

VOTE 3

DEPARTMENT OF ECONOMIC DEVELOPMENT

To be appropriated by vote in 2015/16	R1 305 610 000
Responsible MEC	MEC for Economic Development
Administering Department	Department of Economic Development
Accounting Officer	Head of Department

1. OVERVIEW

Vision

A radically transformed, modernised and re-industrialised economy in Gauteng, manifesting decent work, economic inclusion and equity.

Mission

The mission of the Department of Economic Development (DED), in pursuit of its vision, is to:

- Ensure radical transformation, modernisation and re-industrialisation of the Gauteng economy;
- Provide an enabling policy and legislative environment for equitable economic growth and development;
- Develop and implement programmes and projects that will:
- Revitalise Gauteng's township economies;
- Build a new smart, green, knowledge-based economy and industries;
- Ensure decent employment and inclusion in key economic sectors;
- Facilitate radical economic transformation, modernisation and re-industrialisation;
- Include the marginalised sectors of women, youth and persons with disabilities in mainstream economic activities;
- Establish appropriate partnerships for delivery; and
- Ensure the DED effectively and efficiently delivers on its mandate.

Values

The values of the DED, informed by its Vision and Mission, are to:

- Serve as a centre of excellence in leading radical economic transformation, modernisation and re-industrialisation of Gauteng's economy;
- Provide ethical, consultative and people-focused services;
- Facilitate equity, redress and access to economic opportunities and decent employment;
- Ensure that Gauteng's economic profile reflects its demographic profile;
- Practice transparent, participatory and good governance at an internal level; and
- Foster high levels of professionalism, innovation, effectiveness, efficiency and the practice of Batho Pele amongst the staff of DED and all its implementation agencies.

Strategic goals

The strategic outcome oriented goals of the DED stem from its mandate, vision and mission. As stated above, the mandate, vision and mission are informed by the national and provincial political and socio-economic imperatives contained in key documents such as the National Development Plan (NDP) and Medium Term Strategic Framework (MTSF), Gauteng Vision 2055 (G2055), the June 2014 State of the Nation Address (SONA) and Gauteng's June 2014 State of the Province Address (SOPA).

The three strategic outcome oriented goals of the DED for the 5th term of government are:

- Advancing radical economic transformation;
- Facilitating re-industrialisation; and
- Capacitating the department for delivery and Implementation.

Main Services

The key cross-cutting principles and outcomes that will underpin the programmes and projects of all the three objectives are:

- Promoting smart and green industrial and socio-economic development;
- Creating decent work and reducing levels of unemployment;
- Contributing to an increase in Gross Domestic Product (GDP);
- Making the economy inclusive (reversing monopoly capital's domination);
- Applying smart and green technology and processes;
- Mainstreaming the participation of the marginalised sectors of women, youth and persons with disabilities;
- Developing an appropriately skilled labour force and private sector (SMMEs, co-operatives and emerging businesses) to meet and grow the economy and work in the key sectors; and
- Ensuring environmental sustainability.

The National Development Plan

The NDP offers a long-term perspective as it defines a desired destination and the role each sector needs to play. The department will amongst others contribute towards Vision 2030 of the NDP of creating 11 million jobs through:

- Increasing exports;
- Investing in infrastructure to facilitate economic activity that is conducive to growth and job creation;
- Lowering the cost of doing business;
- Matching unemployed people to jobs;
- Providing a tax subsidy to businesses to reduce the cost of hiring people;
- Rewarding the setting up of new businesses including partnering with companies;
- Reducing the cost of living for low income and working class households;
- Reducing the cost of regulatory compliance, especially for small and medium sized firms;
- Supporting small business through better coordination of relevant agencies, development finance institutions and public and private incubators; and
- Building an expanded skills base through better education and vocational training.

Ten Pillar Programme of Transformation, Modernisation and Re-industrialisation

The Gauteng Provincial Government (GPG) has adopted a 10 pillar programme to ensure radical socio-economic transformation of Gauteng. The mandate of the DED accounts for seven of these; i.e.:

- Pillar 1: Radical economic transformation;
- Pillar 2: Decisive spatial transformation;
- Pillar 4: Transformation of the state and governance;
- Pillar 5: Modernisation of the public service;
- Pillar 6: Modernisation of the economy;
- Pillar 9: Re-industrialisation of Gauteng province; and
- Pillar 10: Taking the lead in Africa's new industrial revolution.

The Agriculture function will be part of the DED's responsibility during this fifth term of democratic governance. Additionally, the DED has been assigned the responsibility of leading and coordinating the Economic Cluster and contributing significantly to other outcomes and pillars.

DED is committed to acting decisively and boldly to increase investment in the real economy and infrastructure, stimulate faster levels of inclusive growth, speed up social development, substantially reduce poverty and unemployment and place the economy on a qualitatively different growth path. Radical economic transformation and modernisation and re-industrialisation will underpin all DED's programmes and projects such as:

- Making Gauteng an integrated city-region;
- Transforming the state and governance;
- Modernising the economy;
- Re-industrialising Gauteng province;
- Taking the lead in Africa's new industrial revolution;
- Smart and green industrial and economic development;

- Strengthening economic trade and partnerships with African and BRICS countries;
- Addressing major structural problems by investing in skills, research, innovation, economic infrastructure;
- Supporting township enterprises, co-operatives and SMMEs that meet township needs: government to provide training, funding, markets and economic infrastructure for goods produced;
- Bringing SMMEs and township entrepreneurs into the key sectors of finance, automotive industry, manufacturing, ICT, tourism, pharmaceuticals, creative industries, construction and real estate;
- Promoting new industries e.g. mining beneficiation and agro-processing;
- Linking with the Expanded Public Works Programme (EPWP) and the Community Work Programme (CWP) to revitalise the township economy and infrastructure; and
- Investing in the renewal of townships.

Acts, rules and regulations

- Municipal Finance Management Act (MFMA), 2004;
- Gauteng Liquor Act, 2003;
- National Protected Areas Act, 2003;
- Blue IQ Investment Holding Act, 2003;
- Gauteng Tourism Act, 2001;
- Promotion of Access to Information Act, 2000;
- Administration of Justice Act, 2000;
- Preferential Procurement Policy Framework Act, 2000;
- Municipality Systems Act, 2000;
- Gauteng Gambling Act, 1995, 1996, 2001;
- World Heritage Convention Act, 1999;
- Public Finance Management Act (PFMA), 1999;
- Skills Development Act, 1998;
- Employment Equity Act, 1998;
- Convention Concerning the Protection of the World Cultural and Natural Heritage (adopted 1997);
- Intergovernmental Fiscal Relations Act, 1997;
- Gauteng Unfair Business Practices Act, 1996;
- Sale and Service Matters Amendment Act, 1995;
- Public Service Act, 1994;
- Business Act, 1991;
- Credit Agreements Act, 1980; and
- 2009-2014 Electoral Manifesto and MTSF.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2014/15)

Modernisation of the economy

Output 1: Strategic economic infrastructure stimulating employment-led economic growth and development

Automotive Supplier Park Infrastructure projects

Mini Factory (ASP 10 and 11)

The mini factory 10 phase 1A (factory) is scheduled for completion at the end of the financial year. Phase 1 A, roof coverings has been laid 100 per cent; roof cladding is 85 per cent complete and awaiting louvers. The edge beams have been cast 100 per cent, paving is at 98 per cent and concrete works is 100 per cent complete. The electrical mini sub-station has been placed on site and the light fittings have been installed on the factory site.

The guardhouse structure is complete with windows and doors installed, ceiling has been installed with cornices and paintwork completed. Tiling is 100 per cent complete. Plumbing is also 100 per cent complete. Electrical first fix is at 100 per cent complete and awaiting light fitting. Phase 1b (office area) is 70 per cent complete with the staircase cast and plastering complete. Phase 2 (mini factory 11): second building construction will commence in April 2015 with the 2015/16 budget.

Nissan simulator facility

The simulator facility at Nissan is anticipated to be completed by end financial year 2014/15. Nissan will be the primary custodian for procuring the purpose-made simulator equipment.

Bio Park facility project

Construction of phase 1 of the Bio Park was completed and launched in October 2014. The office and manufacturing space is currently being rented to incubator companies.

OR TAMBO industrial development zone (IDZ)

Land lease

A final draft lease document was finalized and approved, the Gauteng DED executive authority will enter into a 45 year lease agreement.

Bulk infrastructure

The procurement of consulting engineers to undertake the detailed designs of the Jewellery Manufacturing Precinct (JMP) bulk infrastructure was put in abeyance pending the establishment of the infrastructure division at DED. The procurement process led by the Infrastructure Unit will conclude the appointment of the service provider by February 2015.

Output 3: Building an innovation and knowledge-based economy to drive competitiveness and economic growth

Gauteng ICT Special Economic Zone (SEZ)

A working group was established to validate the outcomes of pre-feasibility study against the terms of reference and to ensure that it meets the expectations of key stakeholders. The working group satisfied itself that the pre-feasibility study was fully compliant with the Department of Trade and Industry (DTI) terms of reference.

To this end, the adoption and declaration of the pre-feasibility report by the Provincial Steering Committee as the final report took place by the end of December 2014. The next steps will be the development of a feasibility study based on the identified and preferred locations. This will be followed by the development of a business case which will be the basis for the application for SEZ status.

The Innovation Hub (TIH)

CoachLab™ is The Innovation Hub Management Company (TIHMC) main leadership and skills development programme aimed at human capability development in engineering, information and communication technology (ICT) post-graduate students. The programme is sponsored by industry partners as well as the Media, Information and Communication Technologies Sector Education and Training Authority (MICT Seta). CoachLab currently has 36 learners in the CoachLab@JCSE and CoachLab@Hub programme. CoachLab@Vaal continues to support the 10 learners that were recruited during the launch in October of the past financial year.

Maxum Innovation Factory has 23 new pre-incubation entrepreneurs in the programme and Maxum Core managed to secure 22 incubation companies, cumulatively exceeding its annual target of 16. The introduction of the Maxum monthly pitching sessions has enabled improvement of the TIH's pipeline of entrepreneurs into incubation.

Climate Innovation Centre (CIC)

The CIC has been established to provide a one-stop shop enterprise development support to SMMEs and researchers to pro-actively and profitably develop, transfer and deploy advanced climate-smart/green economy technologies that meet local needs. The support comprises both financial and non-financial services. As at the end of the third quarter of the period under review, the CIC has contracted ten new pre-incubates receiving technical advisory and incubation services.

Output 4: Green economy interventions to support sustainable economic growth and interventions

The target of the waste to energy feasibility study for the Sedibeng and West Rand areas was partially achieved due to delays by the project sponsor in issuing an appointment letter to the service provider and the finalization of waste streams analysis process. However, in the period under review, all chapters of the feasibility study were drafted. They include status quo analysis, market and needs analysis, legal and regulatory analysis, technology

options report, delivery options, site selection, stakeholder engagements, socio-economic impact analysis, value assessment as well as the implementation plan.

