allocation for the 2008/09 to 2010/11 MTEF

Table 4.5 shows the additional funding received by the department over the three MTEF periods: 2008/09, 2009/10 and 2010/11. Note that the table reflects only the provincial allocations and excludes additional allocations in respect of conditional grants.

The purpose of such a table is two-fold. Firstly it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated.

The carry-through allocations for the 2008/09 MTEF (i.e. for the financial years 2011/12 and 2012/13) are based on the incremental percentage used in the 2009/10 MTEF and 2010/11 MTEF. A similar approach was used for the carry-through allocations for the 2009/10 MTEF.

Table 4.5: Summary of additional provincial allocations for 2008/09 to 2010/11 MTEF

R thousand	2008/09	2009/10	2010/11	2011/12	2012/13
2008/09 MTEF period	(131 009)	217 014	(604 937)	(641 234)	(673 296)
Reduction in Growth Fund	(300 000)	(66 500)	-	-	-
Personnel inflation adjustment	768	1 273	1 540	1 632	1 714
Government Employees Medical Scheme	370	434	902	956	1 004
Tourism mentorship and adopt a guest house	1 500	1 800	1 700	1 802	1 892
Improvement of hospitality and tour operators	430	470	600	636	668
Community owned business projects	4 450	3 922	4 157	4 406	4 626
TKZN - Tour of SA Cycling	2 000	2 000	2 000	2 120	2 226
TKZN - Tourism Indaba	2 850	4 560	-	-	-
KwaZulu-Natal Sharks Board - Funding of capital requirements	3 381	4 915	3 853	4 084	4 288
Skills development initiative together with Dept. of Science & Technology	4 156	2 965	3 299	3 497	3 672
Dube TradePort	119 086	196 175	(712 988)	(755 767)	(793 555)
Rejuvenation of Trading Centres in townships	15 000	45 000	90 000	95 400	100 170
Fan Parks	15 000	20 000	-	-	-
2009/10 MTEF period		(971 500)	(1 215 531)	(1 539 122)	-
Reduction in Growth Fund		(543 000)	(652 070)	(652 070)	-
Reduction in SMME Fund		(193 950)	(187 487)	(280 404)	-
Reduction in Co-operatives Fund		(234 550)	(170 326)	(261 310)	-
Reduction in Dube TradePort		-	(205 648)	(345 338)	-
2010/11 MTEF period			8 260	8 943	9 595
Carry-through of 2009/10 Adjustments Estimate - 2009 wage agreement			3 247	3 629	4 015
Ministry funding from Vote 6			4 993	5 293	5 558
Policy on Incapacity Leave and Ill Health Retirement (PILIR)			20	21	22
Total	(131 009)	(754 486)	(1 812 208)	(2 171 413)	(663 701)

The major changes in the 2008/09 MTEF were the reduction of the allocation to the Growth Fund, due to delays in the implementation of its projects, and the reduction in 2010/11 and 2011/12 for DTP. Also, additional amounts were allocated for the rejuvenation of trading centres in townships, and fan parks, as part of the preparations for the 2010 World Cup. In addition, funding was allocated for a skills development initiative with the Department of Science and Technology.

The department also received additional allocations over the 2008/09 MTEF for the personnel inflationary adjustment in respect of the annual salary increase and government's contribution towards the Government Employees Medical Scheme (GEMS). As a result of the shift of the Tourism function from Vote 15: Arts and Culture in 2009/10, due to the reconfiguration of the province after the elections, funding for a number of tourism projects was shifted to the department. These include tourism mentorship and adopt-a-guest-house, improvement of hospitality and tour operators, community-owned business projects, TKZN – Tour of SA Cycling and TKZN – Tourism Indaba projects. Funding was also allocated to the KZN Sharks Board to fund capital requirements. Note that, although these latter items are issues which commence in 2009/10, they have been retrospectively corrected in the 2008/09 MTEF for comparative purposes.

The major adjustment made in the 2009/10 MTEF relates to the reduction in the allocations to the Growth, SMME and the Co-operatives Funds, as discussed previously. In addition, the allocation to DTP was reduced in the two outer years of the 2009/10 MTEF.

The allocation over the 2010/11 MTEF makes provision for the carry-through costs of the higher than anticipated 2009 wage agreement, the movement of ministry funding from Vote 6: Provincial Treasury, due to the previous joint ministry budget in that vote. In addition, the allocation over the MTEF provides funding for the Policy on Incapacity Leave and Ill Health Retirement (PILIR).

5.3 Summary by programme and economic classification

Tables 4.6 and 4.7 provide a summary of payments and budgeted estimates by programme and economic classification, respectively, for the period 2006/07 to 2012/13.

The budget structure, which largely conforms to the uniform budget and programme structure for the Economic Development sector, is made up of five programmes that are directly linked to the department's core functions, namely Administration, Integrated Economic Development Services, Trade and Sector Development, Business Regulation and Governance and Economic Planning.

Table 4.6: Summary of payments and estimates by programme

R thousand	Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	Appropriation	Appropriation 2009/10	Estimate	2010/11	2011/12	2012/13
1. Administration	36 619	51 259	103 676	118 189	146 900	145 381	188 748	184 746	188 053
2. Integrated Economic Development Services	186 702	775 659	117 905	558 950	260 350	250 731	481 300	491 408	501 567
3. Trade and Sector Development	271 073	665 836	1 522 016	1 740 775	2 050 475	2 041 020	870 776	707 696	764 344
4. Business Regulation and Governance	7 888	11 322	17 084	52 538	23 838	23 177	66 023	70 919	74 178
5. Economic Planning	5 628	6 878	10 741	17 238	10 838	10 443	17 951	18 509	19 005
Total	507 910	1 510 954	1 771 422	2 487 690	2 492 401	2 470 752	1 624 798	1 473 278	1 547 147

Note: Programme 1 includes MEC remuneration: Salary: R1 420 490

Table 4.7: Summary of payments and estimates by economic classification

R thousand	Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	Appropriation	Appropriation 2009/10	Estimate	2010/11	2011/12	2012/13
Current payments	116 570	126 736	316 660	486 410	512 998	474 487	518 517	519 841	557 668
Compensation of employees	38 705	43 010	68 918	111 368	100 769	101 672	140 117	147 123	154 479
Goods and services	77 865	83 726	247 742	375 042	412 229	372 815	378 400	372 718	403 189
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	387 407	1 380 542	1 446 763	1 999 235	1 973 522	1 990 519	1 101 531	948 450	984 243
Provinces and municipalities	24	2 800	1 626	-	-	924	-	-	-
Departmental agencies and accounts	30 000	40 670	42 000	54 416	54 416	54 416	56 637	61 536	64 613
Universities and technikons	-	1 274	11 574	4 500	4 500	560	28 300	28 300	28 300
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	220 672	883 324	89 710	463 335	308 100	315 028	468 409	484 713	499 934
Non-profit institutions	136 650	452 182	1 301 824	1 476 984	1 606 506	1 619 591	548 185	373 901	391 396
Households	61	292	29	-	-	-	-	-	-
Payments for capital assets	3 933	3 676	7 999	2 045	5 881	5 746	4 750	4 988	5 236
Buildings and other fixed structures	3 000	-	-	-	-	-	-	-	-
Machinery and equipment	933	3 646	7 806	2 045	5 391	5 340	4 370	4 588	4 817
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	30	193	-	490	406	380	400	419
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	507 910	1 510 954	1 771 422	2 487 690	2 492 401	2 470 752	1 624 798	1 473 278	1 547 147

The increased expenditure for the vote as a whole in 2007/08 compared to 2006/07 was due to the large increase in funds allocated to DTP and the function shift of the Growth and SMME Funds from Vote 6: Provincial Treasury. The construction phase of the project began in earnest in 2007/08, and the allocation to *Transfers and subsidies to: Non-profit institutions* rose accordingly.

The allocations to this project grow until 2009/10, accounting for the increase in the vote as a whole, whereafter the allocation decreases over the 2010/11 MTEF, due to the completion of the airport portion of DTP. This explains the increased allocation to the vote as a whole until 2009/10.

Programme 1: Administration shows increased spending in 2008/09, due to the movement of funds from Programme 2: Integrated Economic Development Services in respect of municipal charges for departmental district offices, because of the difficulty in identifying these costs from the overall municipal account. In addition, 2010 funding was moved from Programme 2 and Programme 5: Economic Planning to this programme, to enable more effective monitoring and control of these funds.

In the 2009/10 Adjusted Appropriation, the allocation to Programme 1 was increased mainly due to additional funding of R4.711 million which was shifted from Vote 6: Provincial Treasury, and R10.200 million, which was reprioritised from Programme 4: Business Regulation and Governance due to delays in the promulgation of the KZN Liquor Bill. The funding was used to provide for the costs of the new ministry office, as well as 2010 World Cup projects, specifically liquor inspectors who will perform *in-loco* liquor licence inspections at the soccer venues during the 2010 World Cup events.

The increase in Programme 2 in 2007/08 was due to the function shift of the Growth and SMME Funds from Vote 6: Provincial Treasury. The reduced spending in 2008/09 was due to the anticipated transfer to Ithala in respect of the Co-operatives, SMME and Growth Funds being surrendered to the Provincial Revenue Fund, because of delays in implementing projects resulting from changes in lending requirements and amendments to the loan model. This explains the reduction in *Transfers and subsidies*

to: *Public corporations and private enterprises* in the same period. The 2009/10 Main Appropriation was aimed at the revival of these projects, but they did not proceed as planned, due to the slow uptake of funds by Ithala because of changes in their loan policies, and the funding was reduced in the 2009/10 Adjusted Appropriation. It is anticipated that these projects will be implemented over the 2010/11 MTEF, but at a lower level. In this regard, it should be noted that the funding for the Growth and SMME Funds was reduced to R100 million per year of the 2010/11 MTEF, while the allocation to the Co-operatives Fund was reduced to R80 million, R84.300 million and R89.500 million over the 2010/11 MTEF.

With regard to Programme 3: Trade and Sector Development, the increase in 2007/08 and further increase in 2008/09 and the 2009/10 Main Appropriation relates to DTP and RBIDZ. In the 2009/10 Adjusted Appropriation, funding was reprioritised to this programme from Programme 4: Business Regulation and Governance to cover the costs of commitments from 2008/09 in respect of DTP, as well as for high impact projects such as the partnership with Crossley Carpets, the Moses Kotane project and the Clothing and Textile Support programme. The decrease in Programme 3 in the 2010/11 MTEF is attributable to the completion of the airport portion of DTP. This project continues after 2010, to allow for further development of the logistics hub at the airport site. This explains the increase in *Transfers and subsidies to: Non-profit institutions* in 2007/08 and over the period 2008/09 and 2009/10, as well as the reduction in this category in the 2010/11 MTEF.

The 2007/08 Audited amount reflected against Programme 4: Business Regulation and Governance largely relates to the filling of posts and associated costs, in order to meet increased service delivery requirements. The increased allocation to this programme in the 2009/10 Main Appropriation was to provide for the establishment of the KZN Liquor Entity, which will administer liquor licence applications. Due to delays in the promulgation of the KZN Liquor Bill, this funding was reprioritised in the 2009/10 Adjusted Appropriation to cover commitments from 2008/09 under Programme 3, as mentioned above. The allocation over the 2010/11 MTEF relates to the provision of funding to this entity, as it is anticipated that the KZN Liquor Bill will be promulgated in 2010/11.

The increase in Programme 5 in the 2009/10 Main Appropriation caters for increased monitoring and evaluation staff, as well as the review of the department's strategic plan. Provision was also made for an analysis of the effectiveness of the department's economic strategy. In the 2009/10 Adjusted Appropriation, funding of R5 million for the Film Commission (R3.800 million) and the Durban Film Festival (R1.200 million) was moved to Programme 3. Of this amount, R3.800 million was reprioritised within Programme 3 to provide for portion of the commitments carried-over from 2008/09 in respect of DTP. The increased allocation over the 2010/11 MTEF relates to the full roll-out of the project management system (PMS), which is aimed at monitoring all of the projects run by the department.

The increase in *Compensation of employees* in 2008/09 is due to the expansion of the staff establishment and the cost of the higher than anticipated 2008 wage agreement. The substantial increase in the 2009/10 Main Appropriation is due to the drive to fill vacant posts, made possible by the increase in office space in the department's head office. Further, the department hoped to fill posts at its eleven district offices. This funding was reduced in the 2009/10 Adjusted Appropriation because of the moratorium on the filling of non-critical posts, in line with the Cabinet-approved Provincial Recovery Plan. The increase over the 2010/11 MTEF relates to the filling of critical vacant posts, annual salary increases and pay progression, as well as the carry-through costs of the higher than anticipated 2009 wage agreement.

The increased spending against *Goods and services* in 2008/09 can largely be ascribed to costs relating to the rejuvenation of trading centres in townships, the establishment of district offices in all areas of the province, software training in terms of an agreement with the Indian Government whereby departmental staff are sent to Indian tertiary institutions for training, and the establishment of the KZN Music Studio project. The increase in the 2009/10 Main Appropriation relates to further funding for the rejuvenation of trading centres in townships, as well as for co-operative projects. The increase in the 2009/10 Adjusted Appropriation relates to 2010 World Cup projects and costs for the Office of the MEC, which were both funded by reprioritisation from Programme 4 due to delays in the promulgation of the KZN Liquor Bill. The allocation over the 2010/11 MTEF fluctuates over the period. The apparent decline from the 2009/10 Adjusted Appropriation to 2010/11 is due to the Adjusted Appropriation including funding for the establishment and running costs of the Office of the MEC.

Transfers and subsidies to: Departmental agencies and accounts caters for funding for Trade and Investment KwaZulu-Natal (TIK). The allocation shows steady growth over the seven-year period.

The substantial increase in *Transfers and subsidies to: Universities and technikons* over the 2010/11 MTEF relates to operational funding for the Moses Kotane project. This project is a continuation of the South African National Liberation Institute of Technology, Philosophy and Political Science (SANLITPPS) project, which commenced in the 2009/10 budget. The aim of this project is to train teachers and students in mathematics and science to prepare them for their transition from schools to tertiary institutions.

The increase in *Transfers and subsidies to: Public corporations and private enterprises* in 2007/08 was due to the function shift of the Growth and SMME Funds to the department from Vote 6: Provincial Treasury. As mentioned previously, the reduced spending in 2008/09 was due to delays in transferring funds to Ithala. The 2009/10 Main Appropriation relates to funding for the Growth, SMME and Co-operatives Fund, although at a lower level. Funding was also provided for transfers to the KZN Sharks Board and TKZN, due to the function shift of Tourism from Vote 15: Arts and Culture. The allocation over the 2010/11 MTEF relates to continued funding of the above-mentioned entities.

As mentioned previously, the allocations to *Transfers and subsidies to: Non-profit institutions* from 2008/09 to 2009/10 and over the 2010/11 MTEF is attributable to transfers to DTP and RBIDZ. The allocation to DTP over the 2010/11 MTEF is made to allow for additional commercialisation opportunities, such as overnight fresh produce supplies to the European continent.

Machinery and equipment was increased in 2007/08 to provide for furniture and equipment for new appointments. The spending in 2008/09 relates to commitments from 2007/08 only invoiced and paid for in 2008/09, including equipment for new offices, provision for asset costs associated with the implementation of the Master Systems Plan of the department, as well as equipment for one-stop-shops. In the 2009/10 Adjusted Appropriation, funding was provided for the purchase of fleet vehicles. The allocation to this category over the 2010/11 MTEF relates to funding for the purchase of additional fleet vehicles.

5.4 Summary of payments and estimates by district municipal area

Table 4.8 shows the payments, excluding operational costs, to be incurred in each district municipality.

Table 4.8: Summary of payments and estimates by district municipal area

R thousand	Audited Outcome 2008/09	Revised Estimate 2009/10	Medium-term Estimates		
			2010/11	2011/12	2012/13
eThekweni	1 312 455	1 419 341	515 718	384 382	403 601
Ugu	-	-	670	704	739
uMgungundlovu	359 097	817 972	795 097	759 404	797 375
Uthukela	-	-	800	840	882
Umkhanyathi	-	-	800	840	882
Amajuba	-	-	700	735	772
Zululand	-	-	9 600	10 080	10 584
Umkhanyakude	-	-	2 340	2 457	2 580
uThungulu	-	103 750	57 955	60 665	63 698
Ilembe	-	-	102	107	112
Sisonke	-	-	800	840	882
Total	1 671 552	2 341 063	1 384 582	1 221 054	1 282 107

As can be seen from the table, spending is largely split between the eThekweni Metro and uMgungundlovu district municipal area. This is due to the allocation of province-wide projects to the uMgungundlovu district, which is the location of the department's head office. The high allocation to the eThekweni Metro reflects the funding for DTP, as this project is situated in this area. The decline in the allocation to the eThekweni Metro over the 2010/11 MTEF is directly related to the completion of the airport portion of DTP.

