

Vote 12

Department of Economic Development and Tourism

	2012/13 To be appropriated	2013/14	2014/15
MTEF allocations	R 291 117 000	R 383 542 000	R 403 091 000
Responsible MEC	Provincial Minister of Finance, Economic Development and Tourism		
Administering Department	Department of Economic Development and Tourism		
Accounting Officer	Head of Department, Economic Development and Tourism		

1. Overview

Core functions and responsibilities

Institutional Strengthening & Good Governance

Enabling Business Environment

Demand led Sector Development

Marketing the Region

Workforce Development

Infrastructure led growth

Economic Intelligence

Vision

The Department's vision is a Western Cape that has a vibrant, innovative, and sustainable economy, characterised by growth, employment and increasing equity, and built on the full potential of all.

Mission

Provide leadership to the Western Cape economy through the Department's understanding of the economy, its ability to identify economic opportunities and potential, and its contribution to government economic priorities.

Act as a catalyst for the transformation of the economy and respond to the challenges and opportunities of the economic citizens, in order to support the government's goal of creation of opportunities for businesses and citizens to grow the economy and employment.

Contribute to the provision of a predictable, competitive, equitable and responsible environment for investment, enterprise and trade.

Strategic Goal

Creation of opportunities for businesses and citizens to grow the economy and employment.

The necessary conditions to achieve this have been translated into five objective statements:

Objective 1: To develop and implement the economic strategic plan and policies in support of achieving opportunities for jobs and growth.

Objective 2: To create an enabling environment (minimal hurdles, sustainable business growth, investment and job creation) through improvement in the regional business confidence index and growth in the employment rate.

Objective 3: To facilitate demand led, private sector-driven government support for growth sectors, industries and business by increasing the value of exports.

Objective 4: To improve the competitiveness of the region through infrastructure-led economic growth.

Objective 5: To facilitate through EPWP 204 770 "100-day work opportunities" and 111 859 "full-time equivalents" between 2009 and 2014.

The five objectives will be measured as follows:

Approved economic strategic plan

Per cent increase in business confidence index

Per cent growth in employment

Per cent increase in value of exports

Value of infrastructure investment

Number of work opportunities facilitated

Number of full time equivalent work opportunities facilitated

Main services

Provide evidence based research that will inform economic policy development.

Support enterprise promotion through the provision of mentorship, training and financial support.

Promote Local Economic Development through initiatives such as capacity building within municipalities and the support of large scale projects within communities.

To develop and implement sector strategies ensuring the growth of the Western Cape economy.

To develop and intensify support for training interventions which address specific skills shortage within identified sectors.

To attract and facilitate international and domestic direct investment into the Western Cape and to grow the exports of products and services of the Western Cape through the development of exporter capability, demand and market access.

To enhance the operations of the Consumer Tribunal thereby enhancing access to redress, both outside and inside of the judicial structures and strengthening the Office of the Consumer Protector's position as the first and preferred reference point for consumers seeking information or access to redress, whether they are residents of or visitors to the province.

The regulation of the Liquor Industry as well as to drive initiatives that would contribute towards the creation of a culture that promotes responsible liquor consumption.

To market the Western Cape as a world-class business and tourist destination.

Demands and changes in service

The Eurozone crisis is likely to have a more pronounced impact on the Western Cape economy as trade statistics show a greater reliance by the Western Cape on demand from European countries for exports than that of the rest of the country.

GDP growth in the Western Cape has traditionally outperformed that of the rest of the country, primarily due to robust growth in the services sector which represents a bigger portion of the Western Cape economic activity than in the case for the rest of South Africa. However, because the mining sector recovery played a significant role in driving national economic growth, this time, the regional economy is unlikely to outperform the national economy.

This, amongst others, together with the fact that the unemployment rate in the Western Cape weakened from 21.8 per cent to 23.3 per cent necessitated the Department to undertake a reflective stance in evaluating what it needs in order to create a vibrant growing economy that will increase job creation opportunities for all citizens of the Western Cape.

In doing so, the Department needs to re-focus its strategy in order to shift the current trajectory of the national and provincial economy. This will be done by upscaling our service offerings in enterprise development, red tape reduction, skills development and by investing in sectors displaying high growth and employment creation potential.

Acts, rules and regulations

There are a vast number of acts that play a role in the Department's work ambit, the more important acts and policies are mentioned:

Public Finance Management Act, 1999 (Act 1 of 1999 as amended by Act 29 of 1999)

The Micro-economic Development Strategy (MEDS)

Businesses Act, 1991 (Act 71 of 1991)

Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003)

Preferential Procurement Policy Framework Act of 2000

Small Business Amendment Bill, 2004

Municipal Systems Act, 2000 (Act 32 of 2000)

The Local Government Structures Act 117 of 1998

National Credit Act, 2005 (Act 34 of 2005)

Co-operatives Act of 2005

The BEE: Codes of Good Practice

Western Cape Investment and Trade Promotion Agency Amendment Act (Act 1 of 2005)

Western Cape Investment and Trade Promotion Agency Law, 1996 (Act 3 of 1996)

Liquor Act, 2003 (Act 59 of 2003)

Western Cape Liquor Act, 2008 (Act 4 of 2008)

National Tourism Second Amendment Act, 2000, (Act No. 70 of 2000)

National Tourism Sector Charter as a Sector Code on black economic empowerment in terms of Section 9(1) of the BBBEE Act (Act No 53 of 2003), gazetted May 2009

Provincial Western Cape Tourism Act, 2004, (Act No. 1 of 2004)

The National Integrated Manufacturing Strategy (NIMS)

The Advanced Manufacturing and Technological Strategy (AMTS)

The Western Cape Liquor Policy, 2005 (Department of Economic Development and Tourism, Western Cape Government)

ASGISA (Accelerated Shared Growth Initiative-South Africa)

National White Paper on the Development and Promotion of Tourism in South Africa, 1996

Provincial White Paper on Sustainable Tourism Development and Promotion, 2001

The Western Cape's Tourism Development Plan

The Western Cape Tourism Development Framework

Budget decisions

With the adoption of SO1 and subsequent strategy development, much impetus has been given to the need for the Department to refocus and prioritise its resource use. The ever changing economic landscape has necessitated substantial introspection within the Department to ensure and drive the efficiency and effectiveness of services to clients that produce substantial impact.

Lessons learned from the global economic downturn experienced in 2009 and 2010 have shown that the effective, efficient and economical use of resources is of ever greater importance. It has also burst the bubble on the notion that Government resources are limitless. Thus, it has become ever more important that Government, and more specifically this Department, refocuses its resources to ensure that a greater depth and focus of intervention is achieved.

To this effect, the allocation received via the Provincial Treasury, as part of our equitable share, has plateaued and as such it is imperative that the Department finds ways of doing more with less.

Aligning departmental budgets to achieve government's prescribed outcomes

The need to do more with less while still impacting on the economy has become ever more apparent during this past period of economic instability. More so, the Department was required to change its orientation to be more responsive to the ever changing economic climate. Thus, it has become increasingly

important that Government, and more specifically this Department, refocus resources to ensure that a greater depth and focus of intervention is achieved

Based on the aforementioned, the Departments' strategy will be built on three strategic directives, namely:

Sector-based strategic implementation

The Department will adopt a strong sectoral-based focus in terms of its economic development initiatives as highlighted in SO 1. In order to achieve this approach, the Department embarked on a review process of its sector choices by interrogating the work of the MEDS and reviewing the Industrial Policy Action Plan (IPAP) as approved by National Government.

To this extent the Department has skewed the resource envelope to ensure that R69.939 million or 25.9 per cent of resources to cater for the need to invest in the strategic propulsive and employment generating sectors. The prioritised sectors are Oil and Gas Marine complex, Tourism, ICT, Business Processing and Outsourcing (BPO), Green Technologies, Clothing and textiles, Craft, film, Agro-processing, and Aquaculture.

It should also be noted that a number of sectors will also be in their final year of financial support. These are Furniture, boatbuilding and tooling.

Creating an enabling environment for business

The enabling environment initiatives will comprise all relevant economic, political, social regulatory and international factors external to firms in the Western Cape. The accent of this strategy is to review all government policies/practices which "set the rules of the game" for business in the Province and which influences the performance of the market, incentives to invest and the cost of business operations.

In this regard, the Department has created a new sub-programme to tackle the Red Tape challenges faced by business. This unit will specifically investigate issues that raise the cost of doing business within the Province by lobbying and networking with other government agencies, departments and spheres. To this end, an amount of R2 million was allocated for red tape reduction interventions.

A further shift in the strategy of the Department is that a major focus will be placed on the improvement in the business competitiveness of firms. Here the Department will provide assistance to the economy through our LED strategy that will look at ways of improving the competitiveness of our regional economies through the provision of assistance programmes to municipalities and the furtherance of the LED growth fund aimed at supporting innovative economic development projects that seek to crowd in private sector investment and thereby support key business linkages. In this regard, R14.9 million has been allocated to businesses competitiveness projects, R2.5 million to enterprise promotion, and R5.050 million to Regional and local economic development including R4 million for the growth fund and R1.050 million for the LED centre of excellence (support for municipalities in improving their IDP processes).

Lastly, the Department has made a significant investment into the improvement of the economic infrastructure of the Province with an allocation of R12 million for the supporting and improving the Telecommunications Strategy as well as allocating R5 million for the Saldanha Industrial Development Zone (IDZ) project. Other projects that will be supported in line with the need to improve the economic infrastructure of the Province will be the East City Design Precinct, Port of Cape Town Precinct, Health Technology Hub and the expansion of the Cape Town International Convention Centre (CTICC).

Investment into Skills development

With the gap between the demand and supply of skills amongst the workforce of the Province growing ever wider, the Provincial Government needs to urgently intervene. In this regard, the Department together with other key Provincial Departments such as the Department of the Premier and the Department of Education and other stakeholders will be implementing the Provincial Skills Development Strategy.

Key facets of this strategy will be to meaningfully intervene through projects and programmes aimed at supporting employment amongst the youth such as the work and skills programme as well as projects aimed at bridging the widening gap between the supply and demand of skills with programmes such as Artisan training.

The work and skills programme will be expanded in the 2012/13 financial year from R6.2 million in 2011/12 to R9 million in 2012/13. Furthermore, the Department initiated an Artisan training programme estimated at R10.980 million.

2. Review 2011/12

While the Department has registered progress in terms of its stated outputs, performance has exhibited mixed results with numerous delays resulting from uncertainty with regard to the EDP process and strategy development.

Enterprise Development

The year saw a fundamental change in the approach of the sub-programme: Enterprise Development to entrepreneurship and SMME development. With the rationalisation of the Red Door project, partnerships were formed with SEDA, The Business Place and West Coast Business Development Centre. SEDA's commitment to maintain seven quasi centres of support meant that SMMEs in areas such as Khayelitsha, Mitchells Plain and Paarl were able to access the services and products from both the Red Door and SEDA. Very encouraging is the go ahead given by the DTI for SEDA to continue with this partnership during the 2012/13 financial year. Furthermore, significant collaboration was secured with both formal and informal business chambers and associations. These included Western Cape Black Business Chamber, NAFCOC, AHI and the Cape Chamber of Commerce.

Success was achieved in the key focus areas of interventions of the Legacy Mentorship programme, the Enterprise Development Fund and the Business Association Network. All these programmes were overwhelmed with requests for assistance and subsequently all targets set for these programmes were achieved. Not only were these achieved, but the interventions had meaningful impact on these businesses.

In terms of the sector-based enterprise development support substantial achievements were attained in the ICT and tourism sectors. In ICT, the partnership with The Bandwidth Barn, arguably the most successful technology-based incubator in Africa, the Department secured another set of successful incubation-mentorship interventions which saw eleven fledgling ICT SMMEs complete the rigorous programme in preparation to becoming service providers in their own right and or subcontracting to major contractors. The participation of two hundred and forty nine SMMEs in the Tourism Enterprise Development programme, comprising business skills training and mentorship, have put them in a solid position to deal with challenges and opportunities facing the sector.

The drive to utilise provincial procurement means of developing and growing fledgling and existing businesses was propelled through the total revamp of the Provincial Tender Site and an extensive programme to create awareness of the new preferential procurement regulations that came into effect 7 December 2011. Feedback from SMMEs accessing the new site had been overwhelmingly positive. The awareness programme for the new regulations comprised road shows that covered eight areas and aimed at both suppliers and government officials. As part of this awareness campaign, 200 exempted micro enterprises and 10 qualifying small enterprises, were assisted with becoming BBEEE compliant.

The LED Growth Fund gained significant momentum with the quality of applications improving substantially. A total of five businesses were assisted with interventions that led to improved productivity and or increased turnover.

Establishment of the Economic Development Partnership (EDP)

On 6 December 2011, Cabinet provided in-principle approval for the WCG to draft and process provincial legislation which will provide for the legislative context and statutory framework within which the EDP will operate. This will include consideration and finalisation of:

- Clearly defined mandate, responsibility and objectives of the EDP

- Role delineation of key stakeholders (public and private sector), including board membership, reporting lines and obligations as deemed necessary

- WCG shareholding and membership, with Municipalities partnering the EDP through Memoranda of Understanding and Section 73 of the Municipal Systems Act.

- Funding requirements, including provincial public sector funding mechanisms which adhere to the Public Finance Management Act as well as private sector funding.

The strategic objectives of the EDP have been refined as follows:

- Provisioning of economic and market intelligence and monitoring to ensure evidence led strategy and planning

- Developing and co-ordinating an economic vision and strategy through building leadership and a common strategic agenda

- Securing business attraction, retention and expansion through building an improved business and investment climate

- Creating a single brand platform through a regional marketing alliance

- Organising the economic system for optimum delivery through performance monitoring and ongoing co-ordination of economic reform.

Red Tape to Red Carpet

The Red Tape to Red Carpet programme commenced midway through the financial year with the establishment and operationalization of the Call Centre. The objective of the call centre was two-fold – firstly, a conduit for channelling issues (red tape and other blockages) to the relevant departments and organisations, and secondly, the identification of trends and patterns of issues that require comprehensive attention. Issues that were identified as being in the top ten raised by callers included, EIAs, rezoning, business registration and licencing, access to financial and non-financial support and tenders. The average resolution rate had been well over 70 per cent with the balance being referred to more in-depth

investigation and longer term resolution. The call centre dealt with an average of 100 bona fide red tape-related issues per month.

In highlighting the issues that impede on the creation of an enabling environment for business, two valuable pieces of research were completed. Firstly, "Red tape Reduction in the Procurement Process: The Case of the Western Cape, and secondly, "Red Tape: A Study of the Cost of Doing Business in the Western Cape". Both studies yielded valuable information that informed the review of the provincial procurement process and the more in-depth consideration of the issues identified as increasing the cost of doing business. The following position papers were also completed and tabled for consideration by EISSC: (1) property development, (2) Transportation of wind turbines, (3) immigration processing as a blockage to investment and (4) constraints impacting on the fine foods industry.

The establishment of the Red Tape Reduction Work Group comprising representatives from all the provincial economic cluster departments, the City of Cape Town and Business Western Cape has meant, (1) red tape-related issues were properly channelled to the relevant departments for rapid resolution, (2) that each of these departments or organisations identified champions for red tape reduction within their respective departments. Based on an approved and adopted terms of reference the group's main function has been to identify red tape-related issues and blockages emanating from specific departments/organisations, and ensure that identified red tape-related issues are taken up within the specific departments/organisations.

Skills and the establishment of the Provincial Skills Development Forum

The Provincial Skills Development Forum has gained momentum with short, medium and long term interventions underway to tackle key challenges highlighted by the Technical Working Group.

