

# Vote 9

**Department:** *Economic Development, Environmental Affairs and Tourism*

**Table 1: Summary of departmental allocation**

| R'000                                 |                                                                |
|---------------------------------------|----------------------------------------------------------------|
| To be appropriated by Vote in 2014/15 | R1 444 359                                                     |
| Responsible Executive Authority       | MEC of Economic Development, Environmental Affairs and Tourism |
| Administering Department              | Economic Development, Environmental Affairs and Tourism        |
| Accounting Officer                    | Head of the Department                                         |

## 1. Overview

### 1.1 Vision

A Province where economic growth and sound environmental management underpin sustainable development.

### 1.2 Mission

To lead economic and environmental management in the Eastern Cape.

### 1.3 Core functions and responsibilities

The department's strategic goal read as follows:

*“By 2014, DEDEAT will be recognised as an innovative, professional organisation, which facilitates and regulates participation in a growing low-carbon provincial economy”*

The core functions are summarised as follows:

- To drive economic growth and development in the Eastern Cape;
- To develop and promote the provincial tourism sector;
- To provide consumer protection services, gambling and betting regulations, trade inspections and regulate the liquor industry; and
- To develop regulatory frameworks and monitor the implementation of policy for the protection of biodiversity and the environment in the province.

### 1.4 Main Services

The department's main services are summarised as follows:

- Coordinating all strategic initiatives and activities relating to the creation of decent work through inclusive economic growth, including the implementation of the New Growth Path (NGP) and the aligned provincial growth strategies;
- To develop and utilise strategic frameworks and partnerships for the support and promotion of sustainable Small, Medium and Micro Enterprises (SMMEs) in the province;

- To promote economic growth and development of local economies in partnership with key stakeholders by aligning Local Economic Development (LED) initiatives with government programmes and creating and facilitating an enabling environment for implementation;
- To increase the number of jobs created through sector and cluster development including tourism and auto sectors, particularly in respect of low-carbon activities;
- To facilitate the development of strategic infrastructure projects that will stimulate the competitiveness of priority sectors in the province;
- To promote consumer rights, develop systems for effective regulation of the liquor, gambling and betting industries in the province;
- To provide credible information and a databank that informs economic policy and planning processes;
- To establish, implement and maintain effective systems to manage sustainable utilisation of biological resources and conservation of ecosystems;
- To establish, implement and maintain effective systems using environmental legislation to protect the environment;
- To establish, implement and maintain effective environmental awareness programmes to empower communities to effectively participate in environmental management; and
- To facilitate informed environmental decision-making through the implementation of comprehensive environmental planning and coordination mechanisms.

### **1.5 Demands for and expected changes in the services and resources**

There have been no significant changes in the demands for the services rendered by the department. However, the following are worth noting:

- The department is budgeting for the Consumer Tribunal as an independent function within the Office of the Consumer Protector.
- In 2013/14, a public notice that there is an intention to declare new nature conservation areas in Baviaanskloof Hartland Nature Reserve, Lambasi Nature Reserve, Noorsveld Protected Environment and Kromme Riviers Hoogtenature Reserve was issued, with additional demands for services under the ECPTA, which manages provincial parks on behalf of the department;
- ECDC has received funding to act as an implementing agent for prioritised provincial social infrastructure projects over the 2014 MTEF; and
- The signing of a Memorandum of Understanding (MOU) between the department and Small Enterprise Finance Agency SOC Limited (SEFA) in 2013/14 for the Integrated Wild Coast Development Programme (IWCDP). The IWCDP is a multi-pronged initiative which includes the Proclamation of Small Towns, Umzimvubu Catchment development, Special Economic Zone proclamation, Wild Coast Meander construction, the upgrade of Mthatha Airport and the N2 national road.

### **1.6 Acts, rules and regulations**

The department operates in a highly regulated environment, with more than 100 Acts and Regulations that serve as operational boundaries of the DEDEAT Group (DEDEAT & 6 public entities). The following key acts, rules and regulations are applicable to the core functions of the department: Consumer Protection Act, 2008; Broad Based Black Economic Empowerment Amended Act, 2013; Co-operatives Bank Act, 2005; Amended Co-operatives Act, 2013; National Gambling and Betting Act, 2008; National Small Business Act, 1996; National Liquor Act, 2003; Eastern Cape Liquor Act, 2003; Unfair Business Act, 1998; National Credit Act, 2006; Eastern Cape Gambling and Betting Board Act, 1997; Eastern Cape Development Corporation Act, 1997; Eastern Cape Parks and

Tourism Agency Act, 2010; Nature Conservation Ordinance, 1974; Environmental Management Act, 1998; Environmental Conservation Act, 1998; National Environmental Management Air Quality Act, 2004; National Environmental Management Biodiversity Act, 2004; National Environmental Management Integrated Coastal Management Act, 2008; National Environmental Management Waste Act, 2008; and National Environmental Management Protected Areas Act, 2009.

## **1.7 Budget decisions**

The department ensured that funds are allocated to key service delivery areas aligned to its mandate. The departmental baseline has increased by 17.4 per cent in the 2014/15 financial year, primarily due to an additional allocation for provincial social infrastructure funding. The key budget decisions have been based on the following priorities:

- Continued top and bulk infrastructure development within the industrial development zones, in support of new investors into the zones and the clustering of industries and mega-investment drive;
- Supporting municipalities with local economic development planning and environmental management;
- Implementation of regulatory frameworks;
- Implementation of IT programmes to improve efficiency and cost savings;
- Guiding the development of strategies and plans to propel the notion of a green economy and renewable energy to the forefront of industrial and rural development strategies;
- Enhancing environmental and conservation awareness throughout the province;
- Proclamation of 4 new conservation areas in the province;
- Implementing plans to accelerate construction and the use of labour-intensive methods;
- Implementation of the tourism master plan;
- Development and support of the auto and non-auto industries;
- Implementation of provincial social infrastructure through the ECDC;
- Supporting municipalities with local economic development planning and environmental management;
- Guiding the development of strategies and plans to propel the notion of a Green Economy to the forefront of industrial and rural development strategies;
- Enhancing environmental and conservation awareness throughout the province; and
- Continued support to the agro-processing sector to create and sustain jobs.

The Department of Trade and Industry (DTI) is reviewing the IDZ policy and the Special Economic Zone (SEZ) legislation is being developed, which include the development of new SEZs in addition to existing IDZs. In addition to the two IDZs (Coega and East London), the department has launched the Wild Coast Development Initiative as a new SEZ for the province.

## **1.8 Aligning departmental budget to achieve government's prescribed outcomes**

The department contributes directly to Outcome 4 (decent employment through inclusive growth), Outcome 6 (an efficient, competitive and responsive economic infrastructure network) and Outcome 10 (protect and enhance our environmental assets and natural resources). Over R1 billion (or 83.9 per cent) of the department's budget is allocated to these priorities, as follows:

- Outcome 4: R650.2 million (55 per cent)
- Outcome 6: R38.7 million (3 per cent)
- Outcome 10: R311.8 million (26 per cent)

The department has realigned its priorities to ensure focused efforts on creating and supporting an enabling environment for economic growth.

Over the 2014 MTEF, the department has been involved in making funding available for the implementation of sector plans in support of the PIDS Framework, Industrial Policy Action Plan (IPAP2), tourism development and destination marketing, the roll-out of the Buy Eastern Cape campaign and strategic projects in infrastructure, logistics, renewable energy and innovation that facilitate economic development in the province.

In ensuring that environmental assets and natural resources are well protected and continually enhanced, the department, together with the ECPTA and law enforcement agencies, remain committed to the management and protection of the natural environment. By allocating resources to research and projects relating to the “Green Economy” and renewable energy sources, the department is striving to reach a sustainable balance between economic growth and responsible use of land and natural resources.

## **2. Review of the current financial year (2013/14)**

### **2.1 Key achievements**

During the 2013/14 financial year, the following achievements in relation to planned activities and outcomes can be noted:

- In the departments’ quest to address apartheid-created spatial distortions and poverty, support was extensively granted in the application for the establishment of the Wild Coast Development Special Economic Zone and the Small Town Support Programme;
- A number of climate change, mitigation and adaptation projects have been implemented; including the establishment of an atmospheric air monitoring station in the Nelson Mandela Bay, recycling projects and the measurement of the state of the provincial environment among others;
- Substantial investments have been noted regarding renewable energy, where a number of investments were facilitated including training and support to municipalities;
- Through the ECDC, the department was able to support SMMEs, register close corporations and co-operatives; provide business skills training to SMMEs; fund SMMEs; facilitate and saved jobs through the Job Stimulus Fund;
- The CDC trained over 10 000 people as part of its Human Capital Development programme adding to people’s abilities to leverage work opportunities based on better skills in construction, driver training, and business process outsourcing (call centre agents and artisans);
- Over 400 EPWP “green” jobs were created through nature conservation programmes;
- Through the collective efforts of the department, the ECPTA and established partnerships with SAPS and other enforcement agencies, only 4 rhinos were poached in the province – the lowest in the country;
- The Eastern Cape Government embarked on a programme to honour its legends and develop opportunities for the people to benefit from heritage and cultural tourism in the province through the implementation of the Home of Legends by the ECPTA;
- In 2013/14, the department launched the first phase of shale gas exploration. In collaboration with NMMU, the department is seeking to invest in cutting edge scientific research capability that will provide scientific data on various study areas of shale gas. This will be achieved through a ground-water monitoring programme with community-based participation to stimulate capacity building and entrepreneurship;
- The operations of the ELIDZ Science and Technology Park (STP) continue to expand and enhance the technology and innovation capacity of the provincial government to accelerate service delivery. The pilot phase of establishing a stem cell research capability in the ELIDZ STP is being concluded, and
- Through the Buy-Eastern Cape initiative, the department is driving the localization of manufacturing and trade within the province, particularly through government spend. All the business chambers in the province are on board and so are key departments in the rollout of the programme. The retention and expansion of manufacturing sectors are imperative for growing the industrial base of the province.

## **2.2 Key challenges**

Through the Presidential Infrastructural Co-ordination Committee (PICC) and Industrial Policy Action Plan 3 (IPAP), many opportunities have been created in the areas of infrastructure, renewable energy, forestry, aquaculture and other non-automotive sector industries, however, available financial resources prevent the department from driving initiatives through the provincial fiscus. In order to take advantage of these opportunities, the department will continue to forge partnerships and engage other stakeholders.

Enhancing and expanding the protected area network is seen as an effective strategy for reducing threats to biodiversity and assisting the adaptation of the province's endemic biodiversity to climate change, the department does not have the necessary resources to expand the current provincially-owned areas any further.

Regulations were published in terms of the Consumer Affairs Act, 1998 (Unfair Business Practices). Comments were received and the final regulations will be passed after consultation with the Economic Development Portfolio Committee.

## **3. Outlook for the coming financial year (2014/15)**

The department will continue to provide support to catalytic programmes such as Strategy Infrastructural Programme (SIP3) involving the development of Umzimvubu dam and associated infrastructure, as well as the expansion of the N2 freeway. The department has established a working committee with the Department of Public Enterprises to monitor state owned entities in the province. The focus will be on Eskom, InfraCo Broadband, SAFCOL and Santec. The department will continue to work with other stakeholders to ensure localization of manufacturing and trade through the Buy Eastern Cape Campaign. All the business chambers and departments are on board in the rollout of the campaign.

The retention and expansion of manufacturing sectors are imperative for growing the industrial base of the province, hence the department will continue to provide support through establishing the Non-Automotive Manufacturing (NAM) – and Agro-Industrial Manufacturing (AIM) cluster platforms to enhance public-private collaboration to improve the competitiveness of these sectors.

The department will continue to provide financial and non-financial support to SMMEs and cooperatives through the ECDC and other partners such as SEDA. Investment promotion and industrialization will continue to be supported through the 2 IDZs. Work is currently being done towards the creation of the Wild Coast Special Economic Zone which will focus primarily on agro-processing. The province is a significant player on the renewable energy front having been allocated projects amounting to R19 billion through the department's Independent Power Producer (IPP) programme. The initiatives will continue throughout the 2014 MTEF.

The department will continue to work with state and non-state sectors to combat environmental crimes including rhino poaching. A number of mitigation and adaptation programmes will be implemented in support of the climate change agenda. The legacy projects that were identified post COP17 in 2012 will be promoted. As part of the area protection initiatives, the department will work with key stakeholders to expand the total areas under conservation. Key partnerships will be developed in order to implement turnkey projects, and tourism infrastructure development support project (Wild Coast) which is the signature event in the tourism industry.

## **4. Reprioritisation**

The department's utilisation of consultants is based only on the areas where there are not much skills available, such as the manufacturing sector, automotive sector, and in the development of the systems, and where the department cannot recruit fulltime employment to prevent underutilisation of resources.

The introduction of video conferencing when interacting with regions will cut traveling costs and savings will be realised. The department has taken a route to lease computer equipment and outsource security related programs and the risk associated with owning these assets.

## 5. Procurement

The department has a procurement executive committee which has a full mandate to adjudicate and recommend bids to the Accounting Officer for approval. It also has set aside about R30 million for professional fees for the following projects:

- Agro-processing security programmes;
- Consumer Appeals Board establishment;
- Study on the effectiveness of the Environmental Awareness programme;
- Implementation of Provincial Integrated Waste Management Plan;
- External Review of EIA's and Appeals;
- Part implementation of the Wild Coast Development Environmental management framework;
- Review of Tourism master systems plan;
- Change management plan in relation to the new structure;
- External review for environmental impact management publications;
- Climate change implementation of the recommendations and training;
- Coastal management programme;
- Green municipality programme;
- Environmental operations; and
- Creating regulatory function that ensures legal and regulatory compliance.

## 6. Receipts and financing

### 6.1 Summary of receipts

**Table 2: Summary of departmental receipts**

| R'000                        | Outcome        |                |                | Main appropriation | Adjusted appropriation 2013/14 | Revised estimate | Medium-term estimates |                  |                  | % change from 2013/14 |
|------------------------------|----------------|----------------|----------------|--------------------|--------------------------------|------------------|-----------------------|------------------|------------------|-----------------------|
|                              | 2010/11        | 2011/12        | 2012/13        |                    |                                |                  | 2014/15               | 2015/16          | 2016/17          |                       |
| Equitable share              | 823 568        | 883 891        | 806 407        | 1 070 308          | 1 387 577                      | 1 385 510        | 1 442 257             | 1 525 947        | 1 592 062        | 4.1                   |
| Conditional grants           | 911            | 1 760          | 1 000          | 550                | 550                            | 550              | 2 102                 | -                | -                | 282.2                 |
| <i>EPWP Integrated Grant</i> | 911            | 1 760          | 1 000          | 550                | 550                            | 550              | 2 102                 | -                | -                | 282.2                 |
| <b>Total receipts</b>        | <b>824 479</b> | <b>885 651</b> | <b>807 407</b> | <b>1 070 858</b>   | <b>1 388 127</b>               | <b>1 386 060</b> | <b>1 444 359</b>      | <b>1 525 947</b> | <b>1 592 062</b> | <b>4.2</b>            |
| <i>of which</i>              |                |                |                |                    |                                |                  |                       |                  |                  |                       |
| Departmental receipts        | 119 124        | 167 911        | 217 311        | 126 533            | 126 533                        | 122 118          | 134 125               | 147 538          | 154 915          | 9.8                   |

Table 2 above reflects the total departmental receipts which consist of equitable share, conditional grants and own revenue. Eastern Cape Gambling and Betting Board (ECGBB) generates revenue through tax collection from casinos this is driven by the number of casinos route operators, bingo halls, gambling machines, limited pay-out machines, tables per casino and horse racing. The Eastern Cape Liquor Board (ECLB) collects liquor license fees from liquor outlets.

## 6.2 Departmental receipts collection

**Table 3: Summary of departmental receipts collection**

| Outcome                                               |         |         |         | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |         |         | % change from 2013/14 |
|-------------------------------------------------------|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|-----------------------|
| R'000                                                 | 2010/11 | 2011/12 | 2012/13 | 2013/14            |                        |                  | 2014/15               | 2015/16 | 2016/17 |                       |
| Tax receipts                                          | 96 895  | 122 755 | 122 525 | 125 073            | 125 073                | 120 272          | 132 578               | 145 836 | 152 982 | 10.2                  |
| Casino taxes                                          | 85 533  | 112 949 | 97 412  | 98 360             | 99 360                 | 97 409           | 104 102               | 115 688 | 121 357 | 6.9                   |
| Horse racing taxes                                    | 6 564   | 7 299   | 20 004  | 20 777             | 20 777                 | 17 197           | 22 184                | 23 542  | 24 696  | 29.0                  |
| Liquor licences                                       | 4 798   | 2 507   | 5 109   | 5 936              | 4 936                  | 5 666            | 6 292                 | 6 606   | 6 930   | 11.0                  |
| Motor vehicle licences                                | —       | —       | —       | —                  | —                      | —                | —                     | —       | —       | —                     |
| Sales of goods and services other than capital assets | 767     | 735     | 763     | 1 060              | 1 060                  | 1 006            | 1 124                 | 1 237   | 1 298   | 11.7                  |
| Transfers received                                    | —       | —       | —       | —                  | —                      | —                | —                     | —       | —       | —                     |
| Fines, penalties and forfeits                         | 589     | 35      | 1 155   | —                  | —                      | 249              | —                     | —       | —       | (100.00)              |
| Interest, dividends and rent on land                  | 176     | 630     | 475     | 377                | 377                    | 379              | 400                   | 440     | 609     | 5.5                   |
| Sales of capital assets                               | —       | —       | —       | —                  | —                      | —                | —                     | —       | —       | —                     |
| Transactions in financial assets and liabilities      | 20 697  | 43 756  | 92 393  | 23                 | 23                     | 212              | 23                    | 25      | 26      | (89.2)                |
| Total departmental receipts                           | 119 124 | 167 911 | 217 311 | 126 533            | 126 533                | 122 118          | 134 125               | 147 538 | 154 915 | 9.8                   |

Table 2 above reflects Departmental own receipts increased from R119.124 million in 2010/11 to R217.311 million in 2012/13 before decreasing to R126.533 million in 2013/14. This is due to a once off exclusivity fee that was charged to the Board Walk Casino. The casino industry is also experiencing an economic cliff culminating in reduced number of punters in the 2013/14 financial year which resulted in the low tax collection.

