

# VOTE 4

## Economic Development and Tourism

Operational budget	R 1 945 205 165
MEC remuneration	R 1 734 835
Total amount to be appropriated	R 1 946 940 000
Responsible MEC	Mr. M. Mabuyakhulu, MEC for Economic Development and Tourism
Administrating department	Economic Development and Tourism
Accounting officer	Head: Economic Development and Tourism

### 1. Overview

#### Vision

The vision of the Department of Economic Development and Tourism (DEDT) is: *Leading the attainment of inclusive growth for job creation and economic sustenance.*

#### Mission statement

The department's mission is to: *Develop and implement strategies that drive economic growth, be a catalyst for economic transformation and development, provide leadership and facilitate integrated economic planning and development, and create a conducive environment for investment.*

#### Strategic goals and objectives

**Strategic policy direction:** By focusing on driving the economic development strategies of the province, the department seeks to facilitate strategies to enhance the competitiveness of priority sectors of the economy, in line with its industrial development strategy. It also seeks to promote the development of small business and social enterprises, to facilitate economic empowerment programmes, and manage the Enterprise Development and Growth Funds. In addition, it seeks to provide an effective and efficient consumer protection service and to ensure effective and prudent business regulation in the province.

The department has identified the following strategic goals and objectives:

##### ***Lead and co-ordinate integrated economic planning and development.***

- To facilitate the implementation of B-BBEE strategy and policies.
- To provide macro-economic analysis and develop provincial economic policies/strategies.
- To provide research on priority economic sectors.
- To champion special economic zones (SEZ).
- To drive growth of the provincial economy.
- To facilitate implementation of local economic development strategies.
- To forge strategic partnerships for the development of the provincial economy (leverage resources).
- To develop and maintain an efficient regulatory and governance framework for sustained economic development.

##### ***Facilitate sustainable and inclusive economic growth to ensure job creation.***

- To promote SMME and entrepreneurial development (informal and social enterprises).
- To facilitate creation of new markets.

- To enhance sector and industrial development through trade, investment and exports logistics, Information Communication Technology (ICT), manufacturing, green economy, agri-business, tourism, creative industries, maritime, aerotropolis and aviation.
- To develop the knowledge base to enhance the knowledge economy.
- To develop the ICT infrastructure.
- To investigate and develop viable alternative energy generation options.

***Develop and transform the tourism sector to achieve destination competitiveness.***

- To develop and fund the implementation of tourism sector specific products.
- To enhance the contribution of tourism to the KZN economy.
- To implement interventions that drive transformation, diversification and service excellence in the tourism sector.
- To foster strategic linkages (tourism corridors, leverage infrastructure development strategy).
- To promote responsible tourism practices and champion tourism response to climate change.

**Core functions**

The department's core functions are summarised as follows:

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

**Legislative mandate**

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

- Constitution of the Republic of South Africa (Act No. 108 of 1996)
- Public Service Act 1994 (Act No. 103 of 1994)
- Public Service Regulations, 2001
- Public Finance Management Act 1999 (Act No. 1 of 1999), as amended, and Treasury Regulations
- Labour Relations Act 1995 (Act No. 66 of 1995)
- Promotion of Access to Information Act 2000 (Act No. 2 of 2000)
- Employment Equity Act 1998 (Act No. 55 of 1998)
- Promotion of Administrative Justice Act 2000 (Act No. 3 of 2000)
- Basic Conditions of Employment Act 1997 (Act No. 75 of 1997)
- The Companies Act 2004 (Act No. 20 of 2004)
- Equality and Prevention of Unfair Discrimination Act 2000 (Act No. 4 of 2000)
- KwaZulu-Natal Liquor Licensing Act 2010 (Act No. 6 of 2010)
- KwaZulu-Natal Film Commission Act 2010 (Act No. 3 of 2010)
- Trade and Investment KZN Act 2010 (Act No. 4 of 2010)
- Business Act 1991 (Act No. 71 of 1991)

- South African National Consumer Protection Act 2008 (Act No. 68 of 2008) hereafter referred to as the Consumer Protection Act
- KwaZulu-Natal Dube TradePort Corporation Act 2010 (Act No. 2 of 2010)
- KwaZulu-Natal Liquor Licensing Amendment Act 2013 (Act No. 3 of 2013)
- KwaZulu-Natal Consumer Protection Act 2013 (Act No. 4 of 2013)

The following bills have been promulgated and have been forwarded to the Premier for assenting, and the department awaits notification of the respective Act numbers:

- Agri-business Development Agency Bill
- KwaZulu-Natal Tourism Bill
- Richards Bay Industrial Development Zone Bill
- Ithala Development Finance Corporation Bill
- Special Economic Zones Bill

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

Section 2 provides a review of 2013/14, outlining the main achievements and progress made by the department, as well as providing a brief discussion on challenges and new developments.

### ***Integrated economic development***

The department continued to support small enterprises. In this regard, a number of students were granted bursaries to pursue careers in Co-operatives Management (Diploma) at the University of Zululand. Similarly, 11 District Co-operative Trainers who completed the UK Co-operatives College “International Co-operative Train-the-Trainer” course were placed at district offices in order to provide business management and co-operative governance training to existing and newly established co-operatives. Furthermore, a total of 436 SMMEs attended pre-finance training which provides knowledge and skills necessary to prepare documentation for business loan financing.

The department successfully verified all departments for compliance with B-BBEE policy implementation, and each department received a B-BBEE verification certificate. The department also organised, co-ordinated and adopted important B-BBEE resolutions with key stakeholders in the maritime, tourism, construction, and property sectors. A total of 1 660 youth were trained in short technical skills covering various critical areas such as hospitality, IT support, project management, plumbing, carpentry, etc. More than 3 000 graduates were registered on the Unemployed Graduates Database. Youth Enterprises continued to be supported through the KZN Youth Designers and KZN Chamber of Commerce. There were 11 B-BBEE awareness and advocacy campaigns organised. There were 500 women trained in business management, and six workshops organised for South African Women in Business. The department continued to handle B-BBEE complaints relating to fronting, late/no payment of suppliers and breach of contracts.

The department offered bursaries to 90 students in terms of both the Post-graduate Diploma and Master of Commerce courses. An additional 412 individuals were recipients of project specific training on various projects. Also, a total of 115 employment opportunities were supported through various LED projects. A successful Regional Local Economic Development Summit was held, involving more than 500 participants. Two Community Economic Development Initiatives (CEDI) were activated and the Call for Proposals for the Gijima KZN Local Competitiveness Fund (LCF) was initiated and five applications are being subjected to a due diligence process. Discussion with the Swiss Economic Co-operation Affairs Department (SECO) for an LED support programme in the Ilembe District is also at an advanced stage.

### ***Trade and sector development***

The department continued to stimulate economic growth and job creation through trade, investment promotion and industrial development, concomitantly spearheading the development of the province’s priority sectors. In terms of progress for 2013/14, the following achievements were made:

The signing of Chapter 1 of the Social Accord was achieved in areas of youth employment, local procurement and infrastructure development by the social partners, namely, government, business, organised labour and civil society. The department also developed four District Investment Promotion and Facilitation strategies for Amajuba, Ugu, uThungulu and Uthukela Districts, and also provided export awareness, support and market access to over 100 emerging enterprises through the Durban Tradeport.

The department completed the implementation of the goat commercialisation infrastructure supported projects in Ilembe, Umkhanyakude and Zululand Districts, as well as the eThekweni Metro. The feasibility studies for the Industrial Economic Hubs on agri-processing were completed. With regard to clothing and textiles, the Fashion Council trained 10 designers on "21 steps to retail", 20 designers were supported to showcase at the SA fashion week, and four designers were selected by Edgars to supply the Sandton store.

The KZN Music House recorded 87 musicians and distributed 4 932 CDs to various distribution agencies. More than 50 craft enterprises were trained during the One Village One Product craft project at Amajuba and Sisonke. More than 20 craft enterprises were exposed to various platforms, such as the Indian Trade Exhibition, Latigiano Trade Exhibition, Santa Fe Exhibition and Durban handmade collection. A total of 300 local and international films were showcased during the Durban International Film Festival and KZN African Film Festival. The first Simon Mabhunu Sabela Film Awards were successfully held in 2013, and more than 550 people attended these awards, where 17 veterans, legends and pioneers received awards.

#### ***Business regulation and governance***

The KZN Consumer Protection Act, 2013 was approved by the Legislature in December 2013. The department, in partnership with SAPS and SARS, successfully ensured that the root causes of consumer dissatisfaction are identified and addressed at root level to ensure compliance by the various businesses. Although, the KZN Consumer Protection Act was approved in 2013, there were delays with the roll-out of the Act as the related Regulations have not yet been finalised.

The department identified challenges in both the formal and informal sector. In order to address these challenges, a collective government intervention with relevant role-players was required. This culminated in the conclusion of a five-year memorandum of understanding (MOU) between the department, South African Local Government Association (SALGA) and the Department of Co-operative Governance and Traditional Affairs (COGTA) for collective interventions in the informal sector. A detailed plan of action was developed and is expected to be rolled out in ensuing years. A concerted effort is now being made to ensure that the KZN Informal Economy Policy imperatives are incorporated into municipalities' IDPs.

The provincial and district Informal Traders' Chambers continued to function and remain an effective vehicle of ensuring the inclusion of informal traders into the economic mainstream. Extensive workshops and awareness programmes continued to be held with municipalities with regard to the implementation of the Business Act, and resulted in all municipalities being fully appointed as licensing authorities.

#### ***Economic planning***

The feasibility studies were completed and business plans are currently being formulated in respect of initiatives such as the Industrial Economic Hubs, Special Economic Zones (SEZ) and Aerotropolis. The department, in partnership with the Department of Trade and Industry (DTI), finalised the blueprint for the Dube TradePort Corporation (DTPC) and SEZ.

The Aerotropolis strategy for KZN was finalised and approved by the Economic Sector and Infrastructure Development (ESID) Cabinet cluster. The department completed a series of research papers such as the conceptual framework for the Industrial Economic Hubs, industrial support measures and the economic analysis of the Zululand and Umkhanyakude Industrial Economic Hubs. The department has successfully contracted with three leading universities, namely Stellenbosch, Cape Town and Wits, through the Research Chair initiative. The key focus areas of the Research Chairs are agro-processing, mineral beneficiation and the green economy.

#### ***Tourism***

Tourism continued to position itself as an important sector to achieve economic growth. In an effort to harness this, the department developed the KZN Tourism Master Plan which is a comprehensive long-term strategy for development, promotion, management and monitoring of tourism in the province.

In an effort to implement this plan, the department developed a feasibility study for the Drakensberg Cable Car project to diversify the product offering of KZN, facilitated local government support to encourage policy compliance, and continued to support community-based projects. KZN successfully staged a number of events to enhance the visitor numbers to KZN, including the KZN Summer Festival Campaign.

***Ithala Development Finance Corporation (Ithala)***

In 2013/14, focus was given to marketing improved product offerings, in order to ensure that Ithala's market share increases and revenue (mainly from transaction fees and interest earned) is enhanced. Ithala Limited continues on its turnaround strategy with the successful launch, in early January, of the hosted banking transactional platform. This in turn will allow customers the ability to transact on mobile and internet banking platforms, to purchase items such as airtime and electricity and, with the launch of targeted bundled product sets, should see a strong improvement in service fee income.

There has been a substantial reduction in profits compared to budgets, due to losses being incurred at Ithala Limited resulting from reduced service fee income attributable to the loss of a large number of SASSA clients who were moved to another financial institution. The transfer of operations, assets and liabilities to the KZN Growth Fund Trust was concluded in 2013/14.

There has also been a substantial improvement in both collection of outstanding loans, rescheduling of loans where businesses have the ability to repay, but are constrained by cashflows, and in advances during the period. The net result of these changes is the strong positive movement in reducing the percentage of non-performing loans to the overall loan book.

Ithala continued to face challenges in balancing the need to upgrade and maintain its infrastructure portfolio, with the cost of the interest in respect of such capital expenditure. If Ithala does not implement an infrastructure maintenance programme, eroding assets will continue to impact on business profitability, as a result of a decrease in occupancy and rental rates. Furthermore, the entity cannot easily rationalise the property portfolio and banking infrastructure by closing uneconomical centres, due to staff obligations and the fact that it renders a service to rural communities, who would not have access to any other economic services/facilities otherwise.

Cabinet approved the establishment of the Small Business Development Agency (SBDA) under Ithala, whose sole mandate is to nurture and sustain small enterprises. The SBDA was launched in November 2013.

***KwaZulu-Natal Sharks Board (KZNSB)***

The core function of the KZNSB is the protection of bathers against shark attacks. This mandate is fulfilled through the installation and maintenance of shark safety gear, deployed to prevent shark attacks at 38 protected beaches along the KZN coastline. During 2013/14, the KZNSB maintained 23.7 kilometres of shark netting and 79 drum-lines off the KZN coast.

The KZNSB continued research on the biodiversity of sharks. The entity also continued its research work into non-lethal means of protecting bathers in the form of shark repellent technology. The KZNSB also documented all catches, and collected biological information and material to improve understanding of marine animals. The KZNSB addressed capital backlogs, which included the replacement of boats, outboard motors and vehicles.

The Maritime Centre of Excellence (MCOE), which falls under the KZNSB, signed a MOU with the Moses Kotane Institute (MKI) to train 200 educators on the Maritime Educator Development Programme to implement introductory maritime courses at schools. The MCOE introduced a new executive programme in maritime management at post-graduate level. The physical infrastructure for diving modules is at an advanced stage of completion. Furthermore, the MCOE successfully conducted programmes in *Understanding shipping*, *Boat building* and *Skippers' licence*.

***KZN Tourism Authority (TKZN)***

TKZN is directly and indirectly responsible for the development, promotion and marketing of tourism into and within KZN. The vision of TKZN is to position KZN as Africa's leading tourism destination in South Africa, Africa and the world.

In positioning KZN as a global destination, TKZN has increased direct air connectivity and facilitated increased passenger traffic through negotiations with Emirates and SA Express, who selected King Shaka International Airport (KSIA) as its base for expansion into the South African Development Community (SADC) countries. This paves the way for new trade, investment and leisure opportunities. Other highlights for 2013/14 include the Tourism *Indaba* and East 3 Route.

During the Tourism *Indaba*, TKZN held meetings with key tour operators who are responsible for bringing tourism volume to South Africa from different markets.

TKZN collaborated with SA-Express to create a tourism trade workshop in Harare, Zimbabwe, with the aim of promoting KZN tourism, as well as introducing the direct Durban/Harare flight route to enhance Zimbabwean trade and to synchronise future tourism promotion plans for the SADC region.

Air Mauritius's decision to reinstate its direct flight to Durban was highly welcomed, while continued engagements with other airlines are ongoing. Most importantly, the province is confident that the hosting of the World Routes Development Forum in 2015 will contribute to the creation of additional direct long-haul international connectivity.

#### ***Agri-business Development Agency (ADA)***

In the 2013/14 Adjusted Appropriation, this entity was moved to the Department of Agriculture, Environmental Affairs and Rural Development (DAEARD) in line with the function shift of ADA following a decision taken by Cabinet. An amount R19.394 million, the balance of unspent transfers to ADA relating to operational costs, was moved to DAEARD.

#### ***Dube TradePort Corporation (DTPC)***

DTPC is a Schedule 3C public entity mandated to develop the trade port by undertaking or investing in associated projects. DTPC plays a multi-faceted role to both enable and drive the development of the air logistics business. On the one hand, it serves as master developer of the precinct, guiding and facilitating the appropriate use of land for property developments, light manufacturing and assembly, agricultural production and ensuring that infrastructure planning and development keeps pace with growth. On the other hand, DTPC plays the role of an investor aimed at enabling strategic economic investments from the private sector that supports volume growth and international connectivity, enhancing the competitive position of the provincial economy in the global supply chain.

In 2013/14, DTPC began putting in place the internal structures necessary to administer a SEZ, in line with the National SEZ programme. In addition, DTPC acquired significant land parcels in support of its long-term plans to develop the area surrounding the KSIA.

One of DTPC's key objectives is to improve air connectivity through KSIA and flights to Lusaka and Mauritius were renewed in 2013/14. Operations at the Dube Cargo Terminal showed steady growth in the tonnages handled, despite the set-back of the AiRoad trucking service being out of operation for the first six months of the year. Demand for space at the TradeZone remained high, attracting both Foreign Direct Investment (FDI) and leading national companies. Interest in Dube City continued in 2013/14 with five development proposals received. Occupation of DTPC's head office, 29 Degrees South, is at 100 per cent. Negotiations are underway regarding a potential split (of the land area) with ACSA, which will enable DTPC to move ahead with converting some of the MOUs already in place into formal lease agreements.

With Phase 1 of the AgriZone coming to an end, focus shifted to supporting existing tenants and improving productivity, Dube iConnect focused on growing its customer base in 2013/14 and improved its data centre revenues, while construction of the Watson Highway link road, which was delayed by environmental problems in the prior year, resumed.

#### ***Trade and Investment KwaZulu-Natal (TIK)***

TIK is an agency whose mandate is to attract foreign and domestic investment, and to promote exports from, and export capacity within, KZN. In order to position itself correctly and play a vital role in economic development, TIK is required to align its strategy to the National and Provincial Economic Development Plans so as to deliver effective services and support to its clients and stakeholders. Its core activities focus on the promotion and facilitation of fixed investment in KZN, including encouraging and

retaining business. TIK also develops export opportunities and the generation of export leads, which open markets for KZN products. Despite challenges, KZN's unique attributes as an investment location have remained intact and continued to improve. There was strong performance in the level of FDI secured by TIK, amid increased competition globally.

TIK, in conjunction with TKZN and DTPC, facilitated an investment programme in support of the SA-Express DTPC strategy of using KSIA as a hub for new routes into the SADC countries, with the objective of creating a platform which will increase KZN's destination awareness and create trade and investment linkages.

TIK, in conjunction with other stakeholders, successfully hosted the BRICS Summit. TIK was instrumental in hosting the China-SA investment seminar and further engaged with potential investors from India and Russia during the summit.

#### ***Richards Bay Industrial Development Zone (RBIDZ)***

RBIDZ is a public entity established to undertake the development of industrial land in the Richards Bay area, in line with a 50-year Master Plan.

Planning approval for the rezoning and revision of the layout for Phase 1A was received and the land was registered with the Deeds' Office. Significant progress was achieved with the installation of engineering services and the bulk earthworks project is nearing completion.

The installation of civil engineering services to Stage 1 of Phase 1A progressed well and is expected to be completed in March 2014, whereas the installation of electrical and ICT services is expected to be completed in July 2014.

A planning application for the rezoning and re-layout for Phase 1F was submitted to the local authority and approval is expected at the end of February 2014, which will pave the way for registration and transfer of this phase to the RBIDZ. Consultants were appointed to undertake the detailed design of engineering services for Phase 1F, and this is expected to be completed in June 2014.

The RBIDZ signed recognition agreements with three potential investors in the amount of R4.500 billion, and assistance was given to these investors to obtain various approvals to get to them to establish their plants within the RBIDZ.

#### ***KZN Liquor Authority (KZNLA)***

The mandate of the KZNLA is to consider, grant or reject liquor licences through a uniform, fair, equitable and transparent process. The KZNLA works with the responsible MEC, department, municipalities and the liquor industry to implement and promote national and provincial liquor policies and norms and standards, as well as to implement and promote initiatives which address the objects of the KZN Liquor Licensing Act.

During 2013/14, the KZNLA finalised setting up all corporate governance structures, systems and policies. The KZNLA also finalised the appointment and capacitation of local committees, enhanced and upgraded the liquor licensing system and set up a new call centre to enable access to traders and communities. Applications continued to be processed in terms of the previous legislations, as the KZN Liquor Licensing Amendment Act was only assented to by the Premier on 15 December 2013, whereas payment for renewals are due on 31 December of each year. Hence the KZNLA did not have adequate time to inform all stakeholders of the new procedures and rates.

The KZNLA increased routine inspections, conducted random inspections, formed district liquor forums and developed a complaints management system that allows the entity to be responsive to complaints from the public and communities where liquor outlets are based. Liquor traders were trained on the new KZN Liquor Licensing Amendment Act, Regulations, policies and compliance requirements. In addition, the general public was made aware of the implications of the new Act through workshops and educational campaigns.

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

Section 3 looks at the key areas of 2014/15, outlining what the department is hoping to achieve, as well as briefly looking at the challenges facing the department, and proposed new developments.

#### ***Integrated economic development***

The first cohort of 52 bursary students funded will complete their Diploma in Management of Co-operatives offered by the University of Zululand. These graduates will be placed within co-operatives as part of the internship programme to provide much needed administrative support.

The department will conclude the review of the provincial B-BBEE strategy, as well as the Youth Economic Empowerment strategy. It will further develop the KZN Gender and Women Economic Empowerment strategy for adoption and approval by the necessary structures. It will continue intensifying its B-BBEE awareness campaigns and co-ordination to ensure B-BBEE compliance and prioritisation of target groups.

#### ***Trade and sector development***

In 2014/15, the department aims to, among others:

- Enhance export-led economic growth through the completion of the KZN Provincial Export strategy.
- Increase domestic and foreign direct investment through the development of six district Investment Promotion and Facilitation strategies for the Ilembe, Sisonke, uMgungundlovu, Umkhanyakude, Umzinyathi and Zululand District Municipalities.
- Facilitate the signing of the KZN Social Accord between the social partners, aimed at developing the green economy, promoting and developing small enterprises and co-operatives, as well as promoting women empowerment, and supporting the development of SEZs and Industrial Economic Hubs.
- Establish and support the KZN Maritime Agency, Richards Bay and Ugu Maritime Clusters, while continuing to support the MCOE.
- Provide relevant accredited training in consultation with the Manufacturing, Engineering and Related Services Sector Education and Training Authority (MERSETA), Transport Education and Training Authority (TETA), South African Maritime Training Authority (SAMTRA), South African Maritime Safety Authority (SAMSA) and South African Qualifications Authority (SAQA) to develop a local partnership between the industry and institutions of higher learning to reduce the shortage of skills to drive economic development.

#### ***Business regulation and governance***

The following quality improvement measures are planned for 2014/15, among others:

- To continuously monitor the implementation of the Informal Trade Framework policy with municipalities.
- To fully implement the KZN Liquor Licensing Amendment Act, together with its amendments and the applicable regulations.
- To finalise regulations with regard to the KZN Consumer Protection Act and implement the Act.

#### ***Economic planning***

In 2014/15, the department will continue, among others, to:

- Provide leadership in the implementation of flagship projects such as the Industrial Economic Hubs, SEZs, Aerotropolis and SIPs.
- Track the implementation of key provincial economic strategies such as the PGDS, Industrial Development Strategy (IDS), Export, Investment and Youth Economic Empowerment strategies.
- Enter into structural agreements/partnerships with tertiary institutions to undertake research on identified priority sectors in KZN.



### ***Tourism***

The department will continue to focus on the implementation of the KZN Tourism Master Plan with additional programmes toward the realisation of set targets and objectives, namely completing the EIA for the Drakensberg Cable Car, and the finalisation of the KZN Tourism Bill which seeks to develop and promote sustainable tourism. In partnership with the Wildlife Environmental Society South Africa (WESSA), the department will assist to develop beaches in the Ugu and Ilembe District Municipalities which will assist in achieving blue flag status.

### ***Ithala Development Finance Corporation (Ithala)***

The 2014/15 financial year represents the third year in Ithala's Repositioning strategy. Ithala will continue on the path toward sustainability and further embed the changes made in focussing on improving top line growth in the business, while minimising expenditure costs.

The main focus in business finance, while fulfilling Ithala's developmental mandate, continues to be an increase in loans to generate increasing levels of interest and fee income, simultaneously reducing the percentage of non-performing loans. As indicated, emphasis is placed on increased collections, as well as greater post investment support to ensure that non-performing loans are kept to a minimum.

A key focus area in the properties' portfolio will be improving rental income through renegotiating non-profitable leases. Rental collections will receive enhanced focus to improve cashflows for Ithala.

Ithala Limited's core focus is to launch enhanced transacting account capabilities in early 2014. Furthermore, Ithala will seek to improve returns through enhanced insurance offerings and will also launch public sector banking capabilities.

The SBDA's purpose is to support and sustain small enterprises, and its funding will be transferred *via* Ithala. The agency will provide both non-financial and financial support (micro-finance services) to small enterprises. The agency will focus and prioritise policy formulation, analyses and co-ordination for the benefit of small enterprise and monitor service delivery by the entity.

### ***KwaZulu-Natal Sharks Board (KZNSB)***

KZNSB will continue protecting bathers against shark attacks, while at the same time striving to conserve marine species. It will therefore continue with the research efforts on producing a shark repellent prototype cable which can be installed at various suitable locations, and the efficacy and human safety aspects will be validated, before full-scale production.

The KZNSB will also continue to assist provincial, national and international environmental management agencies and other interested parties through sharing of information. It will also continue to provide an educational service to scholars, media and the public. Increased focus will be placed on marketing the activities of the KZNSB to the public, thereby enhancing coastal tourism and conducting awareness programmes, advocacy and lobbying campaigns.

The entity plans to attend local and international expos and trade shows to vigorously market the activities of KZNSB and the MCOE. In addition, the KZNSB will host the second Sharks International conference in June 2014, which will provide the entity with an international platform to showcase its research efforts.

The MCOE will continue to offer its current development programmes and, after receiving accreditation and authorisation from the Department of Labour, will conduct courses in commercial diving. A MOU has already been entered into with the SA Navy in this regard. In addition, the MCOE will roll out a National Certificate in Freight Forwarding and Customs Compliance learnership for 25 learners.

### ***KZN Tourism Authority (TKZN)***

TKZN will continue its current activities, and will focus on the creation of new and strengthening of existing tourism trade platforms, such as packages for special interest groups, tour operators, specific events, etc.

TKZN will continue engaging with airlines and the national air carrier in particular, to increase traffic volumes. TKZN will be in partnership with these airlines by marketing tourism packages. It is envisaged

that the hosting of the World Routes Development Forum in 2015 will contribute to the creation of additional direct long haul connectivity to increase accessibility in and out of KZN.

TKZN will heighten efforts to train and develop the skills of emerging enterprises, drive market access initiatives, as well as focus on strategic product development packaging. In addition, the need to create and appropriately market tourism business opportunities, thereby attracting FDI into the provincial economy, while simultaneously ensuring progress in transforming the sector, is critical. TKZN will assist SMMEs in the tourism sector to access markets. In addition, TKZN will host educational programmes for large tour operators to enhance their knowledge of KZN as the destination of choice.

TKZN will continue to identify other appropriate platforms to secure and engage with audiences and decision-makers, with the aim of putting KZN in the international spotlight. Key to this, TKZN will participate at a number of domestic and international trade and consumer platforms, some of which will be new platforms in line with the Tourism Master Plan and corporate strategy targets.

In hosting the Tourism *Indaba* 2014, the province plans to increase efforts to facilitate greater optimisation of KZN trade, by brokering long-term relationships with international tourism buyers. In addition, billboard advertising will be done as a follow-up activation, promoting the Durban/Harare flight route to Zimbabwe.

#### ***Dube TradePort Corporation (DTPC)***

In 2014/15, DTPC will create a new programme to deal with establishing and managing the SEZ. Work on the Watson Highway link road is expected to reach completion, while planning approvals and preliminary designs for the expansion of the AgriZone and construction at TradeZone 2 will commence. While no immediate increase in revenue is expected from the establishment of a major electronics manufacturer at the TradeZone, there is expected to be a positive long term impact as complementary manufacturers and suppliers are attracted to the area. Additional land purchases are planned in support of the long term expansion and development of the DTPC precinct.

In line with DTPC's mandate to drive the development of air logistics in KZN, focus will remain on expanding regional and international route networks through partnerships with relevant airlines, while air cargo connectivity will focus on regional routes. Focus at the AgriZone remains on maintenance and the improvement of production yields at the greenhouses, while the tissue culture facility will focus on improving productivity in 2014/15. Dube iConnect aims to improve revenue generation from ICT offerings through the management and retention of customers, with the ultimate goal of profitability in mind for future years.

#### ***Trade and Investment KwaZulu-Natal (TIK)***

TIK is dedicated to creating an environment in KZN that is conducive to business development and attractive to both local and international investors, as well as traders. TIK's focus will continue to be on its Africa platforms, in terms of which companies will continue being assisted to participate in exhibitions and investment platforms in SADC, West and East African markets.

A robust programme for traditional markets will be implemented for those companies that have products for these. The recruitment of investors is critical and TIK will leverage its relations with agencies such as Brand SA, in order to access investors in key markets. TIK will continue enhancing business linkages within the BRICS countries to market business development programmes and investment opportunities.

The entity will continue to focus on identification, development and packaging of outward investment opportunities. It is also mandated to brand and market the province as an investment destination, as well as to retain and expand trade and export activities.

#### ***Richards Bay Industrial Development Zone (RBIDZ)***

The emphasis in 2014/15 will be the further roll-out of engineering infrastructure to the existing phases of the RBIDZ to ensure that the entity becomes more investor friendly. Planned projects for Phase 1A include the completion of civil and electrical engineering infrastructure, completion of the entrance gate and customs control area and finalisation of the design of the through-road. The detailed design of engineering infrastructure to Phase 1F will be completed in June 2014, with the issuing of tenders for the

installation of engineering services planned for January 2015. Environmental approval for the installation of engineering services to Phase 1F is only expected in January 2015 and therefore tenders for the installation of engineering services can only be issued once this approval is in place.

Further proposed expansion of the RBIDZ land portfolio as per the 50-year Master Plan will be investigated. Detailed investigations such as geo-technical, geo-hydrological, wetland, flood line and environmental assessments will take place to support development and environmental applications that have to be submitted to the relevant authorities for approval. Facilitation of the signed investors to obtain environmental approvals will continue in 2014/15 and efforts to sign further investors will be intensified. Focus will also be on complying with the requirements of the SEZ Bill, as the IDZ is one of the identified SEZ nodes.

#### ***KwaZulu-Natal Liquor Authority (KZNLA)***

In 2014/15, the entity will focus on fully implementing the KZN Liquor Licensing Amendment Act, together with the Regulations. As such, the entity will focus on developing and implementing provincial policy and norms and standards pertaining to the retail liquor industry and micro-manufacturing of liquor. In addition, the KZNLA will establish and set guidelines for the conduct of business in the liquor industry and local committees. The KZNLA will also consider applications for licences and conduct inspections of premises of applicants and licence holders to ensure compliance with the Act.

## **4 Receipts and financing**

### **4.1 Summary of receipts and financing**

Table 4.1 shows the sources of funding for the department over the seven-year period 2010/11 to 2016/17. The table also compares actual and budgeted receipts against actual and budgeted payments.

**Table 4.1 : Summary of receipts and financing**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Equitable share	1 624 798	1 486 950	1 659 018	1 837 015	1 863 351	1 863 351	1 929 940	2 022 601	2 087 942
Conditional grants	-	536	1 000	-	-	-	2 000	-	-
EPWP Integrated Grant for Provinces	-	536	1 000	-	-	-	2 000	-	-
<b>Total receipts</b>	<b>1 624 798</b>	<b>1 487 486</b>	<b>1 660 018</b>	<b>1 837 015</b>	<b>1 863 351</b>	<b>1 863 351</b>	<b>1 931 940</b>	<b>2 022 601</b>	<b>2 087 942</b>
<b>Total payments</b>	<b>1 624 311</b>	<b>1 534 168</b>	<b>1 685 848</b>	<b>1 837 015</b>	<b>1 979 851</b>	<b>2 107 641</b>	<b>1 946 940</b>	<b>2 037 191</b>	<b>2 102 627</b>
Surplus/(Deficit) before financing	487	(46 682)	(25 830)	-	(116 500)	(244 290)	(15 000)	(14 590)	(14 685)
Financing									
of which									
Provincial roll-overs	-	-	28 256	-	-	-	-	-	-
Provincial cash resources	100 000	90 072	101 411	-	116 500	116 500	15 000	14 590	14 685
<b>Surplus/(Deficit) after financing</b>	<b>100 487</b>	<b>43 390</b>	<b>103 837</b>	<b>-</b>	<b>-</b>	<b>(127 790)</b>	<b>-</b>	<b>-</b>	<b>-</b>

The high allocation in 2010/11 is largely due to the funding requirements of DTPC, particularly the airport project. The department was allocated R100 million from provincial cash resources, which was returned to the Provincial Revenue Fund by Ithala. This funding had been transferred to Ithala in previous years for land purchases relating to RBIDZ. This funding was subsequently transferred to RBIDZ. The department under-spent its budget by R100.487 million due to non-filling of posts, delays in various projects such as uMlalazi and Okhahlamba Development Agency for construction of trading centres, as well as delays in establishing the KZNLA.

The department received conditional grant funding of R536 000 for the EPWP Integrated Grant for Provinces in 2011/12. However, this was not spent, as the department could not find projects which would meet the grant requirements. In 2012/13, the department once again received the EPWP Integrated Grant for Provinces, and this was fully spent on weed eradication at the Dukuduku Resettlement Programme. In addition, the department is allocated R2 million in 2014/15 in respect of this grant, and no allocation for the two outer years of the MTEF at this stage.

An amount of R90.072 million allocated in the form of provincial cash resources in 2011/12 was for DTPC strategic projects such as cargo shed ramp handling facilities, additional AgriZone works and re-capitalisation of the cargo terminal, for the SMME risk sharing fund with Standard Bank, and the transfer to TKZN for the UCI/BMX events. The department under-spent by R43.390 million in 2011/12, which included an amount of R25.423 million which was deemed to be a prepayment relating to the Top Gear Festival and KZN Convention Bureau Bid Fund. As this was a prepayment, the Auditor-General (AG) advised that this amount be reduced from 2011/12 and be allocated in the year the festival and bid fund, took place, hence the expenditure was reduced. Also contributing to this under-spending were delays in the establishment of the KZNLA, as well as non-filling of posts.