Six working groups have been established this year, with scoping and implementing skills projects occurring at various stages. The Working Groups include: Artisan Development, Work placement opportunities, Research and Careers Awareness

WCG Working Group had the following key project: Premier's Advancement of Youth (PAY) Project

The Workforce Development Sub – program has focussed on strengthening skills interventions with regards to:

- Access to relevant skills information and data

- Better mapping of skills provision

- Building strong relationships with employers

- SETA's participation in finance and or access to host companies towards achieving outcomes

The Work and Skills project was developed with the objective of giving unemployed youth the opportunity to gain skills and work experience in order to boost and improve their chances of full-time employment. Successes included:

- 240 learners currently employed and trained.

- Support from local stakeholders ensured that learners recruited from the relatively rural FET Colleges, i.e. South Cape, Boland, West Coast, received basic and advanced skills training and placed with employers within these areas.

- The South African Oil and Gas Alliance hosted learners with technical interests in areas such as boiler making, welding and fitting.

In partnership with our Tourism unit the project was able to recruit learners from the FETs and Higher Education Institutions and place them with host employers within the hospitality industry.

Generally, the shortage of artisans is becoming a restrictive hurdle for economic growth in South Africa. The Train the Trainer program for Artisans successfully complete 20 trained individuals from private sector and FET Colleges with the aim of ensuring quality curricula and training that matches the standards required from industry to ensure relevant training to increase competitiveness.

Infrastructure

The Department has made significant strides in the infrastructure component of the Departments' mandate. The flagship projects identified by the department are:

Telecoms infrastructure

Saldanha IDZ project

East City Design project

Pilot harbour project

Air access project

The fringe project

While all the projects are at various stages of development significant progress has been made in terms the development of prefeasibility and feasibility studies and or business case development.

These projects have been identified as they offer great prospects in the creation of an enabling environment for business and or specific industries to develop and maintain competitiveness and shift the trajectory of the Provincial economy.

In terms of the Future cape project, the aim is to develop a shared economic vision and brand for the Western Cape through sound forecasting and relevant stakeholders.

3. Outlook for 2012/13

In developing our priorities, the Department will give effect to the National outcomes and SO 1 by orientating the Department as an investment in building the base of clients, jobs, taxes, firms, and economic infrastructure for the economy rather than an expenditure on a public service. This will be achieved through fulfilling its public and private leadership function which will draw on all spheres of Government, business and institutional leaders with clear links to the micro-economic policies and frameworks. The Department will also enhance its intelligence and evidence systems that will provide a continuous observatory of economic activity, trends, conditions and performance leading to regular assessments of intervention performance. Furthermore, the Department will embark on a visioning and agenda setting process that will lead to both long term thinking and common agendas and shared plans between all economic parties and stakeholders. The translation of the intelligence and visions into strategies, action plans and tactics will be operationalised into coherent and consistent planning frameworks for the Province.

Based on the aforementioned, the Departments' strategy will built on five strategic directives, namely:

Fulfilling the role of Economic Leader within the Province

To overcome the problems mentioned above and taking the "good practice" approach into consideration it is important to undertake certain interventions to enhance the quality of the economic thinking and

leadership in the Province, improve the impact of interventions, and leadership to ensure better co-ordination.

The Department will need to position itself as the leader of economic development matters within the Province. In previous years, the role of the Department was one of an active player. This fundamental shift from active player to leader is based primarily on best practice experience faced in the global environment.

The Department will therefore focus primarily on fulfilling the following roles in the Provincial economy:

- Fostering coalitions for growth initiatives;
- Co-ordination/leadership of local, regional, national and international investors/donors;
- Monitoring the city/metropolitan economy and business/investment climate;
- Strategic planning for economic and territorial development; and
- Infrastructure and investment/business climate advocacy.

Sector-based strategic implementation

As alluded to previously, the Department will adopt a strong sectoral-based focus in terms of its economic development initiatives as highlighted in SO 1. This review was conducted by centering on those sectors which act as the greatest drivers of economic growth i.e. that contribute to the provincial economy through exportable products or services and or squeeze out imports. This is a marked shift from the derived sectors that are by nature limited in market potential and are dependent on the expansion of other tradable sectors and other factors such as government spend to support its growth.

The sector based implementation for 2012/13 includes:

- Developing and growing industries through supporting 7 clusters within the Province and phasing out support to 3 clusters;
- Utilising international linkages for greater market access;
- Improving growth and markets through identification of opportunities within the targeted sectors and deepening the value proposition of industries;
- Driving collaboration amongst the clusters towards achieving greater synergies and share best practice through the Cluster Forum and joint initiatives;
- Promoting collaboration with national and international stakeholders such as UNIDO;
- Driving awareness of clustering and the benefits of value chain collaboration across the region and nationally;
- Leveraging R30 million from stakeholders through the departmental support to the clusters;
- Assisting sector intelligence and knowledge sharing in the production of economic sector indicator reports, and
- Developing a model of selection and sustainability for cluster support, including exit strategies.

Creating an enabling environment for business

The ideal enabling environment is one that minimizes the hurdles to sustainable business development, profitability, investment and job creation. To this extent the Department will invest heavily in Red Tape reduction strategies and interventions with the ultimate aim of improving the ease at which business can be conducted within the Province.

Other examples of issues that will be addressed under this directive is the advocacy of the green economy for the benefit of all future citizens and the role the Red Tape unit will play in the reduction of barriers to business sustainability and growth.

Further strategic interventions that will be undertaken will be directed at improving the competitiveness of firms as well as creating entrepreneurial awareness amongst aspiring entrepreneurs.

In attempting to substantially increase business competitiveness as well as elevating entrepreneurial intentions to actual establishment of businesses or expansion of existing businesses, the following will be embarked upon in the 2012/13 period:

- Partner with the National Empowerment Fund (NEF) to create a regional enterprise development fund

- The partnering with the City of Cape Town in raising the profile and reach of the Cape Town Entrepreneurship week.

- The recognition of successful entrepreneurs through public recognition and competitions

- A mentorship programme that will provide mentorship and coaching support that would ultimately increase business competitiveness.

Investment into Skills development

Skills and Innovation focus needs to shift from a mainly supply focus to a more demand focus. Local stakeholders now realise that it is no longer enough just to invest in the formal education and training system and that the public private partnerships are key to developing solutions towards the development and growth of a knowledge economy.

Disparity with regard to the demand and supply of skills amongst the workforce of the Province is growing even wider and as a result the Provincial Government needs to intervene urgently.

The key strategic interventions that will be implemented in the 2012/13 period are:

- Creating a pool of skilled workers in identified artisanal fields that are essential to the development and growth of the economy.

- Facilitating and supporting unemployed youth to access jobs through the Work and Skills Programme.

In addition to the above, another key challenge within the skills development landscape, which has also been highlighted in the National Skills Development Strategy (NSDS III), will be a vital focus area of the department during the 2012/13 financial year. The intervention will be centered on developing a provincial mechanism for the management of skills information and data which would enable the delivery of quality skills development initiatives as well as enhancing decision making abilities.

Infrastructure

While there is an array of government departments which are dedicated to provision of infrastructure – housing, roads, government buildings etc., the primary objective of this Department is on industrial infrastructure which will radically shift the growth trajectory of targeted sectors and significantly improve job creation. This will be delivered through the Cape Catalyst initiative and implementation for 2012/13 includes:

- Building capacity of the Cape Catalyst Unit;

- Improving the responsiveness of the Unit to emerging opportunities through broadening the number of infrastructure projects to be explored and investigated;

- Initiating the Western Cape Telecommunications Infrastructure Framework and Implementation Plan

Finalising and initiating the Implementation Plan of the Saldanha IDZ;

Initiating two projects within the Fringe, the East City Design Precinct;

Supporting the development of the Cape Health Technology Hub;

Co-ordinating stakeholders, including local and national players;

Developing an infrastructure-led economic plan for Hout Bay Harbour and surrounds through collaboration with MCM, National Department of Public Works, City of Cape Town and other stakeholders; and

Supporting, together with the City of Cape Town, the expansion of the Cape Town International Convention Centre to expand the region's tourism market.

4. Receipts and financing

Table 4.1 hereunder gives the sources of funding for the vote.

Table 4.1 Summary of receipts

Receipts R'000	Outcome			Main appro- priation 2011/12	Adjusted appro- priation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate 2012/13	2011/12	2013/14	2014/15
Treasury funding										
Equitable share	210 013	251 296	228 480	249 080	249 030	247 327	282 683	14.30	378 208	397 757
Financing	13 964						3 100			
Asset Finance Reserve	2 600									
Provincial Revenue Fund	11 364						3 100			
Total Treasury funding	223 977	251 296	228 480	249 080	249 030	247 327	285 783	15.55	378 208	397 757
Departmental receipts										
Tax receipts	4 844	5 505	6 427	5 064	5 064	5 583	5 064	(9.30)	5 064	5 064
Sales of goods and services other than capital assets	397	358	494	270	270	304	270	(11.18)	270	270
Interest, dividends and rent on land	11	11	1							
Financial transactions in assets and liabilities	692	6 047	349		2 706	3 856	(100.00)			
Total departmental receipts	5 944	11 921	7 271	5 334	8 040	9 743	5 334	(45.25)	5 334	5 334
Total receipts	229 921	263 217	235 751	254 414	257 070	257 070	291 117	13.24	383 542	403 091

Summary of receipts:

Total receipts increase by R34.047 million or 13.24 per cent from R257.070 million (revised estimate) in 2011/12 to R291.117 million in 2012/13.

Treasury funding:

Equitable share funding increases by R35.356 million or 14.30 per cent from R247.327 million in the 2011/12 Adjusted Estimates to R282.683 million in 2012/13.

Departmental receipts:

Included in the Department's total receipts of R291.117 million in 2012/13 is the projected departmental receipt of R5.334 million.

Total departmental receipts decreases from the 2011/12 revised estimate of R9.743 million to R5.334 million in 2012/13 financial year. The difference in total departmental receipts when comparing the 2011/12 revised estimate to the 2011/12 main appropriation can be attributed to Wesgro's accumulated surplus revenue reverting back to the Department in 2011/12.

An apportionment of the total departmental receipts, includes tax receipts from liquor license taxes that are projected at R5.064 million for 2012/13. This revenue figure is based on the total number of new applications anticipated and liquor license renewals for 2012/13.

Estimates for Sales of goods and services other than capital assets in respect of the registration of Tourist Guides remains constant at R270 000 for 2012/13.

Donor funding (excluded from vote appropriation) - None**5. Payment summary****Key assumptions**

The provision for growth in personnel expenditure will be calculated by providing for salary adjustments (ICS) and pay progression plus 0.5 per cent. The budgeted increase for Compensation of Employees (including improvement in conditions of service and excluding pay progression) is 5.8 per cent in April 2012, 6 per cent in April 2013 and 5.5 per cent in April 2014.

In budgeting for Goods and Services, provision will be made for all inflation related cost increases with the following CPI assumptions for increases in general Goods and Services for the 2012 MTEF period; namely 5.3 per cent for 2012/13, 5.5 per cent in 2013/14 and 5 per cent in 2014/15.

National priorities

The national priorities have been incorporated into the provincial priorities.

Provincial priorities

Strategic Objective 1: Creating opportunities for growth and jobs.

Strategic Objective 11: Creating opportunities for development and growth in rural areas.

Programme summary

Table 5.1 below shows the budget or estimated expenditure per programme and Table 5.2 per economic classification (in summary).

Table 5.1 Summary of payments and estimates

Programme R'000	Outcome						Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
				Main appro- priation 2011/12	Adjusted appro- priation 2011/12	Revised estimate 2011/12	2012/13	2011/12	2013/14	2014/15
1. Administration	26 960	26 329	24 437	22 957	20 555	20 555	27 738	34.95	31 106	32 855
2. Integrated Economic Development Services	42 035	54 830	51 461	51 742	51 266	51 266	45 228	(11.78)	48 973	56 670
3. Trade and Sector Development	46 973	50 821	54 437	63 365	70 223	70 223	95 658	36.22	178 486	182 829
4. Business Regulation and Governance	15 286	19 843	16 033	20 580	18 780	18 780	24 404	29.95	26 420	27 895
5. Economic Planning	5 845	10 061	11 799	17 032	14 932	14 932	19 929	33.47	21 098	21 954
6. Tourism, Arts and Entertainment	65 342	70 813	63 988	62 463	62 939	62 939	53 040	(15.73)	48 584	49 375
7. Skills Development and Innovation	27 480	30 520	13 596	16 275	18 375	18 375	25 120	36.71	28 875	31 513
Total payments and estimates	229 921	263 217	235 751	254 414	257 070	257 070	291 117	13.24	383 542	403 091

Summary by economic classification

Table 5.2 Summary of provincial payments and estimates by economic classification

Economic classification R'000	Outcome						Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
				Main appro- priation 2011/12	Adjusted appro- priation 2011/12	Revised estimate 2011/12	2012/13	2011/12	2013/14	2014/15
Current payments	94 531	101 046	95 082	137 698	125 085	124 986	165 459	32.38	177 513	191 553
Compensation of employees	51 325	61 090	67 742	88 288	78 340	77 901	91 823	17.87	97 924	102 767
Goods and services	43 206	39 956	27 334	49 410	46 745	47 085	73 636	56.39	79 589	88 786
Interest and rent on land			6							
Transfers and subsidies to	132 367	161 251	138 605	115 485	130 754	130 754	124 129	(5.07)	204 289	209 750
Provinces and municipalities					1 000	1 000		(100.00)		
Departmental agencies and accounts	58 796	67 576	54 605	45 690	52 395	52 395	59 200	12.99	54 664	54 935
Universities and technikons	187	818	144	1 800	900	900	10 980	1 120.00	13 480	13 480
Public corporations and private enterprises	34 755	48 900	45 750	26 800	27 300	27 300	3 000	(89.01)	84 000	87 790
Non-profit institutions	38 629	43 538	37 055	40 545	48 295	48 295	49 849	3.22	51 045	52 445
Households		419	1 051	650	864	864	1 100	27.31	1 100	1 100
Payments for capital assets	2 906	907	2 040	1 231	1 231	1 288	1 529	18.71	1 740	1 788
Machinery and equipment	2 899	907	1 420	1 231	1 231	1 262	1 529	21.16	1 740	1 788
Software and other intangible assets	7		620			26		(100.00)		
Payments for financial assets	117	13	24			42		(100.00)		
Total economic classification	229 921	263 217	235 751	254 414	257 070	257 070	291 117	13.24	383 542	403 091

Transfers to public entities

Table 5.3 Summary of departmental transfers to public entities

Public entities R'000	Outcome			Main appro- priation 2011/12	Adjusted appro- priation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
Western Cape trade and Investment Promotional Agency (Wesgro)	20 669	20 325	15 000	12 250	14 956	14 956	22 000	47.10	22 464	22 735
Destination Marketing Organisation (Western Cape Tourism)	33 617	45 811	38 205	32 440	35 439	35 439	25 000	(29.46)	20 000	20 000
Casidra (Pty) Ltd	34 686	45 400	45 750	26 800	27 300	27 300		(100.00)		
Council for Scientific and Industrial Research		3 500								
Western Cape Liquor Board							7 700		7 700	7 700
Small Enterprise Development Agency (SEDA)				1 000	1 000	1 000	4 500	350.00	4 500	4 500
South African National Parks (SANPARKS)	1 350	250	1 400							
Western Cape Nature Conservation Board					1 000	1 000				
Western Cape Provincial Development Council	3 160	300								
Total departmental transfers to public entities	93 482	115 586	100 355	72 490	79 695	79 695	59 200	(25.72)	54 664	54 935