In 2014/15, revenue is expected to grow by 9.8 per cent; this is mainly due to the expected increase in casino taxes as additional casino licenses will be issued to bingo halls in Mthatha, East London and Port Elizabeth. In addition, gambling and betting tax rates have been reviewed for implementation in 2014/15.

## 6.3 Official development assistance (donor funding)

**Table 4: Summary of departmental donor funding receipts**

| R'000                                                               | Audited  |          |          | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |               |               | % change from |
|---------------------------------------------------------------------|----------|----------|----------|--------------------|------------------------|------------------|-----------------------|---------------|---------------|---------------|
|                                                                     | 2010/11  | 2011/12  | 2012/13  |                    |                        |                  | 2014/15               | 2015/16       | 2016/17       |               |
| <b>Donor organisations</b>                                          |          |          |          |                    |                        |                  |                       |               |               |               |
| Learnship for Environmental Affairs (CATHSETA)                      |          |          |          | 600                | —                      | 600              |                       |               |               | (100.0)       |
| Ecological Resource Management Systems for Schools (EUROPEAN UNION) |          |          |          |                    |                        |                  | 2 200                 | 17 500        | 10 300        |               |
| Sustainable Rural Villages Project (EUROPEAN UNION)                 |          |          |          |                    |                        |                  | 4 000                 | 4 000         | 2 400         |               |
| <b>Total payments</b>                                               | <b>—</b> | <b>—</b> | <b>—</b> | <b>600</b>         | <b>—</b>               | <b>600</b>       | <b>6 200</b>          | <b>21 500</b> | <b>12 700</b> | <b>933.3</b>  |

Table 4 above shows that the department has received donor funding of R30 million over the 2014 MTEF that will be going directly to ECDC as an implementer for Ecological Resource management systems. The funds are for managing schools toilet waste to generate fertiliser and cooking gas for school garden and feeding schemes. The sustainable rural village project for the Chris Hani District Municipality expansion programme amounts to R10.400 million over the 2014 MTEF.

# 7. Payment summary

## 7.1 Key assumptions

The assumptions for crafting this budget provided a framework to the departmental officials for setting priorities, determining service levels and allocating financial resources.

The following assumptions were taken into consideration when this budget was formulated:

- Assumptions for salary increases are taken into account, amongst others, adjustments contained in the wage agreement.
- Assumptions for inflation related items are based on CPI projections.

## 7.2 Programme summary

**Table 5: Summary of payments and estimates by programme**

| R'000                               | Outcome |         |         | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |           |           | % change from 2013/14 |
|-------------------------------------|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|-----------|-----------|-----------------------|
|                                     | 2010/11 | 2011/12 | 2012/13 |                    |                        |                  | 2014/15               | 2015/16   | 2016/17   |                       |
|                                     |         |         |         |                    | 2013/14                |                  |                       |           |           |                       |
| 1. Administration                   | 135 123 | 154 168 | 170 689 | 205 292            | 207 392                | 206 342          | 203 425               | 199 581   | 208 823   | (1.4)                 |
| 2. Economic Development And Tourism | 465 710 | 513 028 | 370 086 | 574 297            | 887 622                | 887 622          | 936 035               | 1 023 692 | 1 066 959 | 5.5                   |
| 3. Environmental Affairs            | 223 646 | 218 455 | 266 632 | 291 269            | 293 113                | 292 096          | 304 899               | 302 675   | 316 279   | 4.4                   |
| Total payments and estimates        | 824 479 | 885 651 | 807 407 | 1 070 858          | 1 388 127              | 1 386 060        | 1 444 359             | 1 525 947 | 1 592 062 | 4.2                   |

## 7.3 Summary of economic classification

**Table 6: Summary of payments and estimates by economic classification**

| R'000                                               | Outcome |         |         | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |           |           | % change from 2013/14 |
|-----------------------------------------------------|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|-----------|-----------|-----------------------|
|                                                     | 2010/11 | 2011/12 | 2012/13 |                    |                        |                  | 2014/15               | 2015/16   | 2016/17   |                       |
|                                                     | 2013/14 |         |         |                    |                        |                  |                       |           |           |                       |
| Current payments                                    | 231 210 | 263 012 | 283 702 | 345 145            | 328 170                | 335 193          | 339 766               | 341 061   | 362 656   | 1.4                   |
| Compensation of employees                           | 151 433 | 171 525 | 185 059 | 204 354            | 201 354                | 203 746          | 201 238               | 222 791   | 230 179   | (1.2)                 |
| Goods and services                                  | 79 777  | 91 487  | 98 643  | 140 791            | 126 816                | 131 447          | 138 528               | 118 270   | 132 477   | 5.4                   |
| Interest and rent on land                           | –       | –       | –       | –                  | –                      | –                | –                     | –         | –         | –                     |
| Transfers and subsidies to:                         | 588 454 | 618 263 | 512 643 | 707 243            | 1 038 977              | 1 037 877        | 1 093 501             | 1 161 172 | 1 204 434 | 5.4                   |
| Provinces and municipalities                        | 31 585  | 3 952   | 3 098   | 8 073              | 11 123                 | 11 137           | 19 885                | 23 359    | 24 350    | 78.5                  |
| Departmental agencies and accounts                  | 556 869 | 604 152 | 469 953 | 658 922            | 975 691                | 899 469          | 1 023 093             | 1 095 187 | 1 135 115 | 13.7                  |
| Higher education institutions                       | –       | –       | 1 695   | 1 964              | 11 064                 | 9 964            | 10 315                | –         | –         | 3.5                   |
| Foreign governments and international organisations | –       | –       | –       | –                  | –                      | –                | –                     | –         | –         | –                     |
| Public corporations and private enterprises         | –       | 9 000   | 35 694  | 36 541             | 38 856                 | 115 999          | 38 110                | 40 627    | 42 617    | (67.1)                |
| Non-profit institutions                             | –       | –       | 1 144   | 1 000              | 1 000                  | 205              | 1 300                 | 1 000     | 1 300     | 534.1                 |
| Households                                          | –       | 1 159   | 1 059   | 743                | 1 243                  | 1 103            | 798                   | 999       | 1 052     | (27.7)                |
| Payments for capital assets                         | 4 735   | 4 070   | 10 953  | 18 470             | 20 980                 | 12 990           | 11 092                | 23 714    | 24 971    | (14.6)                |
| Buildings and other fixed structures                | –       | –       | –       | –                  | –                      | –                | –                     | –         | –         | –                     |
| Machinery and equipment                             | 4 725   | 4 070   | 10 953  | 18 470             | 20 980                 | 12 639           | 11 092                | 23 714    | 24 971    | (12.2)                |
| Heritage Assets                                     | –       | –       | –       | –                  | –                      | –                | –                     | –         | –         | –                     |
| Specialised military assets                         | –       | –       | –       | –                  | –                      | –                | –                     | –         | –         | –                     |
| Biological assets                                   | –       | –       | –       | –                  | –                      | –                | –                     | –         | –         | –                     |
| Land and sub-soil assets                            | –       | –       | –       | –                  | –                      | –                | –                     | –         | –         | –                     |
| Software and other intangible assets                | 10      | –       | –       | –                  | –                      | 351              | –                     | –         | –         | (100.0)               |
| Payments for financial assets                       | 80      | 306     | 109     | –                  | –                      | –                | –                     | –         | –         | –                     |
| Total economic classification                       | 824 479 | 885 651 | 807 407 | 1 070 858          | 1 388 127              | 1 386 060        | 1 444 359             | 1 525 947 | 1 592 062 | 4.2                   |

Tables 5 and 6 reflect a summary of payments and estimates per economic classification. Actual expenditure increased from R824.479 million in 2010/11 to R1.388 billion in 2013/14. The increase is due to additional funding for public entities (ECDC, ECPTA and Coega) for certain key projects. The budget increases by 4.2 per cent in 2014/15 due to an additional allocation made to ECDC for priority social infrastructure and another allocation to Coega Development Corporation (CDC) for the implementation of social infrastructure in municipalities. Furthermore, the increase to R1.388 billion in 2013/14 is based primarily on an allocation to ECDC of R330 million during the 2013/14 Adjustment Estimates for the implementation of provincial social infrastructure.

Compensation of Employees increased from R151.433 million in 2010/11 to R201.354 million in the 2013/14 adjustment estimate due to the filling of critical vacant posts (inclusive of industry sector specialists) for improved capacity in the department in respect of public entity oversight. The budget decreases by 1.2 per cent in 2014/15 due to provisions made for inflationary rates and the filling of critical vacant posts in order to strengthen organisational delivery capacity. The departmental structure will be implemented with posts of the consumer protector as per the provincial instruction.

Goods and Services increased from R79.777 million in 2010/11 to R126.816 million in the 2013/14 adjusted estimates. In 2014/15, the budget increases by 5.4 per cent due to the implementation of PIDS, increases in fleet costs and the implementation of projects emanating from the Renewable Energy Summit. The increase also relates to establishing a research policy and implementation agendas for the green economy; enhancing support to SMMEs and co-operatives; increased focus on agro-processing; attraction and retention of manufacturing businesses in the IDZs, monitoring of public entities, environmental management projects, and the implementation of the WCDIP.



Transfers and Subsidies are the main cost driver in the department's expenditure and it increased from R588.454 million in 2010/11 to R1.038 billion in the 2013/14 adjusted estimates. The increase is due to once-off allocations of R82 million to CDC for the completion of a wind tower manufacturing company and for strategic environmental assessments on the Return on Effluent Water Supply project; R24 million to ECDC for a matching fund for agro-processing; R10 million for the revitalisation of strategic industries; as well as the R330 million provincial social infrastructure projects. In 2014/15, the budget increases due to additional allocations to public entities. A further R1.517 billion was allocated to ECDC and CDC over the 2014 MTEF, for social and economic infrastructure. Whilst an increase relates to other transfers to other partners as well as the municipalities through the EPWP projects which are meant for job creation.

Payments for Capital Assets increased from R4.735 million in 2010/11 to R20.980 million in the 2013/14 adjustment estimate, due to new office furniture that was purchased for the departments' regional offices, the shifting of the operating lease to finance lease in respect of a video conferencing facility, and the acquisition of quad bikes for the Green Scorpions.

## 7.4 Expenditure by municipal boundary

**Table 7: Summary of departmental payments and estimates by benefiting municipal boundary**

| R' 000                       | Audited |         |         | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |           |           | % change from 2013/14 |
|------------------------------|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|-----------|-----------|-----------------------|
|                              | 2010/11 | 2011/12 | 2012/13 |                    |                        |                  | 2014/15               | 2015/16   | 2016/17   |                       |
| Category A                   | -       | -       | -       | -                  | -                      | -                | -                     | -         | -         |                       |
| Category B                   | -       | 1 992   | 998     | -                  | -                      | -                | 1 850                 | -         | -         |                       |
| Port St Johns                |         | 200     |         |                    |                        |                  | 1 000                 |           |           |                       |
| Senqu                        |         | 300     |         |                    |                        |                  |                       |           |           |                       |
| Umzimvubu                    |         | 500     |         |                    |                        |                  | 500                   |           |           |                       |
| Unallocated                  |         | 992     | 998     |                    |                        |                  |                       |           |           |                       |
| Category C                   | 31 585  | 1 960   | 2 100   | 8 073              | 11 123                 | 19 196           | 18 035                | 23 359    | 24 350    | (6.0)                 |
| Alfred Nzo                   | 6 121   |         |         | 2 000              | 2 400                  | 2 400            | -                     | -         | -         | (100.0)               |
| Amathole                     | 3 498   | 155     |         | -                  |                        | -                | -                     | -         | -         |                       |
| Cacadu                       | 3 498   |         |         | -                  | 400                    | 400              | -                     | -         | -         | (100.0)               |
| Chris Hani                   | 6 121   | 1 805   | 1 500   | 1 523              | 3 373                  | 3 373            | 2 500                 | -         | -         | (25.9)                |
| OR Tambo                     | 6 121   |         |         | 3 000              | 3 400                  | 3 400            | -                     | -         | -         | (100.0)               |
| Joe Gqabi                    | 6 121   |         | 600     |                    |                        | -                | -                     | -         | -         |                       |
| Unallocated                  | 105     |         |         | 1 550              | 1 550                  | 1 550            | 15 535                | 23 359    | 24 350    | 902.3                 |
| Whole Province               | 792 894 | 881 699 | 804 309 | 1 062 785          | 1 377 004              | 1 366 864        | 1 424 474             | 1 502 588 | 1 567 712 | 4.2                   |
| Total payments and estimates | 824 479 | 885 651 | 807 407 | 1 070 858          | 1 388 127              | 1 386 060        | 1 444 359             | 1 525 947 | 1 592 062 | 4.2                   |

Table 7 above shows payments to benefiting municipalities which are implementing EPWP projects on behalf of the department. Amahlathi local municipality is allocated R350 thousand to examine the municipality in the area of the business enabling environment, identifying what business models should be applied or not. R1 million and R500 thousand are allocated to Port St Johns and Umzimvubu local municipalities respectively for the Small Town Revitalisation projects to promote economic development in order to create jobs and improve the living conditions. Chris Hani district is allocated R2.500 million to support co-operatives in the regions.

The unallocated portion of the departmental budget over the 2014 MTEF relates to environmental awards to the greenest town municipality awards and schools, which can only be allocated to districts after the adjudication process is completed.

## 7.5 Infrastructure payments

### 7.5.1 Departmental infrastructure payments

None.

### 7.5.2 Maintenance

None.

### 7.5.3 Departmental Public-Private Partnership (PPP) projects

None.

## 7.6 Conditional grant payments

### 7.6.1 Conditional grant payments by grant

**Table 8: Summary of departmental conditional grants by grant**

| R' 000                            | Audited    |             |             | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |          |          | % change from 2013/14 |
|-----------------------------------|------------|-------------|-------------|--------------------|------------------------|------------------|-----------------------|----------|----------|-----------------------|
|                                   | 2010/11    | 2011/12     | 2012/13     |                    |                        |                  | 2014/15               | 2015/16  | 2016/17  |                       |
| EPWP incentive Grant to Provinces | 911        | 1760        | 1000        | 550                | 550                    | 550              | 2 102                 | -        | -        | 282.2                 |
| <b>Total</b>                      | <b>911</b> | <b>1760</b> | <b>1000</b> | <b>550</b>         | <b>550</b>             | <b>550</b>       | <b>2 102</b>          | <b>-</b> | <b>-</b> | <b>282.2</b>          |

Table 8 above shows a summary of the department's conditional grants. In 2011/12, R1.760 million was allocated to Emalahleni, Intsika Yethu and Lukhanji local municipalities under the Chris Hani district for the Lapesi Eradication project in the Bio-diversity Management sub-programme. The objectives of the project were to eradicate the Lapesi weed plant, alleviate poverty and behavioural change through responsible environmental management, and the creation of jobs.

In 2012/13, R1 million was spent on EPWP projects in partnership with local municipalities. In 2013/14, the budget decreased to R550 thousand which was allocated to the Chris Hani district for the Lapesi Eradication project. R2.102 million has been made available in 2014/15.

### 7.6.2 Conditional grant payments by economic classification

**Table 9: Summary of departmental conditional grants by economic classification**

| R' 000                               | Audited    |             |             | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |          |          | % change from 2013/14 |
|--------------------------------------|------------|-------------|-------------|--------------------|------------------------|------------------|-----------------------|----------|----------|-----------------------|
|                                      | 2010/11    | 2011/12     | 2012/13     |                    |                        |                  | 2014/15               | 2015/16  | 2016/17  |                       |
| <b>Current payments</b>              | -          | -           | -           | -                  | -                      | -                | -                     | -        | -        | -                     |
| Compensation of employees            | -          | -           | -           | -                  | -                      | -                | -                     | -        | -        | -                     |
| Goods and services                   | -          | -           | -           | -                  | -                      | -                | -                     | -        | -        | -                     |
| Interest and rent on land            | -          | -           | -           | -                  | -                      | -                | -                     | -        | -        | -                     |
| <b>Transfers and subsidies</b>       | <b>911</b> | <b>1760</b> | <b>1000</b> | <b>550</b>         | <b>550</b>             | <b>550</b>       | <b>2 102</b>          | <b>-</b> | <b>-</b> | <b>282.2</b>          |
| Provinces and municipalities         | 911        | 1760        | 1000        | 550                | 550                    | 550              | 2 102                 | -        | -        | 282.2                 |
| Non-profit institutions              | -          | -           | -           | -                  | -                      | -                | -                     | -        | -        | -                     |
| Households                           | -          | -           | -           | -                  | -                      | -                | -                     | -        | -        | -                     |
| <b>Payments for capital assets</b>   | -          | -           | -           | -                  | -                      | -                | -                     | -        | -        | -                     |
| Buildings and other fixed structures | -          | -           | -           | -                  | -                      | -                | -                     | -        | -        | -                     |
| Machinery and equipment              | -          | -           | -           | -                  | -                      | -                | -                     | -        | -        | -                     |
| Software and other intangible assets | -          | -           | -           | -                  | -                      | -                | -                     | -        | -        | -                     |
| <b>Payments for financial assets</b> | -          | -           | -           | -                  | -                      | -                | -                     | -        | -        | -                     |
| <b>Total</b>                         | <b>911</b> | <b>1760</b> | <b>1000</b> | <b>550</b>         | <b>550</b>             | <b>550</b>       | <b>2 102</b>          | <b>-</b> | <b>-</b> | <b>282.2</b>          |

Conditional grant allocation to the department declined from R911 thousand in 2010/11 to R550 thousand in 2013/14, as shown in Table 9 above. The grant increases to R2.102 million in 2014/15. The department, in partnership with local municipalities has been using this grant to create jobs on environmental sector projects.