In 2012/13, an amount of R28.256 million was rolled over from 2011/12, relating to commitments with regard to the Top Gear Festival, Travel Agents Federation of India (TAFI) events such as the TAFI Convention 2013 and the KZN Convention Bureau Bid Fund.

The department was also allocated R101.411 million from provincial cash resources for major provincial events, such as the North Sea Jazz Festival, Metro FM Awards, BRICS Summit, etc. Additional funding was also allocated to ADA for feasibility studies, capacity building and project management of aspiring commercial farmers, to TKZN for their SAP and VIP payroll system, and to KZNSB, largely for capital requirements.

The budget was under-spent by R103.837 million in 2012/13, due to expenditure that was deemed to be prepayments for events, such as Top Gear Festival and MTV Awards, amounting to R15.896 million and R36.212 million, respectively. These contributed to the under-spending due to the fact that expenditure was only recognised when the events took place in the following year. Also contributing, was expenditure relating to the North Sea Jazz Festival which was moved into a debt account to recover R26.900 million paid to the event organisers, since there were serious contractual problems that emerged involving the promoter. This under-spending also related to delays in finalising SLAs and SCM processes for various projects, including the Integrated Craft Hub, Ekaya Multi-Art Centre, Tourism Mentorship Partnership, Durban International Airport Plan, Durban Film Festival, Fresh Produce Mentorship, among others.

In the 2013/14 Adjusted Appropriation, the department's allocation was increased by an amount of R116.500 million from provincial cash resources, as explained below:

- KZNSB received once-off additional funding of R10.500 million for land purchases, for erection of new offices, since the current premises are not suitable for expansion including the MCOE.
- R105 million was allocated to Ithala for its capital adequacy ratio.
- The department received R1 million for spending on Operation *Sukuma Sakhe* (OSS) initiatives.

In addition, an amount of R52.550 million was added to the department's allocation from the Strategic Cabinet Initiatives Fund for various events, such as the Manchester United Tour (R3.420 million), SA Women's Golf Championship (R9 million), Nelson Mandela Golf Tournament (R5 million), Metro FM Awards (R10.527 million), Volvo European Golf Championship (R5 million), Take Me Out production (R5 million), the X Factor production (R5 million), EduSport East Coast Festival (R9.100 million) and the Amcor Dam Music Festival (R500 000).

Mitigating this to some extent is an amount of R26.211 million that was reduced from the department's allocation as follows:

- R19.394 million moved from the department relating to the balance of transfers to ADA, in line with the function shift of ADA to DAEARD, following a Cabinet decision.
- The department's allocation was reduced by R6.817 million due to the centralisation of parts of the communications and external bursaries budget to the Office of the Premier (OTP), totalling R6.417 million and R400 000, respectively, with carry-through over the MTEF.

The 2013/14 Revised Estimate reflects anticipated over-spending of R127.790 million due to various events that were approved by Cabinet without funding, such as the Mandela Exhibition Career Expos, MEC initiative support for Co-operatives and SMMEs, etc.

The fairly substantial increase in the provincial allocation from 2013/14 to 2016/17 is due to increased transfers from the provincial fiscus to DTPC for capital projects in terms of the DTPC 60-year Master Plan, as well as increased transfers to KZNLA and TKZN.

The allocation for the 2014/15 MTEF includes carry-through allocations to the KZNSB for MCOE operational costs, TIK for the Technical Assistance Fund (TAF) and marketing, to fund KZNLA for the procurement of an IT system, as well as carry-through of previous wage agreements. Also, once-off funding for operational costs of the KZNLA (in 2014/15 only) as, once the liquor licences revenue stream starts being shown, this will be used to fund the operational costs of the entity from 2015/16 onward. In 2015/16, RBIDZ is allocated additional once-off funding for infrastructure developments relating to the entity's Master Plan. The allocation is reduced due to the carry-through of the function shift in respect of ADA to DAEARD, as well as centralisation of the budget in respect of parts of the communications and external bursaries budget under the OTP.

## 4.2 Departmental receipts collection

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

**Table 4.2 : Summary of departmental receipts collection**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Tax receipts	5 023	465	4 927	5 727	5 727	5 650	6 015	6 292	6 625
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	5 023	465	4 927	5 727	5 727	5 650	6 015	6 292	6 625
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	113	223	233	159	159	299	168	176	185
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	-	-	16	-	-	4	4	5	6
Sale of capital assets	350	304	411	-	-	68	-	-	-
Transactions in financial assets and liabilities	100 008	301	4 870	46	46	460	49	51	54
<b>Total</b>	<b>105 494</b>	<b>1 293</b>	<b>10 457</b>	<b>5 932</b>	<b>5 932</b>	<b>6 481</b>	<b>6 236</b>	<b>6 524</b>	<b>6 870</b>

The main revenue collected by the department is in respect of *Liquor licences*. Due to the delays in the completion of all legal processes relating to the promulgation of the KZN Liquor Licensing Amendment Act, Provincial Treasury advised the department to rather be conservative in their projections. The KZNLA is responsible for the liquor licensing functions. One of its roles includes the surveillance of the industry to ensure that compliance of licencees is enhanced, including the collection of licence fees. Thus far, the KZNLA has reviewed the licence types and their respective tariffs. Once new tariffs are implemented, it is envisaged that revenue from this source will increase substantially. It is, however, likely that the full impact of the new Act on revenue will only be realised in 2015/16 and Provincial Treasury has agreed that some of this will be used to pay for some of the entity's operational costs going forward. The dip in 2011/12 was due to funds being paid over to the department by SARS during the following year.

Revenue from *Sale of goods and services other than capital assets* relates to commission on insurance and parking rental for staff. In 2011/12, revenue increased due to increased parking fees from departmental officials. In addition, as more vacancies were filled, the revenue collections against this category grew. The 2013/14 Revised Estimate reflects an increased amount due to the sale of redundant catering equipment, as well as the collection made from Tourist Guide registration, which was not budgeted for as it is new to the department. The increase over the MTEF is based on inflationary increments.

The 2012/13 and the 2013/14 Revised Estimate amounts against *Interest, dividends and rent on land* relates to interest on staff debts. Over the MTEF, interest collections are anticipated to grow from R4 000 in 2014/15 to R6 000 in 2016/17.

The revenue reflected against *Sale of capital assets* in 2010/11 to 2013/14 relates to the sale of redundant vehicles. Over the MTEF, no vehicle sales are anticipated.

The fluctuating trend against *Transactions in financial assets and liabilities* shows that receipts from this category are difficult to predict. The high 2010/11 figure relates to R100 million which was returned to the Provincial Revenue Fund by Ithala in respect of funding allocated for the purchase of land for the RBIDZ. This money was allocated back to the department in 2010/11 for direct transfer to the RBIDZ. The high collection in 2012/13 is largely attributed to the 2011/12 liquor licence fees that were not paid over in that year to the entity by the licensees, due to challenges in the establishment of the entity. Further contributing to this over-collection was money recovered from a service provider for previous year's expenditure relating to one of the department's Local Economic Development (LED) projects. The 2013/14 Revised Estimate reflects an increased amount due to the revenue collection resulting largely from a refund of unused credit on the Durban ICC account for an event staged by the department.

### 4.3 Donor funding

Table 4.3 and 4.4 reflects the expenditure in respect of donor funding over the seven-year period.

**Table 4.3 : Details of donor funding**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Donor funding	42 626	-	-	-	-	-	-	-	-
European Union - Gijima	42 626	-	-	-	-	-	-	-	-
<b>Total</b>	<b>42 626</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 4.4 : Details of payments and estimates of donor funding**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Donor funding	36 364	-	-	-	-	-	-	-	-
European Union - Gijima	36 364	-	-	-	-	-	-	-	-
<b>Total</b>	<b>36 364</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

In 2010/11, the department acted as a contracting authority with regard to a local economic development funding partnership with the European Union (EU) and the *Gijima* KZN LED Support Programme, bringing together skilled private and public sector technical teams funded through the EU and the provincial government. The *Gijima* programme concluded its implementation activities in December 2010. However, the certification (close-out audit) of projects is still underway. Once the close-out audit has been finalised by the EU, the donor funds balance as reflected in Table 4.3 will then be returned by the department to the EU. The bulk of this R42.626 million is mainly interest that has been earned over the life of the fund, which will be returned to the EU once the final close-out report is issued.

## 5. Payment summary

This section provides information pertaining to the vote as a whole at an aggregated level, including payments and budgeted estimates in terms of programmes and economic classification. Further details are given in Section 6 below, as well as in the *Annexure – Vote 4: Economic Development and Tourism*.

The budget structure conforms to the uniform budget and programme structure for the Economic Development sector. The main difference to the budget and programme structure for the sector is that, in KZN, Gambling and Betting falls under Vote 1: Office of the Premier.

### 5.1 Key assumptions

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

- The expanded cost-cutting measures, as reissued by PT in 2013/14, will continue to be adhered to over the 2014/15 MTEF, in conjunction with National Treasury Instruction 01 of 2013/14: Cost-containment measures.

- Provision was made for an inflationary wage adjustment of 6.4, 6.4 and 6.3 per cent for each of the three years of the 2014/15 MTEF, respectively. The department also provided for the 1.5 per cent pay progression. In addition, the department receives additional funding over the 2014/15 for the carry-through of previous wage agreements.
- Provision has been made for the filling of vacant posts, while taking into account the moratorium on the filling of non-critical vacant posts.
- All inflation related increases are based on CPI projections.

## 5.2 Additional allocations for the 2012/13 to 2014/15 MTEF

Table 4.5 shows the additional funding received by the department over the three MTEF periods: 2012/13, 2013/14 and 2014/15. The purpose of the below table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated.

The carry-through allocations for the 2012/13 and 2013/14 MTEF periods (i.e. for the financial years 2016/17) are based on the incremental percentage used in the 2014/15 MTEF.

**Table 4.5 : Summary of additional provincial allocations for the 2012/13 to 2014/15 MTEF**

R thousand	2012/13	2013/14	2014/15	2015/16	2016/17
<b>2012/13 MTEF period</b>	<b>78 499</b>	<b>211 539</b>	<b>253 442</b>	<b>265 100</b>	<b>277 295</b>
Carry-through of the 2011/12 Adjustments Estimate	4 684	6 352	6 733	7 043	7 367
UCI/BMX cycling events	4 684	6 352	6 733	7 043	7 367
DTP - Infrastructure and development	50 000	180 000	220 000	230 120	240 706
ADA - Operating costs	21 591	22 851	24 257	25 373	26 540
Carry-through of 2011 Adjustments Estimate - 2011 wage agreement	2 224	2 336	2 452	2 565	2 683
<b>2013/14 MTEF period</b>		<b>(25 330)</b>	<b>(63 709)</b>	<b>(50 764)</b>	<b>(138 065)</b>
Census data update and 1%, 2% and 3% baseline cuts		(25 330)	(53 003)	(65 750)	(68 775)
<b>2014/15 MTEF period</b>			<b>(5 353)</b>	<b>7 493</b>	<b>(34 645)</b>
Function shift: ADA to DAEARD			(39 945)	(41 571)	(43 774)
KZNSB - MCOE			6 000	6 000	6 000
TIK - TAF and marketing			7 000	7 000	7 000
KZN Liquor Authority - IT system			2 000	1 590	1 685
KZN Liquor Authority - Operational costs			25 768	-	-
RBIDZ - Infrastructure relating to Master Plan			-	40 000	-
Carry-through of previous wage agreements			1 061	2 048	2 366
Centralisation of communications budget under OTP			(6 737)	(7 074)	(7 399)
Centralisation of external bursaries budget under OTP			(500)	(500)	(523)
<b>Total</b>	<b>78 499</b>	<b>186 209</b>	<b>184 380</b>	<b>221 829</b>	<b>104 585</b>

In the 2012/13 MTEF, an additional allocation for the UCI/BMX cycling events was made. Also, additional funding was allocated for the operational costs of ADA and DTPC to fund strategic projects, such as cargo shed ramp handling facilities, additional AgriZone works and re-capitalisation of the cargo terminal, among others. In addition, the provision for the carry-through costs of the higher than anticipated 2011 wage agreement, was made.

In the 2013/14 MTEF, National Treasury took a decision to impose 1, 2 and 3 per cent baseline cuts on all spheres of government (i.e. National, Provincial and Local) in order to curb the national deficit as public spending is growing faster than revenue collection. In addition, KZN received reduced equitable share allocations as a result of the reduced proportion in terms of population numbers as reported in the 2011 Census data results. The effect of this on the department was a substantial reduction in the budget over the entire period.

The allocation over the 2014/15 MTEF includes the carry-through to KZNSB for MCOE operational costs, TIK for the TAF and marketing, KZNLA for the procurement of an IT system, as well as the carry-through of previous wage agreements. Also, once-off additional funding was added for the operational costs in respect of the KZNLA which is anticipated to be funded from liquor licences revenue from 2015/16 onward. RBIDZ receives once-off additional funding in 2015/16 for infrastructure development in line with the entity's Master Plan in 2015/16. Mitigating this, to some extent, was the function shift in

respect of ADA to DAEARD, as well as centralisation of the budget in respect of parts of the communications and external bursaries under the OTP.

### 5.3 Summary by programme and economic classification

Tables 4.6 and 4.7 provide a summary of payments and budgeted estimates by programme and economic classification, respectively, for the period 2010/11 to 2016/17.

The budget structure, which largely conforms to the uniform budget and programme structure for the Economic Development sector, is made up of six programmes that are directly linked to the department's core functions, namely Administration, Integrated Economic Development Services, Trade and Sector Development, Business Regulation and Governance, Economic Planning and Tourism. The main difference to the budget and programme structure for the sector is that, in KZN, Gambling and Betting falls under Vote 1: OTP.

**Table 4.6 : Summary of payments and estimates by programme: Economic Development and Tourism**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Administration	181 666	209 594	212 465	193 905	222 947	240 375	194 876	209 797	220 756
2. Integrated Economic Development Services	420 361	427 553	407 358	496 187	550 523	579 291	441 576	462 554	484 969
3. Trade and Sector Development	866 727	676 921	674 467	861 428	799 532	795 185	882 294	971 196	978 846
4. Business Regulation and Governance	24 876	37 313	86 092	72 566	69 888	69 337	110 360	87 299	96 378
5. Economic Planning	11 777	18 302	18 546	29 776	22 505	22 438	31 161	32 575	34 088
6. Tourism	118 904	164 485	286 920	183 153	314 456	401 015	286 673	273 770	287 590
<b>Total</b>	<b>1 624 311</b>	<b>1 534 168</b>	<b>1 685 848</b>	<b>1 837 015</b>	<b>1 979 851</b>	<b>2 107 641</b>	<b>1 946 940</b>	<b>2 037 191</b>	<b>2 102 627</b>

**Table 4.7 : Summary of payments and estimates by economic classification: Economic Development and Tourism**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Current payments</b>	<b>417 435</b>	<b>471 540</b>	<b>535 438</b>	<b>578 208</b>	<b>592 750</b>	<b>708 518</b>	<b>559 025</b>	<b>595 971</b>	<b>635 144</b>
Compensation of employees	118 136	121 912	130 820	172 109	157 359	149 687	180 910	202 224	217 296
Goods and services	299 299	349 628	404 618	406 099	435 391	558 831	378 115	393 747	417 848
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>1 192 644</b>	<b>1 058 880</b>	<b>1 142 429</b>	<b>1 255 314</b>	<b>1 377 456</b>	<b>1 394 004</b>	<b>1 383 799</b>	<b>1 439 377</b>	<b>1 465 542</b>
Provinces and municipalities	106	14	4 292	2 412	3 769	9 746	520	531	33
Departmental agencies and accounts	680 408	641 555	686 723	826 959	853 271	858 963	949 236	958 164	1 007 024
Higher education institutions	-	-	-	-	2 780	2 780	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	436 975	339 636	332 109	345 164	343 913	343 913	254 170	297 147	260 907
Non-profit institutions	75 019	67 036	112 078	80 779	160 085	164 951	165 468	168 511	181 758
Households	136	10 639	7 227	-	13 638	13 651	14 405	15 024	15 820
<b>Payments for capital assets</b>	<b>13 469</b>	<b>3 746</b>	<b>2 996</b>	<b>3 493</b>	<b>9 645</b>	<b>5 119</b>	<b>4 116</b>	<b>1 843</b>	<b>1 941</b>
Buildings and other fixed structures	741	-	-	-	-	-	-	-	-
Machinery and equipment	5 978	3 363	2 869	3 441	9 148	4 723	3 316	1 843	1 941
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	6 750	383	127	52	497	396	800	-	-
<b>Payments for financial assets</b>	<b>763</b>	<b>2</b>	<b>4 985</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 624 311</b>	<b>1 534 168</b>	<b>1 685 848</b>	<b>1 837 015</b>	<b>1 979 851</b>	<b>2 107 641</b>	<b>1 946 940</b>	<b>2 037 191</b>	<b>2 102 627</b>

The fluctuating trend over the seven-year period can be ascribed to capital requirements of projects undertaken by DTPC and RBIDZ, once-off additional funding largely for increased transfers to public entities such as KZNSB and TKZN and ADA, as well as provision from Strategic Cabinet Initiatives Funds for events such as the SA Women's Golf Championship, Metro FM Awards and the Volvo European Golf Championship. The department's allocation was reduced from the 2013/14 Adjusted Appropriation onward, in line with the function shift of ADA to DAEARD, as well as the centralisation of external bursaries and parts of the communications budget under the OTP. This explains the substantial decrease in 2014/15.



Spending increased significantly in 2011/12 against Programme 1: Administration due to events funded by the Strategic Cabinet Initiatives Fund including the World Golf Championship, and funding reprioritised from other programmes to fund events such as the Top Gear Festival, which were allocated to the office of the HOD. In 2012/13, expenditure increased due to a roll-over of funds relating to the Top Gear Festival and the KZN Convention Bureau Bid Fund, hence the decrease in 2013/14. The peak in the 2013/14 Adjusted Appropriation was due to reprioritisation of projects, and funds moved from other programmes to fund projects, such as the Industrial Economic Hubs, the Royalty Soapie Awards, Ithala Repositioning strategy and the Aerotropolis strategy. This explains the decrease in 2014/15, which was further impacted by a reduction, with carry-through, relating to the centralisation of parts of the communications and external bursaries budgets under the OTP, as previously mentioned. The allocation over the two outer years of the 2014/15 MTEF increases steadily.

The slight increase in 2011/12 against Programme 2: Integrated Economic Development Services is attributed to SMME and co-operatives rehabilitation projects in the bakery, school nutrition and agricultural products sectors. The declining trend in 2012/13 can be ascribed to delays in finalising SLAs and SCM processes for various projects, such as Fresh Produce Mentorship, mentorship of cleaning and sewing co-operatives, Operation *Vuselela*, and Umyezane Awards. The budget increased significantly in the 2013/14 Adjusted Appropriation due to additional once-off funding of R105 million allocated to Ithala for its capital adequacy ratio. Also added to this programme were funds reprioritised from Programme 3 to cater for the Co-operatives Incubator programme that will be conducted by the department in partnership with Mangosuthu University of Technology, and for the Ndumo Regeneration programme which was allocated under Ithala. This was reduced to some extent by R63.444 million relating to several LED and SMME projects that were halted in 2013/14, and these funds were reprioritised to Programmes 1 and 6 to fund projects and events, such as the Industrial Economic Hubs, the World Amateur Golf Championship, SAIFTA, KZN Tourism Train and the MTV Awards. Thus there is negative growth in 2014/15. However, the two outer years of the MTEF increase at an inflationary rate.

The extremely high spending in 2010/11 against Programme 3: Trade and Sector Development is due to the completion of the airport portion at DTPC followed by the lower capital requirements of DTPC, as well as the Industrial Strategy and the Amajuba Tannery project, explaining the decrease in 2011/12 and 2012/13. The significant increase in 2013/14 relates to additional funding to DTPC for infrastructure development, and for ADA operating costs. The 2013/14 Adjusted Appropriation reflects a substantial reduction, largely due to R40 million reduced from the transfer to the RBIDZ to offset spending pressures in other categories and programmes, taking into account the healthy positive cash balance of this entity. Also, the untransferred funds for the operational and project costs for ADA were moved to DAEARD in line with the function shift of this entity, carried through over the MTEF. Despite this, a slight increase over the 2014/15 MTEF is mainly due to additional carry-through funding allocated to TIK for the TAF and marketing. In 2015/16, once-off additional funding is allocated to RBIDZ for infrastructure development relating to the entity's Master Plan. The 2014/15 MTEF allocation increases steadily.

Spending increased substantially from 2012/13 onward against Programme 4: Business Regulation and Governance, after the establishment of the KZNLA. The minimal decline in the 2013/14 Adjusted Appropriation is attributed to reprioritisation of projects undertaken, whereby projects such as SMS consumer education and the Informal Trade project were halted in 2013/14 and these funds were moved from *Goods and services* to other programmes. The sharp growth in 2014/15 is driven by the carry-through allocation for the procurement of an IT system, as well as once-off additional funding to cater for KZNLA's operational costs, which will be funded from 2015/16 using the increased liquor licences revenue which is anticipated to be collected.

In 2011/12, spending increased against Programme 5: Economic Planning due to a five-year review plan of research projects, such as the socio-economic impact of DTPC and inner-city regeneration projects, the development of an Industrial Development strategy, among others. The minimal increase in 2012/13 can be ascribed to the purchase of General Algebraic Modeling System (GAMS) for policy analysis. The trend declined substantially in the 2013/14 Adjusted Appropriation due to the reprioritisation of projects, where identified funds were moved to address spending pressures in other programmes. This explains the sharp increase in 2014/15. The budget increases at an inflationary rate over the 2014/15 MTEF.

Spending increased significantly in 2011/12 against Programme 6: Tourism due to the once-off costs related to critical repairs to the roofing of KZNSB headquarters in Umhlanga, as well as additional funding to investigate more environmentally friendly shark repellent technology and to fill critical vacancies in the entity's SCM unit. In addition, TKZN received additional funding for the Tourism *Indaba* and the UCI/BMX events. Also contributing, was spending relating to several tourism-oriented projects such as Ikhwezi lodge, Tourism *Indaba*, the Provincial Tourism Conference and SAIFTA. The significant increase in 2012/13 is attributed to various events funded from the Strategic Cabinet Initiatives Fund, including the Volvo European Golf Championship, Manchester United Tour, among others. This accounts for the decrease in the 2013/14 Main Appropriation. Also included was once-off additional funding for KZNSB capital requirements, which includes replacement of boats, outboard motors and vehicles, as well as to fund TKZN for their SAP and VIP payroll system. In the 2013/14 Adjusted Appropriation, the programme received once-off additional funding to fund the KZNSB for a land purchase relating to the construction of new offices in Durban, as well as for events funded from the Strategic Cabinet Initiatives Fund, namely the SA Women's Golf Championship, Nelson Mandela Golf Tournament, among others, as mentioned previously. Also contributing were funds reprioritised from other programmes to fund events such as MTV Awards, the uMphithi Spring Music Festival, the Umlazi Festival and Expo, Urban Music Tour and the SMME Conference. This accounts for the decrease in 2014/15. The budget over the 2014/15 MTEF includes carry-through funding for the KZNSB MCOE operational costs and Tourism Enterprise Partnership (this is a non-profit company for strategic partners in tourism that facilitate the growth, development and sustainability of small tourism businesses). The department has reprioritised once-off funding for tourism-related events such as the Volvo European Golf Championship and MTV Awards that are expected to be held in 2014/15, hence the decrease in 2015/16.

The spending trend against *Compensation of employees* increases steadily from 2010/11 to 2012/13. In 2013/14, the department budgeted to fill numerous vacant posts but, due to the difficulty in finding suitable candidates, posts were not filled as planned, accounting for the reduction in the 2013/14 Adjusted Appropriation and Revised Estimate. The funds were moved to other categories to defray spending pressures. The significant increase in 2014/15 relates to the planned filling of posts. The allocation over the two outer years of the 2014/15 MTEF grows at an inflationary rate.

The increase in spending against *Goods and services* in 2011/12 relates to various projects, such as once-off costs in respect of awareness campaigns undertaken to explain the KZN Consumer Protection Act and the KZN Liquor Licensing Amendment Act. In addition, savings were moved mainly from *Compensation of employees* to fund new initiatives such as the Top Gear Festival and the World Golf Championships, as well as for SMME and co-operatives rehabilitation projects in the bakery, school nutrition and agricultural products sectors. The further increase in 2012/13 can also be ascribed to funds rolled over in respect of events such as the Top Gear Festival, TAFI and the KZN Convention Bureau Bid Fund. Also, additional once-off funding was allocated from the Strategic Cabinet Initiatives Fund for the hosting of events such as the Manchester United Tour and the Women's Golf Championship. The significant increase in the 2013/14 Adjusted Appropriation relates to funding allocated from the Strategic Cabinet Initiatives Fund for events such as the Take Me Out production, the X Factor production, EduSport East Coast Festival, and the Amcor Dam Music Festival, accounting for the substantial decrease in 2014/15. The allocation against this category increases at a steady rate over the 2014/15 MTEF.

*Transfers and subsidies to: Provinces and municipalities* relates to motor vehicle licensing costs and transfers to municipalities for the development of trading centres. The high spending in 2010/11 included a donation to the International Newcastle Alliance Summit. The sharp increase in 2012/13 is attributed to expenditure on the Inyoni craft centre and Ndundulu trading centre in the Mthonjaneni and Mandeni Municipalities, as well as for the Richards Bay Breakfast event which was aimed at tourists and business people, and was used to showcase business opportunities in the Richards Bay area, and for the Sakhisizwe Management Agency for the Ingoma Music Festival. These were held in the uMhlathuze Municipality and Umkhanyakude District Municipality, respectively. The 2013/14 Main Appropriation relates to finalisation of joint project funding in the Mandeni Municipality, explaining the decrease. The significant increase in the 2013/14 Adjusted Appropriation was driven by once-off funding to rehabilitate beach structures which were damaged by storms in the uMhlathuze and Hibiscus Coast Municipalities. The increase in the 2013/14 Revised Estimate can be ascribed to the Drakensburg Cable Car which was

budgeted reclassified from *Goods and services* to this category. The 2014/15 amount includes provision for the Dundee July which is held in Umzinyathi. The allocation in 2016/17 caters for motor licensing costs only, at this stage, explaining the substantial decrease in this year.

The spending against *Transfers and subsidies to: Departmental agencies and accounts* relates to funding provided to TIK, KZNSB, TKZN, KZNLA, DTPC and Ezemvelo KwaZulu-Natal Wildlife (EKZNW) which is an implementing agent for the department. The decrease in 2011/12 is largely attributed to the completion of the airport portion of the DTPC project. The increase in 2012/13 relates to KZNLA establishment costs. The increasing trend in the 2013/14 Adjusted Appropriation can be ascribed to a shift from *Goods and services* to fund various projects and events that will be hosted by TKZN and TIK, as well as once-off additional funding to fund the KZNSB land purchase to construct the new offices in Durban. The allocation substantially increases in 2014/15 due to the additional allocation to TIK for TAF and marketing, as well as to KZNSB to fund MCOE operational costs. In addition, KZNLA receives carry-through allocation for the procurement of an IT system and substantial once-off funding for its operational costs. The allocation over the two outer years of the MTEF increases at a steady rate.

The 2013/14 Adjusted Appropriation against *Transfers and subsidies to: Higher education institutions* relates to the Co-operatives Incubator programme run by the Mangosuthu University of Technology.

*Transfers and subsidies to: Public corporations and private enterprises* consists of transfers to the Growth and Enterprise Development Funds, Ithala, RBIDZ and various other entities. The high spending in 2010/11 was due to the once-off cost of land purchases, and this explains the declining trend from 2011/12 onward. The trend decreases significantly in 2012/13 due to savings that were reduced from the Growth Fund and moved to *Goods and services* to cater for the KZN Convention Bureau Bid Fund and TAFI, as well as to TKZN to fund the Tourism *Indaba* and to KZNSB for the MCOE. In the 2013/14 Adjusted Appropriation, once-off funding was added for the Ithala capital adequacy ratio. Mitigating this to some extent was the fact that the allocation to RBIDZ was reduced by R40 million, and funding allocated for the Growth Fund was moved to *Transfers and subsidies to: Non-profit institutions*. An agreement was reached between DEDT and the Growth Fund that its transfers will no longer be paid *via* Ithala, but will be transferred directly to the KZN Growth Fund Trust. The fluctuating trend over the 2014/15 MTEF is ascribed to once-off funding allocated for infrastructure development relating to RBIDZ's Master Plan in 2015/16.

The decrease in 2011/12 against *Transfers and subsidies to: Non-profit institutions* can be ascribed to delays in the finalisation of SLAs for the Okhahlamba Development Agency, Ekhaya Multi-Art Centre and Integrated Craft Hub. In 2012/13, the increase relates to once-off additional funds to ADA for feasibility studies, business plans, as well as capacity building and project management support to aspiring commercial farmers in KZN and savings rationalised from DTPC, which were allocated to cater for various projects, including Cycling SA. The significant increase in the 2013/14 Adjusted Appropriation is attributed to the Growth Fund which was reclassified against this category, since the entity is in the process of being registered as a separate entity. It is noted that prior years are not adjusted since transfers were made *via* Ithala. Mitigating this addition to some extent, were ADA transfers which were moved to DAEARD in line with the function shift of ADA, as explained previously. The allocation over the 2014/15 MTEF increases at a steady rate.

*Transfers and subsidies to: Households* relates to staff exit costs and external bursaries. The increase in 2011/12 relates to external bursaries managed by the OTP. Similarly, the spending in 2012/13 was for external bursaries in respect of Co-operatives Management (Diploma) offered at the University of Zululand. The increase in the 2013/14 Adjusted Appropriation relates to external bursaries to students at UKZN who are studying toward Post-graduate Diplomas and Masters in LED, and for Co-operatives Management (Diploma) at the University of Zululand. These funds were shifted from *Goods and services* to this category. The allocation in 2014/15 includes external bursaries for the carry-through costs of these. These were not centralised under OTP due to the fact that these are one of the core projects of the department.

The spending against *Buildings and other fixed structures* in 2010/11 relates to the costs of establishing a regional office in the Mkhuze area, which entailed the purchase of park homes.

The high spending against *Machinery and equipment* in 2010/11 relates to the purchase of vehicles, the cost of security improvements to the offices of the department as well as the capital equipment for one-stop-shops. Also, the spending relating to capital equipment for the new offices, when the tourism function was transferred to the department from the Department of Arts and Culture. This explains the decrease in 2011/12 and 2012/13. The sharp increase in the 2013/14 Adjusted Appropriation can be ascribed to the once-off costs of purchasing new servers. In 2014/15, provision is made to purchase furniture for the new MEC's offices in Pietermaritzburg. This accounts for the erratic growth over the 2014/15 MTEF.

The high spending against *Software and other intangible assets* in 2010/11 relates to the upgrading of various software licences. Spending in 2012/13 is largely attributed to the purchase of GAMS for policy analysis. The budget in 2013/14 includes funding of Sabinet software subscriptions relating to the department's library information database. The allocation in 2014/15 relates to legal services contract management software, process management software, and software packages for new regional offices.

*Payments for financial assets* reflect various losses which were written-off from 2010/11 to 2012/13.

## 5.4 Summary of payments and estimates by district municipal area

Table 4.8 shows payments, excluding operational costs, to be incurred in each district municipality. It should be noted that the figures in the table are merely estimates, as procurement is centralised at head office, therefore it is difficult to project expenditure at district level.

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

R thousand	Audited Outcome	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16	2016/17
eThekweni	1 096 094	1 282 024	1 339 465	1 401 080	1 475 337
Ugu	792	1 834	881	922	971
uMgungundlovu	366 101	351 742	343 130	358 912	377 934
Uthukela	3 000	3 150	3 308	3 460	3 643
Umkhanyathi	2 492	2 619	2 755	2 882	3 035
Amajuba	2 539	3 199	3 375	3 530	3 717
Zululand	11 246	11 865	12 577	13 156	13 853
Umkhanyakude	5 024	20 288	25 580	5 837	6 146
uThungulu	103 031	30 153	74 343	77 762	81 883
Ilembe	2 216	2 327	2 443	2 555	2 690
Sisonke	992	1 044	1 101	1 151	1 212
<b>Total</b>	<b>1 593 527</b>	<b>1 710 245</b>	<b>1 808 958</b>	<b>1 871 247</b>	<b>1 970 423</b>

As Table 4.8 shows, spending is largely split between the eThekweni Metro and the uMgungundlovu District Municipality. This is due to the allocation of province-wide projects to uMgungundlovu, which is the location of the department's head office. The high allocation to the eThekweni Metro includes funding for DTPC, KZNSB, TKZN, etc., as these entities are situated in that area. Also, many of the department's events are held in Durban. The eThekweni Metro allocation increases steadily over the 2014/15 MTEF.

The spending in the uThungulu District Municipality is mainly due to the development of RBIDZ. The substantial decrease in 2013/14 was due to a reduction in the RBIDZ transfers, taking into account the healthy positive cash balance of this entity. The steady growth over the 2014/15 MTEF relates to additional once-off funds allocated in 2015/16 for infrastructure developments relating to its Master Plan.

The trend increases significantly in 2013/14 and 2014/15 against the Umkhanyakude District Municipality driven by funding allocated to Ithala for the Ndumo Regeneration programme, which is an integrated multi-purpose and multi-sectoral project, aimed to address the needs of and revitalise the Ndumo area. The spending in the Zululand and Ilembe District Municipalities relates to various LED projects, such as the construction of trading centres.

## 5.5 Summary of conditional grant payments and estimates

Table 4.9 below relates to the summary of conditional grants receipts and payments, by grant name and economic classification. Further details are provided in the *Annexure – Vote 4: Economic Development and Tourism*.