Transfers to development corporations

Table 5.4 Summary of departmental transfers to other entities

Entities R'000	Outcome			Main appro- piation	Adjusted appro- piation	Revised estimate	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate		2013/14	2014/15
							2012/13	2011/12		
Cape Craft Design Institute	4 800	3 860	3 400	4 500	4 500	4 500	6 420	42.67	6 420	6 420
Cape Town Boatbuilding Initiative	1 550	2 900	950	950	950	950		(100.00)		
Western Cape Furniture Initiative	400	950	1 250	950	950	950	400	(57.89)		
South African Oil and Gas Alliance	5 069	6 820	7 500	4 950	4 950	4 950	5 400	9.09	4 774	5 093
Cape Information and Technology Initiative	1 500	2 700	4 300	4 800	4 800	4 800	5 550	15.63	4 550	4 550
Bpesa	7 300	7 050	4 700	5 300	6 800	6 800	7 669	12.78	8 669	8 669
Cape Fim Commission	4 800	3 201	3 100	4 200	4 200	4 200		(100.00)		
Cape Clothing and Textile Cluster	1 400	2 300	950	1 250	1 250	1 250	2 500	100.00	2 500	2 500
Western Cape Tooling Initiative	1 800	2 069	1 450	950	1 350	1 350	400	(70.37)		
Clotex	1 250	2 200	950	1 200	2 100	2 100	2 000	(4.76)	2 000	2 000
Cape Town Fashion Council	1 300	1 600	1 250	1 200	1 600	1 600	2 000	25.00	2 000	2 000
Visual Arts Network South Africa	300	309	220	220	220	220		(100.00)		
Performing Arts Network South Africa	300	200	220	220	220	220		(100.00)		
Bandwidth Barn	1 200									
Cape Music Industry Commission	1 200	2 000	555	555	555	555		(100.00)		
Shanduka Black Umbrella			500							
Cape Chamber of Commerce			550							
South African Rooibos Council	200	150								
South African Honeybush Tea Association		150	260	400	400	400	200	(50.00)	200	200
Learning Cape Initiative	400	2 249	1 200	2 000	5 500	5 500	1 300	(76.36)	1 300	1 500
South Cape College	120	100								
Northlink College							10 980		12 980	12 980
Cape Peninsula University of Technology	187	818	144	1 800	900	900		(100.00)		
FasFacts	929	1 200	750	500	500	500		(100.00)		
Artscape		180								
Western Cape Aquaculture Development Initiative			800	800	800	800	800		800	800
Cape Town Partnership Business Place		300	1 500	1 400	1 400	1 400		(100.00)		
West Coast Business Centre				1 000	1 000	1 000	750	(25.00)	750	1 250
ARA		250					750		750	1 250
Dopstop Association		200								
!Kwattu					500	500		(100.00)		
Cape Nature					1 000	1 000				
Western Cape Fine Food Initiative			500	700	700	700	600	(14.29)	600	600
Cape Town Carnival		100								
Argus Cycle Tour		500								
GreenCape				2 500	2 500	2 500	2 860	14.40	3 660	3 660
LED Growth Fund							3 000		4 000	6 000
Economic Development Agency							4 250		4 446	4 646
National Empowerment Fund							6 000		7 000	
Cape Town International Convention Centre (Pty) Ltd (Convenco)									80 000	81 790
Total departmental transfers to public entities	36 005	44 356	36 999	42 345	49 645	49 645	63 829	28.57	147 399	145 908

Transfers to local government - None

Departmental Public Private Partnership (PPP) projects - None

6. Programme Description

Programme 1: Administration

Purpose: To provide strong, innovative leadership, strategic management in accordance with legislation, regulations and policies to ensure a clean, efficient, cost effective, transparent and responsive corporate services to the Department.

Analysis per sub-programme

Sub-programme 1.1: Office of the Head of Department

to manage and direct the departmental transversal administrative programmes that give leadership to the department

to effectively maintain an oversight function of the whole department's mandate and function

Sub-programme 1.2: Financial Management

to provide an effective financial management function

to ensure implementation of the PFMA and other related financial regulations and policies

to provide planning and budgeting support to the Department

to make limited provision for maintenance and accommodation needs

Sub-programme 1.3: Corporate Services

to provide a strategic support function to the department

Policy developments

The key points emerging from this Programme include:

Increasing capacity to best meet the demands of the reprioritised Department and its structures;

Increased focus on delivery and performance of the Department; and

The provision of a coherent and integrated management, administrative and support function to the department.

Changes: Policy structures, service establishments, etc.

The Programme structure and service establishment remained static from the previous financial year.

Expenditure trends analysis

The Programme's estimate expenditure has increased by 34.95 per cent or R7.183 million in the 2012/13 financial year from the 2011/12 revised estimates. This increase can be attributed to inflationary increases with regard to Compensation of Employees as well as the fact that audit fees for the Department has been centralised in Programme 1: Administration. Furthermore, the Office of the HoD realises an increase due to the realignment to Provincial Strategic Objective 1 and Corporate Services reflects the operationalisation of the Relations Management Unit that manages the relationship between the Department and the Human Resource Management functions managed by the Department of the Premier.

Strategic goal as per Strategic Plan

Programme 1: Administration

Creation of Opportunities for Businesses and Citizens to grow the Economy and Employment.

Strategic objectives as per Annual Performance Plan

Maintain level 3 and attainment of a level 4 Financial Management Capability.

To ensure horizontal and vertical alignment of the Departmental Communication Strategy to adequately inform and empower the people of the Western Cape by providing access and connectivity of Departmental activities.

Table 6.1 Summary of payments and estimates – Programme 1: Administration

Sub-programme R'000	Outcome			Main appro- priation 2011/12	Adjusted appro- priation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
1. Office of the MEC	1 655	1 520	1 892	2 538	2 437	2 437	5 158	111.65	6 303	6 443
2. Financial Management	14 208	14 441	16 431	17 058	16 683	16 683	20 114	20.57	21 806	22 799
3. Corporate Services	11 097	10 368	6 114	3 361	1 435	1 435	2 466	71.85	2 997	3 613
Total payments and estimates	26 960	26 329	24 437	22 957	20 555	20 555	27 738	34.95	31 106	32 855

Table 6.1.1 Summary of provincial payments and estimates by economic classification – Programme 1: Administration

Economic classification R'000	Outcome						Medium-term estimate			
							% Change from Revised estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11	Main appro- priation 2011/12	Adjusted appro- priation 2011/12	Revised estimate 2011/12	2012/13	2011/12	2013/14	2014/15
Current payments	25 589	25 641	23 550	22 577	20 175	20 176	27 438	35.99	30 806	32 555
Compensation of employees	15 996	18 466	16 835	16 205	14 485	14 287	17 565	22.94	18 742	19 664
Goods and services	9 593	7 175	6 714	6 372	5 690	5 889	9 873	67.65	12 064	12 891
Interest and rent on land			1							
Transfers and subsidies to		250	216							
Departmental agencies and accounts		250								
Households			216							
Payments for capital assets	1 324	438	657	380	380	348	300	(13.79)	300	300
Machinery and equipment	1 317	438	578	380	380	348	300	(13.79)	300	300
Software and other intangible assets	7		79							
Payments for financial assets	47		14			31		(100.00)		
Total economic classification	26 960	26 329	24 437	22 957	20 555	20 555	27 738	34.95	31 106	32 855

Details of transfers and subsidies

Economic classification R'000	Outcome						Medium-term estimate			
							% Change from Revised estimate			
	Audited	Audited	Audited	Main appro- piation	Adjusted appro- piation	Revised estimate				
	2008/09	2009/10	2010/11	2011/12	2011/12	2011/12	2012/13	2011/12	2013/14	2014/15
Transfers and subsidies to (Current)			216							
Households			216							
Social benefits			216							
Transfers and subsidies to (Capital)		250								
Departmental agencies and accounts		250								
Entities receiving transfers		250								
Government Motor Trading Account		250								

Programme 2: Integrated Economic Development Services

Purpose: To promote and support economic development through shared partnerships

Analysis per sub-programme**Sub-programme 2.1: Enterprise Development**

to support and promote development of business enterprises

Sub-programme 2.2: Regional and Local Economic Development

to promote economic growth and development of regional and local economies in partnership with key stakeholders by aligning LED initiatives with Government

Sub-programme 2.3: Economic Empowerment

to facilitate the process of empowerment and creation of an enabling business environment for PDIs

Sub-programme 2.4: Red Tape

to reduce the identified regulatory requirements flowing from regulations legislation and interpretive policies

Sub-programme 2.5: Management: Integrated Economic Development Services

to conduct the overall management and administrative support to the Programme

Policy developments

More jobs are more likely to be immediately created by existing businesses than through the establishment of new businesses. For that reason, business retention and growth is essential to an economic growth strategy. This function will include:

The continued sponsorship of an Enterprise Development Fund which would support innovative businesses in need of some form of public support such as training, infrastructure, standards, a change in legislation, etc., in order to bring new products to market or take existent products into new markets.

The Western Cape Government has adopted the reduction of Red Tape as a critical component in realising our objective. Likewise, red tape reduction features prominently in national governments New Growth Plan. In addition, the WCG through the Department of Economic Development and Tourism will increase its focus on facilitating and supporting – but not dominating – a network of interactions with the private sector. Provincial Government will continue to engage with businesses through the private sector's representative institutions. It will also create new platforms to facilitate regular semi-structured engagement between government, business and other relevant sectors such as higher education, at all levels.

Provincial Government engagement with local economic development (LED) processes will be consistent with the principles of the provincial growth strategy: (a) the creation and protection of an enabling environment for business and (b) demand-led, private-sector driven government support for growth sectors, industries and businesses. This means that LED should be demand-led and private sector-driven.

Changes: Policy structures, service establishments, etc.

A new sub programme, namely, Red Tape, has been established to identify and reduce the regulatory barriers flowing from regulations, legislation and interpretive policies.

Expenditure trends analysis

The budgeted allocation for the programme has decreased from R51.266 million in 2011/12 revised estimate to R45.228 million in 2012/13 main estimate a decrease of R6.038 million or 11.78 per cent. The main contributor to this is the fact that sector specific enterprise development initiatives have been reallocated to their respective Programmes for the 2012/13 financial year and 2012 MTEF.

Strategic goal as per Strategic Plan**Programme 2: Integrated Economic Development Services**

Creation of Opportunities for Businesses and Citizens to grow the Economy and Employment.

Strategic objectives as per Annual Performance Plan

To create an enabling environment that minimises the hurdles to sustainable business growth, investment and job creation

Improving regional and local coordination through strategic LED support to local economic role players

To create an enabling business environment for sustainable economic empowerment through promotion of procurement opportunities to local businesses.

To create and maintain an enabling regulatory environment through the reduction of Red Tape and other unnecessary burdensome bureaucratic processes and procedures.

Table 6.2 Summary of payments and estimates – Programme 2: Integrated Economic Development Services

Sub-programme R'000	Outcome			Main appro- priation 2011/12	Adjusted appro- priation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate 2011/12	2012/13	2013/14	2014/15
1. Enterprise Development	31 021	35 552	35 023	29 751	27 903	27 903	23 632	(15.31)	26 269	28 640
2. Regional and Local Economic Development	6 327	11 017	9 040	9 350	9 777	9 777	9 520	(2.63)	9 908	12 145
3. Economic Empowerment	4 507	3 330	5 700	4 731	5 176	5 176	6 353	22.74	6 636	8 352
4. Red Tape							3 757		4 081	5 335
5. Management: Integrated Economic Development Services	180	4 931	1 698	7 910	8 410	8 410	1 966	(76.62)	2 079	2 198
Total payments and estimates	42 035	54 830	51 461	51 742	51 266	51 266	45 228	(11.78)	48 973	56 670

Table 6.2.1 Summary of provincial payments and estimates by economic classification – Programme 2: Integrated Economic Development Services

Economic classification R'000	Outcome			Main appro- priation 2011/12	Adjusted appro- priation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
Current payments	15 924	17 713	15 274	24 629	23 053	23 067	29 908	29.66	31 653	36 350
Compensation of employees	9 222	11 067	11 486	15 790	13 873	13 701	16 113	17.60	17 405	18 252
Goods and services	6 702	6 646	3 786	8 839	9 180	9 366	13 795	47.29	14 248	18 098
Interest and rent on land			2							
Transfers and subsidies to	25 809	37 100	35 950	26 800	27 900	27 900	15 000	(46.24)	17 000	20 000
Departmental agencies and accounts	1 123	1 000		1 000	1 000	1 000	4 500	350.00	4 500	4 500
Public corporations and private enterprises	24 686	36 100	34 900	20 600	21 100	21 100	3 000	(85.78)	4 000	6 000
Non-profit institutions			1 050	5 200	5 800	5 800	7 500	29.31	8 500	9 500
Payments for capital assets	302	17	237	313	313	289	320	10.73	320	320
Machinery and equipment	302	17	97	313	313	289	320	10.73	320	320
Software and other intangible assets			140							
Payments for financial assets						10		(100.00)		
Total economic classification	42 035	54 830	51 461	51 742	51 266	51 266	45 228	(11.78)	48 973	56 670

Details of transfers and subsidies

Economic classification R'000	Outcome			Main appro- priation 2011/12	Adjusted appro- priation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
Transfers and subsidies to (Current)	25 809	37 100	35 950	26 800	27 900	27 900	15 000	(46.24)	17 000	20 000
Departmental agencies and accounts	1 123	1 000		1 000	1 000	1 000	4 500	350.00	4 500	4 500
Entities receiving transfers	1 123	1 000		1 000	1 000	1 000	4 500	350.00	4 500	4 500
Western Cape Provincial Development Council	500									
Western Cape Trade and Investment Promotion Agency	623	1 000								
Other				1 000	1 000	1 000	4 500	350.00	4 500	4 500
Public corporations and private enterprises	24 686	36 100	34 900	20 600	21 100	21 100	3 000	(85.78)	4 000	6 000
Public corporations	24 686	36 100	34 900	20 600	21 100	21 100		(100.00)		
Other transfers (Casidra & CSIR)	24 686	36 100	34 900	20 600	21 100	21 100		(100.00)		
Private enterprises							3 000		4 000	6 000
Other transfers							3 000		4 000	6 000
Non-profit institutions			1 050	5 200	5 800	5 800	7 500	29.31	8 500	9 500

Programme 3: Trade and Sector Development

Purpose: To stimulate economic growth through industry development, trade and investment promotion

Analysis per sub-programme

Sub-programme 3.1: Trade and Investment Promotion

to facilitate trade, export promotion and attract investment

Sub-programme 3.2: Sector Development

to implement strategies for the positioning of the industrial sector as a key contributor to economic growth and development

Sub-programme 3.3: Strategic initiatives

to facilitate the implementation of strategic programmes that will stimulate the competitiveness of priority sectors

Sub-programme 3.4: Management: Trade and Sector Development

to conduct the overall management and administrative support to the Programme

Policy developments

The National Industrial Policy Framework (NIPF) provides the current national direction within the broader parameters of the country's economic and industrial path, setting out the dti's approach to South Africa's industrialisation trajectory. The NIPF seeks to facilitate diversification and intensification of the country's economy, with a particular emphasis on employment creation, as well as broader participation and contribution towards the African regional economies. The operationalisation of the NIPF was articulated through the 2007 Industrial Policy Action Plan, and subsequently refined through the Industrial Policy Action Plan II which was launched in 2010. The key thrusts outlined within the National Industrial Framework have varying degrees of direct relevance to the Province and the Department. All the themes within the IPAP II (with the exception of one) have direct applicability to Programme 3, namely leveraging procurement (as it is linked to localising manufacturing capability), developmental trade policies (as it is linked to sector specific enabling environments), and sector strategies; skills and education for industrialisation; industrial upgrading; innovation and technology; spatial and industrial infrastructure; and co-ordination, capacity and organisation.

On a provincial level, the key objectives, principles and approach to Economic Development of the Western Cape Government are encapsulated within *Strategic Objective One: Creating Opportunities for growth and Jobs*. The twin thrusts of Strategic Objective One (SO1) are (a) The creation and maintenance of an enabling environment for business, and (b) Demand-led, private-sector driven government support for growth sectors, industries and businesses. The approach and a significant number of the Growth Action Plans contained within Strategic Objective One are captured and will be implemented and/or supported by Programme 3's core responsibilities. This includes:

The Micro-Economic Development Strategy and Sector Support, which underpins the sector strategies and cluster approach within Programme 3. The Sector Strategies provide the bottom-up, demand-driven approach with respect to SO1's emphasis on red tape reduction, skills development and enterprise development.

