

Vote 12

Department of Economic Development and Tourism

	2013/14 To be appropriated	2014/15	2015/16
MTEF allocations	R 389 451 000	R 397 668 000	R 422 329 000
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

The vision will be achieved by providing 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.

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 investments attracted

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 entrepreneurial awareness and financial support.

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

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.

To identify and drive the implementation of catalytic economic infrastructure initiatives.

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. This has necessitated a shift in the investment landscape as business will need to seek new emerging markets within Africa and other developing regions. Africa has also been highlighted as a major emerging market and South Africa and in particular the Western Cape must act as the gateway to new opportunities.

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 19.7 per cent in the 3rd Quarter of 2008 to 25.4 per cent in the 3rd Quarter in 2012, 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 entrepreneurship awareness, red tape reduction, skills development and by investing in sectors displaying high growth and employment creation potential.

A major challenge facing South Africa and the Western Cape is the ever increasing need for skilled and work ready employees. Unemployment rates are highest in the youth category (18 – 35 year olds) and as such the Department has placed huge emphasis on its Work and Skills programme which seeks to provide first-time entrants into the labour market with the necessary experiential learning and training skills required by business.

Entrepreneurship awareness has been identified as a major strategic intervention for the Department and Province. It has recently been noted that big business does not create employment, rather small enterprises account for the lion's share of employment creation. This said, entrepreneurship is not seen as an option by the unemployed or school leavers. In this regard, the Department will focus on increasing the level of entrepreneurship awareness.

There is growing recognition among policy-makers and private sector decision-makers that the current model of economic growth is socially, environmentally, and economically unsustainable. This has sparked a renewed focus on the need for the international community to make a committed transition towards a green economy in order to ensure a sustainable and desirable future that promotes social equity, poverty eradication, and human well-being.

One of the most important elements of a favourable business climate is the absence of ineffective and time-consuming regulations, rules, and administrative procedures and processes. These rules, regulations and procedures, which produce unnecessary costs for doing business, - the so-called "Red Tape"-,

characterise public-private sector interaction in many localities in South Africa and elsewhere. Red Tape reduction originates from excessive regulation that can be redundant or bureaucratic, and thus hinder action or decision making.

Lastly, the need to upgrade the Province's economic infrastructure to meet the demands of a growing economy has been highlighted a major exigency. The Department has prioritised a number of infrastructure projects which would serve a major economic catalyst to all sectors of the economy.

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

The Department is fully aware of the challenge it faces to ensure an effective influence within the regional economy. The sheer scale of the fight to influence a better economic environment and thereby meet the expectations of the general public, cannot be accurately determined as much depends on the role and actions of the private sector and its appetite for economic investment into the region.

However it is clear that in order to achieve a greater influence over the regional economy, the WCG must increase its spend in terms of economic programs, projects and contribution to infrastructure investment. We do however understand the considerable financial constraints faced by the Province and recognise the need to deliver far more with much-much less, an approach which this Department has embraced.

The Department, in recognising the need for rationalisation of its financial resources, has considered the reprioritisation of the following:

Allocations made to the Destination Marketing Organisation trading as CTRU

With the merger process of CTRU and Wesgro into one entity that would focus on the marketing of the Province as a business and tourist destination, there should be numerous efficiency gains realised. It is believed that with the two entities merging, economies of scale can be achieved especially in the administrative functions and marketing efforts.

Entrepreneurship Awareness programmes

The GEM report 2011 noted that both the Western Cape and South Africa as a whole has a low entrepreneurship culture. This is considered to one of the primary contributing factors to the (a) the low number of businesses in the economy as compared to other regions and (b) the high level of unemployment in both the Western Cape and greater South Africa. As a means to address this deficiency, the Department planned to initiate a programme that would seek to address this gap. The 2013/14 financial year was to see the pilot of an initiative. As a result of the need to reassess financial resources, it was determined that the investment in the important area of entrepreneurial awareness can be reduced.

Rationalisation of Sector Development Agencies

There has also been a continued reduction in the number of Special Purpose Vehicles supported, in keeping with the medium term plan stated in 2011 to reduce the number of implementing agencies and to seek rationalisation of these functions into the roles of Wesgro or completely stopping the funding to them. However the role for influence and advocacy through the utilisation of our own staff will be increased.

While much rationalisation and cost savings has been introduced, the Department has also received additional earmarked allocations for Skills Development, the Green economy and Economic Infrastructure investment.

Skills Development

Interventions for Skills has received a major boost to an amount of R10 million for the 2013/14 financial year. These funds will be utilised to strengthen the Provincial Skills Forum (PSF) to enhance cohesion between all stakeholders thereby ensuring a defragmentation of the skills eco-system and contribute towards the alignment of the skills supply and demand.

Green Economy

A new element has been added to Policy and Planning Sub-programme which will accommodate new economic themes. This element will be Economic Development Integration which will house primarily all interventions related to the green economy. An allocation amounting to R8.325 million has been earmarked for these interventions.

Economic Infrastructure

Economic Infrastructure has been enhanced with an allocation amounting to R78.826 million for the 2013/14 financial year. This will include earmarked allocations for the Broadband Strategy of R52.746 million and the establishment of the Saldanha IDZ of R5.280 million.

Aligning departmental budgets to achieve government's prescribed outcomes

Nationally, there is a drive and commitment to create jobs, improve the economic infrastructure and grow the economy. This has been demonstrated by the numerous incentives associated with National Government's approach to economic stimulation policies, where the emphasis has been placed on the economic growth to ensure decent employment, economic infrastructure and skills.

Furthermore, the Province's adoption of Strategic Objective 1: Creating opportunities for growth and jobs and its subsequent Strategic directive, forming the primary focus for Vote 12: Economic Development and Tourism for the 2013/14 financial year and medium term has been squarely placed on delivering effectively on the provision of an enabling business environment which will allow for the private sector to create jobs.

In this context, this Department, has emphasised a strategic approach that will be grounded in the need to:

- create **opportunities for growth**

- increase work opportunities** for all citizens

- creating an **enabling environment** for business and citizenry growth and development, and

- creating a **competitive and productive** economic Province

The Departments efforts will be guided by embracing our changing roles in terms of:

- Leadership in setting the economic agenda of the Province** in becoming the horizontal and vertical aligner to ensure that not only all spheres of Government are aligned in terms of the economic strategy, but all other stakeholders in the economic landscape such as business, civil society and labour are inextricably focussed on working towards the commonly agreed vision for the Western Cape. This role will be magnified over the next 3 years and is aimed in drawing private-sector (all economic stakeholders) and Government into an effective partnership which will seek to achieve the goals of SO1.

In defining this leadership role, the need for an accurate assessment of the Department's role in economic delivery advocacy will be enhanced to ensure that blockages in delivery which stems from national entities are optimally removed.

- Alignment of projects and programmes to Strategic Objective 1**, its subsequent Strategic Directive and Provincial Strategic Plan and ensure that it makes both financial and economic sense.

There has been an intense introspection of the projects and programs currently run by the Department; especially in light of the underpinning requirement from SO1 for the Department to play an influencing role rather than a pure intervening role as has been the case prior to the adoption of SO1. In this regard, the focus for the Department will be squarely placed on the following:

- Developing and strengthening entrepreneurship awareness and creating an entrepreneurial culture;

- Strengthening regional and local economic development;

- Improving and driving the expansion of our economic infrastructure;
- Focusing on propulsive and employment generating sectors;
- Reducing Red Tape and improving the ease of doing business in the Western Cape;
- Improving the employability of youth and workers through skilling and up-skilling programmes; and
- Focusing on investment promotion and marketing of the Province as a destination of choice.

This has resulted in a continued shift over the last 2 years towards a focus on programs and projects which is deemed to significantly contribute towards the achievement of the SO1 goals and which to a large degree enables the Department to re-position itself within the Economic Spectrum. This is particularly prevalent in the way the Department has approached its role within a collaborative economic arena whereby the leadership of partnerships have become the critical role for the Department.

Examples of this shift are the leadership inputs made in terms of the establishment of the Economic Development Partnership; the merged position of Wesgro and CTRU; the leadership role with regards to Skills Development; the setting up of the Red Tape to Red Carpet campaign, the driving of the economic infrastructure programme of the Province as well as the reduction in the utilisation of implementing agencies.

All of the above underlines the Departments commitment to do more with less.

This said however the Department will continue to re-examine its role in terms of its interventionist approach followed in the past to one that seeks to influence change in the way it contributes to job creation, economic growth, creating an enabling environment for businesses and citizens and becoming a competitive and productive regional economy.

2. Review 2012/13

While the Department has registered progress in terms of its stated outputs during its quarterly performance reporting processes, the Department has also registered substantial progress with behind the scenes performance that should enable the Department to meet its mandated objectives.

Enterprise Development

With the adoption of Strategic Objective 1: Creating opportunities for growth and jobs (SO1) it became incumbent of the Department to do more with less. A fundamental shift in policy was the realignment of strategic interventions from an interventionist Department to one which provides for the leadership and co-ordination of activities within the enterprise development sphere. This said, the establishment of partnerships has been a primary focus for the Department with the department creating strategic partnerships with three organisations servicing enterprise development. To this end, the Department has partnered with numerous small business support organisations thereby better servicing the entire Western Cape through 19 access points and simultaneously leveraging in on an estimated R50 million.

Furthermore, through the tireless work of the Economic Development and Economic Empowerment units, the Department has established a strong working relationship with the National Empowerment Fund. It is expected that this partnership will allow for an additional R14.5 million to be utilised for small businesses within the Western Cape.

It is common knowledge that Government is a major player in the purchase of goods and services. To this end, the drive to utilise provincial procurement as a means of developing and growing fledgling businesses,

the Department has successfully raised awareness through its supplier open days. These sessions are aimed at raising awareness amongst businesses of the regulations and compliance requirements when doing business with government. Furthermore, the Economic Empowerment unit has also assisted 300 small businesses in verifying their BEE status through the BEE verification programme.

In terms of interventions aimed at building the capacity within municipalities, the Provincial LED forum was successfully established during this financial year. Furthermore, strategies to improve the regional co-ordination gained momentum with the rollout of Provincial area-based initiatives in collaboration with the City of Cape Town in support of the revitalisation initiatives in Atlantis and the VPUU programme in Nyanga.

Red Tape to Red Carpet

The RED Tape reduction unit also gained momentum during the year under review with the successful launch of the African Commercial Dispute Settlement Centre which will offer a cheaper alternative to litigation. Furthermore, the RED Tape helpline which serves as an access point through which Red Tape issues can be recorded and then formally investigated by the Red Tape unit, currently operates at a 90 per cent resolution rate. This is not the only access point though as active engagements with municipalities is also in process to gain buy-in for the Municipal Red Tape Reduction project. This project has been piloted in the Cape Winelands District.

The Municipal Current Practice project has also been initiated. This is a "best practice" process map where the business process improvements are targeted across five municipalities.

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.

To this end, the Economic Development Partnership (EDP) was launched during 2012 and the board responsible for the management thereof was appointed.

Key projects commenced during 2012 include:

- The 7-year economic strategy for the Province in line with 2040 One Cape vision.

- A regional innovation strategy. The EDP is also in discussions with Brainport Eindhoven Innovation Region around the establishment of a possible partnership.

- Developing a Leadership and Partnership programme which is a structured economic development programme. This programme was rolled out in partnership with the UCT Graduate School of Development Policy and practice.

- The development of a regional Competitiveness Index.

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.

Workforce Development 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:

790 learners were trained, while 633 were successfully placed over 83 host companies.

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.

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.

Furthermore, 414 artisans, including coaches, have been trained in mainly the manufacturing, engineering, construction and hospitality sectors.

Infrastructure

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

Broadband initiative

There are various projects managed under this initiative. 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.

Saldanha IDZ project

The Public Participation Processes have been completed in January 2013. With this process completed, the Minister of **the dti** will provide recommendations to the Manufacturing Development Board (MDB) in order to provide a ruling on the establishment of the IDZ by March 2013.

Convenco expansion

The Business Case and project plans have now been finalised resulting in the finalisation of amendments to the Convenco Act. Once completed, work can begin on the redrafting of the Memoranda of Incorporation.

The fringe project

The Design Park business cases are in the process of being developed and agreement has been reached with the City of Cape Town availing land towards the initiative.

Cape Health Technology Park

The Feasibility studies are in the final stages of completion.

Ports of the Western Cape Strategic Planning Forum

The Saldanha, City of Cape Town and R27 planning workstreams have been established with work on the visioning framework for the Port Precinct in the final stages of being completed.

12 Fishing harbours project

With co-operation from the National Department of Public Works regarding the Spatial Development Framework, the Economic Opportunities Study has been finalised. This has assisted in the development of a Provincial Policy on fishing harbours being developed.

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.

3. Outlook for 2013/14

As it is the fundamental belief of this Department that economic growth is at the heart of all successful development and that growth is driven primarily by the private sector operating in a market environment, the role of the state should therefore be to create and maintain an enabling environment for business and provide demand led private sector driven support for tradable or propulsive sectors, industries and business.

The Department will focus on the development of an evidence-based 7 year sector and cross cutting theme strategies with the sole aim of creating a conducive environment for growth and employment, and will align and integrate all economic policies and strategies emanating from all spheres of government. It will build strong economic intelligence in order to obtain credible economic data, disaggregated to reflect regional dynamics.

Key to economic planning is the Western Cape Economic Development Partnership, which will focus on building economic and market intelligence, economic vision, strategy and delivery, a business attraction, retention and expansion strategy, the integrated brand platform of OneCape 2040, and economic system performance co-ordination and monitoring.