The amount allocated to the Zululand District Municipality relates to various LED projects such as rejuvenation of trading centres.

The spending allocated to the uThungulu district municipal area can be attributed to the funding for the development of the RBIDZ.

5.5 Summary of infrastructure payments and estimates

Table 4.9 below summarises the infrastructure payments and estimates relating to the department.

The main funding allocated is against *Infrastructure transfers*. The allocation to *Upgrades and additions* in 2006/07 relates to alterations to a building belonging to the Umzimkulu Municipality, to convert it to a craft centre.

Table 4.9: Summary of infrastructure payments and estimates

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
New and replacement assets									
Existing infrastructure assets	3 000	-	-	-	-	-	-	-	-
Upgrades and additions	3 000	-	-	-	-	-	-	-	-
Rehabilitation, renovations and refurbishments									
Maintenance and repairs									
Infrastructure transfers	-	431 000	1 299 313	1 498 004	1 702 004	1 702 004	583 880	461 180	484 239
Current	-	-	-	24 913	24 913	24 913	31 953	37 441	39 313
Capital	-	431 000	1 299 313	1 473 091	1 677 091	1 677 091	551 927	423 739	444 926
<i>Capital infrastructure</i>	3 000	431 000	1 299 313	1 473 091	1 677 091	1 677 091	551 927	423 739	444 926
<i>Current infrastructure</i>	-	-	-	24 913	24 913	24 913	31 953	37 441	39 313
Total	3 000	431 000	1 299 313	1 498 004	1 702 004	1 702 004	583 880	461 180	484 239

The increase in *Infrastructure transfers* in 2007/08 and 2008/09 was predominantly due to funding allocated to DTP. The allocation to this category in the 2009/10 Main Appropriation was in respect of DTP and RBIDZ. In the 2009/10 Adjusted Appropriation, this allocation was increased due to the reprioritisation of funding from within the baseline of the department for DTP and RBIDZ, to cover commitments carried forward from the previous year.

The allocation over the 2010/11 MTEF is in respect of DTP and RBIDZ, although at decreasing levels due to the completion of the airport portion of DTP.

DTP is progressing well, and construction work at DTP and its attendant new International Airport is on track. Details of the progress on this project can be found under Section 3: Outlook for 2010/11.

In respect of RBIDZ, the land ownership problem is in the process of being resolved and the project has been granted a business licence to trade as an IDZ. This has enabled it to source funding from the Department of Trade and Industry amounting to R80 million. This funding is additional to that allocated to the project by the department. Consultants have been appointed to revise and update the business plan for the project, as the previous business plan was outdated.

5.6 Transfers to public entities listed in terms of Schedule 3 of the PFMA

Table 4.10 provides a summary of departmental transfers to the public entities which falls under the auspices of the department. Financial summaries in respect of the various public entities are presented in the *Annexure – Vote 4: Economic Development and Tourism*.

Table 4.10: Summary of departmental transfers to public entities listed in terms of Schedule 3 of the PFMA

R thousand	Outcome			Main Appropriation	Adjusted Appropriation 2009/10	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Ithala Development Finance Corporation Ltd (Ithala)	144 849	804 142	-	338 859	203 750	210 678	336 975	343 936	352 118
of which									
Accelerated Economic Development Unit	40 000	-	-	-	-	-	-	-	-
Co-operatives	100 000	100 000	-	85 109	-	-	80 000	84 300	89 500
Growth Fund	-	500 000	-	100 000	-	-	100 000	100 000	100 000
Project Specific Funding	4 849	24 000	-	-	-	-	-	-	-
RBIDZ	-	45 000	-	53 750	103 750	110 678	56 975	59 636	62 618
SMMES	-	135 142	-	100 000	100 000	100 000	100 000	100 000	100 000
TKZN	58 096	60 036	66 413	70 012	79 012	79 012	69 444	73 611	77 292
KZN Sharks Board	17 727	19 146	23 297	25 338	25 338	25 338	25 551	27 084	28 438
Total	220 672	883 324	89 710	434 209	308 100	315 028	431 970	444 631	457 848

Ithala was established as an entity in 1999 by the KwaZulu-Natal Ithala Development Finance Corporation Act (Act No. 2 of 1999), with the aim of providing financing for historically marginalised communities. The department transfers funds to Ithala on a project-specific funding basis. Ithala then oversees the financing and control of the projects, as well as the recovery of the loans. In 2008/09, the entire amount allocated to Ithala was surrendered to the Provincial Revenue Fund, due to changes in the loan model, as well as changes in lending requirements.

The 2009/10 Main Appropriation consisted of allocations to the Co-operatives, SMMES and Growth Funds. In addition, funding was allocated to RBIDZ. In the 2009/10 Adjusted Appropriation, the funding for the Co-operatives and the Growth Funds was reprioritised to provide for commitments relating to 2008/09 and additional funding was provided to the RBIDZ for land purchase, while TKZN received funding for the Tourism Indaba.

The reduced funding over the 2010/11 MTEF is as a result of the reduced allocation to the SMME and Growth Funds of R100 million each year of the 2010/11 MTEF, while the Co-operatives Fund receives R80 million, R84.300 million and R89.500 million over the 2010/11 MTEF. RBIDZ has been allocated R56.975 million, R59.636 million and R62.618 million, respectively, over the 2010/11 MTEF.

In the 2009/10 Main Appropriation, the Tourism function was shifted from Vote 15: Arts and Culture to this department. As a result of this function shift, the department is now responsible for funding two further public entities, namely the KZN Sharks Board and TKZN. The historic figures relating to these entities have been adjusted accordingly.

5.7 Transfers to other entities

Table 4.11 gives a summary of departmental transfers to other entities, details of which are given below.

Table 4.11: Summary of departmental transfers to other entities

R thousand	Outcome			Main Appropriation	Adjusted Appropriation 2009/10	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Clothing and Textile Sector Cluster Entity	-	750	-	450	1 643	1 643	-	-	-
Co-operative entity	-	2 819	152	-	59	59	-	-	-
Craft cluster	-	-	-	500	500	500	-	-	-
Dube TradePort (DTP)	136 650	443 500	1 299 313	1 444 254	1 598 254	1 611 339	526 905	364 103	382 308
Durban Chamber of Commerce & Industry	-	728	-	-	-	-	-	-	-
Durban Film Festival	-	-	-	1 200	1 200	1 200	1 200	1 200	1 260
Furniture Cluster Project	-	950	950	450	450	450	-	-	-
ICTe Cluster	-	1 400	554	2 000	2 000	2 000	-	-	-
Indigenous Music	-	-	-	1 000	1 000	1 000	-	-	-
Integrated Music Hub	-	1 107	-	800	800	800	-	-	-
KZN Chillies and Spice Growers Association	-	85	-	-	-	-	-	-	-
KZN Film Commission	-	698	-	3 800	-	-	4 180	4 598	4 828
KZN Liquor Entity	-	-	-	29 126	-	-	36 439	40 082	42 086
KZN Music Studio	-	-	-	15 000	-	-	15 900	4 000	3 000
Librec	-	-	-	6 930	-	-	-	-	-
Moses Kotane project	-	-	10 783	4 500	4 500	560	28 300	28 300	28 300
SEDA eThekweni	-	145	855	600	600	600	-	-	-
Trade and Investment KwaZulu-Natal (TIK)	30 000	40 670	42 000	54 416	54 416	54 416	56 637	61 536	64 613
University of KwaZulu-Natal (UKZN)	-	1 274	791	-	-	-	-	-	-
Total	166 650	494 126	1 355 398	1 565 026	1 665 422	1 674 567	669 561	503 819	526 395

As can be seen from the table, the major allocation to other entities over the entire seven-year period was to DTP. This funding covers the operational costs of the entity, the capital cost for the acquisition of a portion of the land at the new airport site, as well as the roll-out of the DTP capital project. The milestones that have been reached to date are discussed under Section 5.5 above. The allocation to this project decreases from 2010/11 due to the expected completion of the construction of the airport, and relates to funds to allow for further development of the multi-nodal logistics hub at the airport site.

The second largest allocation is to TIK. The allocation to this entity grows steadily over the seven-year period. Projects currently underway include an export seminar for local manufacturers, and a wood and furniture cluster trade mission.

Small amounts were allocated to various projects from 2007/08 onward, such as the Information Communication Technology and Electronics (ICTe) cluster, the Integrated Music Hub project and UKZN, among others. The department has also adopted a strategy of cluster support, and the table reflects transfers to various clusters in 2009/10.

The allocations to the Moses Kotane project increase substantially from 2009/10 to 2010/11 and over the MTEF. As mentioned previously, this project is a continuation of the SANLITPPS project which commenced in 2009/10. The aim of this project is to train teachers and students in mathematics and science, to prepare them for their transition from schools to tertiary institutions. The allocation over the 2010/11 MTEF is for the operational costs of this project.

Note that funding for the KZN Music Studio was moved to *Goods and services* in the 2009/10 Adjusted Appropriation due to a change in the implementation strategy. The original intention was to transfer the funding to an entity to establish the studio, however, this strategy was revised and the implementation was put out to a public bid process. The department intends to return to the original strategy of utilising an entity for the operationalisation of the studio. The allocation for the 2010/11 MTEF is therefore against *Transfers and subsidies to: Non profit institutions* once more.

5.8 Transfers to municipalities

Tables 4.12 and 4.13 below indicate transfers to municipalities per category. Previously, the only transfer that the department made to municipalities was in respect of the Regional Service Council Levy (RSCL), which was mainly paid to the eThekweni Metro. This levy was discontinued from July 2006.

Table 4.12: Summary of departmental transfers to municipalities by category

R thousand	Outcome			Main Appropriation	Adjusted Appropriation 2009/10	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Category A	22	-	-	-	-	-	-	-	-
Category B	-	-	300	-	-	-	-	-	-
Category C	2	2 800	1 326	-	-	924	-	-	-
Unallocated/unclassified	-	-	-	-	-	-	-	-	-
Total	24	2 800	1 626	-	-	924	-	-	-

Table 4.13: Summary of departmental transfers to municipalities by grant name

R thousand	Outcome			Main Appropriation	Adjusted Appropriation 2009/10	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Regional Service Council Levy	24	-	-	-	-	-	-	-	-
Joint project funding	-	-	1 626	-	-	924	-	-	-
Tourism development (building of lodges)	-	2 800	-	-	-	-	-	-	-
Total	24	2 800	1 626	-	-	924	-	-	-

The department identified three projects for joint funding in 2008/09. These comprised of market stalls for informal traders in the Ubuhlebezwe and Umzimkulu areas, and the building of a multi-media centre in Lamontville in the eThekweni area. Funding was subsequently provided for a call-centre in Newcastle, as well as an Aloe tea project in the Ladysmith municipality. These projects fall under Category B.

The allocation under Category C in 2007/08 relates to the building of a lodge in the Sisonke District Municipality as part of the Tourism function, which was transferred to the department from Vote 15: Arts and Culture in 2009/10. The allocation in 2008/09 relates to spending against joint funding projects in the Amajuba, Umzimkulu and Sisonke areas.

Details of these transfers are given in *Annexure – Vote 4: Economic Development and Tourism*.

5.9 Transfers and subsidies

Table 4.14 below is a summary of spending on *Transfers and subsidies* by programme and main category.

Table 4.14: Summary of transfers and subsidies by programme and main category

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
					2009/10				
1. Administration	71	292	28	-	-	-	-	-	-
Provinces and municipalities	10	-	-	-	-	-	-	-	-
Regional Service Council Levy	10	-	-	-	-	-	-	-	-
Households	61	292	28	-	-	-	-	-	-
Other transfer to households	61	292	28	-	-	-	-	-	-
2. Integrated Economic Development Services	140 005	735 142	700	285 109	100 059	100 059	280 000	284 300	289 500
Provinces and municipalities	5	-	700	-	-	-	-	-	-
Regional Service Council Levy	5	-	700	-	-	-	-	-	-
Public corporations and private enterprises	140 000	735 142	-	285 109	100 000	100 000	280 000	284 300	289 500
Co-operatives	100 000	100 000	-	85 109	-	-	80 000	84 300	89 500
SMMEs	-	135 142	-	100 000	100 000	100 000	100 000	100 000	100 000
Growth Fund	-	500 000	-	100 000	-	-	100 000	100 000	100 000
Accelerated Economic Development Unit	40 000	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	59	59	-	-	-
Co-operatives	-	-	-	-	59	59	-	-	-
3. Trade and Sector Development	247 327	644 410	1 446 035	1 680 000	1 873 463	1 890 460	785 092	624 068	652 657
Provinces and municipalities	5	2 800	926	-	-	924	-	-	-
Regional Service Council Levy	5	-	-	-	-	-	-	-	-
Building of lodges	-	2 800	-	-	-	-	-	-	-
Joint funding projects	-	-	926	-	-	924	-	-	-
Departmental agencies and accounts	30 000	40 670	42 000	54 416	54 416	54 416	56 637	61 536	64 613
TIK	30 000	40 670	42 000	54 416	54 416	54 416	56 637	61 536	64 613
Universities and technikons	-	1 274	11 574	4 500	4 500	560	28 300	28 300	28 300
Moses Kotane Project	-	-	10 783	4 500	4 500	560	28 300	28 300	28 300
UKZN-Postgraduate course on logistics	-	1 274	791	-	-	-	-	-	-
Public corporations and private enterprises	80 672	148 182	89 710	149 100	208 100	215 028	151 970	160 331	168 348
KZN Sharks Board	17 727	19 146	23 297	25 338	25 338	25 338	25 551	27 084	28 438
TKZN	58 096	60 036	66 413	70 012	79 012	79 012	69 444	73 611	77 292
Project Specific Funding	4 849	24 000	-	-	-	-	-	-	-
RBIDZ	-	45 000	-	53 750	103 750	110 678	56 975	59 636	62 618
Non-profit institutions	136 650	451 484	1 301 824	1 471 984	1 606 447	1 619 532	548 185	373 901	391 396
DTP	136 650	443 500	1 299 313	1 444 254	1 598 254	1 611 339	526 905	364 103	382 308
Durban Film Festival	-	-	-	-	1 200	1 200	1 200	1 200	1 260
KZN Film Commission	-	-	-	-	-	-	4 180	4 598	4 828
KZN Music Studio	-	-	-	15 000	-	-	15 900	4 000	3 000
Various projects	-	7 984	2 511	12 730	6 993	6 993	-	-	-
Households	-	-	1	-	-	-	-	-	-
Benefits for ex-employees	-	-	1	-	-	-	-	-	-
4. Business Regulation and Governance	3	-	-	29 126	-	-	36 439	40 082	42 086
Provinces and municipalities	3	-	-	-	-	-	-	-	-
Regional Service Council Levy	3	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	29 126	-	-	36 439	40 082	42 086
KZN Liquor Entity	-	-	-	29 126	-	-	36 439	40 082	42 086
5. Economic Planning	1	698	-	5 000	-	-	-	-	-
Provinces and municipalities	1	-	-	-	-	-	-	-	-
Regional Service Council Levy	1	-	-	-	-	-	-	-	-
Non-profit institutions	-	698	-	5 000	-	-	-	-	-
Durban Film Festival	-	-	-	1 200	-	-	-	-	-
KZN Film Commission	-	-	-	3 800	-	-	-	-	-
Other	-	698	-	-	-	-	-	-	-
Total	387 407	1 380 542	1 446 763	1 999 235	1 973 522	1 990 519	1 101 531	948 450	984 243

The category *Transfers and subsidies to: Households* under Programme 1: Administration relates to termination benefits paid to ex-employees of the department upon them leaving the department.

Programme 2: Integrated Economic Development Services caters for transfers made to the Growth, SMME and Co-operative Funds payments under the category *Transfers and subsidies to: Public corporations and private enterprises*. The allocation to these funds was reduced in the 2009/10 Main Appropriation due to the slow uptake of funds by Ithala because of changes in the loan policy. The allocation to the Growth and SMME Funds remains at R100 million per year and that to the Co-operative Fund at R80 million, R84.300 million and R89.500 million over the 2010/11 MTEF.

