

Vote 12

Department of Economic Development and Tourism

	2015/16 To be appropriated	2016/17	2017/18
MTEF allocations	R 518 839 000	R 454 376 000	R 458 110 000
Responsible MEC	Provincial Minister of Economic Opportunities		
Administering Department	Department of Economic Development and Tourism		
Accounting Officer	Head of Department, Economic Development and Tourism		

1. Overview

Vision

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

Mission

To achieve the vision statement as noted above, the Department of Economic Development and Tourism will provide leadership to the Western Cape economy through the Department's understanding of the economy, its ability to identify economic opportunities and potential, and its contribution to government economic priorities.

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

Lastly, it will contribute to the provision of a predictable, competitive, equitable and responsible environment for investment, enterprise and trade.

Main Services and Core functions

With the adoption of Strategic Goal 1: Create opportunities for growth and jobs and its subsequent Strategic directive, the primary focus for Vote 12: Economic Development and Tourism is squarely placed on delivering effectively on the provision of an enabling business environment which will allow for the private sector to grow the economy and create jobs.

Furthermore, there is a national drive and commitment to create jobs. This is demonstrated by the numerous incentives associated with National Government's approach to economic stimulation policies, where the emphasis has been placed on the creation of "real work opportunities".

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

- Create opportunities for growth;

- Increase work opportunities for all citizens;

- Creating an enabling environment for business and citizenry growth and development; and

- Creating a competitive and productive economic Province.

Demands and changes in service

In keeping with the key objectives espoused in the National Development Plan and the vision of the One Cape 2040 for a growing, resilient and inclusive economy in the Western Cape, the Department will seek to deliver on the strategic goals contained in the Provincial Strategic Goal 1: Create opportunities for growth and jobs, which envisions an economy which creates an environment in which there are abundant opportunities for growth and jobs.

Despite the financial crisis and the global great recession post 2008, when GDP is considered, South Africa fared relatively well. In part, the South African economy showed a significant degree of resilience to the crisis due to counter-cyclical fiscal policies and monetary space available to the Reserve Bank. Only in 2009 did the economy record negative growth. Over the following 4 years, the economy grew on average by 2.8 per cent per annum.

However, when employment levels are considered, the economy performed significantly worse than what is suggested by GDP. Labour absorption levels have worsened to below 42 per cent, which introduces concerning social cohesive risk. The average employment growth since 2010 is a mere 0.7 per cent per annum. Nominally, 6 per cent more people are considered unemployed today than in 2010.

Furthermore, it is salient to note that current growth has been supported, in the main, by growth in consumer spending, which is supported by consumer credit extensions. Consumer led growth would have been more sustainable if it were supported by higher incomes underpinned by increased productivity.

Like the national economy, the economy of the Western Cape has continued to record positive growth since the contraction experienced in 2009. The Western Cape economy continues to track national growth levels.

It is within this context that the Department is committed to making meaningful progress over the next 5 years in facilitating the generating of new jobs in the province.

Noting the enormity of the challenges faced by our economy and the pressures placed on the Government through a dwindling resource envelope, the Department has prioritised interventions through its Project Khulisa strategy to focus primarily on 3 sectors and 5 cross-cutting enablers in the medium term (3 - 5 years). The sector choices will be reviewed regularly to take advantage of any opportunities as it may arise.

Performance environment

The global and national developments provide the context under which the provincial economic developments can be located. Like the national economy, the economy of the Western Cape has continued to record positive growth since the contraction experienced in 2009. The Western Cape economy continues to track national growth levels. Uncoupling the Western Cape Economy from the national economy has proved very difficult. The provincial economy, in line with the national economy is susceptible to the perpetual labour unrest and electricity shortages.

Organisational environment

The Department's strategy has been developed within the context and alignment to the National Development Plan (NDP), The Medium Term Strategic Framework (MTSF) and the Western Cape Government's vision for the province as espoused in OneCape 2040. In order to rationalise and streamline the Province's strategic agenda for more effective delivery, the Provincial Strategic Plan (PSP) was developed in 2014.

Flowing from the Provincial Strategic Plan, the Department of Economic Development and Tourism (DEDAT) has been mandated to take the lead role in driving the Western Cape Government's agenda for Provincial Strategic Goal 1 (PSG 1), namely to create opportunities for growth and jobs.

Given the broad and often transversal nature of the aforementioned strategies and in giving impactful expression of these strategic priorities, the Department recognises that an internal structural alignment is required. The engagement of the economic role-players is critical for success in the delivery of PSG 1 and in particular the attainment of an understanding of the needs of firms to make them more competitive and by extension, making the region more competitive to attract external investment.

As part of the broader modernisation of departments in the Province, DEDAT underwent an organisational design process during 2013 and 2014, culminating in the approved structure being communicated to staff during 2014. The structure will be introduced in phases during 2015 and 2016, balancing the need for appropriate structure implementation with budgetary compliance.

The introduction of PSG 1 will also necessitate an appropriate skills matching exercise and during 2015, phase 1 of the implementation will be completed and phase 2 will probably be commenced.

The key attributes of the new structure will be to enhance interaction with the economic stakeholders at the highest levels, the horizontal and vertical leadership role DEDAT will exercise across the whole of the economy and the specific influence which will be exerted within the key focus industries. The structure will also enable DEDAT to play a major role which in ensuring that the economic enablers meet the expectation of industry and that an enabling environment is created in which business will grow and expand.

Acts, Rules and Regulations

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

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

Businesses Act, 1991 (Act 71 of 1991)

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

The BBBEE Amendment Act, No. 46 of 2013

Consumer Protection Act, 2008

Western Cape Consumer Affairs (Unfair Business Practices) Act, 2002 (Act 10 of 2002)

Preferential Procurement Policy Framework Act of 2000

Small Business Amendment Bill, 2004

Municipal Systems Act, 2000 (Act 32 of 2000)

The Local Government Structures Act 117 of 1998

National Credit Act, 2005 (Act 34 of 2005)

Co-operatives Amendment Act No. 6 of 2013

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

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

Liquor Act, 2003 (Act 59 of 2003)

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

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

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

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

The National Integrated Manufacturing Strategy (NIMS)

The Advanced Manufacturing and Technological Strategy (AMTS)

ASGISA (Accelerated Shared Growth Initiative - South Africa)

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

Provincial White Paper on Sustainable Tourism Development and Promotion, 2001

The Western Cape's Tourism Development Plan

The Western Cape Tourism Development Framework

Budget decisions

With the adoption of the Provincial Strategic Goal 1: Creating opportunities for growth and jobs, a huge emphasis was placed on the broadening of the economic base of the Western Cape Economy. Given the current economic climate and the constraints placed on the Provincial resource envelope, more needs to be done with less.

Through Project Khulisa, the Department together with other departments, prioritised 3 sectors and 5 cross cutting enablers. The sectors prioritised for horizon 1 (short to medium term) were Agro-processing, Tourism and Oil and Gas, with a focus on ship and rig repair. The 5 cross cutting enablers selected were infrastructure, water, energy, skills and leadership. Through this process, a far more targeted economic development strategy will be pursued by the Department.

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

Western Cape Tourism, Trade and Investment Promotion Agency (Wesgro)

The allocations to Wesgro are earmarked for tourism, trade and investment promotion; and other economic development functions within the public entity. The funding should be used towards attracting foreign direct investments, enhancing trade (focusing on the priority sectors); seeking alternative markets; and aiming for international best practice in destination marketing, trade and investment promotion to put the Province in a position to better respond to challenges in the changing and depressed global and domestic economy.

Economic Infrastructure

Allocations have been earmarked for the delivery on the Broadband (Stream 2) projects which seeks to develop and finalise proof of concepts for connecting citizens and business to the advantages and value added services that extensive broadband rollout will deliver. Additional allocations have also been made for the rollout of various Wi-Fi hotspots throughout the Province.

Earmarked funding has also been allocated for the Saldanha Bay Industrial Development Zone (IDZ) initiative to support the continued functioning of the governance structures constituted to oversee and manage the planning and implementation of the Saldanha Bay IDZ project post its designation as an IDZ; to continue the roll-out of skills development in the local community; to oversee and manage the commencement of the infrastructure build of the SBIDZ; and to continue the inter- and intra-governmental co-operation between the National, Provincial, Local and Parastatal bodies.

The 2015/16 financial year will also see the final year contribution for the expansion of the Cape Town International Convention Centre has also been earmarked. Funding will be utilised to support the broadening of the current offering of the facilities to attract larger international events with additional income-generating facilities such as exhibitions.

Green Economy

In the pursuit of the Western Cape as a leading green economic hub and low carbon region, the Western Cape Government has prioritised allocations towards Green Economic interventions that would facilitate a more self-sufficient and energy resource efficient region.

Liquor Authority

Additional ring-fenced allocations were made to the Liquor Authority to strengthen its governance arrangements as well to regulate the wholesale and retail liquor industry through the improvement of its inspection capability as well as tackle some of the negative social impacts the abuse of alcohol has on the population.

Economic Development Partnership

Earmarked funding has also been provided for the support of the Economic Development Partnership. The Partnership was established to mobilise stakeholders and build leadership around a shared economic vision and strategy, a common agenda and joint action plans and projects.

Aligning departmental budgets to achieve government's prescribed outcomes

In aligning the Departmental budget in achievement of the National outcomes as articulated in the MTSF 2014 – 2019. The following MTSF priorities have been highlighted:

Radical economic transformation, rapid economic growth and job creation.

Improving the quality of and expanding access to education and training.

Contributing to a better Africa and a better world.

Budgetary allocations and implementation of programmes such as Enterprise Development, RED Tape Reduction, Sector Development and Skills programmes gives effect to Outcome 4 of the MTSF of “decent employment through inclusive economic growth”. The contribution of the Enterprise Development unit to agri-processing will also contribute to Outcome 7 of the MTSF – “vibrant, equitable and sustainable rural communities with food security for all”.

Flowing from the Provincial Strategic Plan, the Department has been tasked with leading Provincial Strategic Goal 1 (PSG 1): Create opportunities for growth and jobs. In giving articulation of PSG 1 Project Khulisa, which means “to grow” in isiXhosa, was initiated. The purpose of project Khulisa was to accurately identify parts of the Western Cape economy with the greatest potential for accelerated and sustained growth and job creation. The strategic structure for the project consisted of a steering group comprising of Western Cape’s Ministers of Finance, Economic Opportunities, Transport and Public Works, Environmental Affairs & Development Planning, Deputy Mayor and Mayco member for Economic Development at the City of Cape Town. The leadership team consisted of all key decision makers from Departments represented in the steering committee.

In addition to economic growth, the potential for creation of large numbers of entry-level jobs and the impact on rural as well as urban areas were compensated in the selection criteria. In giving expression to significant unemployment amongst low skilled workers, low skilled employment creation was suitably weighted in the development of the selection model. This process led to the exploration of 6 high-potential opportunities that satisfied the selection criteria that could deliver meaningful jobs and growth within the short to medium term (3 to 5 years).

In articulating the imperatives of the Province, the following was prioritised for the first horizon:

Tourism

Tourism is one of the significant job creating sectors in the province but has not achieved its growth and job creation potential. As a tourist destination, the province demonstrates obvious advantages but challenges that will be addressed by the Department within the next 5 years:

- a) Awareness. The Western Cape will develop a clear tourism brand and co-ordinate tourism marketing efforts within the province amongst SA Tourism, the City of Cape Town, other municipalities and Wesgro. The Department will identify key source markets that can grow relatively quickly.
- b) Accessibility. In improving accessibility to and within the Province, the Department will agitate for a simpler and easier visa processes particularly for identified growth markets and address issues regarding flights to the Western Cape. Within the Province, the Department will address issues regarding tourist logistical issues and impediments for tourists to move easily within the Province.
- c) Attractiveness. It is recognised that the Province attractiveness is underdeveloped, particularly its cultural and heritage components that accentuates its unique history. Over the following 5 years the Department will develop its attractiveness as a tourist destination.
- d) Seasonality. It is recognised that a sustainable tourism industry has to address counter seasonality. In doing so the Department will grow winter tourism to supplement peak tourism times through further niche development.

Agro-processing

Agro-processing is a large GVA and employment contributor. Directly, it contributes more than R12 billion and 79 000 jobs to the regional economy. More importantly it absorbs low skilled employment in rural areas. Low skilled workers and rural geographies are areas with the highest levels of unemployment. The analysis team estimates that within a high growth scenario, GVA could increase to R26 billion and could add a further 100 000 formal direct jobs.

In achieving the sectors growth potential, the following areas, in partnership with the Provincial Department of Agriculture, will be actioned over the next 5 years.

- a) **Market Access.** Significant barriers to market access are experienced by the local industry. The split of responsibilities between **the dti**, DAFF, Provincial Government and other national bodies complicates matters in addressing market access. An approach will be developed and actioned within the next 5 years to address issues regarding market access by strengthening the promotion and support for Western Cape agro-products.
- b) **Access to energy and water.** South Africa and the Western Cape is a relatively water scarce province. The lack of suitable water infrastructure hinders the development of the agricultural sector. In partnership with the Department of Agriculture, the Department will develop an approach to addressing rural water scarcity. Electricity is very much a national problem. However, the Department will explore potential responses to energy problems experienced by the industry.
- c) **Logistics and infrastructure.** The sector is held back by poor, expensive and slow logistical infrastructure, which includes rail, port and road infrastructure. Inter-governmental and provincial inter-departmental approaches will be developed in addressing logistical issues experienced by the sector. Furthermore, the Department will explore the feasibility of the development of specialised agro-processing parks that provides improved infrastructure, R&D skills development facilities and other shared services.

Oil & Gas

The Western Cape Oil & Gas sector employs 35 000 direct formal jobs mainly in an Oil & Gas servicing capacity. It is estimated that the sector could add a further 60 000 jobs within the next 5 years. The key impediments to growth in the sector are supply side constraints such as infrastructure and skills shortages.

- a) **Infrastructure.** Industry growth is impeded by insufficient infrastructure suitable for rig repair. The Western Cape Government recognises that the development of infrastructure that will support the growth of the sector is beyond its responsibility and mandate. The Department will monitor current plans to expand rig repair infrastructure in Saldanha by the TNPA and agitate for further infrastructure improvements required to support sector growth. It will further support the industry by agitating for other support infrastructure within the envelope of the provincial mandate such as road and water projects required for sector growth.
- b) **Skills.** Suitably qualified and experienced skills are a significant drag on industry growth. The Department will facilitate the development of suitable skills programs accompanied by apprenticeship support to ensure the availability of an experienced workforce.

2. Review of the current financial year (2014/15)

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

The Department's **Regional & Local Economic Development** strategy is to promote economic development efforts within local economies through targeted interventions that contribute to a growing regional economy. Over the past year, the efforts to improve Local Economic Development (LED) from a regional perspective were focused on creating an enabling environment for opportunities for growth and jobs with the provision of support to local regions. This was done by focusing on strengthening local government capacity and facilitating sound regional co-ordination of public-private economic activities that land spatially across the district areas.

A Municipal Support Programme was implemented that looked at both assessment and measurement of municipal proficiency and performance, along with developing intervention to address identified areas for improvement. The LED Maturity Assessment results reflect that 25 of 27 participating municipalities showed positive improvement (i.e. growth in terms of the previous years' scores), with 7 municipalities showing significant improvement (improvement above 10 per cent year on year). The past year's maturity assessment scores show an overall improvement of 5 per cent when compared to 2014 overall improvement scores. The municipal capacity support provided across all five districts, focused on building both district-specific economic expertise and knowledge (like the performance appraisal for competitive advantage projects) and provincial-wide LED skills training (like the LED Councillor Training and the accredited LED Professionalisation Program).

As a facilitator and co-ordinator of support to local and district areas, a Regional Coordination Programme was implemented to ensure that essential links between national, provincial and local priorities and delivery occurred within regions in a far more integrated manner. The Programme included projects geared at intra-, inter- and external coordination initiatives, like the development of regional economic agendas per district, to ensure sectoral, geographic and partnership plans are well informed and aligned to PSG 1 objectives. Also, transversal and geographic-specific priority projects were supported (like the Transversal BESP Project where the Department developed a criteria municipalities could utilise to inform the positioning of informal sector trading spaces in a municipal area that improves the alignment of the municipal LED plans to that of its SDF and HSP) that along with its accompanying pilot roll-out promotes value add given its ability to be replicated within context.

The **Cape Catalyst** initiative within DEDAT develops and facilitates industry-orientated infrastructure projects tailored for the needs of industry and economic development. There are 6 key projects within the Unit which are at various stages of development and implementation, including: (1) Saldanha Industrial Development Zone where the initial construction works have started, (2) Broadband which comprises of a set of citizen and business orientated projects aimed at stimulating access, skills and usage with a number of pilot projects launched or set to be launched in 2015; (3) Cape Health Technology Hub where Wesgro will project-manage the pre-implementation stage of the project; (4) the Design Initiative where activities in the financial year saw the support of the City of Cape Town's World Design Capital and the launch of Phase 1 of the Design Hub at CCDI's new facilities; (5) Air Access which has been broadened for a more comprehensive approach regarding air market access; and the (6) Cape Town International Convention Centre in which the major earthworks have been initiated during the 2014/15 financial year.