Note that the historical figures set out in Table 4.9 below reflect actual expenditure per grant, and should not be compared to those figures reflected in Table 4.1 which represent the actual receipts for a grant.

**Table 4.9 : Summary of conditional grants payments and estimates by name**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
EPWP Integrated Grant for Provinces	-	-	1 000	-	-	-	2 000	-	-
<b>Total</b>	-	-	1 000	-	-	-	2 000	-	-

The spending in 2012/13 relates to the EPWP Integrated Grant for Provinces funding of R1 million which was allocated against *Goods and services*. This funding was utilised for weed eradication at the Dukuduku Resettlement Programme, with the Department of Public Works (DOPW) as the implementing agent. There was no allocation in 2013/14. The department is allocated a further R2 million in 2014/15, with no allocation for the two outer years at this stage.

## 5.6 Summary of infrastructure payments and estimates

Table 4.10 below summarises the infrastructure payments and estimates by category for the department. A more detailed listing of infrastructure projects to be undertaken by the department can be found in *Annexure – Vote 4: Economic Development and Tourism*.

**Table 4.10 : Summary of infrastructure payments and estimates by category**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>New and replacement assets</b>	741	-	-	-	-	-	-	-	-
<b>Existing infrastructure assets</b>	-	-	-	-	-	-	-	-	-
Upgrades and additions	-	-	-	-	-	-	-	-	-
Rehabilitation, renovations and refurbishments	-	-	-	-	-	-	-	-	-
Maintenance and repairs	-	-	-	-	-	-	-	-	-
<b>Infrastructure transfers</b>	651 927	470 529	415 613	599 655	559 655	559 655	655 747	722 459	718 629
Current	-	-	-	-	-	-	-	-	-
Capital	651 927	470 529	415 613	599 655	559 655	559 655	655 747	722 459	718 629
<b>Total</b>	652 668	470 529	415 613	599 655	559 655	559 655	655 747	722 459	718 629

The department's infrastructure funding is mostly allocated against *Infrastructure transfers*. The amount against *New and replacement assets* in 2010/11 was in respect of the establishment of the Mkuze regional office. Spending in this respect relates to the purchase of park homes for accommodation.

The allocation to *Infrastructure transfers: Capital* relates to both DTPC and RBIDZ. The decrease from 2011/12 onward was due to decreasing funding requirements of DTPC due to the completion of the airport portion of the project. The further decrease in the 2013/14 Adjusted Appropriation is attributed to a reduction of the RBIDZ allocation due to the entity's healthy positive cash position. The allocation over the 2014/15 MTEF relates to both DTPC and RBIDZ capital projects in line with their Master Plans. The sharp increase in 2015/16 is ascribed to once-off additional funding allocated to RBIDZ for infrastructure projects, as mentioned earlier. This explains the decrease in 2016/17.

## 5.7 Summary of Public Private Partnerships – Nil

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

Table 4.11 provides a summary of departmental transfers to the public entities that fall under the auspices of the department, as well as ADA and EKZNW which fall under DAEARD.

Financial summaries in respect of the various public entities are presented in the *Annexure – Vote 4: Economic Development and Tourism*.

**Table 4.11 : Summary of departmental transfers to public entities**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Agri-business Development Agency	24 051	26 000	74 974	38 150	18 756	18 756	-	-	-
Dube TradePort Corporation	526 905	448 334	392 308	575 402	575 402	575 402	630 375	656 053	690 824
Ezemvelo KwaZulu-Natal Wildlife	-	970	-	-	2 500	2 500	4 500	4 500	4 500
Ithala Development Finance Corporation	280 000	280 000	249 500	280 000	300 000	300 000	185 000	185 000	185 000
of which									
SMMEs Fund	180 000	-	-	-	-	-	-	-	-
Enterprise Development Fund	-	180 000	189 500	185 000	185 000	185 000	148 000	148 000	148 000
Ithala Share Capital	40 000	-	-	-	105 000	105 000	-	-	-
Ndumo Regeneration Programme	-	-	-	-	10 000	10 000	-	-	-
Growth Fund	60 000	100 000	60 000	95 000	-	-	-	-	-
Small Business Development Agency	-	-	-	-	-	-	37 000	37 000	37 000
KwaZulu-Natal Liquor Authority	-	-	55 699	43 920	43 920	43 920	77 282	53 214	56 046
KwaZulu-Natal Tourism Authority	71 444	89 381	118 292	90 912	95 724	98 067	103 628	107 512	112 203
KwaZulu-Natal Sharks Board	25 551	41 334	55 371	49 485	59 985	59 985	56 109	56 678	59 364
Richards Bay Industrial Development Zone	156 975	59 636	62 618	65 164	25 164	25 164	68 170	110 947	74 707
Trade and Investment KwaZulu-Natal	56 508	61 536	65 053	67 240	72 740	76 089	77 342	80 207	84 087
<b>Total</b>	<b>1 141 434</b>	<b>1 007 191</b>	<b>1 073 815</b>	<b>1 210 273</b>	<b>1 194 191</b>	<b>1 199 883</b>	<b>1 202 406</b>	<b>1 254 111</b>	<b>1 266 731</b>

The transfer from DEDT to ADA mainly provided for the operational costs of the entity. Spending in 2012/13 shows a substantial increase due to additional operational costs, such as audit fees, travel costs, additional staff, telephone and fleet costs, as well as the costs for a cut-flower project. In addition, funds were provided for feasibility studies, business plans, as well as capacity building and project management support to aspiring commercial farmers in KZN. In the 2013/14 Adjusted Appropriation, funds not transferred, relating to the operational and project costs, were moved to DAEARD in line with the function shift of ADA, which now falls under the auspices of DAEARD following a Cabinet decision in this regard. This also explains why there is no allocation over the 2014/15 MTEF.

The allocation decreases from 2011/12 against DTPC, due to the completion of the airport portion of the project and some major capital developments, while the remaining amounts relate to the development of the multi-nodal logistics hub at the airport site. In 2012/13, transfers to this entity were reduced by R40 million to fund other areas of critical need within the department, such as the MTV Awards and the Project Tour Mentor Partnerships, Integrated Craft Hubs, etc. The entity was able to absorb the reduction by phasing in capital developments over a longer period. There is positive growth over the 2014/15 MTEF and this provides for operational costs, as well as capital developments as per the DTPC Master Plan.

EKZNW falls under DAEARD but is used as an implementing agent by DEDT. In 2011/12, funding was provided for the department to partner with EKZNW with regard to a corporate social investment project, where dams were built for communities in drought-stricken areas. In the 2013/14 Adjusted Appropriation, DEDT allocated funds to EKZNW toward the Ingodini Border Caves and for the Ntsikeni and May Lodge in the Ntsikeni Reserve. These funds are for the development and funding of the management of community-based projects managed by EKZNW. The allocation over the 2014/15 MTEF is a provision for continuation of these projects, as well as the development of Bhambatha Lodge (R2 million).

The department transfers funds to Ithala on a project-specific funding basis and Ithala then oversees the financing and control of the projects, as well as the recovery of the loans.

- The allocation from 2010/11 to 2012/13 included the SMMEs, Enterprise Development and Growth Funds. The latter became a stand-alone entity from the 2013/14 Adjusted Appropriation, and the transfers from the 2013/14 Adjusted Appropriation and over the MTEF are excluded from this table at this stage as the KZN Growth Fund Trust has not yet been registered as a public entity. The decline in 2012/13 was due to savings in the Growth Fund which were moved to *Goods and services* to cater for the KZN Convention Bureau Bid Fund and TAFI, to TKZN to fund the Tourism *Indaba* and to the KZNSB for the MCOE.
- In the 2013/14 Adjusted Appropriation, Ithala received a substantial once-off allocation of R105 million in respect of Ithala share capital, to assist it with its capital adequacy ratios, as well as an amount of R10 million for the Ndumo Regeneration programme whereby the entity is commissioned to champion this integrated multi-purpose and multi-sectoral project to revitalise the Ndumo area. This explains the decrease in 2014/15.

- The allocation over the 2014/15 MTEF only provides for the Enterprise Development Fund (SMME and Co-operatives), and the newly established SBDA, as explained earlier.

KZNLA was established in 2012/13 to administer the collection of liquor licence fees, as well as the issuing of liquor licences. The high allocation in 2012/13 can be ascribed to the once-off additional funding provided for the entity's establishment costs. Hence, the entity reflects a decrease in 2013/14. Further once-off additional funding for the entity's operational costs is allocated in 2014/15, including the carry-through allocation for the procurement of an IT system, which explains the decrease in the 2014/15 MTEF. Once the liquor licences revenue stream starts being shown, it will be used to fund the operational costs of the entity from 2015/16 onward.

The transfer to TKZN was increased in 2011/12 to provide for, among others, the promotion of the East 3 Route, which is a promotion of northern KZN, Mozambique and Swaziland, and for the UCI/BMX events. In 2012/13, TKZN received additional funding to host the Tourism *Indaba* (R7 million), East 3 Route (R6 million) and KZN Summer Festival Campaign (R1.500 million), which is a marketing strategy to increase tourism in KZN. It also received an additional R2.310 million for its SAP and VIP payroll system. This explains the decrease in the 2013/14 Main Appropriation. The increase in the 2013/14 Adjusted Appropriation catered for projects such as the KZN Convention Bureau Bid Fund, Tourism *Indaba*, Tourism Master Plan Launch, HICA, SMME conference gala dinner (Convention Bureau), KZN Summer Festival Campaign and the East 3 Route project, as well as for hosting of the Durban International Film Festival and Exhibition. The transfers to TKZN were slightly reduced since the department took a decision to transfer funds relating to the Cycling Championship event directly to the event organisers. The increase in the Revised Estimate relates to the East 3 Route project funding which was added to this entity. This entity shows steady growth over the 2014/15 MTEF.

The transfer to KZNSB substantially increased in 2011/12 due to once-off additional funding in respect of critical roof repairs at the entity's headquarters and the purchase and installation of a biometric access control system. In addition, the entity received funding to investigate more environmentally friendly shark repellent technology and to fill critical vacancies in its SCM unit. In 2012/13, R14.433 million was provided to the KZNSB largely for once-off capital requirements, which included the replacement of boats, outboard motors and vehicles, Caseware (software solutions for accounting, auditing, financial, risk and governance) licence fees and legal fees. The entity also received once-off funding of R5 million to fund activities of the MCOE, including learning materials, accreditation of courses, conversion of workshops to classrooms, etc. The significant increase in the 2013/14 Adjusted Appropriation relates to a once-off allocation earmarked for the purchase of land in Durban for erecting new offices, and this explains the decrease in 2014/15. There is steady growth over the 2014/15 MTEF.

The high transfer to RBIDZ in 2010/11 included the once-off costs of land purchase of R100 million, and this explains the declining trend in 2011/12. The substantial reduction in the 2013/14 Adjusted Appropriation is attributed to the reduction in the allocation by the department, due to the healthy positive cash balance of this entity. These funds were moved for projects such as the Co-operatives Incubator programme and the Ndumo Regeneration programme. The entity is allocated once-off additional transfers in 2015/16 for infrastructure relating to its Master Plan, explaining the significant decrease in 2016/17.

The allocation to TIK grows steadily from 2010/11 to 2012/13. The increase in the 2013/14 Adjusted Appropriation relates to once-off additional funding of R5.500 million for Makhaya Arts and Culture Development, as well as in respect of investment seminars, as the entity was assigned to implement these projects. The increase in the 2013/14 Revised Estimate is attributed to an amount of R3.349 million that was re-classified as a transfer payment to this entity, which was allocated for the investment seminars aimed to grow the tourism industry between Swaziland and Mozambique. The entity receives a carry-through allocation of R7 million over the 2014/15 MTEF to cater for the TAF and marketing. The growth remains steady over the MTEF.

## 5.9 Transfers to other entities

Table 4.12 gives a summary of departmental transfers to other entities, details of which are given below.

Table 4.12 : Summary of departmental transfers to other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Anglican Church - Mothers' Union Natal Diocese	1.2 Office of the HOD	241	-	-	-	-	-	-	-	-
Sponsorship of choir uniforms	1.2 Office of the HOD	-	24	-	-	-	-	-	-	-
Co-operative Funding	2.1 Enterprise Development	-	-	-	-	5 886	5 886	-	-	-
SEDA eThekweni	2.1 Enterprise Development	-	-	-	-	3 000	3 000	-	-	-
Enterprise Ilembe	2.1 Enterprise Development	-	-	-	-	400	400	-	-	-
Mangosuthu University of Technology	2.1 Enterprise Development	-	-	-	-	2 780	2 780	-	-	-
KZN Youth and Women Co-op Bus. Indaba	2.2 Reg / BEE	-	-	-	-	1 500	1 500	-	-	-
Okhahlamba Dev Agency	2.2 Reg / LED	-	-	-	5 000	-	-	-	-	-
Durban Beach Festival	2.2 Reg / LED	-	-	1 500	-	-	-	-	-	-
KZN Music Studio	3.2 Sector Development	15 229	-	-	-	-	-	-	-	-
Durban Film Festival	3.2 Sector Development	1 200	1 500	-	1 329	1 329	1 329	-	-	-
Moses Kotane Institute	3.2 Sector Development	34 297	39 512	33 000	36 300	36 300	36 300	38 478	40 248	42 381
Ilembe Chamber of Business	3.2 Sector Development	-	-	504	-	-	-	-	-	-
Annual Maritzburg Corporate Challenge	3.2 Sector Development	-	-	500	-	-	-	-	-	-
KZN Film Commission	3.2 Sector Development	-	-	-	-	-	4 866	22 909	23 728	34 337
Cycling SA	6.3 Tourism Growth and Dev	-	-	3 600	-	8 700	8 700	9 081	9 535	10 040
Midmar Music Festival	6.3 Tourism Growth and Dev	-	-	1 500	-	-	-	-	-	-
King Shaka Fashion Festival	6.3 Tourism Growth and Dev	-	-	5 400	-	-	-	-	-	-
Mhlacu Festival	6.3 Tourism Growth and Dev	-	-	1 500	-	-	-	-	-	-
Fact Durban Rocks	6.3 Tourism Growth and Dev	-	-	1 600	-	-	-	-	-	-
Umgababa New Year's Picnic	6.3 Tourism Growth and Dev	-	-	1 500	-	-	-	-	-	-
Bundu Mix	6.3 Tourism Growth and Dev	-	-	900	-	-	-	-	-	-
Youth Development in Motion	6.3 Tourism Growth and Dev	-	-	91	-	-	-	-	-	-
Umtshayeli Marula Festival	6.3 Tourism Growth and Dev	-	-	5 500	-	-	-	-	-	-
KZN Growth Fund Trust	6.3 Tourism Growth and Dev	-	-	-	-	95 000	95 000	95 000	95 000	95 000
Township to township marathon	6.3 Tourism Growth and Dev	-	-	-	-	1 000	1 000	-	-	-
Urban Music Tour	6.3 Tourism Growth and Dev	-	-	-	-	3 000	3 000	-	-	-
Umlazi Festival and Expo	6.3 Tourism Growth and Dev	-	-	-	-	3 000	3 000	-	-	-
uMphithi Spring Music Festival	6.3 Tourism Growth and Dev	-	-	-	-	1 963	1 963	-	-	-
SMME Conference	6.3 Tourism Growth and Dev	-	-	-	-	2 000	2 000	-	-	-
Tourism Enterprise Partnership	6.3 Tourism Growth and Dev	-	-	-	-	-	-	1 000	1 200	1 200
<b>Total</b>		<b>50 967</b>	<b>41 036</b>	<b>57 095</b>	<b>42 629</b>	<b>165 858</b>	<b>170 724</b>	<b>166 468</b>	<b>169 711</b>	<b>182 958</b>

Cycling SA caters for the UCI/BMX cycling events. The allocation for this event was previously under TKZN but, as from 2013/14, funding was reclassified under Cycling SA, subsequent to a contract that was concluded by the department and event organiser, which stipulates that the transfer be paid directly to the event organisers. The budget increases at an inflationary rate over the 2014/15 MTEF.

The funding against the Okhahlamba Development Agency relates to the construction of trading centres. In the 2013/14 Adjusted Appropriation, this project was terminated due to lack of capacity on the part of the agency. These funds were moved to fund the World Amateur Golf Championship event.

Spending in 2010/11 against the KZN Music Studio included the once-off establishment costs of the entity (i.e. the set up of the actual KZN Music Studio). The management of the KZN Music Studio is undertaken on an outsourced basis through contracts with a specialised service provider and will be disbursed out of *Goods and services*, hence no allocation from 2011/12 onward.

The Durban Film Festival did not take place in 2012/13 due to delays in signing SLAs. The 2013/14 budget was lower than previous transfers due to baseline cuts. The allocation from 2014/15 is included under the KZN Film Commission, as this entity is commissioned to host the festival.

The MKI's purpose is to contribute to a people-centred economic development. The amount transferred to the MKI in 2010/11 was for the first year of their operation, and provided for both the operational and capital costs of the entity. In 2011/12, the increase relates to the establishment of computer laboratories in four additional districts, which explains the lower allocation from 2012/13 onward. The allocation over the 2014/15 MTEF increases at an inflationary rate.

The KZN Film Commission's purpose is to promote the film industry in KZN. This newly established entity is based in Durban. The steadily increasing allocation includes funding for the Durban Film Festival and Simon Mabunu Sabela Film Awards that will be hosted by this entity over the 2014/15 MTEF.

The KZN Growth Fund Trust was established to lend funds to commercially viable projects. In the 2013/14 Adjusted Appropriation, the Growth Fund was restructured, and the KZN Growth Fund Trust established. Prior to the KZN Growth Fund Trust, the funding was routed *via* Ithala. Its funding was moved from Ithala under *Transfers and subsidies to: Public corporations and private enterprises* and was



reclassified as *Transfers and subsidies to: Non-profit institutions* since the KZN Growth Fund Trust is in the process of being registered as a separate entity.

In 2012/13, transfers to various entities were made relating to the department funding partnerships and for major events, as reflected in Table 4.13. The substantial increase in the 2013/14 Adjusted Appropriation also included the transfers paid to various private enterprises mainly for events, as well as to SEDA eThekweni which received R3 million to assist with the day-to-day operation of the entity, subsequent to the termination of the funding by National SEDA. Over the 2014/15 MTEF, carry-through funding allocated for the Tourism Enterprise Partnership, as explained previously.

## 5.10 Transfers to municipalities

Tables 4.13 and 4.14 below indicate transfers to municipalities per category. Details of these transfers are given in *Annexure – Vote 4: Economic Development and Tourism*. It is also noted that, although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds will not be transferred to any municipality, and hence these are excluded from the table below.

**Table 4.13 : Summary of departmental transfers to local government by category**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Category A	-	-	-	-	26	26	-	-	-
Category B	100	-	3 263	2 384	3 115	9 092	-	-	-
Category C	-	-	981	-	600	600	500	500	-
Unallocated	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>100</b>	<b>-</b>	<b>4 244</b>	<b>2 384</b>	<b>3 741</b>	<b>9 718</b>	<b>500</b>	<b>500</b>	<b>-</b>

**Table 4.14 : Summary of departmental transfers to local government by grant name**

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Newcastle Alliance Summit	1.1 Office of the MEC	100	-	-	-	-	-	-	-	-
Divine Touch FM	1.1 Office of the MEC	-	-	-	-	26	26	-	-	-
Joint Project Funding	2.2 Reg/LED	-	-	2 953	2 384	2 384	2 384	-	-	-
Inyoni craft centre	2.2 Reg/LED	-	-	-	-	31	31	-	-	-
Beaches Rehabilitation	6.3 Tourism Growth and Development	-	-	-	-	700	1 200	-	-	-
Dundee July	6.3 Tourism Growth and Development	-	-	-	-	500	-	500	-	-
Sakhisizwe Manag. Agency	6.3 Tourism Growth and Development	-	-	981	-	100	100	-	-	-
Richards Bay Breakfast	6.3 Tourism Growth and Development	-	-	310	-	-	-	-	-	-
Drakensburg Cable Car	6.3 Tourism Growth and Development	-	-	-	-	-	5 977	-	-	-
<b>Total</b>		<b>100</b>	<b>-</b>	<b>4 244</b>	<b>2 384</b>	<b>3 741</b>	<b>9 718</b>	<b>500</b>	<b>500</b>	<b>-</b>

The expenditure in 2010/11 relates to a donation toward the costs of the International Newcastle Alliance Summit, under Category B. In 2013/14, a donation was made to Sakhisizwe Management Agency for the Ingoma Music Festival that was held in the uMgungundlovu District Municipality, as well as to Divine Touch FM in Durban for its transmission fees.

Spending in 2012/13 relates to the construction of trading centres in Mandeni and Mthonjaneni Municipalities, as well as funding to host the Richards Bay Breakfast event, and the Sakhisizwe Management Agency for the Ingoma Music Festival. These were held in the uThungulu District and Umkhanyakude Municipalities, respectively.

In the 2013/14 Adjusted Appropriation, the Category B allocation includes the Inyoni craft centre, for the revitalisation of Alkantstrand Beach in the uMhlathuze Municipality, as well as the rehabilitation of South Port Beach in the Hibiscus Coast Municipality. The high amount in the 2013/14 Revised Estimate relates to the Drakensburg Cable Car. Category C provides for the Dundee July event that is held in the Umzinyathi District Municipality. The allocation under Category C in the two first years of the MTEF relates to the Dundee July event.

## 5.11 Transfers and subsidies

Table 4.15 below is a summary of spending on *Transfers and subsidies* by programme and main category.

Table 4.15 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
				2013/14					
<b>1. Administration</b>	<b>346</b>	<b>499</b>	<b>795</b>	<b>28</b>	<b>65</b>	<b>65</b>	<b>20</b>	<b>31</b>	<b>33</b>
Provinces and municipalities	106	14	21	28	54	54	20	31	33
Motor vehicle licences	6	14	21	28	28	28	20	31	33
International Newcastle Alliance Summit	100	-	-	-	-	-	-	-	-
Divine Touch FM	-	-	-	-	26	26	-	-	-
Non-profit institutions	242	24	-	-	-	-	-	-	-
Anglican Church - Mothers' Union Natal Diocese	242	-	-	-	-	-	-	-	-
Sponsorship of choir uniforms	-	24	-	-	-	-	-	-	-
Households	(2)	461	774	-	11	11	-	-	-
Social benefits	(2)	461	151	-	11	11	-	-	-
Bursaries	-	-	623	-	-	-	-	-	-
<b>2. Integrated Economic Development Services</b>	<b>280 030</b>	<b>291 098</b>	<b>259 294</b>	<b>287 384</b>	<b>424 180</b>	<b>424 180</b>	<b>294 405</b>	<b>295 024</b>	<b>295 820</b>
Provinces and municipalities	-	-	2 980	2 384	2 415	2 415	-	-	-
Joint project funding	-	-	2 953	2 384	2 415	2 415	-	-	-
Project Gateway	-	-	27	-	-	-	-	-	-
Departmental agencies and accounts	-	970	-	-	3 000	3 000	-	-	-
EKZNW	-	970	-	-	-	-	-	-	-
SEDA eThekweni	-	-	-	-	3 000	3 000	-	-	-
Higher education institutions	-	-	-	-	2 780	2 780	-	-	-
Mangosuthu University of Technology	-	-	-	-	2 780	2 780	-	-	-
Public corporations and private enterprises	280 000	280 000	249 500	280 000	307 386	307 386	185 000	185 000	185 000
Enterprise Development Fund	-	180 000	189 500	185 000	185 000	185 000	148 000	148 000	148 000
Ithala Limited	40 000	-	-	-	105 000	105 000	-	-	-
Ndumo Regeneration programme	-	-	-	-	10 000	10 000	-	-	-
SBDA	-	-	-	-	-	-	37 000	37 000	37 000
SMMEs Fund	180 000	-	-	-	-	-	-	-	-
Growth Fund	60 000	100 000	60 000	95 000	-	-	-	-	-
Co-operative Funding	-	-	-	-	5 886	5 886	-	-	-
KZN Youth and Women Co-ops Bus. indaba	-	-	-	-	1 500	1 500	-	-	-
Non-profit institutions	-	-	504	5 000	95 000	95 000	95 000	95 000	95 000
Ilembe Chamber of Commerce	-	-	504	-	-	-	-	-	-
Okhahlamba Dev Agency	-	-	-	5 000	-	-	-	-	-
KZN Growth Fund Trust	-	-	-	-	95 000	95 000	95 000	95 000	95 000
Households	30	10 128	6 310	-	13 599	13 599	14 405	15 024	15 820
Social benefits	30	-	43	-	-	-	-	-	-
Bursaries	-	10 128	6 267	-	13 599	13 599	14 405	15 024	15 820
<b>3. Trade and Sector Development</b>	<b>815 244</b>	<b>636 518</b>	<b>628 047</b>	<b>783 585</b>	<b>729 715</b>	<b>737 930</b>	<b>837 274</b>	<b>911 183</b>	<b>926 336</b>
Departmental agencies and accounts	583 413	509 870	457 361	642 642	648 142	651 491	707 717	736 260	774 911
TIK	56 508	61 536	65 053	67 240	72 740	76 089	77 342	80 207	84 087
DTPC	526 905	448 334	392 308	575 402	575 402	575 402	630 375	656 053	690 824
Public corporations and private enterprises	156 975	59 636	62 618	65 164	25 164	25 164	68 170	110 947	74 707
RBIDZ	156 975	59 636	62 618	65 164	25 164	25 164	68 170	110 947	74 707
Non-profit institutions	74 777	67 012	107 974	75 779	56 385	61 251	61 387	63 976	76 718
ADA	24 051	26 000	74 974	38 150	18 756	18 756	-	-	-
Durban Film Festival	1 200	1 500	-	1 329	1 329	1 329	-	-	-
KZN Film Commission	-	-	-	-	-	4 866	22 909	23 728	34 337
KZN Music Studio	15 229	-	-	-	-	-	-	-	-
Moses Kotane Institute	34 297	39 512	33 000	36 300	36 300	36 300	38 478	40 248	42 381
Households	79	-	94	-	24	24	-	-	-
Social benefits	79	-	94	-	24	24	-	-	-
<b>4. Business Regulation and Governance</b>	<b>-</b>	<b>-</b>	<b>55 724</b>	<b>43 920</b>	<b>43 920</b>	<b>43 933</b>	<b>77 282</b>	<b>53 214</b>	<b>56 046</b>
Departmental agencies and accounts	-	-	55 699	43 920	43 920	43 920	77 282	53 214	56 046
KZNLA	-	-	55 699	43 920	43 920	43 920	77 282	53 214	56 046
Households	-	-	25	-	-	13	-	-	-
Social benefits	-	-	25	-	-	13	-	-	-
<b>5. Economic Planning</b>	<b>29</b>	<b>50</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Households	29	50	3	-	-	-	-	-	-
Social benefits	29	50	3	-	-	-	-	-	-
<b>6. Tourism</b>	<b>96 995</b>	<b>130 715</b>	<b>198 566</b>	<b>140 397</b>	<b>179 576</b>	<b>187 896</b>	<b>174 818</b>	<b>179 925</b>	<b>187 307</b>
Provinces and municipalities	-	-	1 291	-	1 300	7 277	500	500	-
Sakhisizwe Management Agency	-	-	981	-	100	100	-	-	-
Richards Bay Breakfast	-	-	310	-	-	-	-	-	-
uMhlathuze Municipality	-	-	-	-	400	400	-	-	-
Hibiscus Coast Municipality	-	-	-	-	300	300	-	-	-
Okhahlamba Drakensburg Cable Car	-	-	-	-	-	5 977	-	-	-
Umzinyathi Municipality	-	-	-	-	500	500	500	500	-
Departmental agencies and accounts	96 995	130 715	173 663	140 397	158 209	160 552	164 237	168 690	176 067
KZNSB	25 551	41 334	55 371	49 485	59 985	59 985	56 109	56 678	59 364
TKZN	71 444	89 381	118 292	90 912	95 724	98 067	103 628	107 512	112 203
EKZNW	-	-	-	-	2 500	2 500	4 500	4 500	4 500
Public corporations and private enterprises	-	-	19 991	-	11 363	11 363	1 000	1 200	1 200
Township to Township Marathon	-	-	-	-	1 000	1 000	-	-	-
King Shaka Memorial site	-	-	-	-	400	400	-	-	-
Tourism Enterprise Partnership	-	-	-	-	-	-	1 000	1 200	1 200
Durban Beach Festival	-	-	1 500	-	-	-	-	-	-
2nd Annual Maritzburg Corporate Challenge	-	-	500	-	-	-	-	-	-
Midmar Music Festival	-	-	1 500	-	-	-	-	-	-
King Shaka Fashion Festival	-	-	5 400	-	-	-	-	-	-
Mhlacu Festival	-	-	1 500	-	-	-	-	-	-
Fact Durban Rocks	-	-	1 600	-	-	-	-	-	-
Umgababa New Year's Picnic	-	-	1 500	-	-	-	-	-	-
Bundu Mix	-	-	900	-	-	-	-	-	-
Youth Development in Motion	-	-	91	-	-	-	-	-	-
Umthayi Marula Festival	-	-	5 500	-	-	-	-	-	-
uMphithi Spring Festival	-	-	-	-	1 963	1 963	-	-	-
Umlazi Festival & expo	-	-	-	-	3 000	3 000	-	-	-
Urban Music Tour	-	-	-	-	3 000	3 000	-	-	-
SMME Conferences	-	-	-	-	2 000	2 000	-	-	-
Non-profit institutions	-	-	3 600	-	8 700	8 700	9 081	9 535	10 040
Cycling S.A	-	-	3 600	-	8 700	8 700	9 081	9 535	10 040
Households	-	-	21	-	4	4	-	-	-
Social benefits	-	-	21	-	4	4	-	-	-
<b>Total</b>	<b>1 192 644</b>	<b>1 058 880</b>	<b>1 142 429</b>	<b>1 255 314</b>	<b>1 377 456</b>	<b>1 394 004</b>	<b>1 383 799</b>	<b>1 439 377</b>	<b>1 465 542</b>

The category *Transfers and subsidies* under Programme 1 fluctuates over the seven-year period, largely due to the nature of the transfers made. For example:

- Spending in 2010/11 against *Provinces and municipalities* reflects a donation made to the Newcastle Municipality in respect of the International Newcastle Alliance Summit. Also, in 2013/14 a donation was made to the Divine Touch FM in Durban for its transmission fees. In addition, this category includes motor vehicle licences.
- *Non-profit institutions* relates to a donation made to the Anglican Church – Mothers' Union of the Diocese of Natal, as well as a sponsorship of choir uniforms.
- *Households* relates to staff exit costs, and external bursaries paid in 2012/13, accounting for the increase in this year.

The category *Transfers and subsidies* under Programme 2 provides for the following:

- Funding against *Provinces and municipalities* relates to joint project funding in the Mandeni Municipality for the construction of a trading centre. The transfer of R27 000 in 2012/13 relates to a donation made to Project Gateway in the uMgungundlovu District Municipality. The increase in the 2013/14 Adjusted Appropriation was to cater for the Inyoni craft centre. No allocations were made over the 2014/15 MTEF.
- The 2011/12 amount against *Departmental agencies and accounts* relates to once-off funding transferred to EKZNW with regard to a corporate social investment project, where dams were built for communities in drought-stricken areas. In the 2013/14 Adjusted Appropriation, SEDA eThekweni received once-off funding to assist with the day-to-day operations of the entity, subsequent to the termination of funding by the National SEDA.
- The amount in the 2013/14 Adjusted Appropriation against *Higher education institutions* was allocated to fund the Co-operatives Incubator programme undertaken by the Mangosuthu University of Technology.
- The allocation to *Public corporations and private enterprises* caters for the SMMEs, Enterprise Development, Growth Funds and SBDA. The Enterprise Development Fund was introduced in 2011/12, combining the funding streams of the former Co-operatives and SMMEs Funds. The historical figures have not been restated as, although no new loans are approved in respect of the Co-operatives (not shown in the table) and SMMEs Funds, the funds are still active in so far as loan repayments are concerned. The decrease in 2012/13 can be ascribed to a reduction in the allocation to the Growth Fund which was moved to cater for other funding pressures, as mentioned previously. In the 2013/14 Adjusted Appropriation, once-off additional funding was added for transfer to Ithala to ensure Ithala Limited maintains a certain minimum capital adequacy ratio. Also, once-off funding was allocated to private enterprises, namely, the co-operative funding and KZN Youth and Women Co-operatives Business *Indaba*. The budget remains constant over the 2014/15 MTEF, and is to provide for the transfers to the Enterprise Development Fund and SBDA.
- Spending in 2012/13 against *Non-profit institutions* relates to the once-off transfer to the Ilembe Chamber of Commerce in respect of a support desk project. This category also includes transfers to the Okhahlamba Development Agency for the construction of trading centres. This project was put on hold and, in the 2013/14 Adjusted Appropriation, funds were moved to offset spending pressures in other categories. As mentioned earlier, the KZN Growth Fund Trust is a separate entity and its funding will no longer be transferred *via* Ithala. The allocation over the 2014/15 MTEF remains constant.
- The allocation against *Households* largely relates to external bursaries. The spending in 2010/11 is attributed to staff exit costs. In 2011/12, transfer was made to the OTP in respect of external bursaries. The transfer in 2012/13 was for Co-operatives Management (Diploma) at the University of Zululand. The increase in the 2013/14 Adjusted Appropriation relates to external bursaries to students at UKZN who are studying toward a Post-graduate Diploma and Masters in LED, and for Co-operatives Management (Diploma) offered at the University of Zululand. The allocation over the 2014/15 MTEF is ascribed to external bursaries.