The programme will enter into an exciting phase with interventions and projects focused on achieving an environment that is conducive to business establishment and growth. With the increasingly significant role being played by small business in economic growth our attention will be on two areas – increasing the awareness of business support and the promotion of an entrepreneurial culture, and the maintenance and growth of a network of support organisations covering the entire province. Both these areas are crucial issues underpinning the growth of business enterprise. To ensure that we measure ourselves against global standards, we will be undertaking the Global Entrepreneurship Monitor survey – an annual survey under the auspices of the London School of Economics with 54 participating countries - that will generate entrepreneurship levels both on a provincial and district level.

One of the key drivers of SO1, the reduction of red tape – the Red Tape to Red Carpet, will be boosted by a huge push in improving the local business environment through the expansion of the improvement of business-facing services, e.g. planning, business licencing, within local municipalities. Through this project at least two districts will be targeted. This intervention is closely linked to the development of competitiveness indicators that will be done by the LED sub-programme in collaboration with the Economic Development Partnership (EDP). This collaborative initiative will also see the inclusion of the City of Cape Town as a participant in a World Bank-supported survey – measuring economic competitiveness - covering most of the prominent global cities. From a provincial government perspective, the emphasis will also be on the

improvement of business-facing services in the departments of Transport and Public Works (e.g. operating licences), Environmental Affairs and Development Planning (e.g. EIA applications), Agriculture (e.g. export certification), and Provincial Treasury (e.g. procurement). Our key partner and one of the major contributors to our Red Tape to Red Carpet programme, the City Cape Town, will continue on its relentless improvement of planning and land use procedures – making it even easier to do business in an area of the Western Cape that contributes more than 75 per cent to the region's economic activity.

In terms of the Department's sector programme, the primary focus will be on deepening its interventions in its priority sectors of oil and gas, BPO, green economy and ICT. This will include a major drive for DEDAT to act as the intermediary between industry and national departments, and to draw funding into its priority projects. This will be with a view of achieving the scale required to meaningfully change the trajectory of our key sectors. Within this, an emphasis will be placed on developing new markets, particular in Africa, and ensuring the requisite skills to meet this demand.

In line with the Provincial Strategic Objective 1: Creating opportunities for growth and jobs, the tourism sector is a multifaceted industry that not only contributes to a variety of economic sectors but also a labour-intensive industry with the capacity to create jobs. During the 2013/14 financial year, Tourism will place heavy emphasis on increasing and developing the Western Cape tourism market demand for tourism business, accommodation, land transport and the like through destination marketing, enterprise development, skills, service excellence and tourist guide training and regulation.

The investment promotion efforts will be focused increasingly on targeted investment attraction, as Wesgro shifts resources into pro-active marketing. This will be based on closer co-operation with DEDAT around strategic priorities aligned with the WCG's priority sectors. A major drive will be developed around an Africa investment promotion and trading strategy to build the Cape's profile on the continent.

Economic Infrastructure, which will single-handedly consume the lions-share of the Department's resource envelope, will concentrate its resources on the following projects which are geared to act as a catalyst for economic growth and the creation of jobs by business. These are:

Saldanha IDZ;

Western cape Broadband implementation;

The Fringe project;

Fishing harbours; and

The Cape Town International Convention Centre expansion.

The Saldanha Bay Industrial Development Zone (SBIDZ) will be an Oil & Gas and Marine Repair engineering and logistics services complex, serving the needs of the upstream Exploration and Production service companies' operating in oil and gas fields in Sub Saharan Africa. The SBIDZ will include logistics, repairs & maintenance, and fabrication activities and the IDZ designation will afford the SBIDZ the ability to offer a contiguous customs-free area (i.e. a "free zone" – an internationally understood concept). The longer term impact of the completed IDZ is estimated at a cumulative GGP contribution of R173bn over a 20 year period with 7 500 jobs to be sustained.

The Western Cape Broadband Strategy and Implementation Plan aims at co-ordinating and integrating government action to radically improve the provision of broadband infrastructure, skills and usage within the Province. The primary objectives of the WCBBi are to assist in achieving greater effectiveness and efficiencies in government service delivery in the province as well as foster greater economic growth in the region.

2013/14 will see the completion of Phase 2 of the PPP Procurement Phase, the rollout of the PWAN implementation and the initiation of the Network Readiness Index (International benchmarking) which will enable the Province to benchmark and track the impact of improved Broadband on the economy and service delivery. The total cost of investment for the WCBBI is estimated at R4billion and the direct jobs by 2015/16 is estimated at 787 jobs (mainly attributed to the laying of fibre-optic cabling).

The Cape Town International Convention Centre SOC Ltd (CTICC), since its inception in the early 2000's, has achieved substantial benefits for the Cape Town and Western Cape economy and the tourism industry. Ranked 46th on the ICCA-ranking list of international convention destinations, the CTICC has hosted 3 734 events, contributed R16.8 billion to the economy and created 7 410 direct and indirect jobs. However, current operating capacity is at its maximum functional level and the entity is unable to accommodate all the spatial convex demand that currently exists. The CTICC therefore needs to expand its facilities in order to stage more and bigger events, offer more flexibility and allow for an increase in concurrent staging of various sizes of meetings, convention and exhibition type events. This Cape Catalyst project therefore entails the Western Cape Government support and co-funding of the second phase expansion of the Cape Town International Convention Centre (CTICC), together with the City of Cape Town.

The construction of the additional facilities will commence during the 2013/14 financial year, kick starting the development of an additional 21 000 m² of space to enable the CTICC to continue to add value to Cape Town and the Western Cape's economy.

In the 2013/14 financial year the OCP will continue to carry out an active educational and information activity, focusing mainly on the education of various groups of consumers. The education programmes will include the basic issues (e.g. consumer rights, what to be aware of when transacting), the knowledge of which facilitates the functioning on the market, acquiring everyday consumer competencies' knowledge of redress options. The OCPs campaigns will also be executed in cooperation with other regulatory authorities within the consumer protection arena and possibly the National Consumer Commission (NCC). These campaigns will also be synergised and aligned with other campaigns that may be embarked upon by other provincial OCP offices and industry bodies. In South Africa the lack of financial literacy has long been recognised as a major problem in poor households and communities. This is not only because of the generally lower levels of access to, and inferior standards of, formal education but also because of a lack of access to information. It must be noted that it is not only low income communities that demonstrate low levels of financial literacy in South Africa. The OCP as a provincial government consumer protection agency therefore has a critical and crucial role to play within the arena of enhancing financial literacy amongst the most vulnerable of communities. The education and awareness strategy will therefore focus on this topic and resources will be ploughed into addressing this need within communities. The OCP will therefore conduct a number of workshops, information sessions and other awareness initiatives across the province specifically focussing on the issue of basic financial literacy.

With regards to redress services for consumers the OCP will continue to enhance its services aimed at the resolution of disputes via a process of mediation and negotiation. In the 2013/14 year new initiatives aimed at providing a more efficient alternative dispute resolution system will be implemented. In addition the statutory process of resolving consumer disputes between business and consumers will be fully operational since case adjudications will be a mechanism that will continue to be implemented.

The premise of the skills interventions is strongly aligned to the Provincial Strategic Objective 1 which provides opportunities for youth to access jobs offered by businesses. The key drive in the various skills interventions is to decrease the gap between skill supply and skill demand for first time work seekers with matric or exiting FET and facilitates entry level posts within selected sectors of the economy. Increasing employment in the rural areas is important and will continue being driven in 2013/14. Employment by District

has decreased for West Coast, Overberg and Central Karoo between 2000 and DEDAT will assist providing incentives and work experience interventions in these districts over the next three years to assist incentivising business to take on first time work seekers, middle and highly skilled workers such as trainee artisans. The focus sectors will include manufacturing as well as community, social, personal services, catering, accommodation, wholesale and retail sectors as these have shown growth in GDP employment from 2000 -2010. Finally, the DBSA Jobs Fund roll out will occur in 2013/14 will be primarily, but not exclusively, across the following sectors: Tooling, ICT and Tourism.

This said, it will be important to evaluate the impact of the Department's programmes and projects through the provision of a credible M&E support function. In this regard, a key outcome for the Department will be the management of non-financial performance information of the DEDAT (including the beneficiary databases).

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 2012/13	Adjusted appro- priation 2012/13	Revised estimate 2012/13	Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
Treasury funding										
Equitable share	251 296	228 480	245 271	282 683	282 558	280 520	365 181	30.18	372 398	395 059
Financing				3 100	15 687	15 687	(100.00)			
Provincial Revenue Fund				3 100	15 687	15 687	(100.00)			
Total Treasury funding	251 296	228 480	245 271	285 783	298 245	296 207	365 181	23.29	372 398	395 059
Departmental receipts										
Tax receipts	5 505	6 427	6 550	5 064	13 315	14 802	24 000	62.14	25 000	27 000
Sales of goods and services other than capital assets	358	494	400	270	270	343	270	(21.28)	270	270
Interest, dividends and rent on land	11	1	1			4	(100.00)			
Financial transactions in assets and liabilities	6 047	349	3 867		3 755	4 229	(100.00)			
Total departmental receipts	11 921	7 271	10 818	5 334	17 340	19 378	24 270	25.25	25 270	27 270
Total receipts	263 217	235 751	256 089	291 117	315 585	315 585	389 451	23.41	397 668	422 329

Summary of receipts:

Total receipts increase by R73.866 million or 23.41 per cent from R315.585 million (revised estimate) in 2012/13 to R389.451 million in 2013/14.

Treasury funding:

Equitable share funding increases by R84.661 million or 30.18 per cent from R280.520 million (revised estimate) in 2012/13 to R365.181 million in 2013/14.

Departmental receipts:

Included in the Department's total receipts of R389.451 million in 2013/14 are the projected departmental receipts of R24.270 million.

Total departmental receipts increases from the 2012/13 revised estimate of R19.378 million to R24.270 million in 2013/14 financial year. The difference in total departmental receipts when comparing the 2012/13 revised estimate to the 2013/14 main appropriation can be attributed to the increase in revenue from Liquor Licenses fees due to revisions in the tariffs resulting from the promulgation of the new regulation to the Province's Liquor Act. This revenue figure is also 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 1.5 per cent. The budgeted increase for Compensation of Employees (including improvement in conditions of service and pay progression to a maximum of 2 per cent) is 8.3 per cent in April 2013, 8.1 per cent in April 2014 and 6.9 per cent in April 2015.

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 6.3 per cent for 2013/14, 5.9 per cent in 2014/15 and 4.6 per cent in 2015/16.

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 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
				Main appro- priation 2012/13	Adjusted appro- priation 2012/13	Revised estimate 2012/13	2013/14	2012/13	2014/15	2015/16
1. Administration ^{Note}	26 329	24 437	20 765	27 738	27 286	27 286	31 972	17.17	33 839	35 616
2. Integrated Economic Development Services	54 830	51 461	51 782	45 228	48 297	48 297	48 634	0.70	55 882	60 760
3. Trade and Sector Development	50 821	54 437	68 537	95 658	103 269	103 269	145 306	40.71	130 040	133 387
4. Business Regulation and Governance	19 843	16 033	19 021	24 404	34 532	34 532	42 220	22.26	44 568	48 220
5. Economic Planning	10 061	11 799	14 794	19 929	23 679	23 679	34 151	44.22	36 190	37 765
6. Tourism, Arts and Entertainment	70 813	63 988	62 823	53 040	51 517	51 517	49 181	(4.53)	50 259	51 273
7. Skills Development and Innovation	30 520	13 596	18 367	25 120	27 005	27 005	37 987	40.67	46 890	55 308
Total payments and estimates	263 217	235 751	256 089	291 117	315 585	315 585	389 451	23.41	397 668	422 329

Note: MEC salary provided for on Vote 3: Provincial Treasury.