The sector programme has continued to exceed expectations with strong delivery across most of the sectors in which the Department is involved. This has been boosted by significant leveraged funding in terms of the jobs fund, international donors as well as from national programmes such as **the dti's** Manufacturing Development Programme and SETA funding. This has seen the Special Purpose Vehicle (SPV) model leveraging around 100 per cent of the funding that has been put in, and has allowed a significant sector delivery capacity to be developed across the 12 SPVs that are supported.

The resource-based sectors have seen an ongoing development of the agro-processing strategy, leading to the sector being prioritised as one of the Project Khulisa priorities. The Western Cape Fine Food initiative has expanded membership dramatically, and is well placed to grow niche businesses across the sector. It has also been central to an exciting new initiative to develop a Halaal park targeting export markets in the middle and far East. The aqua-culture industry has continued its expansion, with more than R50 million of incentives provided to new operations, representing 55 per cent of the national uptake of the aqua-incentive. The Doringbaai aqua-culture development zone in the early stage of development will represent a major boost in the capacity of the industry.

Regarding the manufacturing sector, the clothing and textile sector has continued its strong growth trajectory, with constraints starting to be felt by manufacturers in terms of capacity and experienced machinists. **the dti** has since the introduction of the new clothing incentive invested R1.261 billion into the WC apparel sector, representing some 40 per cent of the total incentive across South Africa. The metals and engineering sector has focused on the benchmarking and upgrading of firms in order to focus on the localisation opportunities that exist in spending by the parastatals that will be in the tens of billions. The tooling initiative has recently established a new Metals and Engineering Centre of Excellence, which will be a major resource for industry. The oil and gas sector has continued to grow from strength to strength, with the IDZ moving steadily ahead, the marine oil and gas academy being launched during the year, and major refits, including a R1.3 billion project which represents the largest single project ever completed in the sector. The opportunities generated influenced the choice of oil and gas as a priority project under Project Khulisa.

The green economy and renewable energy work continued as a priority for the government, and include progress on the feasibility studies for the LNG importation and power project, the waste and smart meter developments with municipalities and the progress with the Green Manufacturing Development Zone in Atlantis. This project has seen the completion of all the elements of the feasibility study, as well as the preparation of the business plan and application to **the dti** for designation. It has already landed a R300 million investment in wind-tower production, through Gestamp, a Spanish owned firm. The energy work done to date has provided the critical foundation for the Energy security game changer that has recently been approved by Cabinet in an effort to address this crisis.

During 2014/15, Western Cape Industrial Symbiosis Programmes has successfully increased the size of its industrial symbiosis network to more than 200 companies. This programme aims to facilitate synergies between companies in order to identify and realise business opportunities from unused or residual resources. To date 282 tonnes of waste has been diverted from landfill and economic benefits (additional revenue, cost savings and private investment) in excess of R6.5 million rand have been achieved. GreenCape, the Sector Development Agency (SDA) of the Green Economy has played a significant role as an implementing agent for many of the Western Cape Government's programmes, and has built up a strong capacity and credibility across industry.

On the improved living thematic area, the first Better Living Challenge showcase was delivered successfully at the forecourt station, hosting 54 exhibitors and finalists' innovative home improvement products and solutions. Benefits of the showcase included the establishment of new partnerships and sales opportunities.

The winners of this challenge will receive dedicated business support in the coming year to assist in taking their products to market.

On the services side, the major focus has been on the BPO sector and ICT sectors, as well as on financial services. The department assisted in leveraging R30 million towards a new financial services training institute at UCT in financial market skills, which is supported by a number of the Cape-based financial services houses. The BPO sector looks as if it will meet its targets, continuing its strong growth on the previous two years. The sector has seen incentives targeting 14 632 new seats being created in the Province since the inception of the programme with BPeSA winning the European and UK Offshore Destination of the year. Challenges have been experienced however by the high turnover rates of call-centre agents, which could threaten the credibility of the sector in the international community, and has necessitated a major skills thrust. On the ICT side, the Bandwidth Barn has continued to win awards, and was short-listed as one of the most innovative projects in South Africa, winning the support of Telkom as one of their main CSE projects. The Capaciti skills development project has been successfully managed, and with the jobs funding, is on route to meeting its targets in terms of training and placements.

Skills development has been identified as a major constraint to higher levels of economic growth and development and remains one of the policy priority areas for the Western Cape Government. The National Development (NDP) has put a strong focus on education and public employment initiatives aimed at boosting economic growth and job creation. Key amongst, either facilitating or implementing such initiatives is the Provincial Skills Development and Innovation Programme in the Department of Economic Development and Tourism.

The Skills Development and Innovation Programme over the 2014/15 financial year were actively involved in efforts to smooth out the many challenges that are brought about in the transition from education to employment.

Important in this regard has been the establishment and functioning of the **Premier's Council on Skills** (which has now been reconstituted and re-named to the Provincial Human Resource Council, in alignment to the Human Resource Development Council of South Africa, a national structures, chaired by the Deputy President of South Africa).

The Premiers Council on Skills (PCS), which was held on the 30 September 2014 raised awareness of the economic developments taking place on the West Coast and to address the skills requirements to ensure that the region has the skills supply it requires, with a particular focus on Artisan Development; the Oil and Gas sector; and Marine and Ship Repairs.

The PCS also afforded an opportunity to announce the West Coast Education and Skills Plan, designed by DEDAT and key partners, such as the Saldanha Bay IDZ, **the dti**, IDC, SAOGA, FET Colleges and the District and Local Municipalities. This Skills Plan is an attempt to address skills requirements of the region.

Interaction with the national government through the Departments of Higher Education and Training; Labour; **the dti**; SETAs, had provided for improved alignment of the planning of skills development processes with national imperatives, provincial developments and local ecologies. These have been further crystallised through the appointment and functioning of the SETA cluster.

The conceptualisation and progress to the finalisation of the development of the e-skills platform, an integrated technology tool, which was conceptualised and in 2014/15 reached maturity levels that would promote communication on skills development initiatives and interventions, much needed career awareness and the introduction of e-learning content and learners management initiatives to drive self-empowerment to achieve academic progress and excellence.

Provincial Skills Coordination have also completed research and development of strategic skills development frameworks for engaging the Broadband/ICT space to ensure that there is a proactive approach to developing the required skills to understand and interact with ICT/Broadband ahead of the provincial-wide roll-out of Broadband in the Western Cape.

The **Work and Skills programme** was able to further promote employability in labour-absorbing industries of the Western Cape. Through this Programme, which has recently introduced a Technical Skills Programme, and its Artisan Development Programme in 2013/14, the Western Cape was able to increase access to occupationally directed programmes for over 1 200 unemployed young people, leading to entry into intermediate and higher level learning and facilitating the employability of youth exiting matric and Further Education and Training colleges for labour absorbing sectors.

A further achievement of the Work and Skills Programme had been its ability to leverage funding to achieve the Western Cape's skills development objective. The Programme was able to leverage additional funding from the Development Bank of Southern Africa (R63 million); the Metals and Engineering Related Seta (R11.6 million); Wholesale and Retail Seta (R540 000) and the Transport Seta (R22 million) together with the South African Oil and Gas Alliance, to be spent over the next three years. Work and skills have thus far facilitated 196 permanent jobs and 163 short term jobs in both urban and rural areas.

Companies in Vanrhynsdorp, Bredasdorp, Doringbaai and Hermanus have retained most learners placed in an internship and have been job creators for mainly entry level skill.

3. Outlook for the coming financial year (2015/16)

In keeping with the key objectives espoused in the National Development Plan and the vision of the One Cape 2040 for a growing, resilient and inclusive economy in the Western Cape, the Department will seek to deliver on the strategic goals contained in the Provincial Strategic Goal 1 which envisions an economy which creates an environment in which there are abundant opportunities for growth and jobs. The department embraces the leadership role required to deliver on the plans and aims for economic resilience to ensure the creation of an environment conducive to growth and inclusion.

The Department will deliver in all of the 9 strategic interventions contained in PSG 1 through its cross-cutting and area-specific interventions, ensuring that programmes for change are established in both the geographic and economic spatial dimensions.

Whilst the Department supports a whole of society dimension for economic interventions, focus will be placed on the industries identified as key economic drivers:

- Oil and Gas Servicing Industry

- Productive Economy including Agro-processing

- Financial and Professional Services, which includes the Business Process Outsourcing Industry

- Visitor Economy

The industries listed above forms the bedrock upon which the Department will land the cross cutting enabler of skills development, design and innovation, green economic stimuli and catalytic infrastructure. In addition the Department's key responsibility of providing economic leadership will enable the linkages both horizontally and vertically between the cross cutting programs and the businesses within the various industries, to ensure optimisation of government effort and activities.

The Department's key strategic objectives over the next 5 years will be to:

Provide Economic Growth Leadership

It is incumbent upon the Department to provide the vertical and horizontal leadership within the economy in order to enable all economic stakeholders to pull together to make the Western Cape a growing, resilient and inclusive economic leader in South Africa. In order to effectively discharge this mandate, the Department will:

Strategically engage with business in order to ensure that business partners with government for the betterment of the region's economy.

Provide innovative and responsible economic policy development which will link and align the economic change approaches within the economic spatial and geographic platforms.

Stimulate the promotion of collaboration for economic benefits with various economic stakeholder organisations inter alia, Business, Government and Academia.

Promote the provision of inter-governmental lobbying, advocacy and influence for economic growth.

Reduce the cost and improve the ease of doing business

Red Tape is the primary inhibitor of successful economic growth and is largely caused by 2 fundamental issues, namely economic unfriendly legislation and inefficient processes and procedures. It is the Department's objective to effectively address both these primary underlying causes of red tape and therefore the Department will:

Implement a Regulatory Impact Assessment process to determine the economic impact of new and existing legislation within the province.

Identify, investigate and fix problematic bureaucratic processes.

Lobby and provide advocacy for a business friendly and competitive legislative environment particularly within the SMME environment.

Identify, investigate and bring about change to key inhibiting red tape enhancing legislation.

Establish and promote an innovative and competitive business environment

The Western Cape must be seen as the economic hub which promotes and drives innovative and creative methods for economic resilience, inclusion and growth. There is already a thriving design and creative ethos within the region and it is the Department's intention to continue and expand its interventions within this exciting arena. The key actions of this strategic objective will be to:

Promote creativity and innovation within the economy to meet the new challenges facing key job propelling and labour absorbing industries, trade orientation, investment and export promotion.

Actively engage in the expansion of the Green Economy, thereby creating a sustained and integrated solutions to many economic challenges and to ensure job creation opportunities.

Establish a design orientated approach to the economy through the establishment of design solutions which establishes the region as both competitive and dynamic.

Develop collaborative partnerships between industry, government and university to enable optimum research capabilities.

Develop key skills to match the growing demand for appropriate skills for the economy and thereby enhance regional competitiveness

This will necessitate a review of the systemic and underlying causes of the challenges facing business when the matching of available talent to skills demand is vastly inappropriate. In order to reduce the gap between the skills demanded by the economy and those supplied by the various education institutions, the Department will specifically focus on the following key areas over the next 5 years:

- Artisan Development

- Innovative, creative and design capabilities

- Financial, business outsourcing and Digital Economy skills

- Constant assessment and re-assessment of the skills gap

- Systemic interventions to improve the science, technology, engineering and maths qualifications

- Develop entrepreneurial skills set, particularly aimed at young people

- Placement of young people in work places in order to address the challenges of experiential learning

Invest in key economic catalytic infrastructure

Effective and efficient infrastructure is critical for ensuring the effective functioning of the economy. It is critical that there is continued investment in key catalytic economic infrastructure since this will enable an on-going economic activity and growth which underpins increased economic benefits. The Department will therefore focus on:

- The support and develop key catalytic infrastructure projects which promote medium to long term economic gains.

- Provision of input to the roll out of Broadband to the communities and business especially within industries which require access to big data.

- Identification of the spatial infrastructure needs which will underpin the rural economy.

- The development of a provincial energy strategy which provides energy dependency security within the region.

Promote the global profile of Cape Town and the Western Cape

The promotion of Cape Town and the Western Cape as both a visitor and investment destination is a key strategic objective which will ensure that both our tourism industry and the direct investment sectors sustain impressive growth trajectories. In order to achieve this objective the Department will:

- Effectively utilise the assets of the Western Cape as a springboard for greater continental and global investment.

- Utilise and build upon Cape Town's global brand attraction as a destination puller and hub for regional growth.

- Implement actions to promote Cape Town as a business tourism destination and to develop new tourism niche markets for expanded growth.

- Promote the City and the Region as an attractive centre of excellence for key industry hubs (Visitor, Medical, Oil and Gas Servicing, Financial and other business services).

- Promote direct access between Cape Town and key market destinations.

Promote Trade and Investment for Africa Growth and Development

Whilst the region has many and varied markets in which trade and investment is and will continued to be promoted, it is a strategic imperative to have a specific focus on the African Market as a key investment

and trade destination. Cape Town is uniquely positioned between the east and west and given the inherent geographical and resource assets, it has the potential to add significantly to economic growth for global firms seeking to invest in Africa.

It is therefore incumbent upon the Department to finalise the Africa Trade and Investment Strategy and to ensure that programmes are put in place which will add significantly to the positioning of the Western Cape as a key trading region for Africa.

Supporting SMME Development

Small business and entrepreneurship development will still remain key to the support interventions by the Department to develop and grow the economy. Although much attention will be on developing and growing small enterprises in the agri-processing and oil and gas sectors, entrepreneurship development amongst the youth (school and tertiary students) and business support to micro businesses will also feature prominently in our 2015/16 plans. The bastion of our approach will be partnerships with the private sector and tertiary institutions in rolling out our support programmes. The Department has allocated a total of over R36 million to support the Province's small businesses.

4. Receipts and financing

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

Table 4.1 Summary of receipts

Receipts R'000	Outcome			Main appro- prietion Adjusted appro- prietion Revised estimate			Medium-term estimate						
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate						
				2014/15	2014/15	2014/15	2015/16	2014/15	2016/17	2017/18			
Treasury funding													
Equitable share	245 271	269 088	335 797	442 251	447 196	443 172	381 435	(13.93)	401 521	427 959			
Financing		15 687		30 526	32 026	32 026	110 134	243.89	24 140				
Asset Finance Reserve							80 000						
Provincial Revenue Fund		15 687		30 526	32 026	32 026	30 134	(5.91)	24 140				
Total Treasury funding				245 271	284 775	335 797	472 777	479 222	475 198	491 569	3.45	425 661	427 959
Departmental receipts													
Tax receipts	6 550	24 822	28 328	25 000	25 000	25 000	27 000	8.00	28 431	29 853			
Sales of goods and services other than capital assets	400	418	389	270	270	348	270	(22.41)	284	298			
Transfers received					500								
Interest, dividends and rent on land	1	9	14			1		(100.00)					
Financial transactions in assets and liabilities	3 867	4 320	2 851		5 304	9 749		(100.00)					
Total departmental receipts				10 818	29 569	31 582	25 270	31 074	35 098	27 270	(22.30)	28 715	30 151
Total receipts				256 089	314 344	367 379	498 047	510 296	510 296	518 839	1.67	454 376	458 110

Summary of receipts:

Total receipts increase by R8.543 million or 1.67 per cent from R510.296 million (revised estimate) in 2014/15 to R518.839 million in 2015/16.

Treasury funding:

Equitable share funding decreases by R61.737 million or 13.93 per cent from R443.172 million (revised estimate) in 2014/15 to R381.435 million in 2015/16.

Included in the 2015/16 total Treasury funding is an amount of R110.134 million from the Provincial Revenue Fund (PRF).

Departmental receipts:

Included in the Department's total receipts of R518.839 million in 2015/16 are the projected departmental receipts of R27.270 million.

Total departmental receipts increase from the 2014/15 main appropriation of R25.270 million to R27.270 million in 2015/16 financial year. The difference in total departmental receipts when comparing the 2014/15 main appropriation to the 2015/16 main appropriation can be attributed to the increase in revenue received for tax receipts.

Liquor Revenue increases by R2 million due to the expected increase in renewals for liquor licences. This revenue figure is based on the total number of new applications anticipated and liquor license renewals for 2015/16.

Estimates for Sales of goods and services other than capital assets in respect of the registration of Tourist Guides remains constant at R270 000 for 2015/16.

Donor funding (excluded from vote appropriation)

None.

5. Payment summary**Key assumptions**

For the 2015 MTEF, provision for salaries and wages was prepared using percentages based on the Consumer Price Index (CPI) projections, namely 7.8 per cent for 2015/16, 7.5 per cent for 2016/17 and 7.3 per cent for 2017/18.

In budgeting for Goods and Services, provision will be made for all inflation related cost increases with the following CPI assumptions for increases in general Goods and Services for the 2015 MTEF period; namely 5.6 per cent for 2015/16, 5.5 per cent in 2016/17 and 5.0 per cent in 2017/18.

National priorities

The national priorities have been incorporated into the provincial priorities.

Provincial priorities

Strategic Goal 1: Create opportunities for growth and jobs.

Strategic Goal 3: Increase wellness, safety and tackle social ills.