Programme 3: Trade and Sector Development is responsible for the following transfer payments:

- *Departmental agencies and accounts* covers the allocation made to TIK. The allocation grows steadily over the seven-year period;
- *Universities and technikons* covers the allocation to the Mose Kotane project and UKZN for a post graduate course in logistics;
- *Public corporations and private enterprises* covers three transfer payments:
 - The RBIDZ project was delayed until 2009/10, due to land ownership issues. In the 2009/10 Adjusted Appropriation, additional funding was allocated for the purchase of land, which was a commitment carried forward from 2008/09. The allocation increases steadily over the MTEF;
 - TKZN was moved to the department as part of the shift of the Tourism function from Vote 15: Arts and Culture in 2009/10. The allocation grows steadily over the seven-year period. The peak in the allocation in the 2009/10 Adjusted Appropriation relates to additional funding reprioritised from other programmes for the Tourism Indaba; and
 - The KZN Sharks Board was also moved to the department as part of the Tourism function shift from Vote 15: Arts and Culture in 2009/10. The allocation grows steadily over the seven years.
- *Transfers and subsidies to: Non-profit institutions* includes the allocation to DTP. The allocation to this project peaked in 2009/10 and decreases over the 2010/11 MTEF due to the completion of the airport portion of the project in 2009/10. A number of new allocations are made to this category over the 2010/11 MTEF. These are the KZN Music Studio (this funding was for the operationalisation of the entity, as mentioned in Section 5.7 above), the KZN Film Commission and the Durban Film Festival. The high allocation to the KZN Music Studio in 2010/11 is due to the set up costs of the entity. The allocations over the outer years of the MTEF are for marketing and recording costs.

Programme 4: Business Regulation and Governance caters for the transfer of funds for the KZN Liquor Entity. Due to delays in the promulgation of the KZN Liquor Bill, the funding for this entity was reprioritised in the 2009/10 Adjusted Appropriation. Due to the expectation that the KZN Liquor Bill will be promulgated in 2010/11, funding has been allocated to this entity over the 2010/11 MTEF.

The allocations to Programme 5: Economic Planning were mainly to the category *Transfers and subsidies to: Non-profit institutions*. The allocation in the 2009/10 Main Appropriation was for the Durban Film Festival, which is a two week event in which various films are screened, and the Film Commission, whose function it is to handle film shooting location booking and administration. This funding was moved to Programme 3 in the 2009/10 Adjusted Appropriation.

6. Programme description

The services rendered by this department are categorised under five programmes, which are explained below. The payments and budgeted estimates for each programme are summarised in terms of sub-programmes and economic classification, details of which are given in the *Annexure – Vote 4: Economic Development and Tourism*. The budget structure largely conforms to the uniform budget and programme structure for the Economic Development sector.

6.1 Programme 1: Administration

The main purpose of Programme 1: Administration is to provide for the overall management of the department, and to render a support service to the other programmes in respect of transversal functions. This programme consists of four sub-programmes, namely Office of the MEC, Office of the HOD, Financial Management and Corporate Services.

Tables 4.15 and 4.16 below illustrate the payments and estimates of this programme over the seven-year period 2006/07 to 2012/13.

Table 4.15: Summary of payments and estimates - Programme 1: Administration

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	2009/10			2010/11	2011/12	2012/13
Office of the MEC	-	-	-	3 943	18 854	19 368	25 253	26 515	27 841
Office of the HOD	8 529	12 701	28 890	47 633	51 183	49 399	60 044	49 608	46 157
Financial Management	11 695	16 035	12 908	18 326	16 976	17 195	23 428	24 600	25 829
Corporate Services	16 395	22 523	61 878	48 287	59 887	59 419	80 023	84 023	88 226
Total	36 619	51 259	103 676	118 189	146 900	145 381	188 748	184 746	188 053

Table 4.16: Summary of payments and estimates by economic classification - Programme 1: Administration

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	36 207	50 242	100 131	117 057	142 548	141 053	185 008	180 819	183 930
Compensation of employees	14 943	15 778	21 627	39 430	38 430	39 883	53 964	56 662	59 496
Goods and services	21 264	34 464	78 504	77 627	104 118	101 170	131 044	124 157	124 434
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	71	292	28	-	-	-	-	-	-
Provinces and municipalities	10	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	61	292	28	-	-	-	-	-	-
Payments for capital assets	341	725	3 517	1 132	4 352	4 328	3 740	3 927	4 123
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	341	709	3 324	1 132	4 232	4 252	3 430	3 601	3 781
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	16	193	-	120	76	310	326	342
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	36 619	51 259	103 676	118 189	146 900	145 381	188 748	184 746	188 053

The allocation to the Office of the MEC sub-programme only commenced in 2009/10, due to the fact that, previously, the department shared a MEC with Vote 6: Provincial Treasury. In the 2009/10 Adjusted Appropriation, additional funding of R4.711 million was shifted from Vote 6: Provincial Treasury, and R10.200 million was reprioritised from Programme 4, due to delays in the promulgation of the KZN Liquor Bill, to include the set-up costs of the new ministry office as well as operational costs over the MTEF.

The growth in the Office of the HOD sub-programme in 2007/08 relates to the restructuring of the department and the creation of additional capacity, while the spending in 2008/09 reflects the movement of 2010 projects from Programmes 2 and 5. These projects were moved in order to ensure more effective monitoring and control of these funds. No comparative figures were involved, as the funding was first allocated in that year. This also explains a portion of the increase in *Goods and services* in 2008/09. The allocation in the 2009/10 Main and 2009/10 Adjusted Appropriation reflects funding for the continuation of 2010 projects, which include public viewing areas and the 2010 Communication Strategy. The peak in the allocation in 2010/11 relates to once-off 2010 World Cup projects.

The high 2007/08 spending against the Financial Management sub-programme was due to the expansion of the Internal Control unit, as well as the creation of a System Control unit. The 2009/10 Main Appropriation includes once-off funding for the procurement of a document tracking system, funding to

expand the size of the department's vehicle fleet, because of the increase in the number of staff, as well as the need to increase capacity in the Supply Chain Management component. In the 2009/10 Adjusted Appropriation, savings were identified in *Compensation of employees* as a result of the moratorium on the filling of non-critical posts, in line with the Cabinet-approved Provincial Recovery Plan. This was reprioritised to the Office of the HOD to provide portion of the funding for the 2010 World Cup projects. This explains the reduction in *Compensation of employees* in the 2009/10 Adjusted Appropriation. The increased allocation over the 2010/11 MTEF relates to the appointment of staff to assist with the administration of the district offices. The filling of posts will take into consideration the terms of the Cabinet-approved Provincial Recovery Plan.

With regard to the Corporate Services sub-programme, the increase in 2007/08 was due to the costs of the move of the department's head office to Pietermaritzburg. The further increase in 2008/09 relates to once-off costs for the setting up of district offices, which were moved to this sub-programme from Programme 2. It also includes commitments rolled-over from 2007/08, as well as additional costs related to the Master Systems Plan project. The increase over the MTEF relates to inflationary adjustments and provision for increased staffing, as well as the aggregated cost of the department's district offices. The cost of these offices includes leases, electricity and water, and telecommunication costs.

Compensation of employees shows a substantial increase in 2008/09 due to the cost of additional capacity across all sub-programmes, the transfer of senior management salary costs from service delivery programmes to this programme, as well as the expansion of the Supply Chain Management and Corporate Services components. The increased allocation in the 2009/10 Main Appropriation and over the MTEF includes the expansion of the staff establishment of the Office of the MEC.

The increase in *Goods and services* in 2007/08 was due to the move of the sub-programme: Office of the Chief Financial Officer from the former Programme 2, as well as the costs of computer services and increased rentals due to the relocation of the head office. The substantial increase in 2008/09 as well as the 2010/11 MTEF was due to the costs of 2010 World Cup projects, as mentioned above, as well as municipal charges for one-stop-shops. In addition, costs were incurred on projects such as a hydro-electric feasibility study in Jozini, business networking, etc, as well as the costs of the Master Systems Plan project. In the 2009/10 Adjusted Appropriation, funding was shifted from Vote 6: Provincial Treasury and reprioritised from Programme 4 to provide additional funding for the MEC sub-programme.

The high spending in 2008/09 against *Machinery and equipment* is due to the replacement of departmental vehicles, commitments rolled-over from 2007/08, equipment for the head office building and the purchase of computer equipment associated with the implementation of the Master Systems Plan project. In the 2009/10 Adjusted Appropriation, funding was reprioritised from Programme 4 to provide for vehicles delivered but not paid for. The MTEF allocation caters for the purchase of additional vehicles for the expanded staffing of the department.

The spending against *Software and other intangible assets* in 2008/09 was due to once-off software costs. In the 2009/10 Adjusted Appropriation, funding was allocated for additional Microsoft licences in respect of the Tourism component. The allocation over the 2010/11 MTEF relates to legal software resources required by the Legal Services unit.

6.2 Programme 2: Integrated Economic Development Services

The main purpose of this programme is the provision of strategic leadership, direction and co-ordination of economic empowerment initiatives in KwaZulu-Natal. This programme consists of three sub-programmes, namely: Enterprise Development, Regional and Local Economic Development, and Economic Empowerment.

Tables 4.17 and 4.18 below illustrate the summary of payments and estimates relating to Programme 2 for the period 2006/07 to 2012/13.

Table 4.17: Summary of payments and estimates - Programme 2: Integrated Economic Development Services

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Enterprise Development	176 363	760 904	78 541	454 354	150 554	151 331	389 684	387 122	394 988
Regional and Local Economic Development	6 700	9 197	18 759	85 031	49 431	47 154	66 602	78 407	79 896
Economic Empowerment	3 639	5 558	20 605	19 565	60 365	52 246	25 014	25 879	26 683
Total	186 702	775 659	117 905	558 950	260 350	250 731	481 300	491 408	501 567

Table 4.18: Summary of payments and estimates by economic classification - Programme 2: Integrated Economic Development Services

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Current payments	46 568	38 349	114 795	273 486	160 036	150 410	200 800	206 583	211 516
Compensation of employees	11 364	13 237	25 421	37 041	34 441	33 832	41 866	43 959	46 157
Goods and services	35 204	25 112	89 374	236 445	125 595	116 578	158 934	162 624	165 359
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	140 005	735 142	700	285 109	100 059	100 059	280 000	284 300	289 500
Provinces and municipalities	5	-	700	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	140 000	735 142	-	285 109	100 000	100 000	280 000	284 300	289 500
Non-profit institutions	-	-	-	-	59	59	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	129	2 168	2 410	355	255	262	500	525	551
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	129	2 154	2 410	355	255	262	480	504	529
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	14	-	-	-	-	20	21	22
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	186 702	775 659	117 905	558 950	260 350	250 731	481 300	491 408	501 567

The high 2006/07 spending against the Enterprise Development sub-programme relates to the establishment of the Small Enterprise Development Agencies (SEDA) and funding for the incubator programme, which is aimed at supporting newly established businesses. In 2007/08, this sub-programme was increased due to the function shift of the Growth and SMME Funds from Vote 6: Provincial Treasury. This explains the increase in *Transfers and subsidies to: Public corporations and private enterprises* in that year. The reduced spending in 2008/09 relates to the surrender of the major portion of the allocation to the Provincial Revenue Fund, because of delays in transferring funds to Ithala due to changes in lending requirements, as well as changes to the loan model. This largely explains the reduction in *Transfers and subsidies to: Public corporations and private enterprises* in the same period. The substantial increase in the 2009/10 Main Appropriation relates to funding for the Growth, SMME and Co-operative Funds. In the 2009/10 Adjusted Appropriation, part of this funding was reprioritised to Programme 3: Trade and Sector Development to provide for commitments from 2008/09 in respect of DTP and RBIDZ, as well as to cater for high impact projects. The allocation over the 2010/11 MTEF shows fairly steady growth.

With regard to the Regional and Local Economic Development sub-programme, the increase in 2007/08 relates to the costs associated with the hosting of the provincial LED conference, while the substantial increase in 2008/09 relates to the rejuvenation of trading centres in townships. This project received a significant increase in the 2009/10 Main Appropriation, partly explaining the significant increase in *Goods and services* in 2009/10. In the 2009/10 Adjusted Appropriation, due to the revision of projects, such as the trading centres project, and various co-operatives projects, portion of this allocation was reprioritised to Programme 3 to fund high impact projects, land purchase for RBIDZ and the Tourism Indaba hosted by TKZN. This explains the reduction in *Goods and services* in the 2009/10 Adjusted Appropriation. Further details of these projects are provided under Programme 3.

The substantial increase in the Economic Empowerment sub-programme in 2008/09 relates to the cost of additional staffing, and the increase in the scope of work to be undertaken. The increase in the 2009/10 Adjusted Appropriation relates to funds reprioritised from *Goods and services*, from various sub-

programmes within the programme, for the *Ifihlile* project, which is designed to provide mechanical and technical skills to young school leavers.

The increased spending against *Compensation of employees* in 2008/09 relates to the expansion of all sub-programmes, particularly the Economic Empowerment sub-programme. The allocation to this category rises steadily from 2009/10 and over the 2010/11 MTEF.

The high 2006/07 spending in respect of *Goods and services* was due to the shift of the Co-operatives Fund from Vote 6: Provincial Treasury. Delays in the implementation of the co-operative projects resulted in the allocation being reduced in 2007/08, to offset spending pressures in respect of DTP. The increase in 2008/09 and 2009/10 relates to the rejuvenation of trading centres in townships and the creation of fan parks, in anticipation of the televising of games such as the 2009 Confederation Cup and the 2010 World Cup. In addition, funding was allocated for the costs of the planned expansion of the department into districts, as well as the cost of holding *izimbizo* in all eleven districts of the province. The decrease in the 2009/10 Adjusted Appropriation was due to the revision of projects which led to an amount of R104 million being moved from *Goods and services* to the same category under Programme 3, to provide for high impact projects. In addition, R6 million was moved to *Transfers and subsidies to: Public corporations and private enterprises* to provide for portion of the increased allocation to RBIDZ for land purchase.

The high spending on *Machinery and equipment* in 2007/08 and in 2008/09 was to provide for the capital requirements of new appointments and capital equipment of one-stop-shops.

The lower Revised Estimate for 2009/10 in respect of this programme is due to the slow uptake of the various projects.

Service delivery measures – Programme 2: Integrated Economic Development Services

Table 4.19 below shows the main service delivery measures pertaining to Programme 2, which are standardised in terms of the sector.

Table 4.19: Service delivery measures – Programme 2: Integrated Economic Development Services

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2009/10	2010/11	2011/12	2012/13
1. Enterprise Development					
1.1 Creation and development of infrastructure for integrated business support service delivery to SMMEs	<ul style="list-style-type: none"> No. of SMMEs supported through the institutions No. of Technology Demonstration Cum Training Centres (TDTCs) supported No. of SMMEs trained in business management 	1 150 2 790	2 205 2 1 625	2 215 2 1 625	2 235 2 1 625
1.2 Provision of access to finance	<ul style="list-style-type: none"> No. of loan applications forwarded to SMME Fund <ul style="list-style-type: none"> Ithala loan applications other financial institutions No. of SMMEs assisted to access finance <ul style="list-style-type: none"> Ithala loan applications other financial institutions 	378 400 n/a 252 n/a n/a	552 400 152 410 300 110	552 400 152 410 300 110	552 400 152 410 300 110
1.3 Provision of access to markets	<ul style="list-style-type: none"> No. of SMMEs assisted to access markets at the Royal Show No. of SMMEs assisted to access markets at local business fairs and exhibitions No. of markets (private and public) 	23 20 10	20 20 10	20 20 10	20 20 10
1.4 Provision of policy and strategic framework for SMME development in KZN	<ul style="list-style-type: none"> SMME development strategy formulated 	1	n/a	n/a	n/a

Table 4.19: Service delivery measures – Programme 2: Integrated Economic Development Services