The category *Transfers and subsidies* under Programme 3 provides for the following:

- *Departmental agencies and accounts* covers transfer payments made to TIK and DTPC.
  - The funding allocated to TIK increases steadily over the seven-year period. The trend increases substantially in the 2013/14 Adjusted Appropriation due to funding allocated for the Makhaya Arts and Culture Development which promotes South Africa arts, culture, people and values in the international arena – beyond its borders. The further increase in the Revised Estimate is attributed to funding for investment seminars which was shifted after the Adjustments Estimate from *Goods and services* and re-classified as a transfer payment to TIK.
  - The allocation against DTPC is for the development of the multi-nodal portion of the project, and the reduction in 2010/11 was due to the completion of the airport portion of the project. The allocation over the MTEF relates to the development of additional infrastructure with the DTPC 60-year Master Plan.
- *Public corporations and private enterprises* caters for the RBIDZ transfers. In 2010/11, an additional R100 million was transferred to RBIDZ to finalise the purchase of land for the RBIDZ. This explains the decrease in 2011/12. In the 2013/14 Adjusted Appropriation, RBIDZ was reduced to address spending pressures in other categories. In 2015/16, the entity is allocated once-off additional funding for infrastructure development as mentioned, explaining the significant decrease in 2016/17.
- *Non-profit institutions* includes transfers to various entities as follows:
  - The transfer to ADA caters mainly for the entity's operational costs. The 2010/11 allocation was due to once-off establishment and operating costs. The increase in 2012/13 relates to a cut-flower project, as well as additional funds for feasibility studies to be undertaken, business plans, capacity building and project management support to aspiring commercial farmers in KZN. In the 2013/14 Adjusted Appropriation, the untransferred portion of the entity allocation was moved to DAEARD in line with the function shift of ADA, which now falls under the auspices of DAEARD, hence no allocation over the 2014/15 MTEF.
  - The MKI's purpose is to contribute to people-centred economic development. The amount transferred to the MKI in 2010/11 provided for the first year of its operations and this was for both the operational and capital costs of the entity. In 2011/12, the increase relates to establishment of computer laboratories in four additional districts. This explains the lower spending in 2012/13 and beyond. The allocation over the 2014/15 MTEF increases at an inflationary rate.
  - The transfer to the KZN Music Studio in 2010/11 was due to the set-up costs of the entity, thereafter no allocations were made, as mentioned previously.
  - With regard to the Durban Film Festival, the 2013/14 allocation was reduced due to baseline cuts. In the 2014/15 MTEF, the allocation for this festival is budgeted for under the KZN Film Commission, since this newly established entity is assigned to host the event.
  - The KZN Film Commission is a newly established entity based in Durban. As explained previously, the allocation over the 2014/15 MTEF includes funding for the Durban Film Festival, as well as the Simon Mabhunu Sabela Film Awards. The amount in the Revised Estimate is for expenditure which was incurred by the department on behalf of this entity. This was budgeted under *Goods and services* and was re-classified under this entity. The allocations reflect increasing growth over the 2014/15 MTEF.
- *Households* relates to staff exit costs.

Programme 4 caters for the transfer of funds to the KZNLA and staff exit costs.

- The transfer to KZNLA falls under *Departmental agencies and accounts*. The transfer in 2012/13 includes the entity's establishment costs. The increase in 2014/15 relates to once-off additional funding relating to the entity's operational costs that will be funded from the liquor licences revenue from 2015/16, as well as the carry-through allocation for procurement of the new IT system. This explains the decrease in 2015/16. *Households* relates to staff exit costs.

Spending against Programme 5 under *Households* relates to staff exit costs.

The category *Transfers and subsidies* under Programme 6 provides for the following:

- *Provinces and municipalities*: The spending in 2012/13 is attributed to the Richards Bay Breakfast and the Ingoma Music Festival that were held at the uThungulu District Municipality and Umkhanyakude District Municipality, respectively. The increase in the 2013/14 Adjusted Appropriation was for a transfer in respect of the Sakhisizwe Management Agency for the Ingoma Music Festival, as well as for projects that were reclassified from *Goods and services* to this category, for the revitalisation of Alkantstrand Beach, and rehabilitation of South Port Beach in the uMhlathuze and Hibiscus Coast Municipalities, respectively. Also contributing is the funding for the Dundee July event that is held in the Umzinyathi District Municipality. The further increase in the 2013/14 Revised Estimate can be ascribed to the Drakensburg Cable Car, as mentioned previously. The allocation in 2014/15 relates to the Dundee July event.
- *Departmental agencies and accounts* covers transfers made to TKZN, KZNSB and EKZNW:
  - The significant increase in 2011/12 relates to increased transfers to KZNSB to provide for critical repairs to the roof of the entity's headquarters, to investigate more environmentally friendly shark repellent technology and to fill critical vacancies in its SCM unit. The substantial increase in 2012/13 relates to increased capital requirements of the KZNSB, as well as projects under TKZN, such as the KZN Summer Festival Campaign and East 3 Route. This explains the decrease in 2013/14.
  - In the 2013/14 Adjusted Appropriation, funds for some projects were reclassified from *Goods and services* to this category such as funds allocated for Ingodini Border Caves and for Ntsikeni and May Lodge in the Ntsikeni Reserve. These funds were transferred to the public entity EKZNW that falls under DAEARD but is used as an implementing agent by DEDT. Funding was also moved from *Goods and services* to TKZN to provide for tourism-related projects, among others, the KZN Convention Bureau Bid Fund, Tourism *Indaba*, Tourism Master Plan launch, and the KZN Summer Festival Campaign. The increase in the Revised Estimate is due to the transfer to TKZN which was in respect of the East 3 Route project which was previously allocated under *Goods and services*. The budget includes the carry-through allocation for KZNSB for the MCOE.
  - This category shows a steady increase over the 2014/15 MTEF. The allocation over the 2014/15 MTEF under EKZNW relates to a continuation of projects such as Ingodini Border Caves, Ntsikeni and May Lodge and the development of Bhambatha Lodge.
- Various once-off projects were funded under *Public corporations and private enterprises* since 2012/13 such as the Midmar Music Festival, the King Shaka Fashion Festival and the Umthayi Amarula Festival. In 2013/14, the allocation can be ascribed to partnership funding such as the uMphithi Spring Music Festival, the Umlazi Festival and Expo, Urban Music Tour and the SMME Conference that the department hosts in partnership with various private enterprises. This explains the decrease over the 2014/15 MTEF.
- *Non-profit institutions* includes carry-through allocation in respect of Cycling SA and the Tourism Enterprise Partnership, as explained earlier.
- *Households* relates to staff exit costs.

## 6. Programme description

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

## 6.1 Programme 1: Administration

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

Tables 4.16 and 4.17 below illustrate the payments and estimates of this programme over the seven-year period 2010/11 to 2016/17. The erratic trend against this programme relates to the additional allocations for events under the sub-programmes Corporate Services and Office of the HOD.

**Table 4.16 : Summary of payments and estimates by sub-programme: Administration**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Office of the MEC	23 393	23 977	23 465	28 812	32 282	29 420	29 096	32 253	33 949
2. Office of the HOD	44 414	15 297	50 900	24 572	64 680	81 526	31 576	31 429	32 906
3. Financial Management	16 802	22 355	21 904	28 867	25 239	24 968	28 246	31 390	33 104
4. Corporate Services	97 057	147 965	116 196	111 654	100 746	104 461	105 958	114 725	120 797
<b>Total</b>	<b>181 666</b>	<b>209 594</b>	<b>212 465</b>	<b>193 905</b>	<b>222 947</b>	<b>240 375</b>	<b>194 876</b>	<b>209 797</b>	<b>220 756</b>

**Table 4.17 : Summary of payments and estimates by economic classification: Administration**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Current payments</b>	<b>168 208</b>	<b>205 975</b>	<b>209 518</b>	<b>191 065</b>	<b>213 773</b>	<b>236 039</b>	<b>191 813</b>	<b>208 295</b>	<b>219 174</b>
Compensation of employees	49 415	49 262	54 090	71 601	63 163	62 040	70 685	81 059	86 154
Goods and services	118 793	156 713	155 428	119 464	150 610	173 999	121 128	127 236	133 020
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>346</b>	<b>499</b>	<b>795</b>	<b>28</b>	<b>65</b>	<b>65</b>	<b>20</b>	<b>31</b>	<b>33</b>
Provinces and municipalities	106	14	21	28	54	54	20	31	33
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	242	24	-	-	-	-	-	-	-
Households	(2)	461	774	-	11	11	-	-	-
<b>Payments for capital assets</b>	<b>12 349</b>	<b>3 118</b>	<b>2 152</b>	<b>2 812</b>	<b>9 109</b>	<b>4 271</b>	<b>3 043</b>	<b>1 471</b>	<b>1 549</b>
Buildings and other fixed structures	741	-	-	-	-	-	-	-	-
Machinery and equipment	4 885	2 735	2 143	2 760	8 712	3 874	3 043	1 471	1 549
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	6 723	383	9	52	397	397	-	-	-
<b>Payments for financial assets</b>	<b>763</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>181 666</b>	<b>209 594</b>	<b>212 465</b>	<b>193 905</b>	<b>222 947</b>	<b>240 375</b>	<b>194 876</b>	<b>209 797</b>	<b>220 756</b>

The spending reflects a minimal increase against the sub-programme: Office of the MEC from 2010/11 to 2012/13, followed by a significant increase in the 2013/14 Adjusted Appropriation mainly due to additional once-off funding for OSS initiatives, as well as the set-up costs of the new ministry offices in Pietermaritzburg and the operational costs. The allocation over the 2014/15 MTEF includes funding for furniture required for the new ministry offices in Pietermaritzburg.

The high spending in 2010/11 against the Office of the HOD included once-off funding for the 2010 Soccer World Cup projects for the creation of Public Viewing Areas (PVAs). The decrease in 2011/12 was due to savings that were moved to the sub-programme: Corporate Services for awareness campaigns in respect of the KZN Consumer Protection Act and the KZN Liquor Licensing Amendment Act. The peak in 2012/13 relates to an amount of R28.256 million that was rolled over in respect of the Top Gear Festival, TAFI and KZN Convention Bureau Bid Fund. The significant increase in the 2013/14 Adjusted Appropriation can be ascribed to the reprioritisation of projects, where funds were moved from other programmes to fund projects such as the Industrial Economic Hubs, Royalty Soapie Awards, Ithala Repositioning, etc. This explains the substantial decrease in 2014/15. The increased Revised Estimate is

due to events approved by Cabinet without funding, and this will be absorbed through a reprioritisation exercise that will be undertaken by the department. The two outer years of the MTEF show steady growth.

The low spending against the sub-programme: Financial Management in 2010/11 was due to cost-cutting mainly under *Goods and services* and delays in filling vacant posts, while the peak in 2011/12 relates to a significant increase in audit fees. The slight reduction in 2012/13 relates to savings due to non-filling of posts. The minimal decrease in the 2013/14 Adjusted Appropriation is due to savings as a result of the moratorium on the filling of non-critical posts, where funds were moved to defray spending pressures in other programmes and categories. The allocation increases steadily over the 2014/15 MTEF.

With regard to the Corporate Services sub-programme, the substantial increase in 2011/12 relates to the once-off allocation for a number of educational and awareness campaigns across KZN to educate the public on the KZN Liquor Licensing Amendment Act and KZN Consumer Protection Act. This explains the decrease in 2012/13. The slight decrease in the 2013/14 Adjusted Appropriation was due to the centralisation of parts of the communications budget, as well as external bursaries under OTP. The allocation increases steadily over the 2014/15 MTEF.

*Compensation of employees* shows a fluctuating trend due to delays in filling posts and high staff turnover. The decrease in the 2013/14 Adjusted Appropriation can be ascribed to the moratorium on the filling of non-critical posts. These funds were moved to offset spending pressures in other categories, mainly under *Goods and services* to fund Industrial Economic Hubs, among others. The department budgeted to fill all critical vacant posts under this programme, hence the increase in 2014/15. The two outer years of the MTEF grow at a steady rate.

The increase against *Goods and services* in 2011/12 relates to once-off costs in respect of awareness campaigns undertaken relating to the KZN Consumer Protection Act and the KZN Liquor Licensing Amendment Act. The minimal drop in 2012/13 was due to expenditure for the Top Gear Festival and MTV Awards being deemed to be prepayments by the A-G, which caused a reduction in spending. The significant increase in the 2013/14 Adjusted Appropriation relates to funds that were reprioritised from other programmes to fund projects such as the Industrial Economic Hubs, the Royalty Soapie Awards, Ithala Repositioning and the Aerotropolis strategy, as well as additional funding for OSS. This explains the significant decrease in 2014/15.

The peak in 2010/11 against *Transfers and subsidies to: Provinces and municipalities* relates to the International Newcastle Alliance Summit. The substantial increase in the 2013/14 Adjusted Appropriation can be ascribed to a donation made to Divine Touch FM in Durban for transmission fees. The allocation over the 2014/15 MTEF is for motor vehicle licences.

The allocation against *Transfers and subsidies to: Non-profit institutions* comprises donations made to the Anglican Church – Mothers' Union Natal Diocese, and for the sponsorship of a choir uniforms, in 2010/11 and 2011/12, respectively.

The spending against *Transfers and subsidies to: Households* relates to staff exit costs. In 2012/13, the high transfer included funds relating to external bursaries for students with disabilities.

As mentioned previously, the spending against *Buildings and other fixed structures* in 2010/11 relates to the establishment of a district office in Mkhuze, whereby a park home was purchased.

The high spending in 2010/11 against *Machinery and equipment* includes the purchase of vehicles and the cost of security improvements to the department's head office, which explains the substantial decrease in 2011/12. The spending in 2012/13 relates to the purchase of additional vehicles for the expanded staffing of the department. The significant increase in the 2013/14 Adjusted Appropriation is attributed to funding earmarked for the purchase of motor vehicles for the Ministry and also to provide for the new server for the head office. The allocation over the 2014/15 MTEF relates to provision for computer server equipment for the district offices and for the new Ministry offices in Pietermaritzburg.

The high spending in 2010/11 against *Software and other intangible assets* is in respect of Microsoft licences, while the balance of spending in that year and in 2011/12 relates to the purchase of legal software resources, as well as process management software packages for the new regional offices. The increase in

the 2013/14 Adjusted Appropriation relates to the purchase of Microsoft licences in line with the procurement of the new server for the head office.

*Payments for financial assets* reflects various losses which were written-off in 2010/11 and 2011/12.

## 6.2 Programme 2: Integrated Economic Development Services

The main purpose of this programme is the provision of strategic leadership, direction and co-ordination of economic empowerment initiatives in KZN. Programme 2 consists of three sub-programmes, namely: Enterprise Development, Regional and Local Economic Development, and Economic Empowerment.

Tables 4.18 and 4.19 below illustrate payments and estimates for the period 2010/11 to 2016/17.

**Table 4.18 : Summary of payments and estimates by sub-programme: Integrated Economic Development Services**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Enterprise Development	325 201	350 094	326 803	388 832	460 467	471 357	366 107	367 627	385 966
2. Regional and Local Economic Development	42 661	33 481	49 462	73 149	60 274	53 252	38 645	57 221	59 635
3. Economic Empowerment	52 499	43 978	31 093	34 206	29 782	54 682	36 824	37 706	39 368
<b>Total</b>	<b>420 361</b>	<b>427 553</b>	<b>407 358</b>	<b>496 187</b>	<b>550 523</b>	<b>579 291</b>	<b>441 576</b>	<b>462 554</b>	<b>484 969</b>

**Table 4.19 : Summary of payments and estimates by economic classification: Integrated Economic Development Services**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Current payments</b>	<b>140 021</b>	<b>136 258</b>	<b>142 674</b>	<b>208 583</b>	<b>126 123</b>	<b>154 894</b>	<b>147 021</b>	<b>167 300</b>	<b>188 907</b>
Compensation of employees	35 697	37 454	39 437	53 829	47 379	45 982	56 646	60 938	64 777
Goods and services	104 324	98 804	103 237	154 754	78 744	108 912	90 375	106 362	124 130
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>280 030</b>	<b>291 098</b>	<b>259 294</b>	<b>287 384</b>	<b>424 180</b>	<b>424 180</b>	<b>294 405</b>	<b>295 024</b>	<b>295 820</b>
Provinces and municipalities	-	-	2 980	2 384	2 415	2 415	-	-	-
Departmental agencies and accounts	-	970	-	-	3 000	3 000	-	-	-
Higher education institutions	-	-	-	-	2 780	2 780	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	280 000	280 000	249 500	280 000	307 386	307 386	185 000	185 000	185 000
Non-profit institutions	-	-	504	5 000	95 000	95 000	95 000	95 000	95 000
Households	30	10 128	6 310	-	13 599	13 599	14 405	15 024	15 820
<b>Payments for capital assets</b>	<b>310</b>	<b>197</b>	<b>405</b>	<b>220</b>	<b>220</b>	<b>217</b>	<b>150</b>	<b>230</b>	<b>242</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	310	197	405	220	220	217	150	230	242
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>4 985</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>420 361</b>	<b>427 553</b>	<b>407 358</b>	<b>496 187</b>	<b>550 523</b>	<b>579 291</b>	<b>441 576</b>	<b>462 554</b>	<b>484 969</b>

The programme shows an erratic trend over the entire period. The increase in 2011/12 against the sub-programme: Enterprise Development largely relates to funding allocated to the Growth and SMMEs Funds and Ithala Share Capital. The reduction in 2012/13 can be ascribed to savings from the Growth Fund that were moved to cater for a shortfall in *Goods and services* and *Transfers and subsidies to: Non-profit institutions* in Programme 3. The substantial increase in the 2013/14 Adjusted Appropriation is attributed to an additional allocation for the Ithala capital adequacy ratio as previously mentioned, hence there is a significant decline in 2014/15. The allocation over the 2014/15 MTEF increases steadily.

The spending in 2010/11 against the sub-programme: Regional and Local Economic Development relates to a number of high impact projects, such as the Richmond Special Development Initiative. The reduction in 2011/12 was due to savings under *Goods and services* as a result of unforeseen delays in co-operative support projects, such as school nutrition and bakery operations. The aim of these rehabilitation projects is to provide support to co-operatives to ensure that they run more efficiently. There were also several LED projects, such as the Local Competitiveness Fund, and the Okhahlamba Development Agency which



constructs trading centres, that did not take place as anticipated. The increase in 2012/13 was due to *Transfers and subsidies to: Provinces and municipalities* made for joint project funding in the Mthonjaneni and Mandeni Municipalities for the construction of trading centres, among others. The decrease in the 2013/14 Adjusted Appropriation was largely due to reprioritisation of projects undertaken, and some projects were halted, among others, the DCO Matiwane, Umlalazi trading centres, as well as lower than anticipated approvals of applications in respect of the KZN Local Competitiveness Fund. This explains the significant increase in 2014/15. The allocation over the 2014/15 MTEF increases steadily.

The high spending in 2010/11 against the sub-programme: Economic Empowerment relates to once-off additional spending for the youth skills training and placement project, explaining the decrease in 2011/12. The further decrease in 2012/13 was due to delays in the finalisation of SLAs and SCM processes for some of the projects such as Umyezane Awards and youth skills training. There is a slight decrease in the 2013/14 Adjusted Appropriation which is attributed to savings due to delays in filling of posts. The 2014/15 MTEF grows at an inflationary rate. The Revised Estimate is high due to the Mandela Exhibition Career Expos event, as explained previously.

*Compensation of employees* shows an increasing trend from 2010/11 to 2012/13. The decrease in the 2013/14 Adjusted Appropriation related to savings identified, as a result of delays in filling posts. This explains the significant increase in 2014/15 as the department is budgeting to fill all vacant posts under this programme. The allocation over the two outer years of the 2014/15 MTEF grows at a steady rate, and the department will adhere to the moratorium on filling only critical posts.

The high spending in 2010/11 against *Goods and services* relates to the youth skills training and placement project. In 2011/12, funds were reprioritised to fund the Top Gear Festival and the World Golf Championship budgeted under Programmes 1 and 6, explaining the decrease in this category. Funds were also reprioritised to Programme 3 to increase the subsidy to KZNSB to fund a biometric access control system. The increase in 2012/13 relates to the LED Tongaat Hulett Sugar project, as previously mentioned. In the 2013/14 Adjusted Appropriation, there is a decreasing trend attributed to LED and SMME projects that were halted and the budget was reprioritised mainly to fund projects and events under Programmes 1 and 6. The projected increase in the Revised Estimate relates to the Mandela Exhibition Career Expos event, as explained earlier. The allocation grows steadily over the MTEF.

The spending from 2012/13 against *Transfers and subsidies to: Provinces and municipalities* provides for joint project funding in the Mthonjaneni and Mandeni Municipalities for the construction of trading centres, as previously mentioned. The slight increase in the 2013/14 Adjusted Appropriation was due to funding earmarked for the Inyoni craft centre. There is no allocation over the 2014/15 MTEF.

In 2011/12, funds were transferred to EKZNW against *Transfers and subsidies to: Departmental agencies and accounts*, as a result of a partnership with the entity with regard to a corporate social investment project, as mentioned. In the 2013/14 Adjusted Appropriation, SEDA eThekweni was allocated R3 million to assist with the day-to-day operations, subsequent to the termination of funding by national SEDA.

The amount in 2012/13 against *Transfers and subsidies to: Higher education institutions* is for the Co-operatives Incubator programme conducted by DEDT in partnership with Mangosuthu University of Technology.

The allocation against *Transfers and subsidies to: Public corporations and private enterprises* from 2010/11 to 2012/13 represents transfers to the Growth and Enterprise Development Funds. The decrease in 2012/13 was due to savings realised against the Growth Fund to cater for a shortfall in *Goods and services*, as previously mentioned. The substantial increase in the 2013/14 Adjusted Appropriation was due to additional funding added to Ithala for it to maintain its required minimum capital adequacy ratio. It should be noted that the Growth Fund was shifted from *Transfers and subsidies to: Public corporations and private enterprises* under Ithala to *Transfers and subsidies to: Non-profit institutions*, since this entity is in the process of registering as a separate entity, namely the KZN Growth Fund Trust. An agreement was reached between DEDT and the Growth Fund that its transfers will no longer be paid *via* Ithala, but will be transferred directly to the KZN Growth Fund Trust. This explains the decrease over the MTEF.

The spending in 2012/13 against *Transfers and subsidies to: Non-profit institutions* is attributed to the joint project funding for the construction of trading centres. The allocation in the 2013/14 Adjusted Appropriation is for the KZN Growth Fund Trust which was reclassified under this category, as previously mentioned. The budget remains constant over the 2014/15 MTEF.

The spending against *Transfers and subsidies to: Households* largely relates to external bursaries. The spending in 2010/11 is attributed to staff exit costs. The substantial increase in 2011/12 was for amount paid to OTP in respect of external bursaries. The transfer in 2012/13 can be ascribed to external bursaries for diplomas in co-operative management. The increase in the 2013/14 Adjusted Appropriation was to provide for external bursaries to students at UKZN who are studying toward Post-graduate Diplomas and Masters in LED, and diplomas in co-operative management at the University of Zululand. These were not centralised under OTP as they are regarded as one of the main projects of the department. These funds were shifted from *Goods and services* to this category. The allocation in 2014/15 is ascribed to external bursaries relating to co-operatives and LED.

The fluctuating trend against *Machinery and equipment* relates to the requirements of new appointments and capital equipment for one-stop-shops. The increase in 2012/13 was due to the purchase of computer equipment. The MTEF allocation is based on the new appointments' capital equipment requirements and the replacement of redundant equipment.

The spending in 2012/13 against *Payments for financial assets* was for losses relating to the SMME risk sharing fund in respect of loan defaulters, in terms of an agreement with Standard Bank.

## Service delivery measures – Programme 2: Integrated Economic Development Services

Table 4.20 below shows the main service delivery measures pertaining to Programme 2, both standardised and non-standardised. The performance indicators provided conform fully with the customised measures prescribed for the Economic Development sector.

**Table 4.20 : Service delivery measures – Programme 2: Integrated Economic Development Services**

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2013/14	2014/15	2015/16	2016/17	
<b>1.1 Enterprise Development – SMMEs</b>						
1.1.1 To promote small enterprises (SMMEs and co-operatives) and entrepreneurial development (informal and social enterprise)	<ul style="list-style-type: none"> <li>No. of existing SMMEs supported</li> <li>No. of new SMMEs developed</li> </ul>	430 1 259	130 300	130 300	130 300	
1.1.2 Train and capacitate designated groups to manage and operate their businesses sustainability	<ul style="list-style-type: none"> <li>No. of SMMEs registered in KZN that have been in operation for more than 2 years</li> <li>No. of new jobs created through establishment of SMMEs</li> <li>No. of SMMEs trained in various skills and business programmes</li> <li>No. of SMMEs trained in pre-finance and business support programmes</li> </ul>	15 622 1 259 823 436	240 130 823 130	240 130 823 130	240 130 823 130	
1.1.3 Facilitate access to markets for designated groups	<ul style="list-style-type: none"> <li>No. of small enterprises assisted to access loan finance</li> </ul>	400	100	100	100	
<b>1.2 Enterprise Development – Co-operatives</b>						
1.2.1 To promote the growth and socio-economic transformation of KZN economy that will enable creation of 1 million jobs by end of 2020	<ul style="list-style-type: none"> <li>No. of co-operatives supported</li> <li>No. of new co-operatives developed</li> </ul>	100 15	100 50	50 50	50 50	
1.2.2 Train and capacitate designated groups to manage and operate their businesses sustainability	<ul style="list-style-type: none"> <li>No. of primary co-operatives trained and mentored in business and co-operative management and technical skills</li> </ul>	100	100	100	100	
1.2.3 Facilitate access to markets for designated groups	<ul style="list-style-type: none"> <li>No. of co-operatives assisted to access loan finance</li> </ul>	50	50	50	50	
<b>2. Regional and Local Economic Development</b>						
2.1 To promote a conducive environment for competitiveness and creation of jobs	<ul style="list-style-type: none"> <li>No. of economic development projects supported at local and regional levels</li> </ul>	12	13	13	16	
2.2 To develop and fund the implementation of sector specific projects	<ul style="list-style-type: none"> <li>No. of sustainable local employment opportunities supported</li> </ul>	177	50	60	120	

Table 4.20 : Service delivery measures – Programme 2: Integrated Economic Development Services

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2013/14	2014/15	2015/16	2016/17	
2.3	To build the capacity of stakeholders to plan and manage the local economy	<ul style="list-style-type: none"> <li>No. of capacity building interventions to municipalities</li> <li>No. of people trained</li> <li>No. of LED plans developed and reviewed</li> </ul>	1 600 10	1 140 10	1 150 10	1 100 10
<b>3. Economic Empowerment</b>						
3.1	To facilitate and co-ordinate implementation of B-BBEE strategy	No. of target groups specific opportunities identified	2 000	5	6	7
3.2	To verify B-BBEE compliance by government departments	No. of B-BBEE verification certificates issued	5	10	12	12
3.3	To co-ordinate key stakeholders / structures to comply with economic empowerment strategies and policies	No. of key stake-holders/structures or strategic partnership co-ordinated	11	3	3	3

### 6.3 Programme 3: Trade and Sector Development

The main purpose of this programme is to stimulate economic growth through industry development, trade and investment promotion. This programme comprises three sub-programmes, namely Trade and Investment Promotion, Sector Development and Strategic Initiatives (Industry Development). This programme used to house the Tourism Development sub-programme, and in 2013/14 it became a stand-alone programme in line with the sector specific programme structure.

Tables 4.21 and 4.22 below give a summary of payments and estimates relating to Programme 3 for the period 2010/11 to 2016/17.

Table 4.21 : Summary of payments and estimates by sub-programme: Trade and Sector Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Trade and Investment Promotion	591 511	512 798	464 151	654 169	660 669	666 009	721 073	754 976	794 246
2. Sector Development	118 241	104 487	147 698	142 095	113 699	104 012	93 051	105 273	109 893
3. Strategic Initiatives (Industry Development)	156 975	59 636	62 618	65 164	25 164	25 164	68 170	110 947	74 707
<b>Total</b>	<b>866 727</b>	<b>676 921</b>	<b>674 467</b>	<b>861 428</b>	<b>799 532</b>	<b>795 185</b>	<b>882 294</b>	<b>971 196</b>	<b>978 846</b>

Table 4.22 : Summary of payments and estimates by economic classification: Trade and Sector Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Current payments</b>	<b>51 427</b>	<b>40 318</b>	<b>46 373</b>	<b>77 793</b>	<b>69 797</b>	<b>56 855</b>	<b>45 020</b>	<b>60 013</b>	<b>52 510</b>
Compensation of employees	6 660	8 239	7 532	8 524	8 500	7 437	6 364	9 650	10 259
Goods and services	44 767	32 079	38 841	69 269	61 297	49 418	38 656	50 363	42 251
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>815 244</b>	<b>636 518</b>	<b>628 047</b>	<b>783 585</b>	<b>729 715</b>	<b>737 930</b>	<b>837 274</b>	<b>911 183</b>	<b>926 336</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	583 413	509 870	457 361	642 642	648 142	651 491	707 717	736 260	774 911
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	156 975	59 636	62 618	65 164	25 164	25 164	68 170	110 947	74 707
Non-profit institutions	74 777	67 012	107 974	75 779	56 385	61 251	61 387	63 976	76 718
Households	79	-	94	-	24	24	-	-	-
<b>Payments for capital assets</b>	<b>56</b>	<b>85</b>	<b>47</b>	<b>50</b>	<b>20</b>	<b>400</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	56	85	47	50	20	400	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<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>Total</b>	<b>866 727</b>	<b>676 921</b>	<b>674 467</b>	<b>861 428</b>	<b>799 532</b>	<b>795 185</b>	<b>882 294</b>	<b>971 196</b>	<b>978 846</b>

The high spending in 2010/11 against this programme was due to increased transfers to DTPC, RBIDZ and the MKI, with the largest portion relating to DTPC for the completion of the airport portion. Also included in 2010/11 spending was once-off additional funding for RBIDZ in respect of land purchases.

The sub-programme: Trade and Investment Promotion includes transfers to TIK and DTPC. As mentioned, the fluctuating trend largely relates to capital projects in terms of the DTPC Master Plan. The decrease in 2012/13 was mainly due to a portion of the transfer to DTPC that was reduced and reprioritised to fund the MTV Awards. The increase in the 2013/14 Adjusted Appropriation was for funding allocated for the KZNSB Repositioning strategy, as well as funding earmarked for the Makhaya Arts and Culture Development. The allocation over the 2014/15 MTEF largely relates to DTPC's capital projects in terms of its Master Plan. This allocation was reduced slightly, though, following the Census data baseline cuts effected in the 2013/14 MTEF, with carry-through.

The sub-programme: Sector Development caters for transfers to ADA and MKI. Spending in 2010/11 was mainly for various projects, such as the Industrial strategy and the Amajuba Tannery. The decrease in 2011/12 was due to the once-off nature of some of the projects. The increase in 2012/13 is attributed to additional funding in respect of ADA and various projects such as the BRICS Summit, East 3 Route and the cutflower project. The further decrease in the 2013/14 Adjusted Appropriation is due to certain projects, such as cutflower, goat commercialisation and ship-building, being put on hold to fund spending pressures. The allocation increases steadily over the 2014/15 MTEF.

The sub-programme: Strategic Initiatives (Industry Development) reflects the transfer made to the RBIDZ. As mentioned, in 2010/11 additional funding of R100 million was transferred to RBIDZ to finalise the purchase of land for the entity. This explains the decrease from 2011/12. In the 2013/14 Adjusted Appropriation, RBIDZ was reduced to fund other departmental projects, as mentioned previously. The erratic trend over the 2014/15 MTEF is ascribed to once-off additional funding allocated in 2015/16 for infrastructure development relating to the RBIDZ's Master Plan, explaining the decrease in 2016/17.

The fluctuating trend from 2010/11 to 2012/13 against *Compensation of employees* can be ascribed to slow progress in filling of posts and a high staff turnover. In the 2013/14 Adjusted Appropriation, savings due to the non-filling of posts were moved to *Goods and services* to offset spending pressures in other categories in respect of events and projects. The reprioritisation of funds was also carried through to 2014/15 to fund various projects, explaining the sharp growth in the two outer years of the MTEF.

The decrease in 2011/12 against *Goods and services* was due to ADA funds shifted to *Transfers and subsidies*, whereas previously DEDT paid for ADA's set-up and operational costs under *Goods and services*. This category also included consultants' fees for other projects such as the ICH, goat commercialisation and tooling initiative. The substantial increase in 2012/13 relates to reprioritisation from other programmes to fund sector projects, such as the BRICS Summit. The increase in the 2013/14 Main Appropriation was due to various projects, such as the cutflower, goat commercialisation and ship-building projects being put on hold in 2013/14, as mentioned above. Provision for Industrial Economic Hubs was also allocated under this programme but it was moved to Programme 1 during the 2013/14 Adjusted Appropriation, explaining the decline. The fluctuating trend over the 2014/15 MTEF is driven by reprioritised funds to cater for the Industrial Economic Hubs housed under Programme 1.

*Transfers and subsidies to: Departmental agencies and accounts* relates to the transfers to TIK and DTPC. The decrease in 2012/13 relates to reprioritisation of DTPC funds to cater for projects, such as Ekhaya Multi-Art Centre and Integrated Craft Hub, and to *Goods and services* for projects such as the MTV Awards. In the 2013/14 Adjusted Appropriation, once-off additional funding was allocated for Makhaya Arts and Culture Development, as well as funding for investment seminars, as TIK was assigned to implement these projects, explaining the increase in that year. The significant growth over the MTEF relates to higher requirements of the DTPC Master Plan, as previously mentioned.

The allocation against *Public corporations and private enterprises* relates to transfers to RBIDZ. As explained previously, in 2010/11 the entity received a once-off additional amount of R100 million for land purchases, which explains the decrease in 2011/12. The decrease in the 2013/14 Adjusted Appropriation

relates to the reduction in transfer to RBIDZ, as previously mentioned. In 2015/16, once-off additional funding is allocated to RBIDZ for infrastructure projects relating to its Master Plan.