Programme summary

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

Table 5.1 Summary of payments and estimates

Programme R'000	Outcome						Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
				Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	2015/16	2014/15	2016/17	2017/18
1. Administration	20 765	25 210	33 249	40 101	35 346	35 346	39 969	13.08	40 892	40 494
2. Integrated Economic Development Services	51 782	51 306	50 007	60 324	57 124	57 124	59 253	3.73	60 239	61 374
3. Trade and Sector Development	68 537	101 296	124 240	229 500	236 850	236 850	257 051	8.53	178 708	179 081
4. Business Regulation and Governance	19 021	34 820	41 481	43 889	49 193	49 193	46 339	(5.80)	47 627	49 531
5. Economic Planning	14 794	24 737	34 690	39 941	41 691	41 691	22 466	(46.11)	26 150	26 117
6. Tourism Arts and Entertainment	62 823	50 345	47 554	45 002	45 002	45 002	42 471	(5.62)	45 383	45 921
7. Skills Development and Innovation	18 367	26 630	36 158	39 290	45 090	45 090	51 290	13.75	55 377	55 592
Total payments and estimates	256 089	314 344	367 379	498 047	510 296	510 296	518 839	1.67	454 376	458 110

Note: Programme 1: MEC salary provided for in Vote 11: Department of Agriculture.

Summary by economic classification

Table 5.2 Summary of payments and estimates by economic classification

Economic classification R'000	Outcome						Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14	Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	% Change from Revised estimate 2015/16	2014/15	2016/17	2017/18
Current payments	119 700	148 987	169 635	217 501	203 180	199 990	245 698	22.86	257 057	257 075
Compensation of employees	74 970	80 253	90 791	100 120	96 099	97 481	105 887	8.62	122 564	129 176
Goods and services	44 727	68 734	78 844	117 381	107 081	102 509	139 811	36.39	134 493	127 899
Interest and rent on land	3									
Transfers and subsidies to	134 201	162 822	193 480	278 751	303 662	306 931	271 017	(11.70)	195 768	199 509
Provinces and municipalities	1 000		5 150	500	500	500		(100.00)		
Departmental agencies and accounts	52 395	81 024	93 065	105 762	114 066	114 067	117 993	3.44	119 740	122 999
Higher education institutions	1 400		800	2 000	4 610	4 610		(100.00)		
Public corporations and private enterprises	27 300	8 354	6 976	7 850	5 710	5 710		(100.00)		
Non-profit institutions	51 196	72 280	85 588	161 589	169 397	172 647	140 444	(18.65)	63 448	63 930
Households	910	1 164	1 901	1 050	9 379	9 397	12 580	33.87	12 580	12 580
Payments for capital assets	2 146	2 520	4 228	1 795	3 422	3 339	2 124	(36.39)	1 551	1 526
Machinery and equipment	1 879	2 477	4 167	1 795	3 422	3 293	2 123	(35.53)	1 551	1 526
Software and other intangible assets	267	43	61			46	1	(97.83)		
Payments for financial assets	42	15	36		32	36		(100.00)		
Total economic classification	256 089	314 344	367 379	498 047	510 296	510 296	518 839	1.67	454 376	458 110

Infrastructure payments

None.

Departmental Public Private Partnership (PPP) projects

None.

Transfers

Transfers to public entities

Table 5.3 Summary of departmental transfers to public entities

Public entities R'000	Outcome						Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14	Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Casidra SOC Ltd	27 300	4 054	5 500	4 000	5 000	5 000	(100.00)			
Destination Marketing Organisation	35 439	25 000								
Western Cape Tourism, Trade and Investment Promotion Agency	14 956	26 762	55 928	70 826	73 826	73 826	82 958	12.37	84 524	86 016
Western Cape Liquor Authority		24 762	30 936	32 936	38 240	38 240	35 035	(8.38)	35 216	36 983
Western Cape Nature Conservation Board	1 000									
Total departmental transfers to public entities	78 695	80 578	92 364	107 762	117 066	117 066	117 993	0.79	119 740	122 999

Transfers to other entities

Table 5.4 Summary of departmental transfers to other entities

Entities R'000	Outcome			Main appro- priation	Adjusted appro- priation	Revised estimate	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Cape Craft Design Institute	5 510	7 020	10 695	12 500	12 500	12 500	3 500	(72.00)	3 500	3 500
Cape Town Boatbuilding Initiative	950									
Western Cape Furniture Initiative	950	400	200							
South African Oil and Gas Alliance	4 950	5 400	11 000	6 841	14 072	14 072	14 000	(0.51)	13 400	13 400
Cape Information and Technology Initiative	5 091	5 900	9 712	4 360	2 900	2 900	3 000	3.45	3 500	3 500
Bpesa	6 800	7 669	4 500	4 500	4 500	4 500	3 000	(33.33)	3 000	3 000
Cape Film Commission	4 200									
Cape Clothing and Textile Cluster	1 250	2 500	2 500	2 500	2 500	2 500	1 500	(40.00)	1 500	1 500
Western Cape Tooling Initiative	3 850	855	1 630	1 000	1 000	1 000	1 000		1 000	1 000
Clotex	2 100	2 000	3 000	3 300	3 300	3 300	1 000	(69.70)	1 000	1 000
Cape Town Fashion Council	1 600	2 913	2 500	2 622	2 622	2 622	1 500	(42.79)	1 500	1 500
Visual Arts Network South Africa	220									
Performing Arts Network South	220									
Cape Music Industry Commission	555									
Broadband Foundation							4 794		4 794	4 794
Cape Chamber of Commerce	350									
Small Enterprise Finance Agency				900						
South African Honeybush Tea	400	200	500							
Learning Cape Initiative	5 500	1 300	500							
University of Cape Town				1 000	1 000	1 000		(100.00)		
Northlink College		10 980	311							
Cape Peninsula University of TIA	900			150	2 760	2 760		(100.00)		
Western Cape Aquaculture	800	1 300	2 550	3 150	1 000	1 000		(100.00)		
Cape Town Partnership	2 100	1 000	800							
Business Place	500	750	550	1 500	1 500	1 500		(100.00)		
West Coast Business Development	500	750	550	1 500	1 500	1 500		(100.00)		
!Kwattu	500									
Convenco				81 790	81 790	81 790	80 000	(2.19)		
Western Cape Fine Food Initiative	700	600	1 500	750	837	837	3 000	258.42	3 000	3 000
Western Cape Economic	1 600	7 850	10 541	8 896	8 896	8 896	7 000	(21.31)	9 654	10 136
GreenCape		3 053	9 450	12 480	13 510	13 510	16 400	21.39	16 400	16 400
Development Bank of Southern		4 000								
National Empowerment Fund		9 755	6 600	6 000	6 000	6 000		(100.00)		
Accelerate Cape Town				900						
Bandwidth Barn				1 000						
IT4All				1 200						
Digital Village			2 000	200	200	200		(100.00)		
Project Isizwe			2 000	200	200	200		(100.00)		
Home of Compassion			2 000	200	200	200		(100.00)		
Innovate Western Cape				500	500	500		(100.00)		
Incubators and Local Content				1 150						
South African Bureau of Standards				1 000						
The Business Bridge				3 000	3 000	3 000		(100.00)		
University of Stellenbosch				150	150	150		(100.00)		
University of Western Cape				700	200	200		(100.00)		
Genesis IT Initiative					2 760	2 760	750	(72.83)	1 200	1 200
Other	1 000	4 500	6 201	2 000	2 000	2 000		(100.00)		
Total departmental transfers to other entities	53 096	80 695	91 790	169 439	171 397	171 397	140 444	(18.06)	63 448	63 930

Transfers to local government

Table 5.5 Summary of departmental transfers to local government by category

Departmental transfers R'000	Outcome						Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14	Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Category A	1 000		2 350	500	500	500	(100.00)			
Category B			2 800							
Total departmental transfers to local government	1 000		5 150	500	500	500	(100.00)			

6. Programme Description

Programme 1: Administration

Purpose: To provide strong, innovative leadership, and to deliver clean, efficient, cost effective, transparent and responsive corporate services to the Department.

Analysis per sub-programme

Sub-programme 1.1: Office of the Head of Department

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

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

Sub-programme 1.2: Financial Management

to provide an effective financial management function

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

to provide planning and budgeting support to the department

to make limited provision for maintenance and accommodation needs

Sub-programme 1.3: Corporate Services

to provide a strategic support function to the department

Policy developments

It is incumbent upon the Administration Programme to offer a world class corporate services function - including Financial Management and Communication services to the entire Department. This corporate services function is to be delivered in a manner that espouses the principles as enshrined in Chapters 10 and 13 of the Constitution of the Republic of South Africa (Act 108 of 1996). This compels all spheres of Government to ensure that the principles of a high standard of ethics are promoted and maintained and that efficient economic use of resources is promoted.

Changes: Policy structures, service establishments, etc.

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

Expenditure trends analysis

The Programme's estimate expenditure has increased by 13.08 per cent or R4.623 million in the 2015/16 financial year from the 2014/15 revised estimates. The increase is mainly as a result of the planned filling of vacant posts against the newly proposed organisational structure.

Strategic goal as per Strategic Plan**Programme 1: Administration**

Create opportunities for growth and jobs.

Strategic objectives as per Annual Performance Plan

To achieve and maintain the highest level of financial governance.

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

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

Sub-programme R'000	Outcome			Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
1. Office of the HOD	2 259	3 486	2 405	3 080	2 292	2 292	4 495	96.12	5 820	5 917
2. Financial Management	17 097	20 122	23 288	26 182	24 449	24 449	25 977	6.25	25 842	27 154
3. Corporate Services	1 409	1 602	7 556	10 839	8 605	8 605	9 497	10.37	9 230	7 423
Total payments and estimates	20 765	25 210	33 249	40 101	35 346	35 346	39 969	13.08	40 892	40 494

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

Economic classification R'000	Outcome						Medium-term estimate			
				Main appro- priation	Adjusted appro- priation	Revised estimate	% Change from Revised estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				2015/16	2014/15	2016/17	2017/18
Current payments	19 952	23 749	30 388	39 431	32 873	32 860	39 067	18.89	40 756	40 358
Compensation of employees	14 209	15 834	17 542	21 956	19 854	19 006	23 482	23.55	26 776	28 164
Goods and services	5 742	7 915	12 846	17 475	13 019	13 854	15 585	12.49	13 980	12 194
Interest and rent on land	1									
Transfers and subsidies to	44	14	22		23	24		(100.00)		
Departmental agencies and accounts						1		(100.00)		
Households	44	14	22		23	23		(100.00)		
Payments for capital assets	737	1 447	2 825	670	2 450	2 458	902	(63.30)	136	136
Machinery and equipment	496	1 430	2 825	670	2 450	2 454	902	(63.24)	136	136
Software and other intangible assets	241	17				4		(100.00)		
Payments for financial assets	32		14			4		(100.00)		
Total economic classification	20 765	25 210	33 249	40 101	35 346	35 346	39 969	13.08	40 892	40 494

Details of transfers and subsidies

Economic classification R'000	Outcome						Medium-term estimate			
				Main appro- priation	Adjusted appro- priation	Revised estimate	% Change from Revised estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				2015/16	2014/15	2016/17	2017/18
Transfers and subsidies to (Current)	44	14	22		23	24		(100.00)		
Departmental agencies and accounts						1		(100.00)		
Entities receiving transfers						1		(100.00)		
Other						1		(100.00)		
Households	44	14	22		23	23		(100.00)		
Social benefits		14	22		23	23		(100.00)		
Other transfers to households	44									

Programme 2: Integrated Economic Development Services

Purpose: To promote and support an enabling business environment for the creation of opportunities for growth and jobs.

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

to support and promote development of business enterprises

Sub-programme 2.2: Regional and Local Economic Development

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

Sub-programme 2.3: Economic Empowerment

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

Sub-programme 2.4: Red Tape

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

Sub-programme 2.5: Management: Integrated Economic Development Services

to conduct the overall management and administrative support to the Programme

Policy developments

In providing the context and contribution to both national and provincial outcomes, the work of the Programme for the year will be guided by key national policies and strategies, and more importantly, focused in terms of the Provincial Strategic Goal One (PSG 1), as determined by Project Khulisa. This will ensure alignment with all relevant national and provincial policies and strategies, whilst garnering support from stakeholders to jointly realise common outcomes. Below is an exposition of the aforesaid.

The activities of the Programme are closely aligned to the National Development Plan (NDP)'s stated objectives of, first, reducing the cost of regulatory compliance, and secondly, increasing support for small and medium sized businesses. In addition, the Programme's work becomes even more relevant when viewed against the backdrop of the Medium Term Strategic Framework (2014 - 2019) which appeals for support in the following areas:

- Competitiveness enhancement in the productive sectors of the economy;

- Addressing spatial imbalances in the economy;

- Elimination of unnecessary regulatory burdens;

- Expanded opportunities for small businesses and co-operatives, and

- The improvement of local government capacity to ensure effective and efficient service delivery.

The adoption of Project Khulisa as the primary driver of PSG 1 has meant that the Programme will need to take a far more focused approach to what has been identified as priority sectors (i.e. tourism, rig repair and agro-processing) and enablers (e.g. engagement with national government regarding regulations, energy and water) over the next three to five years. Project Khulisa is also quite specific and clear on the path and interventions to be followed to ensure accelerated, sustained growth and job-creation.

Furthermore, Project Khulisa argues for specific actions need to be taken within the priority sectors and enablers. Critically, a common thread throughout the proposed actions of Project Khulisa is the improvement of the enabling environment for businesses to be start, develop and grow.

The enabling environment is a broad concept and on the widest definition can comprise all factors external to firms, including the policy, legal and regulatory framework; external trade policy; governance and institutions; physical security; the social and cultural context of business; macroeconomic policies; access of firms to financial and business services; and the availability of physical and social infrastructure services. In short, the enabling environment comprises all those factors that inhibit or favour the growth and development of business and ultimately economic growth and labour absorption.

The enabling environment is now widely recognised as a mechanism through which greater development outcomes can be achieved. A sound enabling environment for private sector led growth is "critical". The investment climate shapes the costs and risks of doing business, as well as barriers to competition, all of which strongly influence the role of the private sector in social and economic development. The Investment Climate Assessment of India, for example, shows that better regulations and laws for private sector development, as well as better infrastructure, can increase the GDP growth rates by up to two percentage points per annum (DFID 2004).

Inextricably linked to an enabling business environment is the concept of, "the ease of doing business". The World Bank Group defines the ease of doing business (EDB) as the extent to which the regulatory environment is conducive to the starting and operation of a local firm. The Bank's EDB factors include; starting a business, dealing with construction permits, trading across borders, registering property and getting electricity.

Similarly, the World Economic Forums' "Global Competitiveness Report (GCR) 2014 - 2015 (GCR): Accelerating a Robust Recovery to Create Productive jobs and Support Inclusive Growth", identifies factors that determine competitiveness both on a national and sector level. Competitiveness is defined as the set of institutions (including systems and procedures), policies (including regulations and legislation) and factors that determine the level of productivity of a country or sector. The GCR identifies 12 pillars of competitiveness, which include institutions (both the legal and administrative frameworks and the capacity to deliver on mandates), goods market efficiency, infrastructure, business sophistication and technological readiness.

Connecting this to Project Khulisa, clearly, competitiveness is crucial to the priority sectors since it is competitiveness that will determine the strength and growth of the particular sector. Project Khulisa's choice of sectors in terms of "attractiveness" and "feasibility" is closely linked to the identified competitive strengths of each of these sectors.

For our purposes, we will define the EDB as the extent to which the factors of (1) regulations and legislation, (2) systems and procedures, (3) communication, and, (4) any other factors (e.g. access to finance) are conducive to new businesses being established and existing businesses to grow and and/or absorb labour. An additional element crucial to these factors is that of spatial context within which these will need to occur.

In line with international best practice, the "game changer" approach by Project Khulisa deliberately identifies a small number of high potential opportunities that can deliver meaningful jobs and growth within a 3 - 5 year time-frame. Of particular relevance to Programme 2 are the following:

- Small business in agro-processing and rig repair (supplier development);

- Regulatory issues as key challenge across agro-processing, rig repair and tourism; and

- The spatial context of the growth of the identified sectors as a means of supporting growth and job-creation across the Province.

For the next five years, commencing in 2015/16, Programme 2 will be focused on improving the EDB in the Western Cape. This focus will be biased towards the three priority sectors of tourism, agro-processing and rig repair, as identified by Project Khulisa. The strategic intent will then comprise (1) increasing the number of new businesses, (2) growing existing businesses and (3) improving the business regulatory environment.

Attention will also be paid to co-coordinating growth and development activities outside of the Cape Town metro area and building institutional capacity of stakeholders and institutions (e.g. municipalities) in the rural districts.

Changes: Policy structures, service establishments, etc.

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

Expenditure trends analysis

The budgeted allocation for the programme has increased from R57.124 million in 2014/15 revised estimate to R59.253 million in 2015/16 main estimate, thus an increase of R2.129 million or 3.73 per cent. The main contributor to this is the increased focus on RED Tape Reduction as initiatives to reduce red tape within the Western Cape will be expanded in 2015/16.

Strategic goal as per Strategic Plan

Create opportunities for growth and jobs.

Strategic objectives as per Annual Performance Plan

To contribute to the sustainability and expansion of small businesses.

To improve the business environment in non-metro areas through effective LED Coordination that supports growth of the regional economy.