Future Cape, wherein Programme 3 will provide secretariat and resource support.

Infrastructure and asset development, which will include Cape Catalyst economic-led infrastructure projects.

The establishment of the Economic Development Partnership will have a major impact on the institutions that fall within the ambit of the Programme, and particularly Wesgro and the SPV's. It is at this stage unsure as to how the new institutional arrangements are to be structured.

Changes: Policy structures, service establishments, etc.

The Programme structure and service establishment remained static from the previous financial year.

Expenditure trends analysis

The allocated budget for the Programme increased from R70.223 million in the 2011/12 revised estimate to R95.658 million in 2012/13 financial year. This represents an increase of 36.22 per cent or R25.435 million. The primary reason for this increase in Trade and Sector Development's allocation is the increased focus on sector prioritisation housed within the Sector Development sub programme and an increased allocation towards catalytic infrastructure projects, within the Strategic Initiatives sub programme. Furthermore, the 2012/13 financial year reflects an increased allocation within Sub-programme 3.1: Trade and Investment promotion for the purpose of supporting Wesgro.

Strategic goal as per Strategic Plan

Programme 3: Trade and Sector Development

Creation of Opportunities for Businesses and Citizens to grow the Economy and Employment.

Strategic objectives as per Annual Performance Plan

The stimulation, facilitation and increase of economic growth and opportunities through export and investment promotion and a strong economic regional brand.

To support and develop economic sectors as a key contributor towards the achievement of maximising economic opportunities, sustainability and growth.

Grow and develop the provincial economy and facilitate economic opportunities through development of strategically competitive and/or infrastructural initiatives, and develop an economic brand for the province.

Table 6.3 Summary of payments and estimates – Programme 3: Trade and Sector Development

Sub-programme R'000		Outcome			Main appro- priation Adjusted appro- priation Revised estimate			Medium-term estimate			
		Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
					2011/12	2011/12	2011/12	2012/13	2011/12	2013/14	2014/15
1.	Trade and Investment Promotion	20 537	16 650	15 000	12 750	14 956	14 956	18 500	23.70	18 864	19 235
2.	Sector Development	22 408	26 693	33 609	34 457	36 176	36 176	44 810	23.87	45 875	46 814
3.	Strategic Initiatives	161	3 239	4 000	14 279	17 212	17 212	31 045	80.37	112 361	115 334
4.	Management: Trade and Sector Development	3 867	4 239	1 828	1 879	1 879	1 879	1 303	(30.65)	1 386	1 446
Total payments and estimates		46 973	50 821	54 437	63 365	70 223	70 223	95 658	36.22	178 486	182 829

Earmarked Allocations

Included in Sub-programme 3.1: Trade and Investment promotion is an earmarked allocation amounting to R18 500 000 (2012/13), R18 864 000 (2013/14) and R19 235 000 (2014/15) for the purpose of supporting Wesgro.

Included in Sub-programme 3.3: Strategic Initiatives is an earmarked allocation amounting to R10 000 000 (2012/13), R10 560 000 (2013/14), R11 130 000 (2014/15) for the purpose of supporting the Telecommunication Strategy.

Included in Sub-programme 3.3: Strategic Initiatives is an earmarked allocation amounting to R5 000 000 (2012/13), R5 280 000 (2013/14) and R5 565 000 (2014/15) for the purpose of supporting the IDZ Establishment.

Included in Sub-programme 3.3: Strategic Initiatives is an earmarked allocation amounting to R80 000 000 (2013/14) and R81 790 000 (2014/15) for the purpose of supporting the expansion of the Cape Town International Convention Centre (CTICC).

Table 6.3.1 Summary of provincial payments and estimates by economic classification – Programme 3: Trade and Sector Development

Economic classification R'000	Outcome			Main appro- priation Adjusted appro- priation Revised estimate			Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
				2011/12	2011/12	2011/12	2012/13	2011/12	2013/14	2014/15
Current payments	10 825	10 695	12 853	26 221	27 373	27 324	41 579	52.17	123 943	128 015
Compensation of employees	6 248	6 971	10 238	14 960	13 051	12 990	17 124	31.82	18 224	19 093
Goods and services	4 577	3 724	2 614	11 261	14 322	14 334	24 455	70.61	105 719	108 922
Interest and rent on land			1							
Transfers and subsidies to	35 762	39 989	41 367	37 050	42 756	42 756	53 879	26.02	54 343	54 614
Departmental agencies and accounts	21 856	19 325	15 000	12 250	14 956	14 956	22 000	47.10	22 464	22 735
Universities and technikons	37									
Public corporations and private enterprises	69	1 000								
Non-profit institutions	13 800	19 664	26 360	24 800	27 800	27 800	31 879	14.67	31 879	31 879
Households			7							
Payments for capital assets	369	137	217	94	94	143	200	39.86	200	200
Machinery and equipment	369	137	104	94	94	143	200	39.86	200	200
Software and other intangible assets			113							
Payments for financial assets	17									
Total economic classification	46 973	50 821	54 437	63 365	70 223	70 223	95 658	36.22	178 486	182 829

Details of transfers and subsidies

Economic classification R'000	Outcome			Main appro- piation 2011/12	Adjusted appro- piation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
Transfers and subsidies to (Current)	35 762	39 989	41 367	37 050	42 756	42 756	53 879	26.02	54 343	54 614
Departmental agencies and accounts	21 856	19 325	15 000	12 250	14 956	14 956	22 000	47.10	22 464	22 735
Entities receiving transfers	21 856	19 325	15 000	12 250	14 956	14 956	22 000	47.10	22 464	22 735
Western Cape Provincial Development Council	1 960									
Western Cape Trade and Investment Promotion Agency	19 896	19 325	15 000	12 250	14 956	14 956	22 000	47.10	22 464	22 735
Universities and technikons	37									
Public corporations and private enterprises	69	1 000								
Public corporations		1 000								
Other transfers (Casidra & CSIR)		1 000								
Private enterprises	69									
Other transfers	69									
Non-profit institutions	13 800	19 664	26 360	24 800	27 800	27 800	31 879	14.67	31 879	31 879
Households			7							
Other transfers to households			7							
Transfers and subsidies to (Capital)									80 000	81 790
Public corporations and private enterprises									80 000	81 790
Private enterprises									80 000	81 790
Other transfers									80 000	81 790

Programme 4: Business Regulation and Governance

Purpose: To ensure an equitable, socially responsible business environment that allows for predictability.

Analysis per sub-programme**Sub-programme 4.1: Regulation Services**

to lobby against and address barriers in the broader business environment which inhibits business development

Sub-programme 4.3: Consumer Protection

to develop, implement and promote measures that ensure the rights and interests of all consumers

Sub-programme 4.4: Liquor Regulation

to promote and maintain an effective and efficient regulatory system for the liquor industry

Policy developments

The Business Regulation and Governance programme executes regulatory mandates that are imposed by the Constitution, as a functional area of either concurrent national and provincial legislative competence (consumer protection, as per Part A of Schedule 4 to the Constitution) or exclusive provincial legislative competence (liquor licences, as per Part A of Schedule 5). Its sub-programme Regulatory Services, similarly, draws its mandate from the Constitution, more particularly in certain areas of exclusive provincial legislative competence listed under Part B of Schedule 5 of the Constitution. Regulatory Services further derives its mandates from the programme structure alignment process initiated by the National Treasury in 2006/07.

Changes: Policy structures, service establishments, etc.

The Programme structure and service establishment remained static from the previous financial year.

Expenditure trends analysis

The operationalisation of the Liquor Board as a fully-fledged and independent public entity is the main factor for the increase of R5.624 million or 29.95 per cent in the 2012/13 allocated budget from the 2011/12 revised estimate of R18.780 million to R24.404 million in 2012/13.

Strategic goal as per Strategic Plan**Programme 4: Business Regulation and Governance**

Creation of Opportunities for Businesses and Citizens to grow the Economy and Employment.

Strategic objectives as per Annual Performance Plan

An effective provincial trading environment facilitated through a reduction in regulatory barriers and inhibiting compliance requirements.

A business environment that reflects high levels of consumer rights awareness by a majority of the Western Cape population and business community, supported by effective complaints management and resolution mechanisms.

A regulatory environment that reflects high levels of participation by the public, a maximising of the benefits of the industry for the Province and its people and a minimising of its negative effects through increased awareness, reduced availability of liquor and better law enforcement.

Table 6.4 Summary of payments and estimates – Programme 4: Business Regulation and Governance

Sub-programme R'000		Outcome			Main appro- priation Adjusted appro- priation Revised estimate 2011/12 2011/12 2011/12			Medium-term estimate			
		% Change from Revised estimate									
		Audited 2008/09	Audited 2009/10	Audited 2010/11	2012/13	2011/12	2013/14	2014/15			
3.	Consumer Protection	7 803	10 598	8 734	11 551	9 751	9 751	9 381	(3.79)	10 800	11 833
4.	Liquor Regulation	7 483	9 245	7 299	9 029	9 029	9 029	15 023	66.39	15 620	16 062
Total payments and estimates		15 286	19 843	16 033	20 580	18 780	18 780	24 404	29.95	26 420	27 895

Note: The sub-programme deviates from the approved structure as no allocation is made to 4.1 Governance and 4.2 Regulation Services due to capacity constraints and thus these functions are absorbed by other sub-programmes.

Table 6.4.1 Summary of provincial payments and estimates by economic classification – Programme 4: Business Regulation and Governance

Economic classification R'000	Outcome						Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
				Main appro- priation 2011/12	Adjusted appro- priation 2011/12	Revised estimate 2011/12	2012/13	2011/12	2013/14	2014/15
Current payments	12 280	17 319	14 828	19 874	18 574	18 568	16 497	(11.15)	18 420	19 795
Compensation of employees	6 993	8 277	10 118	15 701	13 054	13 074	14 360	9.84	15 313	16 064
Goods and services	5 287	9 042	4 710	4 173	5 520	5 494	2 137	(61.10)	3 107	3 731
Transfers and subsidies to	2 529	2 408	950	500			7 700		7 700	7 700
Departmental agencies and accounts		758					7 700		7 700	7 700
Non-profit institutions	2 529	1 650	950	500						
Payments for capital assets	457	103	246	206	206	212	207	(2.36)	300	400
Machinery and equipment	457	103	161	206	206	186	207	11.29	300	400
Software and other intangible assets			85			26		(100.00)		
Payments for financial assets	20	13	9							
Total economic classification	15 286	19 843	16 033	20 580	18 780	18 780	24 404	29.95	26 420	27 895

Details of transfers and subsidies

Economic classification R'000	Outcome			Main appro- priation 2011/12	Adjusted appro- priation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
Transfers and subsidies to (Current)	2 529	1 768	950	500			7 700		7 700	7 700
Departmental agencies and accounts		118					7 700		7 700	7 700
Entities receiving transfers		118					7 700		7 700	7 700
Destination Marketing Organisation		118								
Western Cape Liquor Board							7 700		7 700	7 700
Non-profit institutions	2 529	1 650	950	500						
Transfers and subsidies to (Capital)		640								
Departmental agencies and accounts		640								
Entities receiving transfers		640								
Government Motor Trading Account		640								

Programme 5: Economic Planning

Purpose: To develop provincial economic policies & strategies to achieve and measure sustainable economic development.

Analysis per sub-programme

Sub-programme 5.1: Policy and Planning

to develop provincial economic policies and strategies

Sub-programme 5.2: Research and Development

to conduct economic research

Sub-programme 5.3: Knowledge Management

to contribute to the creation of a knowledge economy

Sub-programme 5.4: Monitoring and Evaluation

to determine the effectiveness and impact of provincial policy objectives and strategies

Sub-programme 5.5: Management Economic Planning

to conduct the overall management and administrative support to the Programme

Policy developments

Framed within the concomitant policy frameworks of the New Growth Path and the Provincial Strategic Objective 1: Creating opportunities for growth and jobs, the Programme is bound to the Economic Agenda for the province. As outlined in Strategic Objective 1, the Micro Economic Development Strategy (MEDS) approach represents best practice in ensuring business-led support to growth sectors. The key focus for the Programme will therefore be:

The identification and prioritisation of growth sectors;

The institutional arrangements and systems within a WCEDA to give effect to the MEDS strategy; and

The refinement of the performance indicator structure against which we measure the effectiveness of our sector development efforts.

Changes: Policy structures, service establishments, etc.

The Programme structure and service establishment remained static from the previous financial year. Furthermore, the establishment of the Western Cape Economic Development Partnership (WCEDP) will have a major impact on the Programme as it is recommended that the Research and Development function will be transferred to the EDP.

Expenditure trends analysis

The Programme's budget has increased by 33.47 per cent or R4.997 million in the 2012/13 financial year from the 2011/12 revised estimate. The primary reason for this increase is the additional funding being allocated for the establishment and operational costs for the Western Cape Economic Development Partnership (WCEDP).

Strategic goal as per Strategic Plan

Programme 5: Economic Planning

Creation of Opportunities for Businesses and Citizens to grow the Economy and Employment.

Strategic objectives as per Annual Performance Plan

Strengthening institutional governance for improved service delivery.

To provide research that informs the strategic objective of the Department.

Table 6.5 Summary of payments and estimates – Programme 5: Economic Planning

Sub-programme R'000	Outcome			Main appro- priation 2011/12	Adjusted appro- priation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate 2012/13	2011/12	2013/14	2014/15
1. Policy and Planning		926	782	1 078	1 078	1 078	5 389	399.91	5 648	5 908
2. Research and Development	3 584	5 186	4 155	5 205	4 702	4 702	5 161	9.76	4 806	4 924
3. Knowledge Management	637	776	1 057	2 826	2 554	2 554	2 537	(0.67)	2 710	2 891
4. Monitoring and Evaluation	850	1 301	2 531	3 047	2 581	2 581	3 283	27.20	3 966	4 052
5. Management	774	1 872	3 274	4 876	4 017	4 017	3 559	(11.40)	3 968	4 179
Total payments and estimates	5 845	10 061	11 799	17 032	14 932	14 932	19 929	33.47	21 098	21 954

Earmarked Allocations

Included in Sub-programme 5.1: Policy and Planning is an earmarked allocation amounting to R3 500 000 (2012/13), R3 696 000 (2013/14), R3 896 000 (2014/15) for the establishment cost of the Western Cape Economic Development Partnership (WCEDP).

Table 6.5.1 Summary of provincial payments and estimates by economic classification – Programme 5: Economic Planning

Economic classification R'000	Outcome			Main appro- priation 2011/12	Adjusted appro- priation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate 2012/13	2011/12	2013/14	2014/15
Current payments	5 246	9 646	11 492	16 943	14 843	14 848	15 463	4.14	16 322	16 980
Compensation of employees	2 509	4 151	6 430	9 575	9 219	9 213	9 742	5.74	10 308	10 794
Goods and services	2 737	5 495	5 061	7 368	5 624	5 635	5 721	1.53	6 014	6 186
Interest and rent on land			1							
Transfers and subsidies to	500	317	9				4 250		4 446	4 646
Departmental agencies and accounts	500	300								
Non-profit institutions							4 250		4 446	4 646
Households		17	9							
Payments for capital assets	99	98	298	89	89	84	216	157.14	330	328
Machinery and equipment	99	98	208	89	89	84	216	157.14	330	328
Software and other intangible assets			90							
Total economic classification	5 845	10 061	11 799	17 032	14 932	14 932	19 929	33.47	21 098	21 954

Details of transfers and subsidies

Economic classification R'000	Outcome			Main appro- priation 2011/12	Adjusted appro- priation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
Transfers and subsidies to (Current)	500	317	9				4 250		4 446	4 646
Departmental agencies and accounts	500	300								
Entities receiving transfers	500	300								
Western Cape Provincial Development Council	500	300								
Non-profit institutions							4 250		4 446	4 646
Households		17	9							
Other transfers to households		17	9							

Programme 6: Tourism, Arts and Entertainment

Purpose: To facilitate the opportunities for the growth and increased inclusivity of the tourism, arts and entertainment sectors.