## 7.7 Transfers

### 7.7.1 Transfers to public entities

**Table 10: Summary of transfers to public entities by entity**

| R'000                               | Outcome        |                |                | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                  |                  | % change from 2013/14 |
|-------------------------------------|----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|-----------------------|
|                                     | 2010/11        | 2011/12        | 2012/13        | 2013/14            |                        |                  | 2014/15               | 2015/16          | 2016/17          |                       |
| EC Appropriate Technology Unit      | -              | -              | -              | -                  | -                      | -                | -                     | -                | -                |                       |
| East London Industrial Developer    | 135 257        | 141 614        | 46 051         | 112 407            | 114 907                | 114 907          | 113 792               | 112 031          | 117 969          | (1.0)                 |
| Eastern Cape Development Corpor     | 210 974        | 255 169        | 144 659        | 188 404            | 497 944                | 497 944          | 366 535               | 403 972          | 425 605          | (26.4)                |
| EC Arts Council                     | -              | -              | -              | -                  | -                      | -                | -                     | -                | -                |                       |
| EC Gambling and Betting Board       | 23 338         | 31 187         | 35 687         | 42 687             | 42 687                 | 42 687           | 42 748                | 44 826           | 46 615           | 0.1                   |
| EC Liquor Board                     | 26 098         | 32 325         | 35 131         | 41 131             | 41 131                 | 41 131           | 42 736                | 44 936           | 46 922           | 3.9                   |
| EC Parks and Tourism Agency         | 161 202        | 143 857        | 190 426        | 191 543            | 196 387                | 196 387          | 207 282               | 189 422          | 198 006          | 5.5                   |
| EC Rural Development Agency         | -              | -              | -              | -                  | -                      | -                | -                     | -                | -                |                       |
| EC Socio-Economic Consultative C    | -              | -              | -              | -                  | -                      | -                | -                     | -                | -                |                       |
| EC Youth Commission                 | -              | -              | -              | -                  | -                      | -                | -                     | -                | -                |                       |
| Mayibuye Transport Corporation      | -              | -              | -              | -                  | -                      | -                | -                     | -                | -                |                       |
| Coega Development Corporation       | -              | -              | 18 000         | 82 750             | 82 000                 | 82 000           | 250 000               | 300 000          | 300 000          | 204.9                 |
| <b>Total departmental transfers</b> | <b>556 869</b> | <b>604 152</b> | <b>469 954</b> | <b>658 922</b>     | <b>975 056</b>         | <b>975 056</b>   | <b>1 023 093</b>      | <b>1 095 187</b> | <b>1 135 116</b> | <b>4.9</b>            |

Table 10 reflects a summary of transfers to public entities. The relationship between the department and its entities is formalised through shareholder compacts and service level agreements (SLAs). Public entities utilise approximately 65 per cent of the department's budget.

Expenditure in public entities increased from R556.869 million in 2010/11 to R975.056 million in the 2013/14 revised estimates due to additional funding of R330 million allocated to ECDC for provincial social infrastructure. The department further reprioritized its overall budget in 2013/14 to fund infrastructure development through ECPTA to the value of R85 million which was spread over the 2014 MTEF. A further once-off allocation to Coega was made for strategic environmental assessment on the Return on Effluent Water Supply project.

In the 2014 MTEF, an additional allocation of R1.517 billion has been made to ECDC and CDC for the infrastructure projects.

### 7.7.2 Transfers to other entities

**Table 11: Summary of transfers to other entities**

| R' 000                                      | Audited  |              |               | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |               |               | % change from 2013/14 |
|---------------------------------------------|----------|--------------|---------------|--------------------|------------------------|------------------|-----------------------|---------------|---------------|-----------------------|
|                                             | 2010/11  | 2011/12      | 2012/13       | 2013/14            |                        |                  | 2014/15               | 2015/16       | 2016/17       |                       |
| Higher education institutions               | -        | -            | -             | 1 964              | 9 100                  | 10 964           | 10 315                | -             | -             | (5.9)                 |
| Rhodes University                           |          |              |               | 1964               |                        | 1964             | 2 041                 |               |               | 3.9                   |
| Fort Hare University                        |          |              |               |                    | 1 100                  | 1 000            |                       |               |               | (100.)                |
| Nelson Mandela Metropolitan University      |          |              |               |                    | 8 000                  | 8 000            | 8 274                 |               |               | 3.4                   |
| Public Corporations and private enterprises | -        | 9 000        | 32 444        | 36 541             | -                      | 38 341           | 38 110                | 40 627        | 42 617        | (95.7)                |
| LRED Fund                                   |          | 9 000        | 32 444        | 36 541             |                        | 36 541           | 38 110                | 40 627        | 42 617        | 4.3                   |
| Chemin Incubation                           |          |              |               |                    |                        | 1 800            |                       |               |               | (100.)                |
| <b>Total</b>                                | <b>-</b> | <b>9 000</b> | <b>32 444</b> | <b>38 505</b>      | <b>9 100</b>           | <b>49 305</b>    | <b>48 425</b>         | <b>40 627</b> | <b>42 617</b> | <b>(1.8)</b>          |

Table 11 reflects a summary of transfers to other entities. The department has, in collaboration with Rhodes University, provided R2 million for each year for the establishment of a labour market research unit at the university in 2013/14 and 2014/15. This is in response to the provincial job and skills crisis and it will focus on the strategic pillars, namely: job retention, new jobs, social economy, economic infrastructure, and skills development. In 2013/14, in partnership with NMMU, the Shale Gas Exploration project was initiated. In the 2014 MTEF, the department has partnered with three universities (University of Fort Hare, Nelson Mandela Metropolitan and Rhodes Universities) to have a strategic advantage in knowledge generation. There is therefore a natural synergy between the department's development research objectives and this crop of emerging researchers.

### 7.7.3 Transfers to local government by category

**Table 12: Summary to local government by category**

| R'000                               | Outcome       |              |              | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |               |               | % change from 2013/14 |
|-------------------------------------|---------------|--------------|--------------|--------------------|------------------------|------------------|-----------------------|---------------|---------------|-----------------------|
|                                     | 2010/11       | 2011/12      | 2012/13      |                    |                        |                  | 2014/15               | 2015/16       | 2016/17       |                       |
| Category A                          | –             | –            | –            | –                  | –                      | –                | –                     | –             | –             |                       |
| Category B                          | –             | 1 992        | 998          | –                  | –                      | –                | 1 850                 | –             | –             | (79.5)                |
| Category C                          | 31 585        | 1 960        | 2 100        | 8 073              | 11 123                 | 19 196           | 2 500                 | –             | –             |                       |
| Unallocated                         | –             | –            | –            | –                  | –                      | –                | 15 535                | 23 359        | 24 350        | 902.3                 |
| <b>Total departmental transfers</b> | <b>31 585</b> | <b>3 952</b> | <b>3 098</b> | <b>8 073</b>       | <b>11 123</b>          | <b>19 196</b>    | <b>19 885</b>         | <b>23 359</b> | <b>24 350</b> | <b>88.1</b>           |

Table 12 above reflects a summary of departmental transfers to local government by category. Transfers to local government increased from R9.982 million in 2010/11 to R10.573 million in the 2013/14 revised estimates. The increase was due to the department's separation of transfers to higher education institutions starting in 2013/14.

In the 2014 MTEF, allocations increase by 64.4 per cent due to a strategic decision to focus on the EPWP projects for job creation through environmental programmes, Environmental Awards for schools promoting sustainable environmental management and the greenest town municipality and cleanest town.

### 7.7.4 Transfers to local government by grant name

**Table 13: Summary to local government by grant name**

| R' 000                            | Audited    |              |              | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |          |          | % change from 2013/14 |
|-----------------------------------|------------|--------------|--------------|--------------------|------------------------|------------------|-----------------------|----------|----------|-----------------------|
|                                   | 2010/11    | 2011/12      | 2012/13      |                    |                        |                  | 2014/15               | 2015/16  | 2016/17  |                       |
| EPWP incentive Grant to Provinces | 911        | 1 760        | 1 000        | 550                | 550                    | 550              | 2 102                 | –        | –        | 282.2                 |
| <b>Total</b>                      | <b>911</b> | <b>1 760</b> | <b>1 000</b> | <b>550</b>         | <b>550</b>             | <b>550</b>       | <b>2 102</b>          | <b>–</b> | <b>–</b> | <b>282.2</b>          |

Table 13 above reflects a summary of departmental transfers to local government by grant name. Expenditure on grants decreased from R911 thousand in 2010/11 to R550 thousand in 2013/14. The allocation is spent on EPWP projects. An additional R2.102 million has been made available for EPWP related projects job creation.

## 8. Programme description

### Programme 1: Administration

**Objectives:** Provide leadership, strategic management in accordance with legislation, regulations, policies, and ensures appropriate support service to all other programmes. The programme is divided into 4 sub-programmes:

- **Office of the MEC:** Effectively and efficiently manages and directs the activities of the MEC.
- **Office of the HOD:** Manages and directs the departmental transversal administrative programmes that give leadership to the department and effectively maintains an oversight function on the whole department's mandate and function.
- **Financial Management** provides an effective financial management function to ensure compliance with of the PFMA and other related financial regulations and policies; and provide planning and budgeting support to the department to address risk management.
- **Corporate Services** provides the strategic support function to the department and it is made up of HRD, Labour Relations, Legal services, IT & Corporate Communication.

**Table 14: Summary of departmental payments and estimates sub-programme: P1 – Administration**

| R'000                        | Outcome |         |         | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |         |         | % change from 2013/14 |
|------------------------------|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|-----------------------|
|                              | 2010/11 | 2011/12 | 2012/13 |                    |                        |                  | 2014/15               | 2015/16 | 2016/17 |                       |
|                              |         |         |         | 2013/14            |                        |                  |                       |         |         |                       |
| 1. Office of the MEC         | 3 715   | 5 749   | 8 580   | 6 484              | 7 052                  | 6 962            | 6 486                 | 5 666   | 5 642   | (6.8)                 |
| 2. Office Of The HOD         | 35 164  | 45 090  | 48 685  | 69 204             | 58 882                 | 59 407           | 57 978                | 68 985  | 72 641  | (2.4)                 |
| 3. Financial Management      | 57 594  | 59 711  | 74 122  | 76 390             | 87 565                 | 86 905           | 80 921                | 82 799  | 87 005  | (6.9)                 |
| 4. Corporate Services        | 38 650  | 43 618  | 39 302  | 53 214             | 53 893                 | 53 068           | 58 040                | 42 131  | 43 534  | 9.4                   |
| Total payments and estimates | 135 123 | 154 168 | 170 689 | 205 292            | 207 392                | 206 342          | 203 425               | 199 581 | 208 823 | (1.4)                 |

**Table 15: Summary of departmental payments and estimates by economic classification: P1 – Administration**

| R'000                                               | Outcome |         |         | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |         |         | % change from 2013/14 |
|-----------------------------------------------------|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|-----------------------|
|                                                     | 2010/11 | 2011/12 | 2012/13 |                    |                        |                  | 2013/14               | 2014/15 | 2015/16 |                       |
| Current payments                                    | 131 430 | 149 235 | 158 872 | 186 275            | 185 375                | 192 430          | 191 535               | 174 868 | 182 800 | (0.5)                 |
| Compensation of employees                           | 75 154  | 86 509  | 89 981  | 95 197             | 97 297                 | 97 335           | 97 314                | 97 497  | 99 664  | (0.0)                 |
| Goods and services                                  | 56 276  | 62 726  | 68 891  | 91 078             | 88 078                 | 95 095           | 94 221                | 77 371  | 83 136  | (0.9)                 |
| Interest and rent on land                           | —       | —       | —       | —                  | —                      | —                | —                     | —       | —       | —                     |
| Transfers and subsidies to:                         | —       | 557     | 755     | 547                | 1 047                  | 932              | 798                   | 999     | 1 052   | (14.4)                |
| Provinces and municipalities                        | —       | —       | —       | —                  | —                      | —                | —                     | —       | —       | —                     |
| Departmental agencies and accounts                  | —       | —       | —       | —                  | —                      | —                | —                     | —       | —       | —                     |
| Higher education institutions                       | —       | —       | —       | —                  | —                      | —                | —                     | —       | —       | —                     |
| Foreign governments and international organisations | —       | —       | —       | —                  | —                      | —                | —                     | —       | —       | —                     |
| Public corporations and private enterprises         | —       | —       | —       | —                  | —                      | —                | —                     | —       | —       | —                     |
| Non-profit institutions                             | —       | —       | —       | —                  | —                      | —                | —                     | —       | —       | —                     |
| Households                                          | —       | 557     | 755     | 547                | 1 047                  | 932              | 798                   | 999     | 1 052   | (14.4)                |
| Payments for capital assets                         | 3 685   | 4 070   | 10 953  | 18 470             | 20 970                 | 12 980           | 11 092                | 23 714  | 24 971  | (14.5)                |
| Buildings and other fixed structures                | —       | —       | —       | —                  | —                      | —                | —                     | —       | —       | —                     |
| Machinery and equipment                             | 3 685   | 4 070   | 10 953  | 18 470             | 20 970                 | 12 629           | 11 092                | 23 714  | 24 971  | (12.2)                |
| Heritage Assets                                     | —       | —       | —       | —                  | —                      | —                | —                     | —       | —       | —                     |
| Specialised military assets                         | —       | —       | —       | —                  | —                      | —                | —                     | —       | —       | —                     |
| Biological assets                                   | —       | —       | —       | —                  | —                      | —                | —                     | —       | —       | —                     |
| Land and sub-soil assets                            | —       | —       | —       | —                  | —                      | —                | —                     | —       | —       | —                     |
| Software and other intangible assets                | —       | —       | —       | —                  | —                      | 351              | —                     | —       | —       | (100.0)               |
| Payments for financial assets                       | 8       | 306     | 109     | —                  | —                      | —                | —                     | —       | —       | —                     |
| Total economic classification                       | 135 123 | 154 168 | 170 689 | 205 292            | 207 392                | 206 342          | 203 425               | 199 581 | 208 823 | (1.4)                 |

Tables 14 and 15 above show that actual expenditure increased from R135.123 million in 2010/11 to R207.392 million in 2013/14 due to the centralisation of printing, legal fees, communication fees and all leases. In 2014/15, the budget decreased by 1.4 per cent due to once off projects (finishing, process mapping and financial management review in terms of the capacity).

Compensation of Employees increased from R75.154 million in 2010/11 to R97.297 million in the 2013/14 adjustment estimate, due to the filling of critical vacant posts. The increase was also due to inflation and a policy decision by the department to introduce a project management unit within the HoD's office which was affected by the additional contractual posts within the financial management section. In 2014/15 the budget remains unchanged.

Goods and Services increased from R56.276 million in 2010/11 to R88.078 million in the 2013/14 adjustment estimate due to increased legal costs, lease payments, fleet services, telephone costs and increased cost pressures on security services. In 2014/15, the allocation has increased due to the projects that were not completed. A decision to introduce project management is among the causes of the spike in the allocation.

Transfers and Subsidies increased from R557 thousand in 2011/12 to R1.047 million in the 2013/14 adjustment estimate. A further R3 million was made available over the 2014 MTEF for leave gratuities.

Payments for Capital Assets increased from R3.685 million in 2010/11 to R20.970 million in the 2013/14 adjustment estimate due to the procurement of office furniture and the provision made for training centre equipment and furniture. In 2014/15, the budget is estimated to decrease by 14.5 per cent as there is no longer a need for the department to make provisions for new furniture for the training centre.

## Service Delivery Measures

None.

## Programme 2: Economic Development and Tourism

### Objectives

The programme is primarily responsible for administering sustainable economic policies and developing appropriate strategies to promote business development and job creation. The overall goal of the programme is to sustain economic development through policies and partnership.

The program is divided into 5 sub-programmes,

- **Integrated Economic Development:** Promotes and supports economic development through shared partnerships
- **Trade and Sector Development:** Stimulates economic growth through industry development, trade and investment promotion.
- **Business Regulation and Governance:** Ensures an enabling socially responsible business environment that allows for predictability.
- **Economic planning:** Develops provincial economic policies and strategies to achieve and measure sustainable economic development.
- **Tourism:** Creates an enabling tourism environment through legislation, policy and strategy development. Creates demand and supply for tourism.