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2009/10	2010/11	2011/12	2012/13	
1.5	Creation and development of infrastructure for integrated business support service delivery to SMMEs	<ul style="list-style-type: none"> No. of one-stop-shop and satellite business information centres maintained No. of business incubation centres supported No. of SMMEs incubated No. of SMMEs trained in TDTC technical training (wire nails, barbed wire, exercise note book and wire drawing machine) 	15 1 n/a 60	15 1 20 160	15 1 30 160	15 1 50 160
1.6	Facilitate the creation of sustainable jobs	<ul style="list-style-type: none"> No. of jobs created 	200	1 746	1 746	1 746
2. Co-operatives Development						
2.1	Facilitate access to appropriate funding by co-operatives	<ul style="list-style-type: none"> No. of co-operatives supported No. of co-operatives funded 	723 150	456 100	390 80	200 50
2.2	Facilitate access to skills development and mentorship	<ul style="list-style-type: none"> No. of primary co-operatives trained No. of co-operatives mentored No. of existing co-operatives rehabilitated No. of students and staff 	150 150 273 15	100 100 156 96	80 80 150 96	50 50 50 96
2.3	Provide institutional structures at district level for support, monitoring and evaluation	<ul style="list-style-type: none"> No. of economic infrastructure to support co-operatives No. of sector specific secondary co-operatives established No. of savings co-operatives established and operational 	4 11 4	7 11 8	9 11 10	11 11 11
2.4	Facilitate creation of sustainable jobs	<ul style="list-style-type: none"> No. of jobs created No. of co-operative exhibitions conducted 	750 5	500 2	400 2	250 2
2.5	Facilitate access to markets	<ul style="list-style-type: none"> No. of markets (private and public) 	10	10	10	10
3. Local Economic Development						
3.1	Facilitation of pro-poor investment at municipal level	<ul style="list-style-type: none"> No. of economic development projects supported at municipalities (includes all implementation projects) No. of partnership groups assisted to leverage private finance No. of direct sustainable jobs created or saved No. of feasibility studies completed 	2 5 500 30	24 5 500 30	15 15 500 10	15 20 1 000 10
3.2	Improvement in alignment of LED planning between provincial and local spheres	<ul style="list-style-type: none"> No. of LED planning projects completed (includes all LED planning and technical assistance projects) No. of LED stakeholder organisations supported No. of capacity building interventions at municipalities No. of people trained 	20 5 2 200	49 n/a 2 320	10 n/a 2 250	10 n/a 2 200
4. Economic Empowerment						
4.1	BBBEE partnerships & stakeholder relations	<ul style="list-style-type: none"> No. of BEE forum meetings No. of implementation team meetings No. of MOUs signed with strategic partners 	8 6 n/a	4 44 3	4 n/a 4	4 n/a 4
4.2	BBBEE monitoring & evaluation	<ul style="list-style-type: none"> No. of verification certificates 	n/a	7	7	n/a
4.3	BBBEE sector matrix enterprise development	<ul style="list-style-type: none"> Establishment of BEE Ombudsman office Consolidated targeted approach report No. of women empowered No. of youth empowered No. of transformation charters monitored 	1 n/a 1 000 30 n/a	1 4 500 n/a 1	n/a 4 500 n/a 1	n/a 4 500 n/a 1
4.4	BBBEE information dissemination	<ul style="list-style-type: none"> Information tools No. of youth utilising 'Youth biz' software Development of BEE information and communication plan Umyezane conference Umyezane golf and awards No. of BBBEE workshops conducted 	4 200 n/a 1 1 7	n/a n/a 1 1 1 5	n/a n/a n/a 1 1 n/a	n/a n/a n/a 1 1 n/a

Table 4.19: Service delivery measures – Programme 2: Integrated Economic Development Services

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2009/10	2010/11	2011/12	2012/13	
4.5 Skills development	• No. of youth trained (learnership, general skills development and apprenticeship)	350	350	350	350	
4.6 Preferential procurement	• % government spend on BEE set aside of procurement budget	5	10	10	10	
4.7 Facilitation of access to finance	• No. of BEE deals facilitated and/or packaged	n/a	5	5	5	

6.3 Programme 3: Trade and Sector Development

The main purpose of this programme is to stimulate economic growth through industry development, trade and investment promotion. This programme comprises four sub-programmes, namely Trade and Investment Promotion, Sector Development, Strategic Initiatives (Industry Development) and Tourism Development. Tables 4.20 and 4.21 below give a summary of payments and estimates relating to Programme 3 for the period 2006/07 to 2012/13.

Table 4.20: Summary of payments and estimates - Programme 3: Trade and Sector Development

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	2009/10	2009/10	2009/10	2010/11	2011/12	2012/13
Trade and Investment Promotion	169 378	516 983	1 351 231	1 512 203	1 666 173	1 666 128	594 534	436 783	487 438
Sector Development	8 413	12 868	63 505	64 116	157 716	156 298	98 709	84 216	81 477
Strategic Initiatives (Industry Development)	-	45 000	-	53 620	103 750	103 750	56 975	59 636	62 618
Tourism Development	93 282	90 985	107 280	110 836	122 836	114 844	120 558	127 061	132 811
Total	271 073	665 836	1 522 016	1 740 775	2 050 475	2 041 020	870 776	707 696	764 344

Table 4.21: Summary of payments and estimates by economic classification - Programme 3: Trade and Sector Development

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	2009/10	2009/10	2009/10	2010/11	2011/12	2012/13
Current payments	20 614	21 139	74 743	60 717	176 338	149 919	85 684	83 628	111 687
Compensation of employees	5 790	6 894	10 318	14 016	10 616	10 747	17 568	18 447	19 369
Goods and services	14 824	14 245	64 425	46 701	165 722	139 172	68 116	65 181	92 318
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	247 327	644 410	1 446 035	1 680 000	1 873 463	1 890 460	785 092	624 068	652 657
Provinces and municipalities	5	2 800	926	-	-	924	-	-	-
Departmental agencies and accounts	30 000	40 670	42 000	54 416	54 416	54 416	56 637	61 536	64 613
Universities and technikons	-	1 274	11 574	4 500	4 500	560	28 300	28 300	28 300
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	80 672	148 182	89 710	149 100	208 100	215 028	151 970	160 331	168 348
Non-profit institutions	136 650	451 484	1 301 824	1 471 984	1 606 447	1 619 532	548 185	373 901	391 396
Households	-	-	1	-	-	-	-	-	-
Payments for capital assets	3 132	287	1 238	58	674	641	-	-	-
Buildings and other fixed structures	3 000	-	-	-	-	-	-	-	-
Machinery and equipment	132	287	1 238	58	674	641	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	271 073	665 836	1 522 016	1 740 775	2 050 475	2 041 020	870 776	707 696	764 344

The allocation to this programme increased substantially in 2009/10 due to the shift of the Tourism function from Vote 15: Arts and Culture after the reconfiguration of provincial departments following the 2009 elections. A separate sub-programme was created for this function and the historic figures were adjusted accordingly. It should be noted that this sub-programme covers the transfer payments made to the two public entities which now fall under the department, as a result of the function shift. These are TKZN and the KZN Sharks Board. In the 2009/10 Adjusted Appropriation, funds were reprioritised to this sub-programme to cater for the Tourism Indaba hosted by TKZN. The lower Revised Estimate in respect of 2009/10 relates to the slow uptake of the various projects under the programme.

The substantial increase in the Trade and Investment Promotion sub-programme from 2006/07 to 2008/09 was due to expenditure in respect of TIK and DTP. This explains the increases in *Transfers and subsidies to: Non-profit institutions*. The significant growth in the 2009/10 Main Appropriation was due to a further allocation to DTP, while the increase in the 2009/10 Adjusted Appropriation relates to funding to cover commitments from 2008/09, which were reprioritised from Programme 2. This explains the substantial increase in *Transfers and subsidies to: Non-profit institutions* in the 2009/10 Adjusted Appropriation. The substantial reduction over the 2010/11 MTEF relates to the completion of the airport phase of DTP. The allocations over the two outer years of the MTEF are to allow for further development of the multi-nodal logistics hub at the airport site. The MTEF allocation also includes funding for the operational costs of the KZN Music Studio, as well as the KZN Film Commission and Durban Film Festival. This explains the reduction in *Transfers and subsidies to: Non-profit institutions* over the MTEF.

The increase in the Sector Development sub-programme in 2007/08 relates to funding for the establishment of an entity to promote indigenous music and the funding of a call-centre in Newcastle. The substantial increase in 2008/09 relates to the costs of software training, in terms of an agreement with the Indian government, whereby departmental staff are sent to Indian tertiary institutions for training. Further, costs were incurred relating to the Newcastle call-centre, a transfer to the Ladysmith municipality for the Aloe tea project, and the KZN Music Studio (R12 million). These costs were moved from *Transfers and subsidies to: Non-profit institutions* due to a decision to appoint a service provider to carry out the project, rather than establish a Section 21 company. As mentioned in Section 5.7, the department intends to return to the original strategy of utilising an entity for the operationalisation of the studio. The 2010/11 MTEF allocation is therefore against *Transfers and subsidies to: Non-profit institutions*, once more.

In the 2009/10 Adjusted Appropriation, funding was reprioritised from other programmes to fund high impact projects, such as the partnership with Crossley Carpets, Moses Kotane project and the Clothing and Textile Support programme, which explains the substantial increase in *Goods and services*. The allocation in 2010/11 relates to the establishment costs of the Agri-Business Development Agency. This agency (in the form of a Special Purpose Vehicle) will seek to develop expropriated land identified for the development of viable businesses. The allocation over the two outer years of the MTEF relates to tourism development projects, explaining the allocation to *Goods and services* over the MTEF.

No funding was allocated to the Strategic Initiatives (Industry Development) sub-programme until 2007/08, due to delays in finalising RBIDZ, the only project for which the sub-programme is responsible. In the 2009/10 Adjusted Appropriation, the funding to this project was increased by the reprioritisation of additional funding from Programme 2, to provide for the purchase of land. The allocation over the 2010/11 MTEF shows steady growth, as the project is now gaining momentum after the resolution of the land ownership problems.

Compensation of employees shows increased spending in 2008/09 when compared to 2007/08, due to the 2008 wage agreement. The increase in the 2009/10 Main Appropriation was due to a provision for additional posts. Due to the moratorium on the filling of posts, funding was reprioritised from this category to *Transfers and subsidies to: Public corporations and private enterprises* in the 2009/10 Adjusted Appropriation, to provide for portion of increased transfer to TKZN for the Tourism Indaba. The increase over the 2010/11 MTEF is due to the carry-through costs of the higher than anticipated 2008 and 2009 wage agreements, as well as a provision for the filling of critical posts in line with the Cabinet-approved Provincial Recovery Plan.

With regard to *Goods and services*, the peak in spending in 2008/09 relates to the costs of the KZN Music Studio which were moved from *Transfers and subsidies to: Non-profit institutions* to *Goods and services*. As mentioned previously, this was due to the decision to appoint a service provider to carry out this project. The substantial increase in the 2009/10 Adjusted Appropriation relates to the reprioritisation of funding from Programme 2 for high impact projects. The allocation over the MTEF is to provide for sector development projects, including the previously mentioned operationalisation of the KZN Music Studio and the operational costs of the KZN Film Commission and the costs of the Durban Film Festival.

The allocation to *Transfers and subsidies to: Departmental agencies and accounts* relates to funding provided to TIK. The allocation increases steadily over the seven-year period.

The 2007/08 Audited in respect of *Transfers and subsidies to: Universities and technikons* relates to a transfer to UKZN in respect of the graduate programme in logistics. The 2008/09 spending, the 2009/10 Main and Adjusted Appropriation and the allocation over the 2010/11 MTEF relate to the costs of the Moses Kotane project, which continues to be funded at a higher level over the 2010/11MTEF due to the provision of funding for operational costs.

The allocation to *Transfers and subsidies to: Public corporations and private enterprises* relates to transfers made in respect of RBIDZ, as well as the transfers made to two public entities, the KZN Sharks Board and TKZN, which fall under the Tourism Development sub-programme. The increased allocation in the 2009/10 Main Appropriation reflects funding for RBIDZ, which is now gaining momentum, after the resolution of land ownership problems, as mentioned above.

The 2008/09 Audited figure in respect of *Machinery and equipment* relates to the roll-over of funding from 2007/08 in respect of capital commitments which were only invoiced in 2008/09.

Service delivery measures – Programme 3: Trade and Sector Development

Table 4.22 below shows the main service delivery measures pertaining to Programme 3, which are standardised in terms of the sector.

Table 4.22: Service delivery measures – Programme 3: Trade and Sector Development

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2009/10	2010/11	2011/12	2012/13
1. Trade and Investment Promotion					
1.1 To implement strategies for the positioning of the industrial sector as a key contributor to economic growth and development	<ul style="list-style-type: none"> No. of foreign direct investments facilitated Value of investments attracted No. of companies actively assisted with export support 	6 R660m 47	7 R750m 48	8 R900m 52	9 R1bn 52
1.2 Provision of exposure and access to domestic and international markets	<ul style="list-style-type: none"> No. of SMMEs and emerging enterprises exporting due to the Trade Point Durban initiative 	25	500	510	600
2. Logistics	<ul style="list-style-type: none"> No. of logistics infrastructure projects initiated 	3	n/a	n/a	n/a
3. Sector Development					
3.1 Generic sector support	<ul style="list-style-type: none"> No. of key sectors identified and supported No. of interventions implemented in key sectors 	8 8	8 8	4 4	4 2
4. Industry Development					
4.1 To facilitate the implementation of strategic programmes that aim to strengthen the competitiveness of priority sectors of the provincial economy	<ul style="list-style-type: none"> No. of high-impact initiatives packaged/developed No. of high impact initiatives implemented No. of small scale producers targeted No. of district forums established 	8 4 20 11	1 2 20 11	n/a n/a 60 11	n/a n/a 80 11
4.2 No. of local business retention and expansion forums established	<ul style="list-style-type: none"> No. of district level locally produced product directories No. of community websites 	1 5	1 11	1 11	1 11
5. Automotive					
5.1 No of interventions implemented in key sectors	<ul style="list-style-type: none"> No. of supplier development programmes completed No. of industry development programmes undertaken, linked to the Durban Auto cluster No. of automotive industry development centre offices established No. of automotive supplier park master plans and business plans 	2 2 1 1	2 1 1 1	5 5 n/a n/a	5 5 n/a n/a

Table 4.22: Service delivery measures – Programme 3: Trade and Sector Development

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2009/10	2010/11	2011/12	2012/13
6. Agri-business					
6.1 Identify, package and implement agri-business strategies/projects	• No. of industry clusters supported	2	2	1	1
	• No. of business plans completed	2	1	5	5
	• No. of projects supported	8	4	6	6
	• No. of agri-business sector strategies developed	1	4	4	4
	• No. of land reform projects	n/a	4	8	12
7. Wood and Wood Product					
7.1 Implement competitiveness programmes/projects for wood and wood products	• No. of industry clusters established	1	1	n/a	n/a
	• No. of industry clusters supported	2	1	2	2
	• No. of business plans completed	4	n/a	n/a	n/a
	• No. of projects initiated	2	n/a	2	2
	• No. of projects supported	8	3	7	3
	• No. of sawmills supported	2	n/a	3	3
8. Creative Industries					
8.1 To develop and promote competitiveness in arts and craft in KZN province	• No. of villages assisted in terms of one-village-one-product	6	6	6	6
	• No. of crafters exposed to markets	80	100	100	100
	• No. of integrated craft hubs established	1	3	1	1
8.2 To develop and promote the KZN indigenous music industry	• No. of musicians recorded	10	10	15	15
	• No. of musicians mobilised (cluster)	50	50	50	50
	• No. of integrated music hubs	1	1	n/a	n/a
8.3 Implement strategies to support the development of the KZN film industry	• No. of film festivals assisted	3	3	3	3
9. Chemicals					
9.1 Implement competitiveness programmes/projects for chemical sector	• No. of clusters established	n/a	1	n/a	n/a
	• No. of industry hubs established	n/a	1	n/a	n/a
	• No. of strategic projects supported	n/a	2	2	1
	• No. of entrants facilitated into main-stream industry	3	7	5	5
10. Clothing and Textile					
10.1 Implement competitiveness programmes/projects to promote, recapture and stabilise the domestic market	• No. of value chain interventions implemented	4	4	4	4
	• No. of MSc clothing and textiles engineering students supported	7	15	10	10
	• No. of industry employee programmes delivered	2	2	6	6
	• No. of revitalisation strategy initiatives implemented	3	3	4	3
11. Information and Communication Technology electronic (ICTe)					
11.1 To facilitate the formation of strategic industry partnerships	• No. of Information and communication technology-electronics sub-clusters formed	1	1	1	1
	• No. of international engagements facilitated	1	3	2	3
	• No. of broadband workshops facilitated	3	3	3	3
	• No. of cluster forum workshops	3	3	3	3
11.2 To promote SMME and BEE	• No. of new SMMEs formed	3	2	2	2
11.3 To facilitate the implementation of high impact projects	• No. of ICTe incubator/technology park feasibility studies completed	5	5	10	15
	• No. of high impact projects facilitated	1	1	n/a	1
	• No. of software engineering/information and communication technology electronics incubator centres established	4	1	1	0
	• No. of technology roadmaps formulated	2	n/a	3	2
12. Business Processing Outsourcing (BPO)					
12.1 To develop programmes to facilitate growth of the KZN BPO Sector	• No. of call centres established	2	n/a	2	1
	• No. of call centre agents trained	100	80	200	300
	• No. of business processing outsourcing provincial strategies developed	1	n/a	n/a	n/a

Table 4.22: Service delivery measures – Programme 3: Trade and Sector Development

Outputs		Performance indicators	Estimated performance	Medium-term targets		
			2009/10	2010/11	2011/12	2012/13
13. Tourism Development						
13.1	Building of enabling platforms for interaction, co-operation and collaboration	<ul style="list-style-type: none">No. of intergovernmental/ inter-sectoral and private sector engagements to improve destination imageNo. of tourism business/safety/youth awareness workshops organisedNo. of graduates granted internships and students awarded bursariesNo. of students awarded bursariesNo. of delegates attending National Tourism Careers Expo (NTCE)	14 11 n/a 49 20 000	16 4 50 - 20 000	18 11 60 - 10 000	18 11 50 - 10 000
13.2	Supporting tourism historical disadvantaged enterprises through leveraging of funding, capacity building, and quality assurance interventions	<ul style="list-style-type: none">No. of key tourism products facilitated (second economy interventions)No. of tourism mentorship programme participantsNo. of business owners trained in business skill programmeNo. of employees trained in hospitality skills programmeNo. of guesthouses/ B&Bs participating in the book-a-guesthouse programmeNo. of graded establishmentsNo. of trained and registered historically disadvantaged individual tour guides incl. foreign language trainingNo. of municipalities capacitatedNo. of educators empowered through trainingNo. of workshops implemented through service excellenceNo. of tourist buddies trained at various tourist touch points	10 15 78 270 6 20 20 61 n/a n/a n/a	9 124 - n/a n/a n/a n/a 61 60 11 500	10 124 - n/a n/a n/a n/a 61 60 22 n/a	10 124 - n/a n/a n/a n/a 61 100 22 n/a
13.3	Facilitate the implementation of BBBEE and Tourism Scorecard	<ul style="list-style-type: none">No. of awareness and advisory initiatives on gazetted tourism BEE sector codes	6	6	6	6
13.4	Rate of adherence and compliance by tourism enterprises, public entities, municipalities and other tourism industry role players	<ul style="list-style-type: none">Availability of policies, strategies and enabling legislation produced	3	3	1	1

6.4 Programme 4: Business Regulation and Governance

The aim of this programme is to enable an equitable and socially responsible business environment. The programme consists of three sub-programmes, namely Regulation Services (Informal Trade), Consumer Protection and Liquor Regulation.

