

VOTE 3

DEPARTMENT OF ECONOMIC DEVELOPMENT

To be appropriated by vote in 2019/20	R 1 581 240 000
Responsible Executing Authority	MEC for Economic Development
Administering Department	Department of Economic Development
Accounting Officer	Head of Department

1. OVERVIEW

Vision

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

Mission

The mission of the Department of Economic Development (DED) is to:

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

Strategic Goals

The strategic outcome oriented goals of DED are to:

- Transform Gauteng's economy radically;
- Re-industrialise Gauteng's economy; and
- Capacitate the department for efficient and effective delivery.

Core functions and responsibilities

- Revitalisation of township economies;
- Increase the participation of small, medium and micro enterprises (SMMEs) and cooperatives (coops) in the Province's mainstream economy;
- Support the growth and development of the 11 identified sectors (agro processing, automotive, manufacturing, ICT, tourism, pharmaceuticals, creative industries, construction, real estate, finance and mineral beneficiation);
- Provide research-based information to support planning, decision-making and optimal resource utilisation in respect of radical economic transformation and re-industrialisation interventions;
- Provide transversal, centralised and collaborative provincial strategic economic infrastructure projects;
- Facilitate trade and investment towards the radical transformation, modernisation and re-industrialisation of Gauteng's economy;
- Promote and stimulate the demand for Gauteng as a destination of choice among domestic and international visitors (destination marketing, bidding, hosting and visitor services); and Promote the socio-economic development and competitiveness of Gauteng in targeted sectors through innovation

Main services

Enterprise Development

- Include SMMEs, township enterprises and cooperatives in the value of the 11 identified sectors;

- Build the capacity of SMMEs, township enterprises and cooperatives to participate in mainstream economic activities; and
- Revitalise and modernise township economies.

Regional and Local Economic Development

- New, smart, green, knowledge-based economy and industries;
- Green technologies, processes and industries;
- Township economies; and
- Energy security and project management support.

Trade and Investment Promotion

- Attract domestic direct investment (DDI) and foreign direct investment (FDI);
- Increase trade, investment and export opportunities in Africa and globally; and
- Invest in strategic economic infrastructure.

Sector Development

- Support high-growth, competitive and labour-absorbing sectors;
- Support local manufacturing;
- Stimulate competitiveness and the transformation of identified sectors;
- Radically transform the energy sector;
- Revitalise and modernise old industries; and
- Support tourism and the creative industries.

Liquor affairs

- Effective governance and regulation of the liquor industry;
- Ensure ethical business practice and empowered stakeholders;
- Promote and maintain an effective and efficient regulatory system for the liquor industry;
- Maximise the benefits derived from the liquor industry and minimise its potential negative impact; and
- Generate revenue from the industry and the regulation services offered for socio-economic development of the province.

Consumer affairs

- Ensure awareness of consumer rights through education and awareness programmes;
- Ensure consumer protection and compliance by business with applicable consumer legislation; and
- Provide secretarial support to the Consumer Affairs Court.

National Development plan (NDP)

The NDP is the major blueprint for government and society at large. It aims to eradicate poverty and unemployment and build a national democratic society that is socially inclusive by 2030. The NDP gives birth to the Medium Term Strategic Framework which identifies significant actions to be prioritised in the first five years of the NDP. The NDP assumes that about 90 per cent of jobs in 2030 will be created through SMMEs. This presents an opportunity for Gauteng to create and develop productive and manufacturing skills to produce decent and sustainable jobs. The department will continue its efforts to develop and increase Gauteng's Provincial Supplier Development database to enhance SMME participation in the economy so that they benefit from the 30 per cent set aside for township businesses. There will be a strong focus on products designated for township businesses (bakery, meat and milk products).

Ten Pillar Programme of Transformation, Modernisation and Re-industrialisation (TMR)

Gauteng Provincial Government (GPG) has adopted a 10 Pillar Programme to ensure radical socio-economic transformation of the province. The Gauteng Department of Economic Development (GDED) supports the following seven TMR pillars:

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

Acts, rules and regulations

- National Tourism Act No. 24, 2014;
- National Tourism Sector Strategy 2011;
- Consumer Protection Act, 2008 ;
- Gauteng Tourism Act No. 3, 2006;

- Gauteng Enterprise Propeller Act, 2005;
- National Credit Act, 2005;
- National Environmental Management: Biodiversity Act, 2004;
- National Environmental Management: Protected Areas Act, 2003;
- Gauteng Liquor Act, 2003;
- National Protected Areas Act, 2003;
- Blue IQ Investment Holding Act, 2003;
- Gauteng Gambling Act, 1995, 1996, 2001;
- Engineering Professions Act, 2000;
- Promotion of Access to Information Act, 2000;
- Administration of Justice Act, 2000;
- Preferential Procurement Policy Framework Act, 2000;
- Municipality Systems Act, 2000;
- Public Finance Management Act (PFMA), 1999;
- National Heritage Resource Act, 1999;
- Skills Development Act, 1998;
- Employment Equity Act, 1998;
- National Water Act, 1998;
- Convention Concerning the Protection of the World Cultural and Natural Heritage (adopted 1997);
- Intergovernmental Fiscal Relations Act, 1997;
- Extension of Security of Tenure Act, 1997;
- Gauteng Consumer Affairs (Unfair Business Practices) Act, 1996;
- Constitution of the Republic South African Act 108 of 1996;
- Restitution of Land Rights Act, 1994;
- Public Service Act, 1994;
- Business Act, 1991;
- Environment Conservation Act, 1989;
- Nature Conservation Ordinance, 1983; and
- Conservation of Agricultural Resources Act, 1983.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2018/19)

BUSINESS REGULATION AND GOVERNANCE

Consumer Affairs

The main function of Consumer Affairs (CA) is to ensure cognisance of consumer rights through education and awareness programmes, educational media campaigns, consumer protection and compliance of business with applicable consumer legislation as well as to provide secretarial support to the Consumer Affairs Court.