To improve the business and regulatory environment for entrepreneurs and businesses in the Western Cape.

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

Sub-programme R'000	Outcome			Main appro- piation 2014/15	Adjusted appro- piation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
1. Enterprise Development	28 247	26 281	31 828	37 044	35 676	35 676	32 356	(9.31)	32 531	32 892
2. Regional and Local Economic Development	9 446	13 315	7 988	9 218	8 484	8 484	10 954	29.11	11 371	11 734
3. Economic Empowerment	5 989	5 505	3 697	4 196	3 946	3 946	3 355	(14.98)	3 543	3 742
4. Red Tape		4 357	4 682	7 540	6 941	6 941	10 065	45.01	10 149	10 236
5. Management: Integrated Economic Development Services	8 100	1 848	1 812	2 326	2 077	2 077	2 523	21.47	2 645	2 770
Total payments and estimates	51 782	51 306	50 007	60 324	57 124	57 124	59 253	3.73	60 239	61 374

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

Economic classification R'000	Outcome			Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Current payments	23 502	27 176	30 182	34 574	32 817	32 819	56 995	73.66	57 982	59 117
Compensation of employees	12 397	15 077	17 322	20 953	19 553	19 555	18 753	(4.10)	19 739	20 814
Goods and services	11 105	12 099	12 860	13 621	13 264	13 264	38 242	188.31	38 243	38 303
Transfers and subsidies to	27 900	23 826	19 495	25 400	23 943	23 942	1 780	(92.57)	1 780	1 780
Departmental agencies and accounts	1 000	4 500	5 000	2 000	2 000	2 000	(100.00)			
Higher education institutions			250	1 000	2 150	2 150	(100.00)			
Public corporations and private enterprises	21 100	8 054	5 850	6 650	5 700	5 700	(100.00)			
Non-profit institutions	5 800	11 255	7 900	15 300	13 500	13 500	(100.00)			
Households		17	495	450	593	592	1 780	200.68	1 780	1 780
Payments for capital assets	370	304	311	350	350	350	478	36.57	477	477
Machinery and equipment	370	304	311	350	350	346	478	38.15	477	477
Software and other intangible assets						4	(100.00)			
Payments for financial assets	10		19		14	13	(100.00)			
Total economic classification	51 782	51 306	50 007	60 324	57 124	57 124	59 253	3.73	60 239	61 374

Details of transfers and subsidies

Economic classification R'000	Outcome			Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Transfers and subsidies to (Current)	27 900	23 826	19 495	25 400	23 943	23 942	1 780	(92.57)	1 780	1 780
Departmental agencies and accounts	1 000	4 500	5 000	2 000	2 000	2 000		(100.00)		
Entities receiving transfers	1 000	4 500	5 000	2 000	2 000	2 000		(100.00)		
Other	1 000	4 500	5 000	2 000	2 000	2 000		(100.00)		
Higher education institutions			250	1 000	2 150	2 150		(100.00)		
Public corporations and private enterprises	21 100	8 054	5 850	6 650	5 700	5 700		(100.00)		
Public corporations	21 100	4 054	5 500	4 000	5 000	5 000		(100.00)		
Other transfers (Casidra & CSIR)	21 100	4 054	5 500	4 000	5 000	5 000		(100.00)		
Private enterprises		4 000	350	2 650	700	700		(100.00)		
Other transfers		4 000	350	2 650	700	700		(100.00)		
Non-profit institutions	5 800	11 255	7 900	15 300	13 500	13 500		(100.00)		
Households		17	495	450	593	592	1 780	200.68	1 780	1 780
Social benefits		17								
Other transfers to households			495	450	593	592	1 780	200.68	1 780	1 780

Programme 3: Trade and Sector Development

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

Analysis per sub-programme

Sub-programme 3.1: Trade and Investment Promotion

to facilitate trade, export promotion and attract investment

Sub-programme 3.2: Sector Development

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

Sub-programme 3.3: Strategic Initiatives

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

Sub-programme 3.4: Management: Trade and Sector Development

to conduct the overall management and administrative support to the Programme

Policy developments

The Provincial Strategic Plan (PSP) sees the attraction of local and international investment, and improved market access for Western Cape firms and sectors as key strategic priorities. This has gained more focus through Project Khulisa, which will see more emphasis given to the priority sectors of oil and gas, tourism and agri-processing.

To deliver on its mandate, a new board was announced in July 2014 that has refocused and restructured the activities of Wesgro as the key vehicle for tourism, trade and investment for the Province. For the 2015/16 financial year the Agency will be focusing on the pro-active marketing of key targets both around major projects, but also in terms of the Province's priority sectors in line with project Khulisa. This includes a shift to more pro-active targeting of trade and investment opportunities, with a pragmatic approach to marketing the region's capabilities and its position in the global environment.

It will also focus particularly on ensuring the appropriate senior level capacity is developed in order to engage more powerfully with its market. The following sectors represent the new approach:

Horizon 1 prioritised sectors of oil and gas, tourism and agri-processing.

Horizon 2 sectors, with an expanded scope, being BPO and film.

Horizon 3 sectors, which build on the eco-system, being ICT/software, manufacturing and health technology.

Prioritised Game changers – such as LNG imports, Bio-fuels and the SEZs.

Green Economy and Energy – Renewables, and the numerous upstream and downstream opportunities that derive from a greener economy.

In addition, a focus will be on the horizon 3; eco-system sectors, in which a number of investment opportunities are prevalent, and which highlight the niche engineering and manufacturing sectors – that include high-end engineering products, metal beneficiation, consumer products, electronic components and transportation equipment amongst others.

Changes: Policy structures, service establishments, etc.

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

Expenditure trends analysis

The allocated budget for the Programme increased from R236.850 million in the 2014/15 revised estimate to R257.051 million in 2015/16 financial year. This represents an increase of 8.53 per cent or R20.201 million. The primary reason for this increase is due to the Strategic Initiatives sub-programme which will oversee the rollout of catalytic infrastructure initiatives such as the Broadband Initiative, Saldanha IDZ project and expansion of the Cape Town International Convention Centre.

Strategic goal as per Strategic Plan

Create opportunities for growth and jobs.

Strategic objectives as per Annual Performance Plan

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

To increase employment opportunities by 10 000 in the oil and gas service sectors, facilitate R10 billion worth of Trade and Investment and leverage R50 million rand of funding/support by 2020.

To raise the competitiveness of the Western Cape Agro-processing sector enterprises by improving their productivity and promoting diversification into more complex activities to improve the domestic competitiveness and export performance. To create 20 000 new jobs by 2020 and leverage R100 million in funding/support.

To create 10 000 jobs in the industry by 2020.

To maintain interventions in the sector, in order to build the platform for its selection as a horizon 3 priority. To create 2 000 new ICT jobs in the industry, and facilitate 150 new ICT businesses by 2020.

Enhance the competitiveness of the sector in order to secure tenders/contracts from SOCs, government and other business opportunities to the value of R500 million and leverage R25 million worth of funding/support by 2020.

To stabilise the industry and expand employment by 5 000, through supporting 400 firms, and leveraging funding/support to the value of R40 million by 2020.

To increase employment opportunities by 10 000 by 2020.

Grow and develop the provincial economy through development of catalytic initiatives which enhance competitiveness, with a particular focus on industry infrastructure, broadband, resource efficiency and design.

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

Sub-programme R'000		Outcome			Main appro- priation Adjusted appro- priation Revised estimate 2014/15 2014/15 2014/15			Medium-term estimate			
		% Change from Revised estimate									
		Audited 2011/12	Audited 2012/13	Audited 2013/14				2015/16	2014/15	2016/17	2017/18
1.	Trade and Investment Promotion	14 956	18 500	21 481	19 235	19 235	19 235	22 400	16.45	22 400	22 400
2.	Sector Development	35 577	44 803	46 405	49 179	52 050	52 050	40 208	(22.75)	40 725	41 221
3.	Strategic Initiatives	16 183	36 870	54 775	159 399	164 476	164 476	192 897	17.28	113 863	113 669
4.	Management: Trade and Sector Development	1 821	1 123	1 579	1 687	1 089	1 089	1 546	41.97	1 720	1 791
Total payments and estimates					229 500	236 850	236 850	257 051	8.53	178 708	179 081

Earmarked Allocations

Included in Sub-programme 3.1: Trade and Investment promotion is an earmarked allocation amounting to R19 984 000 (2015/16); R20 874 000 (2016/17) and R21 918 000 (2017/18) for the purpose of supporting Wesgro.

Included in Sub-programme 3.3: Strategic Initiatives is an earmarked allocation amounting to R14 331 000 (2015/16); R18 010 000 (2016/17) and R25 000 000 (2017/18) for the purpose of supporting the Broadband Initiative (Stream 2) projects.

Included in Sub-programme 3.3: Strategic Initiatives is an earmarked allocation amounting to R5 782 000 (2015/16); R6 040 000 (2016/17) and R6 342 000 (2017/18) for the purpose of supporting the Saldanha Industrial Development Zone (IDZ) project's operational costs.

Included in Sub-programme 3.3: Strategic Initiatives is an earmarked allocation amounting to R23 176 000 (2015/16); R23 784 000 (2016/17) and R24 974 000 (2017/18) for the purpose of supporting the Saldanha Industrial Development Zone (IDZ) project's operational costs (excluding capital).

Included in Sub-programme 3.3: Strategic Initiatives is an earmarked allocation amounting to R80 000 000 (2015/16) for the purpose of expansion of the Cape Town International Convention Centre.

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

Economic classification R'000	Outcome			Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Current payments	23 776	40 340	39 809	54 141	54 508	54 545	75 605	38.61	75 446	74 327
Compensation of employees	12 466	16 103	18 767	20 036	18 767	18 767	24 231	29.11	29 324	30 790
Goods and services	11 309	24 237	21 042	34 105	35 741	35 778	51 374	43.59	46 122	43 537
Interest and rent on land	1									
Transfers and subsidies to	44 557	60 655	84 179	175 159	182 218	182 218	181 102	(0.61)	102 918	104 410
Provinces and municipalities			5 150	500	500	500		(100.00)		
Departmental agencies and accounts	14 956	24 762	29 216	47 326	50 326	50 326	54 658	8.61	55 524	57 016
Higher education institutions			550	1 000	1 000	1 000		(100.00)		
Public corporations and private enterprises			500	1 200	10	10		(100.00)		
Non-profit institutions	29 601	35 890	48 763	125 133	130 380	130 380	126 444	(3.02)	47 394	47 394
Households		3			2	2		(100.00)		
Payments for capital assets	204	301	252	200	124	87	344	295.40	344	344
Machinery and equipment	204	275	247	200	124	77	344	346.75	344	344
Software and other intangible assets		26	5			10		(100.00)		
Total economic classification	68 537	101 296	124 240	229 500	236 850	236 850	257 051	8.53	178 708	179 081

Details of transfers and subsidies

Economic classification R'000	Outcome			Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Transfers and subsidies to (Current)	44 557	60 655	84 179	175 159	182 216	182 216	181 102	(0.61)	102 918	104 410
Provinces and municipalities			5 150	500	500	500		(100.00)		
Municipalities			5 150	500	500	500		(100.00)		
Municipal bank accounts			5 150	500	500	500		(100.00)		
Departmental agencies and accounts	14 956	24 762	29 216	47 326	50 326	50 326	54 658	8.61	55 524	57 016
Entities receiving transfers	14 956	24 762	29 216	47 326	50 326	50 326	54 658	8.61	55 524	57 016
Western Cape Tourism, Trade and Investment Promotion Agency	14 956	24 762	28 015	47 326	50 326	50 326	54 658	8.61	55 524	57 016
Other			1 201							
Higher education institutions			550	1 000	1 000	1 000		(100.00)		
Public corporations and private enterprises			500	1 200	10	10		(100.00)		
Private enterprises			500	1 200	10	10		(100.00)		
Other transfers			500	1 200	10	10		(100.00)		
Non-profit institutions	29 601	35 890	48 763	125 133	130 380	130 380	126 444	(3.02)	47 394	47 394
Households		3								
Other transfers to households		3								
Transfers and subsidies to (Capital)					2	2		(100.00)		
Households					2	2		(100.00)		
Other transfers to households					2	2		(100.00)		

Programme 4: Business Regulation and Governance

Purpose: To ensure an equitable, socially responsible business environment in the Western Cape – through general interventions within the trading environment and through specific interventions mandated by the Constitution and national and provincial legislation and policies.

Analysis per sub-programme

Sub-programme 4.1: Consumer Protection

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

Sub-programme 4.2: Liquor Regulation

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

Policy developments

The enabling business environment comprises all relevant economic, political, social, regulatory and international factors external to firms in the Western Cape. In this regard the Project Khulisa exercise that was conducted by the WCG identified numerous opportunities and challenges affecting the regions ability to create jobs and thereby ensure economic growth. It is with the results of the aforementioned exercise in mind that the Programme has identified the areas of action and assistance that can be provided to sectors, units and departments. It is common cause that one of the factors considered by a possible investor into the Western Cape economy is the level of legal protection afforded to its rights as an investor. It is undeniable that this includes a consideration by a possible investor of the regions protection efforts with regards to brand protection. This specific issue was noted as a specific challenge affecting the agro-processing sector within the Western Cape. Globally, the issue of counterfeit goods and its prevalence within the market of a region and more importantly how that region addresses the problem is a factor considered by possible investors. The poor regulation of counterfeit and substandard goods by a region is therefore considered as a negative by possible investors. It is therefore deemed essential by the Programme that this sub-directorate takes the lead from a provincial perspective to participate in the coordination and implementation of anti - counterfeit operations within the Western Cape. The aforementioned task is one which includes a spectrum of national and provincial role players and the sub directorate will thus participate in these multi stakeholder engagements and operations. This will be a new initiative driven by this sub-directorate and as such the necessary resources will need to be allocated to the Programme to ensure that a positive contribution is made towards the fight against counterfeit and sub-standard goods. It is advanced that the initiatives in this regard will make a direct contribution towards addressing the challenges identified by project Khulisa with regards to poor regulatory enforcements as far as sub-standard imported goods is concerned.

Changes: Policy structures, service establishments, etc.

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

Expenditure trends analysis

The allocation to the Liquor Authority in 2014/15 adjusted estimates of R5.304 million is the main reason for the 5.80 per cent decrease in the 2015/16 Programme allocation (from 2014/15 revised estimate of R49.193 million to R46.339 million in 2015/16).

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

Create opportunities for growth and jobs.

Strategic objectives as per Annual Performance Plan

An effective provincial trading environment demonstrated by a high level of engagement with regulatory authorities on issues of compliance and enforcement.

To provide an effective and efficient consumer protection service within the province which is aligned to the objectives and functions as prescribed by both provincial and national consumer protection legislation.

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

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

Sub-programme R'000		Outcome						Medium-term estimate			
		% Change from Revised estimate									
		Audited 2011/12	Audited 2012/13	Audited 2013/14	Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	2015/16	2014/15	2016/17	2017/18
1.	Consumer Protection	9 688	9 795	10 384	10 283	10 283	10 283	10 582	2.91	11 646	11 738
2.	Liquor Regulation	9 333	25 025	31 097	33 606	38 910	38 910	35 757	(8.10)	35 981	37 793
Total payments and estimates		19 021	34 820	41 481	43 889	49 193	49 193	46 339	(5.80)	47 627	49 531

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

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

Economic classification R'000	Outcome			Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Current payments	18 841	9 944	10 455	10 906	10 906	10 906	11 244	3.10	12 321	12 453
Compensation of employees	12 675	7 306	7 574	8 153	8 153	8 336	8 254	(0.98)	8 861	9 498
Goods and services	6 166	2 638	2 881	2 753	2 753	2 570	2 990	16.34	3 460	2 955
Transfers and subsidies to		24 762	30 939	32 936	38 240	38 240	35 035	(8.38)	35 216	36 983
Departmental agencies and accounts		24 762	30 936	32 936	38 240	38 240	35 035	(8.38)	35 216	36 983
Households			3							
Payments for capital assets	180	114	87	47	47	47	60	27.66	90	95
Machinery and equipment	154	114	87	47	47	47	60	27.66	90	95
Software and other intangible assets	26									
Total economic classification	19 021	34 820	41 481	43 889	49 193	49 193	46 339	(5.80)	47 627	49 531

Details of transfers and subsidies

Economic classification R'000	Outcome			Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Transfers and subsidies to (Current)		24 762	30 939	32 936	38 240	38 240	35 035	(8.38)	35 216	36 983
Departmental agencies and accounts		24 762	30 936	32 936	38 240	38 240	35 035	(8.38)	35 216	36 983
Entities receiving transfers		24 762	30 936	32 936	38 240	38 240	35 035	(8.38)	35 216	36 983
Western Cape Liquor Authority		24 762	30 936	32 936	38 240	38 240	35 035	(8.38)	35 216	36 983
Households			3							
Social benefits			3							

Programme 5: Economic Planning

Purpose: The purpose of this programme is to provide support to the leadership of the Department – the Minister, the Head of Department and the Departmental Top Management – in undertaking planning processes that provide a coherent vision and strategic outcomes around which policies and strategies are developed, enhanced or applied to attain their intended objectives.