**Table 16: Summary of departmental payments and estimates sub-programme: P2 – Economic Development and Tourism**

| R'000                                       | Outcome        |                |                | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                  |                  | % change from 2013/14 |
|---------------------------------------------|----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|-----------------------|
|                                             | 2010/11        | 2011/12        | 2012/13        | 2013/14            |                        |                  | 2014/15               | 2015/16          | 2016/17          |                       |
| 1. Integrated Economic Development Services | 188 549        | 198 315        | 123 112        | 157 872            | 153 920                | 159 866          | 148 395               | 179 110          | 197 853          | (7.2)                 |
| 2. Trade And Sector Development             | 215 403        | 235 882        | 151 953        | 296 977            | 612 900                | 608 539          | 660 120               | 716 154          | 735 152          | 8.5                   |
| 3. Business Regulation & Governance         | 52 350         | 73 700         | 91 419         | 110 617            | 112 097                | 111 442          | 116 289               | 112 174          | 116 839          | 4.3                   |
| 4. Economic Planning                        | 6 537          | 4 638          | 3 602          | 5 859              | 5 733                  | 4 822            | 6 436                 | 6 147            | 6 472            | 33.5                  |
| 5. Tourism                                  | 2 871          | 493            | –              | 2 972              | 2 972                  | 2 953            | 4 795                 | 10 107           | 10 643           | 62.4                  |
| <b>Total payments and estimates</b>         | <b>465 710</b> | <b>513 028</b> | <b>370 086</b> | <b>574 297</b>     | <b>887 622</b>         | <b>887 622</b>   | <b>936 035</b>        | <b>1 023 692</b> | <b>1 066 959</b> | <b>5.5</b>            |

**Table 17: Summary of departmental payments and estimates by economic classification: P2 – Economic Development and Tourism**

| R'000                                               | Outcome        |                |                | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                  |                  | % change from 2013/14 |
|-----------------------------------------------------|----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|-----------------------|
|                                                     | 2010/11        | 2011/12        | 2012/13        | 2013/14            |                        |                  | 2014/15               | 2015/16          | 2016/17          |                       |
| <b>Current payments</b>                             | <b>34 818</b>  | <b>43 452</b>  | <b>54 144</b>  | <b>68 217</b>      | <b>57 792</b>          | <b>56 482</b>    | <b>65 819</b>         | <b>77 300</b>    | <b>87 232</b>    | <b>16.5</b>           |
| Compensation of employees                           | 26 435         | 29 868         | 35 553         | 41 569             | 38 469                 | 38 569           | 36 512                | 50 572           | 52 813           | (5.3)                 |
| Goods and services                                  | 8 383          | 13 584         | 18 591         | 26 648             | 19 323                 | 17 913           | 29 307                | 26 728           | 34 420           | 63.6                  |
| Interest and rent on land                           | –              | –              | –              | –                  | –                      | –                | –                     | –                | –                | –                     |
| <b>Transfers and subsidies to:</b>                  | <b>430 820</b> | <b>469 576</b> | <b>315 942</b> | <b>506 080</b>     | <b>829 820</b>         | <b>831 130</b>   | <b>870 216</b>        | <b>946 392</b>   | <b>979 727</b>   | <b>4.7</b>            |
| Provinces and municipalities                        | 22 421         | –              | 1 100          | –                  | 1 550                  | 3 064            | 6 500                 | –                | –                | 112.1                 |
| Departmental agencies and accounts                  | 408 399        | 460 295        | 279 527        | 467 379            | 778 669                | 701 932          | 815 811               | 905 765          | 937 110          | 16.2                  |
| Higher education institutions                       | –              | –              | 1 695          | 1 964              | 11 064                 | 9 964            | 10 315                | –                | –                | 3.5                   |
| Foreign governments and international organisations | –              | –              | –              | –                  | –                      | –                | –                     | –                | –                | –                     |
| Public corporations and private enterprises         | –              | 9 000          | 33 459         | 36 541             | 38 341                 | 115 999          | 37 590                | 40 627           | 42 617           | (67.6)                |
| Non-profit institutions                             | –              | –              | –              | –                  | –                      | –                | –                     | –                | –                | –                     |
| Households                                          | –              | 281            | 161            | 196                | 196                    | 171              | –                     | –                | –                | (100.0)               |
| <b>Payments for capital assets</b>                  | <b>–</b>       | <b>–</b>       | <b>–</b>       | <b>–</b>           | <b>10</b>              | <b>10</b>        | <b>–</b>              | <b>–</b>         | <b>–</b>         | <b>(100.0)</b>        |
| Buildings and other fixed structures                | –              | –              | –              | –                  | –                      | –                | –                     | –                | –                | –                     |
| Machinery and equipment                             | –              | –              | –              | –                  | 10                     | 10               | –                     | –                | –                | (100.0)               |
| Heritage Assets                                     | –              | –              | –              | –                  | –                      | –                | –                     | –                | –                | –                     |
| Specialised military assets                         | –              | –              | –              | –                  | –                      | –                | –                     | –                | –                | –                     |
| Biological assets                                   | –              | –              | –              | –                  | –                      | –                | –                     | –                | –                | –                     |
| Land and sub-soil assets                            | –              | –              | –              | –                  | –                      | –                | –                     | –                | –                | –                     |
| Software and other intangible assets                | –              | –              | –              | –                  | –                      | –                | –                     | –                | –                | –                     |
| <b>Payments for financial assets</b>                | <b>72</b>      | <b>–</b>       | <b>–</b>       | <b>–</b>           | <b>–</b>               | <b>–</b>         | <b>–</b>              | <b>–</b>         | <b>–</b>         | <b>–</b>              |
| <b>Total economic classification</b>                | <b>465 710</b> | <b>513 028</b> | <b>370 086</b> | <b>574 297</b>     | <b>887 622</b>         | <b>887 622</b>   | <b>936 035</b>        | <b>1 023 692</b> | <b>1 066 959</b> | <b>5.5</b>            |

Tables 16 and 17 above show expenditure and the budget allocation for programme 2. The bulk of expenditure is in the transfers to departmental agencies and accounts for the following entities:

ECDC, CDC, ELIDZ, ECLB and ECGBB who all accounted for 87 per cent in 2010/11 and 75 per cent in the 2012/13 financial year. Expenditure increased from R465.710 million in 2010/11 to R887.622 million in 2013/14 due to R330 million allocated to ECDC for provincial social infrastructure and the shale gas project. In 2014/15, the budget grows by 5.5 per cent due to R1.517 billion that is allocated to CDC and ECDC for the implementation of provincial social and economic infrastructure.

Compensation of Employees increased from R26.435 million in 2010/11 to R38.469 million in the 2013/14 adjustment estimate. The increase was due to a continued effort by the department to recruit professional sector specialists. In 2014/15, the budget decreased by 5.3 per cent which is influenced by the department's plan to continue strengthening functional programme performance; and enhancing oversight function over public entities.

Goods and Services increased from R8.383 million in 2010/11 to R19.323 million in the 2013/14 adjustment estimate due to plans to utilise industry experts for the implementation of the strategic job creating initiatives and the hosting of the Renewable Energy Conference. In 2014/15, the budget increases by 63.6 per cent due to the implementation of the PIDS; and the focus on the implementation of projects emanating from the Renewable Energy Summit; the implementation of the Small Town's Revitalisation projects; Wild Coast Development Initiative and the support to other projects (jobs fund, co-operative fund and LRED fund).

Transfers and Subsidies is the main cost driver of expenditure which increased from R430.820 million in 2010/11 to R829.820 million in the 2013/14 adjustment estimate. The increase is due to the additional allocations to ECDC for provincial social infrastructure projects amounting to R330 million. In 2014/15, the budget increases by 4.7 per cent or R461 million due additional allocations to ECDC and CDC for the implementation of provincial social and economic infrastructure. Over the MTEF, R1.517 billion is allocated for provincial infrastructure.

## Service Delivery Measures

**Table 18: Selected service delivery measures for the programme: P2: Economic Development and Tourism**

| Selected Programme Performance Indicators                                   | Estimate | Medium-term estimates |         |         |
|-----------------------------------------------------------------------------|----------|-----------------------|---------|---------|
|                                                                             | 2013/14  | 2014/15               | 2015/16 | 2016/17 |
| Number of existing SMME's supported                                         | 208      | 240                   | 280     | 280     |
| Number of existing cooperatives supported                                   | 58       | 120                   | 130     | 130     |
| Number of job opportunities created through economic development programmes | 20357    | 20913                 | 14770   | 14770   |
| Number of investments projects realized                                     | 16       | 50                    | 55      | 55      |
| Number of people trained (sector development)                               | 2926     | 600                   | 650     | 650     |
| Number of infrastructure projects supported                                 | 1        | 8                     | 10      | 10      |
| Number of liquor licenses issued                                            | 9000     | 9500                  | 10000   | 10000   |
| Number of gambling licenses issued                                          | 15       | 4                     | 4       | 4       |
| Number of renewable energy initiatives facilitated                          | 1        | 5                     | 5       | 5       |
| Number of tourism development plans to support sector transformation        | 2        | 2                     | 2       | 2       |

Economic Development and Tourism is a driver of job creation. Through the planned increase in the number of investors (from 33 to 55) in the IDZs over the 2014 MTEF, the department envisages a large increase in the number of job opportunities created. The job creation efforts are further augmented by the complementary programmes of support to SMME's, Co-operatives and a focus on sector development. Through collaborations with state owned enterprises, ECDC and the department, the number of high impact infrastructure projects supported will increase from 3 to 10. The latter will further increase the number of job opportunities and create economic infrastructure to support economic growth.

Through an increase in the number of enforcement activities and awareness in the liquor industries, the number of licenced liquor outlets is projected to increase. While this will translate into additional revenues for the department, finding a balance between licenced traders and social responsibility is

important. Therefore, ECLB will be increasing the number of social responsibility campaigns undertaken.

Renewable energy has been identified as a key sector in supporting economic growth in the province. Following the successful hosting of the Renewable Energy Summit, many renewable energy projects have been identified. The department will be focusing on facilitating these initiatives over the 2014 MTEF with a goal of making the province the renewable energy hub of the country.

### Programme 3: Environmental Affairs

**Objectives:** It is responsible for administering environmental policies that are cascaded from national level. The portfolio is also responsible for developing strategies in line with the mandate of the department. Importantly, the component regulates developments and biodiversity through instruments such as environmental impact assessments, compliance and enforcement. The programme is divided into 5 sub-programmes:

- **Environmental Policy, Planning and Coordination:** Ensures the integration of environmental objectives in national, provincial and local government planning; (including provincial growth and development strategies), local economic development plans and integrated development plans. This programme includes cross-cutting functions such as research, departmental strategy and information management.
- **Compliance and Enforcement:** Ensures that environmental compliance monitoring systems are established and implemented as well as the enforcement of legislation and environmental authorisations. It also builds compliance monitoring and enforcement capacity through the establishment and training of environmental management inspectorates. Acting on complaints and notifications of environmental infringements; monitoring these complaints and enforce environmental compliance where required.
- **Environmental Quality Management:** Establishes legislation, policies, norms, standards and guidelines for environmental impact management, pollution air quality and waste management at provincial and local spheres of government.
- **Biodiversity Management:** Promotes equitable and sustainable use of ecosystem goods and services to contribute to economic development by managing biodiversity and its components, processes, habitats and functions.
- **Environmental Empowerment Services:** Implements and enhance programmes to interact with stakeholders and empower communities to partner with government in implementing environmental and social economic programmes.

**Table 19: Summary of departmental payments and estimates sub-programme: P3 – Environmental Affairs**

| R'000                                              | Outcome        |                |                | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                |                | % change from 2013/14 |
|----------------------------------------------------|----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|----------------|----------------|-----------------------|
|                                                    | 2010/11        | 2011/12        | 2012/13        |                    |                        |                  | 2014/15               | 2015/16        | 2016/17        |                       |
| 1. Environmental Policy, Planning And Coordination | 56 844         | 31 260         | 15 826         | 18 874             | 23 725                 | 22 850           | 22 508                | 38 844         | 40 902         | (1.5)                 |
| 2. Compliance And Enforcement                      | 8 496          | 27 262         | 37 156         | 21 930             | 42 328                 | 42 049           | 21 294                | 18 337         | 18 726         | (49.4)                |
| 3. Environmental Quality Management                | 5 482          | 8 866          | 11 672         | 21 904             | 19 590                 | 19 088           | 16 334                | 19 370         | 19 998         | (14.4)                |
| 4. Biodiversity Management                         | 152 325        | 147 140        | 195 239        | 218 416            | 196 325                | 197 108          | 233 867               | 218 055        | 228 156        | 18.6                  |
| 5. Environmental Empowerment Services              | 499            | 3 927          | 6 739          | 10 145             | 11 145                 | 11 001           | 10 896                | 8 069          | 8 497          | (1.0)                 |
| <b>Total payments and estimates</b>                | <b>223 646</b> | <b>218 455</b> | <b>266 632</b> | <b>291 269</b>     | <b>293 113</b>         | <b>292 096</b>   | <b>304 899</b>        | <b>302 675</b> | <b>316 279</b> | <b>4.4</b>            |



**Table 20: Summary of departmental payments and estimates by economic classification: P3 – Environmental Affairs**

| R'000                                               | Outcome        |                |                | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                |                | % change from 2013/14 |
|-----------------------------------------------------|----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|----------------|----------------|-----------------------|
|                                                     | 2010/11        | 2011/12        | 2012/13        |                    |                        |                  | 2014/15               | 2015/16        | 2016/17        |                       |
| <b>Current payments</b>                             | <b>64 962</b>  | <b>70 325</b>  | <b>70 686</b>  | <b>90 653</b>      | <b>85 003</b>          | <b>86 281</b>    | <b>82 412</b>         | <b>88 893</b>  | <b>92 624</b>  | <b>(4.5)</b>          |
| Compensation of employees                           | 49 844         | 55 148         | 59 525         | 67 588             | 65 588                 | 67 842           | 67 412                | 74 723         | 77 702         | (0.6)                 |
| Goods and services                                  | 15 118         | 15 177         | 11 161         | 23 065             | 19 415                 | 18 439           | 15 000                | 14 171         | 14 922         | (18.7)                |
| Interest and rent on land                           | –              | –              | –              | –                  | –                      | –                | –                     | –              | –              | –                     |
| <b>Transfers and subsidies to:</b>                  | <b>157 634</b> | <b>148 130</b> | <b>195 946</b> | <b>200 616</b>     | <b>208 110</b>         | <b>205 815</b>   | <b>222 487</b>        | <b>213 781</b> | <b>223 656</b> | <b>8.1</b>            |
| Provinces and municipalities                        | 9 164          | 3 952          | 1 998          | 8 073              | 9 573                  | 8 073            | 13 385                | 23 359         | 24 350         | 65.8                  |
| Departmental agencies and accounts                  | 148 470        | 143 857        | 190 426        | 191 543            | 197 022                | 197 537          | 207 282               | 189 422        | 198 006        | 4.9                   |
| Higher education institutions                       | –              | –              | –              | –                  | –                      | –                | –                     | –              | –              | –                     |
| Foreign governments and international organisations | –              | –              | –              | –                  | –                      | –                | –                     | –              | –              | –                     |
| Public corporations and private enterprises         | –              | –              | 2 235          | –                  | 515                    | –                | 520                   | –              | –              | –                     |
| Non-profit institutions                             | –              | –              | 1 144          | 1 000              | 1 000                  | 205              | 1 300                 | 1 000          | 1 300          | 534.1                 |
| Households                                          | –              | 321            | 143            | –                  | –                      | –                | –                     | –              | –              | –                     |
| <b>Payments for capital assets</b>                  | <b>1 050</b>   | <b>–</b>       | <b>–</b>       | <b>–</b>           | <b>–</b>               | <b>–</b>         | <b>–</b>              | <b>–</b>       | <b>–</b>       | <b>–</b>              |
| Buildings and other fixed structures                | –              | –              | –              | –                  | –                      | –                | –                     | –              | –              | –                     |
| Machinery and equipment                             | 1 040          | –              | –              | –                  | –                      | –                | –                     | –              | –              | –                     |
| Heritage Assets                                     | –              | –              | –              | –                  | –                      | –                | –                     | –              | –              | –                     |
| Specialised military assets                         | –              | –              | –              | –                  | –                      | –                | –                     | –              | –              | –                     |
| Biological assets                                   | –              | –              | –              | –                  | –                      | –                | –                     | –              | –              | –                     |
| Land and sub-soil assets                            | –              | –              | –              | –                  | –                      | –                | –                     | –              | –              | –                     |
| Software and other intangible assets                | 10             | –              | –              | –                  | –                      | –                | –                     | –              | –              | –                     |
| <b>Payments for financial assets</b>                | <b>–</b>       | <b>–</b>       | <b>–</b>       | <b>–</b>           | <b>–</b>               | <b>–</b>         | <b>–</b>              | <b>–</b>       | <b>–</b>       | <b>–</b>              |
| <b>Total economic classification</b>                | <b>223 646</b> | <b>218 455</b> | <b>266 632</b> | <b>291 269</b>     | <b>293 113</b>         | <b>292 096</b>   | <b>304 899</b>        | <b>302 675</b> | <b>316 279</b> | <b>4.4</b>            |

Tables 19 and 20 above reflect expenditure increasing from R223.646 million in 2010/11 to R293.113 million in the 2013/14 adjustment estimate. The increase is due to the recruitment of staff, the payment of OSD to environmental officers, and funding of infrastructure in the ECPTA for destination marketing projects and the introduction of the environmental sector projects within municipalities. In 2014/15, the budget increased by 4.4 per cent due to increased funding for inflationary rate.

Compensation of Employees increased from R49.844 million in 2010/11 to R65.588 million in the 2013/14 adjusted budget due to the filling of critical vacant posts and the payment of OSD for environmental officers. In 2014/15, the budget grows by 0.6 per cent due to carry-through cost plans to continue strengthening capacity in the programme, and the filling of critical vacant posts within law enforcement and other environmental officers.

Goods and Services increased from R15.118 million in 2010/11 to R19.415 million in the 2013/14 adjusted budget due to reprioritisation of the law enforcement projects as well as the Environmental Quality Management projects. In 2014/15, the budget decreases by 18.7 per cent due to the department's plan to intensify management; the protection of the natural environment by the enactment of the Eastern Cape Environmental Act; and the implementation of the Provincial Climate Change Mitigation and Adaptation Strategy. Furthermore, the department will support the establishment of municipal waste management infrastructure.

Departmental agencies and accounts increased from R148.470 million in 2010/11 to R197.022 million in the 2013/14 as adjusted due to the funding of infrastructure developments projects; Home of Legends projects; National Tourism Career Expo; greenest town projects and environmental awards. In 2014/15, the budget increases by 8.1 per cent due to the programme spreading the funding of infrastructure projects in ECPTA. The department will continue to fund destination marketing and events management. R3.6 million is provided for the National Tourism Career Expo (NTCE). Funding for environmental awareness and job creation is anticipated to increase through the support of the EPWP initiatives that create jobs through environmental management programmes.

## 8.3 Service Delivery Measures

**Table 21: Selected service delivery measures for the programme: P3: Environmental Affairs**

| Selected Programme Performance Indicators                                                          | Estimate | Medium-term estimates |         |         |
|----------------------------------------------------------------------------------------------------|----------|-----------------------|---------|---------|
|                                                                                                    | 2013/14  | 2014/15               | 2015/16 | 2016/17 |
| Number of climate change response tools developed                                                  | 1        | 0                     | 1       | 1       |
| Number of Biodiversity Spatial Plans published                                                     | 1        | 1                     | 0       | 0       |
| The hectares of land under conservation (both private and public) (Cumulative) – '000 ha per annum | 486 ha   | 493 ha                | 500 ha  | 500 ha  |
| Number of provincial protected areas with approved management plans                                | 4        | 4                     | 4       | 4       |
| Number of job opportunities created through environmental programmes                               | 787      | 940                   | 950     | 950     |
| Number of environmental awareness activities conducted                                             | 39       | 25                    | 25      | 25      |

Balancing economic growth and environmental conservation will see the department increasing the number of job opportunities created through environmental programs. The department will continue to ensure that protected areas are approved with management plans.