PILLAR 1: RADICAL ECONOMIC TRANSFORMATION

Output 2: Re-industrialization to support the growth of labour intensive industries

DED has contributed to the Gauteng Master Skills Plan and/or re-industrialization as it pertains to its focus area. These include training for body repair shops, simulator training academy, foundry and tooling training, tourism, reskilling and technical training.

Automotive Industry Development Centre (AIDC) support programme

The auto body repairers and mechanics mentorship programme is aimed at ensuring that mentees receive adequate mentorship to assist them to manage their businesses efficiently and professionally. A total of sixty (60) mentees benefited from the AIDC project across Gauteng.

Gauteng Automotive Learning Centre (GALC)

The construction of the GALC is fully complete and the required technical training equipment is anticipated to be installed at the end of the financial year. As at the end of the third quarter of the 2014/15 financial year, the Learning Centre had 536 students, 150 of whom were continuing training from the previous financial year, 2013/14.

Ford T6 Training Simulator Project

As at the end of January 2015, 147 further education and training (FET) students from various FET colleges, 40 from private FET colleges and 35 Ford staff have attended the training at Ford T6 Simulator.

Output 6: Business regulation

Consumer Protection

The department received 415 consumer complaints against the targeted number of 549 and resolved 289 complaints against the targeted amount of 450. Over 98 per cent were resolved within the 60 day turnaround time. As part of an alternate dispute resolution system, the department facilitates the resolution of complaints by mediation and negotiation between the parties. Accordingly, the resolution of complaints and the turnaround time to resolve them is largely dependent on the complexity of the matter as well as the level of co-operation of the parties.

The consumer education and awareness programmes focused on train-the-trainer sessions for community development workers (CDWs); ward councillors, ward committees and workshops for the general consumer public. In the month of May 2014, the focus was on workers and in June 2014, the youth. The department's stakeholders included the Financial Services Board (FSB), National Credit Regulator (NCR), the department's BBBEE unit, the Credit Ombud and the Financial Planning Institute (FPI). The outreach/exhibitions also targeted general consumers. The department also worked in conjunction with the Office of the Premier and other government departments such as the Department of Labour. This resulted in 96 consumer education and awareness programmes conducted against the target of 63.

Gauteng Liquor Board (GLB)

In the period under review, 1 192 licenses were issued within the turnaround time due largely to the effectiveness of the Board's schedule where specific days were dedicated to consider certain categories of applications. In this regard, the Tuesday Board meetings were mostly used to consider the shebeen license applications to ensure the total eradication of the backlog of the applications received.

During the period under review, 730 inspections were conducted. The target was exceeded because of availability of adequate resources. The number of people reached through awareness programmes is at 56 million and includes both the people who attended the workshops and the records of media coverage. A well-publicized project was in relation to the cleaning of the GLB's data base of licenses, calling for the license holders to verify the status of their licenses within a specified period of time.

A total of 31 education and awareness programmes were conducted in a continuous effort to educate the traders to trade responsibly and to promote responsible alcohol consumption. The GLB collected R5.7 million through the collection of license fees, which reflect a consistent improvement in revenue collection flowing from the increased figures shown during the last financial year. The GLB will improve on the methods used to encourage

the clients to renew their licenses on time. The revenue management system will include among other measures the implementation of the single and integrated license referencing system that will single out the licenses that have not been renewed over the last financial years.

Output 7: Sustainable employment creation

SMME and cooperatives support: Gauteng Enterprise Propeller (GEP)

GEP has exceeded most of its targets for the period under review. The exceeded targets relate to financial and non-financial support to SMMEs, cooperatives and informal traders. The consistency maintained in the assessment and approval of loan applications received resulted in the number of existing SMMEs supported financially increasing to 324, above the targeted 81 SMMEs by 243. Similarly, 668 new SMMEs were supported financially and exceeded the targeted 174 SMMEs by 494.

The provision of financial support during the period under review, resulted in the number of existing cooperatives supported financially increasing to 90, exceeding the target of 50 by 40. The demand for community fund grants enabled the agency to financially support 337 new cooperatives, exceeding the target by 40. The provision of business development support (BDS) interventions assisted the agency to reach its non-financial support targets. In this regard, 2 666 existing SMMEs were provided with non-financial support, greater than the targeted 945 by 1 721. Likewise, 806 SMMEs were supported non-financially, above the targeted 405 by 401.

The efficiency of the agency in the provision of non-financial support also extended to cooperatives, resulting in 733 existing cooperatives being supported non-financially, in excess of the targeted 170 by 563. Provision of non-financial support to 210 new cooperatives resulted in the targeted 70 cooperatives being surpassed by 140. The overwhelming support provided to Informal traders continued. In this context, 888 township based Informal business proposals supported are over the targeted 318 proposals by 570.

Regional and local economic development

The department supported Tshepo (which means hope), a youth development programme in City of Tshwane (CoT). CoT in collaboration with the DED trained 10 000 young people on a six step training comprising entrepreneurial training, cooperative registration, financial training, technical training, and procurement opportunities. The department conducted a workshop on the Cooperatives Amendment Act, focusing on officials of provincial and local government including members of various cooperative structures in Gauteng.

In collaboration with Randfontein Local Municipality, GEP and WestCol, the department launched the Mohlakeng Enterprise Hub which incubates cooperatives and SMMEs. The department further launched Sebokeng Fabrication Laboratory, which is a partnership between the Vaal University of Technology and Sedibeng District Municipality.

Output 8: Trade and investment promotion

As at the end of the third quarter, foreign direct investment (FDI) projects (one in property development and the other in mineral beneficiation) were successfully facilitated into Gauteng bringing the total value of FDI projects facilitated in that period to R1.2 billion.

Gauteng Tourism Authority (GTA)

GTA has concluded the upgrade project and handover of the Hominid House at Maropeng during December 2014. This is the official visitor centre in the Cradle of Humankind World Heritage Site (COH WHS) and forms part of the infrastructural development projects undertaken by the agency. In respect of developing new tourism experiences the Struggle and Democracy Route has been completed, and the birding route is on track for delivery by the end of the financial year. These new experiences incorporate priority townships within the context of the Township Economic Revitalisation (TER) programme.

Water quality assessments are carried out annually following the extensive studies carried out on Acid Mine Drainage. In this regard, two reports are produced annually. The 1st report has been produced with the 2nd one due at the end of the financial year. A similar examination is also undertaken on the fossil sites themselves and the 1st report has duly been generated with the 2nd one also due at the end of March.

The agency has hosted 37 association meetings, conferences and exhibitions. In addition 17 annual signature events have been hosted in Gauteng. This is mainly due to the GTA's effective partnerships with industry. The rand value of economic benefit generated from these events to date is R351.4 million. This is limited only to the events where the agency partnered with the organizers in one way or another and excludes other events taking place in the province.

The tourism sector in the province is playing its part in responding to the call to modernize the Gauteng economy. To this extent three green initiatives were developed linked to the Hominid House project, which included black and grey water harvesting, energy efficiency and the Maropeng Hominid House being off the power grid.

The GaRankuwa Hotel School (GHS) placed 25 former learners in the industry for experiential learning at the beginning of the financial year. The institution has placed up to 19 students who have now completed the 2nd year (National Diploma in Professional Cookery) with highly reputable hotels which include The Garden Court (Sandton City), Garden Court (Umhlanga) and The Palazzo Montecasino. The GHS has also started offering short term courses to township-based beneficiaries in various skills with an intake of 190 beneficiaries to date.

Enterprise development is one of the key instruments the agency employs in a bid to fast track the transformation of the sector and diversifies visitor experience. The department is currently on track to support no less than 300 SMMEs by the end of the financial year in partnership with the Tourism Enterprise Partnership (TEP) and the sister agency the GEP.

Since the advent of the transformation, modernisation and re-industrialisation (TMR) programme of action for the 2014 – 2019 MTSF, the agency has established a dedicated Township Tourism Task Team as well as the Board sub-committee both of which focus on ensuring that the agency responds decisively to the TER programme. Thus far, township based SMMEs and cooperatives have benefitted from a series of initiatives focused on townships.

Broad Based Black Economic Empowerment (BBBEE)

The BBBEE department conducted a total of 28 BBBEE economic opportunities workshops against a cumulative target of 18 with suppliers in different constituencies in the province, inclusive of departments, agencies and municipalities, in partnership with private and civil society stakeholders. The set target was exceeded due to the high demand for BBBEE and local content compliance workshops from both GPG entities and private and civil society stakeholders. The other contributing factors were compulsory tender briefing sessions from GPG entities and the township economy revitalisation programme, where the unit's role was to provide strategic advisory support through education and awareness to ensure seamless compliance to the GPG BBBEE strategy and local content targets.

The department has commissioned a GPG local content procurement baseline study for 2014/2015. This is to determine the value of provincial government purchases of local content and overall compliance with local content procurement against the set target of 75 per cent. Linked to the above is the development of recommendations that determine intervention measures that will enhance the province's capacity to implement local procurement policies and measures. A total of 40 capacity building interventions were facilitated across the province against 18 planned for Quarter 3. The bulk of these interventions were proactively initiated by the BBBEE unit whereas some were requested by GPG entities as well as by private and civil society stakeholders.

Gauteng Gambling Board

A total 124 compliance audits were conducted, exceeding the target of 120. The Board in partnership with members of the law enforcement agency (SAPS liquor officers) conducted 29 raids on illegal gambling outlets against a target of 36.

All punter disputes were amicably resolved within the standard time frame of six months as planned. Revenue collection for the third quarter for the period under review amount to R250.9 million, exceeding the target of R194.5 million by approximately 28 per cent; this is largely due to increase in consumer spending on gambling products.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2015/16)

Modernisation of The Economy

Output 1: Inclusive and equitable economic growth

Innovation and knowledge based economy

A total of 26 companies will be recruited for pre-incubation through the Maxum programme at the TIH whilst 16 will be enrolled for incubation. Furthermore a total of 100 individuals will also be trained through the CoachLab programme at TIH. The CIC will provide technical services to 40 green companies and its incubation programme will incubate 25 green companies.

Output 2: Strategic economic infrastructure stimulating employment led growth and development

The department, through the Gauteng Growth and Development Agency, will continue with the completion of IDZ phase 1 and to this end plans to finalize phase 1 top structure and bulk development. Feasibility on the next phases of IDZ translated to Phase 2 will also be undertaken.

The department working together with the DTI will finalise the completion of business case as part of the SEZ process for Gauteng ICT Park. Working together with the private sector it will ensure the completion of business cases for ICT components, media components, knowledge components and logistics components.

In the upcoming financial year, the department, through the GEP, will establish five enterprise hubs as catalysts for job creation, with emphasis on economically depressed areas of Gauteng. Post their establishment, it is envisaged that businesses based at the hubs will be provided with enterprise development support, including amongst others, Incubation programmes.