Education programmes: A total of 84 outreach activities were conducted against a target of 70. This was made up of 50 workshops/presentations and 34 exhibitions. The main campaigns for the quarter under review included Elderly Month, Disability Month, GPG Financial Wellness Days and the Spend Wisely Campaign.

Several workshops and exhibitions, targeted at empowering the elderly and disabled people by educating them about their consumer rights and responsibilities, were conducted in Carltonville, Merafong, Tembisa and Ekurhuleni. Grade 7 and 9 Olympiad 2018 finals were held in Randfontein High School and Glenanda Primary School. The Soul Buddies Competition took place in Vereeniging, including the annual Constitutional Hill Debating League.

Proactive Investigations: A total of 33 proactive investigations were conducted against a target of 30. The number of proactive investigations conducted was motivated by the demand and need for retail suppliers to be made aware of the Consumer Protection Act and their expected compliance. Furthermore, 15 investigations were conducted in the retail industry in the City of Johannesburg and a total of 18 investigations were conducted in the Johannesburg CBD.

Gauteng Liquor Board (GLB)

The GLB's main function is to ensure effective governance and regulation of the liquor industry, ensure ethical business practice, empower stakeholders, promote and maintain an effective and efficient regulatory system for the liquor industry, maximise the benefits derived from the liquor industry, minimise the potential negative impact, generate revenue from the industry and regulate services offered for socio-economic development in Gauteng.

A total of 2 201 compliance inspections were conducted in the quarter under review against a planned target of 2 767. The total revenue collected for quarter three amounted to R17.3 million against the target of R17.5 million. The target was

partially achieved as it had a number of external dependencies dictated by the economic outlook. In terms of compliance, the board is ensuring that fines and penalties are levied to licence holders that are contravening the Act.

A total number of 65 liquor awareness activities were conducted against a planned target of 60 awareness activities. This is attributed to the collaboration established with the industry partners, social cluster departments and various stakeholders who are focused on creating awareness for responsible drinking, responsible trade and redressing the ills of alcohol abuse. One social responsibility event was conducted and the target was achieved as planned. This is attributed to the partnerships formed with Gauteng Liquor Board stakeholders as well as the planning and resources set aside for the social responsibility programmes.

Sector and Industry

Manufacturing

The Gauteng Technical Manufacturing Initiative (GTMI) is a dedicated development initiative that aims to provide onsite technical skills and business support to SMMEs involved in the manufacturing sector. A total number of 88 SMMEs were supported through the enterprise development programme and related support interventions in the period under review.

Economic Planning

The strategic purpose of economic planning is to provide economic insights and thought leadership. As part of providing insights, the Econometric Modelling and Forecasting Unit has built economic output and employment models which are being used to project the trajectory of economic growth and employment. Key deliverables for the financial year included two impact studies on the influence of procurement on employment and the effect of financial and non-financial support on SMME growth. The flagship project (Gauteng Macroeconomic Modelling and Capacity Building Programme) has commenced and will continue until 2020/21. The project will inform and enhance the implementation of the Gauteng City Region Economic Development Plan (GCR EDP) going forward.

In terms of the provision of accurate and up-to-date economic data, information and intelligence for decision-making, the Economic Research and Knowledge Management Directorate compiled Gauteng Economic Barometer reports and Economic Insights to keep decision makers abreast of developments within the global and local economies. The Economic Planning Branch continued to roll out township enterprise surveys to unpack the nature and dynamics of township economy. These surveys employed the youth residing in the surveyed townships as enumerators to collect data and to acquire skills on data manipulation. To this effect, enterprise surveys have been successfully undertaken in Duduza, Kwa-Thema, Tsakane, Tembisa, Toekomsrus, Lebanon, Glenharvie, Zuurbekom, Waterworks, Ezulwini, Bekkersdaal and Simunye between 2016/17 and 2018/19.

Inclusive Economy

The Inclusive Economy Unit facilitates and coordinates the empowerment of previously disadvantaged individuals and communities, supports the establishment of a viable and sustainable cooperatives sector in the province that contributes positively to economic growth as well as creates decent work, mobilises, aligns, coordinates and capacitates local economies towards enhanced and sustainable regional economic development and integration.

The department collaborated with the Office of the Premier (OOP) to undertake a comprehensive impact evaluation of the Township Economy Revitalisation Strategy to track whether townships are transforming into places where people can work, live and play, i.e. productive centres. The implementation of the Township Economy Programme (TER) is continuously being coordinated through the TER Intergovernmental Working Committee.

Programmes being implemented to create a conducive environment for viable township enterprises included cooperative banks growth, and modernisation programmes and consumer cooperatives. The department continued to assist registered and non-registered Cooperative Financial Institutions (CFIs) through technical training and workshops as well as coaching and mentoring.

Gauteng Enterprise Propeller (GEP)

The GEP continued to drive interventions aimed at promoting the growth and sustainability of SMMEs and cooperatives with a view to enhance their level of participation in the Gauteng economy. Central to this, it is GEP's role to strengthen capacities of the marginalised informal businesses, mainly in the townships, to propel them into the mainstream economy and position SMMEs and cooperatives as key drivers of economic growth and employment creation, especially given the advent of the Fourth Industrial Revolution as well as the challenges and opportunities it poses to small enterprises.