## 9. Other programme information

### 9.1 Personnel numbers and costs by programme

**Table 22: Personnel numbers and costs**

| Personnel numbers                         | As at<br>31 March 2011 | As at<br>31 March 2012 | As at<br>31 March 2013 | As at<br>31 March 2014 | As at<br>31 March 2015 | As at<br>31 March 2016 | As at<br>31 March 2017 |
|-------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| 1. Administration                         | 315                    | 296                    | 338                    | 345                    | 345                    | 345                    | 345                    |
| 2. Economic Development And Tourism       | 131                    | 133                    | 97                     | 110                    | 127                    | 129                    | 129                    |
| 3. Environmental Affairs                  | 179                    | 197                    | 190                    | 180                    | 180                    | 180                    | 180                    |
| <b>Total provincial personnel numbers</b> | <b>625</b>             | <b>626</b>             | <b>625</b>             | <b>635</b>             | <b>652</b>             | <b>654</b>             | <b>654</b>             |
| Total provincial personnel cost (R'000)   | 151 433                | 171 525                | 185 059                | 203 746                | 201 238                | 222 791                | 230 179                |
| Unit cost (R'000)                         | 242                    | 274                    | 296                    | 321                    | 309                    | 341                    | 352                    |

Table 22 above shows personnel numbers and personnel per unit cost for the 2014 MTEF period. The total personnel numbers increase slightly from 625 in 2012/13 to 635 in 2013/14. Over the 2014 MTEF, it is projected that personnel numbers will increase to 654 by the end of March 2017 due to the assumption that all positions will be filled.

In 2014/15, critical vacant posts will be filled in core programmes such as Programme 2 (sector and trade development posts), and Programme 3, (environmental posts). Programme 1 vacant posts which are below salary level 7 will not be replaced.

However, total costs and cost per unit increased from R151.433 million as at 31 March 2011 to R203.746 million as at 31 March 2014 due to the expertise hired which are higher than anticipated wage agreement.

## 9.2 Personnel numbers and costs by component

**Table 23: Personnel numbers and costs by component**

|                                             | Outcome |         |         | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |         |         | % change from 2013/14 |
|---------------------------------------------|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|-----------------------|
|                                             | 2010/11 | 2011/12 | 2012/13 |                    |                        |                  | 2014/15               | 2015/16 | 2016/17 |                       |
| <b>Total for province</b>                   |         |         |         |                    |                        |                  |                       |         |         |                       |
| Personnel numbers (head count)              | 625     | 626     | 625     | 635                | 635                    | 635              | 652                   | 654     | 654     | 2.7                   |
| Personnel cost (R thousands)                | 151 433 | 171 525 | 185 059 | 204 354            | 201 354                | 203 746          | 201 238               | 222 791 | 230 179 | (1.2)                 |
| <b>Human resources component</b>            |         |         |         |                    |                        |                  |                       |         |         |                       |
| Personnel numbers (head count)              | 96      | 199     | 143     | 143                | 143                    | 143              | 143                   | 143     | 143     | 0.0                   |
| Personnel cost (R thousands)                | 21 444  | 35 974  | 30 210  | 30 912             | 30 912                 | 30 912           | 30 863                | 31 394  | 33 372  | (0.2)                 |
| Head count as % of total for department     |         |         |         |                    |                        |                  |                       |         |         |                       |
| Personnel cost as % of total for department |         |         |         |                    |                        |                  |                       |         |         |                       |
| <b>Finance component</b>                    |         |         |         |                    |                        |                  |                       |         |         |                       |
| Personnel numbers (head count)              | 101     | 302     | 123     | 125                | 125                    | 125              | 125                   | 125     | 125     | 0.0                   |
| Personnel cost (R thousands)                | 25 138  | 42 442  | 29 879  | 31 543             | 31 543                 | 31 543           | 31 464                | 33 224  | 35 317  | (0.3)                 |
| Head count as % of total for department     | 16.2%   | 48.2%   | 19.7%   | 19.7%              | 19.7%                  | 19.7%            | 19.2%                 | 19.1%   | 19.1%   |                       |
| Personnel cost as % of total for department | 16.6%   | 24.7%   | 16.1%   | 15.4%              | 15.7%                  | 15.5%            | 15.6%                 | 14.9%   | 15.3%   |                       |
| <b>Full time workers</b>                    |         |         |         |                    |                        |                  |                       |         |         |                       |
| Personnel numbers (head count)              | 609     | 609     | 593     | 601                | 601                    | 601              | 652                   | 654     | 654     | 8.5                   |
| Personnel cost (R thousands)                | 68 426  | 155 930 | 174 899 | 193 254            | 193 254                | 193 254          | 222 509               | 229 628 | 244 095 | 15.1                  |
| Head count as % of total for department     | 97.4%   | 97.3%   | 94.9%   | 94.6%              | 94.6%                  | 94.6%            | 100.0%                | 100.0%  | 100.0%  |                       |
| Personnel cost as % of total for department | 45.2%   | 90.9%   | 94.5%   | 94.6%              | 96.0%                  | 94.9%            | 110.6%                | 103.1%  | 106.0%  |                       |
| <b>Part-time workers</b>                    |         |         |         |                    |                        |                  |                       |         |         |                       |
| Personnel numbers (head count)              | —       | —       | —       | —                  | —                      | —                | —                     | —       | —       |                       |
| Personnel cost (R thousands)                | —       | 35 628  | 37 410  | —                  | —                      | —                | —                     | —       | —       |                       |
| Head count as % of total for department     | 0.0%    | 0.0%    | 0.0%    | 0.0%               | 0.0%                   | 0.0%             | 0.0%                  | 0.0%    | 0.0%    |                       |
| Personnel cost as % of total for department | 0.0%    | 20.8%   | 20.2%   | 0.0%               | 0.0%                   | 0.0%             | 0.0%                  | 0.0%    | 0.0%    |                       |
| <b>Contract workers</b>                     |         |         |         |                    |                        |                  |                       |         |         |                       |
| Personnel numbers (head count)              | 16      | 17      | 32      | 34                 | 34                     | 34               | —                     | —       | —       | (100.0)               |
| Personnel cost (R thousands)                | —       | —       | —       | 11 100             | 11 100                 | 11 100           | 1 877                 | 1 982   | 2 107   | (83.1)                |
| Head count as % of total for department     | 2.6%    | 2.7%    | 5.1%    | 5.4%               | 5.4%                   | 5.4%             | 0.0%                  | 0.0%    | 0.0%    |                       |
| Personnel cost as % of total for department | 0.0%    | 0.0%    | 0.0%    | 5.4%               | 5.5%                   | 5.4%             | 0.9%                  | 0.9%    | 0.9%    |                       |

Table 23 above shows the summary of personnel numbers and cost per component. Personnel numbers increased from 625 in the 2010/11 to 635 in 2012/13. In 2014/15, personnel numbers are projected to increase by 2.7 per cent and reaching 654 due to the planned filling of vacant positions in 2014 MTEF.

Personnel in human resource and finance components increase from 96 and 101 respectively in 2010/11 to 143 and 125 respectively in the 2013/14 adjusted estimates. Over the 2014 MTEF, the numbers will increase for Finance (Supply Chain Management) and only a few new positions will be filled in the Human Resource component. In the Finance component, replacements will be done only for positions from salary level 7 and above.

Contract workers increased from 16 in 2010/11 to 34 in 2013/14 in order to strengthen the SCM component and public entity oversight function of the department.

## 9.3 Payments on training by programme

**Table 24: Payments on training by programme**

| R'000                                      | Outcome      |              |              | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |              |              | % change from 2013/14 |
|--------------------------------------------|--------------|--------------|--------------|--------------------|------------------------|------------------|-----------------------|--------------|--------------|-----------------------|
|                                            | 2010/11      | 2011/12      | 2012/13      |                    |                        |                  | 2014/15               | 2015/16      | 2016/17      |                       |
| <b>1. Administration</b>                   | 2 833        | 2 935        | 491          | 3 052              | —                      | 2 453            | 2 356                 | 4 300        | 5 043        | (4.0)                 |
| Subsistence and travel                     | —            | —            | —            | —                  | —                      | —                | —                     | —            | —            |                       |
| Payments on tuition                        | —            | —            | —            | —                  | —                      | —                | —                     | —            | —            |                       |
| Other                                      | 2 833        | 2 935        | 491          | 3 052              | —                      | 2 453            | 2 356                 | 4 300        | 5 043        | (4.0)                 |
| <b>2. Economic Development And Tourism</b> | —            | —            | 862          | 113                | —                      | 113              | 1 981                 | 1 069        | 2 167        | 1653.1                |
| Subsistence and travel                     | —            | —            | —            | —                  | —                      | —                | —                     | —            | —            |                       |
| Payments on tuition                        | —            | —            | —            | —                  | —                      | —                | —                     | —            | —            |                       |
| Other                                      | —            | —            | 862          | 113                | —                      | 113              | 1 981                 | 1 069        | 2 167        | 1653.1                |
| <b>3. Environmental Affairs</b>            | 433          | 236          | 3 780        | 3 923              | —                      | 3 923            | 1 177                 | 1 185        | 1 356        | (70.0)                |
| Subsistence and travel                     | —            | —            | —            | —                  | —                      | —                | —                     | —            | —            |                       |
| Payments on tuition                        | —            | —            | —            | —                  | —                      | —                | —                     | —            | —            |                       |
| Other                                      | 433          | 236          | 3 780        | 3 923              | —                      | 3 923            | 1 177                 | 1 185        | 1 356        | (70.0)                |
| <b>Total payments on training</b>          | <b>3 266</b> | <b>3 171</b> | <b>5 133</b> | <b>7 088</b>       | <b>—</b>               | <b>6 489</b>     | <b>5 514</b>          | <b>6 554</b> | <b>8 566</b> | <b>(15.0)</b>         |

## 9.4 Information on training

**Table 25: Information on training**

| R'000                            | Outcome |         |         | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |         |         | % change from 2013/14 |
|----------------------------------|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|-----------------------|
|                                  | 2010/11 | 2011/12 | 2012/13 |                    |                        |                  | 2014/15               | 2015/16 | 2016/17 |                       |
| Number of staff                  | 625     | 626     | 625     | 635                | 635                    | 635              | 652                   | 654     | 654     | 2.7                   |
| Number of personnel trained      | 210     | 125     | 363     | 30                 | 30                     | 30               | 350                   | 410     | 455     | 1066.7                |
| of which                         |         |         |         |                    |                        |                  |                       |         |         |                       |
| Male                             | 97      | 40      | 135     | 18                 | 18                     | 18               | 150                   | 160     | 175     | 733.3                 |
| Female                           | 113     | 85      | 228     | 12                 | 12                     | 12               | 200                   | 250     | 280     | 1566.7                |
| Number of training opportunities | 15      | 7       | 16      | 4                  | 4                      | 4                | 22                    | 22      | 27      | 450.0                 |
| of which                         |         |         |         |                    |                        |                  |                       |         |         |                       |
| Tertiary                         | 5       | 4       | 10      | 3                  | 3                      | 3                | 10                    | 10      | 15      | 233.3                 |
| Workshops                        | 3       | 3       | 5       | 1                  | 1                      | 1                | 5                     | 5       | 5       | 400.0                 |
| Seminars                         | 3       | –       | 1       | –                  | –                      | –                | 5                     | 5       | 5       |                       |
| Other                            | 4       | –       | –       | –                  | –                      | –                | 2                     | 2       | 2       |                       |
| Number of bursaries offered      | 12      | 29      | 69      | 74                 | 74                     | 74               | 80                    | 85      | 90      | 8.1                   |
| Number of interns appointed      | 14      | –       | –       | –                  | –                      | –                | 10                    | 15      | 20      |                       |
| Number of learnerships appointed | 7       | –       | 1       | 2                  | 2                      | 2                | 10                    | 15      | 20      | 400.0                 |
| Number of days spent on training | –       | –       | –       | 20                 | 20                     | 20               | 25                    | 25      | 30      | 25.0                  |

As shown in Tables 24 and 25 above, total payments for training depict a fluctuating trend from 2010/11 to the 2013/14 estimate. It increases from R3.266 million in 2010/11 to R7.088 million in 2013/14, and is projected to decrease by 15 per cent in 2014/15 due to training being streamlined for only internal applicants and specialists.

The number of personnel trained decreased from 210 in 2010/11 to 30 in the 2013/14 estimate. The number is expected to increase by more than 100 per cent in 2014/15 in line with the department's plan to re-skill staff hence the increase in training numbers. Furthermore, the number of external bursaries experienced a fluctuating trend from 2010/11 to 2012/13.

## 9.5 Structural changes

As shown in the Table below, the department's structure is currently being reviewed and it is anticipated that it will be completed by 31 March 2014. In programme 3, sub-programme 3.1 (Policy Coordination and Environmental Planning), changed to Environmental Policy, Planning and Coordination.

**Table 26: Reconciliation of structural changes**

| 2013/14                                      |                  | 2014/15                                            |                  |
|----------------------------------------------|------------------|----------------------------------------------------|------------------|
| Programmes                                   | R'000            | Programmes                                         | R'000            |
| <b>1. Administration</b>                     | <b>207 392</b>   | <b>1. Administration</b>                           | <b>203 425</b>   |
| 1. Office Of The Mec                         | 7 052            | 1. Office Of The Mec                               | 6 486            |
| 2. Office Of The Hod                         | 58 882           | 2. Office Of The Hod                               | 57 978           |
| 3. Financial Management                      | 87 565           | 3. Financial Management                            | 80 921           |
| 4. Corporate Services                        | 53 893           | 4. Corporate Services                              | 58 040           |
| <b>2. Economic Development And Tourism</b>   | <b>887 622</b>   | <b>2. Economic Development And Tourism</b>         | <b>936 035</b>   |
| 1. Intergrated Economic Development Services | 153 920          | 1. Intergrated Economic Development Services       | 148 395          |
| 2. Trade And Sector Development              | 612 900          | 2. Trade And Sector Development                    | 660 120          |
| 3. Business Regulation & Governance          | 112 097          | 3. Business Regulation & Governance                | 116 289          |
| 4. Economic Planning                         | 5 733            | 4. Economic Planning                               | 6 436            |
| 5. Tourism                                   | 2 972            | 5. Tourism                                         | 4 795            |
| <b>3. Environmental Affairs</b>              | <b>293 113</b>   | <b>3. Environmental Affairs</b>                    | <b>304 899</b>   |
| 1. Policy, Planning And Coordination         | 23 725           | 1. Environmental Policy, Planning And Coordination | 22 508           |
| 2. Compliance And Enforcement                | 42 328           | 2. Compliance And Enforcement                      | 21 294           |
| 3. Environmental Quality Management          | 19 590           | 3. Environmental Quality Management                | 16 334           |
| 4. Biodiversity Management                   | 196 325          | 4. Biodiversity Management                         | 233 867          |
| 5. Environmental Empowerment Services        | 11 145           | 5. Environmental Empowerment Services              | 10 896           |
| <b>Total</b>                                 | <b>1 388 127</b> |                                                    | <b>1 444 359</b> |