Modernisation of the economy

Output 4: Trade and investment promotion

Investment attraction and export promotion

The department's trade and Investment promotion, through Gauteng Growth and Development Agency (GGDA), will directly facilitate four FDIs and six domestic direct investments. The department, through GGDA, will continue to facilitate access to export markets for SMMEs and in this regard 200 enterprises will be supported to be export ready.

Output 5: Build skills to drive the economy

The department, through the GGDA, will to continue to focus on addressing skills gaps and creating jobs through partnerships with industries to deliver skills for the economy in labour intensive sectors such as the automotive, metal fabrication and mineral beneficiation sectors. As part of skills development in the automotive sector, through GGDA, 1 595 individuals will be trained at the Gauteng Learning Centre's various sites and programmes.

Furthermore, 15 new students will be enrolled in the jewellery manufacturing and design training programme. Metal fabrication skills development will also continue to be a focus for the department. Thus 250 tool makers will be trained through the tooling artisan training programme and 20 individuals will be trained through the foundry skills development programme.

Output 6: Business regulation

Consumer protection

The department identified sections in the National Consumer Protection Act, 68 of 2008, that impact on its mandate and role and will review the Consumer Affairs (Unfair Business Practices) Act, 7 of 1996, during the year. The department will prioritize the review of the provincial legislation for alignment with the national legislation. There will be continued focus on consumer education, advocacy and awareness campaigns in the 2015/2016 financial year. The following key activities have been planned for the 2015/2016 financial year: train-the-trainer programs for CDWs, economic development facilitators, SMMEs, co-operatives, increased consumer court sittings in regions, increased and easy access to our services by the public, increased compliance of business with consumer protection legislation, strategic collaboration agreements with the Consumer Goods Council and other regulators and trade exchange programmes with community radio stations.

Gauteng Enterprise Propeller

In the 2015/2016 financial year, GEP will continue with the provision of non-financial and financial support to SMMEs and cooperatives, with emphasis on businesses in the 11 sectors of the GPG. In this context, 3 531 SMMEs will be supported through financial and non-financial interventions. Of this total, 345 will be provided with financial interventions while 3 186 will be supported through non-financial interventions. In terms of cooperatives, 200 will be supported non-financially and 700 will benefit from non-financial interventions.

The momentum of sector-specific incubation programmes will continue in 2015/16. In this regard, 75 businesses consisting of 60 in film and related industries and 15 in the tooling industry will be incubated. In line with the TER

strategy, amongst others, financial and non-financial support will be provided to 500 township-based Informal businesses. The Virtual Office programme will be rolled out in 2015/2016 to support the formalization of SMMEs, especially those in the professional services sector.

Gauteng Tourism Authority (GTA)

GTA will focus on destination marketing and promotion with other functions being absorbed into the new DED Tourism Branch. There will be an unprecedented aggressive focus on attracting foreign, domestic and internal visitors aimed at generating significant tourism revenues that contribute to GDP growth. One of the key focus areas will be eventing against the backdrop of a recent approval by EXCO of the relevant strategies and budgets.

The agency will also be building on the current framework on developing and growing township tourism by mainstreaming township tourism experiences. Township based SMMEs and cooperatives are targeted to be major beneficiaries of the TER programme. There is a huge focus not only on defending but also enhancing Destination Gauteng's market share among African markets, therefore a dedicated strategy focusing on these markets will be formulated for implementation in earnest during the 2015/16 financial year. The execution will be located within the larger international relations strategy and more specifically the provincial trade and investment strategy.

Broad Based Black Economic Empowerment

The planned targets for 2015/16 financial year will be to deliver a total of 28 economic opportunities and capacity building interventions and to increase the capacity of DED towards building an inclusive and integrated economy in the GCR and beyond.

Regional and Local Economic Development

The planned targets for the 2015/16 Financial Year will be to support 6 economic development projects at local and regional levels, conduct six capacity building interventions and host 4 TER Intergovernmental committee meetings.

Gauteng Gambling Board

In continuing the regulation and control of the gambling industry, tax revenue collection is targeted to increase by 6 per cent from R897.5 million to R951.4 million per annum. Gambling site inspections will be increased from 102 to 678 with the number of compliance audits maintained at 180 per annum.

Gauteng Liquor Board

To improve the ease of doing business, adherence to the turnaround time for approving the liquor license applications will be reinforced. Stakeholder programmes and engagement will be streamlined to improve the department's reputation on liquor licensing. Liquor abuse education and awareness programmes will continue and inspections will be increased in order to enforce compliance.

4. REPRIORITISATION

The implementation of approved strategies critically informs the reprioritisation of the budget and projects. The department examined the budget proposals from its public entities in order to strengthen alignment with its mandate. Several budget proposals from public entities were declined and some were realigned and reprioritised. The budget reprioritization exercise identified savings within the existing committed expenditure envelope and assigned funds to emerging priorities in the areas of enterprise development, job creation and targeted sector development. Stringent cost cutting measures were implemented and the department reduced internal costs through centralisation of common expenditure such as stationery, computer consumables, catering etc. The department cut costs further by developing austerity measures that affect certain items such as cell phones, travel and subsistence, venues and facilities etc. This reprioritisation will necessitate an efficient use of resources while on the other hand ensuring that service delivery targets are met. However, cost savings will continue to play an important role in the budget allocation and management processes thereof.

5. PROCUREMENT

The DED, during the MTEF process, highlighted procurement projects in the 2015/16 financial year which have an impact on the service delivery of the department. The projects are also aligned to the strategic pillar programme

aligned to the TER. The procurement will be in conjunction with the projects that each programme would plan to deliver on. This will further be assisted by individual procurement project plans to ensure that bids are evaluated and awarded timeously.

Key projects to be implemented against the TeR include Regional Township Revitalization Summits, Provincial Township Revitalization Summit, approval and implementation of the Township Revitalization Strategy (by EXCO), approval and implementation of the 11 sector strategies, upgrade of industrial parks, Provincial Infrastructure Summit (Energy – Green Economy), development of the Gauteng Trade and Investment Strategy, development of the Gauteng Energy Mix Plan, development of the Informal Sector Strategy, development of the economic and industrial plans for West Rand and Sedibeng district municipalities, the Baseline Study on Local Preferential Procurement and the Provincial State Bank Feasibility Study.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 3.1: TABLE OF RECEIPTS: ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Equitable share	822 573	874 412	926 787	1 072 661	1 101 491	1 101 491	1 302 610	1 239 298	1 299 291
Total receipts	822 573	874 412	926 787	1 072 661	1 101 491	1 101 491	1 302 610	1 239 298	1 299 291

The allocation increased from R822 .5 million in 2011/12 to R926.8 million in 2013/14. The main appropriation increases from R926.8 million in the 2013/14 financial year to R1.1 billion in the 2014/15 financial year. Over the MTEF the baseline increases to R1.3 billion and R1.3 billion for 2015/16 and 2017/18 respectively. The allocation for 2015/16 makes provision for the TER that the department has embarked on, job creation initiatives, the Nelson Mandela Centre of Memory project and refurbishment of township hubs. Gauteng TER falls within the provincial pillars of; Radical Economic Transformation, Decisive Spatial Transformation, Modernization of the Economy and Re-industrialization whilst the government has done a lot to ensure that townships becomes livable and vibrant economic centers for their residents .

6.2 Departmental receipts

TABLE 3.2: DEPARTMENTAL RECEIPTS: ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Tax receipts	612 939	719 343	753 404	758 506	758 506	758 506	804 017	846 630	888 961
Casino taxes	580 337	684 364	715 672	666 229	666 229	666 229	706 204	743 633	780 814
Horse racing taxes	32 602	34 979	37 732	92 277	92 277	92 277	97 813	102 997	108 147
Liquor licenses									
Motor vehicle licenses									
Sales of goods and services other than capital assets	125	288	48						
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	1 579	2 006	5 177	1 991	1 991	1 991	2 111	2 223	2 334
Sales of capital assets	47								
Transactions in financial assets and liabilities	79	218	5 293	265	265	265	277	292	306
Total departmental receipts	614 769	721 855	763 922	760 762	760 762	760 762	806 405	849 145	891 602

In terms of attaining the objectives and priorities defined in the strategic goals of the department, its main source of funding is the equitable share and own revenue mainly generated from gambling taxes (casino and horse racing taxes). The department's other sources include sales of goods and services other than capital assets;

interest, dividends and rent on land; financial transactions in assets and liabilities and sales of capital assets.

Gambling revenue is collected by the Gauteng Gambling Board (GGB) for a commission in terms of the Public Finance Management Act Sec 21 (b)(iii), s23(1) & (2) and (3) as well as the Gauteng Gambling Act of 1995 as amended. During the 2011/12 financial year the actual collection amounted to R614.8 million, increasing to R721.8 million in 2012/13. Over the 2015 MTEF, the projected revenue collection is estimated at R806.4 million for 2015/16 and R891.6 million for 2017/18.

The estimated revenue collection over the MTEF is based on a number of factors such as people visiting the province for different events, activities such as the Tourism Indaba, Sansui Cup and numbers of people visiting the province for holidays just to mention a few.

The GGB will continue implementing its mandate by attracting tourists to ensure a sustainable revenue collection including intensifying the responsible gambling awareness campaign in the domain. The GGB will continue with its programmes as planned and the baseline will not be reduced moving forward.

7. PAYMENT SUMMARY

7.1 Key assumptions

The department has applied the following key assumptions when compiling the budget:

- Filling of the funded vacant positions;
- Increase in personnel and performance bonuses;
- Number of staff and possible changes over MTEF;
- Medical aid contribution which increase annually;
- Basic salary costs including the Improvement in conditions of service adjustments from July each year;
- Skills development levy ;
- Inflation related adjustments; and
- Cost- saving strategies.

Key policies and priorities

- TER Programme: the department will expand infrastructure provision in order to facilitate economic activity, growth and job creation and expand the skills base of our economy and stimulate regional economic competitiveness as well as spatial development and economic equity;
- There will be a roll out township enterprise hubs across Gauteng's oldest townships;
- The department will make interventions and create opportunities for small businesses and cooperatives to form part of the producer value chains, funds will be directed to GEP; and
- The department will continue to provide support and assistance to the automotive sector through investment facilitation, skills development and training, incubation programmes and supply-chain development.