Analysis per sub-programme**Sub-programme 5.1: Policy and Planning**

to develop provincial economic policies and strategies

Sub-programme 5.2: Research and Development

to conduct economic research

Sub-programme 5.3: Knowledge Management

to contribute to the creation of a knowledge economy

Sub-programme 5.4: Monitoring and Evaluation

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

Sub-programme 5.5: Management

to conduct the overall management and administrative support to the Programme

Sub-programme 5.6: Economic Development Partnership

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

Policy developments

This Department is tasked as the lead department for Provincial Strategic Goal 1: Create opportunities for growth and jobs, while supporting PSG 2, PSG 4 and PSG 5. The purpose of this Programme is firstly to develop the strategic plan expressing PSG 1 to be adopted by cabinet, then to align the Department's strategy to that of the cabinet adopted PSG 1. In maximising economic and socio-economic outcomes as described in the PSP and PSG's suitable provincially adopted policies are required, which will be drafted by this sub-programme in collaboration with the Department of the Premier's policy unit.

Changes: Policy structures, service establishments, etc.

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

Expenditure trends analysis

The Programme's budget has decreased by 46.11 per cent or R19.225 million in the 2015/16 financial year from the 2014/15 revised estimate of R41.691 million mainly as a result of the decreased allocation to the Western Cape Economic Development Partnership (WCEDP), as well as a reduction in the allocation of the Policy and Planning sub-programme.

Strategic goal as per Strategic Plan

Create opportunities for growth and jobs.

Strategic objectives as per Annual Performance Plan

To provide economic strategy and policy leadership in the Province.

To conduct and facilitate economic research to support policy and strategy development within the framework described by Project Khulisa.

To Strengthen institutional governance for improved service delivery.

Outcomes-based monitoring, evaluation and measurement of implementation of strategies, programmes and projects are conducted to determine the effectiveness of impact of economic development policies and priorities.

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

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

Sub-programme R'000	Outcome			Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
1. Policy and Planning	1 294	1 697	14 159	16 949	20 199	20 199	4 119	(79.61)	4 456	4 653
Policy and Planning	782	1 294	1 697	3 335	3 110	3 110	1 885	(39.39)	2 148	2 253
Economic Development Integration				8 325	11 043	11 043	15 064	36.41	10 391	11 152
2. Research and Development	4 155	6 805	5 775	5 310	5 310	5 310	4 399	(17.16)	4 503	4 664
3. Knowledge Management	2 515	3 009	3 149	2 818	2 818	2 818	4 307	52.84	4 634	3 607
4. Monitoring and Evaluation	2 115	2 644	1 915	5 968	4 468	4 468	2 641	(40.89)	2 903	3 057
5. Management	2 865	2 732								
6. Economic Development Partnership	1 850	7 850	9 692	8 896	8 896	8 896	7 000	(21.31)	9 654	10 136
Total payments and estimates	14 794	24 737	34 690	39 941	41 691	41 691	22 466	(46.11)	26 150	26 117

Earmarked Allocations

Included in Sub-programme 5.5: Economic Development Partnership is an earmarked allocation amounting to R7 000 000 (2015/16); R9 654 000 (2016/17) and R10 136 000 (2017/18) for the operational cost of the Western Cape Economic Development Partnership (WCEDP).

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

Economic classification R'000	Outcome			Main appro- priation Adjusted appro- priation Revised estimate			Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Current payments	14 195	16 684	20 797	23 590	24 114	24 138	15 297	(36.63)	16 324	15 860
Compensation of employees	9 023	9 355	9 700	8 668	8 668	10 417	8 694	(16.54)	9 346	10 028
Goods and services	5 172	7 329	11 097	14 922	15 446	13 721	6 603	(51.88)	6 978	5 832
Transfers and subsidies to	500	7 860	13 493	16 196	17 404	17 404	7 000	(59.78)	9 654	10 136
Non-profit institutions	500	7 850	13 442	16 196	17 396	17 396	7 000	(59.76)	9 654	10 136
Households		10	51		8	8		(100.00)		
Payments for capital assets	99	193	397	155	155	130	169	30.00	172	121
Machinery and equipment	99	193	341	155	155	107	169	57.94	172	121
Software and other intangible assets			56			23		(100.00)		
Payments for financial assets			3		18	19		(100.00)		
Total economic classification	14 794	24 737	34 690	39 941	41 691	41 691	22 466	(46.11)	26 150	26 117

Details of transfers and subsidies

Economic classification R'000	Outcome			Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Transfers and subsidies to (Current)	500	7 860	13 493	16 196	17 404	17 404	7 000	(59.78)	9 654	10 136
Non-profit institutions	500	7 850	13 442	16 196	17 396	17 396	7 000	(59.76)	9 654	10 136
Households		10	51		8	8		(100.00)		
Other transfers to households		10	51		8	8		(100.00)		

Programme 6: Tourism, Arts and Entertainment

Purpose: To facilitate the implementation of an integrated tourism strategy that will lead to sustained and increased growth and job creation in the tourism industry.

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

to develop and coordinate the strategic agenda

Sub-programme 6.2: Tourism Growth and Development

to facilitate growth and development of the tourism industry

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

Sub-programme 6.3: Tourism Sector Transformation

provide for the registration and regulation of tourist guides

Sub-programme 6.4: Destination Marketing Organisation (DMO)

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

Sub-programme 6.5: Commercial Arts and Entertainment

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

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

Policy developments

Project Khulisa identified tourism as one of the key sectors that offer the Province the greatest potential return in terms of jobs and growth, and which have significant opportunities that require Government investment and action.

Tourism is a major contributor to economic value and employment in the Western Cape. It directly contributes R17 million in GVA and accounts for 204 000 formal jobs in the province. Under a high growth scenario (which would entail the Western Cape matching the growth of successful tourism regions elsewhere in the world), the sector's GVA contribution could increase by 65 per cent to R28 billion in 2019,

and it could add a further 120 000 formal jobs over the same period. (Project Khulisa, Final Report, McKinsey & Company, December 2014)

Project Khulisa identified several key levers that the Western Cape Government can use to catalyse a substantial and sustained increase in tourism visits, GVA contribution and job creation (Project Khulisa Final Report, McKinsey & Company, 11 December 2014). These are:

Accessibility: Engage National Government to improve the visa regime; consider options to “facilitate” certain sectors or players in the meantime.

Set strategic focus: Prioritise the development of targeted niche markets and targeted source markets.

Promotion: Create a platform that the public and private sectors are willing to collaborate on strategically and financially.

These key levers are prioritised in the Western Cape Government's Khulisa Tourism Roadmap and inform the key drivers of the provincial tourism strategy for the 2015/16 financial year. The strategic priorities for tourism destination management and destination marketing are:

Strategic Priority 1: To co-ordinate a single tourism destination strategy and delivery model which ensures effective and integrated destination management and marketing.

Strategic Priority 2: To co-deliver targeted actions designed to improve destination accessibility and attractiveness.

Strategic Priority 3: To improve brand awareness and ensure integrated marketing in key market segments and prioritised niches.

Changes: Policy structures, service establishments, etc.

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

Expenditure trends analysis

The allocated budget for the programme decreased from R45.002 million in the 2014/15 revised estimate to R42.471 million in the 2015/16 financial year. This represents a decrease of 5.62 per cent or R2.531 million. The major contributing factor to this decrease in the allocation is the reduced allocation of the Tourism Growth and Development sub-programme, as the Tourism Quality assurance programme will be discontinued as well as Tourism Sector Transformation Projects.

Strategic goal as per Strategic Plan

Create opportunities for growth and jobs.

Strategic objectives as per Annual Performance Plan

To co-ordinate a single tourism destination strategy and delivery model which ensures effective and integrated destination management and marketing.

To co-deliver targeted actions designed to improve destination accessibility and attractiveness.

To improve brand awareness and ensure integrated marketing in key market segments and prioritised niches.

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

Sub-programme R'000	Outcome			Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
1. Tourism Planning	2 940	3 533	3 863	3 895	4 077	4 077	3 551	(12.90)	4 054	4 252
2. Tourism Growth and Development	7 506	4 564	4 838	3 843	4 137	4 137	3 441	(16.82)	4 295	4 485
3. Tourism Sector Transformation	7 382	8 508	8 702	9 092	9 092	9 092	6 538	(28.09)	7 348	7 568
4. Destination Marketing Organisation	35 439	25 000	22 600	21 000	21 000	21 000	28 300	34.76	29 000	29 000
5. Commercial Arts and Entertainment	9 556	8 740	7 551	7 172	6 696	6 696	641	(90.43)	686	616
Total payments and estimates	62 823	50 345	47 554	45 002	45 002	45 002	42 471	(5.62)	45 383	45 921

Note: Sub programme 6.4: Destination Marketing Organisation: The entity has been incorporated in Wesgro as part of their programme structure and the allocations of R28.300 million for 2015/16, R29 million in 2016/17 and 2017/18, are reflected as transfers to Wesgro.

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

Economic classification R'000	Outcome			Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Current payments	15 665	17 157	17 013	17 213	17 213	17 213	14 076	(18.22)	16 241	16 758
Compensation of employees	11 178	12 336	12 500	12 524	13 104	13 104	12 118	(7.52)	14 330	15 068
Goods and services	4 486	4 821	4 513	4 689	4 109	4 109	1 958	(52.35)	1 911	1 690
Interest and rent on land	1									
Transfers and subsidies to	46 900	33 040	30 413	27 600	27 600	27 600	28 300	2.54	29 000	29 000
Provinces and municipalities	1 000									
Departmental agencies and accounts	36 439	27 000	25 100	23 500	23 500	23 500	28 300	20.43	29 000	29 000
Non-profit institutions	8 595	4 920	4 000	3 500	3 500	3 500		(100.00)		
Households	866	1 120	1 313	600	600	600		(100.00)		
Payments for capital assets	258	133	128	189	189	189	95	(49.74)	142	163
Machinery and equipment	258	133	128	189	189	187	94	(49.73)	142	163
Software and other intangible assets						2	1	(50.00)		
Payments for financial assets		15								
Total economic classification	62 823	50 345	47 554	45 002	45 002	45 002	42 471	(5.62)	45 383	45 921

Details of transfers and subsidies

Economic classification R'000	Outcome			Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Transfers and subsidies to (Current)	46 900	33 040	30 413	27 600	27 600	27 600	28 300	2.54	29 000	29 000
Provinces and municipalities	1 000									
Municipalities	1 000									
Municipal agencies and funds	1 000									
Departmental agencies and accounts	36 439	27 000	25 100	23 500	23 500	23 500	28 300	20.43	29 000	29 000
Entities receiving transfers	36 439	27 000	25 100	23 500	23 500	23 500	28 300	20.43	29 000	29 000
Western Cape Nature Conservation Board	1 000									
Destination Marketing Organisation	35 439	25 000								
Western Cape Tourism, Trade and Investment Promotion Agency		2 000	25 100	23 500	23 500	23 500	28 300	20.43	29 000	29 000
Non-profit institutions	8 595	4 920	4 000	3 500	3 500	3 500		(100.00)		
Households	866	1 120	1 313	600	600	600		(100.00)		
Social benefits		9	43							
Other transfers to households	866	1 111	1 270	600	600	600		(100.00)		

Programme 7: Skills Development and Innovation

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

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

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

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

Sub-programme 7.2: Workforce development

to facilitate/support unemployed youth to access jobs

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

Sub-programme 7.3: Innovation

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

Sub-programme 7.4: Management: Skills Development

to conduct the overall management and administrative support to the Programme

Policy developments

The situational analysis of the South African population compiled for the National Development Plan, highlights that a significant proportion of our economically active population can be classified as youth. This

fact holds profound possibilities for putting our economy on a higher growth trajectory with distinct possibilities for higher levels of employment in growing and labour absorbing sectors.

As a relatively open economy, labour demand in South Africa is impacted by the ability of firms to compete with international producers, whether in foreign markets or our own. As a coastal Province with significant international trade links, this is certainly true of the Western Cape too. Edwards (2006), for example, finds that the impact of trade on labour varies across regions, noting that "[open] trade with developed economies is likely to benefit less-skilled labour, while trade with low-income countries should benefit skilled labour".

Despite the fact that the economy is unable to absorb all new entrants into the work environment at the rate that they become available, it has been found that increasing employment in general are constrained by: low levels of education attainment in foundational literacy and numeracy; low levels of career awareness, student, life and job readiness skills; and often ineffective methods of finding employment and accessing training and up-skilling opportunities.

Changes: Policy structures, service establishments, etc.

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

Expenditure trends analysis

The allocated budget for the Programme increased from R45.090 million in 2014/15 revised estimate to R51.290 million in the 2015/16 financial year. This represents an increase of 13.75 per cent or R6.200 million. This increase can be attributed to the expansion of the Occupational Readiness Program and Artisan Training project.

Strategic goal as per Strategic Plan

Create opportunities for growth and jobs.

Strategic objectives as per Annual Performance Plan

To improve the coordination, planning, implementation and funding of skills development interventions/ strategies across stakeholders.

To increase the number of appropriately skilled persons, by providing them access to work experience and or training opportunities.

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

Sub-programme R'000	Outcome			Main appro- prium 2014/15	Adjusted appro- prium 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
1. Provincial Skills Coordination	2 335	3 805	12 350	9 477	5 376	5 376	8 074	50.19	11 981	11 874
2. Workforce Development	12 964	20 870	20 429	27 077	36 423	35 647	39 799	11.65	39 855	40 108
3. Innovation	2 054	873	1 239	966	1 051	1 411	1 032	(26.86)	1 086	1 138
4. Management: Skills Development	1 014	1 082	2 140	1 770	2 240	2 656	2 385	(10.20)	2 455	2 472
Total payments and estimates	18 367	26 630	36 158	39 290	45 090	45 090	51 290	13.75	55 377	55 592

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

Economic classification R'000	Outcome			Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Current payments	3 769	13 937	20 991	37 646	30 749	27 509	33 414	21.47	37 987	38 202
Compensation of employees	3 022	4 242	7 386	7 830	8 000	8 296	10 355	24.82	14 188	14 814
Goods and services	747	9 695	13 605	29 816	22 749	19 213	23 059	20.02	23 799	23 388
Transfers and subsidies to	14 300	12 665	14 939	1 460	14 234	17 503	17 800	1.70	17 200	17 200
Departmental agencies and accounts	2 813									
Higher education institutions	1 400				1 460	1 460	(100.00)			
Public corporations and private enterprises	6 200	300	626							
Non-profit institutions	6 700	12 365	11 483	1 460	4 621	7 871	7 000	(11.07)	6 400	6 400
Households	17				8 153	8 172	10 800	32.16	10 800	10 800
Payments for capital assets	298	28	228	184	107	78	76	(2.56)	190	190
Machinery and equipment	298	28	228	184	107	75	76	1.33	190	190
Software and other intangible assets				3			(100.00)			
Total economic classification	18 367	26 630	36 158	39 290	45 090	45 090	51 290	13.75	55 377	55 592

Details of transfers and subsidies

Economic classification R'000	Outcome			Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Transfers and subsidies to (Current)	14 300	12 665	14 939	1 460	14 234	17 503	17 800	1.70	17 200	17 200
Departmental agencies and accounts	2 813									
Entities receiving transfers	2 813									
Western Cape Tourism, Trade and Investment Promotion Agency	2 813									
Higher education institutions	1 400			1 460		1 460	(100.00)			
Public corporations and private enterprises	6 200	300	626							
Public corporations	6 200	300	626							
Other transfers (Casidra & CSIR)	6 200	300	626							
Non-profit institutions	6 700	12 365	11 483	1 460	4 621	7 871	7 000	(11.07)	6 400	6 400
Households			17		8 153	8 172	10 800	32.16	10 800	10 800
Social benefits	17									
Other transfers to households				8 153		8 172	10 800	32.16	10 800	10 800

7. Other programme information

Personnel numbers and costs

Table 7.1 Personnel numbers and costs

Programme R'000	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	54	52	57	63	62	62	62
2. Integrated Economic Development Services	33	36	40	42	37	37	37
3. Trade and Sector Development	31	36	39	40	49	49	49
4. Business Regulation and Governance	41	23	19	19	18	18	18
5. Economic Planning	24	22	20	19	18	18	18
6. Tourism Arts and Entertainment	35	31	32	32	34	34	34
7. Skills Development and Innovation	9	9	12	14	26	26	26
Total personnel numbers	227	209	219	229	244	244	244
Total personnel cost (R'000)	74 970	80 253	90 791	97 481	105 887	122 564	129 176
Unit cost (R'000)	330	384	415	426	434	502	529

Note: The Department will be implementing a newly proposed organisational structure over the medium term which will give effect to the revised strategy. Posts within the catalytic infrastructure unit within Programme 3 and Programme 7 have been prioritised over the medium term.