Analysis per sub-programme**Sub-programme 6.1: Management: Tourism**

to develop and coordinate the programme strategic agenda

Sub-programme 6.2: Tourism Growth

to facilitate Growth of the tourism industry

to enhance to the quality of the visitor experience to the destination through the provision of quality tourism support services

Sub-programme 6.3: Tourism Participation

to develop the workforce to ensure that the industry has the right skills available at all times

to intensify breadth and depth of the participatory interventions in tourism enterprise development

to ensure a Regulated and Fair Business Environment within the tourism industry

Sub-programme 6.4: Destination Marketing Organisation (DMO)

to provide resources to the Destination Marketing Organisation to enable it to deliver on its mandate as defined in the Western Cape Tourism Act (Act 1 of 1999)

Sub-programme 6.5: Commercial Arts and Entertainment

to assist creative entrepreneurs to protect and benefit fully from their intellectual property

to promote and nurture the commercialisation and globalisation of product offering as part of the Cape offering to the tourism industry.

Policy developments

The Provincially approved *Strategic Objective 1: Creating opportunities for growth and jobs* reaffirms that a key feature of the provincial economy is “a thriving multi-dimensional international tourism industry with strong links to the creative and cultural sectors.

The Strategy, adopted for the development of all dimensions of the Tourism Industry in South Africa in general and in the Western Cape in particular, is one which is the tried and tested standard in major tourism countries and sub-national regions worldwide.

The fundamental purpose of the strategy is to increase demand for tourism business (accommodation, land transport and the like). This results in more business for established firms, enough additional business for new firms to establish themselves and big opportunities for large foreign firms (Dubai World and the Taj Hotel) to establish themselves and thrive in the market. As Tourism is fundamentally a service industry, new business translates into new jobs across the employment levels and in all the sub-sectors which make up the Tourism Industry.

Changes: Policy structures, service establishments, etc.

The Programme structure and service establishment remained static from the previous financial year.

Expenditure trends analysis

The allocated budget for the programme decreased from R62.939 million in the 2011/12 revised estimate to R53.040 million in the 2012/13 financial year. This represents a decrease of 15.73 per cent or R9.899 million. The major contributing factor to this decrease in estimated expenditure is the reduction in the allocation to the Destination Marketing Organisation (DMO) trading as Cape Town Routes Unlimited due to the restructuring of the Public Entity as a result of the establishment of the WCEDP.

Strategic goal as per Strategic Plan

Programme 6: Tourism, Arts and Entertainment

Creation of Opportunities for Businesses and Citizens to grow the Economy and Employment.

Strategic objectives as per Annual Performance Plan

To achieve global best practice in public sector organisation delivery.

The achievement of above average sustainable economic growth [measured by output and by value] which gives rise to significant numbers of new sustainable employment opportunities.

The achievement of a situation in which opportunity exists of participating in the economy, through employment and business ownership, for all who seek such opportunity.

Table 6.6 Summary of payments and estimates – Programme 6: Tourism, Arts and Entertainment

Sub-programme R'000	Outcome			Main appro- priation 2011/12	Adjusted appro- priation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
1. Management: Tourism	1 530	4 244	2 981	3 006	3 006	3 006	3 703	23.19	3 902	4 066
2. Tourism Growth	10 411	7 359	5 789	9 625	7 936	7 936	6 306	(20.54)	6 527	6 773
3. Tourism Participation	7 952	8 072	8 359	7 888	7 508	7 508	9 388	25.04	9 418	9 708
4. Destination Marketing Organisation	31 826	43 043	38 205	32 440	35 439	35 439	25 000	(29.46)	20 000	20 000
5. Commercial Arts and Entertainment	13 623	8 095	8 654	9 504	9 050	9 050	8 643	(4.50)	8 737	8 828
Total payments and estimates	65 342	70 813	63 988	62 463	62 939	62 939	53 040	(15.73)	48 584	49 375

Table 6.6.1 Summary of provincial payments and estimates by economic classification – Programme 6: Tourism, Arts and Entertainment

Economic classification R'000	Outcome						Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
				Main appro- priation 2011/12	Adjusted appro- priation 2011/12	Revised estimate 2011/12	2012/13	2011/12	2013/14	2014/15
Current payments	20 144	15 953	14 726	21 763	16 526	16 462	21 820	32.55	22 364	23 205
Compensation of employees	8 842	9 992	10 541	12 387	11 666	11 636	13 077	12.38	13 781	14 455
Goods and services	11 302	5 961	4 184	9 376	4 860	4 826	8 743	81.16	8 583	8 750
Interest and rent on land			1							
Transfers and subsidies to	44 817	54 778	48 913	40 585	46 298	46 298	31 020	(33.00)	26 020	26 020
Provinces and municipalities					1 000	1 000		(100.00)		
Departmental agencies and accounts	35 317	45 943	39 605	32 440	36 439	36 439	25 000	(31.39)	20 000	20 000
Universities and technikons	150	368	144							
Public corporations and private enterprises		1 800	850							
Non-profit institutions	9 350	6 456	7 495	7 495	7 995	7 995	4 920	(38.46)	4 920	4 920
Households		211	819	650	864	864	1 100	27.31	1 100	1 100
Payments for capital assets	349	82	349	115	115	179	200	11.73	200	150
Machinery and equipment	349	82	259	115	115	179	200	11.73	200	150
Software and other intangible assets			90							
Payments for financial assets	32									
Total economic classification	65 342	70 813	63 988	62 463	62 939	62 939	53 040	(15.73)	48 584	49 375

Details of transfers and subsidies

Economic classification R'000	Outcome						Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11	Main appro- piation 2011/12	Adjusted appro- piation 2011/12	Revised estimate 2011/12	% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
Transfers and subsidies to (Current)	44 817	54 778	48 913	40 585	46 298	46 298	31 020	(33.00)	26 020	26 020
Provinces and municipalities					1 000	1 000		(100.00)		
Municipalities					1 000	1 000		(100.00)		
Municipalities					1 000	1 000		(100.00)		
Departmental agencies and accounts	35 317	45 943	39 605	32 440	36 439	36 439	25 000	(31.39)	20 000	20 000
Entities receiving transfers	35 317	45 943	39 605	32 440	36 439	36 439	25 000	(31.39)	20 000	20 000
Western Cape Provincial Development Council	200									
Western Cape Nature Conservation Board					1 000	1 000		(100.00)		
Destination Marketing Organisation	33 617	45 943	38 205	32 440	35 439	35 439	25 000	(29.46)	20 000	20 000
Western Cape Trade and Investment Promotion Agency	150									
Other	1 350		1 400							
Universities and technikons	150	368	144							
Public corporations and private enterprises		1 800	850							
Public corporations		1 800	850							
Other transfers (Casidra & CSIR)		1 800	850							
Non-profit institutions	9 350	6 456	7 495	7 495	7 995	7 995	4 920	(38.46)	4 920	4 920
Households		211	819	650	864	864	1 100	27.31	1 100	1 100
Other transfers to households		211	819	650	864	864	1 100	27.31	1 100	1 100

Programme 7: Skills Development and Innovation

Purpose: To facilitate the provisioning of Human Capital and Innovation skills in order to deliver on the economic Human Resources Development need of the Western Cape.

Analysis per sub-programme**Sub-programme 7.1: Provincial skills co-ordination**

to develop a provincial mechanism for management of skills information and data

to promote partnerships and collaboration for increased access to occupationally directed programmes

Sub-programme 7.2: Workforce development

to facilitate/support unemployed youth to access jobs

to bridge the gap between supply and demand across all sectors by creating a pool of skilled workers in identified, artisanal, technical and professional fields that are essential to the development and growth of our economy

Sub-programme 7.3: Innovation

to enhance cohesion between all provincial and national stakeholders in order to foster an environment conducive to Innovation

Sub-programme 7.4: Management: Skills Development

to conduct the overall management and administrative support to the Programme

Policy developments

In a globalised economy, where capital and labour are highly mobile and technology evolves rapidly, workforce development has a key role to play in improving prosperity and living standards (OECD, More than Just Jobs: 2008).

The Human Resource Development Strategy for South Africa (HRDSSA) seeks to secure planning and delivery alignment across the entire education and skills development pipeline in order to address mid to long term social and economic objectives. The National Skills Development Strategy commits to more responsive skills planning to secure alignment between the SETA planning and delivery system and national development priorities, including IPAP priorities.

Provincially, human resources make a major and increasing contribution to economic development. Studies at the firm, regional and national levels locate the existence of a competitive position in the skills and aptitudes of the workforce. Employment has been increasingly skill intensive, and this is true across different sectors and across the globe. The MEDS research reported that the gap between the demand for skills and the supply was rising and reported business concerns as to the functioning of the training system.

The programme, in terms of its skills focus will be guided by Strategic Objective 1: to play a facilitating role and addressing the activities which address the mismatch between skills demand and supply and increase opportunities for employment.

Changes: Policy structures, service establishments, etc.

The Programme structure and service establishment remained static from the previous financial year.

Expenditure trends analysis

The allocated budget for the Programme increased from R18.375 million in 2011/12 revised estimate to R25.120 million in the 2012/13 financial year. This represents an increase of 36.71 per cent or R6.745 million. The major contributing factor to the increase in estimated expenditure is the Artisan Training programme which will be R 10.980 million for 2012/13.

Strategic goal as per Strategic Plan

Programme 7: Skills development and Innovation

Creation of Opportunities for Businesses and Citizens to grow the Economy and Employment.

Strategic objectives as per Annual Performance Plan

To create an enabling skills environment that minimises the human resource development hurdles to sustainable business growth, investment and job creation.

To co-ordinate institutional arrangements by increasing access to occupationally directed programmes, leading to entry, intermediate and high level learning.

The Regional Innovation Forum, RIF, will stimulate technological innovation in order to improve economic growth and enterprise competitiveness.

Table 6.7 Summary of payments and estimates – Programme 7: Skills Development and Innovation

Sub-programme R'000	Outcome			Main appro- priation 2011/12	Adjusted appro- priation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
1. Provincial Skills Co-ordination				2 398	2 351	2 351	3 933	67.29	4 012	4 383
2. Workforce Development	26 276	26 290	11 861	8 903	12 960	12 960	18 992	46.54	22 529	24 687
3. Innovation	1 204	4 230	805	3 850	2 051	2 051	859	(58.12)	934	981
4. Management: Skills Development			930	1 124	1 013	1 013	1 336	31.89	1 400	1 462
Total payments and estimates	27 480	30 520	13 596	16 275	18 375	18 375	25 120	36.71	28 875	31 513

Table 6.7.1 Summary of provincial payments and estimates by economic classification – Programme 7: Skills Development and Innovation

Economic classification R'000	Outcome			Main appro- priation 2011/12	Adjusted appro- priation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
Current payments	4 523	4 079	2 359	5 691	4 541	4 541	12 754	180.86	14 005	16 443
Compensation of employees	1 515	2 166	2 094	3 670	2 992	3 000	3 842	28.07	4 151	4 445
Goods and services	3 008	1 913	265	2 021	1 549	1 541	8 912	478.33	9 854	11 998
Transfers and subsidies to	22 950	26 409	11 200	10 550	13 800	13 800	12 280	(11.01)	14 780	14 980
Universities and technikons		450		1 800	900	900	10 980	1 120.00	13 480	13 480
Public corporations and private enterprises	10 000	10 000	10 000	6 200	6 200	6 200		(100.00)		
Non-profit institutions	12 950	15 768	1 200	2 550	6 700	6 700	1 300	(80.60)	1 300	1 500
Households		191								
Payments for capital assets	6	32	36	34	34	33	86	160.61	90	90
Machinery and equipment	6	32	13	34	34	33	86	160.61	90	90
Software and other intangible assets			23							
Payments for financial assets	1		1			1		(100.00)		
Total economic classification	27 480	30 520	13 596	16 275	18 375	18 375	25 120	36.71	28 875	31 513

Details of transfers and subsidies

Economic classification R'000	Outcome			Main appro- priation 2011/12	Adjusted appro- priation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
Transfers and subsidies to (Current)	22 950	26 409	11 200	10 550	13 800	13 800	12 280	(11.01)	14 780	14 980
Universities and technikons		450		1 800	900	900	10 980	1120.00	13 480	13 480
Public corporations and private enterprises	10 000	10 000	10 000	6 200	6 200	6 200		(100.00)		
Public corporations	10 000	10 000	10 000	6 200	6 200	6 200		(100.00)		
Other transfers (Casidra & CSIR)	10 000	10 000	10 000	6 200	6 200	6 200		(100.00)		
Non-profit institutions	12 950	15 768	1 200	2 550	6 700	6 700	1 300	(80.60)	1 300	1 500
Households		191								
Other transfers to households		191								

7. Other programme information

Personnel numbers and costs

Table 7.1 Personnel numbers and costs

Programme R'000	As at 31 March 2009	As at 31 March 2010	As at 31 March 2011	As at 31 March 2012	As at 31 March 2013	As at 31 March 2014	As at 31 March 2015
1. Administration	74	59	74	56	59	59	59
2. Integrated Economic Development Services	33	36	42	46	38	38	38
3. Trade and Sector Development	24	30	30	36	35	35	35
4. Business Regulation and Governance	26	46	40	40	42	42	42
5. Economic Planning	6	15	16	25	24	24	24
6. Tourism, Arts and Entertainment	29	30	42	38	36	36	36
7. Skills Development and Innovation	3	3	3	15	9	9	9
Total personnel numbers	195	219	247	256	243	243	243
Total personnel cost (R'000)	51 325	61 090	67 742	77 901	91 823	97 924	102 767
Unit cost (R'000)	263	279	274	304	378	403	423

Table 7.2 Departmental personnel number and cost

Description	Outcome			Main appro- priation 2011/12	Adjusted appro- priation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
Total for department										
Personnel numbers (head count)	195	219	247	274	256	256	243	(5.08)	243	243
Personnel cost (R'000)	51 325	61 090	67 742	88 288	78 340	77 901	91 823	17.87	97 924	102 767
<i>of which</i>										
Human resources component										
Personnel numbers (head count)	27	29	12							
Personnel cost (R'000)	5 274	5 817	7 124							
Head count as % of total for department	13.85	13.24	4.86							
Personnel cost as % of total for department	10.28	9.52	10.52							
Finance										
Personnel numbers (head count)	42	41	42	46	45	45	49	8.89	49	49
Personnel cost (R'000)	8 749	9 865	11 016	12 302	11 672	11 672	14 012	20.05	14 960	15 698
Head count as % of total for department	21.54	18.72	17.00	16.79	17.58	17.58	20.16		20.16	20.16
Personnel cost as % of total for department	17.05	16.15	16.26	13.93	14.90	14.98	15.26		15.28	15.28
Full time workers										
Personnel numbers (head count)	180	214	242	254	236	236	223	(5.51)	223	223
Personnel cost (R'000)	49 403	60 185	66 611	84 128	74 180	73 741	87 442	18.58	93 324	97 924
Head count as % of total for department	92.31	97.72	97.98	92.70	92.19	92.19	91.77		91.77	91.77
Personnel cost as % of total for department	96.26	98.52	98.33	95.29	94.69	94.66	95.23		95.30	95.29
Part-time workers										
Personnel numbers (head count)										
Personnel cost (R'000)										
Head count as % of total for department										
Personnel cost as % of total for department										
Contract workers										
Personnel numbers (head count)	15	5	5	20	20	20	20		20	20
Personnel cost (R'000)	1 922	905	1 131	4 160	4 160	4 160	4 381	5.31	4 600	4 843
Head count as % of total for department	7.69	2.28	2.02	7.30	7.81	7.81	8.23		8.23	8.23
Personnel cost as % of total for department	3.74	1.48	1.67	4.71	5.31	5.34	4.77		4.70	4.71