7.2 Programme summary

TABLE 3.3 : SUMMARY OF PAYMENTS AND ESTIMATES : ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	129 436	129 864	132 544	171 379	178 333	178 333	189 997	204 722	214 959
2. Integrated Economic Development									
Services	158 379	196 458	222 076	268 135	296 035	286 035	321 250	265 466	271 963
3. Trade And Sector Development	410 337	452 110	512 185	510 665	528 889	517 013	556 609	587 064	616 647
4. Business Regulation And Governance	43 092	66 734	46 577	81 692	73 792	73 792	61 261	62 799	65 939
5. Economic Planning	18 151	28 205	13 405	40 790	24 442	24 442	176 493	119 247	129 783
Total payments and estimates	759 394	873 371	926 787	1 072 661	1 101 491	1 079 615	1 305 610	1 239 298	1 299 291

7.3 Summary of economic classification

TABLE 3.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	258 620	265 609	264 807	392 962	414 141	411 141	591 727	478 061	499 992
Compensation of employees	91 035	110 304	110 685	190 540	172 640	172 640	215 711	227 616	239 024
Goods and services	167 561	155 305	154 122	202 422	241 501	238 501	376 016	250 445	260 968
Interest and rent on land	24								
Transfers and subsidies to:	495 094	590 114	658 788	659 507	678 557	659 681	707 748	740 989	778 038
Provinces and municipalities									
Departmental agencies and accounts	495 035	589 890	657 890	659 507	678 383	659 507	707 748	740 989	778 038
Households	59	224	898		174	1 74			
Payments for capital assets	5 443	6 213	1 619	20 192	8 793	8 793	6 135	20 248	21 261
Buildings and other fixed structures									
Machinery and equipment	5 423	5 855	1 619	20 192	8 793	8 793	6 135	20 248	21 261
Software and other intangible assets	20	358							
Payments for financial assets	237	11 435	2 471						
Total economic classification	759 394	873 371	927 685	1 072 661	1 101 491	1 079 615	1 305 610	1 239 298	1 299 291

Total expenditure increased from R759.3 million in 2011/12 to R926.8 million which shows a growth of R167 million in the 2013/14 financial year. The biggest portion of the budget is under the departmental agencies account where the departments transfer allocations to agencies. In the 2013/14 financial year an allocation of R657.8 million was transferred and R659.5 million in 2014/15 respectively showing an increase of R2 million. The agencies' mandate is to implement policy priorities for the department and the province such as construction of automotive suppliers, refurbishment of industrial hubs, accelerating the development of high growth, competitive and labour-absorbing sectors to support the creation of decent jobs and global competitiveness, including attracting direct domestic investment and FDI in identified markets and unlocking increased trade opportunities on the African continent and across the globe. Over the MTEF period, the allocation increases to R1.3 billion in 2015/16, decreasing to R1.2 billion in the 2017/18 financial year. The decrease is due to the discontinuation of township economy projects in the 2016/17 financial year.

The largest portion of the budget is allocated to entities under Programmes 2 and 3, whilst Programme 1 receives the third largest portion of the budget since it carries most of the departmental contracts such as lease payment, ICT equipment and centralization of training and development.

The expenditure on compensation of employees increases from R91 million in 2011/12 to R190.5 million in 2014/15. Over the MTEF, this is augmented even further from R215.7 million in 2015/16 to R239 million in the 2017/18 financial year primarily due to the implementation of the structure for the department to align to the needs of the province.

Goods and services is the second largest portion of the budget and is used for the implementation of the emerging priorities and strategic projects and programmes. Expenditure amounts to R167.5 million in 2011/12 decreasing to R154.1 million in 2013/14 before increasing to R202.4 million in 2014/15. Over the MTEF, the allocation increases to R376 million in 2015/16 before decreasing to R260.9 million in 2017/18. This fluctuation is due to a portion of the goods and services of R137 million that is earmarked for the TER programme which will support the development of township enterprises, cooperatives and SMMEs producing goods and services that meet the needs of township residents.

The allocation for Public Entities for the 2011/12 financial year amounted to R495 million increasing to R657 million in 2012/13 to provide funds for key priority projects. The allocation in the 2014/15 budget amounted to R659.5 million, increasing to R741 million in 2016/17 and R778 million in 2017/18.

This allocation will contribute towards:

- Supporting the procurement of consulting engineers to undertake the detailed designs of the Jewelry Manufacturing Precinct (JMP) bulk infrastructure projects;
- Providing support in leadership and skills development programmes aimed at human capability development in respect of engineering and ICT post-graduate students;

- Refurbishment at Constitutional Hill;
- Providing support to small businesses; and
- Focusing on promoting Gauteng as a tourism destination.

Capital payments drastically decrease from R5.4 million in 2011/12 to R1.6 million in 2013/14 before increasing to R20.2 million in the 2014/15 financial year. Over the 2015 MTEF, the allocation declines to R6.1 million due to cost cutting measures, before increasing to R21.3 million in 2017/18. The allocation caters for the replacement of old furniture and purchasing of new computers for the newly appointed officials.

7.4 Infrastructure payments

N/A

7.4.1 Departmental infrastructure payments

N/A

7.4.2 Departmental public-Private Partnerships (PPP) projects

7.5 Transfers

7.5.1 Transfers to public entities

TABLE 3.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO PUBLIC ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Gauteng Growth and Development Agency	228 815	293 223	358 173	339 072	339 072	339 072	338 033	355 949	373 746
2. Gauteng Enterprise Propeller	93 912	104 300	128 447	129 291	129 291	129 291	129 838	132 507	139 132
3. Gauteng Tourism Agency	61 488	52 045	62 019	65 427	65 427	65 427	60 298	63 494	66 668
Total departmental transfers	384 215	449 568	548 639	533 790	533 790	533 790	528 169	551 950	579 546

Transfers to public entities increased from R384.2 million in 2011/12 to R548.5 million 2013/14 due to the additional funding allocated to GGDA for the Nelson Mandela Centre of Memory and other job creation endeavors. For the 2014/15 financial year the allocation amounted to R533.7 million. The allocation is augmented to R551.9 million and R579.5 million in 2016/17 and 2017/18 respectively. The allocation to the GEP escalates from R128.4 million in 2013/14 to R129.3 million in the 2014/15 financial year to cater for a targeted focus on providing support and training to informal businesses, SMMEs and cooperatives. The allocation increases to R129.8 million in 2015/16 financial year and then to R139 million in 2017/18.

The GGDA budget focuses on key projects such as metal and machinery sector development, the Gauteng Tooling Initiative and automotive sector development. The Entity is also focusing in city renewal and for the establishment of a struggle history route such as the Constitution Hill Precinct; the Nelson Mandela Centre of Memory which will be developed as an anchor attraction to enhance the visitor experience. The Nissan investment programme which is the Gauteng Automotive Training Academy, now the GALC, with approximately 218 students in training will also be further developed. GGDA is also contributing in training through the Gauteng Master Skills Plan that include training for body repair shops; simulator training academy; foundry and tooling training; tourism; and reskilling and technical training.

The GTA allocation for the 2015/16 financial year amounts to R60.3 million which increases to R67 million in 2017/18. The allocation caters for the construction of Dinokeng Game Reserve (DRG) self-drive, upgrade of the picnic sites in Roodeplaat Dam and provision of modern ablution facilities and upgrade of the Boekenhoutkloof and De Wagensdrift Road. The entity continues to provide for registration of tourist guides, tour operators, couriers, accredited training providers in the tourism industry, hotels, conference centres, restaurants, designated tourism amenities and other accommodation establishments and possible future functions relating to these categories; and to provide for the promotion and sustainable development of tourism in Gauteng.

7.5.2 Transfers to other entities

TABLE 3.6 : SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Cradle of Humankind	62 923	57 157	44 115	53 442	55 583	55 583	85 977	90 534	95 060
2. Dinokeng	32 613	48 100	42 139	37 736	35 595	35 595	67 970	71 572	75 151
3. Gauteng Liquor Board	15 100	32 670	28 781	30 255	30 255	30 255	25 327	26 695	28 030
Total departmental transfers	110 636	137 927	115 035	121 433	121 433	121 433	179 274	188 801	198 241

The department has three trading entities, administered by the Cradle of Human Kind, Dinokeng and the Gauteng Liquor Board (GLB). Total transfers for all three trading entities amounts to R137.9 million in 2012/13 decreasing to R115 million in 2013/14 before increasing marginally to R121.4 million in 2014/15. The allocation increases significantly to R179.3 million in 2015/16 and continues to grow to R198.2 million in 2017/18.

The budget for Cradle of Humankind fluctuates from R57.2 million in 2012/13 to R44.1 million in 2013/14 and increases to R53.4 million in 2014/15. Over the MTEF, the Cradle of Humankind allocation increases from R85.9 million in 2015/16 to R95 million in 2017/18. The COH WHS, as the management authority, protects preserves and interprets the outstanding universal value of the world heritage site on behalf of South Africa for future world generations.

The allocation for Dinokeng increases from R67.9 million in 2015/16 to R75.1 million in the 2017/18 financial year. The entity supports the development of the North Eastern Region of the province as a tourism destination which focuses on nature, culture and history. Tourism is the key driver for the creation of an inclusive economy in this geo-spatial tourism project.

GLB is under Programme four within the department and its budget is still managed by the department. The mandate of GLB amongst other things is to manage the lodgment of liquor license applications, processing liquor license applications and renewal of licenses. The budget amounts to R25.3 million in 2015/16 and increases to R28 million in 2017/18.

7.5.3 Transfers to local government

N/A

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme purpose

To provide strategic leadership, support and transversal business solutions to enable the MEC, HOD and DED Group to deliver effectively on the mandate of the department.

Programme objectives

The Administration Budget Programme area will work towards the following three strategic objectives:

- Financial accountability and compliance to all prescribed financial regulations and guidelines;
- Employment Equity targets in respect of women and persons with disabilities to be achieved or surpassed; and
- Effective implementation of the GPG BB BEE Strategy.

TABLE 3.7: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Office Of The Mec	14 079	13 973	12 094	16 167	11 780	11 780	11 200	12 710	13 346
2. Office Of The Hod	28 418	16 454	10 072	21 794	18 709	18 709	19 000	19 615	20 596
3. Financial Management	13 116	18 599	21 974	22 422	27 282	27 282	40 474	39 750	41 738
4. Corporate Services	73 823	80 838	88 404	110 996	120 562	120 562	119 323	132 648	139 280
Total payments and estimates	129 436	129 864	132 544	171 379	178 333	178 333	189 997	204 722	214 959

TABLE 3.8: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	124 154	121 273	127 441	152 111	170 310	170 310	183 692	184 453	193 675
Compensation of employees	56 201	55 157	66 827	86 994	86 994	86 994	116 500	123 199	130 771
Goods and services	67 929	66 116	60 614	65 117	83 316	83 316	67 192	61 254	62 904
Interest and rent on land	24								
Transfers and subsidies to	230	2 472	1 013		100	100	305	263	276
Departmental agencies and accounts	230	2 472	1 013				305	263	276
Non-profit institutions									
Households					100	100			
Payments for capital assets	4 814	6 091	1 619	19 268	7 923	7 923	6 000	20 007	21 007
Buildings and other fixed structures									
Machinery and equipment	4 794	5 733	1 619	19 268	7 923	7 923	6 000	20 007	21 007
Software and other intangible assets	20	358							
Payments for financial assets	237	28	2 471						
Total economic classification	129 436	129 864	132 544	171 379	178 333	178 333	189 997	204 722	214 959

The administration budget is used for the payment of leases, cleaning services, security services, bursaries and office buildings. The allocation for this programme increased slightly from R129.4 million in 2011/12 to R132.5 million in 2013/14 before increasing to R171.3 million in 2014/15. The increase is due to the approved rollover for accruals amounting to R6.9 million. Over the MTEF, the allocation increases to R190 million, R204.7 million and R215 million in 2015/16, 2016/17 and 2017/18 respectively. The increased allocation will cater for the recruitment plan of the department which plans to fill all vacant post by 2015/16.