A total of 1 701 SMMEs in the prioritised sectors were supported through non-financial business development support interventions. The planned annual target of 1 500 was exceeded. A total number of 179 cooperatives benefited from non-financial support targeted at enhancing the investment readiness levels of beneficiaries in the prioritised sectors. This will increase the capacity of cooperatives and ensure they graduate from a position of high dependency on government funding to become investment ready organisations that can be provided with the financial support necessary to transition into the

mainstream economy. This will further increase their access to various markets, developmental finance institutions and other potential funders.

In response to the high levels of youth unemployment, GEP has hosted several Youth Pitching Booster Workshops targeting key sectors such as construction, clothing, textiles and manufacturing, which exposed 309 SMMEs to business skills development support interventions, mentorship and access to market opportunities.

The Youth Accelerator Programme, which is the GEP's contribution to the Provincial Tshepo 1 million Programme, has provided training to 142 unemployed youth and 606 were afforded on the job experience through placements. This has enabled the agency to positively contribute towards addressing the provincial youth unemployment challenges while - at the same time - enhancing the growth potential and capacity of township entrepreneurs.

The GEP also provided financial support to 215 SMMEs, in line with the TER Strategy, to support enterprises based in townships. These businesses were funded through loans as well as the Community Fund and Township Business Renewal Programmes aimed at providing support to start-up and existing township small businesses.

Gauteng Tourism Authority (GTA)

The mission of the GTA is to be a leading destination marketing organisation for inclusive tourism growth in Gauteng, by implementing destination-promotion projects that will maximise the contribution of tourism in the economy by:

Growing the international tourism markets;

- Enhancing visitor experience;
- Generating revenue;
- Growing business events industry;
- Growing number of visitors; and
- Improving visitor services and offering.

The GTA has signed two memorandums of agreement with strategic partners in destination marketing, namely Mozambique and China. The agreement between the Gauteng and Mozambique strategically positions the GTA to have opportunities to share and learn destination marketing best practices with Mozambique, especially Convention Bureau and Events and vice versa. The agreement between Gauteng and China position the GTA to have opportunities to work with China's tourism local representative known as Winery of the Collaborative Testing Services (CTS), a government-owned Chinese Tour Operator.

In its quest for destination marketing, the GTA continued with its media relations programme with a view to generate content that inspires tourists to travel to Gauteng. To date, the authority has hosted groups of international and local journalists on tours and at events including World Choir Games, Basha Uhuru, Soweto Wine Festival media launch, Maboneng Award Celebration, DSTV Delicious Food and Music Festival, and Standard Bank Joy of Jazz. Three media partnerships were implemented against a target of four.

Sixty-five events, out of a target of seventy-four, were supported. Of the sixty-five supported events, five were regional incubated events, five signature events, six township events, and forty-nine Meeting, Incentives, Conferences and Exhibitions (MICE) events. The events generate rand value, jobs and give platform to SMMEs to showcase their products and experiences. Preliminary reports show that R906 million and 8 112 jobs were generated with 25 per cent jobs allocated to youth and 47 per cent to women.

Exposure of Gauteng as a destination of choice, including its products and experiences, to travellers and tourists is meant to encourage increased foot traffic leading to increased spend and direct economic growth. Travel packages and market exposure is meant to influence positive travel for Gauteng. Through leisure projects, Gauteng was promoted to 14 key international source markets against the annual target of 39. The agency promotes Gauteng by travelling to their destinations to participate in trade shows, leisure exhibitions, events as well as through a partnership with Department of International Relations and Cooperation (DIRCO) and South African Tourism (SAT). Through exhibitions, trade shows, events, and media and digital marketing, GTA has promoted 199 township products against an annual target of 250.

GAUTENG GROWTH AND DEVELOPMENT AGENCY (GGDA)

Automotive Industry Development Centre (AIDC) skills development and training programme

The Supplier Park Development Company (SPDC), trading as AIDC, was established to support the automotive industry in Gauteng through the provision of economic infrastructure and sector development interventions. The Automotive Supplier Park (ASP), the Winterveldt Enterprise Hub, the incubation centres in Silverton and Rosslyn, the Gauteng Automotive Learning Centre (GALC) and the Incubation Centres in Silverton and Rosslyn are some of the infrastructure projects developed. A total of 3 366 people were trained.

AIDC Supplier Efficiency Programme

The objective of this programme is to improve the competitiveness of companies in the Gauteng automotive component industry and related industries to enable them to participate at an international supply chain level. The programme is aimed at addressing key issues of quality, cost reduction, productivity improvement and manufacturing/supply stability. A total number of 25 companies that were recruited in the previous financial year continued with the programme and 25 gap analyses for these companies were completed.

Winterveldt Enterprise Hub (WEH)

The aim of this project is to train and mentor SMMEs from the Winterveldt area to enable them to grow their businesses into entities that possess the required accreditations. As at the end of the third quarter, 60 vehicles were repaired compared to the planned target of 20. A process to restore confidence in the hub has been initiated.

The Innovation Hub (TIH)

The TIH was established with a view to enhance the development of smart industries (high-technology sectors) in Gauteng. The primary sectors for TIH are information and communications technology, biosciences and green economy (renewable energy and low-carbon-economy technologies). A secondary sector is industrials which addresses innovations falling outside the primary sectors.

TIHMC Enterprise Development programmes consist of incubation programmes, the Maxum Incubator, the Climate Innovation Centre (CIC) and Mobile Laboratory (MLab). These programmes offer incubation support to entrepreneurs to develop sustainable businesses. The short-term outcome expected from these programmes is the increased number of commercialised innovations within TIHMC's targeted sectors, with the intent to enable the entrepreneurs to form sustainable businesses that create knowledge-based jobs.