Tables 4.23 and 4.24 below summarise the payments and estimates for the seven-year period from 2006/07 to 2012/13.

In terms of the uniform budget and programme structure for the sector, funding was allocated to a new sub-programme Regulation Services (Informal Trade) from the 2010/11 MTEF. Portion of this funding was reprioritised from the Consumer Protection sub-programme, which formerly performed part of the informal trade interventions. This explains the reduction in the allocation to Consumer Protection over the 2010/11 MTEF when compared to the 2009/10 Main Appropriation. Due to the lack of separate records, it was not possible to adjust the historic figures in respect of the new sub-programme.

Table 4.23: Summary of payments and estimates - Programme 4: Business Regulation and Governance

Table 126: Summary of payments and estimates - Programme: Business Regulation and Governance									
R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited	Audited	Audited				2010/11	2011/12	2012/13
	2006/07	2007/08	2008/09	2009/10					
Regulation Services (Informal Trade)	-	-	-	-	-	-	5 027	5 218	5 403
Consumer Protection	4 329	6 443	9 667	15 929	14 029	13 920	13 967	14 610	15 271
Liquor Regulation	3 559	4 879	7 417	36 609	9 809	9 257	47 029	51 091	53 504
Total	7 888	11 322	17 084	52 538	23 838	23 177	66 023	70 919	74 178

Table 4.24: Summary of payments and estimates by economic classification - Programme 4: Business Regulation and Governance

R thousand	Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	Appropriation 2009/10	Appropriation 2009/10	Estimate	2010/11	2011/12	2012/13
Current payments	7 666	11 065	16 827	22 912	23 338	22 797	29 074	30 302	31 530
Compensation of employees	4 632	5 040	7 850	14 820	11 521	11 593	16 174	16 983	17 832
Goods and services	3 034	6 025	8 977	8 092	11 817	11 204	12 900	13 319	13 698
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	3	-	-	29 126	-	-	36 439	40 082	42 086
Provinces and municipalities	3	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	29 126	-	-	36 439	40 082	42 086
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	219	257	257	500	500	380	510	536	562
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	219	257	257	500	130	80	460	483	507
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	370	300	50	53	55
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	7 888	11 322	17 084	52 538	23 838	23 177	66 023	70 919	74 178

The higher spending in respect of this programme in 2007/08 is attributable to the strengthening of the delivery capacity of the Consumer Protection and Liquor Regulation sub-programmes, as well as the filling of posts in these two sections.

The increase against the Consumer Protection sub-programme in 2008/09 was due to the costs of the establishment of offices in all regions of the province, as well as the Office of the Consumer Protector and the Consumer Tribunal. This explains the increased allocation to *Compensation of employees* and *Goods and services* in this year. The increase in the 2009/10 Main Appropriation relates to further expansion of the coverage of the services provided by this sub-programme to the rest of the province. This includes the cost of higher levels of advertising and awareness campaigns to be conducted by the unit. As mentioned previously, the reduced allocation over the 2010/11 MTEF was due to the reprioritisation of funding to the Regulation Services sub-programme.

The high expenditure against the Liquor Regulation sub-programme in 2008/09 was due to the cost of consultants appointed to assist with the clearing of the backlog of liquor licence applications. This explains the high spending against *Goods and services* in that year. The substantial increase in the 2009/10 Main Appropriation relates to the provision of funding for the establishment of the KZN Liquor Entity, pending the promulgation of the KZN Liquor Bill. In the 2009/10 Adjusted Appropriation, this allocation was reduced due to delays in the promulgation of the Bill, accounting for the reduction in *Transfers and subsidies to: Public corporations and private enterprises* in the 2009/10 Adjusted Appropriation. The increased allocation in the 2010/11 MTEF provides for the establishment of the KZN Liquor Entity as well as a liquor inspectorate. This explains the substantial allocation to *Transfers and subsidies to: Public corporations and private enterprises* over the 2010/11 MTEF.

With regard to *Compensation of employees*, as mentioned previously, the increase in 2008/09 was due to the establishment of Consumer Protection offices in all areas of the province. The reduced allocation to this category in the 2009/10 Adjusted Appropriation was due to delays in the filling of posts.

This funding was moved to Programme 3 to assist with the provision of additional funding for RBIDZ. The allocation over the 2010/11 MTEF includes staffing costs for the new Regulation Services sub-programme as well as the costs of the liquor inspectorate staff under the Liquor Regulation sub-programme.

Goods and services was increased in the 2009/10 Adjusted Appropriation to provide funding for the employment of temporary staff to assist the Liquor Regulation section with its duties. Provision was also made for the costs of an audit of liquor licence applications. The allocation over the 2010/11 MTEF shows an inflationary adjustment.

Service delivery measures – Programme 4: Business Regulation and Governance

Table 4.25 below provides the main service delivery measures pertaining to Programme 4, which are standardised in terms of the sector.

Table 4.25: Service delivery measures – Programme 4: Business Regulation and Governance

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2009/10	2010/11	2011/12	2012/13	
1 Formal Sector Regulation Services						
1.1 To establish a regulatory framework for monitoring compliance in terms of the formal business sector	<ul style="list-style-type: none"> No. of audits conducted to establish regulatory impact of legislation on formal business No. of barriers addressed to ensure business compliance No. of amendments to the business act implemented No. of municipalities monitored and evaluated with the implementation of regulations No. of barriers identified that restrict business compliance No. of reviews of business acts conducted/regulations approved by Cabinet 	1 n/a n/a n/a n/a n/a	1 4 1 11 4 1	n/a 5 n/a 11 5 n/a	n/a 7 n/a 11 7 n/a	
2 Informal Trade Regulation services						
2.1 To establish a policy framework on creating an enabling environment for the sustained development and support of the informal sector	<ul style="list-style-type: none"> Policy framework approved by Cabinet and legislature (White paper) No. of established provincial informal traders forums White paper incorporated in the number of municipalities IDPs No. of municipalities IDPs incorporated into the white paper No. of municipalities monitored and evaluated on the implementation of the white paper Promotion of the white paper Skills audit conducted No. of skills training interventions offered to traders No. of traders identified as secondary traders 	n/a n/a n/a n/a n/a n/a n/a n/a n/a	1 11 1 8 11 1 1 5 3	n/a n/a n/a n/a 11 n/a n/a 8 7	n/a n/a n/a 11 11 n/a n/a 10 10	
3 Consumer Protection						
3.1 To network and form partnerships with NGOs, local municipalities and district municipalities in order to educate consumers	<ul style="list-style-type: none"> No. of NGOs, local municipalities and district municipalities targeted No. of workshops/campaigns targeted to specific sector consumers 	18 5	20 4	24 4	24 4	
3.2 To provide general consumer information by utilising marketing instruments national and community based electronic media	<ul style="list-style-type: none"> No. of minor workshops/campaigns targeted to specific sector consumers No. of consumers targeted in millions No. of consumers informed (in millions) No. of media campaigns on regional /national radios stations targeted per quarter No. of community based radio shows targeted 	110 2.5 6.5 4 5	146 2.5 6.5 4 n/a	146 2.8 6.5 4 n/a	146 3 6.8 4 n/a	
3.3 To handle consumer complaints	<ul style="list-style-type: none"> No. of complaints received (i.e. walk in, telephonic and written complaints) No. of written claims investigated No. of consumer rights interventions conducted (No. of specific issues investigated) No. of written claims resolved No. of secondary investigations Enforcement and compliance 	5 621 659 2 601 n/a n/a	6 200 750 4 650 8 48	7 000 800 6 720 8 48	8 000 900 8 800 8 48	
3.4 To facilitate the implementation of consumer protection services in district offices and provide oversight support to the legal processes relating to the Consumer Protection Bill	<ul style="list-style-type: none"> No. of district offices rolled out Bill drafted and presented to cluster and Cabinet Completed facilitation of public consultation on the Bill 	3 n/a n/a	8 1 100%	n/a n/a n/a	n/a n/a n/a	

Table 4.25: Service delivery measures – Programme 4: Business Regulation and Governance

Outputs		Performance indicators	Estimated performance	Medium-term targets		
			2009/10	2010/11	2011/12	2012/13
4. Liquor Regulation						
4.1	To promote and maintain an effective and efficient regulatory system for the liquor industry	• No. of liquor licence applications processed	4 000	4 500	4 500	1 900
		• No. of new applications (Section 19) received and processed	1 450	1 595	1 755	650
		• No. of applications in terms of section 113 received and processed	500	550	605	750
		• No. of applications in terms of section 120 received and processed	600	660	726	300
		• No. of postponed applications processed	950	800	600	2 000
		• No. of applications granted	1 500	1 805	1 936	1 500
		• No. of applications refused	1 100	1 200	1 250	200
		• No. of applications postponed	900	600	500	n/a
4.2	To facilitate entry of new entrants into the liquor industry	• No. of new entrants as licensed traders	3 000	2 750	2 000	2 100
4.3	To raise awareness and provide education on liquor issues	• No. of workshops co-ordinated/ organised	15	20	25	n/a
		• No. of persons work shopped / trained	2 000	2 500	300	n/a
		• An average no. of licence holders and community who accessed information	1 700	2 000	3 000	2 000
4.4	Implementation, monitoring and evaluation of the Liquor Management and GI Systems	• Turn-around time in processing and issuing a liquor licence (in months)	4	4	4	3
4.5	Facilitate the drafting of the Liquor Bill	• Liquor Bill approved by Cabinet	1	n/a	n/a	n/a
4.6	Develop a business and operational plan for the KZN Liquor Entity	• A Cabinet-approved business and operational plan for the KZN Liquor Entity	1	n/a	n/a	n/a
4.7	To facilitate and co-ordinate the conducting of compliance and inspection of the provincial liquor act	• No. of programmes developed to improve inspection and compliance	2	4	6	6
		• No. of people accessed through print and electronic media (in millions)	1.65	1.65	1.7	1.8
		• No. of stakeholder forums established	11	11	11	11
		• No. of licensed premises inspected	1 000	1 500	2 000	2 100
4.8	Facilitate an effective monitoring and compliance function in terms of the Act	• No. of inspection blitzes held with SAPS	4	6	8	10

6.5 Programme 5: Economic Planning

The purpose of this programme is to develop provincial economic policies and strategies to achieve and measure sustainable economic development.

The sub-programmes consist of Policy and Planning, Research and Development, Knowledge Management and Monitoring and Evaluation.

Tables 4.26 and 4.27 summarise payments and budgeted estimates for the seven-year period 2006/07 to 2012/13.

Table 4.26: Summary of payments and estimates - Programme 5: Economic Planning

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	2009/10			2010/11	2011/12	2012/13
Policy and Planning	-	-	-	-	-	-	3 749	3 843	3 917
Research and Development	-	-	-	-	-	-	4 889	4 992	5 061
Knowledge Management	3 332	3 857	4 923	11 116	4 716	4 489	1 595	1 674	1 758
Monitoring and Evaluation	2 296	3 021	5 818	6 122	6 122	5 954	7 718	8 000	8 269
Total	5 628	6 878	10 741	17 238	10 838	10 443	17 951	18 509	19 005

Table 4.27 Summary of payments and estimates by economic classification - Programme 5: Economic Planning

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	2009/10	2009/10	2009/10	2010/11	2011/12	2012/13
Current payments	5 515	5 941	10 164	12 238	10 738	10 308	17 951	18 509	19 005
Compensation of employees	1 976	2 061	3 702	6 061	5 761	5 617	10 545	11 072	11 625
Goods and services	3 539	3 880	6 462	6 177	4 977	4 691	7 406	7 437	7 380
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	1	698	-	5 000	-	-	-	-	-
Provinces and municipalities	1	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	698	-	5 000	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	112	239	577	-	100	135	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	112	239	577	-	100	105	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	30	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	5 628	6 878	10 741	17 238	10 838	10 443	17 951	18 509	19 005

The increase spending against this programme in 2008/09 was due to a provision for increased staffing of the Monitoring and Evaluation sub-programme, as well as the costs of a five-year review plan, an Industrial Development Strategy, as well as spending on printing and publications. There was also spending on the Durban Film Festival project and capital equipment. These costs were reduced by the movement of the costs of *izimbizo* and workshops to Programme 1. This explains the increase in *Machinery and equipment* and *Goods and services* in 2008/09.

The substantial increase in the allocation to this programme in the 2009/10 Main Appropriation relates to the costs of the KZN Film Commission and the Durban Film Festival project and explains the substantial increase in *Transfers and subsidies to: Non-profit institutions* in 2009/10. In the 2009/10 Adjusted Appropriation, the funding for the KZN Film Commission and Durban Film Festival was moved to Programme 3 as it was deemed more appropriate to be placed in this programme.

Due to budgetary constraints in prior years, no allocation was made to the Policy and Planning and Research and Development sub-programmes. These sub-programmes have now been allocated funding reprioritised from the Knowledge Management sub-programme over the 2010/11 MTEF.

With regard to *Compensation of employees*, the increased allocation over the 2010/11 MTEF relates to the staffing of the newly created Policy and Planning and Research and Development sub-programmes. The filling of posts will be undertaken in terms of the Cabinet-approved Provincial Recovery Plan, taking into account the current moratorium on the filling of non-critical posts.

Service delivery measures – Programme 5: Economic Planning

Table 4.28 illustrates the main service delivery measures pertaining to Programme 5: Economic Planning which are standardised in terms of the sector.

Table 4.28: Service delivery measures – Programme 5: Economic Planning

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2009/10	2010/11	2011/12	2012/13	
1. Policy and Planning						
1.1 Provide technical support in the drafting implementation and review of policies and strategies	<ul style="list-style-type: none"> No. of integrated policies No. of strategies developed No. of policies reviewed/updated 	1	1	n/a	n/a	
		1	2	1	2	
		1	1	1	1	

Table 4.28: Service delivery measures – Programme 5: Economic Planning

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2009/10	2010/11	2011/12	2012/13	
1.2	To be the prime source of economic information in the province and produce up-to-date and reliable statistics and economic indicators	<ul style="list-style-type: none"> No. of quarterly statistical and economic analysis reports written No. of operational statistical portals No. of district municipality statistical overviews 	4	4	4	4
			1	1	1	n/a
			1	1	1	1
1.3	Track and analyse macroeconomic developments in regional and global economies	<ul style="list-style-type: none"> No. of economic snap shot reports 	2	4	6	8
1.4	Provide technical support in the drafting implementation and review of policies and strategies	<ul style="list-style-type: none"> No. of economic training sessions conducted 	2	4	6	6
2. Research and Development						
2.1	Generation of macroeconomic research on the KZN economy	<ul style="list-style-type: none"> No. of research reports compiled 	4	5	5	5
2.2	Develop innovative economic research intervention approach for DED	<ul style="list-style-type: none"> No. of new research articles uploaded onto the electronic portals 	n/a	20	25	30
2.3	Co-ordinate departmental research and development agenda	<ul style="list-style-type: none"> No. of research studies coordinated 	n/a	8	10	12
3. Knowledge Management						
3.1	Develop innovative knowledge management system for the DEDT	<ul style="list-style-type: none"> No. of knowledge management modules and strategies developed No. of economic intelligence reports developed 	2	1	1	1
			1	4	4	4
3.2	Operationalise and institutionalise effective and efficient departmental management information systems	<ul style="list-style-type: none"> % of operational level of department resource centre No. of relevant economic resource materials gathered and stored 	80%	100%	100%	100%
			10	20	30	40
3.3	Provide coaching and mentorship to DEDT staff on project management	<ul style="list-style-type: none"> No. of staff competently using management information system 	n/a	20	40	60
4. Monitoring and Evaluation						
4.1	Monitor and evaluate departmental programmes	<ul style="list-style-type: none"> No. of monitoring reports No. of evaluation reports 	4	5	5	5
			3	6	6	6
4.2	Provide M&E capacity building to stakeholders	<ul style="list-style-type: none"> No. of stakeholders trained on research and monitoring and evaluation No. of monitoring and evaluation frameworks developed 	50	25	25	25
			n/a	1	n/a	n/a
4.3	Track progress on the implementation of Economic Sector Flagship Programme	<ul style="list-style-type: none"> No. of analytical reports produced 	n/a	2	n/a	n/a

7. Other programme information

7.1 Personnel numbers and costs

Tables 4.29 and 4.30 show the approved personnel establishment per programme, the total personnel costs of the department and provides details of the personnel numbers and costs. As Table 4.30 shows, the department employs only full-time personnel, and does not expect any fluctuations over the MTEF.