Training

Table 7.3 Payments on training

Programme R'000	Outcome						Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
				Main appro- priation 2011/12	Adjusted appro- priation 2011/12	Revised estimate 2011/12	2012/13	2011/12	2013/14	2014/15
1. Administration	713	457	557	570	176	176	200	13.64	530	601
<i>of which</i>										
Payments on tuition	713	457	557	570	176	176	200	13.64	530	601
2. Integrated Economic Development Services	44	70	86	112	112	112	180	60.71	185	200
<i>of which</i>										
Payments on tuition	44	70	86	112	112	112	180	60.71	185	200
3. Trade and Sector Development	18	60	137	17	27	27	165	511.11	191	241
<i>of which</i>										
Payments on tuition	18	60	137	17	27	27	165	511.11	191	241
4. Business Regulation and Governance	51	114	315	331	119	119	70	(41.18)	307	418
<i>of which</i>										
Payments on tuition	51	114	315	331	119	119	70	(41.18)	307	418
5. Economic Planning	103	50	251	98	154	154	208	35.06	380	407
<i>of which</i>										
Payments on tuition	103	50	251	98	154	154	208	35.06	380	407
6. Tourism, Arts and Entertainment	38	200	154	215	128	128	423	230.47	417	450
<i>of which</i>										
Payments on tuition	38	200	154	215	128	128	423	230.47	417	450
7. Skills Development and Innovation			34	56	24	24	27	12.50	60	60
<i>of which</i>										
Payments on tuition	1	94	34	56	24	24	27	12.50	60	60
Total payments on training	967	951	1 534	1 399	740	740	1 273	72.03	2 070	2 377

Table 7.4 Information on training

Description	Outcome						Medium-term estimate			
	2008/09	2009/10	2010/11				% Change from Revised estimate			
				2011/12	2011/12	2011/12	2012/13	2011/12	2013/14	2014/15
Number of staff	195	219	247	274	256	256	243	(5.08)	243	243
Number of personnel trained	185	199	244	244	234	234	243	3.85	243	243
of which										
Male	70	72	88	88	88	88	88		88	88
Female	115	127	156	156	146	146	155	6.16	155	155
Number of training opportunities	53	53	53	53	53	53	53		53	53
of which										
Tertiary	3	3	3	3	3	3	3		3	3
Workshops	45	45	45	45	45	45	45		45	45
Seminars	5	5	5	5	5	5	5		5	5
Number of bursaries offered	35	24	8	8	47	47	13	(72.34)	9	9
Number of interns appointed	38	29	23	23	27	27	47	74.07	47	47
Number of days spent on training	5 450	5 000	5 000	5 000	5 000	5 000	5 000		5 000	5 000

Reconciliation of structural changes

Table 7.5 Reconciliation of structural changes

Programme for 2011/12			Programme for 2012/13		
Programme R'000	2012/13 Equivalent		Programme R'000		
	Pro- gramme	Sub-pro- gramme		Pro- gramme	Sub-pro- gramme
1. Administration	27 738		1. Administration	27 738	
HOD and Support Services		5 158	HOD and Support Services		5 158
Financial Management		20 114	Financial Management		20 114
Corporate Services		2 466	Corporate Services		2 466
2. Integrated Economic Development Services	45 228		2. Integrated Economic Development Services	45 228	
Enterprise Development		23 632	Enterprise Development		23 632
Regional and Local Economic Development		9 520	Regional and Local Economic Development		9 520
Economic Empowerment		6 353	Economic Empowerment		6 353
Management: Integrated Economic Development Services		5 723	Red Tape		3 757
			Management: Integrated Economic Development Services		1 966
3. Trade and Sector Development	95 658		3. Trade and Sector Development	95 658	
Trade and Investment Promotion		18 500	Trade and Investment Promotion		18 500
Sector Development		44 810	Sector Development		44 810
Strategic Initiatives		31 045	Strategic Initiatives		31 045
Management: Trade and Sector Development		1 303	Management: Trade and Sector Development		1 303
4. Business Regulation and Governance	24 404		4. Business Regulation and Governance	24 404	
Governance			Governance		
Regulation Services			Regulation Services		
Consumer Protection		9 381	Consumer Protection		9 381
Liquor Regulation		15 023	Liquor Regulation		15 023
5. Economic Planning	19 929		5. Economic Planning	19 929	
Policy and Planning		5 389	Policy and Planning		5 389
Research and Development		5 161	Research and Development		5 161
Knowledge Management		2 537	Knowledge Management		2 537
Monitoring and Evaluation		3 283	Monitoring and Evaluation		3 283
Management Economic Planning		3 559	Management Economic Planning		3 559
6. Tourism Arts and Entertainment	53 040		6. Tourism Arts and Entertainment	53 040	
Management Tourism Arts and Entertainment		3 703	Management Tourism Arts and Entertainment		3 703
Tourism Growth		6 306	Tourism Growth		6 306
Tourism Participation		9 388	Tourism Participation		9 388
Destination Marketing Organisation		25 000	Destination Marketing Organisation		25 000
Commercial Arts and Entertainment		8 643	Commercial Arts and Entertainment		8 643
7. Skills Development and Innovation	25 120		7. Skills Development and Innovation	25 120	
Provincial Skills Co-ordination		3 933	Provincial Skills Co-ordination		3 933
Workforce Development		18 992	Workforce Development		18 992
Innovation		859	Innovation		859
Management: Skills Development		1 336	Management: Skills Development		1 336
	291 117			291 117	

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Table A.1 Specification of receipts

Receipts R'000	Outcome						Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
				Main appro- priation 2011/12	Adjusted appro- priation 2011/12	Revised estimate 2011/12	2012/13	2011/12	2013/14	2014/15
Tax receipts	4 844	5 505	6 427	5 064	5 064	5 583	5 064	(9.30)	5 064	5 064
Other taxes (Liquor licence fees)	4 844	5 505	6 427	5 064	5 064	5 583	5 064	(9.30)	5 064	5 064
Sales of goods and services other than capital assets	397	358	494	270	270	304	270	(11.18)	270	270
Sales of goods and services produced by department (excluding capital assets)	397	358	494	270	270	304	270	(11.18)	270	270
Administrative fees	397	358	494	270	270	304	270	(11.18)	270	270
Registration	397	358	494	270	270	304	270	(11.18)	270	270
Interest, dividends and rent on land	11	11	1							
Interest	11	11	1							
Financial transactions in assets and liabilities	692	6 047	349		2 706	3 856		(100.00)		
Other	692	6 047	349		2 706	3 856		(100.00)		
Total departmental receipts	5 944	11 921	7 271	5 334	8 040	9 743	5 334	(45.25)	5 334	5 334

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Table A.2 Summary of payments and estimates by economic classification

Economic classification R'000	Outcome			Main appro- p-riation 2011/12	Adjusted appro- p-riation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
Current payments	94 531	101 046	95 082	137 698	125 085	124 986	165 459	32.38	177 513	191 553
Compensation of employees	51 325	61 090	67 742	88 288	78 340	77 901	91 823	17.87	97 924	102 767
Salaries and wages	45 292	54 125	59 883	78 252	69 692	69 253	82 398	18.98	86 937	91 143
Social contributions	6 033	6 965	7 859	10 036	8 648	8 648	9 425	8.98	10 987	11 624
Goods and services	43 206	39 956	27 334	49 410	46 745	47 085	73 636	56.39	79 589	88 786
of which										
Administrative fees	113	214	220	280	280	301	387	28.57	443	576
Advertising	3 876	3 933	646	209	580	629	797	26.71	925	1 006
Assets <R5 000	1 367	620	225	78	189	341	409	19.94	624	544
Audit cost: External	1 752	1 680	2 728	2 700	2 644	2 395	3 594	50.06	3 800	4 000
Bursaries (employees)	210	616	724	1 028	659	585	300	(48.72)	400	770
Catering: Departmental activities	775	548	611	443	483	678	1 106	63.13	1 223	1 195
Communication	1 911	2 241	1 487	1 308	1 419	1 321	1 840	39.29	2 046	2 201
Computer services	543	492	763	397	352	356	270	(24.16)	400	400
Cons/prof: Business and advisory service	16 384	15 494	9 139	34 465	31 016	30 776	49 483	60.78	50 786	57 296
Cons/prof: Legal cost	91		389			35		(100.00)		
Contractors	1 855	2 377	440	141	287	593	696	17.37	1 285	1 310
Agency and support/outsourced services	2 013	2 086	1 991		775	722	1 112	54.02	1 200	1 332
Entertainment	48	37	35	127	89	52	123	136.54	126	128
Fleet services (including government motor transport)	661	112								
Inventory: Food and food supplies		47	29	56	39	37	51	37.84	68	68
Inventory: Materials and supplies		27	60	16	12	17	11	(35.29)	11	13
Inventory: Medical supplies		2	1	1						
Inventory: Other consumables	1 212	7	72	260	91	72	251	248.61	373	395
Inventory: Stationery and printing	692	1 730	1 348	1 154	1 212	1 198	2 135	78.21	2 645	2 881
Lease payments	2 561	460	422	616	910	1 059	1 449	36.83	1 648	1 739
Transport provided: Departmental activity	10		10							
Travel and subsistence	3 702	3 611	3 230	4 470	4 047	4 056	5 592	37.87	6 204	6 945
Training and development	993	1 906	1 608	1 398	688	654	1 273	94.65	2 070	2 377
Operating expenditure	1 009	1 110	573	88	499	540	1 802	233.70	2 299	2 532
Venues and facilities	1 428	606	583	175	474	668	955	42.96	1 013	1 078
Interest and rent on land			6							
Interest			2							
Rent on land			4							
Transfers and subsidies to	132 367	161 251	138 605	115 485	130 754	130 754	124 129	(5.07)	204 289	209 750
Provinces and municipalities					1 000	1 000		(100.00)		
Municipalities					1 000	1 000		(100.00)		
Municipalities					1 000	1 000		(100.00)		
Departmental agencies and accounts	58 796	67 576	54 605	45 690	52 395	52 395	59 200	12.99	54 664	54 935
Entities receiving transfers	58 796	67 576	54 605	45 690	52 395	52 395	59 200	12.99	54 664	54 935
Western Cape Provincial Development Council	3 160	300								
Western Cape Nature Conservation Board					1 000	1 000		(100.00)		
Destination Marketing Organisation	33 617	46 061	38 205	32 440	35 439	35 439	25 000	(29.46)	20 000	20 000
Western Cape Trade and Investment Promotion Agency	20 669	20 325	15 000	12 250	14 956	14 956	22 000	47.10	22 464	22 735
Western Cape Liquor Board							7 700		7 700	7 700
Government Motor Trading		890								
Other	1 350		1 400	1 000	1 000	1 000	4 500	350.00	4 500	4 500
Universities and technikons	187	818	144	1 800	900	900	10 980	1120.00	13 480	13 480
Public corporations and private enterprises	34 755	48 900	45 750	26 800	27 300	27 300	3 000	(89.01)	84 000	87 790
Public corporations	34 686	48 900	45 750	26 800	27 300	27 300		(100.00)		
Other transfers	34 686	48 900	45 750	26 800	27 300	27 300		(100.00)		
Private enterprises	69						3 000		84 000	87 790
Other transfers	69						3 000		84 000	87 790
Non-profit institutions	38 629	43 538	37 055	40 545	48 295	48 295	49 849	3.22	51 045	52 445
Households		419	1 051	650	864	864	1 100	27.31	1 100	1 100
Social benefits			216							
Other transfers to households		419	835	650	864	864	1 100	27.31	1 100	1 100

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Table A.2 Summary of payments and estimates by economic classification (continued)

Economic classification R'000	Outcome			Main appro- piation 2011/12	Adjusted appro- piation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
Payments for capital assets	2 906	907	2 040	1 231	1 231	1 288	1 529	18.71	1 740	1 788
Machinery and equipment	2 899	907	1 420	1 231	1 231	1 262	1 529	21.16	1 740	1 788
Other machinery and equipment	2 899	907	1 420	1 231	1 231	1 262	1 529	21.16	1 740	1 788
Software and other intangible assets	7		620			26		(100.00)		
Payments for financial assets	117	13	24			42		(100.00)		
Total economic classification	229 921	263 217	235 751	254 414	257 070	257 070	291 117	13.24	383 542	403 091

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Table A.2.1 Payments and estimates by economic classification – Programme 1: Administration

Economic classification R'000	Outcome			Main appro- priation	Adjusted appro- priation	Revised estimate	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
Current payments	25 589	25 641	23 550	22 577	20 175	20 176	27 438	35.99	30 806	32 555
Compensation of employees	15 996	18 466	16 835	16 205	14 485	14 287	17 565	22.94	18 742	19 664
Salaries and wages	13 914	16 039	14 559	14 088	12 565	12 367	15 421	24.69	16 240	17 037
Social contributions	2 082	2 427	2 276	2 117	1 920	1 920	2 144	11.67	2 502	2 627
Goods and services	9 593	7 175	6 714	6 372	5 690	5 889	9 873	67.65	12 064	12 891
of which										
Administrative fees	9	38	46	60	57	59	100	69.49	150	210
Advertising	1 360	438	37	20	20	20	255	1175.00	255	255
Assets <R5 000	378	104	77	10	39	163	125	(23.31)	300	130
Audit cost: External	1 668	1 490	2 497	2 300	2 000	1 751	3 594	105.25	3 800	4 000
Bursaries (employees)	210	616	424	530	294	239	300	25.52	400	770
Catering: Departmental activities	166	83	61	60	70	62	55	(11.29)	77	85
Communication	733	904	414	200	293	256	365	42.58	370	390
Computer services	363	309	254	350	272	276	270	(2.17)	300	300
Cons/prof: Business and advisory service	1 052	351	394	860	925	881		(100.00)		
Cons/prof: Legal cost			54							
Contractors	389	400	112	120	115	343	600	74.93	1 179	1 200
Entertainment	17	9	14	10	12	14	14		14	14
Fleet services (including government motor transport)	32	112								
Inventory: Food and food supplies		25	13	5	9	9	9		11	11
Inventory: Materials and supplies		19	40	5	2	2	3	50.00	2	2
Inventory: Medical supplies		2	1							
Inventory: Other consumables	420	2	4	199	41	2	230	11400.00	320	320
Inventory: Stationery and printing	210	481	396	200	262	277	796	187.36	840	840
Lease payments	198	198	159	150	182	221	640	189.59	720	720
Transport provided: Departmental activity	2									
Travel and subsistence	970	453	587	697	516	686	1 203	75.36	1 300	1 300
Training and development	713	723	739	570	176	176	200	13.64	530	601
Operating expenditure	551	406	353	12	376	376	1 084	188.30	1 465	1 702
Venues and facilities	152	12	38	14	29	76	30	(60.53)	31	41
Interest and rent on land			1							
Rent on land			1							
Transfers and subsidies to		250	216							
Departmental agencies and accounts		250								
Provide list of entities receiving transfers		250								
Government Motor Trading		250								
Households			216							
Social benefits			216							
Payments for capital assets	1 324	438	657	380	380	348	300	(13.79)	300	300
Machinery and equipment	1 317	438	578	380	380	348	300	(13.79)	300	300
Other machinery and equipment	1 317	438	578	380	380	348	300	(13.79)	300	300
Software and other intangible assets	7		79							
Payments for financial assets	47		14			31		(100.00)		
Total economic classification	26 960	26 329	24 437	22 957	20 555	20 555	27 738	34.95	31 106	32 855