*Transfers and subsidies to: Non-profit institutions* pertains to transfers to ADA, MKI and a number of smaller projects. The high transfers in 2010/11 can be ascribed to set-up costs in respect of KZN Music Studio, accounting for the decrease in 2011/12. The increased transfers in 2012/13 was due to additional funding to ADA allocated for feasibility studies to be undertaken, business plans, capacity building and project management support to aspiring commercial farmers in KZN. The decrease in the 2013/14 Adjusted Appropriation relates to ADA untransferred funds which were moved to DAEARD in line with the function shift of ADA, as explained previously.

Spending in respect of *Machinery and equipment* relates to capital equipment requirements, such as furniture and equipment for newly appointed staff and the replacement of redundant equipment.

### Service delivery measures – Programme 3: Trade and Sector Development

Table 4.23 below shows the main service delivery measures pertaining to Programme 3, which are standardised in terms of the sector. The performance indicators provided largely conform with the customised measures for the Economic Development sector.

**Table 4.23 : Service delivery measures – Programme 3: Trade and Sector Development**

Outputs		Performance indicators	Estimated performance	Medium-term targets		
			2013/14	2014/15	2015/16	2016/17
<b>1. Trade and Investment Promotion</b>						
1.1	To facilitate access to markets for designated groups	<ul style="list-style-type: none"><li>No. of businesses assisted with exports</li></ul>	100	100	100	100
<b>2. Sector Development</b>						
2.1	To develop and fund the implementation of sector specific projects/programmes	<ul style="list-style-type: none"><li>No. of jobs created</li><li>No. of feasibility studies/business plans completed</li></ul>	1 422 3	50 2	60 2	75 2
2.2	To identify and support priority sectors (infrastructure provision)	<ul style="list-style-type: none"><li>No. of businesses assisted with pro-active interventions (No. of parks/hubs initiated/established)</li></ul>	81	10	10	10
2.3	Enhance the skills and capacity of specific sector industry institutions and stakeholders	<ul style="list-style-type: none"><li>No. of people trained</li></ul>	960	265	300	350
2.4	To champion spatial economic development initiatives (SEZs)	<ul style="list-style-type: none"><li>No. of investors attracted into the provincial industrial hubs</li></ul>	New	New	2	2
2.5	To establish and support institutions that promote economic growth	<ul style="list-style-type: none"><li>No. of clusters supported</li><li>No. of institutions supported to promote economic growth</li></ul>	5 7	5 1	5 1	5 1
<b>3. Strategic Initiatives</b>						
3.1	To identify and support priority sectors	<ul style="list-style-type: none"><li>No. of investment projects realised</li></ul>	5	5	5	5
3.2	Enhance skills and capacity of specific industry institutions and stakeholders	<ul style="list-style-type: none"><li>No. of people trained</li></ul>	210	150	250	300
3.3	To develop and fund the implementation of sector specific projects	<ul style="list-style-type: none"><li>No. of SMMEs supported for upgrading and modernisation (No. of businesses assisted with proactive interventions)</li></ul>	-	5	5	5

## 6.4 Programme 4: Business Regulation and Governance

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

Tables 4.24 and 4.25 below summarise the payments and estimates for the seven-year period from 2010/11 to 2016/17.

The programme shows an increasing trend over the seven years, with a significant increase from 2012/13 onward due to the establishment of the KZNLA, and sustained at this high level in 2014/15, due to additional funding for the KZNLA.

**Table 4.24 : Summary of payments and estimates by sub-programme: Business Regulation and Governance**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Regulation Services	1 207	2 007	3 079	5 623	5 159	6 209	7 317	7 878	8 215
2. Consumer Protection	14 278	14 924	17 707	23 023	20 806	19 203	25 761	26 207	32 117
3. Liquor Regulation	9 391	20 382	65 306	43 920	43 923	43 925	77 282	53 214	56 046
<b>Total</b>	<b>24 876</b>	<b>37 313</b>	<b>86 092</b>	<b>72 566</b>	<b>69 888</b>	<b>69 337</b>	<b>110 360</b>	<b>87 299</b>	<b>96 378</b>

**Table 4.25 : Summary of payments and estimates by economic classification: Business Regulation and Governance**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Current payments</b>	<b>24 640</b>	<b>37 169</b>	<b>30 252</b>	<b>28 510</b>	<b>25 851</b>	<b>25 309</b>	<b>32 955</b>	<b>33 943</b>	<b>40 182</b>
Compensation of employees	14 287	15 622	15 152	14 599	15 699	14 634	17 248	18 861	20 026
Goods and services	10 353	21 547	15 100	13 911	10 152	10 675	15 707	15 082	20 156
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>-</b>	<b>-</b>	<b>55 724</b>	<b>43 920</b>	<b>43 920</b>	<b>43 933</b>	<b>77 282</b>	<b>53 214</b>	<b>56 046</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	55 699	43 920	43 920	43 920	77 282	53 214	56 046
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	25	-	-	13	-	-	-
<b>Payments for capital assets</b>	<b>236</b>	<b>144</b>	<b>116</b>	<b>136</b>	<b>117</b>	<b>95</b>	<b>123</b>	<b>142</b>	<b>150</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	230	144	116	136	117	95	123	142	150
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	6	-	-	-	-	-	-	-	-
<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>Total</b>	<b>24 876</b>	<b>37 313</b>	<b>86 092</b>	<b>72 566</b>	<b>69 888</b>	<b>69 337</b>	<b>110 360</b>	<b>87 299</b>	<b>96 378</b>

The programme reflects a fluctuating trend over the seven-year period largely due to the establishment costs of the KZNLA, once-off allocation to fund shortfalls relating to operational costs, as well as for procurement of an IT system.

The Regulation Services sub-programme provides a regulatory framework for the functioning of both formal and informal trade to advance economic development and growth. The spending in 2010/11 relates to initial set-up costs of this sub-programme, explaining the increase in 2011/12 where the department continued to fill posts and increase operational costs. The decrease in the 2013/14 Adjusted Appropriation was due to savings as a result of the non-filling of posts that were moved from *Compensation of employees* and *Goods and services* to offset spending pressures within, and to other sub-programmes. The allocation increases at a steady rate over the 2014/15 MTEF.

The slight increase against Consumer Protection in 2011/12 relates to outreach programmes relating to consumer awareness. The further increase in 2012/13 was due to awareness campaigns with regard to the KZN Consumer Protection Act. The decrease in the 2013/14 Adjusted Appropriation is due to savings realised as a result of the non-filling of vacant posts. This explains the significant increase in 2014/15. The allocation increases at a steady rate over the 2014/15 MTEF.

The Liquor Regulation sub-programme pertains to transfers made to KZNLA. The significant increase in 2011/12 was attributed to the set-up costs of the KZNLA, such as configuration of office accommodation and purchase of office equipment, as mentioned previously. The significant increase in 2014/15 relates to a once-off additional allocation to cater for the shortfall in respect of operational costs, as well as the

carry-through allocation for the procurement of an IT system of this entity. This explains the decrease in 2015/16. The operational costs will be funded using part of the increased liquor licensing revenue from 2015/16 onward, as explained earlier.

The increase in 2011/12 against *Compensation of employees* included staffing costs for the new Regulation Services sub-programme, as well as the costs of liquor inspectorate staff under the Liquor Regulation sub-programme. There is a slight increase in the 2013/14 Adjusted Appropriation to provide for new appointments which were higher than anticipated. The allocation increases steadily over the 2014/15 MTEF.

The significant increase in 2011/12 against *Goods and services* was due to costs pertaining to implementing the KZN Consumer Protection Act across the province and set-up costs for the KZNLA. The decrease in 2012/13 is due to expenditure relating to the KZNLA being shifted from this category, to *Transfers and subsidies to: Departmental agencies and accounts* following the establishment and full functioning of this entity. The decrease in the 2013/14 Adjusted Appropriation is largely due to reprioritisation of projects where funds were moved to offset spending pressures in other categories and programmes. This explains the increase in 2014/15, following by a decrease from 2015/16 due to a reprioritisation exercise undertaken.

*Transfers and subsidies to: Departmental agencies and accounts* comprises transfers to KZNLA. The amount in 2012/13 relates to the entity's set-up costs. The allocation increases in 2014/15 due to once-off additional funding for the entity's operational costs, as well as the carry-through funding for the procurement of an IT system. The former will be funded from liquor licences revenue from 2015/16 once this revenue stream starts being collected.

The spending against *Machinery and equipment* over the seven-year period relates to furniture and equipment for newly appointed staff and the replacement of redundant equipment.

The expenditure against *Software and other intangible assets* in 2010/11 relates to the upgrade of computer software licences.

## Service delivery measures – Programme 4: Business Regulation and Governance

Table 4.26 below provides the main service delivery measures pertaining to Programme 4, which are standardised in terms of the sector. The performance indicators provided largely conform with the customised measures for the Economic Development sector.

**Table 4.26 : Service delivery measures – Programme 4: Business Regulation and Governance**

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2013/14	2014/15	2015/16	2016/17	
<b>1. Regulation Services</b>						
1.1 To establish and manage policy framework through municipalities which creates an enabling environment that supports the informal sector and to establish and manage the implementation of a regulatory framework with municipalities which contributes to the monitoring of regulatory compliance within the formal business sector	<ul style="list-style-type: none"> <li>No. of barriers identified</li> <li>No. of barriers addressed</li> <li>No. of municipal informal economy policy alignment programmes facilitated</li> </ul>	1 1 11	1 1 15	1 1 20	1 1 20	
1.2 To establish a regulatory environment to enable the effective governance of formal business in terms of compliance	<ul style="list-style-type: none"> <li>No. of municipalities monitored and evaluated with implementation of regulations</li> </ul>	31	31	31	31	
<b>2. Consumer Protection</b>						
2.1 Educate and inform consumers of their rights	<ul style="list-style-type: none"> <li>No. of consumer education programmes conducted</li> </ul>	1 333	1 400	1 450	1 450	
2.2 To co-ordinate and ensure integrated relevant and effective planning (engagement of stakeholders)	<ul style="list-style-type: none"> <li>No. of partnerships established and maintained with regulators and other stakeholders</li> </ul>	193	384	400	400	
2.3 Address consumer complaints and provide redress	<ul style="list-style-type: none"> <li>No. of complaints received</li> </ul>	3 000	3 000	3 000	3 000	

**Table 4.26 : Service delivery measures – Programme 4: Business Regulation and Governance**

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2013/14	2014/15	2015/16	2016/17	
<b>3. Liquor Regulation</b>						
3.1 To promote and maintain an effective and efficient regulatory system for the liquor industry and consumer and regulation services	<ul style="list-style-type: none"> <li>No. of KZNLA monitoring reports</li> <li>No. of reviews of the legislative framework relating to liquor, consumer and regulation services</li> </ul>	4 3	4 2	4 2	4 2	

## 6.5 Programme 5: Economic Planning

The main purpose of this programme is to develop provincial economic policies and strategies to achieve and measure sustainable economic development. The purpose is also to conduct research proposal relating to changing global trends, and to provide a wide range of information and knowledge that serve as key drivers and to regularly assess the performance of the economy. The sub-programmes consist of Policy and Planning, Research and Development, Knowledge Management and Monitoring and Evaluation.

Tables 4.27 and 4.28 summarise payments and budgeted estimates for the seven-year period 2010/11 to 2016/17.

**Table 4.27 : Summary of payments and estimates by sub-programme: Economic Planning**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Policy and Planning	2 121	5 618	4 327	8 944	4 512	5 034	8 421	9 750	10 199
2. Research and Development	2 809	4 768	6 227	10 240	9 159	9 776	12 325	12 579	13 149
3. Knowledge Management	1 083	1 936	1 710	2 747	2 477	1 943	4 516	3 869	4 069
4. Monitoring and Evaluation	5 764	5 980	6 282	7 845	6 357	5 685	5 899	6 377	6 671
<b>Total</b>	<b>11 777</b>	<b>18 302</b>	<b>18 546</b>	<b>29 776</b>	<b>22 505</b>	<b>22 438</b>	<b>31 161</b>	<b>32 575</b>	<b>34 088</b>

**Table 4.28 : Summary of payments and estimates by economic classification: Economic Planning**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Current payments</b>	<b>11 621</b>	<b>18 065</b>	<b>18 314</b>	<b>29 726</b>	<b>22 326</b>	<b>22 362</b>	<b>30 361</b>	<b>32 575</b>	<b>34 088</b>
Compensation of employees	7 182	6 608	7 543	12 614	12 614	10 497	13 252	14 281	15 181
Goods and services	4 439	11 457	10 771	17 112	9 712	11 865	17 109	18 294	18 907
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>29</b>	<b>50</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	29	50	3	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>127</b>	<b>187</b>	<b>229</b>	<b>50</b>	<b>179</b>	<b>76</b>	<b>800</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	106	187	111	50	79	77	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	21	-	118	-	100	(1)	800	-	-
<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>Total</b>	<b>11 777</b>	<b>18 302</b>	<b>18 546</b>	<b>29 776</b>	<b>22 505</b>	<b>22 438</b>	<b>31 161</b>	<b>32 575</b>	<b>34 088</b>

The increased spending against this programme from 2011/12 onward is due to, among others, a five-year review plan of research projects, which reviewed projects such as the development of an Industrial Economic Hubs Strategy, the socio-economic impact of DTPC and inner-city regeneration projects. The decrease in the 2013/14 Adjusted Appropriation relates to reprioritisation of projects undertaken, whereby



projects, such as Renewable Energy Research, Agro-processing Research and Green Economy were put on hold in 2013/14.

The Policy and Planning and Research and Development sub-programmes were allocated funding reprioritised from the Knowledge Management sub-programme from 2010/11. Prior to this, the department was unable to fund these sub-programmes, explaining the low spending in 2010/11.

The increase in 2012/13 against the Research and Development sub-programme was to fund projects such as Renewable Energy Research and Agro-processing Research, etc. There is steady growth over the MTEF.

The spending against the Knowledge Management sub-programme relates to the operational cost of this programme. The fluctuating trend over the seven-year period is mainly driven by the printing and publications of reports.

The decreasing trend against the Monitoring and Evaluation sub-programme in the 2013/14 Adjusted Appropriation relates to the reprioritisation of projects, where funds were moved to address spending pressures in other programmes. The allocation over the 2014/15 MTEF grows at an inflationary rate.

The high spending in 2010/11 against *Compensation of employees* was due to staffing the newly created Policy and Planning and Research and Development sub-programmes. The 2011/12 reduction was due to staff turnover and the difficulty in filling posts, and funds were reprioritised to *Goods and services* to alleviate spending pressures, to *Transfers and subsidies to: Households* to provide for staff exit costs, and to *Machinery and equipment* to cater for a shortfall in respect of capital equipment. This accounts for the substantial increase in 2013/14, with the MTEF budget growing at a steady rate.

The low spending in 2010/11 against *Goods and services* was due to research projects which the department wanted to be conducted by UKZN, but which could not be carried out due to departmental capacity constraints. In 2011/12, the increase relates to once-off costs for the finalisation of a number of provincial policies such as the Industrial Development Strategy. The minimal decrease in 2012/13 relates to funds moved to *Compensation of employees* to offset spending pressures in this category. The decrease in the 2013/14 Adjusted Appropriation can be ascribed to the reprioritisation of projects, where funds were moved to Programmes 1 and 6 to offset spending pressures. This explains the sharp growth in 2014/15. There is steady growth over the remainder of the 2014/15 MTEF.

The 2011/12 increase in *Machinery and equipment* was due to the replacement of redundant equipment.

The significant increase in 2012/13 against *Software and other intangible assets* relates to GAMS procured for policy analysis. The increase in the 2013/14 Adjusted Appropriation relates to the purchase of Sabinet software subscriptions for the department's library information database. The peak in 2014/15 is to fund Sabinet software subscriptions. There is no allocation in the two outer years, at this stage.

### Service delivery measures – Programme 5: Economic Planning

Table 4.29 illustrates the main service delivery measures pertaining to Programme 5: Economic Planning which are standardised in terms of the sector. The performance indicators provided conform fully with the customised measures for the Economic Development sector.

**Table 4.29 : Service delivery measures – Programme 5: Economic Planning**

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2013/14	2014/15	2015/16	2016/17	
<b>1. Policy and Planning</b>						
1.1 To develop provincial legislation, economic policies and strategies to achieve sustainable economic development	<ul style="list-style-type: none"> <li>No. of economic strategies developed</li> <li>No. of strategies reviewed</li> </ul>	1 -	- 1	1 -	- 1	
1.2 To be the central source of economic data in the provision of customised economic information to stakeholders in the province	<ul style="list-style-type: none"> <li>No. of publications distributed to stakeholders</li> <li>No. of operational economic statistical portal</li> </ul>	6 1	6 1	6 1	6 1	

**Table 4.29 : Service delivery measures – Programme 5: Economic Planning**

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2013/14	2014/15	2015/16	2016/17	
<b>2. Research and Development</b>						
2.1 To conduct or commission macro-economic and sector research	<ul style="list-style-type: none"> <li>No. of research and development initiatives supported</li> <li>No. of research reports</li> </ul>	4	5	5	5	
2.2 To provide research on priority economic sectors	<ul style="list-style-type: none"> <li>No. of economic sector specific studies</li> </ul>	4	4	4	4	
2.3 To ensure the alignment of the activities of the DEDT to the PGDP strategic goals	<ul style="list-style-type: none"> <li>Reports on the state of compliance of the province with the PGDP goals</li> </ul>	2	2	2	2	
<b>3. Knowledge Management</b>						
3.1 Compile and produce Economic Intelligence report per district	<ul style="list-style-type: none"> <li>No. of provincial economic intelligence reports produced</li> </ul>	1	1	1	1	
3.2 To compile regular strategic reports on all departmental projects currently being implemented for the year under review	<ul style="list-style-type: none"> <li>No. of project analysis reports produced</li> <li>No. of PMIS reports submitted to senior management</li> </ul>	6	4	4	4	
<b>4. Monitoring and Evaluation</b>						
4.1 To monitor and evaluate departmental projects and strategies	<ul style="list-style-type: none"> <li>No. of monitoring reports produced</li> <li>No. of evaluation reports produced</li> </ul>	14	14	16	18	
4.2 To determine the effectiveness and impact of provincial economic development policies, strategies and programmes	<ul style="list-style-type: none"> <li>To monitor and evaluate departmental projects and strategies</li> <li>Provide M&amp;E capacity building for relevant stakeholders in the province</li> </ul>	19	21	21	21	
4.3 To provide M&E capacity building for relevant stakeholders in the province	<ul style="list-style-type: none"> <li>No. of stakeholders trained on M&amp;E</li> </ul>	60	60	60	60	

## 6.6 Programme 6: Tourism

The main purpose of this programme is to stimulate economic growth through tourism development. This programme comprises three sub-programmes, namely Tourism Sector Transformation, Tourism Planning and Tourism Growth and Development. The objectives are as follows:

- To create an enabling tourism environment through legislation, policy and strategy development.
- To create demand and supply tourism.
- To ensure sustainability and tourism sector transformation.

Tables 4.30 and 4.31 below give a summary of payments and estimates relating to Programme 6 for the period 2010/11 to 2016/17. In terms of the latest uniform budget and programme structure for the Economic Development sector, Tourism was moved from Programme 3 to become a stand-alone programme. Historical figures were restated for comparative purposes. However, it was not possible to restate figures per sub-programme, due to the lack of separate records. This programme includes transfers to KZNSB and TKZN.

The increase in 2011/12 was largely due to additional funding allocated to TKZN for the Tourism *Indaba*, promotion of the East 3 Route and the UCI/BMX events. Also included were the costs for research on shark repellent technology and for implementation of biometric access control by KZNSB, as mentioned previously.

**Table 4.30 : Summary of payments and estimates by sub-programme: Tourism**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
1. Tourism Sector Transformation	-	-	-	19 736	1 591	1 568	9 476	10 603	11 160
2. Tourism Planning	-	-	-	8 038	4 414	9 329	13 645	13 811	14 489
3. Tourism Growth and Development	118 904	164 485	286 920	155 379	308 451	390 118	263 552	249 356	261 941
<b>Total</b>	<b>118 904</b>	<b>164 485</b>	<b>286 920</b>	<b>183 153</b>	<b>314 456</b>	<b>401 015</b>	<b>286 673</b>	<b>273 770</b>	<b>287 590</b>

Table 4.31 : Summary of payments and estimates by economic classification: Tourism

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Current payments</b>	<b>21 518</b>	<b>33 755</b>	<b>88 307</b>	<b>42 531</b>	<b>134 880</b>	<b>213 059</b>	<b>111 855</b>	<b>93 845</b>	<b>100 283</b>
Compensation of employees	4 895	4 727	7 066	10 942	10 004	9 097	16 715	17 435	20 899
Goods and services	16 623	29 028	81 241	31 589	124 876	203 962	95 140	76 410	79 384
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>96 995</b>	<b>130 715</b>	<b>198 566</b>	<b>140 397</b>	<b>179 576</b>	<b>187 896</b>	<b>174 818</b>	<b>179 925</b>	<b>187 307</b>
Provinces and municipalities	-	-	1 291	-	1 300	7 277	500	500	-
Departmental agencies and accounts	96 995	130 715	173 663	140 397	158 209	160 552	164 237	168 690	176 067
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	19 991	-	11 363	11 363	1 000	1 200	1 200
Non-profit institutions	-	-	3 600	-	8 700	8 700	9 081	9 535	10 040
Households	-	-	21	-	4	4	-	-	-
<b>Payments for capital assets</b>	<b>391</b>	<b>15</b>	<b>47</b>	<b>225</b>	<b>-</b>	<b>60</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	391	15	47	225	-	60	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<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>Total</b>	<b>118 904</b>	<b>164 485</b>	<b>286 920</b>	<b>183 153</b>	<b>314 456</b>	<b>401 015</b>	<b>286 673</b>	<b>273 770</b>	<b>287 590</b>

In 2012/13, once-off additional funding was received in respect of KZNSB, TKZN as well as from the Strategic Cabinet Initiatives Fund for various events, such as Volvo European Golf Championship, the BRICS Summit, among others. This explains the significant decrease in the 2013/14 Main Appropriation. The substantial growth in 2014/15 is provision for the World Amateur Golf Championship that will be held in this year, accounting for the decrease in 2015/16.

The Tourism Sector Transformation sub-programme shows a decrease in the 2013/14 Adjusted Appropriation due to reprioritisation of projects where funds were moved to offset spending pressure relating to projects, among others the Top Gear Festival, and the World Amateur Golf Championship against the sub-programme: Tourism Growth and Development, explaining the increase in 2014/15. This sub-programme shows a steady increase over the MTEF.

In the 2013/14 Adjusted Appropriation, there was a decrease against the sub-programme: Tourism Planning due to the reprioritisation of projects, and funds were moved to offset spending pressure under the Tourism Sector Transformation sub-programme. Hence, there is a sharp increase in 2014/15.

The sub-programme: Tourism Growth and Development includes transfers to KZNSB and TKZN. The sharp increase in the 2013/14 Adjusted Appropriation was due to once-off additional funding for events such as SA Women's Golf Championship, the Metro FM Awards, among others, as well as funding added to KZNSB for the purchase of land in Durban. As mentioned previously, a reprioritisation exercise was carried out in 2013/14 where funds of halted projects were moved from other programmes and categories to fund events, such as, KZN Tourism Train, Urban Music Tour, among others.

The low spending in 2010/11 and 2011/12 against *Compensation of employees* relates to delays in filling posts, and savings were reprioritised to offset pressures under *Goods and services* in this programme. The increase in 2012/13 can be ascribed to the higher than anticipated wage increase, as well as filling of vacant posts. In the 2013/14 Adjusted Appropriation, there was a slight decline due to delays in filling of posts and savings were moved within this programme to other categories, explaining sharp growth in 2014/15. The allocation over the 2014/15 MTEF grows at an inflationary rate.

The erratic trend against *Goods and services* relates to once-off additional funding in respect of various projects. The increase in 2011/12 was to fund several tourism-related projects and events such as SAIFTA, Ikhwezi lodge and Provincial Tourism Conference. The significant increase in 2012/13 relates to funding of once-off initiatives, such as the Nelson Mandela Golf Tournament, the Volvo Golf Championship, the Metro FM Awards, etc., which were allocated to the department for the hosting of these events, explaining the decrease in the 2013/14 Main Appropriation. The spike in the 2013/14 Adjusted Appropriation is

attributed to funds that were reprioritised from other programmes and categories to fund various projects, such as KZN Tourism Train and the Top Gear Festival. This category was also allocated an amount of R52.547 million from the Strategic Cabinet Initiatives Fund to host events, among others, the SA Women's Golf Championship, Amcor Dam Music Festival, among others.

The spending in 2012/13 against *Transfers and subsidies to: Provinces and municipalities* relates to the Richards Bay Breakfast and Ingoma Music Festival conducted by the Sakhisizwe Management Agency. These were held at the uThungulu and Umkhanyakude District Municipalities, respectively. The increase in the 2013/14 Adjusted Appropriation was due to transfer to the Sakhisizwe Management Agency for the Ingoma Music Festival, as well as for projects that were reclassified from *Goods and services* to this category, for the revitalisation of Alkantstrand Beach in the uMhlathuze Municipality, for the rehabilitation of South Port Beach in the Hibiscus Coast Municipality and for the Dundee July event that is held in the Umzinyathi District Municipality. The high amount in the 2013/14 Revised Estimate relates to funding for the Drakensburg Cable Car. The allocation in 2014/15 relates to rehabilitation of beaches, as well as the Dundee July event which is allocated for both 2014/15 and 2015/16.

*Transfers and subsidies to: Departmental agencies and accounts* consists of transfers to TKZN and KZNSB under the Tourism Growth and Development sub-programme. The significant increase in 2011/12 relates to increased transfers to KZNSB to provide for critical repairs to the roof of the entity's headquarters, to investigate more environmentally friendly shark repellent technology and to fill critical vacancies in its SCM unit. The substantial increase in 2012/13 relates to increased capital requirements of KZNSB, such as replacement of boats, outboard motors and vehicles, as well as projects under TKZN, such as the KZN Summer Festival Campaign and East 3 Route. This explains the decrease in 2013/14. In the 2013/14 Adjusted Appropriation, funds for some projects were reclassified from *Goods and services* to this category. Included were funds transferred to EKZNW for the Ingodini Border Caves and for the Ntsikeni and May Lodge in the Ntsikeni Reserve. The funding for the following projects was also moved from *Goods and services* to TKZN, to administer these projects namely, the KZN Convention Bureau Bid Fund, Tourism *Indaba*, Tourism Master Plan launch, and the KZN Summer Festival Campaign. KZNSB was allocated once-off additional funding for the purchase of land for erecting new offices, as explained earlier. The budget over the 2014/15 MTEF includes the carry-through allocation for KZNSB for the MCOE operational costs. This category shows a steady increase over the MTEF.

Transfers in 2012/13 against *Transfers and subsidies to: Public corporations and private enterprises* consist of a number of once-off funds transferred to private enterprises relating to partnership agreements with Umthayi Marula Festival, King Shaka Fashion Festival, Durban Beach Festival and Midmar Music Festival. There is no allocation in the 2013/14 Main Appropriation, with funds provided again in the 2013/14 Adjusted Appropriation for events such as the uMphithi Spring Music Festival, Umlazi Festival and Expo, Urban Music Tour and the SMME Conference.

*Transfers and subsidies to: Non-profit institutions* includes the carry-through allocation in respect of Cycling SA and the Tourism Enterprise Partnership, as explained previously.

*Transfers and subsidies to: Households* relates to staff exit costs.

The high spending in 2010/11 against *Machinery and equipment* was mainly due to capital equipment for the new offices, when the tourism function was transferred to the department from the Department of Arts and Culture. In 2013/14, savings due to cost-cutting were moved from this programme under *Machinery and equipment* to Programme 1 under *Software and other intangible assets* to offset spending pressures relating to server licence. No provision is made for this category over the 2014/15 MTEF.

## **Service delivery measures – Programme 6: Tourism**

Table 4.32 illustrates the main service delivery measures pertaining to Programme 6: Tourism which are standardised in terms of the sector.

Table 4.32 : Service delivery measures – Programme: Tourism

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2013/14	2014/15	2015/16	2016/17	
<b>1. Tourism Sector Transformation</b>						
1.1 To transform the tourism industry and achieve high levels of sector compliance	• No. of tourism businesses complying with tourism sector codes	50	45	50	50	
1.2 To develop and implement integrated mechanism that ensures people development and service excellent in the tourism sector	• No. of service excellence initiatives designed and implemented	2	2	2	2	
1.3 To develop and implement integrated mechanism that ensure people development in the sector	• No. of people trained and developed in tourism	5 716	2 000	2 000	2 000	
<b>2. Tourism Planning</b>						
2.1 To create conducive conditions for sustainable growth and development	• No. of tourism collaborative structures established and sustained	4	8	8	8	
2.2 To promote responsible tourism practices and champion tourism's response to climate change	• No. of tourism research, policies, strategies, and frameworks identified and developed	6	6	9	9	
<b>3. Tourism Growth and Development</b>						
3.1 To develop and fund the implementation of sector specific project and niche products	• No. of niche tourism products developed • No. of strategic linkages facilitated	4 1	5 1	5 2	5 2	
3.2 To promote planning and development that is sensitive to the environment and communities	• No. of responsible tourism programmes initiated	1	2	2	2	
3.3 To register tourism business and tourist guides in the province to ensure compliance	• No. of individuals/businesses complying with legislation	400	500	600	650	

## 7. Other programme information

### 7.1 Personnel numbers and costs

Tables 4.33 and 4.34 show the approved personnel establishment per programme, the total personnel costs of the department and provides details of the personnel numbers and costs. As Table 4.34 shows, the department employs only full-time personnel, and does not expect any fluctuations over the MTEF.

The decrease in 2012/13 against Programme 4 in staff numbers is due to all the Liquor Regulation staff being transferred to KZNLA. The unit cost from 2010/11 relates to the effect of the 2010 wage agreement, as well as high level appointments in Programme 1, in 2012/13. The lower unit costs in 2013/14 are based on the higher projected staffing numbers, but this will not materialise due to the moratorium on the filling of posts. Savings were moved during the 2013/14 Adjustments Estimate to offset pressures against *Goods and services*. It is noted that the department is projecting to under spend its budget under *Compensation of employees* in 2013/14, due a lack of suitably qualified candidates.

Provision was made for the filling of all vacant posts in terms of the organisational structure. However, if the moratorium on the filling of non-critical posts is not lifted, these funds may be reallocated in the Adjustments Estimate process, accounting for low numbers in 2014/15.

Table 4.33 : Personnel numbers and costs by programme

Personnel numbers	As at 31 March 2011	As at 31 March 2012	As at 31 March 2013	As at 31 March 2014	As at 31 March 2015	As at 31 March 2016	As at 31 March 2017
1. Administration	117	116	125	172	172	172	172
2. Integrated Economic Development Services	92	92	90	115	115	115	115
3. Trade and Sector Development	24	25	12	25	25	25	25
4. Business Regulation and Governance	45	45	31	33	33	33	33
5. Economic Planning	10	9	17	25	25	25	25
6. Tourism	15	14	22	21	21	21	21
<b>Total</b>	<b>303</b>	<b>301</b>	<b>297</b>	<b>391</b>	<b>391</b>	<b>391</b>	<b>391</b>
Total personnel cost (R thousand)	118 136	121 912	130 820	149 687	180 910	202 224	217 296
Unit cost (R thousand)	390	405	440	383	463	517	556

**Table 4.34 : Summary of departmental personnel numbers and costs by component**

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Total for the department</b>									
Personnel numbers (head count)	303	301	297	391	391	391	391	391	391
Personnel cost (R thousands)	118 136	121 912	130 820	172 109	157 359	149 687	180 910	202 224	217 296
<b>Human resources component</b>									
Personnel numbers (head count)	26	29	29	29	29	29	29	29	29
Personnel cost (R thousands)	7 090	10 251	11 557	12 319	12 319	12 319	13 107	13 946	14 825
Head count as % of total for department	8.58	9.63	9.76	7.42	7.42	7.42	7.42	7.42	7.42
Personnel cost as % of total for department	6.00	8.41	8.83	7.16	7.83	8.23	7.25	6.90	6.82
<b>Finance component</b>									
Personnel numbers (head count)	20	25	25	25	25	25	25	25	25
Personnel cost (R thousands)	5 245	7 434	7 976	8 502	8 502	8 502	9 046	9 625	10 231
Head count as % of total for department	6.60	8.31	8.42	6.39	6.39	6.39	6.39	6.39	6.39
Personnel cost as % of total for department	4.44	6.10	6.10	4.94	5.40	5.68	5.00	4.76	4.71
<b>Full time workers</b>									
Personnel numbers (head count)	303	301	297	391	391	391	391	391	391
Personnel cost (R thousands)	118 136	121 912	130 820	172 109	157 359	149 687	180 910	202 224	217 296
Head count as % of total for department	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Personnel cost as % of total for department	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
<b>Part-time workers</b>									
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Personnel cost (R thousands)	-	-	-	-	-	-	-	-	-
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-
<b>Contract workers</b>									
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Personnel cost (R thousands)	-	-	-	-	-	-	-	-	-
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-

## 7.2 Training

Table 4.35 below reflects the payments and estimates on training for the seven-year period. The bulk of the training budget is centralised under Programme 1. This was done to exercise control over the quality and accreditation of training courses attended by departmental officials. This explains the large allocation for training expenditure under Programme 1 from 2010/11. The substantial increase in 2011/12 against Programme 2 relates to the external bursaries budget transferred to OTP, as mentioned previously.