Annexure to the  
Estimates of Provincial Revenue  
and Expenditure

**Department of  
Economic Development,  
Environmental Affairs  
and Tourism**

**Table B. 1: Specification of receipts**

| R thousand                                                                          | Outcome        |                |                | Main appropriation | Adjusted appropriation 2013/14 | Revised estimate | Medium-term estimates |                |                | % change from 2013/14 |
|-------------------------------------------------------------------------------------|----------------|----------------|----------------|--------------------|--------------------------------|------------------|-----------------------|----------------|----------------|-----------------------|
|                                                                                     | 2010/11        | 2011/12        | 2012/13        |                    |                                |                  | 2014/15               | 2015/16        | 2016/17        |                       |
| <b>Tax receipts</b>                                                                 | <b>96 895</b>  | <b>122 755</b> | <b>122 525</b> | <b>125 073</b>     | <b>125 073</b>                 | <b>120 272</b>   | <b>132 578</b>        | <b>145 836</b> | <b>152 982</b> | <b>10.23</b>          |
| Casino taxes                                                                        | 85 533         | 112 949        | 97 412         | 98 380             | 99 380                         | 97 409           | 104 102               | 115 688        | 121 357        | 6.87                  |
| Horse racing taxes                                                                  | 6 564          | 7 299          | 20 004         | 20 777             | 20 777                         | 17 197           | 22 184                | 23 542         | 24 696         | 29.00                 |
| Liquor licences                                                                     | 4 798          | 2 507          | 5 109          | 5 936              | 4 936                          | 5 666            | 6 292                 | 6 606          | 6 930          | 11.05                 |
| Motor vehicle licences                                                              | —              | —              | —              | —                  | —                              | —                | —                     | —              | —              | —                     |
| <b>Sales of goods and services other than capital assets</b>                        | <b>767</b>     | <b>735</b>     | <b>763</b>     | <b>1 060</b>       | <b>1 060</b>                   | <b>1 006</b>     | <b>1 124</b>          | <b>1 237</b>   | <b>1 298</b>   | <b>11.7</b>           |
| Sale of goods and services produced by department (excluding capital assets)        | 767            | 735            | 763            | 1 060              | 1 060                          | 1 006            | 1 124                 | 1 237          | 1 298          | 11.7                  |
| Sales by market establishments                                                      | 767            | 735            | 763            | 1 060              | 1 060                          | 1 006            | 1 124                 | 1 237          | 1 298          | 11.7                  |
| Administrative fees                                                                 | —              | —              | —              | —                  | —                              | —                | —                     | —              | —              | —                     |
| Other sales                                                                         | —              | —              | —              | —                  | —                              | —                | —                     | —              | —              | —                     |
| Of which                                                                            | —              | —              | —              | —                  | —                              | —                | —                     | —              | —              | —                     |
| Health patient fees                                                                 | —              | —              | —              | —                  | —                              | —                | —                     | —              | —              | —                     |
| Other (Specify)                                                                     | —              | —              | —              | —                  | —                              | —                | —                     | —              | —              | —                     |
| Other (Specify)                                                                     | —              | —              | —              | —                  | —                              | —                | —                     | —              | —              | —                     |
| Other (Specify)                                                                     | —              | —              | —              | —                  | —                              | —                | —                     | —              | —              | —                     |
| Sales of scrap, waste, arms and other used current goods (excluding capital assets) | —              | —              | —              | —                  | —                              | —                | —                     | —              | —              | —                     |
| <b>Transfers received from:</b>                                                     | <b>—</b>       | <b>—</b>       | <b>—</b>       | <b>—</b>           | <b>—</b>                       | <b>—</b>         | <b>—</b>              | <b>—</b>       | <b>—</b>       | <b>—</b>              |
| Other governmental units                                                            | —              | —              | —              | —                  | —                              | —                | —                     | —              | —              | —                     |
| Higher education institutions                                                       | —              | —              | —              | —                  | —                              | —                | —                     | —              | —              | —                     |
| Foreign governments                                                                 | —              | —              | —              | —                  | —                              | —                | —                     | —              | —              | —                     |
| International organisations                                                         | —              | —              | —              | —                  | —                              | —                | —                     | —              | —              | —                     |
| Public corporations and private enterprises                                         | —              | —              | —              | —                  | —                              | —                | —                     | —              | —              | —                     |
| Households and non-profit institutions                                              | —              | —              | —              | —                  | —                              | —                | —                     | —              | —              | —                     |
| <b>Fines, penalties and forfeits</b>                                                | <b>589</b>     | <b>35</b>      | <b>1 155</b>   | <b>—</b>           | <b>—</b>                       | <b>249</b>       | <b>—</b>              | <b>—</b>       | <b>—</b>       | <b>(100.0)</b>        |
| <b>Interest, dividends and rent on land</b>                                         | <b>176</b>     | <b>630</b>     | <b>475</b>     | <b>377</b>         | <b>377</b>                     | <b>379</b>       | <b>400</b>            | <b>440</b>     | <b>609</b>     | <b>5.5</b>            |
| Interest                                                                            | 176            | 630            | 475            | 377                | 377                            | 379              | 400                   | 440            | 609            | 5.5                   |
| Dividends                                                                           | —              | —              | —              | —                  | —                              | —                | —                     | —              | —              | —                     |
| Rent on land                                                                        | —              | —              | —              | —                  | —                              | —                | —                     | —              | —              | —                     |
| <b>Sales of capital assets</b>                                                      | <b>—</b>       | <b>—</b>       | <b>—</b>       | <b>—</b>           | <b>—</b>                       | <b>—</b>         | <b>—</b>              | <b>—</b>       | <b>—</b>       | <b>—</b>              |
| Land and sub-soil assets                                                            | —              | —              | —              | —                  | —                              | —                | —                     | —              | —              | —                     |
| Other capital assets                                                                | —              | —              | —              | —                  | —                              | —                | —                     | —              | —              | —                     |
| <b>Transactions in financial assets and liabilities</b>                             | <b>20 697</b>  | <b>43 756</b>  | <b>92 393</b>  | <b>23</b>          | <b>23</b>                      | <b>212</b>       | <b>23</b>             | <b>25</b>      | <b>26</b>      | <b>(89.2)</b>         |
| <b>Total departmental receipts</b>                                                  | <b>119 124</b> | <b>167 911</b> | <b>217 311</b> | <b>126 533</b>     | <b>126 533</b>                 | <b>122 118</b>   | <b>134 125</b>        | <b>147 538</b> | <b>154 915</b> | <b>9.8</b>            |

**Table B. 2: Details of payments and estimates by economic classification: Summary**

| R thousand                                                                   | Outcome        |                |                | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                  |                  | % change from 2013/14 |
|------------------------------------------------------------------------------|----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|-----------------------|
|                                                                              | 2010/11        | 2011/12        | 2012/13        | 2013/14            | 2013/14                | 2013/14          | 2014/15               | 2015/16          | 2016/17          |                       |
| <b>Current payments</b>                                                      | <b>231 210</b> | <b>263 012</b> | <b>283 702</b> | <b>345 145</b>     | <b>328 170</b>         | <b>335 193</b>   | <b>339 766</b>        | <b>341 061</b>   | <b>362 656</b>   | 1.4                   |
| Compensation of employees                                                    | 151 433        | 171 525        | 185 059        | 204 354            | 201 354                | 203 746          | 201 238               | 222 791          | 230 179          | (1.2)                 |
| Salaries and wages                                                           | 144 560        | 171 525        | 185 059        | 204 354            | 201 354                | 203 746          | 201 238               | 222 791          | 230 179          | (1.2)                 |
| Social contributions                                                         | 6 873          | —              | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| Goods and services                                                           | 79 777         | 91 487         | 98 643         | 140 791            | 126 816                | 131 447          | 138 528               | 118 270          | 132 477          | 5.4                   |
| Administrative fees                                                          | 29             | 145            | 68             | 150                | 150                    | 161              | 410                   | 38               | 40               | 154.7                 |
| Advertising                                                                  | 1 557          | 1 319          | 1 585          | 2 280              | 2 280                  | 3 102            | 3 755                 | 1 349            | 1 420            | 21.1                  |
| Assets less than the capitalisation threshold                                | 1 975          | 1 463          | 651            | 1 351              | 1 351                  | 1 037            | 905                   | 2 336            | 2 460            | (12.7)                |
| Audit cost: External                                                         | 2 990          | 3 474          | 4 898          | 3 810              | 3 810                  | 3 476            | 4 000                 | 4 344            | 4 574            | 15.1                  |
| Bursaries: Employees                                                         | 13             | 238            | 1 749          | 2 000              | 2 000                  | 1 830            | 1 744                 | 575              | 605              | (4.7)                 |
| Catering: Departmental activities                                            | 1 111          | 1 270          | 1 279          | 1 531              | 1 531                  | 1 278            | 2 371                 | 1 819            | 1 915            | 85.5                  |
| Communication (G&S)                                                          | 6 315          | 4 388          | 7 353          | 7 658              | 9 780                  | 10 268           | 6 750                 | 3 688            | 3 883            | (34.3)                |
| Computer services                                                            | 6 658          | 6 850          | 9 539          | 10 767             | 7 927                  | 8 234            | 7 495                 | 9 462            | 9 964            | (9.0)                 |
| Consultants and professional services: Business and advisory services        | 14 230         | 17 875         | 17 135         | 33 497             | 18 031                 | 17 188           | 25 310                | 34 941           | 43 068           | 47.3                  |
| Consultants and professional services: Infrastructure and planning           | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| Consultants and professional services: Laboratory services                   | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| Consultants and professional services: Scientific and technological services | —              | —              | —              | —                  | —                      | 2 459            | —                     | —                | —                | (100.0)               |
| Consultants and professional services: Legal costs                           | 5 789          | 10 412         | 4 817          | 16 421             | 13 630                 | 9 019            | 12 076                | 10 336           | 10 884           | 33.9                  |
| Contractors                                                                  | 182            | 271            | 74             | 236                | 236                    | 265              | 1 270                 | 135              | 142              | 379.2                 |
| Agency and support / outsourced services                                     | 1 193          | 1 846          | 3 113          | 3 622              | 3 622                  | 3 109            | 3 304                 | 4 217            | 2 777            | 6.3                   |
| Entertainment                                                                | —              | —              | —              | —                  | —                      | —                | 432                   | 186              | 196              | —                     |
| Fleet services (including government motor transport)                        | —              | —              | 2 131          | —                  | —                      | 4 072            | 932                   | —                | —                | (77.1)                |
| Housing                                                                      | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| Inventory: Clothing material and accessories                                 | —              | —              | —              | —                  | —                      | 29               | —                     | —                | —                | (100.0)               |
| Inventory: Farming supplies                                                  | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| Inventory: Food and food supplies                                            | 168            | 162            | 246            | 503                | 503                    | 850              | 276                   | 155              | 163              | (67.5)                |
| Inventory: Fuel, oil and gas                                                 | —              | —              | 2 575          | 10                 | 10                     | 5 010            | 6 500                 | —                | —                | 29.7                  |
| Inventory: Learner and teacher support material                              | —              | —              | 54             | —                  | —                      | —                | —                     | —                | —                | —                     |
| Inventory: Materials and supplies                                            | 12             | 145            | 106            | 142                | 142                    | 200              | 112                   | —                | —                | (44.0)                |
| Inventory: Medical supplies                                                  | 21             | —              | —              | 155                | 155                    | —                | —                     | 12               | 13               | —                     |
| Inventory: Medicine                                                          | —              | —              | —              | 2                  | 2                      | —                | —                     | —                | —                | —                     |
| Medcas inventory interface                                                   | —              | —              | 11             | —                  | —                      | —                | —                     | —                | —                | —                     |
| Inventory: Other supplies                                                    | —              | 54             | 1              | 26                 | 26                     | 267              | 100                   | —                | —                | (62.5)                |
| Consumable supplies                                                          | 447            | 566            | 620            | 1 308              | 1 308                  | 2 613            | 1 195                 | 1 341            | 1 412            | (54.3)                |
| Consumable: Stationery, printing and office supplies                         | 2 080          | 2 509          | 1 448          | 3 955              | 3 955                  | 1 718            | 5 186                 | 3 208            | 3 378            | 201.9                 |
| Operating leases                                                             | 6 248          | 20 200         | 19 013         | 14 476             | 19 476                 | 14 801           | 15 965                | 15 284           | 16 094           | 7.9                   |
| Property payments                                                            | 42             | —              | 7              | 581                | 581                    | 2 280            | 4 642                 | 650              | 684              | 103.6                 |
| Transport provided: Departmental activity                                    | 63             | 2              | 1 328          | —                  | —                      | 4 427            | 265                   | —                | —                | (94.0)                |
| Travel and subsistence                                                       | 18 277         | 1 500          | 14 887         | 20 935             | 20 935                 | 19 211           | 18 495                | 13 951           | 14 690           | (3.7)                 |
| Training and development                                                     | 5 814          | 10 921         | 4 009          | 7 131              | 7 131                  | 6 489            | 5 514                 | 6 554            | 8 566            | (15.0)                |
| Operating payments                                                           | 2 466          | 2 256          | -5 712         | 1 847              | 1 847                  | 2 158            | 2 191                 | 1 449            | 3 190            | 1.5                   |
| Venues and facilities                                                        | 2 097          | 2 097          | 5 157          | 6 397              | 6 397                  | 5 566            | 7 237                 | 2 240            | 2 359            | 30.0                  |
| Rental and hiring                                                            | —              | 1 524          | 501            | —                  | —                      | 330              | 96                    | —                | —                | (70.9)                |
| Interest and rent on land                                                    | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| Interest                                                                     | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| Rent on land                                                                 | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| <b>Transfers and subsidies</b>                                               | <b>588 454</b> | <b>618 263</b> | <b>512 643</b> | <b>707 243</b>     | <b>1 038 977</b>       | <b>1 037 877</b> | <b>1 093 501</b>      | <b>1 161 172</b> | <b>1 204 434</b> | 5.4                   |
| Provinces and municipalities                                                 | 31 585         | 3 952          | 3 098          | 8 073              | 11 123                 | 11 137           | 19 885                | 23 359           | 24 350           | 78.5                  |
| Provinces                                                                    | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| Provincial Revenue Funds                                                     | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| Provincial agencies and funds                                                | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| Municipalities                                                               | 31 585         | 3 952          | 3 098          | 8 073              | 11 123                 | 11 137           | 19 885                | 23 359           | 24 350           | 78.5                  |
| Municipalities                                                               | 31 585         | 3 952          | 3 098          | 8 073              | 11 123                 | 11 137           | 19 885                | 23 359           | 24 350           | 78.5                  |
| Municipal agencies and funds                                                 | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| Departmental agencies and accounts                                           | 556 869        | 604 152        | 469 953        | 658 922            | 975 691                | 899 469          | 1 023 093             | 1 095 187        | 1 135 115        | 13.7                  |
| Social security funds                                                        | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| Provide list of entities receiving transfers                                 | 556 869        | 604 152        | 469 953        | 658 922            | 975 691                | 899 469          | 1 023 093             | 1 095 187        | 1 135 115        | 13.7                  |
| Higher education institutions                                                | —              | —              | 1 695          | 1 964              | 11 064                 | 9 964            | 10 315                | —                | —                | 3.5                   |
| Foreign governments and international organisations                          | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| Public corporations and private enterprises                                  | —              | 9 000          | 35 694         | 36 541             | 38 856                 | 115 999          | 38 110                | 40 627           | 42 617           | (67.1)                |
| Public corporations                                                          | —              | —              | 1 801          | —                  | —                      | 73 792           | —                     | —                | —                | (100.0)               |
| Subsidies on production                                                      | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| Other transfers                                                              | —              | —              | 1 801          | —                  | —                      | 73 792           | —                     | —                | —                | (100.0)               |
| Private enterprises                                                          | —              | 9 000          | 33 893         | 36 541             | 38 856                 | 42 207           | 38 110                | 40 627           | 42 617           | (9.7)                 |
| Subsidies on production                                                      | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| Other transfers                                                              | —              | 9 000          | 33 893         | 36 541             | 38 856                 | 42 207           | 38 110                | 40 627           | 42 617           | (9.7)                 |
| Non-profit institutions                                                      | —              | —              | 1 144          | 1 000              | 1 000                  | 205              | 1 300                 | 1 000            | 1 300            | 534.1                 |
| Households                                                                   | —              | 1 159          | 1 059          | 743                | 1 243                  | 1 103            | 798                   | 999              | 1 052            | (27.7)                |
| Social benefits                                                              | —              | 65             | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| Other transfers to households                                                | —              | 1 094          | 1 059          | 743                | 1 243                  | 1 103            | 798                   | 999              | 1 052            | (27.7)                |
| <b>Payments for capital assets</b>                                           | <b>4 735</b>   | <b>4 070</b>   | <b>10 953</b>  | <b>18 470</b>      | <b>20 980</b>          | <b>12 990</b>    | <b>11 092</b>         | <b>23 714</b>    | <b>24 971</b>    | (14.6)                |
| Buildings and other fixed structures                                         | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| Buildings                                                                    | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| Other fixed structures                                                       | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| Machinery and equipment                                                      | 4 725          | 4 070          | 10 953         | 18 470             | 20 980                 | 12 639           | 11 092                | 23 714           | 24 971           | (12.2)                |
| Transport equipment                                                          | —              | —              | —              | 12 900             | 12 900                 | 11 229           | 6 558                 | 20 556           | 21 645           | (41.6)                |
| Other machinery and equipment                                                | 4 725          | 4 070          | 10 953         | 5 570              | 8 080                  | 1 410            | 4 534                 | 3 158            | 3 325            | 221.6                 |
| Heritage Assets                                                              | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| Specialised military assets                                                  | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| Biological assets                                                            | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| Land and sub-soil assets                                                     | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                | —                     |
| Software and other intangible assets                                         | 10             | —              | —              | —                  | —                      | 351              | —                     | —                | —                | (100.0)               |
| <b>Payments for financial assets</b>                                         | <b>80</b>      | <b>306</b>     | <b>109</b>     | <b>—</b>           | <b>—</b>               | <b>—</b>         | <b>—</b>              | <b>—</b>         | <b>—</b>         | —                     |
| <b>Total economic classification</b>                                         | <b>824 479</b> | <b>885 651</b> | <b>807 407</b> | <b>1 070 858</b>   | <b>1 388 127</b>       | <b>1 386 060</b> | <b>1 444 359</b>      | <b>1 525 947</b> | <b>1 592 062</b> | 4.2                   |