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Table A.2.2 Payments and estimates by economic classification – Programme 2: Integrated Economic Development Services

Economic classification R'000	Outcome			Main appro- priation 2011/12	Adjusted appro- priation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
Current payments	15 924	17 713	15 274	24 629	23 053	23 067	29 908	29.66	31 653	36 350
Compensation of employees	9 222	11 067	11 486	15 790	13 873	13 701	16 113	17.60	17 405	18 252
Salaries and wages	8 048	9 730	10 076	13 969	12 318	12 146	14 598	20.19	15 507	16 260
Social contributions	1 174	1 337	1 410	1 821	1 555	1 555	1 515	(2.57)	1 898	1 992
Goods and services	6 702	6 646	3 786	8 839	9 180	9 366	13 795	47.29	14 248	18 098
of which										
Administrative fees	5	34	36	13	35	41	28	(31.71)	20	25
Advertising	572	386	27	91	415	414	286	(30.92)	300	300
Assets <R5 000	223	61	18	2	19	25	88	252.00	90	100
Bursaries (employees)			48	100	91	91		(100.00)		
Catering: Departmental activities	285	242	226	75	170	325	558	71.69	600	600
Communication	295	315	224	252	240	209	238	13.88	240	260
Computer services	3									
Cons/prof: Business and advisory service	2 805	3 608	1 749	7 300	6 747	6 523	9 453	44.92	9 626	13 131
Contractors	403	301	75		115	173	59	(65.90)	60	60
Agency and support/outsourced services	8						750		750	800
Entertainment	9	7	1	24	2	4	25	525.00	24	24
Fleet services (including government motor transport)	275									
Inventory: Food and food supplies		6	4	5	5	4	8	100.00	8	8
Inventory: Materials and supplies		1			2	7	1	(85.71)	1	2
Inventory: Other consumables	114	1			6	7	4	(42.86)	4	4
Inventory: Stationery and printing	71	146	194	137	117	117	178	52.14	180	185
Lease payments	29	41	56	87	143	174	195	12.07	200	220
Transport provided: Departmental activity	4									
Travel and subsistence	834	611	580	641	700	714	998	39.78	1 140	1 339
Training and development	43	466	378	112	60	90	180	100.00	185	200
Operating expenditure	72	98	6		12	47	377	702.13	420	420
Venues and facilities	652	322	164		301	401	369	(7.98)	400	420
Interest and rent on land			2							
Interest			2							
Transfers and subsidies to	25 809	37 100	35 950	26 800	27 900	27 900	15 000	(46.24)	17 000	20 000
Departmental agencies and accounts	1 123	1 000		1 000	1 000	1 000	4 500	350.00	4 500	4 500
Provide list of entities receiving transfers	1 123	1 000		1 000	1 000	1 000	4 500	350.00	4 500	4 500
Western Cape Provincial Development Council	500									
Western Cape Trade and Investment Promotion Agency	623	1 000								
Other				1 000	1 000	1 000	4 500	350.00	4 500	4 500
Public corporations and private enterprises	24 686	36 100	34 900	20 600	21 100	21 100	3 000	(85.78)	4 000	6 000
Public corporations	24 686	36 100	34 900	20 600	21 100	21 100		(100.00)		
Other transfers	24 686	36 100	34 900	20 600	21 100	21 100		(100.00)		
Private enterprises							3 000		4 000	6 000
Other transfers							3 000		4 000	6 000
Non-profit institutions			1 050	5 200	5 800	5 800	7 500	29.31	8 500	9 500
Payments for capital assets	302	17	237	313	313	289	320	10.73	320	320
Machinery and equipment	302	17	97	313	313	289	320	10.73	320	320
Other machinery and equipment	302	17	97	313	313	289	320	10.73	320	320
Software and other intangible assets			140							
Payments for financial assets						10		(100.00)		
Total economic classification	42 035	54 830	51 461	51 742	51 266	51 266	45 228	(11.78)	48 973	56 670

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Table A.2.3 Payments and estimates by economic classification – Programme 3: Trade and Sector Development

Economic classification R'000	Outcome			Main appro- piation	Adjusted appro- piation	Revised estimate	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
Current payments	10 825	10 695	12 853	26 221	27 373	27 324	41 579	52.17	43 943	46 225
Compensation of employees	6 248	6 971	10 238	14 960	13 051	12 990	17 124	31.82	18 224	19 093
Salaries and wages	5 617	6 231	9 181	13 521	11 900	11 839	15 725	32.82	16 543	17 328
Social contributions	631	740	1 057	1 439	1 151	1 151	1 399	21.55	1 681	1 765
Goods and services	4 577	3 724	2 614	11 261	14 322	14 334	24 455	70.61	25 719	27 132
of which										
Administrative fees	71	13	15	151	75	70	75	7.14	78	80
Advertising	412	155	109	78	92	57	100	75.44	150	180
Assets <R5 000	142	43	26	39	48	48	60	25.00	98	110
Bursaries (employees)			32	139	96	77		(100.00)		
Catering: Departmental activities	24	26	28	151	77	91	103	13.19	130	135
Communication	195	177	190	174	177	184	238	29.35	250	292
Computer services		5		7						
Cons/prof: Business and advisory service	1 762	2 027	1 496	9 620	12 535	12 574	22 000	74.96	22 550	23 455
Contractors	148	516	33	15	16	17	21	23.53	30	30
Agency and support/outsourced services		1								
Entertainment	5	7	8	27	15	12	18	50.00	18	19
Fleet services (including government motor transport)	29									
Inventory: Food and food supplies		8	6	11	9	9	15	66.67	17	17
Inventory: Materials and supplies		3	1		1	2	3	50.00	3	4
Inventory: Other consumables	118	1	1	1	1	4	11	175.00	15	17
Inventory: Stationery and printing	82	155	144	209	218	217	430	98.16	780	893
Lease payments	1 029	43	16	7	41	60	97	61.67	135	145
Transport provided: Departmental activity	4									
Travel and subsistence	498	337	378	560	867	833	999	19.93	1 170	1 400
Training and development	18	87	41	17	27	27	165	511.11	191	241
Operating expenditure	12	82	50	8	6	5	9	80.00	9	9
Venues and facilities	28	38	40	47	21	47	111	136.17	95	105
Interest and rent on land			1							
Rent on land			1							
Transfers and subsidies to	35 762	39 989	41 367	37 050	42 756	42 756	53 879	26.02	134 343	136 404
Departmental agencies and accounts	21 856	19 325	15 000	12 250	14 956	14 956	22 000	47.10	22 464	22 735
Entities receiving transfers	21 856	19 325	15 000	12 250	14 956	14 956	22 000	47.10	22 464	22 735
Western Cape Provincial Development Council	1 960									
Western Cape Trade and Investment Promotion Agency	19 896	19 325	15 000	12 250	14 956	14 956	22 000	47.10	22 464	22 735
Universities and technikons	37									
Public corporations and private enterprises	69	1 000							80 000	81 790
Public corporations		1 000								
Other transfers		1 000								
Private enterprises	69								80 000	81 790
Other transfers	69								80 000	81 790
Non-profit institutions	13 800	19 664	26 360	24 800	27 800	27 800	31 879	14.67	31 879	31 879
Households			7							
Other transfers to households			7							
Payments for capital assets	369	137	217	94	94	143	200	39.86	200	200
Machinery and equipment	369	137	104	94	94	143	200	39.86	200	200
Other machinery and equipment	369	137	104	94	94	143	200	39.86	200	200
Software and other intangible assets			113							
Payments for financial assets	17									
Total economic classification	46 973	50 821	54 437	63 365	70 223	70 223	95 658	36.22	178 486	182 829

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Table A.2.4 Payments and estimates by economic classification – Programme 4: Business Regulation and Governance

Economic classification R'000	Outcome			Main appro- piation 2011/12	Adjusted appro- piation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
Current payments	12 280	17 319	14 828	19 874	18 574	18 568	16 497	(11.15)	18 420	19 795
Compensation of employees	6 993	8 277	10 118	15 701	13 054	13 074	14 360	9.84	15 313	16 064
Salaries and wages	6 144	7 356	8 964	13 743	11 566	11 586	12 779	10.30	13 465	14 123
Social contributions	849	921	1 154	1 958	1 488	1 488	1 581	6.25	1 848	1 941
Goods and services	5 287	9 042	4 710	4 173	5 520	5 494	2 137	(61.10)	3 107	3 731
of which										
Administrative fees	1	42	45	12	39	47	37	(21.28)	40	100
Advertising	889	2 360	305		21	106	140	32.08	200	250
Assets <R5 000	273	107	20	5	4	6	26	333.33	30	85
Audit cost: External	84	190	231	400	644	644		(100.00)		
Bursaries (employees)			96	60	54	54		(100.00)		
Catering: Departmental activities	29	29	38	30	49	63	131	107.94	150	100
Communication	291	516	247	100	212	223	337	51.12	500	550
Computer services	82	142		40	63	63		(100.00)	100	100
Cons/prof: Business and advisory service	221	1 789	244	1 510	2 245	2 249		(100.00)		
Cons/prof: Legal cost	91		335			35		(100.00)		
Contractors	42	315	43	6	29	28		(100.00)		
Agency and support/ outsourced services	2 004	2 085	1 991		775	722	362	(49.86)	450	532
Entertainment	6	4	3	15	15	4	16	300.00	16	16
Fleet services (including government motor transport)	187									
Inventory: Food and food supplies		1		7	3	2		(100.00)	10	10
Inventory: Materials and supplies		2	1	1	1	1		(100.00)		
Inventory: Other consumables	153	1		58	14	11		(100.00)	30	50
Inventory: Stationery and printing	129	245	193	98	172	166	67	(59.64)	100	150
Lease payments	44	33	31	147	294	344	157	(54.36)	200	250
Travel and subsistence	610	851	718	1 315	696	578	639	10.55	769	880
Training and development	76	179	63	331	119	69	70	1.45	307	418
Operating expenditure	10	24	22	30	23	23	40	73.91	75	90
Venues and facilities	65	127	84	8	48	56	115	105.36	130	150
Transfers and subsidies to	2 529	2 408	950	500			7 700		7 700	7 700
Departmental agencies and accounts		758					7 700		7 700	7 700
Provide list of entities receiving transfers		758					7 700		7 700	7 700
Destination Marketing Organisation		118								
Western Cape Liquor Board							7 700		7 700	7 700
Government Motor Trading		640								
Non-profit institutions	2 529	1 650	950	500						
Payments for capital assets	457	103	246	206	206	212	207	(2.36)	300	400
Machinery and equipment	457	103	161	206	206	186	207	11.29	300	400
Other machinery and equipment	457	103	161	206	206	186	207	11.29	300	400
Software and other intangibleassets			85			26		(100.00)		
Payments for financial assets	20	13	9							
Total economic classification	15 286	19 843	16 033	20 580	18 780	18 780	24 404	29.95	26 420	27 895

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Table A.2.5 Payments and estimates by economic classification – Programme 5: Economic Planning

Economic classification R'000	Outcome			Main appro- priation	Adjusted appro- priation	Revised estimate	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
Current payments	5 246	9 646	11 492	16 943	14 843	14 848	15 463	4.14	16 322	16 980
Compensation of employees	2 509	4 151	6 430	9 575	9 219	9 213	9 742	5.74	10 308	10 794
Salaries and wages	2 313	3 876	5 838	8 579	8 259	8 253	8 692	5.32	9 188	9 624
Social contributions	196	275	592	996	960	960	1 050	9.38	1 120	1 170
Goods and services	2 737	5 495	5 061	7 368	5 624	5 635	5 721	1.53	6 014	6 186
of which										
Administrative fees	1	12	15	4	21	23	46	100.00	50	56
Advertising	145	214	92		31	31		(100.00)		
Assets <R5 000	33	127	35	11	8	28	28		33	40
Bursaries (employees)			8	22	5	5		(100.00)		
Catering: Departmental activities	9	18	9	19	31	28	50	78.57	50	50
Communication	51	51	116	226	181	177	320	80.79	355	363
Computer services	72	21	509		6	6		(100.00)		
Cons/prof: Business and advisory service	1 725	3 975	3 715	6 350	4 635	4 633	4 300	(7.19)	4 100	4 100
Contractors	44	202	6		6	22	10	(54.55)	16	20
Entertainment	2	2	3	18	16	5	19	280.00	19	19
Fleet services (including government motor transport)	7									
Inventory: Food and food supplies		3	1	21	6	6	4	(33.33)	4	4
Inventory: Materials and supplies		1	2	7	1		1		1	1
Inventory: Other consumables	213	1		1	1	11	3	(72.73)	2	2
Inventory: Stationery and printing	43	283	110	250	161	141	200	41.84	275	303
Lease payments	73	82	77	107	115	114	130	14.04	160	169
Travel and subsistence	46	95	68	226	202	198	250	26.26	352	427
Training and development	103	45	250	98	154	143	208	45.45	380	407
Operating expenditure	153	321	34		26	34	122	258.82	160	166
Venues and facilities	17	42	11	8	18	30	30		57	59
Interest and rent on land			1							
Rent on land			1							
Transfers and subsidies to	500	317	9				4 250		4 446	4 646
Departmental agencies and accounts	500	300								
Provide list of entities receiving transfers	500	300								
Western Cape Provincial Development Council	500	300								
Non-profit institutions							4 250		4 446	4 646
Households		17	9							
Other transfers to households		17	9							
Payments for capital assets	99	98	298	89	89	84	216	157.14	330	328
Machinery and equipment	99	98	208	89	89	84	216	157.14	330	328
Other machinery and equipment	99	98	208	89	89	84	216	157.14	330	328
Software and other intangible assets			90							
Total economic classification	5 845	10 061	11 799	17 032	14 932	14 932	19 929	33.47	21 098	21 954

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Table A.2.6 Payments and estimates by economic classification – Programme 6: Tourism, Arts and Entertainment