Summary by economic classification

Table 5.2 Summary of provincial payments and estimates by economic classification

Economic classification R'000	Outcome			Main appro- priation Adjusted appro- priation Revised estimate			Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
				2012/13	2012/13	2012/13	2013/14	2012/13	2014/15	2015/16
Current payments	101 046	95 082	119 700	165 459	157 522	155 257	237 958	53.27	240 027	257 134
Compensation of employees	61 090	67 742	74 970	91 823	83 865	83 865	89 688	6.94	93 956	98 967
Goods and services	39 956	27 334	44 727	73 636	73 656	71 391	148 270	107.69	146 071	158 167
Interest and rent on land		6	3		1	1		(100.00)		
Transfers and subsidies to	161 251	138 605	134 201	124 129	155 413	157 662	148 926	(5.54)	155 296	162 946
Provinces and municipalities			1 000							
Departmental agencies and accounts	67 576	54 605	52 395	59 200	78 261	78 261	82 580	5.52	85 736	90 877
Universities and technikons	818	144	1 400	10 980	10 980					
Public corporations and private enterprises	48 900	45 750	27 300	3 000	4 000	4 000	5 500	37.50	6 500	8 000
Non-profit institutions	43 538	37 055	51 196	49 849	61 032	74 249	59 546	(19.80)	61 760	62 769
Households	419	1 051	910	1 100	1 140	1 152	1 300	12.85	1 300	1 300
Payments for capital assets	907	2 040	2 146	1 529	2 635	2 650	2 567	(3.13)	2 345	2 249
Machinery and equipment	907	1 420	1 879	1 529	2 635	2 633	2 567	(2.51)	2 345	2 249
Software and other intangible assets		620	267			17		(100.00)		
Payments for financial assets	13	24	42		15	16		(100.00)		
Total economic classification	263 217	235 751	256 089	291 117	315 585	315 585	389 451	23.41	397 668	422 329

Transfers to public entities

Table 5.3 Summary of departmental transfers to public entities

Public entities R'000	Outcome			Main appro- piation 2012/13	Adjusted appro- piation 2012/13	Revised estimate 2012/13	Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
Western Cape trade and Investment Promotional Agency (Wesgro)	20 325	15 000	14 956	22 000	24 000	24 000	46 644	94.35	47 300	48 441
Destination Marketing Organisation (Western Cape Tourism)	45 811	38 205	35 439	25 000	25 000	25 000	(100.00)			
Casidra (Pty) Ltd	45 400	45 750	27 300							
Council for Scientific and Industrial Research	3 500									
Western Cape Liquor Board				7 700	24 761	24 761	30 936	24.94	32 936	35 936
Small Enterprise Development Agency (SEDA)			1 000	4 500	4 500	4 500	5 000	11.11	5 500	6 500
South African National Parks (SANPARKS)	250	1 400								
Western Cape Nature Conservation Board			1 000							
Western Cape Provincial Development Council	300									
Total departmental transfers to public entities	115 586	100 355	79 695	59 200	78 261	78 261	82 580	5.52	85 736	90 877

Transfers to development corporations

Table 5.4 Summary of departmental transfers to other entities

Entities R'000	Outcome						Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2009/10	2010/11	2011/12	Main appro- priation	Adjusted appro- priation	Revised estimate	2013/14	2012/13	2014/15	2015/16
Cape Craft Design Institute	3 860	3 400	5 510	6 420	6 420	6 420	4 000	(37.69)	4 000	4 000
Cape Town Boatbuilding Initiative	2 900	950	950							
Western Cape Furniture Initiative	950	1 250	950	400	400	400	200	(50.00)	200	200
South African Oil and Gas Alliance	6 820	7 500	4 950	5 400	5 400	5 400	10 750	99.07	10 864	10 864
Cape Information and Technology Initiative	2 700	4 300	5 091	5 550	5 550	5 550	3 000	(45.95)	3 000	3 000
Bpesa	7 050	4 700	6 800	7 669	7 669	7 669	5 000	(34.80)	5 000	5 000
Cape Fim Commission	3 201	3 100	4 200							
Cape Clothing and Textile Cluster	2 300	950	1 250	2 500	2 500	2 500	2 500		2 500	2 500
Western Cape Tooling Initiative	2 069	1 450	3 850	400	855	855	1 000	16.96	1 000	1 000
Clotex	2 200	950	2 100	2 000	2 000	2 000	3 000	50.00	3 000	3 000
Cape Town Fashion Council	1 600	1 250	1 600	2 000	2 700	2 700	2 500	(7.41)	2 500	2 500
Visual Arts Network South Africa	309	220	220							
Performing Arts Network South Africa	200	220	220							
Cape Music Industry Commission	2 000	555	555							
Shanduka Black Umbrella		500								
Cape Chamber of Commerce		550	350							
South African Rooibos Council	150									
South African Honeybush Tea	150	260	400	200	200	200	500	150.00	500	500
Learning Cape Initiative	2 249	1 200	5 500	1 300	1 300	1 300	500	(61.54)	500	500
South Cape College	100									
Northlink College				10 980	10 980	10 980				
Cape Peninsula University of Technology	818	144	900							
FasFacts	1 200	750								
Artscape	180									
Western Cape Aquaculture Development Initiative		800	800	800	1 580	1 580	1 300	(17.72)	1 300	1 300
Cape Town Partnership	300	1 500	2 100		1 000	1 000	2 000	100.00	2 000	2 000
Business Place			500	750	750	750	550	(26.67)	1 000	1 300
West Coast Business Development Centre			500	750	750	750	550	(26.67)	1 000	1 300
ARA	250									
Dopstop Association	200									
!Kwattu			500							
Cape Nature			1 000							
Western Cape Fine Food Initiative		500	700	600	600	600	1 500	150.00	1 500	1 500
Cape Town Carnival	100									
Argus Cycle Tour	500									
GreenCape				2 860	3 053	3 053	7 500	145.66	7 500	7 500
Development Bank of Southern Africa				3 000	4 000	4 000		(100.00)		
Provincial Growth Fund							5 500		6 500	8 000
Western Cape Economic Development Partnership			1 600	4 250	7 850	7 850	8 696	10.78	8 896	9 305
National Empowerment Fund				6 000	9 755	9 755	4 500	(53.87)	5 500	5 500
Accelerate Cape Town					700	700				
Total departmental transfers to public entities	44 356	36 999	53 096	63 829	76 012	76 012	65 046	68 260	70 769	(14)

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 17.17 per cent or R4.686 million in the 2013/14 financial year from the 2012/13 revised estimates. This increase can be attributed to inflationary increases with regard to Compensation of Employees as well as the fact that all fees related to GG vehicle usage and communications for the Department has been centralised in Programme 1: Administration. Furthermore, Financial Management reflects the centralisation of GG vehicles expenditure, while Corporate Services reflects the centralisation of communications expenditure.

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						Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12	Main appro- priation 2012/13	Adjusted appro- priation 2012/13	Revised estimate 2012/13	% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
1. Office of the HOD	1 520	1 892	2 259	5 158	3 790	3 790	2 733	(27.89)	2 885	3 037
2. Financial Management	14 441	16 431	17 097	20 114	21 030	21 030	21 190	0.76	22 265	23 238
3. Corporate Services	10 368	6 114	1 409	2 466	2 466	2 466	8 049	226.40	8 689	9 341
Total payments and estimates	26 329	24 437	20 765	27 738	27 286	27 286	31 972	17.17	33 839	35 616

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 2009/10	Audited 2010/11	Audited 2011/12	Main appro- priation 2012/13	Adjusted appro- priation 2012/13	Revised estimate 2012/13	2013/14	2012/13	2014/15	2015/16
Current payments	25 641	23 550	19 952	27 438	25 824	25 807	31 672	22.73	33 509	35 284
Compensation of employees	18 466	16 835	14 209	17 565	16 901	16 901	17 146	1.45	17 950	18 903
Goods and services	7 175	6 714	5 742	9 873	8 923	8 906	14 526	63.10	15 559	16 381
Interest and rent on land		1	1							
Transfers and subsidies to	250	216	44		14	14		(100.00)		
Departmental agencies and accounts	250									
Households		216	44		14	14		(100.00)		
Payments for capital assets	438	657	737	300	1 448	1 465	300	(79.52)	330	332
Machinery and equipment	438	578	496	300	1 448	1 448	300	(79.28)	330	332
Software and other intangible assets		79	241			17		(100.00)		
Payments for financial assets		14	32							
Total economic classification	26 329	24 437	20 765	27 738	27 286	27 286	31 972	17.17	33 839	35 616

Details of transfers and subsidies

Economic classification R'000	Outcome						Medium-term estimate			
							% Change from Revised estimate			
	Audited	Audited	Audited	Main appro- priation	Adjusted appro- priation	Revised estimate				
	2009/10	2010/11	2011/12	2012/13	2012/13	2012/13	2013/14	2012/13	2014/15	2015/16
Transfers and subsidies to (Current)		216	44		14	14				
Households		216	44		14	14				
Other transfers to households		216	44		14	14				
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

The promotion of entrepreneurship and small business remains an important priority of the South African Government. In March 1995, the Government released a White Paper on National Strategy for the Development and Promotion of Small business in South Africa, in which an elaborate policy and strategy framework on small business development was delineated. The White Paper articulated the Government's rationale for small business promotion as follows:

The Strategy emphasises that with millions of South Africans unemployed and underemployed, the Government has no option but to give its full attention to the fundamental task of job creation, and to generating sustainable and equitable growth. Small, medium and micro-enterprises (SMMEs) represent an important vehicle to address the challenges of job creation, economic growth and equity in our country. Throughout the world, one finds that small businesses are playing a critical role in absorbing labour, penetrating new markets and generally expanding economies in creative and innovative ways. We are of the view that – with the appropriate enabling environment – small businesses in this country can follow these examples and make an indelible mark on this economy. The stimulation of SMMEs must be seen as part of an integrated strategy to take this economy onto a higher road – one in which our economy is diversified, productivity is enhanced, investment is stimulated and entrepreneurship flourishes.

Similarly, Strategic Objective One (SO1) is primarily about the growth of the economy and the creation and sustainability of jobs. Thus, enterprise and entrepreneurship development is critical to the achievement of the outcomes of SO1. The key to development and promotion of small business and entrepreneurship according to SO1 lies in the creation of an enabling environment.

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.

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

Expenditure trends analysis

The budgeted allocation for the programme has increased from R48.297 million in 2012/13 revised estimate to R48.634 million in 2013/14 main estimate, thus an increase of R337 000 or 0.7 per cent. The main contributor to this is the increased focus on RED Tape Reduction initiatives and assistance provided to small and medium enterprises through the growth and enterprise development funds.

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 increase economic growth and opportunities through the stimulation and development of entrepreneurship and entrepreneurial activity.

To improve business confidence in regions, the unit will support the creation of an enabling environment for business by improving the capacity of municipalities to deliver an enabling environment for local private sector and improve competitiveness in regions.

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 2012/13	Adjusted appro- priation 2012/13	Revised estimate 2012/13	Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
1. Enterprise Development	35 552	35 023	28 247	23 632	26 591	26 591	29 322	10.27	34 020	37 533
2. Regional and Local Economic Development	11 017	9 040	9 446	9 520	9 520	9 520	7 483	(21.40)	7 791	8 100
3. Economic Empowerment	3 330	5 700	5 989	6 353	5 911	5 911	2 467	(58.26)	2 646	2 787
4. Red Tape				3 757	4 309	4 309	7 395	71.62	9 346	10 150
5. Management: Integrated Economic Development Services	4 931	1 698	8 100	1 966	1 966	1 966	1 967	0.05	2 079	2 190
Total payments and estimates	54 830	51 461	51 782	45 228	48 297	48 297	48 634	0.70	55 882	60 760

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 2012/13	Adjusted appro- priation 2012/13	Revised estimate 2012/13	Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
Current payments	17 713	15 274	23 502	29 908	28 217	28 206	32 252	14.34	36 092	37 870
Compensation of employees	11 067	11 486	12 397	16 113	15 269	15 269	14 835	(2.84)	15 716	16 552
Goods and services	6 646	3 786	11 105	13 795	12 947	12 936	17 417	34.64	20 376	21 318
Interest and rent on land		2			1	1		(100.00)		
Transfers and subsidies to	37 100	35 950	27 900	15 000	19 760	19 771	16 100	(18.57)	19 500	22 600
Departmental agencies and accounts	1 000		1 000	4 500	4 500	4 500	5 000	11.11	5 500	6 500
Public corporations and private enterprises	36 100	34 900	21 100	3 000	4 000	4 000	5 500	37.50	6 500	8 000
Non-profit institutions		1 050	5 800	7 500	11 255	11 255	5 600	(50.24)	7 500	8 100
Households					5	16		(100.00)		
Payments for capital assets	17	237	370	320	320	320	282	(11.88)	290	290
Machinery and equipment	17	97	370	320	320	320	282	(11.88)	290	290
Software and other intangible assets		140								
Payments for financial assets			10							
Total economic classification	54 830	51 461	51 782	45 228	48 297	48 297	48 634	0.70	55 882	60 760

Details of transfers and subsidies

Economic classification R'000	Outcome			Main appro- priation 2012/13	Adjusted appro- priation 2012/13	Revised estimate 2012/13	Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
Transfers and subsidies to (Current)	37 100	35 950	27 900	15 000	19 760	19 771	16 100	(18.57)	19 500	22 600
Departmental agencies and accounts	1 000		1 000	4 500	4 500	4 500	5 000	11.11	5 500	6 500
Entities receiving transfers	1 000		1 000	4 500	4 500	4 500	5 000	11.11	5 500	6 500
Western Cape Trade and Investment Promotion Agency	1 000									
Other			1 000	4 500	4 500	4 500	5 000	11.11	5 500	6 500
Public corporations and private enterprises	36 100	34 900	21 100	3 000	4 000	4 000	5 500	37.50	6 500	8 000
Public corporations	36 100	34 900	21 100							
Other transfers (Casidra & CSIR)	36 100	34 900	21 100							
Private enterprises				3 000	4 000	4 000	5 500	37.50	6 500	8 000
Other transfers				3 000	4 000	4 000	5 500	37.50	6 500	8 000
Non-profit institutions		1 050	5 800	7 500	11 255	11 255	5 600	(50.24)	7 500	8 100
Households					5	16		(100.00)		
Other transfers to households					5	16		(100.00)		

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 SPVs. 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 R103.269 million in the 2012/13 revised estimate to R145.306 million in 2013/14 financial year. This represents an increase of 40.71 per cent or R42.037 million. The primary reason for this increase is due to the increased capacitation of the Strategic Initiatives sub-programme which will oversee the rollout of catalytic infrastructure initiatives such as the broadband initiative and Saldanha IDZ project.

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 2012/13	Adjusted appro- priation 2012/13	Revised estimate 2012/13	Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate 2013/14	2012/13	2014/15	2015/16
1. Trade and Investment Promotion	16 650	15 000	14 956	18 500	18 500	18 500	18 864	1.97	19 235	20 120
2. Sector Development	26 693	33 609	35 577	44 810	44 670	44 670	46 095	3.19	47 306	48 090
3. Strategic Initiatives	3 239	4 000	16 183	31 045	38 796	38 796	78 826	103.18	61 899	63 500
4. Management: Trade and Sector Development	4 239	1 828	1 821	1 303	1 303	1 303	1 521	16.73	1 600	1 677
Total payments and estimates	50 821	54 437	68 537	95 658	103 269	103 269	145 306	40.71	130 040	133 387

Earmarked Allocations

Included in Sub-programme 3.1: Trade and Investment promotion is an earmarked allocation amounting to R18 864 000 (2013/14), R19 235 000 (2014/15) and R20 120 000 (2015/16) for the purpose of supporting Wesgro.