Commercialisations

During the period under review, the incubation programme offered support to attain sustainable and high-growth enterprises. A total number of 42 companies were provided with commercialisation support, in other words with investment readiness, access to market and the opportunity to sell their products locally and outside the South African borders. These companies were assisted with training for investment readiness, linkages and networks. There are existing MoUs signed with the research and academic institutions in Gauteng. The TIHMC has also created platforms with research councils of various universities to interact with them on matters of research and commercialisation. These agreements with the universities envisage that the TIHMC will provide commercialisation support for the research outputs emanating from these institutions. The research institutions near the TIHMC Science Park also provided infrastructure space, e.g. laboratory and technical facilities for the start-up companies in incubation.

Exported technologies

At the end of the reporting period, five technologies produced by incubated companies were exported.

Graduations

A total of six companies demonstrated sustainable cash flow in the past nine months and were graduated from Maxum Core Incubation.

Open Innovation pilot projects

The Open Innovation Solutions Exchange Platform is the TIHMC's answer for engaging the open innovation market to find solutions for challenges posed by regional innovation seekers (government, academia, large and small business and community), including a window for innovations for markets. One contract for a pilot project is a water-recycling system project for a clinic in Cullinan that was concluded.

EkasiLabs

The eKasi Labs Programme is the TIHMC's vehicle to promote the culture of innovation and entrepreneurship in the townships in line with the TER. The programme focuses on new innovative output as well as innovative entrepreneurship in communities through business incubation. During the period under review, 68 start-ups were recruited across the various labs.

Skills Development***CoachLab***

This is leadership development programme for ICT post-graduates aimed at bridging the gap between academia and the demands of industry. The objective of CoachLab is to instil the business principles and the value of innovative and entrepreneurial thinking among the participating post-graduate students through mentorship by programme partners. The curriculum includes personal, leadership and professional development. The participants of the leadership development programme were introduced to the project-based learning to be exposed and apply the project management principles in a real-time project environment.

The TIHMC and State Information Technology Agency (SITA) signed a MoA to the value of R15 million in support of the CoachLab Programme for the development and empowerment of the youth over the next three years. These programmes

are aimed at developing unique and scarce skills to bridge the gap between academia and the business world. A total of 91 youth were recruited on the CodeTribe Programme.

Industry Exposure Internship Programmes

The programme is aimed at unemployed graduates who require experience to enhance their acquired knowledge or wish to improve their current skills. The internship programmes are offered over a 12-month duration by providing high-quality exposure.

A total of 33 youth were recruited into the Coachlab Programme and the internship programme and 124 youth were exposed to the workplace skills development interventions.

Nissan Incubation Centre

The AIDC Nissan Simulator, located at Nissan SA, is being operationalised. The successful six incubates underwent various training initiatives to devote full attention to the components they produce and dispatch to the production line.

Bio Park Facility Project

The aim of the Biosciences Park is to provide a nurturing environment for biotechnology start-ups to develop, thrive and eventually become important commercial players and contribute to economic growth. Funding for the Bio Park Facility Phase was confirmed during the first quarter of 2018/19. The procurement of the qualifying contractor was concluded with the preferred bidder appointed and site planned for handover in the fourth quarter.

Industrial Development Zone (IDZ)

The Gauteng IDZs implementation is focused on the rollout of phase 1 and implementation is underway. Funding for the superblock was confirmed during the reporting period and the procurement process for the appointment of the construction contractor was successfully concluded. The expansion phase focuses on the identification of opportunities within the airfreight value chain with linkages to the Aerotropolis Development Framework developed for the Eastern Corridor of the province.

JMP Bulk Infrastructure

The Gauteng IDZ is presently developing, a High Value Low Mass Precinct (formerly the Jewellery Manufacturing Precinct - JMP) on the identified land within the OR Tambo International IDZ. Bulk infrastructure construction for Greenfield development reached 97 per cent completion during the FY 2017/18 and a contractor replacing the firm that repudiated/terminated the contract was appointed to complete the job by the end of the current financial year.

Trade and Investment Facilitation

Foreign Direct Investment (FDI)

The annual target for FDI for 2018/19 financial year has increased by R500 million from the previous year and now stands at R3 billion. At the end of the reporting period, one FDI - to the value of R1, 638 million - was successfully concluded.

Domestic Direct Investment (DDI)

In terms of DDI facilitation, the annual target has also been increased by R500 million to R2 billion for 2018-19 financial year and one investment valued at R780 million was concluded.

Gauteng Investment Centre

The Gauteng Investment Centre (GIC) is successful in promoting its offerings to the attention of the various foreign agencies and embassies that seek to work closely with the GGDA especially to create access for businesses originating from their countries keen on doing business in the province. By the end of the reporting period, a total number of 2 475 clients made use of the services at the GIC.

Export Development

The unit's export Development's objective is to diversify the export basket and introduce new companies to exporting. Export development training took place and 238 companies were successfully enrolled and trained against a planned target of 195.

Cradle of Humankind World Heritage Site (COHWHS)

The aim of the COHWHS is to create employment and regional economic development using science, conservation and tourism as economic drivers aimed at alleviating poverty and stimulating the economy. In the third quarter, COHWHS facilitated collaboration with the Nairobi National Museum on scientific research, community beneficiation and the tourism visitor economy with regards to paleoanthropological sites, developed the Integrated Management Plan (IMP), conducted land-use assessment and initiated a process that will lead to the introduction of public transport to Maropeng. In addition, a socio-economic impact assessment study has been undertaken to assess the impact the COHWHS has made in the nearby communities and the final report was completed.