Corporate Services received the biggest portion of the budget due to payment of leases and provision of ICT support to the department.

For compensation of employees the expenditure increases from R56.2 million in 2011/12 to R66.8 million in 2013/14 before increasing further to R87 million in 2014/15 and again to R116.9 million in 2015/16. The significant increases are due to the progressive implementation of the departmental structure which is aimed at capacitating the department in respect of its provincial mandate. The allocation increases to R123.2 million in 2016/17 and R130.8 million in the outer year due to the continued implementation of the organizational structure.

Goods and services expenditure amounts to R67.9 million in 2011/12 before decreasing to R60.6 million in the 2013/14 financial year. The allocation grows to R65 million in 2014/15. Over the MTEF, the goods and services budget of the programme decreases again to R67.2 million in 2015/16 before increasing to R62.9 million in 2017/18.

Machinery and equipment decreased from R4.7 million in 2011/12 to R1.6 million in 2013/14 before increasing to R19.2 million in 2014/15. Over the MTEF, the allocation declines to R6 million in 2015/16 before increasing to R21 million in 2017/18. The fluctuation is due to a number of projects that Information Technology will be embarking upon such as budgeting for the disaster recovery site for the purposes of system recovery and continuity during the time of emergency or disaster. The allocated budget will also cater for the implementation of community ICT hubs that will be used for SMMEs to access internet and broadband.

PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES**Programme purpose**

To ensure radical economic transformation that addresses the triple policy imperatives of decent work, an inclusive economy and equality.

Programme objectives

Integrated Economic Development Services will work towards the following five strategic objectives:

- New, smart, knowledge-based economy and industries as part of a radically transformed and re-industrialised Gauteng economy;
- Revitalised and modernised township economies reflecting radical transformation and re-industrialisation of Gauteng's economy;
- SMMEs, township enterprises and cooperatives participating in mainstream economic activities as part of a radically transformed and reindustrialised Gauteng economy;
- Appropriately skilled human resource and business capacity that meet the needs of a radically transformed and re-industrialised Gauteng economy; and
- Green industries contributing to energy security as an important element of radically transforming and reindustrialising Gauteng's economy.

TABLE 3.9: SUMMARY OF PAYMENTS AND ESTIMATES: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Enterprise Development	97 435	111 142	132 596	139 485	146 485	139 485	131 938	136 706	143 541
2. Regional and Local Economic Development	2 950	4 864	1 791	14 503	14 557	14 557	2 000	1 044	1 096
3. Economic Empowerment	57 994	80 452	87 689	114 147	134 993	131 993	187 312	127 716	127 325
Total payments and estimates	158 379	196 458	222 076	268 135	296 035	286 035	321 250	265 466	271 963

TABLE 3.10: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	64 313	86 124	93 629	138 209	159 089	156 089	191 412	132 786	132 650
Compensation of employees	3 174	18 008	10 383	19 757	19 757	19 757	3 980	5 125	6 012
Goods and services	61 139	68 116	83 246	118 452	139 332	136 332	187 432	127 661	126 637
Interest and rent on land									
Transfers and subsidies to	93 912	104 354	128 447	129 291	136 365	129 365	129 838	132 507	139 133
Provinces and municipalities									
Departmental agencies and accounts	93 912	104 300	128 447	129 291	136 291	129 291	129 838	132 507	139 133
Households		54			74	74			
Payments for capital assets	154	71		635	581	581		172	180
Buildings and other fixed structures									
Machinery and equipment	154	71		635	581	581		172	180
Payments for financial assets		5 909							
Total economic classification	158 379	196 458	222 076	268 135	296 035	286 035	321 250	265 466	271 963

The expenditure for this programme in the 2011/12 financial year was R158.4 million, increasing to R196.5 million in 2012/13 and increasing again to R222 million in 2013/14. In 2014/15 it increased to R268.1 to expand the number of the SMMEs that will be supported financially. Over the MTEF, the planned expenditure grows to R321.3 million before decreasing to R272 million for 2015/16 and 2017/18 respectively. This allocation caters for transfers to the GEP under the Enterprise Development Sub-programme and provides support to local municipalities under the Regional and Local Economic Development Sub-programme. Provision is made for projects under the Economic Empowerment sub-programme such as Waste to Energy, establishment of bio digesters, industrial waste energy etc.

The allocation for this programme is based on strategic programmes that will stimulate the competitive and social transformation of Gauteng; attracts investments that will result in a greener economy; and create decent jobs.

The expenditure for goods and services increased from R61.1 million in 2011/12 to R83.2 million in 2013/14 and R118.4 million in 2014/15 respectively. The budget increases to R187.4 million in 2015/16 before decreasing to R126.6 million in the 2017/18 financial year. This will cater for projects in relation to job creation and the implementation of the Gauteng Economic Growth and Development Strategy (GEGDS).

In the 2015/2016 financial year, the department will continue to be a catalyst for enterprise development and regional and local economic development. The GEP will provide financial and non-financial support to SMMEs and cooperatives. A total of 165 SMMEs will be supported financially and 1800 SMMEs will be provided with non-financial support. The Cooperatives Assistance Programme will continue, providing financial support to 100 cooperatives. Non-financial support will be provided to 231 cooperatives.

Over the 2015 MTEF, a total amount of R129.8 million will be transferred to GEP in 2015/16; this is to cater for the continuation of the Regeneration of Old townships programme, involving the regeneration of old township industrial sites into vibrant and productive spaces. GEP will continue with the provision of non-financial and financial support to SMMEs and cooperatives.

SERVICE DELIVERY MEASURES

PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

Performance measures	Estimated annual targets		
	2015/16	2016/17	2017/18
No. of small businesses supported in the industrial parks	75	75	75
No. of individuals in infrastructure and related industries incubated	500	500	500
No. of businesses in film and related industries incubated	60	60	60
No. of existing SMMEs supported financially in the 11 sectors	115	127	140
No. of existing SMMEs supported non-financially in the 11 sectors	1386	1500	1500
No. of new SMMEs supported financially in the 11 sectors	230	230	230
No. of new SMMEs supported non-financially in the 11 sectors	1800	1800	1800
No. of existing co-ops supported financially in the 11 sectors	100	100	100
No. of existing co-ops supported non-financially in the 11 sectors	500	500	500
No. of new cooperatives supported financially in the 11 sectors	100	110	120
No. of new cooperatives supported non-financially in the 11 sectors	200	200	200
No. of township based Informal businesses supported	500	500	500

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT

Programme purpose

To ensure re-industrialisation that addresses the triple policy imperatives of decent work, an inclusive economy and equality.

Programme objectives

Trade and Sector Development will work towards the following two strategic objectives:

- Strategic economic infrastructure that supports and facilitates radical economic transformation and re-industrialisation of Gauteng; and
- Increased trade, investment and export activities in Gauteng, the country, the African continent and globally leading to radical economic transformation and re-industrialisation of Gauteng's economy.

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TABLE 3.11: SUMMARY OF PAYMENTS AND ESTIMATES: TRADE AND SECTOR DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Trade and Investment									
Promotion			1 576	9 000	9 000	9 000	4 331	5 515	6 021
2. Sector Development	168 809	157 302	150 925	160 889	176 413	167 237	214 245	225 600	236 880
3. Strategic Initiatives	241 528	294 808	359 684	340 776	343 476	340 776	338 033	355 949	373 746
Total payments and estimates	410 337	452 110	512 185	510 665	528 889	517 013	556 609	587 064	616 647

TABLE 3.12 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRADE AND SECTOR DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	24 498	1 585	5 666	10 704	17 052	17 052	4 331	5 515	6 021
Compensation of employees	399		5 519	10 634	10 634	10 634	4 231	5 415	5 916
Goods and services	24 099	1 585	147	70	6 418	6 418	100	100	105
Interest and rent on land									
Transfers and subsidies to	385 839	450 525	506 519	499 961	511 837	499 961	552 278	581 549	610 626
Provinces and municipalities									
Departmental agencies and accounts	385 839	450 525	506 444	499 961	511 837	499 961	552 278	581 549	610 626
Households			75						
Payments for capital assets									
Payments for financial assets									
Total economic classification	410 337	452 110	512 185	510 665	528 889	517 013	556 609	587 064	616 647

The expenditure for this programme increased from R410.3 million in 2011/12 to R512.2 million in the 2013/14 financial year. The allocation subsequently decreases to R510.7 million in 2014/15 before increasing to R556.6 million in 2015/16 and R616.6 million in 2017/18. The biggest portion of the allocation is reflected under the sub-programme Strategic Initiative and Sector Development due to the transfer to GGDA, GTA (Cradle of Human kind and Dinokeng) of which all entities are under the control of the department which implements various projects on its behalf.

The expenditure for trade and investment promotion in the 2012/13 financial year amounted to R1.5 million and increased to R9 million in the 2014/15 financial year due to the appointment of officials.

In the 2011/12 financial year, the expenditure for Strategic Initiatives grows from R241.5 million to R359.7 million in the 2013/14 financial year, then declining to R340.8 million in the 2014/15 financial year. Over the MTEF, the budget increases from R338 million in 2015/16 to R373.7 million in 2017/18 due to programmes and projects that emanate from the strategic pillars.

The allocation for goods and services was to conduct 11 industrial sectoral analyses for the current financial year in line with the 2014 SOPA announcements. These studies will assist in the overall strategic orientation of the provincial industrial sectoral strategies which will be geared towards meeting the basic needs of the poor majority. In the 2015/16 financial year the allocation has decreased to R100 000 due to a once off study that was conducted in the 2014/15 financial year and will not continue during the MTEF.

The budget for compensation of employees significantly increases from R399 000 in 2011/12 to R5.5 million in 2013/14 before increasing to R10.6 million in 2014/15. Over the MTEF the budget decreases to R4.2 million in 2015/16 before increasing to R5.9 million in 2017/18.

The purpose of the unit was to source alternative funding from government and private companies that were never included in the old structure, whilst in the new structure positions were created to support and stimulate the competitiveness of, and transform, the 11 identified economic growth sectors which will continue attracting Domestic Direct Investment (DDI) and FDI and increase trade, investment and export opportunities on the African

continent and worldwide. The unit also continues to contribute in skills development initiatives as part of making a contribution in developing youth.

SERVICE DELIVERY MEASURES

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT

Performance measures	Estimated annual targets		
	2015 / 16	2016 / 17	2017 / 18
% increase in visitor numbers to Maropeng	5%	10%	15%
% increase in revenue generated at Maropeng	5%	10%	15%
No. of operational visitor Informational centres	4	7	7
No. of international visitor arrivals to Gauteng (million)	R4.4 million	R4.6million	R5 million
Rand value generated from international tourists in Gauteng (billion)	R35 billion	R48 billion	R60 billion

PROGRAMME 4: BUSINESS REGULATION AND GOVERNANCE

Programme purpose

To ensure that DED's agencies, namely Consumer Affairs, The Gauteng Liquor Board and, The Gauteng Gambling Board are implementing interventions that contribute to achievement of the DED's strategic goals.