Table 7.2 Departmental personnel numbers and costs

Description	Outcome			Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2011/12	2012/13	2013/14				2015/16	2014/15	2016/17	2017/18
Total for department										
Personnel numbers (head count)	227	209	219	229	229	229	244	6.55	244	244
Personnel cost (R'000)	74 970	80 253	90 791	100 120	96 099	97 481	105 887	8.62	122 564	129 176
<i>of which</i>										
Human resources component										
Personnel numbers (head count)		3	4	6	6	6	7	16.67	7	7
Personnel cost (R'000)		647	793	1 269	1 269	1 269	682	(46.26)	723	765
Head count as % of total for department		1.44	1.83	2.62	2.62	2.62	2.87		2.87	2.87
Personnel cost as % of total for department		0.81	0.87	1.27	1.32	1.30	0.64		0.59	0.59
Finance										
Personnel numbers (head count)	44	44	43	49	49	49	56	14.29	56	56
Personnel cost (R'000)	14 209	12 429	13 828	16 414	16 414	16 414	17 805	8.47	18 904	20 075
Head count as % of total for department	19.38	21.05	19.63	21.40	21.40	21.40	22.95		22.95	22.95
Personnel cost as % of total for department	18.95	15.49	15.23	16.39	17.08	16.84	16.82		15.42	15.54
Full time workers										
Personnel numbers (head count)	204	188	200	209	209	209	211	0.96	211	211
Personnel cost (R'000)	67 732	70 623	84 288	91 126	87 105	88 487	96 287	8.81	112 290	118 396
Head count as % of total for department	89.87	89.95	91.32	91.27	91.27	91.27	86.48		86.48	86.48
Personnel cost as % of total for department	90.35	88.00	92.84	91.02	90.64	90.77	90.93		91.62	91.65
Part-time workers										
Personnel numbers (head count)										
Personnel cost (R'000)										
Head count as % of total for department										
Personnel cost as % of total for department										
Contract workers										
Personnel numbers (head count)	23	21	19	20	20	20	33	65.00	33	33
Personnel cost (R'000)	7 238	9 630	6 503	8 994	8 994	8 994	9 600	6.74	10 274	10 780
Head count as % of total for department	10.13	10.05	8.68	8.73	8.73	8.73	13.52		13.52	13.52
Personnel cost as % of total for department	9.65	12.00	7.16	8.98	9.36	9.23	9.07		8.38	8.35

Training

Table 7.3 Payments on training

Programme R'000	Outcome			Main appro- priation Adjusted appro- priation Revised estimate			Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
				2014/15	2014/15	2014/15	2015/16	2014/15	2016/17	2017/18
1. Administration	182	1 127	905	663	632	632	699	10.60	790	245
<i>of which</i>										
Payments on tuition	182	1 127	905	663	632	632	699	10.60	790	245
2. Integrated Economic Development Services	251	170	445	292	292	292	187	(35.96)	187	196
<i>of which</i>										
Payments on tuition	251	170	445	292	292	292	187	(35.96)	187	196
3. Trade and Sector Development	78	38	109	180	163	163	160	(1.84)	277	191
<i>of which</i>										
Payments on tuition	78	38	109	180	163	163	160	(1.84)	277	191
4. Business Regulation and Governance	110	45	376	48	48	48	55	14.58	60	63
<i>of which</i>										
Payments on tuition	110	45	376	48	48	48	55	14.58	60	63
5. Economic Planning	138	29	35	68	68	68	80	17.65	80	84
<i>of which</i>										
Payments on tuition	138	29	35	68	68	68	80	17.65	80	84
6. Tourism Arts and Entertainment	50	225	1 040	346	346	346	360	4.05	350	368
<i>of which</i>										
Payments on tuition	50	225	1 040	346	346	346	360	4.05	350	368
7. Skills Development and Innovation	310	24	71	16	16	16	5 381	33531.25	30	33
<i>of which</i>										
Payments on tuition	310	24	71	16	16	16	5 381	33531.25	30	33
Total payments on training	1 119	1 658	2 981	1 613	1 565	1 565	6 922	342.30	1 774	1 180

Table 7.4 Information on training

Description	Outcome						Medium-term estimate			
							% Change from Revised estimate			
	2011/12	2012/13	2013/14	Main appropriation 2014/15	Adjusted appropriation 2014/15	Revised estimate 2014/15	2015/16	2014/15	2016/17	2017/18
Number of staff	227	209	219	229	229	229	244	6.55	244	244
Number of personnel trained	234	235	207	207	207	207	207		207	217
<i>of which</i>										
Male	88	88	85	85	85	85	85		85	89
Female	146	147	122	122	122	122	122		122	128
Number of training opportunities	53	53	59	62	62	62	65	4.84	65	68
<i>of which</i>										
Tertiary	3	3	9	12	12	12	15	25.00	15	16
Workshops	45	45	45	45	45	45	45		45	47
Seminars	5	5	5	5	5	5	5		5	5
Number of bursaries offered	47	13	9	12	12	12	15	25.00	15	16
Number of interns appointed	27	47	45	45	45	45	45		45	47
Number of days spent on training	5 000	5 000	5 000	5 000	5 000	5 000	5 000		5 000	5 250

Reconciliation of structural changes

None.

Annexure A to Vote 12

Table A.1 Specification of receipts

Receipts R'000	Outcome			Main appro- piation 2014/15	Adjusted appro- piation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate 2015/16	2014/15	2016/17	2017/18
Tax receipts	6 550	24 822	28 328	25 000	25 000	25 000	27 000	8.00	28 431	29 853
Other taxes (Liquor licence fees)	6 550	24 822	28 328	25 000	25 000	25 000	27 000	8.00	28 431	29 853
Sales of goods and services other than capital assets	400	418	389	270	270	348	270	(22.41)	284	298
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	400	418	389	270	270	348	270	(22.41)	284	298
Transfers received from					500					
Other governmental units					500					
Interest, dividends and rent on land	1	9	14			1		(100.00)		
Interest	1	9	14			1		(100.00)		
Financial transactions in assets and liabilities	3 867	4 320	2 851		5 304	9 749		(100.00)		
Recovery of previous year's expenditure					5 304	9 749		(100.00)		
Other	3 867	4 320	2 851							
Total departmental receipts	10 818	29 569	31 582	25 270	31 074	35 098	27 270	(22.30)	28 715	30 151

Annexure A to Vote 12

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

Economic classification R'000	Outcome			Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Current payments	119 700	148 987	169 635	217 501	203 180	199 990	245 698	22.86	257 057	257 075
Compensation of employees	74 970	80 253	90 791	100 120	96 099	97 481	105 887	8.62	122 564	129 176
Salaries and wages	66 805	71 780	81 745	90 568	86 523	87 905	96 060	9.28	111 786	117 179
Social contributions	8 165	8 473	9 046	9 552	9 576	9 576	9 827	2.62	10 778	11 997
Goods and services	44 727	68 734	78 844	117 381	107 081	102 509	139 811	36.39	134 493	127 899
of which										
Administrative fees	314	139	174	339	243	247	427	72.87	407	411
Advertising	1 413	2 213	4 672	6 246	5 619	5 920	7 348	24.12	6 509	4 582
Minor assets	495	478	702	259	237	392	275	(29.85)	326	331
Audit cost: External	2 364	2 420	3 392	3 096	2 796	2 785	3 500	25.67	3 538	3 538
Bursaries: Employees	496	308	190	300	260	201	576	186.57	300	300
Catering: Departmental activities	955	1 259	1 331	1 350	942	1 247	686	(44.99)	738	755
Communication	1 718	1 780	1 798	1 762	1 881	1 784	1 515	(15.08)	1 738	1 758
Computer services	908	625	1 105	1 157	1 157	1 665	6 851	311.47	6 738	5 050
Cons/prof: Business and advisory services	24 506	45 977	50 139	87 872	71 074	64 010	84 209	31.56	79 977	76 730
Cons/prof: Infrastructure & planning					3 750					
Cons/prof: Legal costs	78	65				132		(100.00)		
Contractors	1 015	539	394	97	371	760	615	(19.08)	426	437
Agency and support/ outsourced services	534	2 719	2 186	2 500	2 048	1 840	2 000	8.70	2 000	2 000
Entertainment	47	71	46	169	126	91	180	97.80	223	216
Fleet services (including government motor transport)				1 960	791	1 274	1 143	(10.28)	798	939
Inventory: Food and food supplies	31	40	42							
Inventory: Materials and supplies	21	21	42			3		(100.00)		
Inventory: Medical supplies			5							
Inventory: Other supplies	80	28	4	2	2	1		(100.00)		
Consumable supplies			11	157	177	224	307	37.05	272	266
Consumable: Stationery, printing & office supplies	1 617	1 457	1 543	1 256	1 259	1 027	1 476	43.72	1 496	1 517
Operating leases	363	386	762	709	722	776	485	(37.50)	570	580
Property payments						7		(100.00)		
Travel and subsistence	4 782	4 342	5 021	4 354	3 641	3 385	4 134	22.13	4 123	3 956
Training and development	1 080	1 657	2 981	1 613	7 292	11 638	21 418	84.04	21 790	21 758
Operating payments	866	1 126	908	912	825	963	1 063	10.38	794	1 044
Venues and facilities	1 040	1 019	1 333	1 221	1 818	1 812	1 603	(11.53)	1 730	1 731
Rental and hiring	4	65	63	50	50	325		(100.00)		
Interest and rent on land	3									
Interest	3									
Transfers and subsidies to	134 201	162 822	193 480	278 751	303 662	306 931	271 017	(11.70)	195 768	199 509
Provinces and municipalities	1 000		5 150	500	500	500		(100.00)		
Municipalities	1 000		5 150	500	500	500		(100.00)		
Municipal bank accounts			5 150	500	500	500		(100.00)		
Municipal agencies and funds	1 000									
Departmental agencies and accounts	52 395	81 024	93 065	105 762	114 066	114 067	117 993	3.44	119 740	122 999
Entities receiving transfers	52 395	81 024	93 065	105 762	114 066	114 067	117 993	3.44	119 740	122 999
Western Cape Nature Conservation Board	1 000									
Destination Marketing Organisation	35 439	25 000								
Western Cape Tourism, Trade and Investment Promotion Agency	14 956	26 762	55 928	70 826	73 826	73 826	82 958	12.37	84 524	86 016
Western Cape Liquor Authority		24 762	30 936	32 936	38 240	38 240	35 035	(8.38)	35 216	36 983
Other	1 000	4 500	6 201	2 000	2 000	2 001		(100.00)		
Higher education institutions	1 400		800	2 000	4 610	4 610		(100.00)		
Public corporations and private enterprises	27 300	8 354	6 976	7 850	5 710	5 710		(100.00)		
Public corporations	27 300	4 354	6 126	4 000	5 000	5 000		(100.00)		
Other transfers	27 300	4 354	6 126	4 000	5 000	5 000		(100.00)		
Private enterprises		4 000	850	3 850	710	710		(100.00)		
Other transfers		4 000	850	3 850	710	710		(100.00)		
Non-profit institutions	51 196	72 280	85 588	161 589	169 397	172 647	140 444	(18.65)	63 448	63 930
Households	910	1 164	1 901	1 050	9 379	9 397	12 580	33.87	12 580	12 580
Social benefits		40	85		23	23		(100.00)		
Other transfers to households	910	1 124	1 816	1 050	9 356	9 374	12 580	34.20	12 580	12 580

Annexure A to Vote 12

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

Economic classification R'000	Outcome			Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Payments for capital assets	2 146	2 520	4 228	1 795	3 422	3 339	2 124	(36.39)	1 551	1 526
Machinery and equipment	1 879	2 477	4 167	1 795	3 422	3 293	2 123	(35.53)	1 551	1 526
Other machinery and equipment	1 879	2 477	4 167	1 795	3 422	3 293	2 123	(35.53)	1 551	1 526
Software and other intangible assets	267	43	61			46	1	(97.83)		
Payments for financial assets	42	15	36		32	36		(100.00)		
Total economic classification	256 089	314 344	367 379	498 047	510 296	510 296	518 839	1.67	454 376	458 110

Note: The economic classifications as taken up in this Budget are in accordance with **Version 4 of the Standard Chart of Accounts (SCOA)**, which became fully effective from 1 April 2014.

Annexure A to Vote 12

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

Economic classification R'000	Outcome			Main appro- priation	Adjusted appro- priation	Revised estimate	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Current payments	19 952	23 749	30 388	39 431	32 873	32 860	39 067	18.89	40 756	40 358
Compensation of employees	14 209	15 834	17 542	21 956	19 854	19 006	23 482	23.55	26 776	28 164
Salaries and wages	12 333	13 710	15 633	19 641	17 583	16 735	21 313	27.36	24 593	25 243
Social contributions	1 876	2 124	1 909	2 315	2 271	2 271	2 169	(4.49)	2 183	2 921
Goods and services	5 742	7 915	12 846	17 475	13 019	13 854	15 585	12.49	13 980	12 194
of which										
Administrative fees	33	44	38	28	30	52	52		50	50
Advertising	73	123	3 843	6 151	5 294	5 268	7 006	32.99	6 178	4 251
Minor assets	168	209	174	32	32	61	25	(59.02)	25	25
Audit cost: External	1 808	2 420	3 392	3 096	2 796	2 785	3 500	25.67	3 500	3 500
Bursaries: Employees	185	263	190	300	260	201	500	148.76	300	300
Catering: Departmental activities	54	42	58	87	67	53	87	64.15	43	43
Communication	335	324	442	356	356	437	408	(6.64)	404	404
Computer services	343	379	432	350	350	312	388	24.36	388	388
Cons/prof: Business and advisory services	654	46	223	2 277	423	589	53	(91.00)	43	43
Cons/prof: Legal costs	42					115		(100.00)		
Contractors	241	113	84	20	20	107	25	(76.64)	25	25
Agency and support/outsourced services	66	79								
Entertainment	11	20	8	31	31	21	31	47.62	35	35
Fleet services (including government motor transport)				1 960	791	1 274	1 143	(10.28)	798	939
Inventory: Food and food supplies	8	11	12							
Inventory: Materials and supplies	4	11	26							
Inventory: Medical supplies			5							
Inventory: Other supplies	1	12								
Consumable supplies			4	45	45	65	149	129.23	75	75
Consumable: Stationery, printing & office supplies	335	380	622	452	442	263	395	50.19	395	395
Operating leases	108	84	131	117	117	127	155	22.05	120	120
Travel and subsistence	534	1 731	1 322	416	382	346	437	26.30	337	337
Training and development	183	1 126	905	663	632	723	670	(7.33)	705	705
Operating payments	486	261	720	822	689	737	380	(48.44)	384	384
Venues and facilities	70	235	198	272	262	161	181	12.42	175	175
Rental and hiring		2	17			157		(100.00)		
Interest and rent on land	1									
Interest	1									
Transfers and subsidies to	44	14	22		23	24		(100.00)		
Departmental agencies and accounts						1		(100.00)		
Entities receiving transfers						1		(100.00)		
Other						1		(100.00)		
Households	44	14	22		23	23		(100.00)		
Social benefits		14	22		23	23		(100.00)		
Other transfers to households	44									
Payments for capital assets	737	1 447	2 825	670	2 450	2 458	902	(63.30)	136	136
Machinery and equipment	496	1 430	2 825	670	2 450	2 454	902	(63.24)	136	136
Other machinery and equipment	496	1 430	2 825	670	2 450	2 454	902	(63.24)	136	136
Software and other intangible assets	241	17				4		(100.00)		
Payments for financial assets	32		14			4		(100.00)		
Total economic classification	20 765	25 210	33 249	40 101	35 346	35 346	39 969	6.45	40 892	40 494

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

Economic classification R'000	Outcome			Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Current payments	23 502	27 176	30 182	34 574	32 817	32 819	56 995	73.66	57 982	59 117
Compensation of employees	12 397	15 077	17 322	20 953	19 553	19 555	18 753	(4.10)	19 739	20 814
Salaries and wages	11 006	13 485	15 464	18 970	17 488	17 490	16 714	(4.44)	17 479	18 435
Social contributions	1 391	1 592	1 858	1 983	2 065	2 065	2 039	(1.26)	2 260	2 379
Goods and services	11 105	12 099	12 860	13 621	13 264	13 264	38 242	188.31	38 243	38 303
of which										
Administrative fees	64	31	13	31	13	19	144	657.89	145	145
Advertising	938	1 645	221	68	96	95	170	78.95	170	170
Minor assets	66	89	131	76	106	105	135	28.57	135	135
Bursaries: Employees	102									
Catering: Departmental activities	550	620	696	854	376	371	332	(10.51)	332	332
Communication	240	214	273	285	384	386	331	(14.25)	331	331
Computer services			7							
Cons/prof: Business and advisory services	6 763	6 766	8 274	9 165	8 694	8 605	32 285	275.19	32 285	32 345
Cons/prof: Legal costs						15		(100.00)		
Contractors	251	323	145	23	265	414	330	(20.29)	330	330
Agency and support/outsourced services		880	750	1 000	546	546	600	9.89	600	600
Entertainment	8	15	10	32	25	25	41	64.00	41	41
Inventory: Food and food supplies	5	6	9							
Inventory: Materials and supplies	10	2	9							
Inventory: Other supplies	7	2								
Consumable supplies				15	14	17	29	70.59	29	29
Consumable: Stationery, printing & office supplies	177	116	141	178	193	185	212	14.59	212	212
Operating leases	13	34	41	38	41	39	33	(15.38)	33	33
Travel and subsistence	912	609	1 099	961	920	853	1 028	20.52	1 028	1 028
Training and development	251	170	445	292	317	267	1 344	403.37	1 344	1 344
Operating payments	144	132	43	38	33	73	264	261.64	264	264
Venues and facilities	604	395	534	515	1 191	1 199	964	(19.60)	964	964
Rental and hiring		50	19	50	50	50		(100.00)		
Transfers and subsidies to	27 900	23 826	19 495	25 400	23 943	23 942	1 780	(92.57)	1 780	1 780
Departmental agencies and accounts	1 000	4 500	5 000	2 000	2 000	2 000		(100.00)		
Entities receiving transfers	1 000	4 500	5 000	2 000	2 000	2 000		(100.00)		
Other	1 000	4 500	5 000	2 000	2 000	2 000		(100.00)		
Higher education institutions			250	1 000	2 150	2 150		(100.00)		
Public corporations and private enterprises	21 100	8 054	5 850	6 650	5 700	5 700		(100.00)		
Public corporations	21 100	4 054	5 500	4 000	5 000	5 000		(100.00)		
Other transfers	21 100	4 054	5 500	4 000	5 000	5 000		(100.00)		
Private enterprises		4 000	350	2 650	700	700		(100.00)		
Other transfers		4 000	350	2 650	700	700		(100.00)		
Non-profit institutions	5 800	11 255	7 900	15 300	13 500	13 500		(100.00)		
Households		17	495	450	593	592	1 780	200.68	1 780	1 780
Social benefits		17								
Other transfers to households			495	450	593	592	1 780	200.68	1 780	1 780
Payments for capital assets	370	304	311	350	350	350	478	36.57	477	477
Machinery and equipment	370	304	311	350	350	346	478	38.15	477	477
Other machinery and equipment	370	304	311	350	350	346	478	38.15	477	477
Software and other intangible assets						4		(100.00)		
Payments for financial assets	10		19		14	13		(100.00)		
Total economic classification	51 782	51 306	50 007	60 324	57 124	57 124	59 253	3.73	60 239	61 374