Dinokeng Project

The aim of the Dinokeng Entity is to develop the North-Western Region of Tshwane through the promotion of tourism. The Dinokeng Entity provides operational support to the Dinokeng Game Reserve (DGR) which in turn has undertaken various operational activities that created and sustained 626 jobs for the local communities. The entity appointed a service provider to facilitate a wide variety of support to 10 cooperatives at Dinokeng.

Gauteng Gambling Board (GGB)

The Gauteng Gambling Board is entrusted with the mandate to regulate and control gambling in the province with a view to promote ethical business conduct, inclusive economy, revenue generation for the fiscus and the promotion of responsible gambling. Through Corporate Social Investment (CSI) and Sports Development Fund (SDF), the GGB is able to provide the financial support to initiatives that sought to resolve the socio-economic problems and challenges faced by the residents of the Gauteng Province. The actual spend on CSI for the financial year 2018 amounted to R4.4 million and R24 million in the previous financial year. For the eradication of illegal gambling, initiatives were funded through the operational expenses and amounted to R2.9 million. These initiatives included illegal investigations and gambling legislation enforcement costs.

The board managed to break new ground by achieving tax collections of more than R1 billion for the first time since inception. Thereby, the funding towards the achievement of government's initiatives was ensured. Overachievement is recorded in relation to the number of people reached with responsible gambling messages. Through social media, 1 418 116 people were reached during the period under review. The campaign to create awareness of illegal gambling and communicate responsible gambling messages remains a priority.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2019/20)

BUSINESS REGULATION AND GOVERNANCE

Consumer Affairs

Consumer Affairs will be commencing new projects in consumer education. In Gauteng public schools, learners in grades 7, 8 and 9 will access updated learner resource material in the form of an e-booklet or e-resource to enhance Departmental efforts of inculcating the culture of consumer protection in schools. The e-resources update and development will spread over the MTEF period in phases covering grades 10, 11 and 12 in the outer years. These programmes will improve the level of understanding of consumer protection legislation in schools through initiatives such as Consumer Education for Young Entrepreneurs for grades 7, 8 and 9. To achieve the education and outreach programmes, compliance-monitoring inspections of small businesses and pro-active investigations will continue to ensure compliance with the consumer protection legislation. This will increase consumer satisfaction and ensure a conducive environment to increase the participation of SMMEs and cooperatives in the province's mainstream economy. Proactive investigation of complaints has proven to be an effective method of ensuring compliance with consumer protection legislation. This method will continue to ensure that the residents of Gauteng are adequately protected without necessarily waiting for consumers to lodge complaints. In addition to the continued resolution of complaints, the turnaround time is fixed at 60 days per complaint.

Gauteng Liquor Board

The Gauteng Liquor Board will continue with the task of attaining a properly regulated liquor industry through its compliance and enforcement programmes, education and awareness activities, licence renewal and the board adjudication process. These programmes will continue to be reviewed and repositioned to meet the entity's mandate as given by the Gauteng Liquor Act No. 2 of 2003 and by both the Provincial and National policy frameworks. Revenue collection and revenue management strategies remain central to the future of the entity and the move towards being self-sustainable. The entity will simplify its renewal process in an attempt to enhance the revenue collection through the amendment of the Act. The database remains central to the entity's revenue. Attaining a credible database will continue to be prioritised in the 2019/20 financial year.

Licence holders will be trained on their licence conditions when a new licence is granted. This will contribute towards responsible trade, responsible drinking and will reduce underage drinking in the long term. The finalisation of the amendments to the Gauteng Liquor Act and the management of shebeen sector will be prioritised in the 2019/20 financial year as this will further contribute towards creating a compliant environment and increase revenue collection. Furthermore, the entity will spend the new financial year complying with the Constitutional Court directive to provide a solution to the permit holders. The entity will see finalisation of its Physical Verification Project, the full implementation of GLB Automation system and Records Management projects. Migration to an automation system environment will augment the various process that have been put in place to ease the cost of doing business. Automation will modernise the GLB processes, enhance the potential for revenue collection and will contribute towards the creation of a credible database.

Compliance and enforcement will continue with its regulatory function through its compliance and enforcement role. The unit will continue to implement its compliance and enforcement plans to achieve a regulated industry. Partnerships with the

National Liquor Authority, Liquor Traders associations, law and enforcement agencies will be expanded in the new financial year to fight non-compliance by the liquor industry. In addition to scheduled routine inspections, pre-inspections, complaints investigations, joint monthly operations will be conducted targeting areas which have high incidents of non-compliance. Trends analysis will play a pivotal role in the implementation of compliance and enforcement function and multiple-pronged approached to areas categorised as non-compliant.

Sector and Industry

Manufacturing

The Gauteng Technical Manufacturing Initiative (GTMI) will concentrate on Gauteng's existing pool of industrial experience and skilled people to support approximately 120 technical manufacturing SMMEs which were evaluated and accepted into the technical manufacturing enterprise development programmes.

In line with Industry 4.0 (the fourth industrial revolution), the digitisation of manufacturing, projects undertaken will be in partnership with industry development agencies as well as technology and enterprise development entities.

The projects will be within the following industries:

- Advanced Photonics;
- Composites;
- Bio-Manufacturing; and
- Green technologies.