**Table B.2A: Details of payments and estimates by economic classification: P1: Administration**

| R thousand                                                                   | Outcome        |                |                | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                |                | % change from 2013/14 |
|------------------------------------------------------------------------------|----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|----------------|----------------|-----------------------|
|                                                                              | 2010/11        | 2011/12        | 2012/13        |                    |                        |                  | 2014/15               | 2015/16        | 2016/17        |                       |
| <b>Current payments</b>                                                      | <b>131 430</b> | <b>149 235</b> | <b>158 872</b> | <b>186 275</b>     | <b>185 375</b>         | <b>192 430</b>   | <b>191 535</b>        | <b>174 668</b> | <b>182 800</b> | (0.5)                 |
| Compensation of employees                                                    | 75 154         | 86 509         | 89 981         | 95 197             | 97 297                 | 97 335           | 97 314                | 97 497         | 99 664         | (0.0)                 |
| Salaries and wages                                                           | 75 154         | 86 509         | 89 981         | 95 197             | 97 297                 | 97 335           | 97 314                | 97 497         | 99 664         | (0.0)                 |
| Social contributions                                                         | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Goods and services                                                           | 56 276         | 62 726         | 68 891         | 91 078             | 88 078                 | 95 095           | 94 221                | 77 371         | 83 136         | (0.9)                 |
| Administrative fees                                                          | 26             | 133            | 66             | 88                 | 88                     | 97               | 277                   | 24             | 25             | 185.6                 |
| Advertising                                                                  | 1 429          | 922            | 643            | 1 290              | 1 290                  | 1 879            | 2 177                 | 632            | 665            | 15.9                  |
| Assets less than the capitalisation threshold                                | 1 832          | 1 414          | 615            | 767                | 767                    | 626              | 775                   | 2 314          | 2 437          | 23.8                  |
| Audit cost: External                                                         | 2 990          | 3 474          | 4 898          | 3 810              | 3 810                  | 3 476            | 4 000                 | 4 344          | 4 574          | 15.1                  |
| Bursaries: Employees                                                         | 13             | 238            | 1 749          | 2 000              | 2 000                  | 1 830            | 1 700                 | 575            | 605            | (7.1)                 |
| Catering: Departmental activities                                            | 443            | 571            | 491            | 628                | 628                    | 341              | 730                   | 651            | 686            | 114.1                 |
| Communication (G&S)                                                          | 5 416          | 3 355          | 5 714          | 5 498              | 7 620                  | 8 398            | 4 875                 | 1 653          | 1 741          | (42.0)                |
| Computer services                                                            | 6 652          | 6 850          | 9 457          | 10 447             | 7 607                  | 8 057            | 5 196                 | 9 289          | 9 781          | (35.5)                |
| Consultants and professional services: Business and advisory services        | 8 802          | 8 627          | 6 633          | 18 493             | 12 853                 | 12 343           | 11 890                | 15 152         | 15 955         | (3.7)                 |
| Consultants and professional services: Infrastructure and planning           | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Consultants and professional services: Laboratory services                   | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Consultants and professional services: Scientific and technological services | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Consultants and professional services: Legal costs                           | 2 528          | 3 662          | 4 659          | 9 188              | 7 546                  | 5 808            | 10 233                | 10 230         | 10 772         | 76.2                  |
| Contractors                                                                  | 166            | 271            | 18             | 151                | 151                    | 244              | 1 270                 | 135            | 142            | 420.5                 |
| Agency and support / outsourced services                                     | 1 193          | 1 846          | 2 326          | 3 121              | 3 121                  | 2 545            | 3 304                 | 4 217          | 2 777          | 29.8                  |
| Entertainment                                                                | —              | —              | —              | —                  | —                      | —                | 432                   | 186            | 196            | —                     |
| Fleet services (including government motor transport)                        | —              | —              | 2 131          | —                  | —                      | 4 072            | 932                   | —              | —              | (77.1)                |
| Housing                                                                      | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Inventory: Clothing material and accessories                                 | —              | —              | —              | —                  | —                      | 29               | —                     | —              | —              | (100.0)               |
| Inventory: Farming supplies                                                  | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Inventory: Food and food supplies                                            | 150            | 162            | 246            | 500                | 500                    | 849              | 276                   | 155            | 163            | (67.5)                |
| Inventory: Fuel, oil and gas                                                 | —              | —              | 2 575          | —                  | —                      | 5 000            | 6 500                 | —              | —              | 30.0                  |
| Inventory: Learner and teacher support material                              | —              | —              | 54             | —                  | —                      | —                | —                     | —              | —              | —                     |
| Inventory: Materials and supplies                                            | 6              | 138            | 106            | 20                 | 20                     | 137              | 62                    | —              | —              | (54.7)                |
| Inventory: Medical supplies                                                  | 7              | —              | —              | 155                | 155                    | —                | —                     | 12             | 13             | —                     |
| Inventory: Medicine                                                          | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Medias inventory interface                                                   | —              | —              | 11             | —                  | —                      | —                | —                     | —              | —              | —                     |
| Inventory: Other supplies                                                    | —              | —              | —              | —                  | —                      | 56               | —                     | —              | —              | (100.0)               |
| Consumable supplies                                                          | 179            | 336            | 528            | 927                | 927                    | 2 224            | 785                   | 1 341          | 1 412          | (64.7)                |
| Consumable: Stationery, printing and office supplies                         | 1 775          | 1 580          | 1 444          | 3 354              | 3 354                  | 1 401            | 4 836                 | 3 208          | 3 378          | 245.2                 |
| Operating leases                                                             | 4 766          | 18 919         | 19 013         | 14 476             | 19 476                 | 14 801           | 15 965                | 15 284         | 16 094         | 7.9                   |
| Property payments                                                            | —              | —              | 7              | 581                | 581                    | 2 280            | 4 642                 | 650            | 684            | 103.6                 |
| Transport provided: Departmental activity                                    | 14             | 2              | 1 328          | —                  | —                      | 4 427            | 265                   | —              | —              | (94.0)                |
| Travel and subsistence                                                       | 12 384         | 1 178          | 5 063          | 9 885              | 9 885                  | 7 167            | 6 890                 | 1 516          | 1 596          | (3.9)                 |
| Training and development                                                     | 2 833          | 5 099          | 2 838          | 3 052              | 3 052                  | 4 316            | 3 403                 | 4 300          | 6 192          | (21.2)                |
| Operating payments                                                           | 2 114          | 2 253          | -5 797         | 1 804              | 1 804                  | 2 070            | 2 161                 | 1 323          | 3 057          | 4.4                   |
| Venues and facilities                                                        | 558            | 1 242          | 1 678          | 843                | 843                    | 320              | 645                   | 180            | 190            | 101.6                 |
| Rental and hiring                                                            | —              | 454            | 397            | —                  | —                      | 302              | —                     | —              | —              | (100.0)               |
| Interest and rent on land                                                    | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Interest                                                                     | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Rent on land                                                                 | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| <b>Transfers and subsidies</b>                                               | <b>—</b>       | <b>557</b>     | <b>755</b>     | <b>547</b>         | <b>1 047</b>           | <b>932</b>       | <b>798</b>            | <b>999</b>     | <b>1 052</b>   | <b>(14.4)</b>         |
| Provinces and municipalities                                                 | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Provinces                                                                    | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Provincial Revenue Funds                                                     | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Provincial agencies and funds                                                | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Municipalities                                                               | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Municipalities                                                               | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Municipal agencies and funds                                                 | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Departmental agencies and accounts                                           | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Social security funds                                                        | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Provide list of entities receiving transfers                                 | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Higher education institutions                                                | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Foreign governments and international organisations                          | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Public corporations and private enterprises                                  | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Public corporations                                                          | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Subsidies on production                                                      | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Other transfers                                                              | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Private enterprises                                                          | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Subsidies on production                                                      | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Other transfers                                                              | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Non-profit institutions                                                      | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Households                                                                   | —              | 557            | 755            | 547                | 1 047                  | 932              | 798                   | 999            | 1 052          | (14.4)                |
| Social benefits                                                              | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Other transfers to households                                                | —              | 557            | 755            | 547                | 1 047                  | 932              | 798                   | 999            | 1 052          | (14.4)                |
| <b>Payments for capital assets</b>                                           | <b>3 685</b>   | <b>4 070</b>   | <b>10 953</b>  | <b>18 470</b>      | <b>20 970</b>          | <b>12 980</b>    | <b>11 092</b>         | <b>23 714</b>  | <b>24 971</b>  | <b>(14.5)</b>         |
| Buildings and other fixed structures                                         | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Buildings                                                                    | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Other fixed structures                                                       | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Machinery and equipment                                                      | 3 685          | 4 070          | 10 953         | 18 470             | 20 970                 | 12 629           | 11 092                | 23 714         | 24 971         | (12.2)                |
| Transport equipment                                                          | —              | —              | —              | 12 900             | 12 900                 | 11 229           | 6 558                 | 20 556         | 21 645         | (41.6)                |
| Other machinery and equipment                                                | 3 685          | 4 070          | 10 953         | 5 570              | 8 070                  | 1 400            | 4 534                 | 3 158          | 3 325          | 223.9                 |
| Heritage Assets                                                              | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Specialised military assets                                                  | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Biological assets                                                            | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Land and sub-soil assets                                                     | —              | —              | —              | —                  | —                      | —                | —                     | —              | —              | —                     |
| Software and other intangible assets                                         | —              | —              | —              | —                  | —                      | 351              | —                     | —              | —              | (100.0)               |
| <b>Payments for financial assets</b>                                         | <b>8</b>       | <b>306</b>     | <b>109</b>     | <b>—</b>           | <b>—</b>               | <b>—</b>         | <b>—</b>              | <b>—</b>       | <b>—</b>       | <b>—</b>              |
| <b>Total economic classification</b>                                         | <b>135 123</b> | <b>154 168</b> | <b>170 689</b> | <b>205 292</b>     | <b>207 392</b>         | <b>206 342</b>   | <b>203 425</b>        | <b>199 581</b> | <b>208 823</b> | <b>(1.4)</b>          |



**Table B.2B: Details of payments and estimates by economic classification: P2: Economic Development and Tourism**

| R thousand                                                                   | Outcome        |                |                | Main appropriation | Adjusted appropriation 2013/14 | Revised estimate | Medium-term estimates |                  |                  | % change from 2013/14 |
|------------------------------------------------------------------------------|----------------|----------------|----------------|--------------------|--------------------------------|------------------|-----------------------|------------------|------------------|-----------------------|
|                                                                              | 2010/11        | 2011/12        | 2012/13        |                    |                                |                  | 2014/15               | 2015/16          | 2016/17          |                       |
| <b>Current payments</b>                                                      | <b>34 818</b>  | <b>43 452</b>  | <b>54 144</b>  | <b>68 217</b>      | <b>57 792</b>                  | <b>56 482</b>    | <b>65 819</b>         | <b>77 300</b>    | <b>87 232</b>    | 16.5                  |
| Compensation of employees                                                    | 26 435         | 29 868         | 35 553         | 41 569             | 38 469                         | 38 569           | 36 512                | 50 572           | 52 813           | (5.3)                 |
| Salaries and wages                                                           | 26 435         | 29 868         | 35 553         | 41 569             | 38 469                         | 38 569           | 36 512                | 50 572           | 52 813           | (5.3)                 |
| Social contributions                                                         | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Goods and services                                                           | 8 383          | 13 584         | 18 591         | 26 648             | 19 323                         | 17 913           | 29 307                | 26 728           | 34 420           | 63.6                  |
| Administrative fees                                                          | 3              | 8              | 2              | 62                 | 62                             | 64               | 50                    | 14               | 15               | (21.9)                |
| Advertising                                                                  | 108            | 395            | 942            | 990                | 990                            | 1 052            | 1 195                 | 717              | 755              | 13.6                  |
| Assets less than the capitalisation threshold                                | 4              | —              | 3              | 65                 | 65                             | 45               | 130                   | 22               | 23               | 188.9                 |
| Audit cost: External                                                         | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Bursaries: Employees                                                         | —              | —              | —              | —                  | —                              | —                | 44                    | —                | —                | —                     |
| Catering: Departmental activities                                            | 235            | 478            | 658            | 763                | 763                            | 816              | 901                   | 1 007            | 1 060            | 10.4                  |
| Communication (G&S)                                                          | 360            | 329            | 698            | 895                | 895                            | 975              | 1 177                 | 1 319            | 1 389            | 20.8                  |
| Computer services                                                            | —              | —              | 82             | 320                | 320                            | 177              | 2 299                 | 173              | 182              | 1198.9                |
| Consultants and professional services: Business and advisory services        | 4 089          | 5 384          | 9 130          | 12 246             | 4 921                          | 4 013            | 12 089                | 18 387           | 25 637           | 201.2                 |
| Consultants and professional services: Infrastructure and planning           | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Consultants and professional services: Laboratory services                   | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Consultants and professional services: Scientific and technological services | —              | —              | —              | —                  | —                              | 2 459            | —                     | —                | —                | (100.0)               |
| Consultants and professional services: Legal costs                           | —              | 886            | 158            | 1 686              | 1 686                          | 75               | —                     | —                | —                | (100.0)               |
| Contractors                                                                  | —              | —              | 48             | 85                 | 85                             | —                | —                     | —                | —                | —                     |
| Agency and support / outsourced services                                     | —              | —              | 102            | —                  | —                              | —                | —                     | —                | —                | —                     |
| Entertainment                                                                | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Fleet services (including government motor transport)                        | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Housing                                                                      | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Inventory: Clothing material and accessories                                 | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Inventory: Farming supplies                                                  | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Inventory: Food and food supplies                                            | 8              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Inventory: Fuel, oil and gas                                                 | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Inventory: Learner and teacher support material                              | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Inventory: Materials and supplies                                            | —              | 5              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Inventory: Medical supplies                                                  | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Inventory: Medicine                                                          | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Medias inventory interface                                                   | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Inventory: Other supplies                                                    | —              | —              | 1              | —                  | —                              | 15               | —                     | —                | —                | (100.0)               |
| Consumable supplies                                                          | 6              | —              | 2              | —                  | —                              | 211              | —                     | —                | —                | (100.0)               |
| Consumable: Stationery, printing and office supplies                         | 268            | 839            | —              | 341                | 341                            | 33               | 350                   | —                | —                | 960.6                 |
| Operating leases                                                             | —              | 1 281          | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Property payments                                                            | 42             | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Transport provided: Departmental activity                                    | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Travel and subsistence                                                       | 2 671          | 205            | 4 157          | 5 626              | 5 626                          | 4 616            | 4 196                 | 2 724            | 2 868            | (9.1)                 |
| Training and development                                                     | —              | 3 041          | 113            | 113                | 113                            | 139              | 2 011                 | 1 069            | 1 126            | 1346.8                |
| Operating payments                                                           | 87             | —              | 18             | 40                 | 40                             | 40               | 30                    | 121              | 127              | (25.0)                |
| Venues and facilities                                                        | 502            | 571            | 2 433          | 3 416              | 3 416                          | 3 172            | 4 835                 | 1 175            | 1 237            | 52.4                  |
| Rental and hiring                                                            | —              | 162            | 44             | —                  | —                              | 11               | —                     | —                | —                | (100.0)               |
| Interest and rent on land                                                    | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Interest                                                                     | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Rent on land                                                                 | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| <b>Transfers and subsidies</b>                                               | <b>430 820</b> | <b>469 576</b> | <b>315 942</b> | <b>506 080</b>     | <b>829 820</b>                 | <b>831 130</b>   | <b>870 216</b>        | <b>946 392</b>   | <b>979 727</b>   | 4.7                   |
| Provinces and municipalities                                                 | 22 421         | —              | 1 100          | —                  | 1 550                          | 3 064            | 6 500                 | —                | —                | 112.1                 |
| Provinces                                                                    | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Provincial Revenue Funds                                                     | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Provincial agencies and funds                                                | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Municipalities                                                               | 22 421         | —              | 1 100          | —                  | 1 550                          | 3 064            | 6 500                 | —                | —                | 112.1                 |
| Municipalities                                                               | 22 421         | —              | 1 100          | —                  | 1 550                          | 3 064            | 6 500                 | —                | —                | 112.1                 |
| Municipal agencies and funds                                                 | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Departmental agencies and accounts                                           | 408 399        | 460 295        | 279 527        | 467 379            | 778 669                        | 701 932          | 815 811               | 905 765          | 937 110          | 16.2                  |
| Social security funds                                                        | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Provide list of entities receiving transfers                                 | 408 399        | 460 295        | 279 527        | 467 379            | 778 669                        | 701 932          | 815 811               | 905 765          | 937 110          | 16.2                  |
| Higher education institutions                                                | —              | —              | 1 695          | 1 964              | 11 064                         | 9 964            | 10 315                | —                | —                | 3.5                   |
| Foreign governments and international organisations                          | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Public corporations and private enterprises                                  | —              | 9 000          | 33 459         | 36 541             | 38 341                         | 115 999          | 37 590                | 40 627           | 42 617           | (67.6)                |
| Public corporations                                                          | —              | —              | 1 801          | —                  | —                              | 73 792           | —                     | —                | —                | (100.0)               |
| Subsidies on production                                                      | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Other transfers                                                              | —              | —              | 1 801          | —                  | —                              | 73 792           | —                     | —                | —                | (100.0)               |
| Private enterprises                                                          | —              | 9 000          | 31 658         | 36 541             | 38 341                         | 42 207           | 37 590                | 40 627           | 42 617           | (10.9)                |
| Subsidies on production                                                      | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Other transfers                                                              | —              | 9 000          | 31 658         | 36 541             | 38 341                         | 42 207           | 37 590                | 40 627           | 42 617           | (10.9)                |
| Non-profit institutions                                                      | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Households                                                                   | —              | 281            | 161            | 196                | 196                            | 171              | —                     | —                | —                | (100.0)               |
| Social benefits                                                              | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Other transfers to households                                                | —              | 281            | 161            | 196                | 196                            | 171              | —                     | —                | —                | (100.0)               |
| <b>Payments for capital assets</b>                                           | <b>—</b>       | <b>—</b>       | <b>—</b>       | <b>—</b>           | <b>10</b>                      | <b>10</b>        | <b>—</b>              | <b>—</b>         | <b>—</b>         | (100.0)               |
| Buildings and other fixed structures                                         | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Buildings                                                                    | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Other fixed structures                                                       | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Machinery and equipment                                                      | —              | —              | —              | —                  | 10                             | 10               | —                     | —                | —                | (100.0)               |
| Transport equipment                                                          | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Other machinery and equipment                                                | —              | —              | —              | —                  | 10                             | 10               | —                     | —                | —                | (100.0)               |
| Heritage Assets                                                              | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Specialised military assets                                                  | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Biological assets                                                            | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Land and sub-soil assets                                                     | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| Software and other intangible assets                                         | —              | —              | —              | —                  | —                              | —                | —                     | —                | —                | —                     |
| <b>Payments for financial assets</b>                                         | <b>72</b>      | <b>—</b>       | <b>—</b>       | <b>—</b>           | <b>—</b>                       | <b>—</b>         | <b>—</b>              | <b>—</b>         | <b>—</b>         | —                     |
| <b>Total economic classification</b>                                         | <b>465 710</b> | <b>513 028</b> | <b>370 086</b> | <b>574 297</b>     | <b>887 622</b>                 | <b>887 622</b>   | <b>936 035</b>        | <b>1 023 692</b> | <b>1 066 959</b> | 5.5                   |