Economic classification R'000	Outcome						Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
				Main appro- piation 2011/12	Adjusted appro- piation 2011/12	Revised estimate 2011/12	2012/13	2011/12	2013/14	2014/15
Current payments	20 144	15 953	14 726	21 763	16 526	16 462	21 820	32.55	22 364	23 205
Compensation of employees	8 842	9 992	10 541	12 387	11 666	11 636	13 077	12.38	13 781	14 455
Salaries and wages	7 927	8 964	9 426	11 077	10 451	10 421	11 586	11.18	12 208	12 804
Social contributions	915	1 028	1 115	1 310	1 215	1 215	1 491	22.72	1 573	1 651
Goods and services	11 302	5 961	4 184	9 376	4 860	4 826	8 743	81.16	8 583	8 750
of which										
Administrative fees	12	72	62	28	49	57	50	(12.28)	50	50
Advertising	498	380	76		1	1	1			
Assets <R5 000	307	169	43		64	66	65	(1.52)	59	63
Bursaries (employees)			106	177	119	119		(100.00)		
Catering: Departmental activities	260	146	243	62	58	84	180	114.29	180	180
Communication	303	237	244	292	264	223	290	30.04	270	280
Computer services	23	10			11	11		(100.00)		
Cons/prof: Business and advisory service	5 980	2 191	1 516	7 225	2 629	2 583	5 730	121.84	5 610	5 610
Contractors	800	643	167		6	10	6	(40.00)		
Agency and support/ outsourced services	1									
Entertainment	8	5	5	24	20	7	28	300.00	28	29
Fleet services (including government motor transport)	131									
Inventory: Food and food supplies		3	3	7	7	7	15	114.29	15	15
Inventory: Materials and supplies		1	16	3	5	5	2	(60.00)	2	2
Inventory: Medical supplies				1						
Inventory: Other consumables	194	1	60	1	28	36	3	(91.67)	2	2
Inventory: Stationery and printing	134	389	274	231	255	267	395	47.94	395	429
Lease payments	1 188	60	73	117	134	136	135	(0.74)	135	135
Transport provided: Departmental activity			10							
Travel and subsistence	702	1 192	860	921	969	967	1 170	20.99	1 170	1 277
Training and development	39	303	114	215	128	134	423	215.67	417	450
Operating expenditure	211	94	107	31	56	55	170	209.09	170	145
Venues and facilities	511	65	205	41	57	58	80	37.93	80	83
Interest and rent on land			1							
Rent on land			1							
Transfers and subsidies to	44 817	54 778	48 913	40 585	46 298	46 298	31 020	(33.00)	26 020	26 020
Provinces and municipalities					1 000	1 000		(100.00)		
Municipalities					1 000	1 000		(100.00)		
Departmental agencies and accounts	35 317	45 943	39 605	32 440	36 439	36 439	25 000	(31.39)	20 000	20 000
Provide list of entities receiving transfers	35 317	45 943	39 605	32 440	36 439	36 439	25 000	(31.39)	20 000	20 000
Western Cape Provincial Development Council	200									
Western Cape Nature Conservation Board					1 000	1 000		(100.00)		
Destination Marketing Organisation	33 617	45 943	38 205	32 440	35 439	35 439	25 000	(29.46)	20 000	20 000
Western Cape Trade and Investment Promotion Agency	150									
Other	1 350		1 400							
Universities and technikons	150	368	144							
Public corporations and private enterprises		1 800	850							
Public corporations		1 800	850							
Other transfers		1 800	850							
Non-profit institutions	9 350	6 456	7 495	7 495	7 995	7 995	4 920	(38.46)	4 920	4 920
Households		211	819	650	864	864	1 100	27.31	1 100	1 100
Other transfers to households		211	819	650	864	864	1 100	27.31	1 100	1 100
Payments for capital assets	349	82	349	115	115	179	200	11.73	200	150
Machinery and equipment	349	82	259	115	115	179	200	11.73	200	150
Other machinery and equipment	349	82	259	115	115	179	200	11.73	200	150
Software and other intangible assets			90							
Payments for financial assets	32									
Total economic classification	65 342	70 813	63 988	62 463	62 939	62 939	53 040	(15.73)	48 584	49 375

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Table A.2.7 Payments and estimates by economic classification – Programme 7: Skills Development and Innovation

Economic classification R'000	Outcome			Main appro- priation	Adjusted appro- priation	Revised estimate	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
Current payments	4 523	4 079	2 359	5 691	4 541	4 541	12 754	180.86	14 005	16 443
Compensation of employees	1 515	2 166	2 094	3 670	2 992	3 000	3 842	28.07	4 151	4 445
Salaries and wages	1 329	1 929	1 839	3 275	2 633	2 641	3 597	36.20	3 786	3 967
Social contributions	186	237	255	395	359	359	245	(31.75)	365	478
Goods and services	3 008	1 913	265	2 021	1 549	1 541	8 912	478.33	9 854	11 998
of which										
Administrative fees	14	3	1	12	4	4	51	1175.00	55	55
Advertising				20			15		20	21
Assets <R5 000	11	9	6	11	7	5	17	240.00	14	16
Bursaries (employees)			10							
Catering: Departmental activities	2	4	6	46	28	25	29	16.00	36	45
Communication	43	41	52	64	52	49	52	6.12	61	66
Computer services		5								
Cons/prof: Business and advisory service	2 839	1 553	25	1 600	1 300	1 333	8 000	500.15	8 900	11 000
Contractors	29		4							
Entertainment	1	3	1	9	9	6	3	(50.00)	7	7
Inventory: Food and food supplies		1	2						3	3
Inventory: Materials and supplies							1		2	2
Inventory: Other consumables			7			1		(100.00)		
Inventory: Stationery and printing	23	31	37	29	27	13	69	430.77	75	81
Lease payments		3	10	1	1	10	95	850.00	98	100
Travel and subsistence	42	72	39	110	97	80	333	316.25	303	322
Training and development	1	103	23	55	24	15	27	80.00	60	60
Operating expenditure		85	1	7						
Venues and facilities	3		41	57			220		220	220
Transfers and subsidies to	22 950	26 409	11 200	10 550	13 800	13 800	12 280	(11.01)	14 780	14 980
Universities and technikons		450		1 800	900	900	10 980	1120.00	13 480	13 480
Public corporations and private enterprises	10 000	10 000	10 000	6 200	6 200	6 200		(100.00)		
Public corporations	10 000	10 000	10 000	6 200	6 200	6 200		(100.00)		
Other transfers	10 000	10 000	10 000	6 200	6 200	6 200		(100.00)		
Non-profit institutions	12 950	15 768	1 200	2 550	6 700	6 700	1 300	(80.60)	1 300	1 500
Households		191								
Other transfers to households		191								
Payments for capital assets	6	32	36	34	34	33	86	160.61	90	90
Machinery and equipment	6	32	13	34	34	33	86	160.61	90	90
Other machinery and equipment	6	32	13	34	34	33	86	160.61	90	90
Software and other intangible assets			23							
Payments for financial assets	1		1			1		(100.00)		
Total economic classification	27 480	30 520	13 596	16 275	18 375	18 375	25 120	36.71	28 875	31 513

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Table A.3.1 Details on public entities – Name of Public Entity: Western Cape Investments and Trade Promotion Agency

R'000	Outcome			Estimated outcome 2011/12	Medium-term estimate		
	Audited	Audited	Audited		2012/13	2013/14	2014/15
	2008/09	2009/10	2010/11				
Revenue							
Non-tax revenue	17 661	1 299	8 504	5 650	529	546	564
Sale of goods and services other than capital assets	253	313	215	200	189	189	189
Of which:							
Admin fees	253	313	215	200	189	189	189
Other non-tax revenue	17 408	986	8 289	5 450	340	357	375
Transfers received	36 916	26 061	27 197	24 956	28 500	28 864	29 235
Total revenue	54 577	27 360	35 701	30 606	29 029	29 410	29 799
Expenses							
Current expense	47 283	28 288	27 907	28 936	25 059	26 579	27 650
Compensation of employees	9 838	11 625	9 755	12 334	15 361	16 254	16 988
Goods and services	37 094	16 078	17 154	16 135	9 092	9 688	9 994
Depreciation	351	585	958	467	606	637	669
Interest, dividends and rent on land			40				
Interest			40				
Total expenses	47 283	28 288	27 907	28 936	25 059	26 579	27 650
Surplus/(Deficit)	7 294	(928)	7 794	1 670	3 970	2 831	2 149
Cash flow summary							
Adjust surplus/(deficit) for accrual transactions	9 134	3 091	183	(33)	25		
Adjustments for:							
Depreciation	351	585	633	467	525	500	500
Interest	(692)	(729)	(450)	(500)	(500)	(500)	(500)
Net (profit)/loss on disposal of fixed assets	(16)	(57)					
Other	9 491	3 292					
Operating surplus/ (deficit) before changes in working capital	16 428	2 163	7 977	1 637	3 995	2 831	2 149
Changes in working capital	(11 173)	2 600	100	100	100	100	100
(Decrease)/increase in accounts payable	(7 357)	2 215	100	100	100	100	100
Decrease/(increase) in accounts receivable	1 947	385					
(Decrease)/increase in provisions	(5 763)						
Cash flow from operating activities	5 255	4 763	8 077	1 737	4 095	2 931	2 249
Cash flow from investing activities	(15 264)	(1 835)	(200)	(200)	(200)	(200)	(200)
Acquisition of Assets	(280)	(1 892)	(200)	(200)	(200)	(200)	(200)
Other flows from Investing Activities	(14 984)	57					
Net increase/decrease) in cash and cash equivalents	(10 009)	2 928	7 877	1 537	3 895	2 731	2 049
Balance Sheet Data							
Carrying Value of Assets	739	2 150	1 166	1 033	1 008	1 008	1 008
Investments	21 200	18 600	25 000	30 000	30 000	30 000	30 000
Cash and Cash Equivalents	11 018	13 946	14 512	1 762	1 762	1 762	1 762
Receivables and Prepayments	450	65	10	10	10	10	10
Total Assets	33 407	34 761	40 688	32 805	32 780	32 780	32 780
Capital & Reserves	21 693	20 766	36 687	31 575	31 522	31 522	31 522
Trade and Other Payables	10 880	12 842	3 470	670	670	670	670
Provisions	834	1 153	531	560	588	588	588
Total Equity and Liabilities	33 407	34 761	40 688	32 805	32 780	32 780	32 780

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Table A.3.2 Details on public entities – Name of Public Entity: Destination Marketing Organisation

R'000	Outcome			Estimated outcome 2011/12	Medium-term estimate		
	Audited 2008/09	Audited 2009/10	Audited 2010/11		2012/13	2013/14	2014/15
Revenue							
Non-tax revenue	21 069	15 310	13 262	2 625	280	280	280
Other non-tax revenue	21 069	15 310	13 262	2 625	280	280	280
Transfers received	36 353	38 549	32 085	32 440	25 000	25 000	25 000
Total revenue	57 422	53 859	45 347	35 065	25 280	25 280	25 280
Expenses							
Current expense	60 382	53 241	43 110	33 725	25 180	25 180	25 180
Compensation of employees	16 036	25 052	20 602	19 604	12 862	12 862	12 862
Goods and services	43 424	26 911	21 397	13 031	11 228	11 228	11 228
Depreciation	922	1 279	1 111	1 090	1 090	1 090	1 090
Total expenses	60 382	53 241	43 110	33 725	25 180	25 180	25 180
Surplus/(Deficit)	(2 960)	618	2 237	1 340	100	100	100
Cash flow summary							
Adjust surplus/(deficit) for accrual transactions	86	1 009	747	810	810	810	810
Adjustments for:							
Depreciation	922	1 279	1 111	1 090	1 090	1 090	1 090
Interest	(839)	(336)	(360)	(280)	(280)	(280)	(280)
Net (profit)/loss on disposal of fixed assets		66	(4)				
Other	3						
Operating surplus/ (deficit) before changes in working capital	(2 874)	1 626	2 984	2 150	910	910	910
Changes in working capital	(5 029)	1 443	(1 854)				
(Decrease)/increase in accounts payable	(2 664)	366	672	(150)	(150)	(150)	(150)
Decrease/(increase) in accounts receivable	6 377	2 645	141	200	200	200	200
(Decrease)/increase in provisions	(8 742)	(1 568)	(2 667)	(50)	(50)	(50)	(50)
Cash flow from operating activities	(7 903)	3 069	1 130	2 150	910	910	910
Cash flow from investing activities	(642)	(772)	14	180	180	180	180
Acquisition of Assets	(1 478)	(1 174)	(402)	(100)	(100)	(100)	(100)
Other flows from Investing Activities	836	402	416	280	280	280	280
Net increase/decrease) in cash and cash equivalents	(8 545)	2 298	1 144	2 330	1 090	1 090	1 090
Balance Sheet Data							
Carrying Value of Assets	1 983	1 746	985	2 788	2 788	2 788	2 788
Cash and Cash Equivalents	1 140	3 438	4 582	1 154	1 154	1 154	1 154
Receivables and Prepayments	3 999	1 354	1 213	425	425	425	425
Total Assets	7 122	6 538	6 780	4 368	4 368	4 368	4 368
Capital & Reserves	(1 114)	(496)	1 741	1 640	1 640	1 640	1 640
Trade and Other Payables	7 439	6 166	4 457	1 953	1 953	1 953	1 953
Provisions	797	868	582	775	775	775	775
Total Equity and Liabilities	7 122	6 538	6 780	4 368	4 368	4 368	4 368

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Table A.3.3 Details on public entities – Name of Public Entity: Liquor Board

R'000	Outcome			Estimated outcome 2011/12	Medium-term estimate		
	Audited 2008/09	Audited 2009/10	Audited 2010/11		2012/13	2013/14	2014/15
Revenue							
Tax revenue	4 862	5 696	6 909	5 064	5 064	5 064	5 064
Transfers received	7 522	8 365	7 537				
Total revenue	12 384	14 061	14 446	5 064	5 064	5 064	5 064
Expenses							
Current expense	5 445	8 349	6 675	8 885	7 323	7 920	8 362
Compensation of employees	3 708	4 460	4 803	6 197	6 792	7 343	7 706
Goods and services	1 469	3 611	1 554	2 688	531	577	656
Depreciation	268	278	318				
Interest, dividends and rent on land							
Transfers and subsidies	2 529	1 768	750				
Total expenses	7 974	10 117	7 425	8 885	7 323	7 920	8 362
Surplus/(Deficit)	4 410	3 944	7 021	(3 821)	(2 259)	(2 856)	(3 298)
Cash flow summary							
Adjust surplus/(deficit) for accrual transactions	268	1 642	(762)				
Adjustments for:							
Depreciation	268	278	319				
Impairments		527	(172)				
Net (profit)/loss on disposal of fixed assets			16				
Other		837	(925)				
Operating surplus/ (deficit) before changes in working capital	4 678	5 586	6 259	(3 821)	(2 259)	(2 856)	(3 298)
Changes in working capital	271	183	106				
(Decrease)/increase in accounts payable	164	(141)	116				
Decrease/(increase) in accounts receivable	30	324	(10)				
(Decrease)/increase in provisions	77						
Cash flow from operating activities	4 949	5 769	6 365	(3 821)	(2 259)	(2 856)	(3 298)
Transfers from government	2 529	1 768	750		7 700	7 700	7 700
: Current	2 529	1 768	750		7 700	7 700	7 700
Cash flow from investing activities	(102)	(284)	(153)	144			
Acquisition of Assets	(102)	(284)	(153)	144			
Net increase/decrease) in cash and cash equivalents				(3 677)	(2 259)	(2 856)	(3 298)
Carrying Value of Assets	811	853	670				
Cash and Cash Equivalents	1 317						
Receivables and Prepayments	561	182	364				
Total Assets	2 689	1 035	1 034				
Capital & Reserves	2 264	752	396				
Borrowings			239				
Trade and Other Payables	425	283	399				
Total Equity and Liabilities	2 689	1 035	1 034				

Note: The budget of the Liquor Board has been incorporated into Programme 4: Business Regulation and Governance.

Annexure A to Vote 12

Table A.4 Provincial payments and estimates by district and local municipality

Municipalities R'000	Outcome			Main appro- priation Adjusted appro- priation Revised estimate			Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
				2012/13	2011/12	2013/14	2014/15			
Cape Town Metro	128 047	141 924	133 567	240 451	243 107	243 107	248 936	2.40	338 890	358 154
West Coast Municipalities	16 207	19 297	16 542	1 605	1 605	1 605	17 016	960.19	18 155	18 440
Across wards and municipal projects	16 207	19 297	16 542	1 605	1 605	1 605	17 016	960.19	18 155	18 440
Cape Winelands Municipalities	37 045	44 107	37 809	832	832	832	6 016	623.08	6 346	6 346
Across wards and municipal projects	37 045	44 107	37 809	832	832	832	6 016	623.08	6 346	6 346
Overberg Municipalities	18 523	22 053	18 905	2 682	2 682	2 682	6 016	124.31	6 346	6 346
Across wards and municipal projects	18 523	22 053	18 905	2 682	2 682	2 682	6 016	124.31	6 346	6 346
Eden Municipalities	25 468	30 323	24 202	8 116	8 116	8 116	7 455	(8.14)	7 805	7 805
Across wards and municipal projects	25 468	30 323	24 202	8 116	8 116	8 116	7 455	(8.14)	7 805	7 805
Central Karoo Municipalities	4 631	5 513	4 726	728	728	728	5 678	679.95	6 000	6 000
Across wards and municipal projects	4 631	5 513	4 726	728	728	728	5 678	679.95	6 000	6 000
Total provincial expenditure by district and local municipality	229 921	263 217	235 751	254 414	257 070	257 070	291 117	13.24	383 542	403 091

Note: Projects disaggregated per district.