Chemicals, Plastics and Pharmaceuticals

• *Chemical Sector*

The Phase 1 implementation of the project will be implemented in the Eastern Corridor at Chemin's Modderfontein and Tembisa Chemicals Incubator facilities. It is expected that 150 SMMEs will be supported by the incubator programmes through the training programme and 50 new SMMEs will be created. The plan for the upcoming quarter is to finalise the site at the West Rand and Sedibeng Municipality to roll out phase 2 of the Chemicals and Pharmaceuticals Incubation Programme. Site visits are planned and implementation programme agreements are drafted.

• *Plastics*

Owing to the continuous downward performance (job losses) of the sector in recent years, mainly because of the shortage of skills it is expected that the skills development programme within the Plastic Machine Setter Trade will have at least 30+ learners to be trained. The programme focuses on the following plastics usage demands:

- Plastics for packaging;
- Plastics for automotive components;
- Plastics for medical devices; and
- Plastics for pipes in construction (PVC).

Another focus area for the plastic sector is the formalisation of the plastic recycling businesses by the informal sector which is identified as a source of job creation for several unemployed youth and adults in both inner cities and townships in Gauteng. The aim is to enhance the current operational and business model to create decent sustainable jobs within the plastic recycling business.

• *Pharmaceuticals*

Sector and industry will collaborate with the Gauteng Consultative Business Forum Pharmaceutical and Medical Devices Task Team, which is facilitated by the GGDA, to develop the Gauteng Pharmaceutical and Medical Technologies Manufacturing plan. Given the nature of the sector and the strict operational and regulations, the sector aims to develop a 10-year plan outlining key milestones and deliverables over the short-term, medium-term and long-term targets with the aim of producing and manufacturing pharmaceutical products and medical devices locally thereby reducing the imports over a long-term period.

Gauteng State Owned Bank

The following activities will be executed under tertiary services:

- Appoint a technical committee that will be responsible for providing advice and make decisions for the project team in fulfilling the mandate of a bank. Appoint a permanent project team that will consist of transactional advisors, GEP funding personnel and GGDA investor funding personnel;
- Mobilise investors to capitalise the bank to ensure its viability;
- Negotiate with the provincial banker to invest some funds in the bank in exchange for the provincial funds saved in the bank;
- Draft terms of reference to appoint a service provider to develop a business case on the establishment and recommendation of the bank; and
- Formulate a service level agreement (SLA) between GDED and the service provider.

Township Stock Exchange

The following are expected to be achieved in 2019/20:

- Submit the legal and governance Deputy Director (DD) report;
- Develop an implementation plan based on the recommended option from the ownership and governance DD;
- Conduct stakeholder engagements and industry visits;
- Identify SMMEs to partake in the GTSE Developmental Programme'
- Formulate developmental programme for SMMEs and workshop the programme.
- Launch the OTC-GTSE and onboarding of the qualifying SMMEs from the Development (incubation) Programme.

Information Communication Technology and Business Process Services

The department will also be undertaking the following projects for 2019/20:

- Gauteng Business Process Services (BPS) Value Proposition – Conduct a marketing campaign, to drive locally and internationally, with the support of Business Process Enabling South Africa (BPESA), GGDA, DTI and industry partners to secure investments within the province.
- BPS Satellite Office - Facilitate the establishment of BPS satellite offices across the five corridors to train and place unemployed youth from the township in the BPS sector.
- Gauteng Micro Insurance Diagnostic Study – Develop a guiding document for the sector that will outline short-medium objectives and assist the province in the development of the micro-insurance framework.
- ICT e-Waste Value Chain inclusive of the marginal economy – Establish an e-Waste work stream including collection, dismantling and sorting, pre-processing, end-processing recycling and re-use. At each point of the value chain separated components and fractions are processed, beneficiated, recycled and re-used specifically focusing on the recovery of valuable metals for re-use.
- Industry 4.0: Market Intelligence – This programme aims to gather intelligence to identify the skills and infrastructure needs to develop the necessary Fourth Industry (4IR) capacity with Gauteng. A global and domestic market demand analysis (skills, technology and infrastructure) will be conducted to identify key 4IR domains. Furthermore, a workforce skills gap analysis will be performed to develop interventions and training programmes to grow the 4IR capacity within Gauteng.
- Creative Industries will focus on the Animation Industry - The department will collaborate with industry, economic and skills development entities. The aim is to develop a programme with projects focusing on skills development, enterprise development and enabling Gauteng's Animation Production Industry to create jobs.

Primary Resources

The intention for the 2019/20 financial year is to build on and strengthen support for Furniture-Manufacturing SMMEs and cooperatives through the Furntech Incubation and cluster or hub enterprise solutions, including design studios, to enhance competitiveness and create employment opportunities.

The department has signed an MOU and SLA with Furntech to implement a training and incubation programme for 55 youth-owned enterprises in year one. The programme will capacitate youth with operational, technical and business skills required to run sustainable, growing and employment creating enterprises.

The department will support the incubation of 50 businesses towards the creation of 600 jobs in the mining and related sectors over a period of three years. The department will be implementing a mining incubation programme in the Western Corridor, in partnership with the West Rand Development Agency and SEDA's base-metals incubator, Lepharo.

The department will continue to facilitate the development of agro-processing through supporting new market entrants towards job creation and inclusive economic growth and development in the Gauteng city region. The agro-processing sector has been noted as a major opportunity for the creation of jobs and skills development. In this regard, the department is investigating the potential for the development of agro-processing clusters within the province.

The department intends on rolling out bakery and confectionery centres in various townships. A programme will be developed in partnership with SEDA's Food and Bakery Incubator to support the bakery and confectionary centres in Gauteng. The department will also ensure the establishment of facilities to assist SMMEs in townships to produce high-quality goods and access market opportunities in the public and private sectors.