**Table 4.35 : Payments on training by programme**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>1. Administration</b>	<b>866</b>	<b>894</b>	<b>208</b>	<b>1 000</b>	<b>1 000</b>	<b>1 000</b>	<b>1 030</b>	<b>1 046</b>	<b>1 101</b>
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	866	894	208	1 000	1 000	1 000	1 030	1 046	1 101
Other	-	-	-	-	-	-	-	-	-
<b>2. Integrated Economic Development Services</b>	<b>-</b>	<b>13 427</b>	<b>13 509</b>	<b>-</b>	<b>13 599</b>	<b>13 599</b>	<b>14 405</b>	<b>15 024</b>	<b>15 820</b>
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	13 427	13 509	-	13 599	13 599	14 405	15 024	15 820
Other	-	-	-	-	-	-	-	-	-
<b>3. Trade and Sector Development</b>	<b>-</b>	<b>-</b>	<b>78</b>	<b>1 370</b>	<b>690</b>	<b>665</b>	<b>1 339</b>	<b>1 360</b>	<b>1 432</b>
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	78	1 370	690	665	1 339	1 360	1 432
Other	-	-	-	-	-	-	-	-	-
<b>4. Business Regulation and Governance</b>	<b>-</b>	<b>14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	14	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>5. Economic Planning</b>	<b>-</b>	<b>15</b>	<b>-</b>	<b>40</b>	<b>20</b>	<b>20</b>	<b>120</b>	<b>126</b>	<b>133</b>
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	15	-	40	20	20	120	126	133
Other	-	-	-	-	-	-	-	-	-
<b>6. Tourism</b>	<b>-</b>	<b>-</b>	<b>451</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Subsistence and travel	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	451	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>866</b>	<b>14 350</b>	<b>14 246</b>	<b>2 410</b>	<b>15 309</b>	<b>15 284</b>	<b>16 894</b>	<b>17 556</b>	<b>18 486</b>

Table 4.36 provides further information on training analysed into gender and type of training for the seven-year period.

**Table 4.36 : Information on training: Economic Development and Tourism**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Number of staff	303	301	297	391	391	391	391	391	391
Number of personnel trained	121	121	121	337	337	337	346	346	346
of which									
Male	50	50	50	107	107	107	137	137	137
Female	71	71	71	230	230	230	209	209	209
Number of training opportunities	14	14	14	90	90	90	90	90	90
of which									
Tertiary	1	1	1	30	30	30	30	30	30
Workshops	1	1	1	40	40	40	40	40	40
Seminars	-	-	-	20	20	20	20	20	20
Other	12	12	12	-	-	-	-	-	-
Number of bursaries offered	12	12	12	53	53	53	56	56	56
Number of interns appointed	36	36	36	36	36	36	38	38	38
Number of learnerships appointed	-	-	-	20	20	20	21	21	21
Number of days spent on training	290	290	290	200	200	200	211	211	211





# ANNEXURE – VOTE 4: ECONOMIC DEVELOPMENT AND TOURISM

Table 4.A : Details of departmental receipts: Economic Development and Tourism

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Tax receipts</b>	<b>5 023</b>	<b>465</b>	<b>4 927</b>	<b>5 727</b>	<b>5 727</b>	<b>5 650</b>	<b>6 015</b>	<b>6 292</b>	<b>6 625</b>
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	5 023	465	4 927	5 727	5 727	5 650	6 015	6 292	6 625
Motor vehicle licences	-	-	-	-	-	-	-	-	-
<b>Sale of goods and services other than capital assets</b>	<b>113</b>	<b>223</b>	<b>233</b>	<b>159</b>	<b>159</b>	<b>299</b>	<b>168</b>	<b>176</b>	<b>185</b>
Sale of goods and services produced by dept. (excl. capital assets)	-	-	-	-	-	-	168	176	185
Sales by market establishments	-	-	-	-	-	-	168	176	185
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	-	-	-	-	-	-	-	-	-
Sale of scrap, waste, arms and other used current goods (excl. capital assets)	113	223	233	159	159	299	-	-	-
<b>Transfers received from:</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>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Interest, dividends and rent on land</b>	<b>-</b>	<b>-</b>	<b>16</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>6</b>
Interest	-	-	-	-	-	4	4	5	6
Dividends	-	-	16	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Sale of capital assets</b>	<b>350</b>	<b>304</b>	<b>411</b>	<b>-</b>	<b>-</b>	<b>68</b>	<b>-</b>	<b>-</b>	<b>-</b>
Land and sub-soil assets	350	304	411	-	-	-	-	-	-
Other capital assets	-	-	-	-	-	68	-	-	-
<b>Transactions in financial assets and liabilities</b>	<b>100 008</b>	<b>301</b>	<b>4 870</b>	<b>46</b>	<b>46</b>	<b>460</b>	<b>49</b>	<b>51</b>	<b>54</b>
<b>Total</b>	<b>105 494</b>	<b>1 293</b>	<b>10 457</b>	<b>5 932</b>	<b>5 932</b>	<b>6 481</b>	<b>6 236</b>	<b>6 524</b>	<b>6 870</b>

Table 4.B : Payments and estimates by economic classification: Economic Development and Tourism

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
<b>Current payments</b>	<b>417 435</b>	<b>471 540</b>	<b>535 438</b>	<b>578 208</b>	<b>592 750</b>	<b>708 518</b>	<b>559 025</b>	<b>595 971</b>	<b>635 144</b>
Compensation of employees	118 136	121 912	130 820	172 109	157 359	149 687	180 910	202 224	217 296
Salaries and wages	101 311	107 864	116 094	148 055	137 931	132 893	156 973	174 994	188 366
Social contributions	16 825	14 048	14 726	24 054	19 428	16 794	23 937	27 230	28 930
Goods and services	299 299	349 628	404 618	406 099	435 391	558 831	378 115	393 747	417 848
Administrative fees	601	585	581	812	266	552	171	147	155
Advertising	13 238	13 519	10 425	11 512	12 971	19 334	7 166	6 472	6 748
Assets less than the capitalisation threshold	793	746	626	1 901	1 467	1 461	1 202	1 254	1 320
Audit cost: External	1 743	2 504	2 279	2 680	2 493	2 623	2 638	2 752	2 898
Bursaries: Employees	321	311	156	1 600	1 252	878	620	647	681
Catering: Departmental activities	1 020	8 497	3 332	4 685	4 346	3 669	7 067	7 372	7 765
Communication (G&S)	7 911	7 722	8 178	11 650	7 748	7 755	10 709	11 176	11 767
Computer services	9 382	9 164	13 727	11 375	10 957	14 348	14 261	14 874	15 662
Cons & prof serv: Business and advisory services	194 661	161 928	194 920	245 195	269 126	339 699	206 802	204 427	219 057
Cons & prof serv: Infras and planning	-	-	225	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	218	876	1 069	1 144	2 812	2 613	2 160	2 254	2 373
Contractors	6 411	30 159	68 424	10 353	35 640	65 086	14 599	26 550	27 405
Agency and support / outsourced services	2	18	356	-	-	-	-	-	-
Entertainment	-	4	-	235	120	65	15	16	17
Fleet services (incl. govt motor transport)	597	1 477	1 578	1 910	1 429	1 469	1 500	1 620	1 764
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	66	91	52	105	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	3	11	94	-	-	-	-	-	-
Inventory: Materials and supplies	149	80	76	655	-	-	-	-	-
Inventory: Medical supplies	7	9	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	32	92	446	119	799	681	681	708	745
Consumable: Stationery, printing and office supplies	2 348	2 551	2 130	2 048	2 183	2 305	2 716	3 108	3 273
Operating leases	22 359	24 915	24 803	26 902	25 670	25 658	26 600	27 744	29 214
Property payments	7 646	8 755	11 005	14 282	11 471	12 501	14 780	15 419	16 236
Transport provided: Departmental activity	45	2 938	892	832	638	999	2 057	2 147	2 261
Travel and subsistence	20 294	25 709	22 927	30 030	26 435	28 839	34 815	36 353	38 278
Training and development	866	14 350	14 246	2 470	1 459	1 238	2 459	2 529	2 663
Operating payments	3 881	10 866	4 904	10 963	3 204	2 466	6 548	6 830	7 193
Venues and facilities	4 705	19 882	14 898	11 171	11 115	21 247	16 249	16 949	17 847
Rental and hiring	-	1 869	2 269	1 470	1 790	3 345	2 300	2 399	2 526
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>1 192 644</b>	<b>1 058 880</b>	<b>1 142 429</b>	<b>1 255 314</b>	<b>1 377 456</b>	<b>1 394 004</b>	<b>1 383 799</b>	<b>1 439 377</b>	<b>1 465 542</b>
Provinces and municipalities	106	14	4 292	2 412	3 769	9 746	520	531	33
Provinces	106	14	21	28	54	54	20	31	33
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	106	14	21	28	54	54	20	31	33
Municipalities	-	-	4 271	2 384	3 715	9 692	500	500	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	4 271	2 384	3 715	9 692	500	500	-
Departmental agencies and accounts	680 408	641 555	686 723	826 959	853 271	858 963	949 236	958 164	1 007 024
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	680 408	641 555	686 723	826 959	853 271	858 963	949 236	958 164	1 007 024
Higher education institutions	-	-	-	-	2 780	2 780	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	436 975	339 636	332 109	345 164	343 913	343 913	254 170	297 147	260 907
Public corporations	436 975	339 636	312 118	345 164	325 164	325 164	253 170	295 947	259 707
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	436 975	339 636	312 118	345 164	325 164	325 164	253 170	295 947	259 707
Private enterprises	-	-	19 991	-	18 749	18 749	1 000	1 200	1 200
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	19 991	-	18 749	18 749	1 000	1 200	1 200
Non-profit institutions	75 019	67 036	112 078	80 779	160 085	164 951	165 468	168 511	181 758
Households	136	10 639	7 227	-	13 638	13 651	14 405	15 024	15 820
Social benefits	106	525	337	-	39	52	-	-	-
Other transfers to households	30	10 114	6 890	-	13 599	13 599	14 405	15 024	15 820
<b>Payments for capital assets</b>	<b>13 469</b>	<b>3 746</b>	<b>2 996</b>	<b>3 493</b>	<b>9 645</b>	<b>5 119</b>	<b>4 116</b>	<b>1 843</b>	<b>1 941</b>
Buildings and other fixed structures	741	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	741	-	-	-	-	-	-	-	-
Machinery and equipment	5 978	3 363	2 869	3 441	9 148	4 723	3 316	1 843	1 941
Transport equipment	-	-	1 149	-	1 452	1 810	650	-	-
Other machinery and equipment	5 978	3 363	1 720	3 441	7 696	2 913	2 666	1 843	1 941
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	6 750	383	127	52	497	396	800	-	-
<b>Payments for financial assets</b>	<b>763</b>	<b>2</b>	<b>4 985</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 624 311</b>	<b>1 534 168</b>	<b>1 685 848</b>	<b>1 837 015</b>	<b>1 979 851</b>	<b>2 107 641</b>	<b>1 946 940</b>	<b>2 037 191</b>	<b>2 102 627</b>

Table 4.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Current payments</b>	<b>168 208</b>	<b>205 975</b>	<b>209 518</b>	<b>191 065</b>	<b>213 773</b>	<b>236 039</b>	<b>191 813</b>	<b>208 295</b>	<b>219 174</b>
Compensation of employees	49 415	49 262	54 090	71 601	63 163	62 040	70 685	81 059	86 154
Salaries and wages	42 172	43 401	47 722	61 425	55 771	54 775	60 943	69 539	73 919
Social contributions	7 243	5 861	6 368	10 176	7 392	7 265	9 742	11 520	12 235
Goods and services	118 793	156 713	155 428	119 464	150 610	173 999	121 128	127 236	133 020
Administrative fees	368	208	290	-	85	138	80	52	55
Advertising	10 055	8 431	5 930	9 022	9 280	15 614	2 747	1 816	1 844
Assets less than the capitalisation threshold	252	409	312	378	413	401	319	333	351
Audit cost: External	1 695	2 468	2 253	2 580	2 393	2 523	2 598	2 710	2 854
Bursaries: Employees	333	319	156	1 200	1 052	778	600	626	659
Catering: Departmental activities	624	7 233	2 412	1 703	1 922	326	1 958	2 042	2 151
Communication (G&S)	6 262	5 733	6 622	8 574	6 440	6 549	8 543	8 915	9 386
Computer services	9 140	8 641	11 674	11 277	10 191	13 326	14 054	14 658	15 435
Cons & prof serv: Business and advisory services	36 058	30 520	39 590	16 413	47 900	58 897	13 318	14 346	14 710
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	218	809	998	244	1 135	1 254	2 160	2 254	2 373
Contractors	5 856	23 521	30 628	1 993	12 255	14 011	5 679	7 347	7 183
Agency and support / outsourced services	2	15	332	-	-	-	-	-	-
Entertainment	-	4	-	235	120	65	15	16	17
Fleet services (incl. govt motor transport)	597	1 477	1 578	1 910	1 429	1 469	1 500	1 620	1 764
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	37	47	20	78	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	3	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	142	25	76	100	-	-	-	-	-
Inventory: Medical supplies	7	9	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	29	15	43	8	195	181	139	145	153
Consumable: Stationery, printing and office supplies	1 508	1 706	1 350	1 060	1 093	1 381	1 897	1 979	2 084
Operating leases	22 092	24 426	24 447	26 902	25 641	25 658	26 600	27 744	29 214
Property payments	7 620	8 570	10 822	14 282	11 407	12 437	14 780	15 419	16 236
Transport provided: Departmental activity	45	2 394	477	592	307	155	907	947	997
Travel and subsistence	10 809	10 899	9 810	13 552	12 068	14 344	15 084	15 764	16 600
Training and development	866	894	208	1 000	689	553	900	939	989
Operating payments	2 335	4 253	1 524	2 991	1 605	949	1 166	1 216	1 281
Venues and facilities	1 840	12 481	2 551	2 370	2 461	2 460	3 784	3 949	4 158
Rental and hiring	-	1 206	1 325	1 000	529	530	2 300	2 399	2 526
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>346</b>	<b>499</b>	<b>795</b>	<b>28</b>	<b>65</b>	<b>65</b>	<b>20</b>	<b>31</b>	<b>33</b>
Provinces and municipalities	106	14	21	28	54	54	20	31	33
Provinces	106	14	21	28	54	54	20	31	33
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	106	14	21	28	54	54	20	31	33
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	242	24	-	-	-	-	-	-	-
Households	(2)	461	774	-	11	11	-	-	-
Social benefits	(2)	461	153	-	11	11	-	-	-
Other transfers to households	-	-	621	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>12 349</b>	<b>3 118</b>	<b>2 152</b>	<b>2 812</b>	<b>9 109</b>	<b>4 271</b>	<b>3 043</b>	<b>1 471</b>	<b>1 549</b>
Buildings and other fixed structures	741	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	741	-	-	-	-	-	-	-	-
Machinery and equipment	4 885	2 735	2 143	2 760	8 712	3 874	3 043	1 471	1 549
Transport equipment	-	-	1 149	-	1 452	1 810	650	-	-
Other machinery and equipment	4 885	2 735	994	2 760	7 260	2 064	2 393	1 471	1 549
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	6 723	383	9	52	397	397	-	-	-
<b>Payments for financial assets</b>	<b>763</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>181 666</b>	<b>209 594</b>	<b>212 465</b>	<b>193 905</b>	<b>222 947</b>	<b>240 375</b>	<b>194 876</b>	<b>209 797</b>	<b>220 756</b>

Table 4.D : Payments and estimates by economic classification: Integrated Economic Development Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Current payments</b>	<b>140 021</b>	<b>136 258</b>	<b>142 674</b>	<b>208 583</b>	<b>126 123</b>	<b>154 894</b>	<b>147 021</b>	<b>167 300</b>	<b>188 907</b>
Compensation of employees	35 697	37 454	39 437	53 829	47 379	45 982	56 646	60 938	64 777
Salaries and wages	30 521	33 298	35 126	46 494	41 311	41 053	49 473	52 635	55 951
Social contributions	5 176	4 156	4 311	7 335	6 068	4 929	7 173	8 303	8 826
Goods and services	104 324	98 804	103 237	154 754	78 744	108 912	90 375	106 362	124 130
Administrative fees	85	105	86	750	130	80	50	52	55
Advertising	265	856	473	1 030	1 241	1 412	960	1 001	1 054
Assets less than the capitalisation threshold	79	179	86	81	105	110	184	192	202
Audit cost: External	48	36	26	100	100	100	40	42	44
Bursaries: Employees	(10)	(6)	-	-	-	-	20	21	22
Catering: Departmental activities	234	235	200	1 105	871	1 390	2 505	2 613	2 751
Communication (G&S)	1 085	1 067	803	1 300	774	731	1 240	1 294	1 362
Computer services	-	22	96	98	172	186	-	-	-
Cons & prof serv: Business and advisory services	96 225	68 686	75 546	120 939	49 332	68 419	60 445	65 244	80 832
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	47	1	-	793	417	-	-	-
Contractors	381	1 550	309	7 700	12 679	12 384	1 470	11 433	12 040
Agency and support / outsourced services	-	-	3	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	10	15	7	10	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	4	10	-	5	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	2	33	259	103	128	124	100	104	110
Consumable: Stationery, printing and office supplies	73	80	129	493	444	282	172	180	190
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	183	-	64	64	-	-	-
Transport provided: Departmental activity	-	261	70	-	211	531	100	104	110
Travel and subsistence	4 815	7 260	6 278	10 585	7 273	6 671	10 186	10 624	11 187
Training and development	-	13 427	13 509	60	60	60	100	104	110
Operating payments	496	1 234	260	6 074	1 122	638	2 598	2 710	2 853
Venues and facilities	532	3 651	4 613	4 271	2 754	13 286	10 205	10 644	11 208
Rental and hiring	-	56	300	50	491	2 027	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>280 030</b>	<b>291 098</b>	<b>259 294</b>	<b>287 384</b>	<b>424 180</b>	<b>424 180</b>	<b>294 405</b>	<b>295 024</b>	<b>295 820</b>
Provinces and municipalities	-	-	2 980	2 384	2 415	2 415	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	2 980	2 384	2 415	2 415	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	2 980	2 384	2 415	2 415	-	-	-
Departmental agencies and accounts	-	970	-	-	3 000	3 000	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	970	-	-	3 000	3 000	-	-	-
Higher education institutions	-	-	-	-	2 780	2 780	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	280 000	280 000	249 500	280 000	307 386	307 386	185 000	185 000	185 000
Public corporations	280 000	280 000	249 500	280 000	300 000	300 000	185 000	185 000	185 000
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	280 000	280 000	249 500	280 000	300 000	300 000	185 000	185 000	185 000
Private enterprises	-	-	-	-	7 386	7 386	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	7 386	7 386	-	-	-
Non-profit institutions	-	-	504	5 000	95 000	95 000	95 000	95 000	95 000
Households	30	10 128	6 310	-	13 599	13 599	14 405	15 024	15 820
Social benefits	-	14	41	-	-	-	-	-	-
Other transfers to households	30	10 114	6 269	-	13 599	13 599	14 405	15 024	15 820
<b>Payments for capital assets</b>	<b>310</b>	<b>197</b>	<b>405</b>	<b>220</b>	<b>220</b>	<b>217</b>	<b>150</b>	<b>230</b>	<b>242</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	310	197	405	220	220	217	150	230	242
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	310	197	405	220	220	217	150	230	242
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>4 985</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>420 361</b>	<b>427 553</b>	<b>407 358</b>	<b>496 187</b>	<b>550 523</b>	<b>579 291</b>	<b>441 576</b>	<b>462 554</b>	<b>484 969</b>

Table 4.E : Payments and estimates by economic classification: Trade and Sector Development

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
<b>Current payments</b>	<b>51 427</b>	<b>40 318</b>	<b>46 373</b>	<b>77 793</b>	<b>69 797</b>	<b>56 855</b>	<b>45 020</b>	<b>60 013</b>	<b>52 510</b>
Compensation of employees	6 660	8 239	7 532	8 524	8 500	7 437	6 364	9 650	10 259
Salaries and wages	5 640	7 413	6 745	7 380	7 380	6 607	5 511	8 355	8 882
Social contributions	1 020	826	787	1 144	1 120	830	853	1 295	1 377
<b>Goods and services</b>	<b>44 767</b>	<b>32 079</b>	<b>38 841</b>	<b>69 269</b>	<b>61 297</b>	<b>49 418</b>	<b>38 656</b>	<b>50 363</b>	<b>42 251</b>
Administrative fees	29	13	23	50	50	295	40	42	44
Advertising	1 143	374	1 358	380	1 236	1 306	609	682	719
Assets less than the capitalisation threshold	8	4	11	1 397	936	922	38	40	42
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	(2)	(2)	-	400	200	100	-	-	-
Catering: Departmental activities	20	51	55	120	83	55	-	-	-
Communication (G&S)	242	308	192	200	214	178	240	251	264
Computer services	171	3	87	-	579	579	-	-	-
Cons & prof serv: Business and advisory services	41 786	26 672	31 587	62 593	50 655	27 950	34 901	46 479	38 163
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	150	134	161	-	-	-
Contractors	29	1 383	656	-	912	11 578	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	2	-	3	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1	19	42	-	303	303	12	12	12
Consumable: Stationery, printing and office supplies	3	3	13	80	44	23	12	12	12
Operating leases	267	489	356	-	-	-	-	-	-
Property payments	26	185	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	886	1 706	1 615	1 370	2 308	2 562	1 421	1 439	1 515
Training and development	-	-	78	1 370	690	605	1 339	1 360	1 432
Operating payments	29	564	55	259	199	150	44	46	48
Venues and facilities	127	227	2 653	800	2 704	2 651	-	-	-
Rental and hiring	-	80	57	100	50	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>815 244</b>	<b>636 518</b>	<b>628 047</b>	<b>783 585</b>	<b>729 715</b>	<b>737 930</b>	<b>837 274</b>	<b>911 183</b>	<b>926 336</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	583 413	509 870	457 361	642 642	648 142	651 491	707 717	736 260	774 911
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	583 413	509 870	457 361	642 642	648 142	651 491	707 717	736 260	774 911
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	156 975	59 636	62 618	65 164	25 164	25 164	68 170	110 947	74 707
Public corporations	156 975	59 636	62 618	65 164	25 164	25 164	68 170	110 947	74 707
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	156 975	59 636	62 618	65 164	25 164	25 164	68 170	110 947	74 707
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	74 777	67 012	107 974	75 779	56 385	61 251	61 387	63 976	76 718
Households	79	-	94	-	24	24	-	-	-
Social benefits	79	-	94	-	24	24	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>56</b>	<b>85</b>	<b>47</b>	<b>50</b>	<b>20</b>	<b>400</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	56	85	47	50	20	400	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	56	85	47	50	20	400	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<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>Total</b>	<b>866 727</b>	<b>676 921</b>	<b>674 467</b>	<b>861 428</b>	<b>799 532</b>	<b>795 185</b>	<b>882 294</b>	<b>971 196</b>	<b>978 846</b>

Table 4.F : Payments and estimates by economic classification: Business Regulation and Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Current payments</b>	<b>24 640</b>	<b>37 169</b>	<b>30 252</b>	<b>28 510</b>	<b>25 851</b>	<b>25 309</b>	<b>32 955</b>	<b>33 943</b>	<b>40 182</b>
Compensation of employees	14 287	15 622	15 152	14 599	15 699	14 634	17 248	18 861	20 026
Salaries and wages	12 030	13 578	13 266	12 519	13 622	12 770	15 124	16 506	17 523
Social contributions	2 257	2 044	1 886	2 080	2 077	1 864	2 124	2 355	2 503
Goods and services	10 353	21 547	15 100	13 911	10 152	10 675	15 707	15 082	20 156
Administrative fees	90	212	182	-	1	9	-	-	-
Advertising	1 624	3 651	2 528	820	1 051	678	2 360	2 462	2 593
Assets less than the capitalisation threshold	112	94	155	10	-	2	461	481	506
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	100	848	627	1 507	1 251	1 214	1 694	1 767	1 861
Communication (G&S)	136	439	421	1 348	172	160	234	244	257
Computer services	4	428	1 778	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	3 983	7 450	8 278	4 355	2 273	2 874	5 574	4 512	9 026
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	20	70	750	750	781	-	-	-
Contractors	145	1 254	(4 636)	560	493	607	-	-	-
Agency and support / outsourced services	-	3	21	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	5	8	8	2	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	3	37	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	1	101	-	8	43	12	12	12
Consumable: Stationery, printing and office supplies	401	379	242	10	40	96	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	79	115	240	120	253	800	835	879
Travel and subsistence	1 995	2 878	2 269	1 589	1 850	1 899	3 672	3 830	4 033
Training and development	-	14	-	-	-	-	-	-	-
Operating payments	203	1 801	1 222	180	123	301	410	428	451
Venues and facilities	1 552	1 424	1 151	2 240	1 327	997	490	511	538
Rental and hiring	-	527	568	300	693	761	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>55 724</b>	<b>43 920</b>	<b>43 920</b>	<b>43 933</b>	<b>77 282</b>	<b>53 214</b>	<b>56 046</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	55 699	43 920	43 920	43 920	77 282	53 214	56 046
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	55 699	43 920	43 920	43 920	77 282	53 214	56 046
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	-	-	25	-	-	13	-	-	-
Social benefits	-	-	25	-	-	13	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>236</b>	<b>144</b>	<b>116</b>	<b>136</b>	<b>117</b>	<b>95</b>	<b>123</b>	<b>142</b>	<b>150</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	230	144	116	136	117	95	123	142	150
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	230	144	116	136	117	95	123	142	150
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	6	-	-	-	-	-	-	-	-
<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>Total</b>	<b>24 876</b>	<b>37 313</b>	<b>86 092</b>	<b>72 566</b>	<b>69 888</b>	<b>69 337</b>	<b>110 360</b>	<b>87 299</b>	<b>96 378</b>

Table 4.G : Payments and estimates by economic classification: Economic Planning

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Current payments</b>	<b>11 621</b>	<b>18 065</b>	<b>18 314</b>	<b>29 726</b>	<b>22 326</b>	<b>22 362</b>	<b>30 361</b>	<b>32 575</b>	<b>34 088</b>
Compensation of employees	7 182	6 608	7 543	12 614	12 614	10 497	13 252	14 281	15 181
Salaries and wages	6 593	6 057	6 849	10 881	10 881	9 458	11 436	12 319	13 100
Social contributions	589	551	694	1 733	1 733	1 039	1 816	1 962	2 081
Goods and services	4 439	11 457	10 771	17 112	9 712	11 865	17 109	18 294	18 907
Administrative fees	16	12	-	12	-	30	1	1	1
Advertising	44	11	51	80	35	13	60	63	66
Assets less than the capitalisation threshold	16	53	57	35	13	26	200	208	219
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	7	3	3	45	55	54	100	105	111
Communication (G&S)	123	121	93	228	129	109	206	214	225
Computer services	67	70	92	-	15	257	207	216	227
Cons & prof serv: Business and advisory services	2 619	6 866	5 489	12 621	6 302	7 644	10 860	11 449	11 703
Cons & prof serv: Infras and planning	-	-	225	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	-	1	-	1	1	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	8	17	14	15	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	11	94	-	-	-	-	-	-
Inventory: Materials and supplies	-	8	-	550	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	4	1	8	165	30	318	331	348
Consumable: Stationery, printing and office supplies	305	327	383	405	506	485	535	833	877
Operating leases	-	-	-	-	29	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	457	1 120	1 091	1 134	1 623	2 000	2 052	2 193	2 308
Training and development	-	15	-	40	20	20	120	126	132
Operating payments	592	2 118	1 799	549	-	376	1 480	1 544	1 626
Venues and facilities	185	701	1 378	1 390	819	820	970	1 011	1 064
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>29</b>	<b>50</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</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	29	50	3	-	-	-	-	-	-
Social benefits	29	50	3	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>127</b>	<b>187</b>	<b>229</b>	<b>50</b>	<b>179</b>	<b>76</b>	<b>800</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	106	187	111	50	79	77	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	106	187	111	50	79	77	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	21	-	118	-	100	(1)	800	-	-
<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>Total</b>	<b>11 777</b>	<b>18 302</b>	<b>18 546</b>	<b>29 776</b>	<b>22 505</b>	<b>22 438</b>	<b>31 161</b>	<b>32 575</b>	<b>34 088</b>

Table 4.H : Payments and estimates by economic classification: Tourism

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>Current payments</b>	<b>21 518</b>	<b>33 755</b>	<b>88 307</b>	<b>42 531</b>	<b>134 880</b>	<b>213 059</b>	<b>111 855</b>	<b>93 845</b>	<b>100 283</b>
Compensation of employees	4 895	4 727	7 066	10 942	10 004	9 097	16 715	17 435	20 899
Salaries and wages	4 355	4 117	6 386	9 356	8 966	8 230	14 486	15 640	18 991
Social contributions	540	610	680	1 586	1 038	867	2 229	1 795	1 908
Goods and services	16 623	29 028	81 241	31 589	124 876	203 962	95 140	76 410	79 384
Administrative fees	13	35	-	-	-	-	-	-	-
Advertising	107	196	85	180	128	311	430	448	472
Assets less than the capitalisation threshold	326	7	5	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	35	127	35	205	164	630	810	845	891
Communication (G&S)	63	54	47	-	19	28	246	258	273
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	13 990	21 734	34 430	28 274	112 664	173 915	81 704	62 397	64 623
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	2 451	41 466	100	9 300	26 505	7 450	7 770	8 182
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	4	4	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	20	-	-	-	-	100	104	110
Consumable: Stationery, printing and office supplies	58	56	13	-	56	38	100	104	110
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	204	230	-	-	60	250	261	275
Travel and subsistence	1 332	1 846	1 864	1 800	1 313	1 363	2 400	2 503	2 635
Training and development	-	-	451	-	-	-	-	-	-
Operating payments	226	896	44	910	155	52	850	886	934
Venues and facilities	469	1 398	2 552	100	1 050	1 033	800	834	879
Rental and hiring	-	-	19	20	27	27	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>96 995</b>	<b>130 715</b>	<b>198 566</b>	<b>140 397</b>	<b>179 576</b>	<b>187 896</b>	<b>174 818</b>	<b>179 925</b>	<b>187 307</b>
Provinces and municipalities	-	-	1 291	-	1 300	7 277	500	500	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	1 291	-	1 300	7 277	500	500	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	1 291	-	1 300	7 277	500	500	-
Departmental agencies and accounts	96 995	130 715	173 663	140 397	158 209	160 552	164 237	168 690	176 067
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	96 995	130 715	173 663	140 397	158 209	160 552	164 237	168 690	176 067
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	19 991	-	11 363	11 363	1 000	1 200	1 200
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	19 991	-	11 363	11 363	1 000	1 200	1 200
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	19 991	-	11 363	11 363	1 000	1 200	1 200
Non-profit institutions	-	-	3 600	-	8 700	8 700	9 081	9 535	10 040
Households	-	-	21	-	4	4	-	-	-
Social benefits	-	-	21	-	4	4	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>391</b>	<b>15</b>	<b>47</b>	<b>225</b>	<b>-</b>	<b>60</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	391	15	47	225	-	60	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	391	15	47	225	-	60	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<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>Total</b>	<b>118 904</b>	<b>164 485</b>	<b>286 920</b>	<b>183 153</b>	<b>314 456</b>	<b>401 015</b>	<b>286 673</b>	<b>273 770</b>	<b>287 590</b>



Table 4.1 : Payments and estimates by economic classification: Conditional grants - EPWP Integrated Grant for Provinces

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
<b>Current payments</b>	-	-	1 000	-	-	-	2 000	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	-	-	1 000	-	-	-	2 000	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Assets less than the capitalisation threshold	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	1 000	-	-	-	2 000	-	-
Cons & prof serv: Infras and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to</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	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	1 000	-	-	-	2 000	-	-

Table 4.J : Economic Development and Tourism - Payments of Infrastructure by category

Table 4.3 : Economic Development and Tourism - Payments of infrastructure by category															
No.	Project name	Municipality/ Region	Type of infrastructure		Project duration		Source of funding	Budget programme name	Targeted number of jobs for 2014/15	Total project cost	Expenditure to date from previous years	Total available		MTEF Forward estimates	
			School - primary/ secondary/ specialised; admin block; water; electricity; sanitation/toilet; fencing etc.	Units	Date: Start	Date: Finish						2014/15	MTEF 2015/16	MTEF 2016/17	
R thousands															
	New and replacement assets								-	-	-	-			-
	Upgrades and additions								-	-	-	-			-
	Rehabilitation, renovations and refurbishments								-	-	-	-			-
	Maintenance and repairs								-	-	-	-			-
	Infrastructure transfers - current								-	-	-	-			-
	Infrastructure transfers - capital								-	-	-	-			-
1	Richards Bay IDZ	uThungulu	Richards Bay IDZ	1	01 April 2010	31 March 2050	Equitable share	Programme 3	-	-	-	68 170		110 947	74 707
2	Dube TradePort	eThekweni	Dube TradePort	1	01 April 2006	31 March 2060	Equitable share	Programme 3	-	-	-	587 577		611 512	643 922
Total Infrastructure transfers - capital														722 459	718 629
Total Economic Development and Tourism Infrastructure												655 747	-	722 459	718 629