Table 4.29: Personnel numbers and costs per programme

Personnel numbers	As at	As at	As at	As at	As at	As at	As at
	31 March 2007	31 March 2008	31 March 2009	31 March 2010	31 March 2011	31 March 2012	31 March 2013
1. Administration	59	69	97	105	163	163	163
2. Integrated Economic Development Services	42	49	75	97	112	112	112
3. Trade and Sector Development	23	23	25	46	45	45	45
4. Business Regulation and Governance	22	30	32	50	51	51	51
5. Economic Planning	7	7	8	15	25	25	25
Total	153	178	237	313	396	396	396
Total personnel cost (R thousand)	38 705	43 010	68 918	101 672	140 117	147 123	154 479
Unit cost (R thousand)	253	242	291	325	354	372	390

Table 4.30: Details of departmental personnel numbers and costs

	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Total for department									
Personnel numbers (head count)	153	178	237	313	313	313	396	396	396
Personnel cost (R thousand)	38 705	43 010	68 918	111 368	100 769	101 672	140 117	147 123	154 479
Human resources component									
Personnel numbers (head count)	17	20	28	26	26	26	26	26	26
Personnel cost (R thousand)	3 890	4 291	6 380	7 090	7 090	7 090	7 992	9 583	9 583
Head count as % of total for department	11	11	12	8	8	8	7	7	7
Personnel cost as % of total for department	10	10	9	6	7	7	6	7	6
Finance component									
Personnel numbers (head count)	9	8	20	20	20	20	60	60	60
Personnel cost (R thousand)	1 782	1 782	3 029	5 245	5 245	5 245	5 889	6 183	6 183
Head count as % of total for department	6	4	8	6	6	6	15	15	15
Personnel cost as % of total for department	5	4	4	5	5	5	4	4	4
Full time workers									
Personnel numbers (head count)	153	178	237	313	313	313	396	396	396
Personnel cost (R thousand)	38 705	43 010	68 918	111 368	100 769	101 672	140 117	147 123	154 479
Head count as % of total for department	100	100	100	100	100	100	100	100	100
Personnel cost as % of total for department	100	100	100	100	100	100	100	100	100
Part-time workers									
Personnel numbers (head count)									
Personnel cost (R thousand)									
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-
Contract workers									
Personnel numbers (head count)									
Personnel cost (R thousand)									
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-

The increase in personnel numbers from 2007 to 2009 under Programme 1 pertains to the filling of posts in a number of key areas within this programme. These include the development of a Supply Chain Management component.

The increase in the staffing of Programmes 3 and 4 for the same period is due to the filling of core function posts within these programmes, as well as the shift of the Tourism function from Vote 15: Arts and Culture in 2009/10. The historic figures were adjusted accordingly.

The decline in average cost per employee in 2007/08 relates to the greater number of staff at levels 1 to 12 being provided for in the staff establishment.

The timing of the recruitment of new staff in 2008/09 has also skewed the average cost per employee, as the denominator applies to the full year expenditure, whereas the staff were only recruited in the latter half of the year, and the related expenditure is less than a year.

7.2 Training

Table 4.31 below reflects the payments and estimates for training for the seven-year period.

Table 4.31: Payments and estimates on training

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
1. Administration	266	61	344	643	1 282	1 282	590	597	627
2. Integrated Economic Development Services	127	254	237	652	18	18	611	618	649
3. Trade and Sector Development	93	454	201	135	221	221	198	200	210
4. Business Regulation and Governance	28	79	47	165	-	-	155	157	165
5. Economic Planning	12	8	47	60	35	35	57	58	61
Total	526	856	876	1 655	1 556	1 556	1 611	1 630	1 711

The large increase in the training expenditure for Programme 2 and Programme 3 in 2007/08 was due to a more intensive training programme implemented for officials in the unit who, prior to 2007/08, had not been exposed to sufficient training opportunities.

The increase in training costs in the 2009/10 Main Appropriation is due to the increase in the number of posts, as well as the requirement to improve the knowledge of staff, in line with the operational requirements of the strategic plan.

The reduction in the allocation for training in the 2009/10 Adjusted Appropriation resulted from a slower recruitment process which saw fewer new staff joining the department than anticipated. In addition, cost containment measures in terms of the Cabinet-approved Provincial Recovery Plan resulted in the curtailment of training. As a result, funds were reprioritised into other items during in the 2009/10 Adjusted Appropriation. A decision was also taken in 2009/10 to consolidate the bulk of the training budget and move the funds to the Human Resource Management unit. This was to allow the unit to exercise control over the quality and accreditation of training courses attended by departmental officials. This explains the large increase in the training budget allocated to Administration in 2009/10.

The increase over the 2010/11 MTEF can be attributed to the department's aim of providing the necessary skills to empower departmental officials to implement the departmental strategy.

Table 4.32 provides further information on training analysed into gender and type of training for the seven-year period.

Table 4.32: Information on training

	Outcome			Main Appropriation	Adjusted Appropriation 2009/10	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Number of staff	9	8	20	20	20	20	20	20	60
Number of personnel trained	170	197	208	343	343	343	519	519	519
of which									
Male	88	84	89	158	158	158	257	257	257
Female	82	113	119	185	185	185	262	262	262
Number of training opportunities	254	146	56	66	66	66	80	90	90
of which									
Tertiary	13	35	24	26	26	26	30	30	30
Workshops	3	-	10	20	20	20	30	40	40
Seminars	3	2	22	20	20	20	20	20	20
Other	235	109	-	-	-	-	-	-	-
Number of bursaries offered	13	35	35	43	43	43	48	53	53
Number of interns appointed	10	18	20	25	25	25	30	36	36
Number of learnerships appointed	-	-	-	20	20	20	20	20	20
Number of days spent on training	610	194	963	200	200	200	200	200	200

The high number of training days in 2006/07 was due to the fact that a large number of employees were trained on MS Office products (Word/Excel/PowerPoint) in a drive to develop computer skills for all employees. The number of training days is higher in 2008/09 when compared to 2007/08, as specific training on project management and basic economics was targeted for all employees in order to assist employees in performing their work functions.

ANNEXURE – VOTE 4: ECONOMIC DEVELOPMENT AND TOURISM

Table 4.A: Details of departmental receipts

R thousand	Outcome			Main Appropriation	Adjusted Appropriation 2009/10	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Tax receipts	3 760	4 017	4 282	38 095	38 095	5 000	41 905	46 095	48 400
Casino taxes									
Horse racing taxes									
Liquor licences	3 760	4 017	4 282	38 095	38 095	5 000	41 905	46 095	48 400
Motor vehicle licences									
Sale of goods and services other than capital assets	48	57	90	128	128	143	136	144	151
Sale of goods and services produced by dept. (excl. capital assets)	48	57	90	128	128	143	136	144	151
Sales by market establishments									
Administrative fees									
Other sales	48	57	90	128	128	143	136	144	151
Of which									
Rent for parking									
Housing rent recoveries									
Transport of officers									
Other									
Sale 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	2	1	-	-	-	-	-	-	-
Interest	2	1	-	-	-	-	-	-	-
Dividends									
Rent on land									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets									
Other capital assets									
Transactions in financial assets and liabilities	1 100	414	415	38	38	42	40	42	44
Total	4 910	4 489	4 787	38 261	38 261	5 185	42 081	46 281	48 595

Table 4.B: Details of payments and estimates by economic classification

R thousand	Outcome			Main Appropriation	Adjusted Appropriation 2009/10	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Current payments	116 570	126 736	316 660	486 410	512 998	474 487	518 517	519 841	557 668
Compensation of employees	38 705	43 010	68 918	111 368	100 769	101 672	140 117	147 123	154 479
Salaries and wages	34 298	42 553	61 437	96 356	89 083	89 986	121 617	127 698	134 081
Social contributions	4 407	457	7 481	15 012	11 686	11 686	18 500	19 425	20 398
Goods and services	77 865	83 726	247 742	375 042	412 229	372 815	378 400	372 718	403 189
of which									
Administrative fees	42 148	-	-	-	-	-	269	283	296
Advertising	6 910	6 658	15 246	7 072	23 066	21 735	9 391	9 861	10 354
Assets <R5000	3 540	1 185	3 339	1 429	714	714	5 221	5 482	5 758
Audit cost: External	20 280	1 163	1 431	1 500	1 527	1 527	2 000	2 100	2 205
Bursaries (employees)	-	35	301	810	975	975	1 776	1 865	1 958
Catering: Departmental activities	-	1 808	4 267	2 829	2 942	2 942	1 667	1 751	1 837
Communication	-	3 387	5 065	3 699	5 361	5 829	12 013	12 614	13 245
Computer services	-	5 044	3 977	4 527	5 937	5 397	8 182	8 592	9 021
Cons/prof.business & advisory services	1 216	19 416	132 589	298 766	304 745	261 538	249 654	237 513	261 221
Cons/prof: Infrastructure & planning	-	-	-	-	-	-	-	-	-
Cons/prof: Laboratory services	-	-	-	-	-	-	-	-	-
Cons/prof: Legal cost	-	441	687	894	595	595	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency & support/outsourced services	-	1 709	-	880	-	-	4 740	4 977	5 227
Entertainment	-	-	-	-	57	57	91	95	100
Government motor transport	-	-	340	-	372	372	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	4 401	4 621	4 851
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory:Learn & teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Raw materials	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Military stores	-	-	-	-	-	-	-	-	-
Inventory: Other consumables	-	-	-	-	-	-	-	-	-
Inventory: Stationery and printing	-	780	1 806	2 663	3 445	3 445	-	-	-
Lease payments	-	8 075	13 026	21 723	14 398	10 365	31 921	33 517	35 194
Owned & leasehold property expenditure	-	1 140	4 522	4 218	4 966	5 207	8 415	8 836	9 278
Transport provided dept activity	-	-	2 501	-	130	130	113	119	125
Travel and subsistence	-	7 052	18 496	14 190	14 511	16 546	18 333	19 250	20 213
Training & staff development	-	483	1 006	1 526	1 558	1 558	1 255	1 318	1 384
Operating expenditure	-	3 045	12 914	3 236	12 421	18 777	2 975	3 123	3 280
Venues and facilities	769	10 664	10 436	2 745	10 646	10 680	6 320	6 638	6 969
Other	3 002	11 641	15 793	2 335	3 863	4 426	9 663	10 163	10 673
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	387 407	1 380 542	1 446 763	1 999 235	1 973 522	1 990 519	1 101 531	948 450	984 243
Provinces and municipalities	24	2 800	1 626	-	-	924	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	24	2 800	1 626	-	-	924	-	-	-
Municipalities	24	2 800	1 626	-	-	924	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	30 000	40 670	42 000	54 416	54 416	54 416	56 637	61 536	64 613
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	30 000	40 670	42 000	54 416	54 416	54 416	56 637	61 536	64 613
Universities and technikons	-	1 274	11 574	4 500	4 500	560	28 300	28 300	28 300
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	220 672	883 324	89 710	463 335	308 100	315 028	468 409	484 713	499 934
Public corporations	220 672	883 324	89 710	463 335	308 100	315 028	468 409	484 713	499 934
Subsidies on production	75 823	148 182	89 710	95 350	104 350	104 350	131 434	140 777	147 816
Other transfers	144 849	735 142	-	367 985	203 750	210 678	336 975	343 936	352 118
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	136 650	452 182	1 301 824	1 476 984	1 606 506	1 619 591	548 185	373 901	391 396
Households	61	292	29	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	61	292	29	-	-	-	-	-	-
Payments for capital assets	3 933	3 676	7 999	2 045	5 881	5 746	4 750	4 988	5 236
Buildings and other fixed structures	3 000	-	-	-	-	-	-	-	-
Buildings	3 000	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	933	3 646	7 806	2 045	5 391	5 340	4 370	4 588	4 817
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	933	3 646	7 806	2 045	5 391	5 340	4 370	4 588	4 817
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	30	193	-	490	406	380	400	419
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	507 910	1 510 954	1 771 422	2 487 690	2 492 401	2 470 752	1 624 798	1 473 278	1 547 147

Table 4.C: Details of payments and estimates by economic classification - Programme 1: Administration

R thousand	Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	Audited	Audited	Audited	Appropriation	Appropriation	Estimate			
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	36 207	50 242	100 131	117 057	142 548	141 053	185 008	180 819	183 930
Compensation of employees	14 943	15 778	21 627	39 430	38 430	39 883	53 964	56 662	59 496
Salaries and wages	13 068	15 778	18 947	33 394	33 790	35 243	46 721	49 057	51 510
Social contributions	1 875	-	2 680	6 036	4 640	4 640	7 243	7 605	7 986
Goods and services	21 264	34 464	78 504	77 627	104 118	101 170	131 044	124 157	124 434
of which									
Administrative fees	2 757	-	-	-	-	-	21	22	23
Advertising	3 909	3 113	6 393	2 615	18 698	17 647	2 150	2 257	2 370
Assets <R5000	879	317	1 395	888	568	568	2 656	2 789	2 929
Audit cost: External	13 719	1 009	1 431	1 500	1 527	1 527	2 000	2 100	2 205
Bursaries (employees)	-	13	150	330	526	526	914	959	1 007
Catering: Departmental activities	-	459	1 482	1 008	1 531	1 531	1 604	1 684	1 768
Communication	-	1 678	3 486	2 226	3 254	3 684	9 986	10 485	11 009
Computer services	-	4 916	3 806	4 467	5 937	5 397	8 122	8 528	8 955
Cons/prof.business & advisory services	-	1 444	24 655	39 796	27 950	22 357	45 342	34 152	29 926
Cons/prof: Infrastructre & planning									
Cons/prof: Laboratory services									
Cons/prof: Legal cost	-	250	687	894	582	582	-	-	-
Contractors									
Agency & support/outourced services	-	1 119	-	770	-	-	580	609	640
Entertainment	-	-	-	-	57	57	73	76	80
Government motor transport	-	-	340	-	370	370	-	-	-
Housing									
Inventory: Food and food supplies	-	-	-	-	-	-	2 018	2 118	2 224
Inventory: Fuel, oil and gas									
Inventory:Learn & teacher support material									
Inventory: Raw materials									
Inventory: Medical supplies									
Medsas inventory interface									
Inventory: Military stores									
Inventory: Other consumables									
Inventory: Stationery and printing	-	507	1 005	1 836	2 863	2 863	-	-	-
Lease payments	-	6 704	13 220	9 891	14 380	10 001	31 428	33 000	34 650
Owned & leasehold property expenditure	-	1 140	3 839	4 218	4 966	5 207	8 415	8 836	9 278
Transport provided dept activity	-	-	844	-	15	15	113	119	125
Travel and subsistence	-	1 416	1 968	2 734	6 278	8 010	6 902	7 247	7 610
Training & staff development	-	61	571	627	1 282	1 282	1 255	1 318	1 384
Operating expenditure	-	1 053	10 267	1 601	8 389	14 745	693	727	764
Venues and facilities	-	5 176	2 475	1 285	3 959	3 814	2 677	2 811	2 952
Other	-	4 089	490	941	986	987	4 095	4 320	4 535
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Transfers and subsidies to	71	292	28	-	-	-	-	-	-
Provinces and municipalities	10	-	-	-	-	-	-	-	-
Provinces		-	-	-	-	-	-	-	-
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	10	-	-	-	-	-	-	-	-
Municipalities	10	-	-	-	-	-	-	-	-
Municipal agencies and funds									
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds									
Entities receiving funds									
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Non-profit institutions									
Households	61	292	28	-	-	-	-	-	-
Social benefits									
Other transfers to households	61	292	28	-	-	-	-	-	-
Payments for capital assets	341	725	3 517	1 132	4 352	4 328	3 740	3 927	4 123
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings									
Other fixed structures									
Machinery and equipment	341	709	3 324	1 132	4 232	4 252	3 430	3 601	3 781
Transport equipment									
Other machinery and equipment	341	709	3 324	1 132	4 232	4 252	3 430	3 601	3 781
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	-	16	193	-	120	76	310	326	342
Payments for financial assets									
Total	36 619	51 259	103 676	118 189	146 900	145 381	188 748	184 746	188 053