Included in Sub-programme 3.3: Strategic Initiatives is an earmarked allocation amounting to R10 560 000 (2013/14), R11 130 000 (2014/15) and R11 642 000 (2015/16) for the purpose of supporting the Provincial Wide Area Network (PWAN) project for rollout of the Telecommunication Strategy.

Included in Sub-programme 3.3: Strategic Initiatives is an earmarked allocation amounting to R15 250 000 (2013/14) and R300 000 (2014/15) for the purpose of supporting the establishment of a Public Private Partnership (PPP) in the Telecommunication Strategy.

Included in Sub-programme 3.3: Strategic Initiatives is an earmarked allocation amounting to R1 000 000 (2013/14), rollout of the Saldanha Wireless Mesh project as part of the Telecommunication Strategy.

Included in Sub-programme 3.3: Strategic Initiatives is an earmarked allocation amounting to R25 936 000 (2013/14), R24 260 000 (2014/15) and R25 449 000 (2015/16) for the purpose of supporting the Broadband Project Office (BBPO) which will support the rollout of the Telecommunication Strategy.

Included in Sub-programme 3.3: Strategic Initiatives is an earmarked allocation amounting to R5 280 000 (2013/14) R5 565 000 (2014/15) and R5 821 000 (2015/16) for the purpose of supporting the Industrial Development Zone (IDZ) Establishment.

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

Economic classification R'000	Outcome						Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12	Main appro- priation 2012/13	Adjusted appro- priation 2012/13	Revised estimate 2012/13	% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
Current payments	10 695	12 853	23 776	41 579	45 359	43 124	85 348	97.91	69 564	71 747
Compensation of employees	6 971	10 238	12 466	17 124	17 759	17 759	18 809	5.91	19 845	20 916
Goods and services	3 724	2 614	11 309	24 455	27 600	25 365	66 539	162.33	49 719	50 831
Interest and rent on land		1	1							
Transfers and subsidies to	39 989	41 367	44 557	53 879	57 710	59 947	59 008	(1.57)	59 664	60 805
Departmental agencies and accounts	19 325	15 000	14 956	22 000	22 000	22 000	24 144	9.75	24 800	25 941
Public corporations and private enterprises	1 000									
Non-profit institutions	19 664	26 360	29 601	31 879	35 707	37 944	34 864	(8.12)	34 864	34 864
Households		7			3	3		(100.00)		
Payments for capital assets	137	217	204	200	200	198	950	379.80	812	835
Machinery and equipment	137	104	204	200	200	198	950	379.80	812	835
Software and other intangible assets		113								
Total economic classification	50 821	54 437	68 537	95 658	103 269	103 269	145 306	40.71	130 040	133 387

Details of transfers and subsidies

Economic classification R'000	Outcome			Main appro- piation 2012/13	Adjusted appro- piation 2012/13	Revised estimate 2012/13	Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate 2012/13	2013/14	2014/15	2015/16
Transfers and subsidies to (Current)	39 989	41 367	44 557	53 879	57 710	59 947	59 008	(1.57)	59 664	60 805
Departmental agencies and accounts	19 325	15 000	14 956	22 000	22 000	22 000	24 144	9.75	24 800	25 941
Entities receiving transfers	19 325	15 000	14 956	22 000	22 000	22 000	24 144	9.75	24 800	25 941
Western Cape Trade and Investment Promotion Agency	19 325	15 000	14 956	22 000	22 000	22 000	24 144	9.75	24 800	25 941
Public corporations and private enterprises	1 000									
Public corporations	1 000									
Other transfers (Casidra & CSIR)	1 000									
Non-profit institutions	19 664	26 360	29 601	31 879	35 707	37 944	34 864	(8.12)	34 864	34 864
Households		7			3	3	(100.00)			
Other transfers to households		7			3	3	(100.00)			

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: Consumer Protection**

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

Sub-programme 4.2: 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 R7.688 million or 22.26 per cent in the 2013/14 allocated budget from the 2012/13 revised estimate of R34.532 million to R42.220 million in 2013/14.

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 2012/13	Adjusted appro- priation 2012/13	Revised estimate 2012/13	Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
1. Consumer Protection	10 598	8 734	9 688	9 381	9 771	9 771	10 672	9.22	10 984	11 600
2. Liquor Regulation	9 245	7 299	9 333	15 023	24 761	24 761	31 548	27.41	33 584	36 620
Total payments and estimates	19 843	16 033	19 021	24 404	34 532	34 532	42 220	22.26	44 568	48 220

Note: The sub-programme structure 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			Main appro- priation 2012/13	Adjusted appro- priation 2012/13	Revised estimate 2012/13	Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
Current payments	17 319	14 828	18 841	16 497	9 606	9 606	11 114	15.70	11 457	12 104
Compensation of employees	8 277	10 118	12 675	14 360	7 072	7 072	8 318	17.62	8 714	9 182
Goods and services	9 042	4 710	6 166	2 137	2 534	2 534	2 796	10.34	2 743	2 922
Transfers and subsidies to	2 408	950		7 700	24 761	24 761	30 936	24.94	32 936	35 936
Departmental agencies and accounts	758			7 700	24 761	24 761	30 936	24.94	32 936	35 936
Non-profit institutions	1 650	950								
Payments for capital assets	103	246	180	207	165	165	170	3.03	175	180
Machinery and equipment	103	161	154	207	165	165	170	3.03	175	180
Software and other intangible assets		85	26							
Payments for financial assets	13	9								
Total economic classification	19 843	16 033	19 021	24 404	34 532	34 532	42 220	22.26	44 568	48 220

Details of transfers and subsidies

Economic classification R'000	Outcome			Main appro- prium 2012/13	Adjusted appro- prium 2012/13	Revised estimate 2012/13	Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
Transfers and subsidies to (Current)	1 768	950		7 700	24 761	24 761	30 936	24.94	32 936	35 936
Departmental agencies and accounts	118			7 700	24 761	24 761	30 936	24.94	32 936	35 936
Entities receiving transfers	118			7 700	24 761	24 761	30 936	24.94	32 936	35 936
Destination Marketing Organisation	118									
Western Cape Liquor Board				7 700	24 761	24 761	30 936	24.94	32 936	35 936
Non-profit institutions	1 650	950								
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

Economic development Integration

to position the Western Cape as a Green Economic Hub

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

Sub-programme 5.6: Western Cape Economic Development Partnership

to provide resources to the Western Cape Economic Development Partnership (WCEDP) to enable it to deliver on its mandate of economic development collaboration through effective economic partnership of regional economic players

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.

Sub-programme 5.5: Management Economic Planning was replaced by Western Cape Economic Development Partnership. This Sub-programme will mobilise stakeholders and build leadership around a shared economic vision and strategy, a common agenda and joint action plans and projects.

Lastly, an element was created under the Sub-programme 5.1: Policy and Planning to accommodate the new Provincial economic theme of the Green economy. The focus of this element will be to implement the

Green Economy strategic framework and attract investment opportunities into the Province for Green Technologies.

Expenditure trends analysis

The Programme's budget has increased by 44.22 per cent or R10.472 million in the 2013/14 financial year from the 2012/13 revised estimate. The primary reason for this increase is the additional funding being allocated for the operational costs for the Western Cape Economic Development Partnership (WCEDP) as well as the rollout of the Green Economy Strategic Framework.

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

To co-ordinate and facilitate evidenced based provincial economic policy and strategy development.

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

To access, store and disseminate information on the provincial economy.

To determine the effectiveness and impact of provincial economic development policies, strategies, programmes and projects.

To promote economic development collaboration through effective economic partnership of regional economic players.

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

Sub-programme R'000	Outcome			Main appro- priation 2012/13	Adjusted appro- priation 2012/13	Revised estimate 2012/13	Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
1. Policy and Planning	926	782	1 294	1 139	1 261	1 261	11 660	824.66	12 770	13 409
Policy and Planning	926	782	1 294	1 139	1 261	1 261	3 335		3 006	3 166
Economic Development Integration							8 325		9 764	10 243
2. Research and Development	5 186	4 155	4 155	5 161	5 936	5 936	6 828	15.03	7 247	7 466
3. Knowledge Management	776	1 057	2 515	2 537	2 822	2 822	3 601	27.60	3 777	3 952
4. Monitoring and Evaluation	1 301	2 531	2 115	3 283	2 792	2 792	3 366	20.56	3 500	3 633
5. Management	1 872	2 674	2 865	3 559	3 018	3 018		(100.00)		
6. Economic Development Partnership		600	1 850	4 250	7 850	7 850	8 696	10.78	8 896	9 305
Total payments and estimates	10 061	11 799	14 794	19 929	23 679	23 679	34 151	44.22	36 190	37 765

Note: Sub-programme 5.5 Management has been incorporated in Sub-programme 5.1 Policy and Planning. The Economic Development Partnership has been elevated to a sub-programme (previously part of Sub-programme 5.1 Policy and Planning).

Earmarked Allocations

Included in Sub-programme 5.5: Policy and Planning is an earmarked allocation amounting to R8 696 000 (2013/14), R8 896 000 (2014/15) and R9 305 000 (2015/16) 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 2012/13	Adjusted appro- priation 2012/13	Revised estimate 2012/13	Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
Current payments	9 646	11 492	14 195	15 463	15 604	15 603	25 033	60.44	26 937	28 194
Compensation of employees	4 151	6 430	9 023	9 742	9 792	9 792	9 119	(6.87)	9 032	9 520
Goods and services	5 495	5 061	5 172	5 721	5 812	5 811	15 914	173.86	17 905	18 674
Interest and rent on land		1								
Transfers and subsidies to	317	9	500	4 250	7 859	7 860	8 696	10.64	8 896	9 305
Departmental agencies and accounts	300									
Non-profit institutions			500	4 250	7 850	7 850	8 696	10.78	8 896	9 305
Households	17	9			9	10		(100.00)		
Payments for capital assets	98	298	99	216	216	216	422	95.37	357	266
Machinery and equipment	98	208	99	216	216	216	422	95.37	357	266
Software and other intangible assets		90								
Total economic classification	10 061	11 799	14 794	19 929	23 679	23 679	34 151	44.22	36 190	37 765

Details of transfers and subsidies

Economic classification R'000	Outcome			Main appro- priation 2012/13	Adjusted appro- priation 2012/13	Revised estimate 2012/13	Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
Transfers and subsidies to (Current)	317	9	500	4 250	7 859	7 860	8 696	10.64	8 896	9 305
Departmental agencies and accounts	300									
Entities receiving transfers	300									
Western Cape Provincial Development Council	300									
Non-profit institutions			500	4 250	7 850	7 850	8 696	10.78	8 896	9 305
Households	17	9			9	10		(100.00)		
Other transfers to households	17	9			9	10		(100.00)		

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: Tourism Planning

to develop and coordinate the programme strategic agenda

Sub-programme 6.2: Tourism Growth and Development

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 Sector Transformation

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 particularly, 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 R51.517 million in the 2012/13 revised estimate to R49.181 million in the 2013/14 financial year. This represents a decrease of 4.53 per cent or R2.336 million. The major contributing factor to this decrease in estimated expenditure is the reduction in the allocation to the Destination Marketing Organisation (DMO) trading under the banner of Wesgro due to expected operational efficiencies being expected with the merger of the two entities.

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 create an enabling environment through legislation, policy and strategy development.

To increase tourism to the Western Cape through the development of unique and innovative tourism product offerings and the creation of a conducive environment that will enhance visitor experience.

To increase transformation and participation by citizens of the province to actively contribute to the tourism industry through the provision of employment opportunities and business ownership.

To increase visitor arrivals and spend in the Western Cape through maximising international and domestic marketing opportunities with a focus on leisure tourism, business tourism and events.

Facilitating growth and participation in the provincial GDP and job creation through craft and film trade promotion.