Tertiary Services

Those SMMEs who applied to be listed on the Over the Counter (OTC) Platform will be shortlisted. The OTC Platform will be utilised as the benchmark platform for the GTSE and will be piloted with 25 SMMEs suitable to list and raise capital. When the shortlisting is completed, SMMEs will be taken through an incubation process consisting of a shared services programme which will assist the shortlisted SMMEs to familiarise themselves with the OTC Platform through the shared services platform. The OTC Platform will be used as a pilot phase to minimise the general listing risks that would normally exist in a main exchange board.

Economic Planning

The Economic Modelling and Forecasting Unit will work on the Gauteng Macroeconomic Modelling and Capacity Building Programme to support and guide the implementation of the GCR Economic Development Plan. The unit will continue with impact assessments to inform and guide the effectiveness of the provincial programmes. The Economic Planning and Policy Unit will revise the Gauteng Innovation Strategy and develop a new Gauteng Digital Economy Strategy. The Economic Research and Knowledge Management Unit will undertake township enterprise surveys to build a comprehensive database and information on the township economy. The unit will prioritise the enhancement and provision of up-to-date economic data, information and insights through the Gauteng Economic Barometer, Quarterly Economic Bulletins and Economic Insights for evidence-based decision-making and policy implementation in the province, while the Employment Facilitation Unit will continue with the monthly and quarterly job creation tracking and reporting for government departments, agencies and municipalities.

Inclusive Economy

The unit will focus on supporting and developing SMMEs and cooperatives to broaden economic participation in the province. The unit will ensure support for the sustainable development of financial cooperatives to drive financial and economic inclusion. The support will include national and international benchmarking in regions where financial cooperatives drives economic development, i.e. Finland, Italy as well as Canada. Channels to educate the community about the Cooperative Financial Institutions and the potential for personal and collective empowerment will be implemented.

Support will be provided for consumer cooperatives following the successful establishment of four regional entities. Coordination efforts will be made in implementing the TER Programme targeted in township enterprises by using collective public spending to create market access opportunities. The unit will work with stakeholders to comply with the B-BBEE compliance requirements. Gauteng governmental institutions are encouraged to comply with the local content requirements in all designated sectors with the aim of resuscitating local manufacturing to facilitate job creation in the province.

Gauteng Enterprise Propeller (GEP)

The GEP will continue to support small businesses within the construction sector with a view to shifting most contractor tenderpreneurs towards developing an entrepreneurial mindset and enterprises that contribute to the creation of sustainable job opportunities. The GEP aims to establish a Construction Ecosystem Centre to provide incubation and skills development opportunities to township businesses in construction, brick-making and related products. The Construction Ecosystem Centre will ensure that building materials are manufactured by small businesses in the townships. All building competencies, material supplies, accreditation, manufacturing and professional bodies will be housed in these centres to enhance the sustainability of the sector.

The GEP will continue providing financial support to 250 SMMEs to enhance their growth, profitability and sustainability, 150 of which will be based in townships. These businesses will be funded through loans, the Community Fund and the Township Business Renewal Programme. The rand value of financial support provided to SMMEs and coops in 2019/20 will be approximately R28 million. Non-financial support interventions will be provided to 2 000 SMMEs, with an additional 1 000 traders to be assisted through formalisation of their informal businesses in support of Gauteng Informal Business Upliftment Strategy.

The GEP will continue with the implementation of a localisation programme to stimulate the local production, with a focus on clothing and textile, manufacturing and furniture. A combined total of 255 SMMEs will be supported through training, skills development, mentorship, incubation and access to markets for local procurement.

The implementation of Strategic Partnerships and Resource Mobilisation, Debt Recovery and Cost Containment Strategies - aimed at reducing GEP's reliance on the fiscus to deliver its programmes is key. The GEP will play a crucial role in facilitating the implementation of the Gauteng Entrepreneurship Model (GEM) which advocates for the coordination, integration and maximisation of the province's potential in supporting township entrepreneurs. The GEM is a proposed entrepreneurial development framework that will assist Gauteng to reduce the high failure rates of supported SMMEs and Cooperatives, address the currently fragmented DFI approach to small business development and eliminate the opportunity for SMME/coops double dipping and wastage of limited resources.

Gauteng Tourism Authority (GTA)

The GTA aims to generate 4,383,041 foreign visitors; 3,182,700 domestic trips; R1.9 billion value generated through marketing events; 28 887 jobs created; support 70 events and assist 220 walk-in visitors. The GTA will strive for accelerating growth of the tourism sector in Gauteng, through destination marketing, by strengthening its current competitive and comparative advantages relating to market capture and diversification, destination image creation, attractive and package offerings, business tourism, events hosting and trade linkages with the agency's adoption of an integrated destination marketing strategy.

The GTA will continue to implement destination marketing and promotion programmes to market destination Gauteng by focusing on urban tourism and township tourism promotion. Destination marketing will focus on improving marketing of attractions and products across different multi-media channels, implementing several joint marketing initiatives with key strategic and tactical partners in marketing destination Gauteng and rolling out dedicated and sector-based marketing campaigns. The agency will continue to utilise a niche tourism approach that appears to offer greater opportunities and tourism sector that is more sustainable, less damaging and more capable of attracting high-value tourists. Areas of potential niche tourism for Gauteng include: sports tourism, health, wellness and spam, bird watching, cycling, golf, festivals, Big Five (Dinokeng Game Reserve offers an opportunity to see the Big Five), adventure (Soweto, Vaal River and Hartbeespoort provide several exciting adventure) and agri-tourism experiences.