Table 4.D: Details of payments and estimates by economic classification - Programme 2: Integrated Economic Development Services

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited	Audited	Audited				2010/11	2011/12	2012/13
	2006/07	2007/08	2008/09				2009/10	2009/10	2009/10
Current payments	46 568	38 349	114 795	273 486	160 036	150 410	200 800	206 583	211 516
Compensation of employees	11 364	13 237	25 421	37 041	34 441	33 832	41 866	43 959	46 157
Salaries and wages	10 350	13 237	22 576	32 141	30 634	30 025	36 429	38 251	40 163
Social contributions	1 014	-	2 845	4 900	3 807	3 807	5 437	5 708	5 994
Goods and services	35 204	25 112	89 374	236 445	125 595	116 578	158 934	162 624	165 359
of which									
Administrative fees	29 876	-	-	-	-	-	170	179	187
Advertising	1 041	1 744	3 744	2 524	1 285	1 456	2 175	2 284	2 398
Assets <R5000	1 494	541	1 134	463	57	57	798	838	880
Audit cost: External	2 793	154	-	-	-	-	-	-	-
Bursaries (employees)	-	16	74	300	8	8	230	242	254
Catering: Departmental activities	-	718	1 372	1 265	621	621	-	-	-
Communication	-	348	355	590	729	754	1 181	1 241	1 303
Computer services	-	43	-	-	-	-	30	32	33
Cons/prof: business & advisory services	-	10 827	60 627	208 872	113 510	103 720	141 879	144 716	146 555
Cons/prof: Infrastructure & planning	-	-	-	-	-	-	-	-	-
Cons/prof: Laboratory services	-	-	-	-	-	-	-	-	-
Cons/prof: Legal cost	-	-	-	-	3	3	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency & support/outourced services	-	197	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	18	19	20
Government motor transport	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	676	710	745
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learn & teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Raw materials	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Military stores	-	-	-	-	-	-	-	-	-
Inventory: Other consumables	-	-	-	-	-	-	-	-	-
Inventory: Stationery and printing	-	110	288	468	145	145	-	-	-
Lease payments	-	1 147	(401)	11 501	-	-	400	420	441
Owned & leasehold property expenditure	-	-	683	-	-	-	-	-	-
Transport provided dept activity	-	-	929	-	11	11	-	-	-
Travel and subsistence	-	3 305	13 088	8 330	4 978	4 869	6 963	7 312	7 677
Training & staff development	-	254	178	652	18	18	-	-	-
Operating expenditure	-	1 446	1 131	995	1 336	1 336	1 122	1 178	1 237
Venues and facilities	-	2 447	3 850	410	1 351	1 519	1 090	1 145	1 202
Other	-	1 815	2 322	75	1 543	2 061	2 202	2 308	2 427
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	140 005	735 142	700	285 109	100 059	100 059	280 000	284 300	289 500
Provinces and municipalities	5	-	700	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	5	-	700	-	-	-	-	-	-
Municipalities	5	-	700	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	140 000	735 142	-	285 109	100 000	100 000	280 000	284 300	289 500
Public corporations	140 000	735 142	-	285 109	100 000	100 000	280 000	284 300	289 500
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	140 000	735 142	-	285 109	100 000	100 000	280 000	284 300	289 500
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	59	59	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	129	2 168	2 410	355	255	262	500	525	551
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	129	2 154	2 410	355	255	262	480	504	529
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	129	2 154	2 410	355	255	262	480	504	529
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	14	-	-	-	-	20	21	22
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	186 702	775 659	117 905	558 950	260 350	250 731	481 300	491 408	501 567

Table 4.E: Details of payments and estimates by economic classification - Programme 3: Trade and Sector Development

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Current payments	20 614	21 139	74 743	60 717	176 338	149 919	85 684	83 628	111 687
Compensation of employees	5 790	6 894	10 318	14 016	10 616	10 747	17 568	18 447	19 369
Salaries and wages	5 101	6 437	9 755	12 843	9 408	9 539	15 304	16 069	16 872
Social contributions	689	457	563	1 173	1 208	1 208	2 264	2 378	2 497
Goods and services	14 824	14 245	64 425	46 701	165 722	139 172	68 116	65 181	92 318
of which									
Administrative fees	6 895	-	-	-	-	-	60	63	66
Advertising	899	533	1 899	1 450	1 282	1 209	3 767	3 956	4 153
Assets <R5000	626	108	365	40	55	55	565	593	623
Audit cost: External	1 417	-	-	-	-	-	-	-	-
Bursaries (employees)	-	2	75	150	441	441	632	664	697
Catering: Departmental activities	-	213	987	170	403	403	30	32	33
Communication	-	118	66	186	167	172	227	238	250
Computer services	-	-	24	-	-	-	-	-	-
Cons/prof:business & advisory services	1 216	4 969	40 972	41 038	154 250	126 992	53 069	49 378	75 726
Cons/prof: Infrastructure & planning	-	-	-	-	-	-	-	-	-
Cons/prof: Laboratory services	-	-	-	-	-	-	-	-	-
Cons/prof: Legal cost	-	-	-	-	10	10	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency & support/outourced services	-	-	-	110	-	-	3 960	4 158	4 366
Entertainment	-	-	-	-	-	-	-	-	-
Government motor transport	-	-	-	-	2	2	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	760	798	838
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory:Learn & teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Raw materials	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Military stores	-	-	-	-	-	-	-	-	-
Inventory: Other consumables	-	-	-	-	-	-	-	-	-
Inventory: Stationery and printing	-	48	231	28	171	171	-	-	-
Lease payments	-	49	50	100	18	364	45	47	50
Owned & leasehold property expenditure	-	-	-	-	-	-	-	-	-
Transport provided dept activity	-	-	722	-	87	87	-	-	-
Travel and subsistence	-	1 581	2 300	1 950	1 920	2 245	1 910	2 006	2 106
Training & staff development	-	81	226	87	222	222	-	-	-
Operating expenditure	-	494	589	25	1 848	1 848	1 027	1 078	1 132
Venues and facilities	769	2 251	3 167	200	3 928	3 965	713	749	786
Other	3 002	3 798	12 752	1 167	918	986	1 351	1 421	1 492
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	247 327	644 410	1 446 035	1 680 000	1 873 463	1 890 460	785 092	624 068	652 657
Provinces and municipalities	5	2 800	926	-	-	924	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	5	2 800	926	-	-	924	-	-	-
Municipalities	5	2 800	926	-	-	924	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	30 000	40 670	42 000	54 416	54 416	54 416	56 637	61 536	64 613
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	30 000	40 670	42 000	54 416	54 416	54 416	56 637	61 536	64 613
Universities and technikons	-	1 274	11 574	4 500	4 500	560	28 300	28 300	28 300
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	80 672	148 182	89 710	149 100	208 100	215 028	151 970	160 331	168 348
Public corporations	80 672	148 182	89 710	149 100	208 100	215 028	151 970	160 331	168 348
Subsidies on production	75 823	148 182	89 710	95 350	104 350	104 350	94 995	100 695	105 730
Other transfers	4 849	-	-	53 750	103 750	110 678	56 975	59 636	62 618
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	136 650	451 484	1 301 824	1 471 984	1 606 447	1 619 532	548 185	373 901	391 396
Households	-	-	1	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	1	-	-	-	-	-	-
Payments for capital assets	3 132	287	1 238	58	674	641	-	-	-
Buildings and other fixed structures	3 000	-	-	-	-	-	-	-	-
Buildings	3 000	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	132	287	1 238	58	674	641	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	132	287	1 238	58	674	641	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	271 073	665 836	1 522 016	1 740 775	2 050 475	2 041 020	870 776	707 696	764 344

Table 4.F: Details of payments and estimates by economic classification - Programme 4: Business Regulation and Governance

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Current payments	7 666	11 065	16 827	22 912	23 338	22 797	29 074	30 302	31 530
Compensation of employees	4 632	5 040	7 850	14 820	11 521	11 593	16 174	16 983	17 832
Salaries and wages	4 015	5 040	6 802	12 699	9 940	10 012	13 956	14 654	15 386
Social contributions	617	-	1 048	2 121	1 581	1 581	2 218	2 329	2 446
Goods and services	3 034	6 025	8 977	8 092	11 817	11 204	12 900	13 319	13 698
of which									
Administrative fees	218	-	-	-	-	-	-	-	-
Advertising	710	1 172	3 164	350	1 617	1 239	1 184	1 243	1 306
Assets <R5000	325	128	212	23	-	-	1 197	1 257	1 320
Audit cost: External	1 781	-	-	-	-	-	-	-	-
Bursaries (employees)	-	4	-	30	-	-	-	-	-
Catering: Departmental activities	-	390	397	350	359	359	-	-	-
Communication	-	1 199	1 115	597	1 139	1 139	540	567	595
Computer services	-	85	50	60	-	-	30	32	33
Cons/prof: business & advisory services	-	56	1 752	4 511	5 893	5 570	3 671	3 628	3 523
Cons/prof: Infrastructure & planning	-	-	-	-	-	-	-	-	-
Cons/prof: Laboratory services	-	-	-	-	-	-	-	-	-
Cons/prof: Legal cost	-	191	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency & support/outourced services	-	359	-	-	-	-	200	210	221
Entertainment	-	-	-	-	-	-	-	-	-
Government motor transport	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	810	851	893
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learn & teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Raw materials	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Military stores	-	-	-	-	-	-	-	-	-
Inventory: Other consumables	-	-	-	-	-	-	-	-	-
Inventory: Stationery and printing	-	100	219	250	167	167	-	-	-
Lease payments	-	142	122	150	-	-	-	-	-
Owned & leasehold property expenditure	-	-	-	-	-	-	-	-	-
Transport provided dept activity	-	-	6	-	17	17	-	-	-
Travel and subsistence	-	413	679	982	1 002	1 062	2 293	2 407	2 528
Training & staff development	-	79	14	100	-	-	-	-	-
Operating expenditure	-	22	414	260	444	444	-	-	-
Venues and facilities	-	345	754	300	763	815	1 030	1 082	1 136
Other	-	1 340	79	129	416	392	1 945	2 042	2 143
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	3	-	-	29 126	-	-	36 439	40 082	42 086
Provinces and municipalities	3	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	3	-	-	-	-	-	-	-	-
Municipalities	3	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	29 126	-	-	36 439	40 082	42 086
Public corporations and private enterprises	-	-	-	29 126	-	-	36 439	40 082	42 086
Public corporations	-	-	-	29 126	-	-	36 439	40 082	42 086
Subsidies on production	-	-	-	-	-	-	36 439	40 082	42 086
Other transfers	-	-	-	29 126	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	219	257	257	500	500	380	510	536	562
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	219	257	257	500	130	80	460	483	507
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	219	257	257	500	130	80	460	483	507
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	370	300	50	53	55
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	7 888	11 322	17 084	52 538	23 838	23 177	66 023	70 919	74 178

Table 4.G: Details of payments and estimates by economic classification - Programme 5: Economic Planning

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Current payments	5 515	5 941	10 164	12 238	10 738	10 308	17 951	18 509	19 005
Compensation of employees	1 976	2 061	3 702	6 061	5 761	5 617	10 545	11 072	11 625
Salaries and wages	1 764	2 061	3 357	5 279	5 311	5 167	9 207	9 667	10 150
Social contributions	212	-	345	782	450	450	1 338	1 405	1 475
Goods and services	3 539	3 880	6 462	6 177	4 977	4 691	7 406	7 437	7 380
<i>of which</i>									
Administrative fees	2 402	-	-	-	-	-	18	19	20
Advertising	351	96	46	133	184	184	115	121	127
Assets <R5000	216	91	233	15	34	34	5	5	6
Audit cost: External	570	-	-	-	-	-	-	-	-
Bursaries (employees)	-	-	2	-	-	-	-	-	-
Catering: Departmental activities	-	28	29	36	28	28	33	35	36
Communication	-	44	43	100	72	80	79	83	88
Computer services	-	-	97	-	-	-	-	-	-
Cons/prof: business & advisory services	-	2 120	4 583	4 549	3 142	2 899	5 693	5 639	5 491
Cons/prof: Infrastructure & planning									
Cons/prof: Laboratory services									
Cons/prof: Legal cost									
Contractors									
Agency & support/outsourced services	-	34	-	-	-	-	-	-	-
Entertainment									
Government motor transport									
Housing									
Inventory: Food and food supplies	-	-	-	-	-	-	137	144	151
Inventory: Fuel, oil and gas									
Inventory: Learn & teacher support material									
Inventory: Raw materials									
Inventory: Medical supplies									
Medsas inventory interface									
Inventory: Military stores									
Inventory: Other consumables									
Inventory: Stationery and printing	-	15	63	81	99	99	-	-	-
Lease payments	-	33	35	81	-	-	48	50	53
Owned & leasehold property expenditure									
Transport provided dept activity									
Travel and subsistence	-	337	461	194	333	360	265	278	292
Training & staff development	-	8	17	60	36	36	-	-	-
Operating expenditure	-	30	513	355	404	404	133	140	147
Venues and facilities	-	445	190	550	645	567	810	851	893
Other	-	599	150	23	-	-	70	72	76
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Transfers and subsidies to	1	698	-	5 000	-	-	-	-	-
Provinces and municipalities	1	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	1	-	-	-	-	-	-	-	-
Municipalities	1	-	-	-	-	-	-	-	-
Municipal agencies and funds									
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds									
Entities receiving funds									
Universities and technikons									
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Non-profit institutions	-	698	-	5 000	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits									
Other transfers to households									
Payments for capital assets	112	239	577	-	100	135	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings									
Other fixed structures									
Machinery and equipment	112	239	577	-	100	105	-	-	-
Transport equipment									
Other machinery and equipment	112	239	577	-	100	105	-	-	-
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	-	-	-	-	-	30	-	-	-
Payments for financial assets									
Total	5 628	6 878	10 741	17 238	10 838	10 443	17 951	18 509	19 005

Table 4.H: Details of payments for infrastructure by category

Project name R thousand	Region	Municipality	Type of infrastructure		Project duration		Budget programme name	EPWP budget for current financial year	Total project cost	Payments to date from previous years	Total available	MTEF forward estimates	
			Project/admin block; water; electricity; sanitation; etc.	Units (i.e. number of facilities)	Date: Start	Date: Finish					2010/11	2011/12	2012/13
New and replacement assets								-	-	-	-	-	-
Upgrades and additions								-	-	-	-	-	-
Rehabilitation, renovations and refurbishments								-	-	-	-	-	-
Maintenance and repairs								-	-	-	-	-	-
Infrastructure transfers - current								-	-	-	-	-	-
1. Dube TradePort								-	-	-	31 953	37 441	39 313
Total Infrastructure transfers - current								-	-	-	31 953	37 441	39 313
Infrastructure transfers - capital													
1. Dube TradePort	eThekwin	eThekwin	Airport and trade port		2006/04/01	2060/03/31	Programme 3	-	4 913 587	573 500	494 952	364 103	382 308
2. Richards Bay IDZ	uMhlathuze	uThungulu	RBIDZ		2010/04/01	2011/03/31	Programme 3	-	233 630	27 900	56 975	59 636	62 618
3. Co-operative Infrastructure	Various	Various	Co-operative projects		2009/04/01	2010/03/31	Programme 2	-	35 844	-	-	-	-
Total Infrastructure transfers - capital								-	-	601 400	551 927	423 739	444 926
Total Vote 4 Infrastructure								-	5 183 061	601 400	583 880	461 180	484 239

Table 4.1: Summary of transfers to municipalities (RSCL, Joint project funding and building of lodges)