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

Sub-programme R'000	Outcome			Main appro- priation Adjusted appro- priation Revised estimate			Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
				2012/13	2012/13	2012/13	2013/14	2012/13	2014/15	2015/16
1. Tourism Planning	4 244	2 981	2 940	3 703	3 703	3 703	3 874	4.62	4 094	4 286
2. Tourism Growth and	7 359	5 789	7 506	6 306	5 015	5 015	6 596	31.53	6 975	7 303
3. Tourism Sector	8 072	8 359	7 382	9 388	9 083	9 083	10 251	12.86	10 634	11 017
4. Destination Marketing Organisation	43 043	38 205	35 439	25 000	25 000	25 000	20 000	(20.00)	20 000	20 000
5. Commercial Arts and Entertainment	8 095	8 654	9 556	8 643	8 716	8 716	8 460	(2.94)	8 556	8 667
Total payments and estimates	70 813	63 988	62 823	53 040	51 517	51 517	49 181	(4.53)	50 259	51 273

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

Economic classification R'000	Outcome			Main appro- priation 2012/13	Adjusted appro- priation 2012/13	Revised estimate 2012/13	Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
Current payments	15 953	14 726	15 665	21 820	18 273	18 272	21 138	15.69	22 209	23 221
Compensation of employees	9 992	10 541	11 178	13 077	12 877	12 877	15 637	21.43	16 531	17 381
Goods and services	5 961	4 184	4 486	8 743	5 396	5 395	5 501	1.96	5 678	5 840
Interest and rent on land		1	1							
Transfers and subsidies to	54 778	48 913	46 900	31 020	33 029	33 029	27 800	(15.83)	27 800	27 800
Provinces and municipalities			1 000							
Departmental agencies and accounts	45 943	39 605	36 439	25 000	27 000	27 000	22 500	(16.67)	22 500	22 500
Universities and technikons	368	144								
Public corporations and private enterprises	1 800	850								
Non-profit institutions	6 456	7 495	8 595	4 920	4 920	4 920	4 000	(18.70)	4 000	4 000
Households	211	819	866	1 100	1 109	1 109	1 300	17.22	1 300	1 300
Payments for capital assets	82	349	258	200	200	200	243	21.50	250	252
Machinery and equipment	82	259	258	200	200	200	243	21.50	250	252
Software and other intangible assets		90								
Payments for financial assets					15	16		(100.00)		
Total economic classification	70 813	63 988	62 823	53 040	51 517	51 517	49 181	(4.53)	50 259	51 273

Details of transfers and subsidies

Economic classification R'000	Outcome			Main appro- pria- tion 2012/13	Adjusted appro- pria- tion 2012/13	Revised estimate 2012/13	Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
Transfers and subsidies to (Current)	54 778	48 913	46 900	31 020	33 029	33 029	27 800	(15.83)	27 800	27 800
Provinces and municipalities			1 000							
Municipalities			1 000							
Municipalities			1 000							
Departmental agencies and accounts	45 943	39 605	36 439	25 000	27 000	27 000	22 500	(16.67)	22 500	22 500
Entities receiving transfers	45 943	39 605	36 439	25 000	27 000	27 000	22 500	(16.67)	22 500	22 500
Destination Marketing Organisation	45 943	38 205	35 439	25 000	25 000	25 000		(100.00)		
Western Cape Trade and Investment Promotion Agency					2 000	2 000	22 500	1025.00	22 500	22 500
Other		1 400	1 000							
Universities and technikons	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	6 456	7 495	8 595	4 920	4 920	4 920	4 000	(18.70)	4 000	4 000
Households	211	819	866	1 100	1 109	1 109	1 300	17.22	1 300	1 300
Other transfers to households	211	819	866	1 100	1 109	1 109	1 300	17.22	1 300	1 300

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 R27.005 million in 2012/13 revised estimate to R37.987 million in the 2013/14 financial year. This represents an increase of 40.67 per cent or R10.982 million. This increase can be attributed to the expansion of the work of the provincial skills forum in co-ordinating all stakeholders in the skills spectrum.

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 ensure strategic coordination of skills initiatives to decrease the gap between skills supply and demand.

To co-ordinate institutional arrangements by increasing access to occupationally directed programmes, leading to entry, intermediate and high level learning and facilitate the employability of youth exiting matric and FET colleges for labour absorbing and priority sectors.

The Regional Innovation Network, (RIN), will stimulate the environment of 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- piation 2012/13	Adjusted appro- piation 2012/13	Revised estimate 2012/13	Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
1. Provincial Skills Co-ordination			2 335	3 933	3 850	3 850	17 391	351.71	22 561	27 722
2. Workforce Development	26 290	11 861	12 964	18 992	20 960	20 960	18 429	(12.08)	22 026	25 143
3. Innovation	4 230	805	2 054	859	859	859	934	8.73	989	1 043
4. Management: Skills Development		930	1 014	1 336	1 336	1 336	1 233	(7.71)	1 314	1 400
Total payments and estimates	30 520	13 596	18 367	25 120	27 005	27 005	37 987	40.67	46 890	55 308

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 Adjusted appro- priation Revised estimate			Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
				2012/13	2012/13	2012/13	2013/14	2012/13	2014/15	2015/16
Current payments	4 079	2 359	3 769	12 754	14 639	14 639	31 401	114.50	40 259	48 714
Compensation of employees	2 166	2 094	3 022	3 842	4 195	4 195	5 824	38.83	6 168	6 513
Goods and services	1 913	265	747	8 912	10 444	10 444	25 577	144.90	34 091	42 201
Transfers and subsidies to	26 409	11 200	14 300	12 280	12 280	12 280	6 386	(48.00)	6 500	6 500
Universities and technikons	450		1 400	10 980	10 980					
Public corporations and private enterprises	10 000	10 000	6 200							
Non-profit institutions	15 768	1 200	6 700	1 300	1 300	12 280	6 386	(48.00)	6 500	6 500
Households	191									
Payments for capital assets	32	36	298	86	86	86	200	132.56	131	94
Machinery and equipment	32	13	298	86	86	86	200	132.56	131	94
Software and other intangible assets		23								
Payments for financial assets		1								
Total economic classification	30 520	13 596	18 367	25 120	27 005	27 005	37 987	40.67	46 890	55 308

Details of transfers and subsidies

Economic classification R'000	Outcome						Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				Main appro- priation 2012/13	Adjusted appro- priation 2012/13	Revised estimate 2012/13	% Change from Revised estimate
				2013/14	2012/13	2014/15				2015/16
Transfers and subsidies to (Current)	26 409	11 200	14 300	12 280	12 280	12 280	6 386	(48.00)	6 500	6 500
Universities and technikons	450		1 400	10 980	10 980					
Public corporations and private enterprises	10 000	10 000	6 200							
Public corporations	10 000	10 000	6 200							
Other transfers (Casidra & CSIR)	10 000	10 000	6 200							
Non-profit institutions	15 768	1 200	6 700	1 300	1 300	12 280	6 386	(48.00)	6 500	6 500
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 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	As at 31 March 2016
1. Administration	59	74	54	52	53	53	53
2. Integrated Economic Development Services	36	42	33	36	34	34	34
3. Trade and Sector Development	30	30	31	35	38	38	38
4. Business Regulation and Governance	46	40	41	35	21	21	21
5. Economic Planning	15	16	24	25	22	22	22
6. Tourism, Arts and Entertainment	30	42	35	35	39	39	39
7. Skills Development and Innovation	3	3	9	8	13	13	13
Total personnel numbers	219	247	227	226	220	220	220
Total personnel cost (R'000)	61 090	67 742	74 970	83 865	89 688	93 956	98 967
Unit cost (R'000)	279	274	330	371	408	427	450

Table 7.2 Departmental personnel number and cost

Description	Outcome			Main appro- priation 2012/13	Adjusted appro- priation 2012/13	Revised estimate 2012/13	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2009/10	2010/11	2011/12				2013/14	2012/13	2014/15	2015/16
Total for department										
Personnel numbers (head count)	219	247	227	243	243	226	220	(2.65)	220	220
Personnel cost (R'000)	61 090	67 742	74 970	91 823	83 865	83 865	89 688	6.94	93 956	98 967
<i>of which</i>										
Human resources component										
Personnel numbers (head count)	29	12					4		4	4
Personnel cost (R'000)	5 817	7 124					501		529	559
Head count as % of total for department	13.24	4.86					1.82		1.82	1.82
Personnel cost as % of total for department	9.52	10.52					0.56		0.56	0.56
Finance										
Personnel numbers (head count)	41	42	44	49	49	49	43	(12.24)	43	43
Personnel cost (R'000)	9 865	11 016	14 209	14 012	14 012	14 012	13 815	(1.41)	14 427	15 188
Head count as % of total for department	18.72	17.00	19.38	20.16	20.16	21.68	19.55		19.55	19.55
Personnel cost as % of total for department	16.15	16.26	18.95	15.26	16.71	16.71	15.40		15.36	15.35
Full time workers										
Personnel numbers (head count)	214	242	204	223	223	206	200	(2.91)	200	200
Personnel cost (R'000)	60 185	66 611	67 732	87 442	79 484	79 484	84 704	6.57	88 723	93 478
Head count as % of total for department	97.72	97.98	89.87	91.77	91.77	91.15	90.91		90.91	90.91
Personnel cost as % of total for department	98.52	98.33	90.35	95.23	94.78	94.78	94.44		94.43	94.45
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)	5	5	23	20	20	20	20		20	20
Personnel cost (R'000)	905	1 131	7 238	4 381	4 381	4 381	4 984	13.76	5 233	5 489
Head count as % of total for department	2.28	2.02	10.13	8.23	8.23	8.85	9.09		9.09	9.09
Personnel cost as % of total for department	1.48	1.67	9.65	4.77	5.22	5.22	5.56		5.57	5.55

Training

Table 7.3 Payments on training

Programme R'000	Outcome			Main appro- priation 2012/13	Adjusted appro- priation 2012/13	Revised estimate 2012/13	Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate 2013/14	2011/12	2014/15	2015/16
1. Administration	457	557	182	200	443	605	320	(47.11)	391	398
<i>of which</i>										
Payments on tuition	457	557	182	200	443	605	320	(47.11)	391	398
2. Integrated Economic Development Services	70	86	251	180	79	74	103	39.19	105	126
<i>of which</i>										
Payments on tuition	70	86	251	180	79	74	103	39.19	105	126
3. Trade and Sector Development	60	137	78	165	110	91	380	317.58	420	450
<i>of which</i>										
Payments on tuition	60	137	78	165	110	91	380	317.58	420	450
4. Business Regulation and Governance	114	315	110	70	38	35	63	80.00	70	80
<i>of which</i>										
Payments on tuition	114	315	110	70	38	35	63	80.00	70	80
5. Economic Planning	50	251	138	208	4	18	107	494.44	130	150
<i>of which</i>										
Payments on tuition	50	251	138	208	4	18	107	494.44	130	150
6. Tourism, Arts and Entertainment	200	154	50	423	272	154	327	112.34	340	360
<i>of which</i>										
Payments on tuition	200	154	50	423	272	154	327	112.34	340	360
7. Skills Development and Innovation	94	34	310	27	74	72	50	(30.56)	60	74
<i>of which</i>										
Payments on tuition	94	34	310	27	74	72	50	(30.56)	60	74
Total payments on training	1 045	1 534	1 119	1 273	1 020	1 049	1 350	28.69	1 516	1 638

Table 7.4 Information on training

Description	Outcome						Medium-term estimate			
							% Change from Revised estimate			
	2009/10	2010/11	2011/12	2012/13	2012/13	2012/13	2013/14	2012/13	2014/15	2015/16
Number of staff	219	247	227	243	243	226	220	(2.65)	220	220
Number of personnel trained	199	244	234	243	243	235	207	(11.91)	207	207
of which										
Male	72	88	88	88	88	88	85	(3.41)	85	85
Female	127	156	146	155	155	147	122	(17.01)	122	122
Number of training opportunities	53	53	53	53	53	53	59	11.32	62	65
of which										
Tertiary	3	3	3	3	3	3	9	200.00	12	15
Workshops	45	45	45	45	45	45	45		45	45
Seminars	5	5	5	5	5	5	5		5	5
Number of bursaries offered	24	8	47	13	13	13	9	(30.77)	12	15
Number of interns appointed	29	23	27	47	47	47	45	(4.26)	45	45
Number of days spent on training	5 000	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 2012/13			Programme for 2013/14		
Programme R'000	2013/14 Equivalent		Programme R'000	Pro- gramme	Sub-pro- gramme
	Pro- gramme	Sub-pro- gramme			
1. Administration	31 972		1. Administration	31 972	
HOD and Support Services		2 733	HOD and Support Services		2 733
Financial Management		21 190	Financial Management		21 190
Corporate Services		8 049	Corporate Services		8 049
2. Integrated Economic Development Services	48 634		2. Integrated Economic Development Services	48 634	
Enterprise Development		29322	Enterprise Development		29322
Regional and Local Economic Development		7 483	Regional and Local Economic Development		7 483
Economic Empowerment		2 467	Economic Empowerment		2 467
Red Tape		7 395	Red Tape		7 395
Management: Integrated Economic Development Services		1 967	Management: Integrated Economic Development Services		1 967
3. Trade and Sector Development	145 306		3. Trade and Sector Development	145 306	
Trade and Investment Promotion		18 864	Trade and Investment Promotion		18 864
Sector Development		46 095	Sector Development		46 095
Strategic Initiatives		78 826	Strategic Initiatives		78 826
Management: Trade and Sector Development		1 521	Management: Trade and Sector Development		1 521
4. Business Regulation and Governance	42 220		4. Business Regulation and Governance	42 220	
Governance			Governance		
Regulation Services			Regulation Services		
Consumer Protection		10 672	Consumer Protection		10 672
Liquor Regulation		31 548	Liquor Regulation		31 548
5. Economic Planning	34 151		5. Economic Planning	34 151	
Policy and Planning		18 345	Policy and Planning		11 660
Research and Development		6 828	Research and Development		6 828
Knowledge Management		3 601	Knowledge Management		3 601
Monitoring and Evaluation		3 366	Monitoring and Evaluation		3 366
Management Economic Planning		2 011	Economic Development Partnership		8 696
6. Tourism Arts and Entertainment	49 181		6. Tourism Arts and Entertainment	49 181	
Tourism Planning		3 874	Tourism Planning		3 874
Tourism Growth and Development		6 596	Tourism Growth and Development		6 596
Tourism Sector Transformation		10 251	Tourism Sector Transformation		10 251
Destination Marketing Organisation		20 000	Destination Marketing Organisation		20 000
Commercial Arts and Entertainment		8 460	Commercial Arts and Entertainment		8 460
7. Skills Development and Innovation	37 987		7. Skills Development and Innovation	37 987	
Provincial Skills Co-ordination		17 391	Provincial Skills Co-ordination		17 391
Workforce Development		18 429	Workforce Development		18 429
Innovation		934	Innovation		934
Management: Skills Development		1 233	Management: Skills Development		1 233
	389 451			389 451	