Table 4.K : Summary of transfers to local government

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
<b>A KZN2000 eThekweni</b>	-	-	-	-	26	26	-	-	-
<b>Total: Ugu Municipalities</b>	-	-	-	-	300	300	-	-	-
B KZN211 Vulamehlo	-	-	-	-	-	-	-	-	-
B KZN212 Umdoni	-	-	-	-	-	-	-	-	-
B KZN213 Umzumbe	-	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	-	-	-	-	-	-	-	-
B KZN215 Ezinqoleni	-	-	-	-	-	-	-	-	-
B KZN216 Hibiscus Coast	-	-	-	-	300	300	-	-	-
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: uMgungundlovu Municipalities</b>	-	-	-	-	100	100	-	-	-
B KZN221 uMshwathi	-	-	-	-	-	-	-	-	-
B KZN222 uMngeni	-	-	-	-	-	-	-	-	-
B KZN223 Mpofana	-	-	-	-	-	-	-	-	-
B KZN224 Impendle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	-	-	-	-	-	-	-	-	-
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	100	100	-	-	-
<b>Total: Uthukela Municipalities</b>	-	-	-	-	-	5 977	-	-	-
B KZN232 Emnambithi/Ladysmith	-	-	-	-	-	-	-	-	-
B KZN233 Indaka	-	-	-	-	-	-	-	-	-
B KZN234 Umtshezi	-	-	-	-	-	-	-	-	-
B KZN235 Okhahlamba	-	-	-	-	-	5 977	-	-	-
B KZN236 Imbabazane	-	-	-	-	-	-	-	-	-
C DC23 Uthukela District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Umzinyathi Municipalities</b>	-	-	-	-	500	500	500	500	-
B KZN241 Endumeni	-	-	-	-	-	-	-	-	-
B KZN242 Nqutu	-	-	-	-	-	-	-	-	-
B KZN244 Msinga	-	-	-	-	-	-	-	-	-
B KZN245 Umvoti	-	-	-	-	-	-	-	-	-
C DC24 Umzinyathi District Municipality	-	-	-	-	500	500	500	500	-
<b>Total: Amajuba Municipalities</b>	100	-	-	-	-	-	-	-	-
B KZN252 Newcastle	100	-	-	-	-	-	-	-	-
B KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Zululand Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN261 eDumbe	-	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 Abaqulusi	-	-	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	-	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Umkhanyakude Municipalities</b>	-	-	981	-	-	-	-	-	-
B KZN271 Umhlabuyalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN273 The Big 5 False Bay	-	-	-	-	-	-	-	-	-
B KZN274 Hlabisa	-	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	-	-	-	-	-	-	-	-	-
C DC27 Umkhanyakude District Municipality	-	-	981	-	-	-	-	-	-
<b>Total: uThungulu Municipalities</b>	-	-	2 755	1 235	400	400	-	-	-
B KZN281 Umfolozi	-	-	-	-	-	-	-	-	-
B KZN282 uMhlathuze	-	-	-	-	400	400	-	-	-
B KZN283 Ntambanana	-	-	310	-	-	-	-	-	-
B KZN284 uMlalazi	-	-	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	-	-	2 445	1 235	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 uThungulu District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Ilembe Municipalities</b>	-	-	508	1 149	2 415	2 415	-	-	-
B KZN291 Mandeni	-	-	508	1 149	2 415	2 415	-	-	-
B KZN292 KwaDukuza	-	-	-	-	-	-	-	-	-
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 Ilembe District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Sisonke Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN431 Ingwe	-	-	-	-	-	-	-	-	-
B KZN432 Kwa Sani	-	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	-	-	-	-	-	-	-	-
B KZN434 Ubuhlebezwe	-	-	-	-	-	-	-	-	-
B KZN435 Umzimkulu	-	-	-	-	-	-	-	-	-
C DC43 Sisonke District Municipality	-	-	-	-	-	-	-	-	-
<b>Unallocated</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	100	-	4 244	2 384	3 741	9 718	500	500	-

# Estimates of Provincial Revenue and Expenditure

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

R thousand	Audited Outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
<b>Revenue</b>							
Tax revenue	-	-	-	-	-	-	-
Non-tax revenue	878 775	938 843	811 518	818 083	1 019 245	1 263 609	1 537 767
Sale of goods and services other than capital assets	367 475	409 450	291 533	264 584	362 727	461 639	537 403
Of which:							
Admin fees	194 004	204 130	177 540	164 690	205 616	285 579	341 559
Other sales	173 471	205 320	113 993	99 893	157 111	176 061	195 844
Interest, dividends and rent on land	511 300	529 393	519 985	553 499	656 518	801 970	1 000 364
Transfers received	225 962	182 471	150 541	206 642	148 000	148 000	148 000
Sale of capital assets	466	1 392	(3 782)	-	-	-	-
<b>Total revenue</b>	<b>1 105 203</b>	<b>1 122 706</b>	<b>958 277</b>	<b>1 024 725</b>	<b>1 167 245</b>	<b>1 411 609</b>	<b>1 685 767</b>
<b>Expenses</b>							
Current expense	1 067 429	1 020 769	884 401	984 417	1 108 045	1 291 132	1 476 541
Compensation of employees	301 982	318 995	338 457	381 911	435 611	474 418	512 517
Use of goods and services	543 837	480 317	334 368	356 952	376 925	451 263	504 670
Depreciation	46 402	50 115	43 187	56 997	64 676	79 029	86 265
Interest, dividends and rent on land	175 208	171 342	168 389	188 557	230 833	286 422	373 089
Interest	78 057	69 493	57 450	63 782	97 826	135 662	203 277
Rent on land	97 151	101 849	110 939	124 775	133 007	150 760	169 812
Transfers and subsidies	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>1 067 429</b>	<b>1 020 769</b>	<b>884 401</b>	<b>984 417</b>	<b>1 108 045</b>	<b>1 291 132</b>	<b>1 476 541</b>
<b>Surplus / (Deficit)</b>	<b>37 774</b>	<b>101 937</b>	<b>73 876</b>	<b>40 308</b>	<b>59 200</b>	<b>120 477</b>	<b>209 226</b>
<b>Cash flow summary</b>							
Adjust surplus / (deficit) for accrual transactions	293 069	200 678	156 582	76 061	117 063	157 668	192 638
Adjustments for:							
Depreciation	46 402	50 115	43 187	56 997	64 676	79 029	86 265
Interest	78 057	69 493	57 450	63 782	97 826	135 662	203 277
Net (profit) / loss on disposal of fixed assets	(3 646)	(2 146)	(3 873)	-	-	-	-
Other	172 256	83 216	59 818	(44 718)	(45 439)	(57 023)	(96 904)
<b>Operating surplus / (deficit) before changes in working capital</b>	<b>330 843</b>	<b>302 615</b>	<b>230 458</b>	<b>116 369</b>	<b>176 263</b>	<b>278 145</b>	<b>401 864</b>
Changes in working capital	70 698	(18 280)	(7 339)	(9 295)	(22 891)	(16 160)	(18 030)
(Decrease) / increase in accounts payable	124 086	(143 224)	13 593	(9 295)	(22 891)	(16 160)	(18 030)
Decrease / (increase) in accounts receivable	(50 258)	127 634	(15 341)	-	-	-	-
Tax paid	(3 130)	(2 690)	(5 591)	-	-	-	-
<b>Cash flow from operating activities</b>	<b>401 541</b>	<b>284 335</b>	<b>223 119</b>	<b>107 074</b>	<b>153 372</b>	<b>261 985</b>	<b>383 834</b>
Transfers from government	-	-	-	290 000	198 000	148 000	148 000
Capital	-	-	-	105 000	50 000	-	-
Current	-	-	-	185 000	148 000	148 000	148 000
<b>Cash flow from investing activities</b>	<b>(342 740)</b>	<b>(300 981)</b>	<b>(250 359)</b>	<b>(642 731)</b>	<b>(543 282)</b>	<b>(578 271)</b>	<b>(323 134)</b>
<b>Acquisition of assets</b>	<b>(85 540)</b>	<b>(50 201)</b>	<b>(75 393)</b>	<b>(128 876)</b>	<b>(386 399)</b>	<b>(268 548)</b>	<b>(151 371)</b>
Investment property	(55 715)	(22 404)	(40 255)	(86 322)	(306 844)	(220 385)	(123 190)
Other machinery and equipment	(29 825)	(27 797)	(35 138)	(42 554)	(79 555)	(48 163)	(28 181)
<b>Other flows from investing activities</b>	<b>(257 200)</b>	<b>(250 781)</b>	<b>(174 966)</b>	<b>(513 855)</b>	<b>(156 883)</b>	<b>(309 723)</b>	<b>(171 763)</b>
<b>Cash flow from financing activities</b>	<b>(112 792)</b>	<b>12 241</b>	<b>40 177</b>	<b>(233 638)</b>	<b>151 500</b>	<b>191 305</b>	<b>(33 461)</b>
Deferred income	(106 026)	18 077	57 488	(206 642)	(148 000)	(148 000)	(148 000)
Borrowing activities	(56 478)	(23 070)	(28 606)	(26 996)	299 500	339 305	114 539
Other	49 712	17 234	11 295	-	-	-	-
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(53 991)</b>	<b>(4 406)</b>	<b>12 937</b>	<b>(479 295)</b>	<b>(40 410)</b>	<b>23 020</b>	<b>175 241</b>
<b>Balance sheet data</b>							
<b>Carrying value of assets</b>	<b>943 656</b>	<b>955 631</b>	<b>974 016</b>	<b>1 048 596</b>	<b>1 367 319</b>	<b>1 556 838</b>	<b>1 621 943</b>
Investment property	752 341	770 267	779 608	810 844	1 053 012	1 194 368	1 231 293
Furniture and office equipment	180 716	169 662	179 193	224 747	301 302	349 465	377 645
Computer software	10 599	15 470	14 978	12 768	12 768	12 768	12 768
Other intangibles	-	232	237	237	237	237	237
<b>Investments</b>	<b>13 456</b>	<b>12 069</b>	<b>16 141</b>	<b>16 141</b>	<b>16 141</b>	<b>16 141</b>	<b>16 141</b>
Floating	13 456	12 069	16 141	16 141	16 141	16 141	16 141
<b>Cash and cash equivalents</b>	<b>1 780 067</b>	<b>1 787 463</b>	<b>1 902 163</b>	<b>780 999</b>	<b>740 589</b>	<b>763 609</b>	<b>938 849</b>
Bank	1 618 626	1 618 696	1 642 002	780 999	740 589	763 609	938 849
Cash on hand	56 968	52 492	42 124	-	-	-	-
Other	104 473	116 275	218 037	-	-	-	-
<b>Receivables and prepayments</b>	<b>1 947 714</b>	<b>1 912 412</b>	<b>1 899 427</b>	<b>2 409 528</b>	<b>2 560 908</b>	<b>2 848 808</b>	<b>2 991 494</b>
Trade receivables	229 002	60 665	195 390	193 242	216 133	232 293	250 323
Other receivables	1 718 712	1 851 747	1 704 037	2 216 286	2 344 775	2 616 515	2 741 171
<b>Inventory</b>	<b>21 980</b>	<b>23 100</b>	<b>23 505</b>	<b>23 505</b>	<b>23 505</b>	<b>23 505</b>	<b>23 505</b>
Trade	538	2 800	-	-	-	-	-
Other	21 442	20 300	23 505	23 505	23 505	23 505	23 505
<b>Total assets</b>	<b>4 706 873</b>	<b>4 690 675</b>	<b>4 815 252</b>	<b>4 278 769</b>	<b>4 708 462</b>	<b>5 208 900</b>	<b>5 591 932</b>
<b>Capital and reserves</b>	<b>1 667 847</b>	<b>1 769 784</b>	<b>1 843 660</b>	<b>1 988 968</b>	<b>2 098 168</b>	<b>2 218 645</b>	<b>2 427 871</b>
Share capital and premium	1 008 582	1 008 582	1 008 582	1 113 582	1 163 582	1 163 582	1 163 582
Accumulated reserves	621 491	659 265	761 202	835 078	875 386	934 586	1 055 063
Surplus / (Deficit)	37 774	101 937	73 876	40 308	59 200	120 477	209 226
<b>Borrowings</b>	<b>153 031</b>	<b>129 961</b>	<b>101 355</b>	<b>82 085</b>	<b>405 578</b>	<b>785 539</b>	<b>959 344</b>
Floating	2 316	2 141	-	-	-	-	-
Current	11 327	4 672	-	-	-	-	-
1-5 Years	28 463	24 648	101 355	82 085	405 578	785 539	959 344
5-10 Years	86 608	75 961	-	-	-	-	-
>10 Years	24 317	22 539	-	-	-	-	-
<b>Post retirement benefits</b>	<b>64 218</b>	<b>67 619</b>	<b>73 989</b>	<b>73 989</b>	<b>73 989</b>	<b>73 989</b>	<b>73 989</b>
Present value of funded obligations	58 474	70 247	83 292	83 292	83 292	83 292	83 292
Unrecognised transitional liabilities	5 744	(2 628)	(9 303)	(9 303)	(9 303)	(9 303)	(9 303)
<b>Trade and other payables</b>	<b>2 048 415</b>	<b>1 911 396</b>	<b>1 920 947</b>	<b>1 918 927</b>	<b>1 918 927</b>	<b>1 918 927</b>	<b>1 918 927</b>
Trade payables	10 588	4 834	100 778	115 469	115 469	115 469	115 469
Other	2 037 827	1 906 562	1 820 169	1 803 458	1 803 458	1 803 458	1 803 458
<b>Deferred income</b>	<b>687 474</b>	<b>705 551</b>	<b>799 846</b>	<b>136 345</b>	<b>136 345</b>	<b>136 345</b>	<b>136 345</b>
<b>Provisions</b>	<b>85 889</b>	<b>89 545</b>	<b>75 455</b>	<b>75 455</b>	<b>75 455</b>	<b>75 455</b>	<b>75 455</b>
Leave pay provision	18 648	23 700	26 900	26 900	26 900	26 900	26 900
Audit fee provision <sup>1</sup>	5 686	5 186	6 873	6 873	6 873	6 873	6 873
Landfill restoration	45 426	41 614	20 000	20 000	20 000	20 000	20 000
Long service awards	16 129	19 045	21 682	21 682	21 682	21 682	21 682
<b>Funds managed (e.g. Poverty alleviation fund)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Contingent liabilities</b>	<b>(1)</b>	<b>16 819</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity and liabilities</b>	<b>4 706 873</b>	<b>4 690 675</b>	<b>4 815 252</b>	<b>4 275 769</b>	<b>4 708 462</b>	<b>5 208 900</b>	<b>5 591 932</b>

<sup>1</sup>Note: Some of the amounts as reflected as Transfers received do not equal the amounts reflected in Table 4.12, as portion of the transfers is reflected against other items in the statement of financial position.

<sup>2</sup>Note: The surplus relates to the accounting treatment of capital expenses in terms of IAS20.

Table 4.M : Financial summary for KwaZulu-Natal Sharks Board (KZNSB)

	Audited Outcome			Revised Estimate	Medium-term Estimates		
R thousand	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
<b>Revenue</b>							
Tax revenue	-	-	-	-	-	-	-
Non-tax revenue	21 695	23 955	25 071	29 152	26 781	28 223	29 477
Sale of goods and services other than capital assets	21 015	22 413	23 822	27 611	26 281	27 623	28 877
Interest, dividends and rent on land	680	1 542	1 249	1 541	500	600	600
Transfers received*	25 551	41 334	55 371	49 485	56 109	56 678	59 682
Sale of capital assets	-	75	-	100	-	-	-
<b>Total revenue</b>	<b>47 246</b>	<b>65 364</b>	<b>80 442</b>	<b>78 737</b>	<b>82 890</b>	<b>84 901</b>	<b>89 159</b>
<b>Expenses</b>							
Current expense	50 049	51 928	56 515	76 116	82 890	84 901	89 159
Compensation of employees	31 750	36 229	38 730	50 335	54 567	58 114	61 891
Use of goods and services	12 420	15 699	17 785	20 112	22 323	21 544	22 620
Depreciation	5 861	-	-	5 579	6 000	5 243	4 647
Interest, dividends and rent on land	18	-	-	90	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>50 049</b>	<b>51 928</b>	<b>56 515</b>	<b>76 116</b>	<b>82 890</b>	<b>84 901</b>	<b>89 159</b>
<b>Surplus / (Deficit)</b>	<b>(2 803)</b>	<b>13 436</b>	<b>23 927</b>	<b>2 621</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flow summary</b>							
Adjust surplus / (deficit) for accrual transactions	5 236	5 146	6 000	5 579	6 000	5 243	4 647
Adjustments for:							
Depreciation	5 861	6 036	6 000	5 579	6 000	5 243	4 647
Interest	(682)	(815)	-	-	-	-	-
Net (profit) / loss on disposal of fixed assets	57	(75)	-	-	-	-	-
<b>Operating surplus / (deficit) before changes in working capital</b>	<b>2 433</b>	<b>18 582</b>	<b>29 927</b>	<b>8 200</b>	<b>6 000</b>	<b>5 243</b>	<b>4 647</b>
Changes in working capital	(1 352)	3 091	1 301	90	95	101	108
(Decrease) / increase in accounts payable	(1 335)	1 635	1 088	(135)	(142)	(150)	(158)
Decrease / (increase) in accounts receivable	-	1 154	(295)	(311)	(328)	(346)	(363)
(Decrease) / increase in provisions	(17)	302	508	536	565	597	629
<b>Cash flow from operating activities</b>	<b>1 081</b>	<b>21 673</b>	<b>31 228</b>	<b>8 290</b>	<b>6 095</b>	<b>5 344</b>	<b>4 755</b>
Transfers from government	25 551	41 333	68 871	84 580	56 109	56 678	59 682
Capital	-	13 500	13 500	35 096	1 805	1 895	1 990
Current	25 551	27 834	55 371	49 484	54 304	54 783	57 692
<b>Cash flow from investing activities</b>	<b>(4 236)</b>	<b>(641)</b>	<b>(15 825)</b>	<b>(38 474)</b>	<b>(1 805)</b>	<b>(1 895)</b>	<b>(1 990)</b>
<b>Acquisition of assets</b>	<b>(4 236)</b>	<b>(641)</b>	<b>(15 825)</b>	<b>(38 474)</b>	<b>(1 805)</b>	<b>(1 895)</b>	<b>(1 990)</b>
Dwellings	(96)	(98)	(3 850)	(23 051)	-	-	-
Non-residential buildings	-	-	(6 105)	-	(164)	(172)	(181)
Capital work in progress	600	-	(2 500)	-	-	-	-
Computer equipment	-	-	(445)	(177)	-	-	-
Furniture and office equipment	-	-	-	(434)	(150)	(158)	(165)
Other machinery and equipment	(458)	(415)	(128)	(11 972)	(441)	(463)	(486)
Transport assets	(3 739)	-	(2 732)	(2 735)	(1 050)	(1 103)	(1 158)
Computer software	(543)	-	-	(105)	-	-	-
Patents, licences, copyrights, brand names and trademarks	-	-	(65)	-	-	-	-
Other intangibles	-	(128)	-	-	-	-	-
<b>Other flows from investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flow from financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(3 155)</b>	<b>21 032</b>	<b>15 403</b>	<b>(30 184)</b>	<b>4 290</b>	<b>3 449</b>	<b>2 765</b>
<b>Statement of financial position</b>							
<b>Carrying value of assets</b>	<b>68 077</b>	<b>63 058</b>	<b>58 976</b>	<b>87 100</b>	<b>78 879</b>	<b>56 629</b>	<b>51 187</b>
Dwellings	47 140	44 132	41 858	54 409	51 686	35 232	35 000
Investment property	5 143	5 494	5 500	5 650	5 700	5 710	5 750
Computer equipment	525	376	762	939	626	313	200
Furniture and office equipment	-	-	-	434	347	-	-
Other machinery and equipment	3 306	3 261	2 839	14 811	11 848	8 887	5 925
Transport assets	11 363	9 250	8 017	10 752	8 602	6 452	4 302
Computer software	-	-	-	105	70	35	10
Service and operating rights	600	545	-	-	-	-	-
<b>Investments</b>	<b>353</b>	<b>310</b>	<b>37 000</b>	<b>15 000</b>	<b>10 000</b>	<b>8 000</b>	<b>8 400</b>
<b>Cash and cash equivalents</b>	<b>11 626</b>	<b>25 168</b>	<b>37 000</b>	<b>15 000</b>	<b>10 000</b>	<b>8 000</b>	<b>8 400</b>
Bank	11 626	25 168	37 000	15 000	10 000	8 000	8 400
<b>Receivables and prepayments</b>	<b>691</b>	<b>2 346</b>	<b>1 520</b>	<b>500</b>	<b>550</b>	<b>600</b>	<b>630</b>
Trade receivables	445	1 599	1 520	500	550	600	630
Other receivables	177	192	-	-	-	-	-
Prepaid expenses	69	555	-	-	-	-	-
<b>Inventory</b>	<b>1 580</b>	<b>1 389</b>	<b>1 216</b>	<b>1 450</b>	<b>1 550</b>	<b>1 650</b>	<b>1 733</b>
<b>Total assets</b>	<b>82 327</b>	<b>92 271</b>	<b>135 712</b>	<b>119 050</b>	<b>100 979</b>	<b>74 879</b>	<b>69 950</b>
<b>Capital and reserves</b>	<b>71 730</b>	<b>78 893</b>	<b>88 022</b>	<b>105 938</b>	<b>88 719</b>	<b>60 263</b>	<b>54 603</b>
Accumulated reserves	74 533	71 621	78 893	103 317	88 719	60 263	54 603
Surplus / (Deficit)	(2 803)	7 272	9 129	2 621	-	-	-
<b>Borrowings</b>	<b>545</b>	<b>462</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Current	82	129	-	-	-	-	-
1<5 Years	463	333	-	-	-	-	-
<b>Post retirement benefits</b>	<b>4 631</b>	<b>5 162</b>	<b>5 162</b>	<b>5 162</b>	<b>5 420</b>	<b>5 691</b>	<b>5 976</b>
Present value of funded obligations	4 631	5 162	5 162	5 162	5 420	5 691	5 976
<b>Trade and other payables</b>	<b>2 295</b>	<b>3 930</b>	<b>4 250</b>	<b>3 850</b>	<b>2 280</b>	<b>3 765</b>	<b>3 953</b>
Trade payables	2 295	3 930	4 250	3 850	2 280	3 765	3 953
<b>Deferred income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provisions</b>	<b>2 492</b>	<b>2 794</b>	<b>3 578</b>	<b>4 100</b>	<b>4 560</b>	<b>5 160</b>	<b>5 418</b>
Leave pay provision	2 492	2 794	3 578	4 100	4 560	5 160	5 418
<b>Funds managed (e.g. Poverty alleviation fund)</b>	<b>181</b>	<b>68</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Third party funds	181	68	-	-	-	-	-
<b>Contingent liabilities</b>	<b>453</b>	<b>962</b>	<b>34 700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity and liabilities</b>	<b>82 327</b>	<b>92 271</b>	<b>135 712</b>	<b>119 050</b>	<b>100 979</b>	<b>74 879</b>	<b>69 950</b>

\*Note: Some of the amounts as reflected as Transfers received do not equal the amounts reflected in Table 4.12, as portion of the transfers is reflected against other items in the statement of financial position.

Table 4.N : Financial summary for KwaZulu-Natal Tourism Authority (TKZN)

R thousand	Audited Outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
<b>Revenue</b>							
Tax revenue	-	-	-	-	-	-	-
Non-tax revenue	4 868	20 574	10 434	134	141	149	157
Sale of goods and services other than capital assets	4 810	20 451	10 358	-	-	-	-
Of which:	-	-	-	-	-	-	-
Recoveries	4 810	20 451	10 358	-	-	-	-
Interest, dividends and rent on land	58	123	76	134	141	149	157
Transfers received	71 444	89 381	118 292	98 067	103 628	107 512	112 203
Sale of capital assets	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>76 312</b>	<b>109 955</b>	<b>128 726</b>	<b>98 201</b>	<b>103 769</b>	<b>107 661</b>	<b>112 360</b>
<b>Expenses</b>							
Current expense	87 190	103 558	127 375	98 201	103 769	107 661	112 360
Compensation of employees	22 635	24 064	27 635	29 458	31 343	33 349	35 450
Use of goods and services	63 766	78 862	99 104	68 107	71 790	73 676	76 274
Depreciation	789	632	636	636	636	636	636
Transfers and subsidies	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>87 190</b>	<b>103 558</b>	<b>127 375</b>	<b>98 201</b>	<b>103 769</b>	<b>107 661</b>	<b>112 360</b>
<b>Surplus / (Deficit)</b>	<b>(10 878)</b>	<b>6 397</b>	<b>1 351</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flow summary</b>							
Adjust surplus / (deficit) for accrual transactions	2 854	755	712	770	777	785	793
Adjustments for:							
Depreciation and amortisation	789	632	636	636	636	636	636
Interest	(58)	123	76	134	141	149	157
Other	2 123	-	-	-	-	-	-
<b>Operating surplus / (deficit) before changes in working capital</b>	<b>(8 024)</b>	<b>7 152</b>	<b>2 063</b>	<b>770</b>	<b>777</b>	<b>785</b>	<b>793</b>
Changes in working capital	(24 042)	(2 914)	48 341	(18 890)	19 960	(18 855)	31 516
(Decrease) / increase in accounts payable	(4 411)	18 492	17 010	11 506	(11 506)	11 506	-
Decrease / (increase) in accounts receivable	(20 983)	(28 911)	31 655	(30 137)	31 741	(30 077)	31 814
(Decrease) / increase in provisions	1 352	7 505	(324)	(260)	(275)	(285)	(297)
<b>Cash flow from operating activities</b>	<b>(32 066)</b>	<b>4 238</b>	<b>50 404</b>	<b>(18 120)</b>	<b>20 737</b>	<b>(18 070)</b>	<b>32 309</b>
Transfers from government	71 444	89 381	118 292	98 067	103 628	107 512	112 203
Capital	-	-	-	-	-	-	-
Current	71 444	89 381	118 292	98 067	103 628	107 512	112 203
<b>Cash flow from investing activities</b>	<b>491</b>	<b>198</b>	<b>179</b>	<b>143</b>	<b>151</b>	<b>156</b>	<b>163</b>
<b>Acquisition of assets</b>	<b>491</b>	<b>198</b>	<b>179</b>	<b>143</b>	<b>151</b>	<b>156</b>	<b>163</b>
Computer equipment	109	187	158	127	134	139	145
Furniture and office equipment	188	-	20	16	17	18	18
Other Machinery and equipment	194	11	1	-	-	-	-
<b>Other flows from investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flow from financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(31 575)</b>	<b>4 436</b>	<b>50 583</b>	<b>(17 978)</b>	<b>20 888</b>	<b>(17 914)</b>	<b>32 473</b>
<b>Statement of financial position</b>							
<b>Carrying value of assets</b>	<b>2 232</b>	<b>2 021</b>	<b>1 827</b>	<b>409</b>	<b>432</b>	<b>451</b>	<b>471</b>
Computer equipment	519	484	483	409	432	451	471
Furniture and office equipment	1 102	733	790	-	-	-	-
Other machinery and equipment	611	804	554	-	-	-	-
<b>Investments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents</b>	<b>8 309</b>	<b>12 419</b>	<b>28 788</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
Bank	8 304	12 414	28 778	-	-	-	-
Cash on hand	5	5	10	5	5	5	5
<b>Receivables and prepayments</b>	<b>5 108</b>	<b>33 603</b>	<b>2 510</b>	<b>4 361</b>	<b>4 447</b>	<b>4 507</b>	<b>4 580</b>
Trade receivables	1 291	30 760	1 893	1 518	1 604	1 664	1 737
Other receivables	3 817	2 843	617	2 843	2 843	2 843	2 843
<b>Inventory</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>15 649</b>	<b>48 043</b>	<b>33 125</b>	<b>4 775</b>	<b>4 884</b>	<b>4 963</b>	<b>5 056</b>
<b>Capital and reserves</b>	<b>(5 218)</b>	<b>1 179</b>	<b>2 530</b>	<b>2 530</b>	<b>2 530</b>	<b>2 530</b>	<b>2 530</b>
Accumulated reserves	5 660	(5 218)	1 179	2 530	2 530	2 530	2 530
Surplus / (Deficit)	(10 878)	6 397	1 351	-	-	-	-
<b>Borrowings</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Post retirement benefits</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Trade and other payables</b>	<b>19 554</b>	<b>45 375</b>	<b>28 365</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Trade payables	19 554	45 375	28 365	-	-	-	-
<b>Deferred income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provisions</b>	<b>1 313</b>	<b>1 489</b>	<b>2 230</b>	<b>2 245</b>	<b>2 354</b>	<b>2 433</b>	<b>2 526</b>
Leave pay provision	1 313	1 489	2 230	2 245	2 354	2 433	2 525.90
<b>Funds managed (e.g. Poverty alleviation fund)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Contingent liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity and liabilities</b>	<b>15 649</b>	<b>48 043</b>	<b>33 125</b>	<b>4 775</b>	<b>4 884</b>	<b>4 963</b>	<b>5 056</b>

Table 4.0 : Financial summary for Dube TradePort Corporation (DTPC)

R thousand	Audited Outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
<b>Revenue</b>							
<b>Tax revenue</b>							
<b>Non-tax revenue</b>	<b>85 090</b>	<b>77 563</b>	<b>123 148</b>	<b>172 472</b>	<b>90 767</b>	<b>97 925</b>	<b>108 610</b>
Sale of goods and services other than capital assets	13 633	21 880	74 103	44 858	51 640	66 279	81 672
VAT refunds	-	-	-	91 325	9 376	7 852	7 895
Interest, dividends and rent on land	71 179	54 142	41 945	36 000	29 547	23 575	18 810
Other non-tax revenue	278	1 541	7 100	289	204	219	233
<b>Transfers received*</b>	<b>1 286 181</b>	<b>320 015</b>	<b>346 204</b>	<b>614 904</b>	<b>630 375</b>	<b>656 053</b>	<b>690 824</b>
<b>Sale of capital assets</b>							
<b>Total revenue</b>	<b>1 371 271</b>	<b>397 578</b>	<b>469 352</b>	<b>787 376</b>	<b>721 142</b>	<b>753 978</b>	<b>799 434</b>
<b>Expenses</b>							
<b>Current expense</b>	<b>736 369</b>	<b>323 878</b>	<b>346 491</b>	<b>409 739</b>	<b>431 603</b>	<b>449 464</b>	<b>473 070</b>
Compensation of employees	21 489	31 942	56 989	85 301	97 579	103 163	109 660
Use of goods and services	624 211	153 131	122 188	180 253	214 253	222 082	237 294
Depreciation	90 645	138 734	167 040	143 953	119 771	124 219	126 116
Interest, dividends and rent on land	24	71	274	232	-	-	-
<b>Transfers and subsidies</b>							
<b>Total expenses</b>	<b>736 369</b>	<b>323 878</b>	<b>346 491</b>	<b>409 739</b>	<b>431 603</b>	<b>449 464</b>	<b>473 070</b>
<b>Surplus / (Deficit)**</b>	<b>634 902</b>	<b>73 700</b>	<b>122 861</b>	<b>377 637</b>	<b>289 539</b>	<b>304 514</b>	<b>326 364</b>
<b>Cash flow summary</b>							
Adjust surplus / (deficit) for accrual transactions	37 551	136 052	116 213	143 953	119 771	124 219	126 116
Adjustments for:							
Depreciation	90 645	138 734	167 040	143 953	119 771	124 219	126 116
Net (profit) / loss on disposal of fixed assets	13	(4)	274	-	-	-	-
Other	(53 107)	(2 678)	(51 101)	-	-	-	-
<b>Operating surplus / (deficit) before changes in working capital</b>	<b>672 453</b>	<b>209 752</b>	<b>239 074</b>	<b>521 590</b>	<b>409 310</b>	<b>428 733</b>	<b>452 480</b>
Changes in working capital	49 569	(10 329)	23 820	29 498	(4 566)	661	1 991
(Decrease) / increase in accounts payable	49 569	(5 863)	(19 234)	25 519	(4 336)	1 883	3 357
Decrease / (increase) in accounts receivable	-	(4 466)	43 054	3 979	(230)	(1 222)	(1 366)
<b>Cash flow from operating activities</b>	<b>722 022</b>	<b>199 423</b>	<b>262 894</b>	<b>551 088</b>	<b>404 744</b>	<b>429 394</b>	<b>454 471</b>
Transfers from government	1 286 181	320 015	346 204	614 904	630 375	656 053	690 824
Capital	92 057	138 461	167 040	470 050	379 764	405 158	433 670
Current	1 194 124	181 555	179 164	144 854	250 611	250 895	257 154
<b>Cash flow from investing activities</b>	<b>(689 763)</b>	<b>(501 728)</b>	<b>(370 171)</b>	<b>(530 389)</b>	<b>(409 311)</b>	<b>(578 732)</b>	<b>(562 481)</b>
<b>Acquisition of assets</b>	<b>(692 135)</b>	<b>(498 875)</b>	<b>(368 177)</b>	<b>(530 389)</b>	<b>(409 311)</b>	<b>(578 732)</b>	<b>(562 481)</b>
Investment property	(115 977)	(220 839)	(145 040)	(454 235)	(99 818)	(24 546)	(54 292)
Other structures (infrastructure assets)	-	-	(58)	-	-	-	-
Capital work in progress	(575 668)	(188 458)	(218 085)	(19 367)	(276 520)	(520 496)	(480 700)
Computer equipment	-	(54 627)	(2 670)	(19 274)	(8 800)	(4 936)	(4 973)
Furniture and office equipment	-	(175)	(1 285)	-	-	-	-
Other machinery and equipment	15	(20 113)	(5 039)	(26 739)	(24 173)	(28 754)	(22 516)
Transport assets	-	(14 637)	4 177	(10 774)	-	-	-
Computer software	(175)	(26)	(177)	-	-	-	-
Patents, licences, copyrights, brand names and trademarks	(330)	-	-	-	-	-	-
<b>Other flows from investing activities</b>	<b>2 372</b>	<b>(2 853)</b>	<b>(1 994)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flow from financing activities</b>	<b>(205 825)</b>	<b>128 601</b>	<b>45 949</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Deferred income	(205 937)	128 319	46 104	-	-	-	-
Other	112	282	(155)	-	-	-	-
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(173 566)</b>	<b>(173 704)</b>	<b>(61 328)</b>	<b>20 699</b>	<b>(4 567)</b>	<b>(149 338)</b>	<b>(108 010)</b>
<b>Statement of financial position</b>							
<b>Carrying value of assets</b>	<b>2 300 880</b>	<b>2 659 423</b>	<b>2 860 280</b>	<b>3 237 917</b>	<b>3 527 457</b>	<b>3 981 970</b>	<b>4 418 335</b>
Non-residential buildings	314 775	459 866	328 467	340 201	603 557	953 480	1 296 193
Investment property	686 751	901 128	1 424 647	1 840 793	1 900 525	1 884 495	1 897 125
Other structures (infrastructure assets)	433 554	426 064	544 537	522 137	499 738	477 338	454 938
Capital work in progress	484 220	433 160	209 901	209 901	209 901	359 901	469 901
Computer equipment	64 448	90 699	55 188	25 773	18 716	12 649	11 385
Furniture and office equipment	25 924	35 518	32 189	27 994	23 799	19 603	15 408
Other machinery and equipment	286 964	297 618	256 867	264 014	267 387	273 903	273 055
Transport assets	3 290	14 947	7 995	6 737	3 504	271	-
Computer software	624	93	159	37	-	-	-
Patents, licences, copyrights, brand names and trademarks	330	330	330	330	330	330	330
<b>Investments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents</b>	<b>1 025 483</b>	<b>851 778</b>	<b>790 450</b>	<b>819 947</b>	<b>815 381</b>	<b>666 042</b>	<b>558 033</b>
Bank	127 894	166 944	40 206	69 703	65 137	65 798	67 789
Cash on hand	1	34	25	25	25	25	25
Other	897 588	684 800	750 219	750 219	750 219	600 219	490 219
<b>Receivables and prepayments</b>	<b>125 739</b>	<b>137 277</b>	<b>147 537</b>	<b>143 557</b>	<b>143 788</b>	<b>145 010</b>	<b>146 376</b>
Trade receivables	187	1 243	8 353	4 373	4 604	5 826	7 192
Other receivables	121 992	132 389	138 859	138 859	138 859	138 859	138 859
Prepaid expenses	3 560	3 645	325	325	325	325	325
<b>Inventory</b>	<b>140</b>	<b>145</b>	<b>151</b>	<b>151</b>	<b>151</b>	<b>151</b>	<b>151</b>
<b>Total assets</b>	<b>3 452 242</b>	<b>3 648 623</b>	<b>3 798 418</b>	<b>4 201 572</b>	<b>4 486 777</b>	<b>4 793 173</b>	<b>5 122 895</b>
<b>Capital and reserves</b>	<b>518 597</b>	<b>517 347</b>	<b>565 091</b>	<b>942 728</b>	<b>1 232 267</b>	<b>1 536 781</b>	<b>1 863 145</b>
Accumulated reserves	236 331	518 597	517 347	565 091	942 728	1 232 267	1 536 781
Surplus / (Deficit)	634 902	73 700	122 861	377 637	289 539	304 514	326 364
Other	(352 636)	(74 950)	(75 117)	-	-	-	-
<b>Borrowings</b>	<b>147</b>	<b>430</b>	<b>275</b>	<b>275</b>	<b>275</b>	<b>275</b>	<b>275</b>
1<5 Years	147	430	275	275	275	275	275
<b>Post retirement benefits</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Trade and other payables</b>	<b>95 451</b>	<b>89 008</b>	<b>72 401</b>	<b>97 918</b>	<b>93 584</b>	<b>95 466</b>	<b>98 824</b>
Trade payables	48 103	71 456	35 048	60 565	56 231	58 113	61 471
Other	47 348	17 552	37 353	37 353	37 353	37 353	37 353
<b>Deferred income</b>	<b>2 836 578</b>	<b>3 039 846</b>	<b>3 157 997</b>	<b>3 157 997</b>	<b>3 157 997</b>	<b>3 157 997</b>	<b>3 157 997</b>
<b>Provisions</b>	<b>1 469</b>	<b>1 992</b>	<b>2 654</b>	<b>2 654</b>	<b>2 654</b>	<b>2 654</b>	<b>2 654</b>
Leave pay provision	1 469	1 992	2 654	2 654	2 654	2 654	2 654
<b>Funds managed (e.g. Poverty alleviation fund)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Contingent liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity and liabilities</b>	<b>3 452 242</b>	<b>3 648 623</b>	<b>3 798 418</b>	<b>4 201 572</b>	<b>4 486 777</b>	<b>4 793 173</b>	<b>5 122 895</b>

\*Note: Some of the amounts as reflected as Transfers received do not equal the amounts reflected in Table 4.12, as portion of the transfers is reflected against other items in the statement of financial position.