Programme objectives

Business Regulation and Governance will work towards the following four strategic objectives:

- New, smart, increased consumer satisfaction that secures long term sustainability and facilitates the growth of businesses;
- Stakeholders from all three spheres of government and from other sectors of society working jointly to radically transform and reindustrialise Gauteng's economy;
- A properly regulated liquor industry in Gauteng that generates revenue towards the socio-economic development of the province; and
- A properly regulated gambling and betting Industry that generates revenue towards the socio-economic development of the province.

TABLE 3.13: SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME: BUSINESS REGULATION AND GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Governance	12 306	16 297	4 011	12 549	12 799	12 799	9 170	8 002	8 577
2. IGR And Strategic Partnerships	2 602	1 542	2 047	8 600	9 600	9 600	8 738	9 175	9 634
3. Consumer Protection	13 084	16 225	18 632	30 288	21 138	21 138	18 026	18 927	19 699
4. Liquor Regulation	15 100	32 670	21 887	30 255	30 255	30 255	25 327	26 695	28 030
Total payments and estimates	43 092	66 734	46 577	81 692	73 792	73 792	61 261	62 799	65 939

TABLE 3.14: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: BUSINESS REGULATION AND GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	27 665	33 578	24 672	51 437	43 537	43 537	35 934	36 130	37 936
Compensation of employees	23 173	28 973	20 973	45 742	37 842	37 842	28 400	29 820	31 951
Goods and services	4 492	4 605	3 699	5 695	5 695	5 695	7 534	6 310	5 985
Interest and rent on land									
Transfers and subsidies to	15 113	32 707	21 905	30 255	30 255	30 255	25 327	26 669	28 003
Provinces and municipalities									
Departmental agencies and accounts	15 100	32 670	21 887	30 255	30 255	30 255	25 327	26 669	28 003
Households	13	37	18						
Payments for capital assets	314	51							
Buildings and other fixed structures									
Machinery and equipment	314	51							

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Payments for financial assets		398							
Total economic classification	43 092	66 734	46 577	81 692	73 792	73 792	61 261	62 799	65 939

The expenditure for the 2011/12 financial year amounted to R43.1 million and increased to R66.7 million in the 2012/13 financial year. The allocation for 2013/14 was reduced to R46.6 million. This fluctuation is due to the GLB receiving a total of R32.7 million for compensation of employees. Over the 2015 MTEF, the total programme budget increased from R61.3 million in 2015/16 to R62.8 million in 2016/17 and R65.9 million in the 2017/18 financial year.

The largest portion of the budget is allocated to Consumer Protection followed by GLB. In the 2011/12 financial year, the budget for consumer protection was R13 million and increased to 16.2 million in 2012/13 whilst in 2013/14, a significant increase is reflected which is due to the number of consumer awareness programmes, workshops and training to support consumers. Over the 2015 MTEF the allocation increases to R18 million in 2015/16 and R19.7 million in the 2017/18 financial year.

In the 2011/12 financial year, the allocation for liquor regulation was R15.1 million and increased to R32.7 million in 2012/13 before decreasing to R21.8 million in the 2013/14 financial year. In the 2014/15 financial year, the allocation was R30.3 million which caters for compensation of employees. Over the MTEF, the allocation increases to R25.3 million, and R28 million for 2015/16 and 2017/18 respectively due to increase in revenue collection by the GLB.

The compensation budget for 2011/12 amounted to R23.1 million and increased to R29 million in the 2012/13 financial year. The increase was due to the number of staff appointed in the programme. The allocation for the 2014/15 financial year was R45.7 million decreasing to R28.4 million in 2015/16 due to the finalization of matching and placing of personnel.

The goods and services budget amounted to R4.5 million in 2011/12 and decreased to R3.7 million in 2013/14 before increasing to R5.7 million in 2014/15. Over the 2015 MTEF, the budget continues to fluctuate at R7.5 million in 2015/16 before decreasing to R6 million in 2017/18. The goods and services budget for the consumer programme also caters for workshops such as those on disability, Spend Wisely Campaigns, World Consumer Rights Month, Savings Month Campaign, Youth Month, Human Rights, and Workers' Month etc.

Key to the work of the Business Regulation and Governance programme during the 2015 MTEF will be the promotion of integrated planning, implementation and performance reporting of agency programmes. There will also be continued focus on consumer education, advocacy and awareness campaigns in the 2015/2016 financial year.

The number of liquor licenses issued will be maintained at 2 000 licenses per annum in the 2015/2016 financial year. Liquor abuse education and awareness programmes will also continue. The focus on the inherent regulatory function of the Board will be maintained by increasing the number of pre-inspections and inspections conducted. Gauteng Liquor Board regulates the liquor industry and maximizes benefits from the industry for socio-economic development.

SERVICE DELIVERY MEASURES

PROGRAMME 4: BUSINESS REGULATION AND GOVERNANCE

Performance measures	Estimated annual targets		
	2015 / 16	2016 / 17	2017 / 18
No. of consumer affairs complaints received	1750	1850	1950
No. of consumer affairs complaints resolved	1700	1840	1910
No. of consumer affairs education programmes conducted	300	350	301
No. of projects delivered jointly with the three spheres of government	11	13	15
No. of agreements concluded with strategic partners	7	8	9
No. of special projects supported	7	8	9
No. of liquor applications received	2 000	2 000	2 000
No. of liquor licenses issued	2 000	2 000	2 000
No. of liquor compliance inspections conducted	2 800	2 900	3 000

Performance measures	Estimated annual targets		
	2015 / 16	2016 / 17	2017 / 18
No. of liquor pre-inspections conducted	1 700	1 800	1 900
No. of liquor awareness programmes conducted	120	130	140
No. of people reached through liquor awareness programmes	6 million	6.5 million	7 million
No. of social responsibility programmes supported	1	2	3
% of applications finalized	100 %	100 %	100%
Rand value of expanded CSI (i.e. CSI from liquor industry role-players) facilitated by Gauteng Liquor Board	R400 000	R450 000	R500 000
Rand value of revenue generated from regulation processes	R 40 000 000	R40 500 000	R50 000 000
No. of liquor complaints resolved	200	200	200
No. of gambling licenses issued	500	500	500
% of gambling applications processed within the standard time frames	100%	100%	100%
% of gambling disputes processed within the standard time frames	100%	100%	100%
No. of gambling compliance audits conducted	180	180	180
No. of gambling inspections conducted	678	678	678

PROGRAMME 5: ECONOMIC PLANNING

Programme purpose

To provide thought leadership to transform and re-industrialize the economy of the Gauteng City Region through policy and strategy development.

Programme objectives

Economic Planning will work towards the following strategic objectives:

- Research based economic policies/strategies and intelligence reports that inform and guide projects to achieve the DED's strategic goals of radically transforming and re-industrialising Gauteng's economy;
- Up-to-date and accurate business intelligence data guiding all economic and business development decisions of DED;
- Impact analysis reports informing the appropriateness and contribution of DED's policies, strategies and projects to achieving DED's strategic goals of radical economic transformation and re-industrialisation of Gauteng; and
- Revitalised and modernised township economies reflecting radical transformation and reindustrialisation of Gauteng's economy.

TABLE 3.15 : SUMMARY OF PAYMENTS AND ESTIMATES: ECONOMIC PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Policy and Planning	4 357	8 198	5 565	10 877	12 333	12 333	16 608	19 514	20 490
2. Research and Development	7 100	4 809	6 721	10 203	7 175	7 175	8 000	8 400	8 820
3. Knowledge Management	3 502	3 025	715	10 919	1 599	1 599			
4. Monitoring and Evaluation	3 192	12 173	404	8 791	3 335	3 335	3 824	4 068	8 846
5. Economic Infrastructure Development							96 900	38 853	40 796
6. Sector and Industry Development							38 760	35 290	37 055
7. Inclusive Economy							12 400	13 121	13 777
Total payments and estimates	18 151	28 205	13 405	40 790	24 442	24 442	176 493	119 247	129 783

TABLE 3.16: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ECONOMIC PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	17 990	23 049	13 399	40 501	24 153	24 153	176 358	119 177	129 710
Compensation of employees	8 088	8 166	6 983	27 413	17 413	17 413	62 600	64 057	64 374
Goods and services	9 902	14 883	6 416	13 088	6 740	6 740	113 758	55 120	65 336

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Interest and rent on land									
Transfers and subsidies to		56	6						
Provinces and municipalities									
Departmental agencies and accounts			6						
Households		56							
Payments for capital assets	161			289	289	289	135	70	73
Buildings and other fixed structures									
Machinery and equipment	161			289	289	289	135	70	73
Payments for financial assets		5 100							
Total economic classification	18 151	28 205	13 405	40 790	24 442	24 442	176 493	119 247	129 783

The Economic Planning programme will continue to be the economic intelligence nerve-centre in forming strategic decision making and targeted sector development strategies within the department. In this regard, a data-driven Government Information System will be established to improve the quality of outputs produced by the Research and Knowledge Management sub-programme.

The focus of the programme is the development of evidence based policies and tracking the contribution of the GEGDS. The total allocation of the programme amounted to R18.2 million in 2011/12 and increased to R28.2 million in the 2012/13 financial year before decreasing to R13.4 million in 2013/14. The fluctuation is as a result of the additional research work completed under the Research and Development sub-programme in 2012/13. For the 2014/15 financial year, the allocation was adjusted to R24.4 million and funds were reprioritised towards TER projects. Over the 2015 MTEF, the total programme budget grows to R176.5 million in 2015/16 due to infrastructure projects to the value of R136.3 million. In the 2016/17 financial year, the allocation declines to R119.2 million before increasing to R129.8 million in 2017/18.

In the 2011/12 financial year, the largest budget under the programme goes to Research and Development with R7 million, followed by the Policy and Planning sub-programme which amounts to R4.3 million. In the 2015/16 financial year the budget for Policy and Planning increased to R16.6 million and in 2017/18 increased to R20 million.

In the 2013/14 financial year, the allocation for Research and Development remains high at R6.7 million, followed by Policy and Planning at R5.6 million, Knowledge Management at R715 000 and Monitoring and Evaluation with a budget of R404 000. In the 2017/18 financial year the allocation for Policy and Planning amounts to R20.5 million; both allocations for Research and Development and Monitoring and Evaluation amount to R8.8 million; while Economic Infrastructure amounts to R40.8 million.

The department has added sub-programme Economic Infrastructure Development which will facilitate the implementation of infrastructure projects within the group and across the province. The funding for economic infrastructure came from the TER programme. There is also Sector and Industry Development which focuses on delivering sustainable sector development strategies and programmes that ensure decent work, foster economic growth and diversification of the provincial economic base. The department has reprioritised the budget to accommodate this sub-programme.