Annexure A to Vote 12

Table A.1 Specification of receipts

Receipts R'000	Outcome			Main appro- priation Adjusted appro- priation Revised estimate			Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
				2012/13	2012/13	2012/13	2013/14	2012/13	2014/15	2015/16
Tax receipts	5 505	6 427	6 550	5 064	13 315	14 802	24 000	62.14	25 000	27 000
Other taxes (Liquor licence fees)	5 505	6 427	6 550	5 064	13 315	14 802	24 000	62.14	25 000	27 000
Sales of goods and services other than capital assets	358	494	400	270	270	343	270	(21.28)	270	270
Sales of goods and services produced by department (excluding capital assets)	358	494	400	270	270	343	270	(21.28)	270	270
Sales by market establishments	1									
Administrative fees	358	494	399	270	270	343	270	(21.28)	270	270
Registration	358	494	356	270	270	343	270	(21.28)	270	270
Other	43									
Interest, dividends and rent on land	11	1	1	4			(100.00)			
Interest	11	1	1	4			(100.00)			
Financial transactions in assets and liabilities	6 047	349	3 867	3 755 4 229			(100.00)			
Other	6 047	349	3 867	3 755 4 229			(100.00)			
Total departmental receipts	11 921	7 271	10 818	5 334	17 340	19 378	24 270	25.25	25 270	27 270

Annexure A to Vote 12

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

Economic classification R'000	Outcome			Main appro- piation 2012/13	Adjusted appro- piation 2012/13	Revised estimate 2012/13	Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
Current payments	101 046	95 082	119 700	165 459	157 522	155 257	237 958	53.27	240 027	257 134
Compensation of employees	61 090	67 742	74 970	91 823	83 865	83 865	89 688	6.94	93 956	98 967
Salaries and wages	54 125	59 883	66 805	82 398	75 299	75 299	80 661	7.12	84 401	88 898
Social contributions	6 965	7 859	8 165	9 425	8 566	8 566	9 027	5.38	9 555	10 069
Goods and services	39 956	27 334	44 727	73 636	73 656	71 391	148 270	107.69	146 071	158 167
of which										
Administrative fees	214	220	314	387	197	190	221	16.32	263	306
Advertising	3 933	646	1 413	797	1 796	1 774	3 612	103.61	4 144	4 314
Assets <R5 000	620	225	495	409	427	591	929	57.19	1 042	1 140
Audit cost: External	1 680	2 728	2 364	3 594	2 648	2 682	2 500	(6.79)	2 600	2 700
Bursaries (employees)	616	724	496	300	428	428	300	(29.91)	300	300
Catering: Departmental activities	548	611	955	1 106	1 328	1 142	2 189	91.68	2 208	2 276
Communication	2 241	1 487	1 718	1 840	2 503	2 172	1 955	(9.99)	2 039	2 087
Computer services	492	763	908	270	381	374	897	139.84	913	947
Cons/prof: Business and advisory service	15 494	9 139	24 506	49 483	53 128	51 791	119 746	131.21	115 295	125 622
Cons/prof: Legal cost		389	78			51		(100.00)		
Contractors	2 377	440	1 015	696	959	828	895	8.09	994	1 039
Agency and support/outsourced services	2 086	1 991	534	1 112	923	620	2 150	246.77	2 205	2 299
Entertainment	37	35	47	123	103	92	102	10.87	113	139
Fleet services (including government motor transport)	112									
Inventory: Food and food supplies	47	29	31	51	42	33	53	60.61	68	73
Inventory: Materials and supplies	27	60	21	11	171	110	17	(84.55)	18	21
Inventory: Medical supplies	2	1			1					
Inventory: Other consumables	7	72	80	251	25	47	62	31.91	202	254
Inventory: Stationery and printing	1 730	1 348	1 617	2 135	1 019	869	1 457	67.66	1 673	1 942
Lease payments	460	422	363	1 449	463	400	708	77.00	901	895
Rental and hiring			4		50	60	179	198.33	185	205
Transport provided: Departmental activity		10								
Travel and subsistence	3 611	3 230	4 782	5 592	4 142	3 668	5 418	47.71	5 615	5 857
Training and development	1 906	1 608	1 080	1 273	1 020	1 049	1 350	28.69	1 516	1 638
Operating expenditure	1 110	573	866	1 802	1 035	1 501	2 141	42.64	2 241	2 492
Venues and facilities	606	583	1 040	955	867	919	1 389	51.14	1 536	1 621
Interest and rent on land		6	3		1	1		(100.00)		
Interest		2			1	1		(100.00)		
Rent on land		4	3							
Transfers and subsidies to	161 251	138 605	134 201	124 129	155 413	157 662	148 926	(5.54)	155 296	162 946
Provinces and municipalities			1 000							
Municipalities			1 000							
Municipalities			1 000							
Departmental agencies and accounts	67 576	54 605	52 395	59 200	78 261	78 261	82 580	5.52	85 736	90 877
Entities receiving transfers	67 576	54 605	52 395	59 200	78 261	78 261	82 580	5.52	85 736	90 877
Western Cape Provincial Development Council	300									
Destination Marketing Organisation	46 061	38 205	35 439	25 000	25 000	25 000		(100.00)		
Western Cape Trade and Investment Promotion Agency	20 325	15 000	14 956	22 000	24 000	24 000	46 644	94.35	47 300	48 441
Western Cape Liquor Board				7 700	24 761	24 761	30 936	24.94	32 936	35 936
Government Motor Trading	890									
Other		1 400	2 000	4 500	4 500	4 500	5 000	11.11	5 500	6 500
Universities and technikons	818	144	1 400	10 980	10 980					
Public corporations and private enterprises	48 900	45 750	27 300	3 000	4 000	4 000	5 500	37.50	6 500	8 000
Public corporations	48 900	45 750	27 300							
Other transfers	48 900	45 750	27 300							
Private enterprises				3 000	4 000	4 000	5 500	37.50	6 500	8 000
Other transfers				3 000	4 000	4 000	5 500	37.50	6 500	8 000
Non-profit institutions	43 538	37 055	51 196	49 849	61 032	74 249	59 546	(19.80)	61 760	62 769
Households	419	1 051	910	1 100	1 140	1 152	1 300	12.85	1 300	1 300
Social benefits		216	44							
Other transfers to households	419	835	866	1 100	1 140	1 152	1 300	12.85	1 300	1 300

Annexure A to Vote 12

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

Economic classification R'000	Outcome			Main appro- priation 2012/13	Adjusted appro- priation 2012/13	Revised estimate 2012/13	Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
Payments for capital assets	907	2 040	2 146	1 529	2 635	2 650	2 567	(3.13)	2 345	2 249
Machinery and equipment	907	1 420	1 879	1 529	2 635	2 633	2 567	(2.51)	2 345	2 249
Other machinery and equipment	907	1 420	1 879	1 529	2 635	2 633	2 567	(2.51)	2 345	2 249
Software and other intangible assets		620	267			17		(100.00)		
Payments for financial assets	13	24	42		15	16		(100.00)		
Total economic classification	263 217	235 751	256 089	291 117	315 585	315 585	389 451	23.41	397 668	422 329

Note: The Economic classifications as taken up in this Budget are in accordance with Version 3 of the Standard Chart of Accounts (SCOA). Version 4, at the time of preparation of this Budget, was still under development. However, it was agreed with National Treasury that for 2013/14, budgets will be captured on SCOA Version 4, except for inventory which will be captured on SCOA Version 3. SCOA Version 4 will be fully implemented from 2014/15.

Annexure A to Vote 12

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

Economic classification R'000	Outcome			Main appro- piation	Adjusted appro- piation	Revised estimate	Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
Current payments	25 641	23 550	19 952	27 438	25 824	25 807	31 672	7.62	33 509	35 284
Compensation of employees	18 466	16 835	14 209	17 565	16 901	16 901	17 146	3.53	17 950	18 903
Salaries and wages	16 039	14 559	12 333	15 421	14 777	14 777	15 222	2.47	15 915	16 758
Social contributions	2 427	2 276	1 876	2 144	2 124	2 124	1 924	11.15	2 035	2 145
Goods and services	7 175	6 714	5 742	9 873	8 923	8 906	14 526	14.89	15 559	16 381
of which										
Administrative fees	38	46	33	100	70	71	56		70	80
Advertising	438	37	73	255	90	130	3 116		3 159	3 264
Assets <R5 000	104	77	168	125	237	343	250		260	327
Audit cost: External	1 490	2 497	1 808	3 594	2 607	2 641	2 500	(30.44)	2 600	2 700
Bursaries (employees)	616	424	185	300	428	428	300	66.67	300	300
Catering: Departmental activities	83	61	54	55	61	58	77		85	90
Communication	904	414	335	365	548	380	548	(4.11)	594	602
Computer services	309	254	343	270	365	362	400		400	403
Cons/prof: Business and advisory service	351	394	654		495	385	1 550		1 725	1 850
Cons/prof: Legal cost		54	42							
Contractors	400	112	241	600	660	292	800	(50.00)	877	900
Agency and support/outsourced services			66		79	79				
Entertainment	9	14	11	14	14	18	14		14	16
Fleet services (including government motor transport)	112									
Inventory: Food and food supplies	25	13	8	9	14	9	11		11	11
Inventory: Materials and supplies	19	40	4	3	163	102	2	(33.33)	2	4
Inventory: Medical supplies	2	1								
Inventory: Other consumables	2	4	1	230	11	11	45	(34.78)	183	235
Inventory: Stationery and printing	481	396	335	796	153	186	321	(62.19)	400	522
Lease payments	198	159	108	640	146	111	195	(52.97)	350	315
Rental and hiring						3				
Travel and subsistence	453	587	534	1 203	1 690	1 615	2 041	(66.67)	2 126	2 170
Training and development	723	739	183	200	443	605	320		391	398
Operating expenditure	406	353	486	1 084	619	943	1 952	405.54	1 965	2 140
Venues and facilities	12	38	70	30	30	134	28		47	54
Interest and rent on land		1	1							
Rent on land		1	1							
Transfers and subsidies to	250	216	44		14	14				
Departmental agencies and accounts	250									
Entities receiving transfers	250									
Government Motor Trading	250									
Households		216	44		14	14				
Social benefits		216	44							
Other transfers to households					14	14				
Payments for capital assets	438	657	737	300	1 448	1 465	300	(100.00)	330	332
Machinery and equipment	438	578	496	300	1 448	1 448	300	(100.00)	330	332
Other machinery and equipment	438	578	496	300	1 448	1 448	300	(100.00)	330	332
Software and other intangible assets		79	241			17				
Payments for financial assets		14	32							
Total economic classification	26 329	24 437	20 765	27 738	27 286	27 286	31 972	6.45	33 839	35 616

Annexure A to Vote 12

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

Economic classification R'000	Outcome			Main appro- priation	Adjusted appro- priation	Revised estimate	Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
Current payments	17 713	15 274	23 502	29 908	28 217	28 206	32 252	14.34	36 092	37 870
Compensation of employees	11 067	11 486	12 397	16 113	15 269	15 269	14 835	(2.84)	15 716	16 552
Salaries and wages	9 730	10 076	11 006	14 598	13 688	13 688	13 201	(3.56)	13 947	14 688
Social contributions	1 337	1 410	1 391	1 515	1 581	1 581	1 634	3.35	1 769	1 864
Goods and services	6 646	3 786	11 105	13 795	12 947	12 936	17 417	34.64	20 376	21 318
of which										
Administrative fees	34	36	64	28	36	29	25	(13.79)	25	25
Advertising	386	27	938	286	1 443	1 268	127	(89.98)	130	150
Assets <R5 000	61	18	66	88	103	85	178	109.41	190	200
Bursaries (employees)		48	102							
Catering: Departmental activities	242	226	550	558	809	542	1 056	94.83	1 000	1 000
Communication	315	224	240	238	254	242	208	(14.05)	230	230
Cons/prof: Business and advisory service	3 608	1 749	6 763	9 453	8 116	8 752	13 208	50.91	15 960	16 710
Contractors	301	75	251	59	38	284		(100.00)		
Agency and support/ outsourced services				750	698	423	850	100.95	1 000	1 000
Entertainment	7	1	8	25	21	15	27	80.00	30	30
Inventory: Food and food supplies	6	4	5	8	7	5	11	120.00	11	11
Inventory: Materials and supplies	1		10	1	2	1	2	100.00	2	2
Inventory: Other consumables	1		7	4	3	2	2		4	4
Inventory: Stationery and printing	146	194	177	178	122	107	154	43.93	160	190
Lease payments	41	56	13	195	54	30	39	30.00	40	40
Rental and hiring					50	50	179	258.00	185	205
Travel and subsistence	611	580	912	998	593	568	668	17.61	668	700
Training and development	466	378	251	180	79	74	103	39.19	105	126
Operating expenditure	98	6	144	377	107	133	16	(87.97)	50	100
Venues and facilities	322	164	604	369	412	326	564	73.01	586	595
Interest and rent on land		2			1	1		(100.00)		
Interest		2			1	1		(100.00)		
Transfers and subsidies to	37 100	35 950	27 900	15 000	19 760	19 771	16 100	(18.57)	19 500	22 600
Departmental agencies and accounts	1 000		1 000	4 500	4 500	4 500	5 000	11.11	5 500	6 500
Entities receiving transfers	1 000		1 000	4 500	4 500	4 500	5 000	11.11	5 500	6 500
Western Cape Trade and Investment Promotion Agency	1 000									
Other			1 000	4 500	4 500	4 500	5 000	11.11	5 500	6 500
Public corporations and private enterprises	36 100	34 900	21 100	3 000	4 000	4 000	5 500	37.50	6 500	8 000
Public corporations	36 100	34 900	21 100							
Other transfers	36 100	34 900	21 100							
Private enterprises				3 000	4 000	4 000	5 500	37.50	6 500	8 000
Other transfers				3 000	4 000	4 000	5 500	37.50	6 500	8 000
Non-profit institutions		1 050	5 800	7 500	11 255	11 255	5 600	(50.24)	7 500	8 100
Households					5	16		(100.00)		
Other transfers to households					5	16		(100.00)		
Payments for capital assets	17	237	370	320	320	320	282	(11.88)	290	290
Machinery and equipment	17	97	370	320	320	320	282	(11.88)	290	290
Other machinery and equipment	17	97	370	320	320	320	282	(11.88)	290	290
Software and other intangible assets		140								
Payments for financial assets			10							
Total economic classification	54 830	51 461	51 782	45 228	48 297	48 297	48 634	0.70	55 882	60 760