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

Economic classification R'000	Outcome			Main appro- piation	Adjusted appro- piation	Revised estimate	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Current payments	23 776	40 340	39 809	54 141	54 508	54 545	75 605	38.61	75 446	74 327
Compensation of employees	12 466	16 103	18 767	20 036	18 767	18 767	24 231	29.11	29 324	30 790
Salaries and wages	11 326	14 778	17 172	18 347	17 217	17 217	22 547	30.96	27 431	28 802
Social contributions	1 140	1 325	1 595	1 689	1 550	1 550	1 684	8.65	1 893	1 988
Goods and services	11 309	24 237	21 042	34 105	35 741	35 778	51 374	43.59	46 122	43 537
of which										
Administrative fees	43	38	65	105	71	71	117	64.79	117	117
Advertising	22	107	117	5	216	212	56	(73.58)	56	56
Minor assets	112	101	150	45	8	17	12	(29.41)	12	12
Bursaries: Employees	52	35								
Catering: Departmental activities	75	45	110	68	53	53	58	9.43	58	58
Communication	258	359	306	328	279	279	270	(3.23)	270	270
Computer services		1								
Cons/prof: Business and advisory services	9 134	22 195	18 307	31 398	29 622	33 372	48 918	46.58	43 366	40 781
Cons/prof: Infrastructure & planning					3 750					
Cons/prof: Legal costs		57								
Contractors	287	18	41		11	11		(100.00)		
Entertainment	10	20	14	45	21	16	101	531.25	101	101
Inventory: Food and food supplies	6	11	15							
Inventory: Materials and supplies	2	4	2							
Inventory: Other supplies	12	10	1							
Consumable supplies			7	49	65	65	50	(23.08)	50	50
Consumable: Stationery, printing & office supplies	286	340	235	111	104	134	294	119.40	294	294
Operating leases	12	40	223	191	199	220	22	(90.00)	22	22
Travel and subsistence	828	724	1 133	1 443	1 047	1 039	1 176	13.19	1 376	1 376
Training and development	78	38	109	180	163	138	143	3.62	143	143
Operating payments	4	16	79	2	27	41	2	(95.12)	2	2
Venues and facilities	88	76	123	135	105	110	155	40.91	255	255
Rental and hiring		2	5							
Interest and rent on land	1									
Interest	1									
Transfers and subsidies to	44 557	60 655	84 179	175 159	182 218	182 218	181 102	(0.61)	102 918	104 410
Provinces and municipalities			5 150	500	500	500		(100.00)		
Municipalities			5 150	500	500	500		(100.00)		
Municipal bank accounts			5 150	500	500	500		(100.00)		
Departmental agencies and accounts	14 956	24 762	29 216	47 326	50 326	50 326	54 658	8.61	55 524	57 016
Entities receiving transfers	14 956	24 762	29 216	47 326	50 326	50 326	54 658	8.61	55 524	57 016
Western Cape Tourism, Trade and Investment Promotion Agency	14 956	24 762	28 015	47 326	50 326	50 326	54 658	8.61	55 524	57 016
Other			1 201							
Higher education institutions			550	1 000	1 000	1 000		(100.00)		
Public corporations and private enterprises			500	1 200	10	10		(100.00)		
Private enterprises			500	1 200	10	10		(100.00)		
Other transfers			500	1 200	10	10		(100.00)		
Non-profit institutions	29 601	35 890	48 763	125 133	130 380	130 380	126 444	(3.02)	47 394	47 394
Households		3			2	2		(100.00)		
Other transfers to households		3			2	2		(100.00)		
Payments for capital assets	204	301	252	200	124	87	344	295.40	344	344
Machinery and equipment	204	275	247	200	124	77	344	346.75	344	344
Other machinery and equipment	204	275	247	200	124	77	344	346.75	344	344
Software and other intangible assets		26	5			10		(100.00)		
Total economic classification	68 537	101 296	124 240	229 500	236 850	236 850	257 051	8.53	178 708	179 081

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

Economic classification R'000	Outcome			Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Current payments	18 841	9 944	10 455	10 906	10 906	10 906	11 244	3.10	12 321	12 453
Compensation of employees	12 675	7 306	7 574	8 153	8 153	8 336	8 254	(0.98)	8 861	9 498
Salaries and wages	11 321	6 470	6 669	7 207	7 207	7 390	7 256	(1.81)	7 806	8 351
Social contributions	1 354	836	905	946	946	946	998	5.50	1 055	1 147
Goods and services	6 166	2 638	2 881	2 753	2 753	2 570	2 990	16.34	3 460	2 955
of which										
Administrative fees	70	1	2	8	8	13	62	(100.00)		
Advertising	303	39	291							
Minor assets	24	24	9	10	10	10		(100.00)	16	17
Audit cost: External	556									
Bursaries: Employees	84	10								
Catering: Departmental activities	78	29	27	17	17	17	7	(58.82)	24	25
Communication	319	187	187	197	187	192	154	(19.79)	217	228
Computer services	435	114	75	120	120	120	120		120	120
Cons/prof: Business and advisory services	2 132	41	159	500	200	197	150	(23.86)	1 070	358
Cons/prof: Legal costs	36	8								
Contractors	33	12	9	14	14	14		(100.00)	18	19
Agency and support/ outsourced services	468	1 760	1 433	1 500	1 500	1 294	1 400	8.19	1 400	1 400
Entertainment	5	4	3	9	9	9		(100.00)	9	9
Inventory: Food and food supplies	2									
Inventory: Materials and supplies		1								
Consumable supplies						1	1			
Consumable: Stationery, printing & office supplies	189	36	29	40	40	32	34	6.25	62	65
Operating leases	97	38	56	60	60	60	64	6.67	24	25
Property payments						7		(100.00)		
Travel and subsistence	1 084	137	209	230	177	230	322	40.00	250	252
Training and development	70	45	376	48	385	344	417	21.22	250	187
Operating payments	126	152	11		10	14	259	1750.00		250
Venues and facilities	55		5		16	16		(100.00)		
Transfers and subsidies to		24 762	30 939	32 936	38 240	38 240	35 035	(8.38)	35 216	36 983
Departmental agencies and accounts		24 762	30 936	32 936	38 240	38 240	35 035	(8.38)	35 216	36 983
Entities receiving transfers		24 762	30 936	32 936	38 240	38 240	35 035	(8.38)	35 216	36 983
Western Cape Liquor Authority		24 762	30 936	32 936	38 240	38 240	35 035	(8.38)	35 216	36 983
Households			3							
Social benefits			3							
Payments for capital assets	180	114	87	47	47	47	60	27.66	90	95
Machinery and equipment	154	114	87	47	47	47	60	27.66	90	95
Other machinery and equipment	154	114	87	47	47	47	60	27.66	90	95
Software and other intangible assets	26									
Total economic classification	19 021	34 820	41 481	43 889	49 193	49 193	46 339	(5.80)	47 627	49 531

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

Economic classification R'000	Outcome			Main appro- priation	Adjusted appro- priation	Revised estimate	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Current payments	14 195	16 684	20 797	23 590	24 114	24 138	15 297	(36.63)	16 324	15 860
Compensation of employees	9 023	9 355	9 700	8 668	8 668	10 417	8 694	(16.54)	9 346	10 028
Salaries and wages	8 063	8 387	8 819	8 016	8 016	9 765	7 972	(18.36)	8 522	9 153
Social contributions	960	968	881	652	652	652	722	10.74	824	875
Goods and services	5 172	7 329	11 097	14 922	15 446	13 721	6 603	(51.88)	6 978	5 832
of which										
Administrative fees	23	1	46	34	34	20	15	(25.00)	50	53
Advertising	75	181	101			252		(100.00)	13	13
Minor assets	26	9	23	18	18	40	30	(25.00)	52	55
Catering: Departmental activities	75	49	139	42	34	128	26	(79.69)	40	58
Communication	231	290	234	177	159	120	135	12.50	210	213
Computer services	119	131	581	687	687	1 233	3 343	171.13	3 230	2 042
Cons/prof: Business and advisory services	3 376	5 567	8 982	13 114	13 664	11 130	2 250	(79.78)	2 250	2 250
Contractors	187	6	86			28	15	(46.43)		
Agency and support/outsourced services			3							
Entertainment	2	7	3	9	9	1		(100.00)	11	11
Inventory: Food and food supplies	3	2	2							
Inventory: Materials and supplies	1	1	1							
Inventory: Other supplies	11		1							
Consumable supplies				48	48	29	18	(37.93)	60	54
Consumable: Stationery, printing & office supplies	351	375	224	192	192	95	104	9.47	225	222
Operating leases	115	127	219	206	206	205	180	(12.20)	269	260
Travel and subsistence	229	97	309	266	266	180	325	80.56	360	371
Training and development	138	29	35	68	68	61	107	75.41	125	113
Operating payments	46	409	34	31	31	44	25	(43.18)	33	34
Venues and facilities	160	48	59	30	30	39	30	(23.08)	50	83
Rental and hiring	4		15			116		(100.00)		
Transfers and subsidies to	500	7 860	13 493	16 196	17 404	17 404	7 000	(59.78)	9 654	10 136
Non-profit institutions	500	7 850	13 442	16 196	17 396	17 396	7 000	(59.76)	9 654	10 136
Households		10	51		8	8		(100.00)		
Other transfers to households		10	51		8	8		(100.00)		
Payments for capital assets	99	193	397	155	155	130	169	30.00	172	121
Machinery and equipment	99	193	341	155	155	107	169	57.94	172	121
Other machinery and equipment	99	193	341	155	155	107	169	57.94	172	121
Software and other intangible assets			56			23		(100.00)		
Payments for financial assets			3		18	19		(100.00)		
Total economic classification	14 794	24 737	34 690	39 941	41 691	41 691	22 466	(46.11)	26 150	26 117

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

Economic classification R'000	Outcome			Main appro- piation 2014/15	Adjusted appro- piation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Current payments	15 665	17 157	17 013	17 213	17 213	17 213	14 076	(18.22)	16 241	16 758
Compensation of employees	11 178	12 336	12 500	12 524	13 104	13 104	12 118	(7.52)	14 330	15 068
Salaries and wages	10 012	11 094	11 182	11 199	11 779	11 779	10 796	(8.35)	12 709	13 371
Social contributions	1 166	1 242	1 318	1 325	1 325	1 325	1 322	(0.23)	1 621	1 697
Goods and services	4 486	4 821	4 513	4 689	4 109	4 109	1 958	(52.35)	1 911	1 690
of which										
Administrative fees	76	24	6	57	57	68	94	38.24	20	21
Advertising	2	37	45	13	13	93		(100.00)	8	8
Minor assets	94	30	36	49	49	63	65	3.17	39	40
Bursaries: Employees	65						76			
Catering: Departmental activities	98	283	270	108	108	352	55	(84.38)	92	90
Communication	293	275	265	299	385	256	155	(39.45)	171	177
Computer services	11									
Cons/prof: Business and advisory services	2 247	2 355	1 386	2 350	1 913	611	203	(66.78)	613	603
Cons/prof: Legal costs						2		(100.00)		
Contractors	11		29	40	40	165	245	48.48		10
Entertainment	7	3		25	25	19	5	(73.68)	24	17
Inventory: Food and food supplies	5	8	2							
Inventory: Materials and supplies	3	1								
Inventory: Other supplies	49	4		2	2	1		(100.00)		
Consumable supplies						20	14	(30.00)		
Consumable: Stationery, printing & office supplies	251	200	242	227	227	230	168	(26.96)	97	118
Operating leases	18	62	85	77	77	107	31	(71.03)	57	75
Travel and subsistence	1 083	980	765	945	716	582	530	(8.93)	510	330
Training and development	50	225	1 040	346	346	1 252	115	(90.81)	168	122
Operating payments	60	103	12	19	19	29	118	306.90	23	22
Venues and facilities	63	231	330	132	132	257	84	(67.32)	89	57
Rental and hiring						2		(100.00)		
Interest and rent on land	1									
Interest	1									
Transfers and subsidies to	46 900	33 040	30 413	27 600	27 600	27 600	28 300	2.54	29 000	29 000
Provinces and municipalities	1 000									
Municipalities	1 000									
Municipal agencies and funds	1 000									
Departmental agencies and accounts	36 439	27 000	25 100	23 500	23 500	23 500	28 300	20.43	29 000	29 000
Entities receiving transfers	36 439	27 000	25 100	23 500	23 500	23 500	28 300	20.43	29 000	29 000
Western Cape Nature Conservation Board	1 000									
Destination Marketing Organisation	35 439	25 000								
Western Cape Tourism, Trade and Investment Promotion Agency		2 000	25 100	23 500	23 500	23 500	28 300	20.43	29 000	29 000
Non-profit institutions	8 595	4 920	4 000	3 500	3 500	3 500		(100.00)		
Households	866	1 120	1 313	600	600	600		(100.00)		
Social benefits		9	43							
Other transfers to households	866	1 111	1 270	600	600	600		(100.00)		
Payments for capital assets	258	133	128	189	189	189	95	(49.74)	142	163
Machinery and equipment	258	133	128	189	189	187	94	(49.73)	142	163
Other machinery and equipment	258	133	128	189	189	187	94	(49.73)	142	163
Software and other intangible assets						2	1	(50.00)		
Payments for financial assets		15								
Total economic classification	62 823	50 345	47 554	45 002	45 002	45 002	42 471	(5.62)	45 383	45 921

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

Economic classification R'000	Outcome			Main appro- priation	Adjusted appro- priation	Revised estimate	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Current payments	3 769	13 937	20 991	37 646	30 749	27 509	33 414	21.47	37 987	38 202
Compensation of employees	3 022	4 242	7 386	7 830	8 000	8 296	10 355	24.82	14 188	14 814
Salaries and wages	2 744	3 856	6 806	7 188	7 233	7 529	9 462	25.67	13 246	13 824
Social contributions	278	386	580	642	767	767	893	16.43	942	990
Goods and services	747	9 695	13 605	29 816	22 749	19 213	23 059	20.02	23 799	23 388
of which										
Administrative fees	5		4	76	30	4	5	25.00	25	25
Advertising		81	54	9			54		84	84
Minor assets	5	16	179	29	14	96	8	(91.67)	47	47
Audit cost: External									38	38
Bursaries: Employees	8									
Catering: Departmental activities	25	191	31	174	287	273	121	(55.68)	149	149
Communication	42	131	91	120	131	114	62	(45.61)	135	135
Computer services			10				3 000		3 000	2 500
Cons/prof: Business and advisory services	200	9 007	12 808	29 068	16 558	9 506	350	(96.32)	350	350
Contractors	5	67			21	21		(100.00)	53	53
Agency and support/outsourced services					2					
Entertainment	4	2	8	18	6		2		2	2
Inventory: Food and food supplies	2	2	2							
Inventory: Materials and supplies	1	1	4			3		(100.00)		
Inventory: Other supplies			2							
Consumable supplies					5	27	46	70.37	58	58
Consumable: Stationery, printing & office supplies	28	10	50	56	61	88	269	205.68	211	211
Operating leases		1	7	20	22	18		(100.00)	45	45
Travel and subsistence	112	64	184	93	133	155	316	103.87	262	262
Training and development	310	24	71	16	5 381	8 853	18 622	110.35	19 055	19 144
Operating payments		53	9		16	25	15	(40.00)	88	88
Venues and facilities		34	84	137	82	30	189	530.00	197	197
Rental and hiring		11	7							
Transfers and subsidies to	14 300	12 665	14 939	1 460	14 234	17 503	17 800	1.70	17 200	17 200
Departmental agencies and accounts			2 813							
Entities receiving transfers			2 813							
Western Cape Tourism, Trade and Investment Promotion Agency			2 813							
Higher education institutions	1 400				1 460	1 460		(100.00)		
Public corporations and private enterprises	6 200	300	626							
Public corporations	6 200	300	626							
Other transfers	6 200	300	626							
Non-profit institutions	6 700	12 365	11 483	1 460	4 621	7 871	7 000	(11.07)	6 400	6 400
Households			17		8 153	8 172	10 800	32.16	10 800	10 800
Social benefits			17							
Other transfers to households					8 153	8 172	10 800	32.16	10 800	10 800
Payments for capital assets	298	28	228	184	107	78	76	(2.56)	190	190
Machinery and equipment	298	28	228	184	107	75	76	1.33	190	190
Other machinery and equipment	298	28	228	184	107	75	76	1.33	190	190
Software and other intangible assets						3		(100.00)		
Total economic classification	18 367	26 630	36 158	39 290	45 090	45 090	51 290	13.75	55 377	55 592