\*\*Note: The surplus relates to the accounting treatment of capital expenses in terms of IAS20.

Table 4.P : Financial summary for Trade and Investment KZN (TIK)

R thousand	Audited Outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
<b>Revenue</b>							
Tax revenue	-	-	-	-	-	-	-
Non-tax revenue	630	227	96	106	112	123	135
Sale of goods and services other than capital assets	-	-	-	-	-	-	-
Interest, dividends and rent on land	630	227	96	106	112	123	135
Transfers received	56 637	61 536	66 053	72 740	77 342	80 207	84 087
Sale of capital assets	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>57 267</b>	<b>61 763</b>	<b>66 149</b>	<b>72 846</b>	<b>77 454</b>	<b>80 330</b>	<b>84 222</b>
<b>Expenses</b>							
Current expense	55 069	58 690	67 015	72 813	77 422	80 295	84 184
Compensation of employees	21 254	25 588	29 025	32 840	34 482	35 886	38 039
Use of goods and services	32 976	32 369	37 019	39 900	42 860	44 321	46 048
Depreciation	808	688	906	-	-	-	-
Interest, dividends and rent on land	31	45	66	73	80	88	97
Transfers and subsidies	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>55 069</b>	<b>58 690</b>	<b>67 015</b>	<b>72 813</b>	<b>77 422</b>	<b>80 295</b>	<b>84 184</b>
<b>Surplus / (Deficit) *</b>	<b>2 198</b>	<b>3 074</b>	<b>(866)</b>	<b>33</b>	<b>32</b>	<b>35</b>	<b>38</b>
<b>Cash flow summary</b>							
Adjust surplus / (deficit) for accrual transactions	855	756	1 044	1 149	1 264	1 390	1 529
Adjustments for:							
Depreciation	808	688	906	997	1 097	1 206	1 327
Interest	31	45	66	73	80	88	97
Other	16	22	72	79	87	96	105
<b>Operating surplus / (deficit) before changes in working capital</b>	<b>3 053</b>	<b>3 829</b>	<b>178</b>	<b>1 182</b>	<b>1 296</b>	<b>1 425</b>	<b>1 567</b>
Changes in working capital	(3 356)	(5 322)	(2 083)	(2 290)	(2 027)	(1 774)	(1 484)
(Decrease) / increase in accounts payable	(1 605)	(5 737)	(2 350)	(2 585)	(2 327)	(2 094)	(1 884)
Decrease / (increase) in accounts receivable	(1 751)	415	268	295	300	320	400
<b>Cash flow from operating activities</b>	<b>(304)</b>	<b>(1 493)</b>	<b>(1 905)</b>	<b>(1 108)</b>	<b>(731)</b>	<b>(349)</b>	<b>83</b>
Transfers from government	56 637	61 536	66 053	72 740	77 342	80 207	84 087
Capital	-	-	-	-	-	-	-
Current	56 637	61 536	66 053	72 740	77 342	80 207	84 087
<b>Cash flow from investing activities</b>	<b>(631)</b>	<b>(868)</b>	<b>(871)</b>	<b>(958)</b>	<b>(1 016)</b>	<b>(1 077)</b>	<b>(1 141)</b>
<b>Acquisition of assets</b>	<b>(631)</b>	<b>(868)</b>	<b>(871)</b>	<b>(958)</b>	<b>(1 016)</b>	<b>(1 077)</b>	<b>(1 141)</b>
Furniture and office equipment	(607)	(453)	(210)	(231)	(245)	(260)	(275)
Computer software	(23)	(415)	(661)	(727)	(771)	(817)	(866)
<b>Other flows from investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flow from financing activities</b>	<b>147</b>	<b>82</b>	<b>22</b>	<b>24</b>	<b>26</b>	<b>29</b>	<b>32</b>
Borrowing activities	147	82	22	24	26	29	32
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(787)</b>	<b>(2 278)</b>	<b>(2 754)</b>	<b>(2 042)</b>	<b>(1 721)</b>	<b>(1 397)</b>	<b>(1 026)</b>
<b>Statement of financial position</b>							
<b>Carrying value of assets</b>	<b>1 171</b>	<b>1 350</b>	<b>1 427</b>	<b>1 569</b>	<b>1 663</b>	<b>1 763</b>	<b>1 869</b>
Computer equipment	325	372	275	302	320	339	360
Furniture and office equipment	733	605	513	564	598	634	672
Computer software	113	373	639	703	745	790	837
<b>Investments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents</b>	<b>17 374</b>	<b>9 843</b>	<b>13 460</b>	<b>14 905</b>	<b>15 799</b>	<b>16 753</b>	<b>17 753</b>
Bank	17 371	9 840	13 457	14 902	15 796	16 750	17 750
Cash on hand	3	3	3	3	3	3	3
<b>Receivables and prepayments</b>	<b>2 604</b>	<b>2 189</b>	<b>520</b>	<b>853</b>	<b>917</b>	<b>989</b>	<b>1 064</b>
Trade receivables	1 071	636	6	302	320	340	360
Other receivables	-	-	43	49	49	49	49
Prepaid expenses	1 493	1 512	431	462	508	560	615
Accrued income	40	40	40	40	40	40	40
<b>Inventory</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>21 149</b>	<b>13 382</b>	<b>15 407</b>	<b>17 327</b>	<b>18 379</b>	<b>19 505</b>	<b>20 686</b>
<b>Capital and reserves</b>	<b>2 979</b>	<b>6 053</b>	<b>4 405</b>	<b>5 614</b>	<b>5 646</b>	<b>5 681</b>	<b>5 719</b>
Accumulated reserves	781	2 979	5 271	5 581	5 614	5 646	5 681
Surplus / (Deficit)	2 198	3 074	(866)	33	32	35	38
<b>Borrowings</b>	<b>359</b>	<b>278</b>	<b>299</b>	<b>266</b>	<b>236</b>	<b>206</b>	<b>166</b>
Current	82	74	58	42	36	26	16
1<5 Years	277	204	241	224	200	180	150
<b>Post retirement benefits</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Trade and other payables</b>	<b>10 095</b>	<b>4 592</b>	<b>7 487</b>	<b>4 242</b>	<b>4 275</b>	<b>4 419</b>	<b>4 524</b>
Trade payables	6 942	3 425	4 044	3 042	3 225	3 419	3 624
Accrued interest	3 153	1 167	3 443	1 200	1 050	1 000	900
<b>Deferred income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provisions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Funds managed (e.g. Poverty alleviation fund)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Contingent liabilities</b>	<b>7 715</b>	<b>2 461</b>	<b>3 217</b>	<b>7 205</b>	<b>8 222</b>	<b>9 199</b>	<b>10 277</b>
<b>Total equity and liabilities</b>	<b>21 149</b>	<b>13 382</b>	<b>15 407</b>	<b>17 327</b>	<b>18 379</b>	<b>19 505</b>	<b>20 686</b>

\*Note: The surplus/ (Deficit) is as a result of the accounting treatment of short-term invested funds and interest paid from finance lease agreements.



Table 4.Q : Financial summary for Richards Bay Industrial Development Zone (RBIDZ)

R thousand	Audited Outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
<b>Revenue</b>							
Tax revenue	30	44	89	-	-	-	-
Non-tax revenue	1 442	6 817	7 898	4 750	5 200	17 500	25 000
Sale of goods and services other than capital assets	269	153	-	-	-	-	-
Interest, dividends and rent on land	1 173	6 665	7 898	4 750	5 200	17 500	25 000
Transfers received*	19 808	26 160	31 844	55 164	68 170	110 947	74 707
Of which: DEDT	19 808	26 160	31 844	25 164	68 170	110 947	74 707
DTI	-	-	-	30 000	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>21 280</b>	<b>33 021</b>	<b>39 830</b>	<b>59 914</b>	<b>73 370</b>	<b>128 447</b>	<b>99 707</b>
<b>Expenses</b>							
Current expense	21 280	30 084	39 066	59 914	59 503	72 897	61 573
Compensation of employees	13 116	19 557	21 623	27 895	31 526	34 385	35 352
Use of goods and services	6 778	8 972	15 758	31 655	27 595	38 111	26 221
Depreciation	28	26	3	364	382	401	-
Interest, dividends and rent on land	1 358	1 530	1 682	-	-	-	-
Transfers and subsidies	79	7	-	-	-	-	-
<b>Total expenses</b>	<b>21 359</b>	<b>30 091</b>	<b>39 066</b>	<b>59 914</b>	<b>59 503</b>	<b>72 897</b>	<b>61 573</b>
<b>Surplus / (Deficit)**</b>	<b>(79)</b>	<b>2 930</b>	<b>765</b>	<b>-</b>	<b>13 867</b>	<b>55 550</b>	<b>38 134</b>
<b>Cash flow summary</b>							
Adjust surplus / (deficit) for accrual transactions	56	24	14	364	382	401	-
Adjustments for:							
Depreciation	56	24	3	364	382	401	-
Other	-	-	11	-	-	-	-
<b>Operating surplus / (deficit) before changes in working capital</b>	<b>(23)</b>	<b>2 955</b>	<b>778</b>	<b>364</b>	<b>14 249</b>	<b>55 951</b>	<b>38 134</b>
Changes in working capital	(4 301)	2 749	15 212	48 478	389	(634)	(452)
(Decrease) / increase in accounts payable	(4 383)	4 628	14 826	(10 756)	249	254	259
Decrease / (increase) in accounts receivable	82	(1 879)	386	59 234	140	(888)	(710)
<b>Cash flow from operating activities</b>	<b>(4 324)</b>	<b>5 704</b>	<b>15 990</b>	<b>48 842</b>	<b>14 638</b>	<b>55 317</b>	<b>37 682</b>
Transfers from government	245 398	120 318	244 636	94 164	68 170	70 947	73 784
Capital	88 423	60 682	182 018	30 000	-	-	-
Current	156 975	59 636	62 618	64 164	68 170	70 947	73 784
<b>Cash flow from investing activities</b>	<b>(5 209)</b>	<b>(30 956)</b>	<b>(91 380)</b>	<b>(78 430)</b>	<b>(67 051)</b>	<b>(400)</b>	<b>1</b>
Acquisition of assets	(5 209)	(30 956)	(91 380)	(78 430)	(67 051)	(400)	1
Land	-	-	-	(78 067)	(66 670)	-	-
Capital work in progress	(4 143)	(30 186)	(90 243)	-	-	-	-
Computer equipment	(489)	(277)	(875)	-	-	-	-
Furniture and office equipment	(577)	(494)	(262)	(363)	(381)	(400)	1
<b>Other flows from investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flow from financing activities</b>	<b>155 254</b>	<b>84 361</b>	<b>187 651</b>	<b>(162 380)</b>	<b>(83 612)</b>	<b>(10 525)</b>	<b>(21 930)</b>
Deferred income	155 254	84 361	187 651	(162 380)	(83 612)	(10 525)	(21 930)
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>145 720</b>	<b>59 109</b>	<b>112 261</b>	<b>(191 968)</b>	<b>(136 026)</b>	<b>44 391</b>	<b>15 753</b>
<b>Statement of financial position</b>							
Carrying value of assets	238	232	218	78 284	144 953	144 952	144 951
Land	-	-	-	78 067	144 737	144 737	144 737
Computer equipment	26	4	-	-	-	-	-
Furniture and office equipment	30	28	17	16	15	14	13
Other intangibles	182	201	201	201	201	201	201
<b>Investments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents</b>	<b>223 569</b>	<b>282 685</b>	<b>394 947</b>	<b>240 583</b>	<b>104 507</b>	<b>148 948</b>	<b>164 702</b>
Bank	223 569	282 682	394 943	240 579	104 504	148 945	164 698
Cash on hand	-	4	4	4	4	4	4
<b>Receivables and prepayments</b>	<b>58 467</b>	<b>60 320</b>	<b>59 934</b>	<b>700</b>	<b>560</b>	<b>1 448</b>	<b>2 158</b>
Trade receivables	58 224	58 746	59 059	-	-	-	-
Other receivables	243	1 574	875	700	560	1 448	2 158
<b>Inventory</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>282 274</b>	<b>343 237</b>	<b>455 098</b>	<b>319 567</b>	<b>250 020</b>	<b>295 348</b>	<b>311 811</b>
<b>Capital and reserves</b>	<b>148 271</b>	<b>151 201</b>	<b>151 966</b>	<b>151 966</b>	<b>151 201</b>	<b>151 201</b>	<b>151 201</b>
Share capital and premium	151 201	151 201	151 201	151 201	151 201	151 201	151 201
Accumulated reserves	(2 851)	(2 930)	-	765	-	-	-
Surplus / (Deficit)	(79)	2 930	765	-	-	-	-
<b>Borrowings</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Post retirement benefits</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Trade and other payables</b>	<b>3 096</b>	<b>7 374</b>	<b>22 688</b>	<b>11 894</b>	<b>12 100</b>	<b>12 307</b>	<b>12 515</b>
Trade payables	3 096	7 374	11 689	11 894	12 100	12 307	12 515
Other	-	-	10 999	-	-	-	-
<b>Deferred income</b>	<b>130 277</b>	<b>183 675</b>	<b>279 946</b>	<b>117 566</b>	<b>86 139</b>	<b>131 214</b>	<b>147 418</b>
<b>Provisions</b>	<b>630</b>	<b>987</b>	<b>498</b>	<b>537</b>	<b>580</b>	<b>626</b>	<b>676</b>
Leave pay provision	630	987	498	537	580	626	676
<b>Funds managed (e.g. Poverty alleviation fund)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Contingent liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity and liabilities</b>	<b>282 274</b>	<b>343 237</b>	<b>455 098</b>	<b>281 963</b>	<b>250 020</b>	<b>295 348</b>	<b>311 811</b>

\*Note: Some of the amounts as reflected as Transfers received do not equal the amounts reflected in Table 4.12, as portion of the transfers is reflected against other items in the statement of financial position.

\*\*Note: The surplus/ (Deficit) is as a result of the accounting treatment of short-term invested funds and funds available for CAPEX.

Table 4.R : Financial summary for KZN Liquor Authority (KZNLA)

R thousand	Audited Outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
<b>Revenue</b>							
Tax revenue	-	-	-	-	-	-	-
Non-tax revenue	-	-	-	-	-	34 365	36 111
Sale of goods and services other than capital assets	-	-	-	-	-	34 365	36 111
Of which:							
Other sales	-	-	-	-	-	34 365	36 111
Transfers received*	-	-	43 214	43 920	77 282	53 214	56 046
Sale of capital assets	-	-	-	-	-	-	-
<b>Total revenue</b>	-	-	43 214	43 920	77 282	87 579	92 157
<b>Expenses</b>							
Current expense	-	-	35 370	43 870	77 282	79 393	81 534
Compensation of employees	-	-	9 310	31 693	34 921	37 016	39 237
Use of goods and services	-	-	25 391	11 468	14 593	14 609	14 529
Depreciation	-	-	669	709	700	700	700
Interest, dividends and rent on land	-	-	-	-	27 068	27 068	27 068
Transfers and subsidies	-	-	5 006	5 306	-	-	-
<b>Total expenses</b>	-	-	40 376	49 177	77 282	79 393	81 534
<b>Surplus / (Deficit)**</b>	-	-	2 838	-	-	8 186	10 623
<b>Cash flow summary</b>							
Adjust surplus / (deficit) for accrual transactions	-	-	666	700	700	700	700
Adjustments for:							
Depreciation	-	-	666	700	700	700	700
<b>Operating surplus / (deficit) before changes in working capital</b>	-	-	3 504	700	700	700	11 323
Changes in working capital	-	-	-	-	-	-	-
(Decrease) / increase in accounts payable	-	-	-	-	-	-	-
Decrease / (increase) in accounts receivable	-	-	-	-	-	-	-
(Decrease) / increase in provisions	-	-	-	-	-	-	-
<b>Cash flow from operating activities</b>	-	-	3 504	700	700	700	11 323
Transfers from government	-	-	47 375	43 920	77 282	53 214	56 046
Capital	-	-	4 443	-	-	-	-
Current	-	-	42 932	43 920	77 282	53 214	56 046
<b>Cash flow from investing activities</b>	-	-	6 146	-	500	-	-
<b>Acquisition of assets</b>	-	-	6 146	-	500	-	-
Computer equipment	-	-	1 996	-	-	-	-
Furniture and office equipment	-	-	2 717	-	500	-	-
Computer software	-	-	1 433	-	-	-	-
<b>Other flows from investing activities</b>	-	-	-	-	-	-	-
<b>Cash flow from financing activities</b>	-	-	-	-	-	-	-
<b>Net increase / (decrease) in cash and cash equivalents</b>	-	-	9 650	700	1 200	700	11 323
<b>Statement of financial position</b>							
<b>Carrying value of assets</b>	-	-	5 642	5 981	6 339	6 720	7 123
Computer equipment	-	-	1 199	1 271	1 347	1 428	1 514
Furniture and office equipment	-	-	4 443	4 710	4 992	5 292	5 609
<b>Investments</b>	-	-	-	-	-	-	-
<b>Cash and cash equivalents</b>	-	-	19 628	20 806	22 054	23 377	24 780
Bank	-	-	19 628	20 806	22 054	23 377	24 780
<b>Receivables and prepayments</b>	-	-	69	73	78	82	87
Prepaid expenses	-	-	69	73	78	82	87
<b>Deposit</b>	-	-	44	-	-	-	-
<b>Total assets</b>	-	-	25 383	26 859	28 471	30 179	31 990
<b>Capital and reserves</b>	-	-	2 838	3 008	3 189	3 380	3 583
Accumulated reserves	-	-	-	-	-	-	-
Surplus / (Deficit)	-	-	2 838	3 008	3 189	3 380	3 583
<b>Borrowings</b>	-	-	-	-	-	-	-
Finance lease	-	-	88	93	99	105	111
<b>Trade and other payables</b>	-	-	3 086	3 151	3 220	3 413	3 618
<b>Deferred income</b>	-	-	16	17	18	19	20
<b>Provisions</b>	-	-	12 841	13 611	14 626	15 504	16 434
Leave pay provision	-	-	1 444	1 531	1 622	1 720	1 823
Other	-	-	63	67	71	75	80
<b>Funds managed (e.g. Poverty alleviation fund)</b>	-	-	-	-	-	-	-
<b>Contingent liabilities</b>	-	-	1 508	1 598	1 694	1 796	1 904
<b>Total equity and liabilities</b>	-	-	20 377	21 480	22 846	24 217	25 670

\*Note: Some of the amounts as reflected as Transfers received do not equal the amounts reflected in Table 4.12, as portion of the transfers is reflected against other items in the statement of financial position.

\*\*Note: The surplus relates to the accounting treatment of capital expenses in terms of IAS20.

Table 4.S : Personnel summary for Ithala

Headcount	Audited Outcome			Revised Estimate 2013/14	Medium-term Estimate		
	2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
<b>A. Permanent and full-time-contract employees</b>							
Personnel cost (R thousand)	301 982	318 995	338 457	381 911	435 611	474 418	512 517
Personnel numbers (head count)	955	918	899	915	950	950	950
Unit cost	316	347	376	417	459	499	539
<b>B. Part-time and temporary contract employees</b>							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
<b>C. Interns</b>							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
<b>Total for entity</b>							
Personnel cost (R thousand)	301 982	318 995	338 457	381 911	435 611	474 418	512 517
Personnel numbers (head count)	955	918	899	915	950	950	950
Unit cost	316	347	376	417	459	499	539
<b>D. Learnerships</b>							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
<b>Details of personnel numbers according to salary level</b>							
<b>Salary level</b>							
Board Members	25	24	23	22	22	22	22
Executive Management	9	9	10	10	11	11	11
Senior Management	27	28	24	25	28	28	28
Middle Management	349	339	140	138	169	169	169
Professionals	137	139	346	352	352	352	352
Semi-skilled	334	318	297	310	310	310	310
Very low skilled	99	85	82	80	80	80	80
<b>Total</b>	<b>980</b>	<b>942</b>	<b>922</b>	<b>937</b>	<b>972</b>	<b>972</b>	<b>972</b>

Table 4.T : Personnel summary for KZNSB

	Audited Outcome			Revised Estimate	Medium-term Estimate		
	2010/11	2011/12	2012/13		2013/14	2014/15	2015/16
<b>A. Permanent and full-time-contract employees</b>							
Personnel cost (R thousand)	31 374	35 922	38 385	47 354	51 437	54 780	58 341
Personnel numbers (head count)	170	185	201	185	186	186	186
Unit cost	185	194	191	256	277	295	314
<b>B. Part-time and temporary contract employees</b>							
Personnel cost (R thousand)	376	307	292	2 977	3 126	3 329	3 546
Personnel numbers (head count)	15	14	17	13	30	30	30
Unit cost	25	22	17	229	104	111	118
<b>C. Interns</b>							
Personnel cost (R thousand)	-	-	53	4	4	4	4
Personnel numbers (head count)	-	-	1	1	1	1	1
Unit cost	-	-	53	4	4	4	4
<b>Total for entity</b>							
Personnel cost (R thousand)	31 750	36 229	38 730	50 335	54 567	58 114	61 891
Personnel numbers (head count)	185	199	219	199	217	217	217
Unit cost	172	182	177	253	251	268	285
<b>D. Learnerships</b>							
Personnel cost (R thousand)	-	-	82	36	36	40	45
Personnel numbers (head count)	-	-	17	10	10	10	10
Unit cost	-	-	5	4	4	4	5
<b>Details of personnel numbers according to salary level</b>							
<b>Salary level</b>							
Board Members	14	15	15	10	10	10	10
Executive Management	4	5	6	5	5	5	5
Senior Management	8	9	6	6	11	11	11
Middle Management	7	9	10	12	10	10	10
Professionals	29	32	35	32	36	36	36
Semi-skilled	33	29	33	33	35	35	35
Very low skilled	90	100	114	101	110	110	110
<b>Total</b>	<b>185</b>	<b>199</b>	<b>219</b>	<b>199</b>	<b>217</b>	<b>217</b>	<b>217</b>

Table 4.U : Personnel summary for TKZN

	Audited Outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13		2013/14	2014/15	2015/16
<b>A. Permanent and full-time-contract employees</b>							
Personnel cost (R thousand)	22 635	24 064	27 635	29 458	31 343	33 349	35 450
Personnel numbers (head count)	57	61	59	62	62	62	62
Unit cost	397	394	468	475	506	538	572
<b>B. Part-time and temporary contract employees</b>							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
<b>C. Interns</b>							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
<b>Total for entity</b>							
Personnel cost (R thousand)	22 635	24 064	27 635	29 458	31 343	33 349	35 450
Personnel numbers (head count)	57	61	59	62	62	62	62
Unit cost	397	394	468	-	506	538	572
<b>D. Learnerships</b>							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
<b>Details of personnel numbers according to salary level</b>							
<b>Salary level</b>							
Board Members	9	11	12	12	12	12	12
Executive Management	3	3	3	3	3	3	3
Senior Management	4	5	6	6	6	6	6
Middle Management	10	10	10	11	11	11	11
Professionals	35	38	35	37	37	37	37
Semi-skilled	3	3	3	3	3	3	3
Very low skilled	2	2	2	2	2	2	2
<b>Total</b>	<b>66</b>	<b>72</b>	<b>71</b>	<b>74</b>	<b>74</b>	<b>74</b>	<b>74</b>

Table 4.V : Personnel summary for Dube TradePort Corporation (DTPC)

	Audited Outcome			Revised Estimate	Medium-term Estimate		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
<b>A. Permanent and full-time-contract employees</b>							
Personnel cost (R thousand)	21 489	31 942	56 989	85 301	97 579	103 163	109 660
Personnel numbers (head count)	53	86	170	187	204	218	226
Unit cost	405	371	335	456	478	473	485
<b>B. Part-time and temporary contract employees</b>							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
<b>C. Interns</b>							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
<b>Total for entity</b>							
Personnel cost (R thousand)	21 489	31 942	56 989	85 301	97 579	103 163	109 660
Personnel numbers (head count)	53	86	170	187	204	218	226
Unit cost	405	371	335	456	478	473	485
<b>D. Learnerships</b>							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
<b>Details of personnel numbers according to salary level</b>							
<b>Salary level</b>							
Board Members	6	6	6	6	6	6	6
Executive Management	5	8	6	6	7	8	8
Senior Management	3	10	15	17	17	20	22
Middle Management	5	19	12	12	15	17	20
Professionals	8	18	18	18	21	22	25
Semi-skilled	7	5	98	113	123	130	130
Very low skilled	25	26	21	21	21	21	21
<b>Total</b>	<b>59</b>	<b>92</b>	<b>176</b>	<b>193</b>	<b>210</b>	<b>224</b>	<b>232</b>

Table 4.W : Personnel summary for TIK

	Audited Outcome			Revised Estimate 2013/14	Medium-term Estimates		
	2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
<b>A. Permanent and full-time-contract employees</b>							
Personnel cost (R thousand)	21 254	25 588	29 025	32 840	34 482	35 886	38 039
Personnel numbers (head count)	43	43	44	48	53	56	58
Unit cost	494	595	660	684	651	641	656
<b>B. Part-time and temporary contract employees</b>							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
<b>C. Interns</b>							
Personnel cost (R thousand)	-	5	25	40	50	50	50
Personnel numbers (head count)	-	5	7	5	4	4	4
Unit cost	-	1	4	8	13	13	13
<b>Total for entity</b>							
Personnel cost (R thousand)	21 254	25 592	29 050	32 880	34 532	35 936	38 089
Personnel numbers (head count)	43	48	51	53	57	60	62
Unit cost	494	533	570	620	606	599	614
<b>D. Learnerships</b>							
Personnel cost (R thousand)	920	1 037	572	697	785	817	866
Personnel numbers (head count)	32	33	20	25	28	29	30
Unit cost	29	31	29	28	28	28	29
<b>Details of personnel numbers according to salary level</b>							
<b>Salary level</b>							
Board Members	11	11	11	9	9	10	10
Executive Management	2	2	2	7	7	7	7
Senior Management	7	7	7	3	6	6	4
Middle Management	13	14	16	16	16	17	17
Professionals	13	16	18	19	20	21	23
Semi-skilled	7	8	7	7	7	7	9
Very low skilled	1	1	1	1	1	2	2
<b>Total</b>	<b>54</b>	<b>59</b>	<b>62</b>	<b>62</b>	<b>66</b>	<b>70</b>	<b>72</b>

Table 4.X : Personnel summary for RBIDZ

	Audited Outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13		2013/14	2014/15	2015/16
<b>A. Permanent and full-time-contract employees</b>							
Personnel cost (R thousand)	13 116	19 287	21 251	27 560	31 310	33 634	34 214
Personnel numbers (head count)	28	28	28	27	30	31	31
Unit cost	468	689	759	1 021	1 044	1 085	1 104
<b>B. Part-time and temporary contract employees</b>							
Personnel cost (R thousand)	-	-	135	65	-	-	-
Personnel numbers (head count)	-	-	3	1	-	-	-
Unit cost	-	-	45	65	-	-	-
<b>C. Interns</b>							
Personnel cost (R thousand)	-	270	237	270	216	216	216
Personnel numbers (head count)	-	5	7	5	4	4	4
Unit cost	-	54	34	54	54	54	54
<b>Total for entity</b>							
Personnel cost (R thousand)	13 116	19 557	21 623	27 895	31 526	33 850	34 430
Personnel numbers (head count)	28	33	38	33	34	35	35
Unit cost	468	593	569	845	927	967	984
<b>D. Learnerships</b>							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
<b>Details of personnel numbers according to salary level</b>							
<b>Salary level</b>							
Board Members	5	5	12	12	12	12	12
Executive Management	7	7	6	6	6	6	6
Senior Management	12	12	12	12	14	14	14
Skilled	4	4	5	4	5	6	6
Semi-skilled	5	5	15	11	5	5	5
Very low skilled	-	-	-	-	-	-	-
<b>Total</b>	<b>33</b>	<b>33</b>	<b>50</b>	<b>45</b>	<b>42</b>	<b>43</b>	<b>43</b>

**Table 4.Y : Personnel summary for KZNLA**

	Audited Outcome			Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
<b>A. Permanent and full-time-contract employees</b>							
Personnel cost (R thousand)	-	-	9 310	31 693	34 921	37 016	39 237
Personnel numbers (head count)	-	-	76	76	91	91	91
Unit cost	-	-	123	296	384	407	431
<b>B. Part-time and temporary contract employees</b>							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	9	19	-	-	-
Unit cost	-	-	-	-	-	-	-
<b>C. Interns</b>							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	14	14	14
Unit cost	-	-	-	-	-	-	-
<b>Total for entity</b>							
Personnel cost (R thousand)	-	-	9 310	31 693	34 921	37 016	39 237
Personnel numbers (head count)	-	-	85	95	105	105	105
Unit cost	-	-	110	334	333	353	374
<b>D. Learnerships</b>							
Personnel cost (R thousand)	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-
<b>Details of personnel numbers according to salary level</b>							
<b>Salary level</b>							
Board Members	-	-	5	5	5	5	5
Executive Management	-	-	1	1	1	1	1
Senior Management	-	-	4	4	4	4	4
Middle Management	-	-	12	12	14	14	14
Professionals	-	-	67	77	85	85	85
Semi-skilled	-	-	1	1	1	1	1
Very low skilled	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>90</b>	<b>100</b>	<b>110</b>	<b>110</b>	<b>110</b>