Annexure A to Vote 12

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

Economic classification R'000	Outcome			Main appro- prium	Adjusted appro- prium	Revised estimate	Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
Current payments	10 695	12 853	23 776	41 579	45 359	43 124	85 348	97.91	69 564	71 747
Compensation of employees	6 971	10 238	12 466	17 124	17 759	17 759	18 809	5.91	19 845	20 916
Salaries and wages	6 231	9 181	11 326	15 725	16 442	16 442	17 284	5.12	18 273	19 260
Social contributions	740	1 057	1 140	1 399	1 317	1 317	1 525	15.79	1 572	1 656
Goods and services	3 724	2 614	11 309	24 455	27 600	25 365	66 539	162.33	49 719	50 831
of which										
Administrative fees	13	15	43	75	62	48	81	68.75	91	105
Advertising	155	109	22	100	79	103	247	139.81	710	730
Assets <R5 000	43	26	112	60	14	109	74	(32.11)	119	119
Bursaries (employees)		32	52							
Catering: Departmental activities	26	28	75	103	90	76	113	48.68	125	138
Communication	177	190	258	238	279	267	380	42.32	380	396
Computer services	5					1		(100.00)		
Cons/prof: Business and advisory service	2 027	1 496	9 134	22 000	25 676	23 608	63 248	167.91	45 622	46 510
Cons/prof: Legal cost						25		(100.00)		
Contractors	516	33	287	21	21	12	25	108.33	35	35
Agency and support/outsourced services	1									
Entertainment	7	8	10	18	16	17	18	5.88	24	28
Inventory: Food and food supplies	8	6	6	15	12	8	18	125.00	26	26
Inventory: Materials and supplies	3	1	2	3	3	3	5	66.67	5	5
Inventory: Other consumables	1	1	12	11	7	7	12	71.43	12	12
Inventory: Stationery and printing	155	144	286	430	350	242	480	98.35	534	582
Lease payments	43	16	12	97	44	31	106	241.94	135	152
Travel and subsistence	337	378	828	999	736	649	1 110	71.03	1 180	1 220
Training and development	87	41	78	165	110	91	380	317.58	420	450
Operating expenditure	82	50	4	9	5	8	11	37.50	11	11
Venues and facilities	38	40	88	111	96	60	231	285.00	290	312
Interest and rent on land		1	1							
Rent on land		1	1							
Transfers and subsidies to	39 989	41 367	44 557	53 879	57 710	59 947	59 008	(1.57)	59 664	60 805
Departmental agencies and accounts	19 325	15 000	14 956	22 000	22 000	22 000	24 144	9.75	24 800	25 941
Entities receiving transfers	19 325	15 000	14 956	22 000	22 000	22 000	24 144	9.75	24 800	25 941
Western Cape Trade and Investment Promotion Agency	19 325	15 000	14 956	22 000	22 000	22 000	24 144	9.75	24 800	25 941
Public corporations and private enterprises	1 000									
Public corporations	1 000									
Other transfers	1 000									
Non-profit institutions	19 664	26 360	29 601	31 879	35 707	37 944	34 864	(8.12)	34 864	34 864
Households		7			3	3		(100.00)		
Other transfers to households		7			3	3		(100.00)		
Payments for capital assets	137	217	204	200	200	198	950	379.80	812	835
Machinery and equipment	137	104	204	200	200	198	950	379.80	812	835
Other machinery and equipment	137	104	204	200	200	198	950	379.80	812	835
Software and other intangible assets		113								
Total economic classification	50 821	54 437	68 537	95 658	103 269	103 269	145 306	40.71	130 040	133 387

Annexure A to Vote 12

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

Economic classification R'000	Outcome			Main appro- priation 2012/13	Adjusted appro- priation 2012/13	Revised estimate 2012/13	Medium-term estimate			
	Audited 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
Current payments	17 319	14 828	18 841	16 497	9 606	9 606	11 114	15.70	11 457	12 104
Compensation of employees	8 277	10 118	12 675	14 360	7 072	7 072	8 318	17.62	8 714	9 182
Salaries and wages	7 356	8 964	11 321	12 779	6 223	6 223	7 402	18.95	7 715	8 128
Social contributions	921	1 154	1 354	1 581	849	849	916	7.89	999	1 054
Goods and services	9 042	4 710	6 166	2 137	2 534	2 534	2 796	10.34	2 743	2 922
of which										
Administrative fees	42	45	70	37	1	1		(100.00)		
Advertising	2 360	305	303	140	(13)	(22)		(100.00)		
Assets <R5 000	107	20	24	26	9	9	111	1133.33	114	115
Audit cost: External	190	231	556		41	41		(100.00)		
Bursaries (employees)		96	84							
Catering: Departmental activities	29	38	78	131	25	25	18	(28.00)	18	18
Communication	516	247	319	337	200	214	147	(31.31)	147	147
Computer services	142		435		6	6	72	1100.00	73	74
Cons/prof: Business and advisory service	1 789	244	2 132		1 662	2 028	784	(61.34)	809	834
Cons/prof: Legal cost		335	36							
Contractors	315	43	33		14	13	10	(23.08)	12	14
Agency and support/ outsourced services	2 085	1 991	468	362	146	118	1 300	1001.69	1 205	1 299
Entertainment	4	3	5	16	9	12	7	(41.67)	7	7
Inventory: Food and food supplies	1		2		1	1	1		2	3
Inventory: Materials and supplies	2	1			1	1	2	100.00	3	4
Inventory: Other consumables	1				1	1		(100.00)		
Inventory: Stationery and printing	245	193	189	67	18	18	91	405.56	91	110
Lease payments	33	31	97	157	43	37	15	(59.46)	15	16
Travel and subsistence	851	718	1 084	639	124	(212)	164	(177.36)	164	180
Training and development	179	63	70	70	38	35	63	80.00	70	80
Operating expenditure	24	22	126	40	196	198	4	(97.98)	5	6
Venues and facilities	127	84	55	115	12	10	7	(30.00)	8	15
Transfers and subsidies to	2 408	950		7 700	24 761	24 761	30 936	24.94	32 936	35 936
Departmental agencies and accounts	758			7 700	24 761	24 761	30 936	24.94	32 936	35 936
Entities receiving transfers	758			7 700	24 761	24 761	30 936	24.94	32 936	35 936
Destination Marketing Organisation	118									
Western Cape Liquor Board				7 700	24 761	24 761	30 936	24.94	32 936	35 936
Government Motor Trading	640									
Non-profit institutions	1 650	950								
Payments for capital assets	103	246	180	207	165	165	170	3.03	175	180
Machinery and equipment	103	161	154	207	165	165	170	3.03	175	180
Other machinery and equipment	103	161	154	207	165	165	170	3.03	175	180
Software and other intangible assets		85	26							
Payments for financial assets	13	9								
Total economic classification	19 843	16 033	19 021	24 404	34 532	34 532	42 220	22.26	44 568	48 220

Annexure A to Vote 12

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 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
Current payments	9 646	11 492	14 195	15 463	15 604	15 603	25 033	60.44	26 937	28 194
Compensation of employees	4 151	6 430	9 023	9 742	9 792	9 792	9 119	(6.87)	9 032	9 520
Salaries and wages	3 876	5 838	8 063	8 692	8 784	8 784	8 217	(6.45)	8 141	8 585
Social contributions	275	592	960	1 050	1 008	1 008	902	(10.52)	891	935
Goods and services	5 495	5 061	5 172	5 721	5 812	5 811	15 914	173.86	17 905	18 674
of which										
Administrative fees	12	15	23	46	(9)	9	24	166.67	40	55
Advertising	214	92	75		81	178	72	(59.55)	80	90
Assets <R5 000	127	35	26	28	17	5	50	900.00	79	79
Bursaries (employees)		8								
Catering: Departmental activities	18	9	75	50	24	48	34	(29.17)	40	60
Communication	51	116	231	320	893	709	298	(57.97)	298	300
Computer services	21	509	119		10	5	425	8400.00	440	470
Cons/prof: Business and advisory service	3 975	3 715	3 376	4 300	4 688	4 490	14 248	217.33	16 069	16 638
Contractors	202	6	187	10		1	10	900.00	20	40
Entertainment	2	3	2	19	19	17	10	(41.18)	10	30
Inventory: Food and food supplies	3	1	3	4	(1)	3	2	(33.33)	6	6
Inventory: Materials and supplies	1	2	1	1		1	2	100.00	2	2
Inventory: Medical supplies					1					
Inventory: Other consumables	1		11	3	(1)		1		1	1
Inventory: Stationery and printing	283	110	351	200	93	90	120	33.33	130	150
Lease payments	82	77	115	130	71	100	231	131.00	231	231
Rental and hiring			4			7		(100.00)		
Travel and subsistence	95	68	229	250	5	51	218	327.45	224	237
Training and development	45	250	138	208	4	18	107	494.44	130	150
Operating expenditure	321	34	46	122	(66)	27	30	11.11	50	70
Venues and facilities	42	11	160	30	(17)	52	32	(38.46)	55	65
Interest and rent on land		1								
Rent on land		1								
Transfers and subsidies to	317	9	500	4 250	7 859	7 860	8 696	10.64	8 896	9 305
Departmental agencies and accounts	300									
Entities receiving transfers	300									
Western Cape Provincial Development Council	300									
Non-profit institutions			500	4 250	7 850	7 850	8 696	10.78	8 896	9 305
Households	17	9			9	10		(100.00)		
Other transfers to households	17	9			9	10		(100.00)		
Payments for capital assets	98	298	99	216	216	216	422	95.37	357	266
Machinery and equipment	98	208	99	216	216	216	422	95.37	357	266
Other machinery and equipment	98	208	99	216	216	216	422	95.37	357	266
Software and other intangible assets		90								
Total economic classification	10 061	11 799	14 794	19 929	23 679	23 679	34 151	44.22	36 190	37 765

Annexure A to Vote 12

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 2009/10	Audited 2010/11	Audited 2011/12	Main appro- piation 2012/13	Adjusted appro- piation 2012/13	Revised estimate 2012/13	% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
Current payments	15 953	14 726	15 665	21 820	18 273	18 272	21 138	15.69	22 209	23 221
Compensation of employees	9 992	10 541	11 178	13 077	12 877	12 877	15 637	21.43	16 531	17 381
Salaries and wages	8 964	9 426	10 012	11 586	11 552	11 552	14 012	21.30	14 772	15 526
Social contributions	1 028	1 115	1 166	1 491	1 325	1 325	1 625	22.64	1 759	1 855
Goods and services	5 961	4 184	4 486	8 743	5 396	5 395	5 501	1.96	5 678	5 840
of which										
Administrative fees	72	62	76	50	36	31	24	(22.58)	25	28
Advertising	380	76	2	1	35	36	10	(72.22)	15	20
Assets <R5 000	169	43	94	65	37	30	216	620.00	230	250
Bursaries (employees)		106	65							
Catering: Departmental activities	146	243	98	180	199	273	275	0.73	290	300
Communication	237	244	293	290	287	318	290	(8.81)	300	320
Computer services	10		11							
Cons/prof: Business and advisory service	2 191	1 516	2 247	5 730	2 881	2 918	2 780	(4.73)	2 780	2 780
Cons/prof: Legal cost						26		(100.00)		
Contractors	643	167	11	6						
Entertainment	5	5	7	28	22	11	21	90.91	23	23
Inventory: Food and food supplies	3	3	5	15	9	6	7	16.67	9	11
Inventory: Materials and supplies	1	16	3	2	1	1	2	100.00	2	2
Inventory: Other consumables	1	60	49	3	4	26	2	(92.31)	2	2
Inventory: Stationery and printing	389	274	251	395	269	212	235	10.85	277	298
Lease payments	60	73	18	135	85	71	102	43.66	110	121
Transport provided: Departmental activity		10								
Travel and subsistence	1 192	860	1 083	1 170	931	931	885	(4.94)	910	940
Training and development	303	114	50	423	272	154	327	112.34	340	360
Operating expenditure	94	107	60	170	144	144	98	(31.94)	130	135
Venues and facilities	65	205	63	80	184	207	227	9.66	235	250
Interest and rent on land		1	1							
Rent on land		1	1							
Transfers and subsidies to	54 778	48 913	46 900	31 020	33 029	33 029	27 800	(15.83)	27 800	27 800
Provinces and municipalities			1 000							
Municipalities			1 000							
Municipalities			1 000							
Departmental agencies and accounts	45 943	39 605	36 439	25 000	27 000	27 000	22 500	(16.67)	22 500	22 500
Entities receiving transfers	45 943	39 605	36 439	25 000	27 000	27 000	22 500	(16.67)	22 500	22 500
Destination Marketing Organisation	45 943	38 205	35 439	25 000	25 000	25 000		(100.00)		
Western Cape Trade and Investment Promotion Agency					2 000	2 000	22 500	1025.00	22 500	22 500
Other		1 400	1 000							
Universities and technikons	368	144								
Public corporations and private enterprises	1 800	850								
Public corporations	1 800	850								
Other transfers	1 800	850								
Non-profit institutions	6 456	7 495	8 595	4 920	4 920	4 920	4 000	(18.70)	4 000	4 000
Households	211	819	866	1 100	1 109	1 109	1 300	17.22	1 300	1 300
Other transfers to households	211	819	866	1 100	1 109	1 109	1 300	17.22	1 300	1 300
Payments for capital assets	82	349	258	200	200	200	243	21.50	250	252
Machinery and equipment	82	259	258	200	200	200	243	21.50	250	252
Other machinery and equipment	82	259	258	200	200	200	243	21.50	250	252
Software and other intangible assets		90								
Payments for financial assets					15	16		(100.00)		
Total economic classification	70 813	63 988	62 823	53 040	51 517	51 517	49 181	(4.53)	50 259	51 273