Compensation for this programme fluctuates from R8.1 million in 2011/12, decreasing to R7 million in the 2013/14 main appropriation. The compensation budget significantly increases to R27 million in 2014/15. Over the 2015 MTEF, the allocation increases even further to R62.6 million in 2015/16 and then to R64.1 million and R64.4 million in 2016/17 and 2017/18 respectively. The increase in personnel is due to the newly created sub programme to cater for the emerging priorities emanating from SOPA.

Goods and services grows from R9.9 million in 2011/12 to R14.9 million in 2012/13 before decreasing R6.4 million in 2013/14 financial year. An amount of R13.1 million is allocated in the 2014/15 financial year and is reduced to R6.7 million in the adjustment budget due to the implementation of cost cutting measures. In the 2015/2016 financial year the budget increases to R113.8 million mainly for once-off infrastructural projects before decreasing to R55.1 million in 2016/17 and R65.3 million in 2017/18.

SERVICE DELIVERY MEASURES

PROGRAMME 5: ECONOMIC PLANNING

Performance measures	Estimated annual targets		
	2015 / 16	2016 / 17	2017 / 18
No. of industrial sector strategies developed	11	11	11
No. macro-economic policies developed	2	2	2
No. macro-economic strategies developed	1	2	3
No. of economic intelligence reports produced	4	4	4
No. of creation report submitted to EXCO	4	4	4
No. of economic development projects supported at regional levels	6	7	8
No. of capacity building interventions to municipalities	6	8	10
No. of township economy revitalization reports compiled	4	4	4
No. of target groups specific opportunities identified	28	28	30
No. of target groups specific interventions identified	28	28	30

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 3.17: PERSONNEL NUMBERS AND COSTS BY PROGRAMME: ECONOMIC DEVELOPMENT

Personnel numbers	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	As at 31 March 2018
1. Administration	127	152	154	192	192	192	192
2. Integrated Economic Development	57	43	23	29	29	29	29
Services							
3. Trade And Sector Development	1		2	12	12	12	12
4. Business Regulation And Governance	160	66	64	49	49	49	49
5. Economic Planning	21	21	35	34	34	34	34
Total provincial personnel numbers	366	282	278	316	316	316	316
Total provincial personnel cost (R thousand)	91 035	110 304	110 685	172 640	215 711	227 616	239 024
Unit cost (R thousand)	249	391	398	546	683	720	756

TABLE 3.18 : SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS BY COMPONENT:ECONOMIC DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Total for province									
Personnel numbers (head count)	366	282	278	316	316	316	316	316	316
Personnel cost (R thousands)	91 035	110 304	110 685	190 540	172 640	172 640	215 711	227 616	239 024
Human resources component									
Personnel numbers (head count)	17	52	58	60	60	60	63	66	66
Personnel cost (R thousands)	3 351	10 250	10 558	10 769	10 769	10 769	10 876	11 452	12 025
Head count as % of total for department	4.6%	18.4%	20.9%	19.0%	19.0%	19.0%	19.9%	20.9%	20.9%
Personnel cost as % of total for department	3.7%	9.3%	9.5%	6.2%	6.2%	6.2%	5.0%	5.0%	5.0%
Finance component									
Personnel numbers (head count)	35	35	34	35	35	35	40	43	43
Personnel cost (R thousands)	10 303	10 824	11 149	11 372	11 372	11 372	11 486	12 095	12 700

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	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Head count as % of total for department	9.6%	12.4%	12.2%	11.1%	11.1%	11.1%	12.7%	13.6%	13.6%
Personnel cost as % of total for department	11.3%	9.8%	10.1%	6.0%	6.6%	6.6%	5.3%	5.3%	5.3%
Full time workers									
Personnel numbers (head count)	366	366	320	451	451	451	473	475	475
Personnel cost (R thousands)	91 036	114 287	124 786	188 838	188 838	188 838	211 332	222 533	233 660
Head count as % of total for department	100.0%	129.8%	115.1%	142.7%	142.7%	142.7%	149.7%	150.3%	150.3%
Personnel cost as % of total for department	100.0%	103.6%	112.7%	99.1%	109.4%	109.4%	98.0%	97.8%	97.8%
Part-time workers									
Personnel numbers (head count)		9							
Personnel cost (R thousands)		400							
Head count as % of total for department	0.0%	3.2%							
Personnel cost as % of total for department	0.0%	0.4%							
Contract workers									
Personnel numbers (head count)	55	85							
Personnel cost (R thousands)	12 933	21 142							
Head count as % of total for department	15.0%	30.1%							
Personnel cost as % of total for department	14.2%	19.2%							

Personnel numbers for the 2015/16 financial year and over the MTEF will increase due to an increase in the staff compliment and the implementation of salary adjustments. During the 2014/15 financial year, personnel costs increased by 11 per cent from R190 million to R215.7 million in the 2015/16 financial year to cater for salary adjustments and the new positions. Over the MTEF, the compensation of employees increases to R227.6 million in 2016/17 and R239 million in 2017/18 primarily due to the implementation of the structure for the department to align to the needs of the province.

9.2 Training

TABLE 3.19: PAYMENTS ON TRAINING BY PROGRAMME

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Administration	954	1 186	452	2 310	2 310	2 310	3 237	3 365	3 420
Subsistence and travel									
Payments on tuition	379	300	140	1 076	1 076	1 076	1 137	950	820
Other	575	886	312	1 234	1 234	1 234	2 100	2 415	2 600
2. Integrated Economic Development									
Services	42	24	452	578	578	578			
Subsistence and travel		18							
Payments on tuition	18		140	269	269	269			
Other	24	6	312	309	309	309			
3. Trade And Sector Development		10							
Subsistence and travel		10							
Payments on tuition									
Other									
4. Business Regulation And Governance	75	48	452	578	578	578			
Subsistence and travel		48							
Payments on tuition	34		140	269	269	269			
Other	41		312	309	309	309			

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
5. Economic Planning	128	131	452	578	578	578			
Subsistence and travel		131							
Payments on tuition	36		140	269	269	269			
Other	92		312	309	309	309			
Total payments on training	1 199	1 399	1 808	4 044	4 044	4 044	3 237	3 365	3 420

TABLE 3.20: INFORMATION ON TRAINING: ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Number of staff	366	282	278	316	316	316	316	316	316
Number of personnel trained	277	302	388	400	400	400	420	440	462
of which									
Male	86	130	164	164	164	164	185	197	203
Female	191	172	224	236	236	236	235	243	259
Number of training opportunities	111	399	400	720	720	720	750	727	897
of which									
Tertiary	85	68	75	80	80	80	135	185	194
Workshops	16	321	300	550	550	550	500	450	630
Seminars	10	10	10	75	75	75	100	80	60
Other			15	15	15	15	15	12	13
Number of bursaries offered	85	70	75	80	80	80	75	85	89
Number of interns appointed	38	33	15	50	50	50	30	40	42
Number of learnerships appointed	12		66	70	70	70	25	35	40
Number of days spent on training	444	963	1 425	2 550	2 550	2 550	2 595	2 595	2 725

The department has filled most of the senior management positions as per the approved structure to ensure capacity. In the 2015/16 financial year, the department will enrol its senior managers in programmes at one of the institutions for senior managers designed by the Gauteng City Region Academy. It will also award bursaries to employees, especially those appointed on lower levels, to ensure proper succession planning and retention of skills. The department also spends the training budget on development of graduate trainees that are mostly placed in the core business units.

ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 3.21: SPECIFICATION OF RECEIPTS: ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Tax receipts	612 939	719 343	753 404	758 506	758 506	758 506	804 017	846 630	888 961
Casino taxes	580 337	684 364	715 672	666 229	666 229	666 229	706 204	743 633	780 814
Horse racing taxes	32 602	34 979	37 732	92 277	92 277	92 277	97 813	102 997	108 147
Liquor licences									
Motor vehicle licenses									
Sales of goods and services other than capital assets	125	288	48						
Sale of goods and services produced by department (excluding capital assets)	125	288	48						
Sales by market establishments									
Administrative fees									
Other sales	125	288	48						
Of which									
Health patient fees	125	288							
Other (Specify)									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
Transfers received from:									
Fines, penalties and forfeits									
Interest, dividends and rent on land	1 579	2 006	5 177	1 991	1 991	1 991	2 111	2 223	2 334
Interest	1 579	2 006	5 177	1 991	1 991	1 991	2 111	2 223	2 334
Dividends									
Rent on land									
Sales of capital assets	47								
Land and sub-soil assets	47								
Other capital assets									
Transactions in financial assets and liabilities	79	218	5 293	265	265	265	277	292	306
Total departmental receipts	614 769	721 855	763 922	760 762	760 762	760 762	806 405	849 145	891 602

TABLE 3.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	124 154	121 273	127 441	152 111	170 310	170 310	183 692	184 453	193 675
Compensation of employees	56 201	55 157	66 827	86 994	86 994	86 994	116 500	123 199	130 771
Salaries and wages	48 452	47 091	66 827	70 078	70 078	86 994	101 586	106 524	112 975
Social contributions	7 749	8 066		16 916	16 916		14 914	16 675	17 796
Goods and services	67 929	66 116	60 614	65 117	83 316	83 316	67 192	61 254	62 904