**Table B.2C: Details of payments and estimates by economic classification: P3: Environmental Affairs**

| R thousand                                                                   | Outcome        |                |                | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                |                | % change from 2013/14 |
|------------------------------------------------------------------------------|----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|----------------|----------------|-----------------------|
|                                                                              | 2010/11        | 2011/12        | 2012/13        |                    |                        |                  | 2014/15               | 2015/16        | 2016/17        |                       |
| <b>Current payments</b>                                                      | <b>64 962</b>  | <b>70 325</b>  | <b>70 686</b>  | <b>90 653</b>      | <b>85 003</b>          | <b>86 281</b>    | <b>82 412</b>         | <b>88 893</b>  | <b>92 624</b>  | (4.5)                 |
| Compensation of employees                                                    | 49 844         | 55 148         | 59 525         | 67 588             | 65 588                 | 67 842           | 67 412                | 74 723         | 77 702         | (0.6)                 |
| Salaries and wages                                                           | 42 971         | 55 148         | 59 525         | 67 588             | 65 588                 | 67 842           | 67 412                | 74 723         | 77 702         | (0.6)                 |
| Social contributions                                                         | 6 873          | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Goods and services                                                           | 15 118         | 15 177         | 11 161         | 23 065             | 19 415                 | 18 439           | 15 000                | 14 171         | 14 922         | (18.7)                |
| Administrative fees                                                          | -              | 4              | -              | -                  | -                      | -                | 83                    | -              | -              | -                     |
| Advertising                                                                  | 20             | 2              | -              | -                  | -                      | 171              | 383                   | -              | -              | 124.0                 |
| Assets less than the capitalisation threshold                                | 139            | 49             | 33             | 519                | 519                    | 366              | -                     | -              | -              | (100.0)               |
| Audit cost: External                                                         | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Bursaries: Employees                                                         | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Catering: Departmental activities                                            | 433            | 221            | 130            | 140                | 140                    | 121              | 740                   | 161            | 170            | 511.6                 |
| Communication (G&S)                                                          | 539            | 704            | 941            | 1 265              | 1 265                  | 895              | 698                   | 715            | 753            | (22.0)                |
| Computer services                                                            | 6              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Consultants and professional services: Business and advisory services        | 1 339          | 3 864          | 1 372          | 2 758              | 257                    | 832              | 1 331                 | 1 402          | 1 476          | 60.0                  |
| Consultants and professional services: Infrastructure and planning           | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Consultants and professional services: Laboratory services                   | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Consultants and professional services: Scientific and technological services | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Consultants and professional services: Legal costs                           | 3 261          | 5 864          | -              | 5 547              | 4 398                  | 3 136            | 1 843                 | 106            | 112            | (41.2)                |
| Contractors                                                                  | 16             | -              | 8              | -                  | -                      | 21               | -                     | -              | -              | (100.0)               |
| Agency and support / outsourced services                                     | -              | -              | 685            | 501                | 501                    | 564              | -                     | -              | -              | (100.0)               |
| Entertainment                                                                | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Fleet services (including government motor transport)                        | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Housing                                                                      | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Inventory: Clothing material and accessories                                 | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Inventory: Farming supplies                                                  | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Inventory: Food and food supplies                                            | 10             | -              | -              | 3                  | 3                      | 1                | -                     | -              | -              | (100.0)               |
| Inventory: Fuel, oil and gas                                                 | -              | -              | -              | 10                 | 10                     | 10               | -                     | -              | -              | (100.0)               |
| Inventory: Learner and teacher support material                              | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Inventory: Materials and supplies                                            | 6              | 2              | -              | 122                | 122                    | 63               | 50                    | -              | -              | (20.6)                |
| Inventory: Medical supplies                                                  | 14             | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Inventory: Medicine                                                          | -              | -              | -              | 2                  | 2                      | -                | -                     | -              | -              | -                     |
| Medias inventory interface                                                   | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Inventory: Other supplies                                                    | -              | 54             | -              | 26                 | 26                     | 196              | 100                   | -              | -              | (49.0)                |
| Consumable supplies                                                          | 262            | 230            | 90             | 381                | 381                    | 178              | 410                   | -              | -              | 130.3                 |
| Consumable: Stationery, printing and office supplies                         | 37             | 90             | 4              | 260                | 260                    | 284              | -                     | -              | -              | (100.0)               |
| Operating leases                                                             | 1 482          | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Property payments                                                            | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Transport provided: Departmental activity                                    | 49             | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Travel and subsistence                                                       | 3 222          | 117            | 5 667          | 5 424              | 5 424                  | 7 428            | 7 409                 | 9 711          | 10 226         | (0.3)                 |
| Training and development                                                     | 2 961          | 2 781          | 1 058          | 3 966              | 3 966                  | 2 034            | 100                   | 1 185          | 1 248          | (95.1)                |
| Operating payments                                                           | 265            | 3              | 67             | 3                  | 3                      | 48               | -                     | 5              | 6              | (100.0)               |
| Venues and facilities                                                        | 1 037          | 284            | 1 046          | 2 138              | 2 138                  | 2 074            | 1 757                 | 885            | 932            | (15.3)                |
| Rental and hiring                                                            | -              | 908            | 60             | -                  | -                      | 17               | 96                    | -              | -              | 464.7                 |
| Interest and rent on land                                                    | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Interest                                                                     | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Rent on land                                                                 | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| <b>Transfers and subsidies</b>                                               | <b>157 634</b> | <b>148 130</b> | <b>195 946</b> | <b>200 616</b>     | <b>208 110</b>         | <b>205 815</b>   | <b>222 487</b>        | <b>213 781</b> | <b>223 656</b> | 8.1                   |
| Provinces and municipalities                                                 | 9 164          | 3 952          | 1 998          | 8 073              | 9 573                  | 8 073            | 13 385                | 23 359         | 24 350         | 65.8                  |
| Provinces                                                                    | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Provincial Revenue Funds                                                     | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Provincial agencies and funds                                                | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Municipalities                                                               | 9 164          | 3 952          | 1 998          | 8 073              | 9 573                  | 8 073            | 13 385                | 23 359         | 24 350         | 65.8                  |
| Municipalities                                                               | 9 164          | 3 952          | 1 998          | 8 073              | 9 573                  | 8 073            | 13 385                | 23 359         | 24 350         | 65.8                  |
| Municipal agencies and funds                                                 | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Departmental agencies and accounts                                           | 148 470        | 143 857        | 190 426        | 191 543            | 197 022                | 197 537          | 207 282               | 189 422        | 198 006        | 4.9                   |
| Social security funds                                                        | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Provide list of entities receiving transfers                                 | 148 470        | 143 857        | 190 426        | 191 543            | 197 022                | 197 537          | 207 282               | 189 422        | 198 006        | 4.9                   |
| Higher education institutions                                                | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Foreign governments and international organisations                          | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Public corporations and private enterprises                                  | -              | -              | 2 235          | -                  | 515                    | -                | 520                   | -              | -              | -                     |
| Public corporations                                                          | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Subsidies on production                                                      | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Other transfers                                                              | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Private enterprises                                                          | -              | -              | 2 235          | -                  | 515                    | -                | 520                   | -              | -              | -                     |
| Subsidies on production                                                      | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Other transfers                                                              | -              | -              | 2 235          | -                  | 515                    | -                | 520                   | -              | -              | -                     |
| Non-profit institutions                                                      | -              | -              | 1 144          | 1 000              | 1 000                  | 205              | 1 300                 | 1 000          | 1 300          | 534.1                 |
| Households                                                                   | -              | 321            | 143            | -                  | -                      | -                | -                     | -              | -              | -                     |
| Social benefits                                                              | -              | 65             | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Other transfers to households                                                | -              | 256            | 143            | -                  | -                      | -                | -                     | -              | -              | -                     |
| <b>Payments for capital assets</b>                                           | <b>1 050</b>   | <b>-</b>       | <b>-</b>       | <b>-</b>           | <b>-</b>               | <b>-</b>         | <b>-</b>              | <b>-</b>       | <b>-</b>       | <b>-</b>              |
| Buildings and other fixed structures                                         | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Buildings                                                                    | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Other fixed structures                                                       | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Machinery and equipment                                                      | 1 040          | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Transport equipment                                                          | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Other machinery and equipment                                                | 1 040          | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Heritage Assets                                                              | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Specialised military assets                                                  | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Biological assets                                                            | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Land and sub-soil assets                                                     | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| Software and other intangible assets                                         | 10             | -              | -              | -                  | -                      | -                | -                     | -              | -              | -                     |
| <b>Payments for financial assets</b>                                         | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>           | <b>-</b>               | <b>-</b>         | <b>-</b>              | <b>-</b>       | <b>-</b>       | <b>-</b>              |
| <b>Total economic classification</b>                                         | <b>223 646</b> | <b>218 455</b> | <b>266 632</b> | <b>291 269</b>     | <b>293 113</b>         | <b>292 096</b>   | <b>304 899</b>        | <b>302 675</b> | <b>316 279</b> | <b>4.4</b>            |

**Table B. 3A: Conditional grant payments and estimates by economic classification: EPWP Incentive Grant**

| R' 000                               | Audited    |              |              | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |          |          | % change from 2013/14 |
|--------------------------------------|------------|--------------|--------------|--------------------|------------------------|------------------|-----------------------|----------|----------|-----------------------|
|                                      | 2010/11    | 2011/12      | 2012/13      |                    |                        |                  | 2014/15               | 2015/16  | 2016/17  |                       |
| <b>Current payments</b>              |            |              |              |                    |                        |                  |                       |          |          |                       |
| Compensation of employees            | -          | -            | -            | -                  | -                      | -                | -                     | -        | -        |                       |
| Goods and services                   | -          | -            | -            | -                  | -                      | -                | -                     | -        | -        |                       |
| Interest and rent on land            | -          | -            | -            | -                  | -                      | -                | -                     | -        | -        |                       |
| <b>Transfers and subsidies</b>       | <b>911</b> | <b>1 760</b> | <b>1 000</b> | <b>550</b>         | <b>550</b>             | <b>550</b>       | <b>2 102</b>          | -        | -        | <b>282.2</b>          |
| Provinces and municipalities         | 911        | 1 760        | 1 000        | 550                | 550                    | 550              | 2 102                 | -        | -        | 282.2                 |
| Non-profit institutions              | -          | -            | -            | -                  | -                      | -                | -                     | -        | -        |                       |
| Households                           | -          | -            | -            | -                  | -                      | -                | -                     | -        | -        |                       |
| <b>Payments for capital assets</b>   |            |              |              |                    |                        |                  |                       |          |          |                       |
| Buildings and other fixed structures | -          | -            | -            | -                  | -                      | -                | -                     | -        | -        |                       |
| Machinery and equipment              | -          | -            | -            | -                  | -                      | -                | -                     | -        | -        |                       |
| Software and other intangible assets | -          | -            | -            | -                  | -                      | -                | -                     | -        | -        |                       |
| <b>Payments for financial assets</b> | -          | -            | -            | -                  | -                      | -                | -                     | -        | -        |                       |
| <b>Total</b>                         | <b>911</b> | <b>1 760</b> | <b>1 000</b> | <b>550</b>         | <b>550</b>             | <b>550</b>       | <b>2 102</b>          | <b>-</b> | <b>-</b> | <b>282.2</b>          |

**Table B.3: Detailed financial information for other entities**

| R' 000                                      | Audited  |              |               | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |               |               | % change from 2013/14 |
|---------------------------------------------|----------|--------------|---------------|--------------------|------------------------|------------------|-----------------------|---------------|---------------|-----------------------|
|                                             | 2010/11  | 2011/12      | 2012/13       |                    |                        |                  | 2014/15               | 2015/16       | 2016/17       |                       |
| Higher education institutions               | -        | -            | -             | 1 964              | 9 100                  | 10 964           | 10 315                | -             | -             | (5.9)                 |
| Rhodes University                           |          |              |               | 1 964              |                        | 1 964            | 2 041                 |               |               | 3.9                   |
| Fort Hare University                        |          |              |               |                    | 1 100                  | 1 000            |                       |               |               | (100.)                |
| Nelson Mandela Metropolitan University      |          |              |               |                    | 8 000                  | 8 000            | 8 274                 |               |               | 3.4                   |
| Public Corporations and private enterprises | -        | 9 000        | 32 444        | 36 541             | -                      | 38 341           | 38 110                | 40 627        | 42 617        | (.6)                  |
| LRED Fund                                   |          | 9 000        | 32 444        | 36 541             |                        | 36 541           | 38 110                | 40 627        | 42 617        | 4.3                   |
| Chemin Incubation                           |          |              |               |                    |                        | 1 800            |                       |               |               | (100.)                |
| <b>Total</b>                                | <b>-</b> | <b>9 000</b> | <b>32 444</b> | <b>38 505</b>      | <b>9 100</b>           | <b>49 305</b>    | <b>48 425</b>         | <b>40 627</b> | <b>42 617</b> | <b>(1.8)</b>          |

**Table B.4: Transfers to local government by category and municipality**

| R' 000                 | Audited |         |         | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |         |         | % change from 2013/14 |
|------------------------|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|-----------------------|
|                        | 2010/11 | 2011/12 | 2012/13 |                    | 2013/14                |                  | 2014/15               | 2015/16 | 2016/17 |                       |
| <b>Category A</b>      | -       | -       | -       | -                  | -                      | -                | -                     | -       | -       |                       |
| Nelson Mandela Metro   |         |         |         |                    |                        |                  |                       |         |         |                       |
| Buffalo City Metro     |         |         |         |                    |                        |                  |                       |         |         |                       |
| <b>Category B</b>      | -       | 1 992   | 998     | -                  | -                      | -                | 1 850                 | -       | -       |                       |
| Amahlathi              |         |         |         |                    |                        |                  | 350                   |         |         |                       |
| Baviaans               |         |         |         |                    |                        |                  |                       |         |         |                       |
| Blue Crane Route       |         |         |         |                    |                        |                  |                       |         |         |                       |
| Camdeboo               |         |         |         |                    |                        |                  |                       |         |         |                       |
| Elundini               |         |         |         |                    |                        |                  |                       |         |         |                       |
| Emalahleni             |         |         |         |                    |                        |                  |                       |         |         |                       |
| Engcobo                |         |         |         |                    |                        |                  |                       |         |         |                       |
| Gariep                 |         |         |         |                    |                        |                  |                       |         |         |                       |
| Great Kei              |         |         |         |                    |                        |                  |                       |         |         |                       |
| Ikwezi                 |         |         |         |                    |                        |                  |                       |         |         |                       |
| Ingquza                |         |         |         |                    |                        |                  |                       |         |         |                       |
| Inkwanca               |         |         |         |                    |                        |                  |                       |         |         |                       |
| Intsika Yethu          |         |         |         |                    |                        |                  |                       |         |         |                       |
| Inxuba Yethemba        |         |         |         |                    |                        |                  |                       |         |         |                       |
| King Sabata Dalindyebo |         |         |         |                    |                        |                  |                       |         |         |                       |
| Kouga                  |         |         |         |                    |                        |                  |                       |         |         |                       |
| Koukamma               |         |         |         |                    |                        |                  |                       |         |         |                       |
| Lukhanji               |         |         |         |                    |                        |                  |                       |         |         |                       |
| Makana                 |         |         |         |                    |                        |                  |                       |         |         |                       |
| Maletswai              |         |         |         |                    |                        |                  |                       |         |         |                       |
| Matatiele              |         |         |         |                    |                        |                  |                       |         |         |                       |
| Mbhashe                |         |         |         |                    |                        |                  |                       |         |         |                       |
| Mbizana                |         |         |         |                    |                        |                  |                       |         |         |                       |
| Mhlontlo               |         |         |         |                    |                        |                  |                       |         |         |                       |
| Mnquma                 |         |         |         |                    |                        |                  |                       |         |         |                       |
| Ndlambe                |         |         |         |                    |                        |                  |                       |         |         |                       |
| Ngqushwa               |         |         |         |                    |                        |                  |                       |         |         |                       |
| Nkonkobe               |         |         |         |                    |                        |                  |                       |         |         |                       |
| Ntabankulu             |         |         |         |                    |                        |                  |                       |         |         |                       |
| Nxuba                  |         |         |         |                    |                        |                  |                       |         |         |                       |
| Nyandeni               |         |         |         |                    |                        |                  |                       |         |         |                       |
| Port St Johns          |         | 200     |         |                    |                        |                  | 1 000                 |         |         |                       |
| Qaukeni                |         |         |         |                    |                        |                  |                       |         |         |                       |
| Sakisisizwe            |         |         |         |                    |                        |                  |                       |         |         |                       |
| Senqu                  |         | 300     |         |                    |                        |                  |                       |         |         |                       |
| Sundays River Valley   |         |         |         |                    |                        |                  |                       |         |         |                       |
| Tsolwana               |         |         |         |                    |                        |                  |                       |         |         |                       |
| Umzimkhulu             |         |         |         |                    |                        |                  |                       |         |         |                       |
| Umzimvubu              |         | 500     |         |                    |                        |                  | 500                   |         |         |                       |
| Unallocated            |         | 992     | 998     |                    |                        |                  |                       |         |         |                       |
| <b>Category C</b>      | 31 585  | 1 960   | 2 100   | 8 073              | 11 123                 | 19 196           | 18 035                | 23 359  | 24 350  | (6.0)                 |
| Alfred Nzo             | 6 121   |         |         | 2 000              | 2 400                  | 2 400            | -                     | -       | -       | (100.0)               |
| Amathole               | 3 498   | 155     |         | -                  |                        | -                | -                     | -       | -       |                       |
| Cacadu                 | 3 498   |         |         | -                  | 400                    | 400              | -                     | -       | -       | (100.0)               |
| Chris Hani             | 6 121   | 1805    | 1500    | 1523               | 3 373                  | 3 373            | 2 500                 | -       | -       | (25.9)                |
| OR Tambo               | 6 121   |         |         | 3 000              | 3 400                  | 3 400            | -                     | -       | -       | (100.0)               |
| Joe Gqabi              | 6 121   |         | 600     | -                  |                        | -                | -                     | -       | -       |                       |
| Unallocated            | 105     |         |         | 1550               | 1550                   | 1550             | 15 535                | 23 359  | 24 350  | 902.3                 |
| <b>Unallocated</b>     |         |         |         |                    |                        |                  |                       |         |         |                       |
| <b>Total</b>           | 31 585  | 3 952   | 3 098   | 8 073              | 11 123                 | 11 123           | 19 885                | 23 359  | 24 350  | 78.8                  |

◆ END OF 2014 EPRE ◆