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
A KZN2000 eThekweni	22	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
B KZ211 Vulamehlo	-	-	-	-	-	-	-	-	-
B KZ212 Umdoni	-	-	-	-	-	-	-	-	-
B KZ213 Umzumbe	-	-	-	-	-	-	-	-	-
B KZ214 uMuziwabantu	-	-	-	-	-	-	-	-	-
B KZ215 Ezinqolweni	-	-	-	-	-	-	-	-	-
B KZ216 Hibiscus Coast	-	-	-	-	-	-	-	-	-
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	2	-	-	-	-	-	-	-	-
B KZ221 uMshwathi	-	-	-	-	-	-	-	-	-
B KZ222 uMngeni	-	-	-	-	-	-	-	-	-
B KZ223 Mpofana	-	-	-	-	-	-	-	-	-
B KZ224 Impendle	-	-	-	-	-	-	-	-	-
B KZ225 Msunduzi	-	-	-	-	-	-	-	-	-
B KZ226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZ227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	2	-	-	-	-	-	-	-	-
Total: Uthukela Municipalities	-	-	-	-	-	-	-	-	-
B KZ232 Emnambithi/Ladysmith	-	-	-	-	-	-	-	-	-
B KZ233 Indaka	-	-	-	-	-	-	-	-	-
B KZ234 Umtshezi	-	-	-	-	-	-	-	-	-
B KZ235 Okhahlamba	-	-	-	-	-	-	-	-	-
B KZ236 Imbabazane	-	-	-	-	-	-	-	-	-
C DC23 Uthukela District Municipality	-	-	-	-	-	-	-	-	-
Total: Umzinyathi Municipalities	-	-	-	-	-	-	-	-	-
B KZ241 Endumeni	-	-	-	-	-	-	-	-	-
B KZ242 Nquthu	-	-	-	-	-	-	-	-	-
B KZ244 Msinga	-	-	-	-	-	-	-	-	-
B KZ245 Umvoti	-	-	-	-	-	-	-	-	-
C DC24 Umzinyathi District Municipality	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	926	-	-	924	-	-	-
B KZ252 Newcastle	-	-	-	-	-	-	-	-	-
B KZ253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZ254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	926	-	-	924	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
B KZ261 eDumbe	-	-	-	-	-	-	-	-	-
B KZ262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZ263 Abaqulusi	-	-	-	-	-	-	-	-	-
B KZ265 Nongoma	-	-	-	-	-	-	-	-	-
B KZ266 Ulundi	-	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
Total: Umkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
B KZ271 Umhlabuyalingana	-	-	-	-	-	-	-	-	-
B KZ272 Jozini	-	-	-	-	-	-	-	-	-
B KZ273 The Big 5 False Bay	-	-	-	-	-	-	-	-	-
B KZ274 Hlabisa	-	-	-	-	-	-	-	-	-
B KZ275 Mtubatuba	-	-	-	-	-	-	-	-	-
C DC27 Umkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
Total: uThungulu Municipalities	-	-	-	-	-	-	-	-	-
B KZ281 Umfolozi	-	-	-	-	-	-	-	-	-
B KZ282 uMhlathuze	-	-	-	-	-	-	-	-	-
B KZ283 Ntambanana	-	-	-	-	-	-	-	-	-
B KZ284 uMlalazi	-	-	-	-	-	-	-	-	-
B KZ285 Mthonjaneni	-	-	-	-	-	-	-	-	-
B KZ286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 uThungulu District Municipality	-	-	-	-	-	-	-	-	-
Total: Ilembe Municipalities	-	-	-	-	-	-	-	-	-
B KZ291 Mandeni	-	-	-	-	-	-	-	-	-
B KZ292 KwaDukuza	-	-	-	-	-	-	-	-	-
B KZ293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZ294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 Ilembe District Municipality	-	-	-	-	-	-	-	-	-
Total: Sisonke Municipalities	-	2 800	700	-	-	-	-	-	-
B KZN431 Ingwe	-	-	-	-	-	-	-	-	-
B KZN432 Kwa Sani	-	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	-	-	-	-	-	-	-	-
B KZN434 Ubuhlebezwe	-	-	-	-	-	-	-	-	-
B KZN435 Umzimkulu	-	-	300	-	-	-	-	-	-
C DC43 Sisonke District Municipality	-	2 800	400	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	24	2 800	1 626	-	-	924	-	-	-

Table 4.J: Financial summary for KZN Sharks Board

	Outcome			Estimated outcome	Medium-term estimates		
	Audited	Audited	Audited				
R thousand	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Revenue							
Tax revenue							
Non-tax revenue	19 706	20 023	21 515	20 155	23 122	25 316	27 848
Sale of goods and services other than capital assets							
Of which:							
Admin fees							
Sales by market establishments							
Non-market est. sales							
Other non-tax revenue	19 706	20 023	21 515	20 155	23 122	25 316	27 848
Transfers received	17 727	19 146	19 917	25 338	25 551	27 084	30 184
Sale of capital assets	-	-	-	1 098	-	-	-
Total revenue	37 433	39 169	41 432	45 492	48 673	52 400	58 032
Expenses							
Current expense	36 508	42 502	39 462	43 992	48 673	52 400	58 032
Compensation of employees	21 784	29 190	23 884	27 956	32 306	34 796	37 260
Goods and services	12 142	9 832	12 166	13 695	14 267	15 704	19 072
Depreciation	2 582	3 480	3 395	2 341	2 100	1 900	1 700
Interest, dividends and rent on land	-	-	17	-	-	-	-
Interest	-	-	17	-	-	-	-
Dividends							
Rent on land							
Tax and Outside shareholders Interest							
Adjustments to Fair Value							
Unearned reserves (social security funds only)							
Transfers and subsidies							
Total expenses	36 508	42 502	39 462	43 992	48 673	52 400	58 032
Surplus / (Deficit)	925	(3 333)	1 970	1 500	-	-	-
Cash flow summary							
Adjust surplus / (deficit) for accrual transactions	1 429	(798)	(707)	(1 199)	(780)	(1 055)	(1 265)
Adjustments for:							
Depreciation	2 582	3 468	3 395	2 341	2 100	1 900	1 700
Interest	(602)	(953)	(1 656)	(1 231)	(650)	(800)	(880)
Net (profit) / loss on disposal of fixed assets	4	(195)	(192)	(200)	(180)	(170)	(160)
Other	(555)	(3 118)	(2 254)	(2 110)	(2 050)	(1 985)	(1 925)
Operating surplus / (deficit) before changes in working capital	2 354	(4 131)	1 263	301	(780)	(1 055)	(1 265)
Changes in working capital	(17)	6 962	3 113	3 346	3 531	3 743	3 967
(Decrease) / increase in accounts payable	(274)	(185)	2 228	2 395	2 527	2 679	2 839
Decrease / (increase) in accounts receivable	123	804	295	317	335	355	376
(Decrease) / increase in provisions	134	6 343	590	634	669	709	752
Cash flow from operating activities	2 337	2 831	4 376	3 647	2 751	2 688	2 702
Transfers from government	-	-	-	-	-	-	-
Of which: Capital							
: Current							
Cash flow from investing activities	195	(78)	(4 614)	(4 069)	(2 505)	(2 354)	(2 680)
Acquisition of Assets	(407)	(1 032)	(6 253)	(5 300)	(3 155)	(3 154)	(3 560)
Other flows from Investing Activities	602	954	1 639	1 231	650	800	880
Cash flow from financing activities	(20)	259	3 549	280	270	260	250
Net increase / (decrease) in cash and cash equivalents	2 512	3 012	3 311	(142)	516	594	272
Balance Sheet Data							
Carrying Value of Assets	61 782	59 541	62 830	67 542	71 262	75 537	80 070
Investments	4 834	5 043	4 650	4 999	5 274	5 590	5 926
Cash and Cash Equivalents	11 069	14 081	17 392	18 696	19 726	20 910	22 164
Receivables and Prepayments	2 260	1 498	1 201	1 291	1 362	1 444	1 531
Inventory	1 041	1 311	1 488	1 600	1 688	1 789	1 896
TOTAL ASSETS	80 986	81 474	87 561	94 128	99 312	105 270	111 587
Capital & Reserves	26 762	23 467	25 437	27 345	28 851	30 582	32 417
Borrowings							
Post Retirement Benefits	-	89	30	32	34	36	38
Trade and Other Payables	3 240	3 017	5 245	5 638	5 949	6 306	6 684
Provisions	2 906	2 236	2 247	2 416	2 549	2 701	2 864
OTHER	48 078	52 665	54 602	58 697	61 930	65 645	69 584
TOTAL EQUITY & LIABILITIES	80 986	81 474	87 561	94 128	99 312	105 270	111 587
Contingent Liabilities							
	-	-	-	-	-	-	-

Note: The amounts reflected in the transfers received, differ in some instances to the public entity table in the EPE. The amounts transferred to the entity as per the public entity tables are reflected below:

R thousand	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Transfer to KZN Sharks Board	17 727	19 146	23 297	25 338	25 551	27 084	28 438

Table 4.K: Financial summary for the KwaZulu-Natal Tourism Authority

R thousand	Outcome			Revised Estimate	Medium-term estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09		2010/11	2011/12	2012/13
Revenue							
Tax revenue							
Non-tax revenue	605	471	1 005	232	555	555	555
Sale of goods and services other than capital assets							
Of which:							
Admin fees							
Sales by market establishments							
Non-market est. sales							
Other non-tax revenue	605	471	1 005	232	555	555	555
Transfers received	52 186	58 096	59 036	66 413	69 444	73 611	77 292
Sale of capital assets							
Total revenue	52 791	58 567	60 041	66 645	69 999	74 166	77 847
Expenses							
Current expense	52 791	58 567	60 041	66 645	69 999	74 166	77 847
Compensation of employees	12 066	14 212	14 550	19 106	21 386	23 739	25 230
Goods and services	40 139	43 771	44 434	46 408	47 397	49 138	51 251
Depreciation	586	584	1 057	1 131	1 216	1 289	1 366
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	52 791	58 567	60 041	66 645	69 999	74 166	77 847
Surplus / (Deficit)	-	-	-	-	-	-	-
Cash flow summary							
Adjust surplus / (deficit) for accrual transactions	586	584	1 057	1 131	1 216	1 289	1 366
Adjustments for:							
Depreciation	586	584	1 057	1 131	1 216	1 289	1 366
Interest	-	-	-	-	-	-	-
Net (profit) / loss on disposal of fixed assets							
Other							
Operating surplus / (deficit) before changes in working capital	586	584	1 057	1 131	1 216	1 289	1 366
Changes in working capital	-	-	-	-	-	-	-
(Decrease) / increase in accounts payable	-	-	-	-	-	-	-
Decrease / (increase) in accounts receivable							
(Decrease) / increase in provisions							
Cash flow from operating activities	586	584	1 057	1 131	1 216	1 289	1 366
Transfers from government	-	-	-	-	-	-	-
Of which: Capital							
: Current							
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	586	584	1 057	1 131	1 216	1 289	1 366
Balance Sheet Data							
Carrying Value of Assets	1 581	2 263	3 829	1 506	1 596	1 692	1 793
Investments	-	-	-	-	-	-	-
Cash and Cash Equivalents	20 046	20 888	24 691	14 862	25 558	27 092	28 717
Receivables and Prepayments	2 750	1 460	1 793	4 428	4 694	4 976	5 275
Inventory							
TOTAL ASSETS	24 377	24 611	30 313	20 796	31 848	33 760	35 785
Capital & Reserves	3 371	1 546	5 100	5 099	5 100	5 406	5 730
Borrowings	-	-	-	-	-	-	-
Post Retirement Benefits	-	-	-	-	-	-	-
Trade and Other Payables	19 286	22 349	24 417	14 607	25 593	27 129	28 757
Provisions	1 720	716	796	1 090	1 155	1 225	1 298
Managed Funds	-	-	-	-	-	-	-
TOTAL EQUITY & LIABILITIES	24 377	24 611	30 313	20 796	31 848	33 760	35 785
Contingent Liabilities							

Note: The amounts reflected in the transfers received, differ in some instances to the public entity table in the EPE. The amounts transferred to the entity as per the public entity tables are reflected below:

R thousand	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Transfer to KZN Tourism Authority	58 096	60 036	66 413	79 012	69 444	73 611	77 292

Table 4.L: Financial summary for Ithala Development Finance Corporation

R thousand	Outcome			Revised Estimate 2009/10	Medium-term estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09		2010/11	2011/12	2012/13
Revenue							
Tax revenue							
Non-tax revenue	693 146	858 838	1 034 901	859 541	913 519	1 068 133	1 183 991
Sale of goods and services other than capital assets	85 387	87 349	115 546	161 952	193 398	208 361	202 885
Of which:							
Admin fees	85 387	87 349	115 546	161 952	193 398	208 361	202 885
Sales by market establishments							
Non-market est. sales							
Other non-tax revenue	607 759	771 489	919 355	697 589	720 121	859 772	981 106
Transfers received	51 326	134 391	38 073	110 849	167 832	168 159	169 455
Sale of capital assets							
Total revenue	744 472	993 229	1 072 974	970 390	1 081 351	1 236 292	1 353 446
Expenses							
Current expense	657 040	807 478	1 007 616	958 367	1 046 385	1 195 798	1 317 318
Compensation of employees	188 636	216 082	258 614	299 254	374 183	398 282	416 965
Goods and services	342 292	438 068	571 478	522 188	522 779	589 818	637 300
Depreciation	32 412	34 630	32 893	39 435	55 580	61 110	65 541
Interest, dividends and rent on land	92 808	117 756	143 284	97 490	93 843	146 588	197 512
Interest	92 808	117 756	143 284	97 490	93 843	146 588	197 512
Dividends							
Rent on land							
Tax and Outside shareholders Interest	892	942	1 347	-	-	-	-
Adjustments to Fair Value							
Unearned reserves (social security funds only)	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-
Total expenses	657 040	807 478	1 007 616	958 367	1 046 385	1 195 798	1 317 318
Surplus / (Deficit)	87 432	185 751	65 358	12 023	34 966	40 494	36 128
Cash flow summary							
Adjust surplus / (deficit) for accrual transactions	129 253	145 962	20 206	61 452	124 474	175 152	225 201
Adjustments for:							
Depreciation	32 412	34 630	32 893	39 435	55 580	61 110	65 541
Interest	92 808	117 756	143 284	97 490	93 843	146 588	197 512
Net (profit) / loss on disposal of fixed assets	(1 313)	81	(4 911)	-	-	-	-
Other	5 346	(6 505)	(151 060)	(75 473)	(24 949)	(32 546)	(37 852)
Operating surplus / (deficit) before changes in working capital	216 685	331 713	85 564	73 475	159 440	215 646	261 329
Changes in working capital	(901)	(55 626)	26 754	66 946	43 917	10 944	98 628
(Decrease) / increase in accounts payable	7 066	13 733	22 458	-	-	-	-
Decrease / (increase) in accounts receivable	(16 005)	(85 123)	(19 588)	(11 543)	284	(34 032)	56 944
(Decrease) / increase in provisions	8 038	15 764	23 884	78 489	43 633	44 976	41 684
Cash flow from operating activities	215 784	276 087	112 318	140 421	203 357	226 590	359 957
Transfers from government	326 198	562 712	(41 579)	(25 161)	(50 600)	-	-
Of which: Capital	326 198	562 712	(41 579)	(25 161)	(50 600)	-	-
: Current							
Cash flow from investing activities	(301 082)	(49 768)	(9 528)	(308 298)	(908 769)	(1 039 965)	(1 247 823)
Acquisition of Assets	(17 836)	(54 791)	(71 958)	(276 572)	(488 649)	(458 807)	(511 607)
Other flows from Investing Activities	(283 246)	5 023	62 430	(31 726)	(420 120)	(581 158)	(736 216)
Cash flow from financing activities	28 797	14 423	110 361	(35 685)	437 015	724 438	813 633
Net increase / (decrease) in cash and cash equivalents	269 697	803 454	171 572	(203 562)	(268 397)	(88 937)	(74 233)
Balance Sheet Data							
Carrying Value of Assets	2 383 163	2 431 960	2 429 049	2 608 830	3 398 978	4 341 057	5 397 140
Investments	17 849	13 571	11 180	11 180	11 180	11 180	11 180
Cash and Cash Equivalents	859 226	1 667 726	1 837 734	1 634 172	1 365 775	1 276 838	1 202 605
Receivables and Prepayments	68 067	150 561	168 938	205 039	190 653	178 585	165 798
Inventory	13 406	18 398	6 193	6 500	6 500	6 500	6 500
TOTAL ASSETS	3 341 711	4 282 216	4 453 094	4 465 721	4 973 086	5 814 160	6 783 223
Capital & Reserves	1 196 369	1 548 848	1 619 328	1 631 351	1 666 317	1 706 811	1 742 939
Borrowings (Includes Deposits)	1 774 055	1 788 577	1 898 800	1 910 533	2 430 482	3 233 508	4 169 185
Post Retirement Benefits	53 282	54 474	59 923	60 000	62 000	64 000	66 000
Trade and Other Payables	96 851	117 352	146 061	158 376	157 426	150 980	144 238
Provisions	14 686	16 669	23 360	25 000	27 000	29 000	31 000
Managed Funds (Transfers from Government not utilised)	206 468	756 296	705 622	680 461	629 861	629 861	629 861
TOTAL EQUITY & LIABILITIES	3 341 711	4 282 216	4 453 094	4 465 721	4 973 086	5 814 160	6 783 223
Contingent Liabilities	8 407	522	-	210 678	336 975	343 936	352 118

Note: The amounts reflected in the transfers received, differ in some instances to the public entity table in the EPE. The amounts transferred to the entity as per the public entity tables are reflected below: It should be noted that these figures are draft figures which have not yet been approved by the Ithala Board and that they may change

R thousand	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Transfer to Ithala Development Finance Corporation	144 849	804 142	-	25 338	25 551	27 084	28 438