Annexure A to Vote 12

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 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
							2013/14	2012/13	2014/15	2015/16
Current payments	4 079	2 359	3 769	12 754	14 639	14 639	31 401	114.50	40 259	48 714
Compensation of employees	2 166	2 094	3 022	3 842	4 195	4 195	5 824	38.83	6 168	6 513
Salaries and wages	1 929	1 839	2 744	3 597	3 833	3 833	5 323	38.87	5 638	5 953
Social contributions	237	255	278	245	362	362	501	38.40	530	560
Goods and services	1 913	265	747	8 912	10 444	10 444	25 577	144.90	34 091	42 201
of which										
Administrative fees	3	1	5	51	1	1	11	1000.00	12	13
Advertising				15	81	81	40	(50.62)	50	60
Assets <R5 000	9	6	5	17	10	10	50	400.00	50	50
Bursaries (employees)		10	8							
Catering: Departmental activities	4	6	25	29	120	120	616	413.33	650	670
Communication	41	52	42	52	42	42	84	100.00	90	92
Computer services	5									
Cons/prof: Business and advisory service	1 553	25	200	8 000	9 610	9 610	23 928	148.99	32 330	40 300
Contractors		4	5		226	226	50	(77.88)	50	50
Entertainment	3	1	4	3	2	2	5	150.00	5	5
Inventory: Food and food supplies	1	2	2			1	3	200.00	3	5
Inventory: Materials and supplies			1	1	1	1	2	100.00	2	2
Inventory: Other consumables		7								
Inventory: Stationery and printing	31	37	28	69	14	14	56	300.00	81	90
Lease payments	3	10		95	20	20	20		20	20
Travel and subsistence	72	39	112	333	63	66	332	403.03	343	410
Training and development	103	23	310	27	74	72	50	(30.56)	60	74
Operating expenditure	85	1			30	48	30	(37.50)	30	30
Venues and facilities		41		220	150	130	300	130.77	315	330
Transfers and subsidies to	26 409	11 200	14 300	12 280	12 280	12 280	6 386	(48.00)	6 500	6 500
Universities and technikons	450		1 400	10 980	10 980					
Public corporations and private enterprises	10 000	10 000	6 200							
Public corporations	10 000	10 000	6 200							
Other transfers	10 000	10 000	6 200							
Non-profit institutions	15 768	1 200	6 700	1 300	1 300	12 280	6 386	(48.00)	6 500	6 500
Households	191									
Other transfers to households	191									
Payments for capital assets	32	36	298	86	86	86	200	132.56	131	94
Machinery and equipment	32	13	298	86	86	86	200	132.56	131	94
Other machinery and equipment	32	13	298	86	86	86	200	132.56	131	94
Software and other intangible assets		23								
Payments for financial assets		1								
Total economic classification	30 520	13 596	18 367	25 120	27 005	27 005	37 987	40.67	46 890	55 308

Annexure A to Vote 12

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

R'000	Outcome			Estimated outcome 2012/13	Medium-term estimate		
	Audited 2009/10	Audited 2010/11	Audited 2011/12		2013/14	2014/15	2015/16
Revenue							
Non-tax revenue	1 299	8 504	6 904	7 028	657	600	600
Sale of goods and services other than capital assets	313	215	225	133	200	200	200
Of which:							
Admin fees	313	215	225	133	200	200	200
Other non-tax revenue	986	8 289	6 679	6 895	457	400	400
Transfers received	26 061	27 197	20 229	19 484	26 348	26 719	26 719
Total revenue	27 360	35 701	27 133	26 512	27 005	27 319	27 319
Expenses							
Current expense	28 032	22 754	24 008	26 399	27 005	27 319	27 319
Compensation of employees	9 755	9 753	11 168	15 663	16 356	17 170	18 027
Goods and services	17 174	12 534	11 912	9 956	10 534	10 034	9 177
Depreciation	958	467	928	780	115	115	115
Interest, dividends and rent on land	145						
Interest	145						
Total expenses	28 032	22 754	24 008	26 399	27 005	27 319	27 319
Surplus/(Deficit)	(672)	12 947	3 125	113			
Cash flow summary							
Adjust surplus/(deficit) for accrual transactions	6 322	432	(6 148)	385	(342)	(285)	(285)
Adjustments for:							
Depreciation	958	467	928	780	115	115	115
Impairments	2 800	1 081	(3 081)				
Interest	(729)	(1 116)	(3 973)	(395)	(457)	(400)	(400)
Net (profit)/loss on disposal of fixed assets	1		(22)				
Other	3 292						
Operating surplus/ (deficit) before changes in working capital	5 650	13 379	(3 023)	498	(342)	(285)	(285)
Changes in working capital	2 600	1 895	7 819				
(Decrease)/increase in accounts payable	385	57	1 009				
Decrease/(increase) in accounts receivable	2 215	1 838	6 810				
Cash flow from operating activities	8 250	15 274	4 796	498	(342)	(285)	(285)
Cash flow from investing activities	(1 835)	(421)	(315)	75	81	87	87
Acquisition of Assets	(1 892)	(421)	(315)	75	81	87	87
Other flows from Investing Activities	57						
Net increase/decrease) in cash and cash equivalents	6 415	14 853	4 481	573	(261)	(198)	(198)
Balance Sheet Data							
Carrying Value of Assets	2 150	1 601	1 033	991	1 216	1 115	1 115
Investments	18 600	24 692	26 943	26 968	26 968	26 968	26 968
Cash and Cash Equivalents	13 946	17 986	1 765	1 766	1 412	1 599	1 599
Receivables and Prepayments	65	8	8	8	8	8	8
Total Assets	34 761	44 287	29 749	29 733	29 604	29 690	29 690
Capital & Reserves	20 766	28 455	28 455	28 489	28 378	28 481	28 481
Trade and Other Payables	12 842	15 209	670	620	602	585	585
Provisions	1 153	623	624	624	624	624	624
Total Equity and Liabilities	34 761	44 287	29 749	29 733	29 604	29 690	29 690

Note: The Destination Marketing Organisation has merged with the Western Cape Investment and Trade Promotion Agency (Wesgro). All transfers indicated in Table A3.2 will be made to Wesgro.

Annexure A to Vote 12

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

R'000	Outcome			Estimated outcome 2012/13	Medium-term estimate		
	Audited 2009/10	Audited 2010/11	Audited 2011/12		2013/14	2014/15	2015/16
Revenue							
Non-tax revenue	15 310	13 262	2 625	468			
Other non-tax revenue	15 310	13 262	2 625	468			
Transfers received	38 549	32 085	32 440	25 000	20 000	20 000	20 000
Total revenue	53 859	45 347	35 065	25 468	20 000	20 000	20 000
Expenses							
Current expense	53 242	44 221	34 965	25 468	20 000	20 000	20 000
Compensation of employees	25 052	20 602	19 604	10 010	11 500	13 024	13 024
Goods and services	26 911	22 508	14 271	14 990	8 500	6 976	6 976
Depreciation	1 279	1 111	1 090	468			
Total expenses	53 242	44 221	34 965	25 468	20 000	20 000	20 000
Surplus/(Deficit)	617	1 126	100				
Cash flow summary							
Adjust surplus/(deficit) for accrual transactions	1 009	747	810	810	810	810	810
Adjustments for:							
Depreciation	1 279	1 111	1 090	1 090	1 090	1 090	1 090
Interest	(336)	(360)	(280)	(280)	(280)	(280)	(280)
Net (profit)/loss on disposal of fixed assets	66	(4)					
Operating surplus/ (deficit) before changes in working capital	1 009	748	810	810	810	810	810
Changes in working capital	1 443	(1 854)		2 354			
(Decrease)/increase in accounts payable	366	672	(150)	2 572	(150)	(150)	(150)
Decrease/(increase) in accounts receivable	2 645	141	200	(168)	200	200	200
(Decrease)/increase in provisions	(1 568)	(2 667)	(50)	(50)	(50)	(50)	(50)
Cash flow from operating activities	2 452	(1 106)	810	3 164	810	810	810
Cash flow from investing activities	(772)	14	180	180	180	180	180
Acquisition of Assets	(1 174)	(402)	(100)	(100)	(100)	(100)	(100)
Other flows from Investing Activities	402	416	280	280	280	280	280
Net increase/decrease) in cash and cash equivalents	1 680	(1 092)	990	3 344	990	990	990
Balance Sheet Data							
Carrying Value of Assets	1 746	985	2 788	2 788	2 788	2 788	2 788
Cash and Cash Equivalents	3 438	4 582	1 154	1 154	1 154	1 154	1 154
Receivables and Prepayments	1 354	1 213	425	425	425	425	425
Total Assets	6 538	6 780	4 368	4 368	4 368	4 368	4 368
Capital & Reserves	(496)	1 741	1 640	1 640	1 640	1 640	1 640
Trade and Other Payables	6 166	4 457	1 953	1 953	1 953	1 953	1 953
Provisions	868	582	775	775	775	775	775
Total Equity and Liabilities	6 538	6 780	4 368	4 368	4 368	4 368	4 368

Note: The Destination Marketing Organisation trading as CTRU, has merged with Wesgro and is operating as one entity. All transfers indicated in the table above will be made to Wesgro.

Annexure A to Vote 12

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

R'000	Outcome			Estimated outcome 2012/13	Medium-term estimate		
	Audited 2009/10	Audited 2010/11	Audited 2011/12		2013/14	2014/15	2015/16
Revenue							
Tax revenue	5 696	6 909	5 064	23 274	30 874	30 874	30 874
Transfers received	8 365	7 537		24 761	30 936	32 936	35 936
Total revenue	14 061	14 446	5 064	48 035	61 810	63 810	66 810
Expenses							
Current expense	8 349	6 675	8 885	32 087	30 213	31 502	32 762
Compensation of employees	4 460	4 803	6 197	15 675	15 248	16 239	17 376
Goods and services	3 611	1 554	2 688	16 412	14 965	15 263	15 386
Depreciation	278	318					
Interest, dividends and rent on land							
Transfers and subsidies	1 768	750		23 274	30 873	30 873	30 873
Total expenses	10 117	7 425	8 885	55 361	61 086	62 375	63 635
Surplus/(Deficit)	3 944	7 021	(3 821)	(7 326)	724	1 435	3 175
Cash flow summary							
Adjust surplus/(deficit) for accrual transactions	1 642	(762)					
Adjustments for:							
Depreciation	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	5 586	6 259	(3 821)	(7 326)	724	1 435	3 175
Changes in working capital	183	106					
(Decrease)/increase in accounts payable	(141)	116					
Decrease/(increase) in accounts receivable	324	(10)					
Cash flow from operating activities	5 769	6 365	(3 821)	(7 326)	724	1 435	3 175
Transfers from government	1 768	750		23 691	30 874	30 874	30 874
: Current	1 768	750		23 691	30 874	30 874	30 874
Cash flow from investing activities	(284)	(153)	144	(1 206)	(305)	(166)	(72)
Acquisition of Assets	(284)	(153)	144	(1 206)	(305)	(166)	(72)
Net increase/decrease) in cash and cash equivalents			(3 677)	(8 535)	417	1 267	3 101
Carrying Value of Assets	853	670					
Receivables and Prepayments	182	364					
Total Assets	1 035	1 034					
Capital & Reserves	752	396					
Borrowings		239					
Trade and Other Payables	283	399					
Total Equity and Liabilities	1 035	1 034					

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 2009/10	Audited 2010/11	Audited 2011/12				% Change from Revised estimate			
				2013/14	2012/13	2014/15	2015/16			
Cape Town Metro	141 924	133 567	242 126	248 936	273 404	273 404	344 799	26.11	352 731	377 392
West Coast Municipalities	19 297	16 542	1 605	17 016	17 016	17 016	18 155	6.69	18 440	18 440
Across wards and municipal projects	19 297	16 542	1 605	17 016	17 016	17 016	18 155	6.69	18 440	18 440
Cape Winelands Municipalities	44 107	37 809	832	6 016	6 016	6 016	6 346	5.49	6 346	6 346
Across wards and municipal projects	44 107	37 809	832	6 016	6 016	6 016	6 346	5.49	6 346	6 346
Overberg Municipalities	22 053	18 905	2 682	6 016	6 016	6 016	6 346	5.49	6 346	6 346
Across wards and municipal projects	22 053	18 905	2 682	6 016	6 016	6 016	6 346	5.49	6 346	6 346
Eden Municipalities	30 323	24 202	8 116	7 455	7 455	7 455	7 805	4.69	7 805	7 805
Across wards and municipal projects	30 323	24 202	8 116	7 455	7 455	7 455	7 805	4.69	7 805	7 805
Central Karoo Municipalities	5 513	4 726	728	5 678	5 678	5 678	6 000	5.67	6 000	6 000
Across wards and municipal projects	5 513	4 726	728	5 678	5 678	5 678	6 000	5.67	6 000	6 000
Total provincial expenditure by district and local municipality	263 217	235 751	256 089	291 117	315 585	315 585	389 451	23.41	397 668	422 329

Note: Projects disaggregated per district.