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R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Administrative fees	189	120	122	219	149	149	173	198	208
Advertising	2 315	4 083	1 210	2 776	5 646	5 646	7 885	8 279	8 693
Minor assets	110	55	414	155	530	530	500	524	550
Audit cost: External	2 416	3 092	2 935	2 325	3 503	3 503	4 400	4 620	4 542
Bursaries: Employees	379	369	372	1 076	426	426	700	735	772
Catering: Departmental activities	1 010	1 239	460	1 103	1 103	1 103	529	475	499
Communication (G&S)	4 240	6 874	6 265	1 609	4 669	4 669	3 976	3 125	3 281
Computer services	5 320	4 827	10 325	847	11 337	11 337	12 800	8 140	8 547
Consultants and professional services: Business and advisory services	15 031	7 524	655	8 936	8 765	8 765	4 051	1 071	173
Consultants and professional services: Scientific and technological services							200	210	221
Consultants and professional services: Legal costs	1 737	3 511	1 678	4 590	5 890	5 890	6 000	6 300	6 615
Contractors	4 470	1 245	2 124	4 024	4 458	4 458	1 572	1 651	1 582
Agency and support / outsourced services	1 093	391	726	2 442	2 186	2 186	1 585	1 666	1 749
Entertainment	91	31	4	76	76	76		()	()
Fleet services (including government motor transport)	637	1 119	1 514	98	98	98	2 500	2 625	2 756
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies	214	340		210	810	810	520	546	574
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	94	417		135	171	171	150	158	165
Inventory: Medical supplies				92	2	2		99	104
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	186	292	767		251	251	68	71	75
Consumable: Stationery, printing and office supplies	2 306	3 701	4 411	1 241	3 451	3 451	3 579	3 727	3 914
Operating leases	540	2 721	7 750	20 445	20 445	20 445	4 353	4 571	4 799
Property payments	17 185	16 528	15 055	3 732	4 632	4 632	2 463	2 586	2 715
Transport provided: Departmental activity			8						
Travel and subsistence	5 141	4 679	2 561	4 620	1 316	1 316	1 923	2 108	2 213
Training and development	576	825	443	1 200	1 854	1 854	5 140	5 397	5 667
Operating payments	366	448	155	1 419	43	43	524	570	599
Venues and facilities	2 286	1 685	660	1 269	1 269	1 269	1 101	1 278	1 342
Rental and hiring				478	236	236	500	525	551
Interest and rent on land	24								
Interest									
Rent on land	24								
Transfers and subsidies to	230	2 472	1 013	100	100		305	263	276
Provinces and municipalities									
Provinces									
Municipalities									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts	184	2 395	208						
Social security funds									
Provide list of entities receiving transfers	184	2 395	208						
Public corporations									
Non-profit institutions									
Households	46	77	805		100	100	305	263	276
Social benefits	46	77	805		100	100	305	263	276
Other transfers to households									
Payments for capital assets	4 814	6 091	1 619	19 268	7 923	7 923	6 000	20 007	21 007
Buildings and other fixed structures									
Machinery and equipment	4 794	5 733	1 619	19 268	7 923	7 923	6 000	20 007	21 007
Transport equipment									
Other machinery and equipment	4 794	5 733	1 619	19 268	7 923	7 923	6 000	20 007	21 007
Heritage Assets									
Software and other intangible assets	20	358							
Payments for financial assets	237	28	2 471						
Total economic classification	129 436	129 864	132 544	171 379	178 333	178 333	189 997	204 722	214 959

TABLE 3.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	64 313	86 124	93 629	138 209	159 089	156 089	191 412	132 786	132 650
Compensation of employees	3 174	18 008	10 383	19 757	19 757	19 757	3 980	5 125	6 012
Salaries and wages	2 837	16 463	10 383	17 207	17 207	19 757	3 800	2 125	2 792
Social contributions	337	1 545		2 550	2 550		180	3 000	3 221
Goods and services	61 139	68 116	83 246	118 452	139 332	136 332	187 432	127 661	126 637
Administrative fees	6	40	85	166	166	166	41	43	45
Advertising	35	18	1 020	78	78	78		61	64
Minor assets	4	12		334	334	334			
Audit cost: External									
Bursaries: Employees	18								
Catering: Departmental activities	51	234	73	213	213	213	30	31	33
Communication (G&S)	55			300	300	300			
Computer services	9	1 311	7	552	552	552			
Consultants and professional services: Business and advisory services	57 458	61 575	81 123	109 541	127 251	127 251	86 617	()	(631)
Contractors	10	34			3 000		100 383	127 136	126 717
Agency and support / outsourced services				104	104	104			
Entertainment				25	25	25	14	14	15
Inventory: Food and food supplies	21			30	30	30			
Inventory: Materials and supplies	4	2		71	61	61		18	19
Consumable supplies	8		3						

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Consumable: Stationery, printing and office supplies	88	394		179	179	179	55	58	61
Operating leases	1 430	218	11	6 234	6 234	6 234	129	136	143
Property payments	107								
Transport provided: Departmental activity									
Travel and subsistence	197	1 740	780	392	467	467	34	28	29
Training and development	9	53		34	34	34			
Operating payments	22	62	3						
Venues and facilities	1 607	2 423	141	199	304	304	129	136	143
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies to	93 912	104 354	128 447	129 291	136 365	129 365	129 838	132 507	139 133
Provinces and municipalities									
Provinces									
Municipalities									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts	93 912	104 300	128 447	129 291	136 291	129 291	129 838	132 507	139 133
Social security funds									
Provide list of entities receiving transfers	93 912	104 300	128 447	129 291	136 291	129 291	129 838	132 507	139 133
Higher education institutions									
Public corporations									
Households		54			74	74			
Social benefits		54			74	74			
Other transfers to households									
Payments for capital assets	154	71		635	581	581	172	180	
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	154	71		635	581	581	172	180	
Transport equipment									
Other machinery and equipment	154	71		635	581	581	172	180	
Payments for financial assets		5 909							
Total economic classification	158 379	196 458	222 076	268 135	296 035	286 035	321 250	265 466	271 963

TABLE 3.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRADE AND SECTOR DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	24 498	1 585	5 666	10 704	17 052	17 052	4 331	5 515	6 021
Compensation of employees	399		5 519	10 634	10 634	10 634	4 231	5 415	5 916
Salaries and wages	399		5 519	10 610	10 610	10 610	4 211	5 394	5 894
Social contributions				24	24	24	20	21	22
Goods and services	24 099	1 585	147	70	6 418	6 418	100	100	105
Administrative fees		5	3						
Advertising									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Catering: Departmental activities		3		31	76	76	20	20	21
Communication (G&S)	17								
Computer services									
Consultants and professional services: Business and advisory services		1 471			5 388	5 388			
Entertainment				17	17	17			
Operating leases	22 397								
Property payments	1 685								
Transport provided: Departmental activity				22	22	22			
Travel and subsistence		106	144		765	765	50	50	53
Training and development									
Operating payments									
Venues and facilities					150	150	30	30	32
Rental and hiring									
Transfers and subsidies to	385 839	450 525	506 519	499 961	511 837	499 961	552 278	581 549	610 626
Provinces and municipalities									
Provinces									
Municipalities									
Departmental agencies and accounts	385 839	450 525	506 444	499 961	511 837	499 961	552 278	581 549	610 626
Social security funds									
Provide list of entities receiving transfers	385 839	450 525	506 444	499 961	511 837	499 961	552 278	581 549	610 626
Households			75						
Social benefits			75						
Total economic classification	410 337	452 110	512 185	510 665	528 889	517 013	556 609	587 064	616 647

TABLE 3.25: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: BUSINESS REGULATION AND GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	27 665	33 578	24 672	51 437	43 537	43 537	35 934	36 130	37 936
Compensation of employees	23 173	28 973	20 973	45 742	37 842	37 842	28 400	29 820	31 951
Salaries and wages	20 315	25 590	20 973	37 682	29 782	37 842	24 261	25 468	27 243
Social contributions	2 858	3 383		8 060	8 060		4 139	4 352	4 708
Goods and services	4 492	4 605	3 699	5 695	5 695	5 695	7 534	6 310	5 985
Administrative fees	28	1	5				31		
Advertising	453	150	465						
Minor assets	181	111							
Audit cost: External									
Bursaries: Employees	34						330	47	49
Catering: Departmental activities	286	530	954	241	263	263	550	556	584
Communication (G&S)	573	4	250						
Computer services			(1)						
Consultants and professional services: Business and advisory services	1 060	1 471	453	4 434	4 184	4 184	5 083	3 763	3 311
Consultants and professional services: Legal costs		186							

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Contractors	103	153	139						
Agency and support / outsourced services	7			75	75	75	39	30	32
Entertainment	5		(1)	21	21	21	62	43	45
Fleet services (including government motor transport)			14						
Inventory: Food and food supplies	36								
Inventory: Materials and supplies	7	3		101	35	35	18	20	21
Inventory: Other supplies									
Consumable supplies	2	9	3						
Consumable: Stationery, printing and office supplies	284	341	13	60	38	38	23	24	25
Operating leases	232	552	1 140					26	27
Property payments		50	(400)						
Transport provided: Departmental activity									
Travel and subsistence	709	484	436	202	457	457	546	851	893
Training and development	40							100	105
Operating payments	72	118	53						
Venues and facilities	380	442	176	561	622	622	852	850	893
Transfers and subsidies to	15 113	32 707	21 905	30 255	30 255	30 255	25 327	26 669	28 003
Departmental agencies and accounts	15 100	32 670	21 887	30 255	30 255	30 255	25 327	26 669	28 003
Social security funds									
Provide list of entities receiving transfers	15 100	32 670	21 887	30 255	30 255	30 255	25 327	26 669	28 003
Non-profit institutions									
Households	13	37	18						
Social benefits	13	37	18						
Other transfers to households									
Payments for capital assets	314	51							
Machinery and equipment	314	51							
Transport equipment									
Other machinery and equipment	314	51							
Payments for financial assets		398							
Total economic classification	43 092	66 734	46 577	81 692	73 792	73 792	61 261	62 799	65 939

TABLE 3.26: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ECONOMIC PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	17 990	23 049	13 399	40 501	24 153	24 153	176 358	119 177	129 710
Compensation of employees	8 088	8 166	6 983	27 413	17 413	17 413	62 600	64 057	64 374
Salaries and wages	7 369	7 506	6 983	23 933	13 933	17 413	55 140	57 310	57 273
Social contributions	719	660		3 480	3 480		7 460	6 747	7 101
Goods and services	9 902	14 883	6 416	13 088	6 740	6 740	113 758	55 120	65 336
Administrative fees	25	147	5	96	96	96	163	193	202
Advertising				158	158	158	()	19	20

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Assets less than the capitalisation threshold	260								
Audit cost: External									
Bursaries: Employees	36								
Catering: Departmental activities	62	44	48	220	220	220	918	949	958
Communication (G&S)	218								
Computer services	734	1 595	316						
Consultants and professional services: Business and advisory services	6 833	11 595	4 701	11 392	5 044	5 044	14 980	15 058	23 340
Consultants and professional services: Infrastructure and planning							1 370		
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services								31 608	33 188
Consultants and professional services: Legal costs				3	3	3	90 303	356	374
Contractors	42	49	1	56	56	56	3 020	3 327	3 493
Agency and support / outsourced services	7	14		134	134	134		4	5
Entertainment	3			15	15	15	31	24	25
Fleet services (including government motor transport)			28						
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies	39	9							
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	2	3		80	80	80	()	48	35
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies		3							
Consumable supplies	2		1						
Consumable: Stationery, printing and office supplies	119	29		260	260	260	145	82	71
Operating leases	16			44	44	44			
Property payments			(1)						
Transport provided: Departmental activity									
Travel and subsistence	1 078	1 318	161	282	282	282	876	2 155	2 263
Training and development	90								
Operating payments		2		3	3	3		3	3
Venues and facilities	336	75	1 156	345	345	345	1 953	1 294	1 358
Rental and hiring									
Interest and rent on land									

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Transfers and subsidies									
to		56	6						
Departmental agencies and accounts			6						
Social security funds									
Provide list of entities receiving transfers			6						
Households		56							
Social benefits		56							
Other transfers to households									
Payments for capital assets	161			289	289	289	135	70	73
Machinery and equipment	161			289	289	289	135	70	73
Transport equipment									
Other machinery and equipment	161			289	289	289	135	70	73
Heritage Assets									
Payments for financial assets		5 100							
Total economic classification	18 151	28 205	13 405	40 790	24 442	24 442	176 493	119 247	129 783