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Table A.3.1 Details on public entities – Name of Public Entity: Western Cape Tourism, Trade and Investment Promotion Agency ^{Note 1}

R'000	Outcome			Main appro- pria- tion 2014/15	Adjusted appro- pria- tion 2014/15	Revised estimate 2014/15	Medium-term estimate		
	Audited	Audited	Audited				2015/16	2016/17	2017/18
	2011/12	2012/13	2013/14						
Revenue									
Non-tax revenue	4 220	3 816	22 740	1 458	1 498	1 498	7 520	7 665	7 900
Of which:									
Other non-tax revenue	4 220	3 816	22 740	1 458	1 498	1 498	7 520	7 665	7 900
Transfers received ^{Note 2}	30 808	56 886	51 646	74 891	74 891	74 891	75 438	84 370	87 998
Total revenue	35 028	60 702	74 386	76 349	76 389	76 389	82 958	92 035	95 898
Expenses									
Current expense	31 881	55 988	75 503	48 224	48 224	48 224	82 958	92 035	95 898
Compensation of employees	11 168	22 623	24 940	30 238	30 238	30 238	29 784	31 571	33 150
Use of goods and services	19 167	32 580	49 781	17 186	17 186	17 186	52 367	59 664	61 959
Depreciation	1 546	785	782	800	800	800	807	800	789
Transfers and subsidies				28 091	28 091	28 091			
Total expenses	31 881	55 988	75 503	76 315	76 315	76 315	82 958	92 035	95 898
Surplus / (Deficit)	3 147	4 714	(1 117)	34	74	74			0
Cash flow summary									
Adjust surplus / (deficit) for accrual transactions	(1 522)	577	2 552				1 801	1 300	1 308
Adjustments for:									
Depreciation	1 581	705	895	800	800	800	800	800	840
Interest				(750)	(750)	(750)	501	550	520
Net (profit) / loss on disposal of fixed assets	(22)	(126)	(12)	(50)	(50)	(50)	500	(50)	(53)
Other	(3 081)	(2)	1 669						
Operating surplus / (deficit) before changes in working capital	1 625	5 291	1 435	34	74	74	1 801	1 300	1 308
Changes in working capital	(7 819)	10 653	193 859	(1 880)	(1 880)	(1 880)	1 440	1 590	1 790
(Decrease) / increase in accounts payable	(6 810)	(252)	143	(1 580)	(1 580)	(1 580)	140	140	140
Decrease / (increase) in accounts receivable	(1 009)	10 905	(6 458)	(300)	(300)	(300)	1 300	1 450	1 650
(Decrease) / increase in provisions			200 174						
Cash flow from operating activities	(6 194)	15 944	195 294	(1 846)	(1 806)	(1 806)	3 241	2 890	3 098
Of which:									
Cash flow from investing activities	(367)	(1 031)	(3 499)	(34)	(34)	(34)			
Acquisition of Assets	(367)	(1 031)	(3 499)	(34)	(34)	(34)			
Cash flow from financing activities	(4 864)	11 425	26 338	124	124	124	26 588	26 588	27 917
Net increase / (decrease) in cash and cash equivalents	(11 425)	26 338	218 133	(1 756)	(1 716)	(1 716)	29 829	29 478	31 015
Balance Sheet Data									
Carrying Value of Assets	1 027	2 152	4 384	1 722	1 722	1 722	2 082	2 202	2 312
Investments	27 155	28 372	24 830	29 800	29 800	29 800	23 450	19 970	20 970
Cash and Cash Equivalents	11 425	26 338	218 133	13 505	13 505	13 505	9 305	12 805	13 445
Receivables and Prepayments	1 017	2 949	9 767	2 223	2 223	2 223	5 454	3 440	3 612
Total Assets	40 624	59 811	257 114	47 250	47 250	47 250	40 291	38 417	40 339
Capital and Reserves	31 602	36 658	32 924	36 350	36 390	36 390	33 256	33 100	34 755
Post Retirement Benefits	1 105	2 308	3 028	2 600	2 600	2 600	2 900	2 995	3 145
Trade and Other Payables	2 417	2 577	210 770	1 300	1 300	1 300	985	252	265
Deferred Income	5 500	18 268	9 474	7 000	7 000	7 000	2 500	1 550	1 628
Provisions			918				650	520	546

Note 1: The Destination Marketing Organisation merged with the Western Cape Tourism, Trade and Investment Promotion Agency (Wesgro) from 2012/13.

Note 2: Transfers received: Included in Transfers and Subsidies is an allocation of R28 958 000 for 2015/16, R29 824 000 for 2016/17 and R31 316 000 for 2017/18 for operational costs relating to the Saldanha Industrial Development Zone (IDZ) project.

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

R'000	Outcome			Main appropriation 2013/14	Adjusted appropriation 2013/14	Revised estimate 2013/14	Medium-term estimate		
	Audited 2010/11	Audited 2011/12	Audited 2012/13				2014/15	2015/16	2016/17
Revenue									
Non-tax revenue	2 283								
<i>Of which:</i>									
Other non-tax revenue	2 283								
Transfers received	33 923								
Total revenue	36 206								
Expenses									
Current expense	36 206								
Compensation of employees	15 994								
Use of goods and services	20 212								
Total expenses	36 206								
Cash flow summary									
Adjustments for:									
Of which:									
Balance Sheet Data									

Note: The Destination Marketing Organisation trading as CTRU, has merged with Wesgro and is operating as one entity.

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Table A.3.3 Details on public entities – Name of Public Entity: Western Cape Liquor Authority

R'000	Outcome			Main appropriation 2014/15	Adjusted appropriation 2014/15	Revised estimate 2014/15	Medium-term estimate		
	Audited 2011/12	Audited 2012/13	Audited 2013/14				2015/16	2016/17	2017/18
Revenue									
Non-tax revenue		1 942	3 315	2 300	2 708	2 708	2 949	5 927	5 958
Sale of goods and services other than capital assets			1 015	2 000	2 000	2 000	2 449	5 400	5 400
Of which:									
Other sales			1 015	2 000	2 000	2 000	2 449	5 400	5 400
Fines penalties and forfeits		761	1 107						
Interest, dividends and rent on land		1 181	585	300	700	700	500	527	558
Other non-tax revenue			608		8	8			
Transfers received		24 762	28 553	32 936	38 240	38 240	35 035	35 216	36 983
Total revenue		26 704	31 868	35 236	40 948	40 948	37 984	41 143	42 941
Expenses									
Current expense		19 439	29 117	35 236	30 719	30 719	36 412	39 514	42 226
Compensation of employees		9 315	14 928	17 870	17 653	17 653	19 174	20 832	22 581
Use of goods and services		10 124	13 472	17 366	13 066	13 066	17 238	18 682	19 645
Depreciation			286						
Interest, dividends and rent on land			431						
Interest			431						
Transfers and subsidies			1 185						
Total expenses		19 439	30 302	35 236	30 719	30 719	36 412	39 514	42 226
Surplus / (Deficit)		7 265	1 566		10 229	10 229	1 572	1 629	715
Cash flow summary									
Adjust surplus / (deficit) for accrual transactions			3 273						
Adjustments for:									
Depreciation			262						
Interest			(396)						
Net (profit) / loss on disposal of fixed assets			25						
Other			3 382						
Operating surplus / (deficit) before changes in working capital		7 265	4 839		10 229	10 229	1 572	1 629	715
Changes in working capital			(763)						
(Decrease) / increase in accounts payable			(743)						
Decrease / (increase) in accounts receivable			(20)						
Cash flow from operating activities		7 265	4 076		10 229	10 229	1 572	1 629	715
Transfers from government		24 761	30 936	32 936	38 240	38 240	41 384	41 360	43 911
Of which:									
Capital		293	1 355	775	10 229	10 229	4 972	1 846	1 686
Current		24 468	29 581	32 161	28 011	28 011	36 412	39 514	42 225
Cash flow from investing activities		293	(1 146)	775	10 229	10 229	4 972	1 847	1 687
Acquisition of Assets		293	(1 146)	775	10 229	10 229	4 972	1 847	1 687
Cash flow from financing activities			(44)						
Net increase / (decrease) in cash and cash equivalents		7 558	2 886	775	20 458	20 458	6 544	3 476	2 402
Balance Sheet Data									
Capital and Reserves		7 265	2 303	7 265	17 494	10 229	1 572	1 629	715

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Table A.4 Transfers to local government by transfers/grant type, category and municipality

Municipalities R'000	Outcome			Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Total departmental transfers/grants										
Category A	1 000		2 350	500	500	500		(100.00)		
City of Cape Town	1 000		2 350	500	500	500		(100.00)		
Category B			2 800							
Saldanha Bay			2 800							
Total transfers to local government	1 000		5 150	500	500	500		(100.00)		

Table A.4.1 Transfers to local government by transfers/grant type, category and municipality

Municipalities R'000	Outcome			Main appro- priation	Adjusted appro- priation	Revised estimate	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Connected Communities	1 000		2 350	500	500	500	(100.00)			
Category A	1 000		2 350	500	500	500	(100.00)			
City of Cape Town	1 000		2 350	500	500	500	(100.00)			

Table A.4.2 Transfers to local government by transfers/grant type, category and municipality

Municipalities R'000	Outcome			Main appro- priation	Adjusted appro- priation	Revised estimate	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Saldanha Bay Wireless Mesh			2 800							
Category B			2 800							
Saldanha Bay			2 800							

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Table A.5 Provincial payments and estimates by district and local municipality

Municipalities R'000	Outcome			Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate 2015/16	2014/15	2016/17	2017/18
Cape Town Metro	242 072	272 163	321 145	430 584	443 060	443 060	467 114	5.43	397 901	400 143
West Coast Municipalities	1 605	17 016	19 737	40 966	40 739	40 739	28 958	(28.92)	29 824	31 316
Saldanha Bay			2 800	500	500	500		(100.00)		
Across wards and municipal projects	1 605	17 016	16 937	40 466	40 239	40 239	28 958	(28.03)	29 824	31 316
Cape Winelands Municipalities	832	6 016	6 346	6 346	6 346	6 346	4 718	(25.65)	6 346	6 346
Across wards and municipal projects	832	6 016	6 346	6 346	6 346	6 346	4 718	(25.65)	6 346	6 346
Overberg Municipalities	2 682	6 016	6 346	6 346	6 346	6 346	5 870	(7.50)	6 500	6 500
Across wards and municipal projects	2 682	6 016	6 346	6 346	6 346	6 346	5 870	(7.50)	6 500	6 500
Eden Municipalities	8 116	7 455	7 805	7 805	7 805	7 805	6 179	(20.83)	7 805	7 805
Across wards and municipal projects	8 116	7 455	7 805	7 805	7 805	7 805	6 179	(20.83)	7 805	7 805
Central Karoo Municipalities	782	5 678	6 000	6 000	6 000	6 000	6 000		6 000	6 000
Across wards and municipal projects	782	5 678	6 000	6 000	6 000	6 000	6 000		6 000	6 000
Total provincial expenditure by district and local municipality	256 089	314 344	367 379	498 047	510 296	510 296	518 839	1.67	454 376	458 110

Table A.5.1 Provincial payments and estimates by district and local municipality – Programme 1: Administration

Municipalities R'000	Outcome			Main appro- priation 2014/15	Adjusted appro- priation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate 2015/16	2014/15	2016/17	2017/18
Cape Town Metro	20 765	25 210	33 249	40 101	35 346	35 346	39 969	13.08	40 892	40 494
Total provincial expenditure by district and local municipality	20 765	25 210	33 249	40 101	35 346	35 346	39 969	13.08	40 892	40 494

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Table A.5.2 Provincial payments and estimates by district and local municipality – Programme 2: Integrated Economic Development Services

Municipalities R'000	Outcome			Main appro- piation 2014/15	Adjusted appro- piation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate 2015/16	2014/15	2016/17	2017/18
Cape Town Metro	37 765	17 156	13 355	33 827	30 627	30 627	36 486	19.13	33 588	34 723
West Coast Municipalities	1 605	8 985	10 155							
Across wards and municipal projects	1 605	8 985	10 155							
Cape Winelands Municipalities	832	6 016	6 346	6 346	6 346	6 346	4 718	(25.65)	6 346	6 346
Across wards and municipal projects	832	6 016	6 346	6 346	6 346	6 346	4 718	(25.65)	6 346	6 346
Overberg Municipalities	2 682	6 016	6 346	6 346	6 346	6 346	5 870	(7.50)	6 500	6 500
Across wards and municipal projects	2 682	6 016	6 346	6 346	6 346	6 346	5 870	(7.50)	6 500	6 500
Eden Municipalities	8 116	7 455	7 805	7 805	7 805	7 805	6 179	(20.83)	7 805	7 805
Across wards and municipal projects	8 116	7 455	7 805	7 805	7 805	7 805	6 179	(20.83)	7 805	7 805
Central Karoo Municipalities	782	5 678	6 000	6 000	6 000	6 000	6 000		6 000	6 000
Across wards and municipal projects	782	5 678	6 000	6 000	6 000	6 000	6 000		6 000	6 000
Total provincial expenditure by district and local municipality	51 782	51 306	50 007	60 324	57 124	57 124	59 253	3.73	60 239	61 374

Table A.5.3 Provincial payments and estimates by district and local municipality – Programme 3: Trade and Sector Development

Municipalities R'000	Outcome			Main appro- piation 2014/15	Adjusted appro- piation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate 2015/16	2014/15	2016/17	2017/18
Cape Town Metro	68 537	101 296	114 658	188 534	205 884	205 884	228 093	10.79	148 884	147 765
West Coast Municipalities			9 582	40 966	30 966	30 966	28 958	(6.48)	29 824	31 316
Saldanha Bay			2 800	500	500	500		(100.00)		
Across wards and municipal projects			6 782	40 466	30 466	30 466	28 958	(4.95)	29 824	31 316
Total provincial expenditure by district and local municipality	68 537	101 296	124 240	229 500	236 850	236 850	257 051	8.53	178 708	179 081

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Table A.5.4 Provincial payments and estimates by district and local municipality – Programme 4: Business Regulation and Governance

Municipalities R'000	Outcome			Main appro- piation 2014/15	Adjusted appro- piation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Cape Town Metro	19 021	34 820	41 481	43 889	49 193	49 193	46 339	(5.80)	47 627	49 531
Total provincial expenditure by district and local municipality	19 021	34 820	41 481	43 889	49 193	49 193	46 339	(5.80)	47 627	49 531

Table A.5.5 Provincial payments and estimates by district and local municipality – Programme 5: Economic Planning

Municipalities R'000	Outcome			Main appro- piation 2014/15	Adjusted appro- piation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Cape Town Metro	14 794	24 737	34 690	39 941	41 691	41 691	22 466	(46.11)	26 150	26 117
Total provincial expenditure by district and local municipality	14 794	24 737	34 690	39 941	41 691	41 691	22 466	(46.11)	26 150	26 117

Table A.5.6 Provincial payments and estimates by district and local municipality – Programme 6: Tourism Arts and Entertainment

Municipalities R'000	Outcome			Main appro- piation 2014/15	Adjusted appro- piation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Cape Town Metro	62 823	50 345	47 554	45 002	45 002	45 002	42 471	(5.62)	45 383	45 921
Total provincial expenditure by district and local municipality	62 823	50 345	47 554	45 002	45 002	45 002	42 471	(5.62)	45 383	45 921

Table A.5.7 Provincial payments and estimates by district and local municipality – Programme 7: Skills Development and Innovation

Municipalities R'000	Outcome			Main appro- piation 2014/15	Adjusted appro- piation 2014/15	Revised estimate 2014/15	Medium-term estimate			
	Audited 2011/12	Audited 2012/13	Audited 2013/14				% Change from Revised estimate			
							2015/16	2014/15	2016/17	2017/18
Cape Town Metro	18 367	18 599	36 158	39 290	35 317	35 317	51 290	45.23	55 377	55 592
West Coast Municipalities		8 031			9 773	9 773		(100.00)		
Across wards and municipal projects		8 031			9 773	9 773		(100.00)		
Total provincial expenditure by district and local municipality	18 367	26 630	36 158	39 290	45 090	45 090	51 290	13.75	55 377	55 592