Bidding and hosting is one of the areas that is crucial for measuring outcomes, with events support bearing tangible fruits such as SMME supports, job creation, rand value, social, economic and environmental values. The GTA will continue to promote the events sector by supporting event's organisers in bidding and hosting events. In promoting Gauteng as a destination, the agency will continue to focus on initiating marketing activities at key international source markets in line with the National 5-in-5 strategy. The GTA will implement the Tourism Safety Monitors project in partnership with the National Department of Tourism (NDT) and work with Tourism Business Council of South Africa (TBCSA) and other stakeholders to deal with the concern of crime as it affects both Gauteng citizens and tourists.

GAUTENG GROWTH AND DEVELOPMENT AGENCY (GGDA)

AIDC Skills Development and Training Programme

Through this programme a target is set to train 3 100 people across various training programmes.

AIDC Supplier Efficiency Programme

Under the efficiency improvement Programme, 30 companies will be provided with the following seven key interventions:

- Total Productive Maintenance Programme (TPM);
- Cleaner Production Programme;
- Rapid Process Improvement Programme (RPIW);
- Lean Manufacturing Programme, including collaboration initiatives with Japanese Government, United Nations and ASCCI;
- Quality and Environmental Management Systems;
- Automotive Centre for Competitiveness; and
- Support and services for BMW suppliers (New).

Commercialisations

The TIHMC plans to strengthen relationships with the research and academic institutions in Gauteng to improve the pipeline of spin-offs from the universities and research institutions into TIHMC incubation programmes. This will result in 75 innovations being commercialized with six technologies to be produced and exported.

EKasi Programmes

EKasiLabs will incorporate mobile application development and aspects of Fablab (Fabrication Laboratories) activities whose main objectives are to drive activities that will promote entrepreneurship in product design and manufacturing.

It will also promote highly technical skills for local entrepreneurs in the townships and provide access to infrastructure for entrepreneurs to develop new products that can be tested and modified in the market according to the customer needs. This will increase the diffusion, adopt technology and provide research, the development of new tools for entrepreneurs and infrastructure to produce small batches of niche products. The key outcomes from the programme will include the creation of new generation of entrepreneurship, high-impact/high-tech product and services, skills development and job opportunities for the local communities. The eKasiLabs will train and incubate 80 entrepreneurs at its various sites. A total of 40 of these entrepreneurs will be youth.

Nissan SA Incubation Centre

The Nissan SA Incubation Centre operationalisation will be maintained with a total of eight BBBEE SMMEs.

Incubation graduation

A total of 15 companies, including the start-ups in the incubation programmes, will graduate from the various incubation programmes at TIH.

Trade and investment

The FDI will amount to a target of R5 billion while DDI will be R3 billion.

Africa Focus

Opportunities in infrastructure development in the continent will continue to be identified for 16 Gauteng-based firms and 16 other firms will be assisted to expand their operations on the continent.

Cradle of Humankind World Heritage

The research currently being undertaken by a university, with a specific focus on community beneficiation, will go a long way in guiding the strategic interventions for COHWHS over the 2019/20 MTEF. The following projects will be implemented in the 2019/20 MTEF:

- Portion 26 Community Projects: Housing partnership project with MCLM for formal housing on Portion 26, establishment of two cooperatives to deal with community cycling maintenance project (based on the Khubeka Model) and community works maintenance project for general maintenance of gateways, cycle lanes and broader COHWHS area;
- World Heritage Education awareness partnership project with Ethiopia;
- Sponsoring educators to visit the museums at Sterkfontein and Maropeng;
- Public transport accessibility to Maropeng/Sterkfontein visitor centres;
- Enhance Maropeng procurement from township suppliers;
- Paleontological partnership programme with East Africa (Kenya/Ethiopia);
- Promulgation of land-use regulations in a Gauteng Government that are specific to the COHWHS (in line with Integrated Development Plans and Spatial Development Framework);
- Visitor and socio-economic impact assessment in the COHWHS;
- Management of the COHWHS Community Trust; and
- Funding of Community Trust projects in COHWHS.

The Cradle of Humankind World Heritage Site will manage the site in terms of national and international obligations. The Management Authority will carry out inspections of the fossil sites twice a year to ensure that Cradle of Humankind World Heritage Site is well-managed and maintained.

Dinokeng Project

The following projects will be prioritised during 2019/20 MTEF:

- Natural Resource Management at DGR;
- Provide operation funding support to DGR;
- Conduct school visits to DGR including Dinokeng awareness programmes;
- Support cooperatives at Dinokeng;
- Implement the brand strategy for Dinokeng;
- Support the Dinokeng Community Trust; and
- Construction of 10 picnic sites, six ablution facilities and one riverboat cruise operation facility and two gateways, depending on the completion of land compliance and availability of budget.

These projects and/or initiatives will generate 741 jobs for community members in the area, enhance the day visitor facilities and therefore attract tourists to the area to result in local economic growth. Through school day visits, learners will gain much more knowledge about nature conservation and sustainability.

Gauteng Gambling Board (GGB)

The Gauteng Gambling Board will continue with its mandate of regulating and controlling the gambling in the province. As the economy continues on its slow recovery, GGB anticipates that the gambling industry's performance will be above the Consumer Price Index (CPI) growth rate. The board will promote ethical business conduct and responsible gambling practices by those who participate in gambling. The GGB collaborate with law enforcement agencies to eradicate illegal gambling with a view to stop the leakage of revenue. The issuing of licences will be awarded in a manner that promotes government's objectives of BBBEE and TMR.

4. REPRIORITISATION

During the 2019/20 budget preparations, the department implemented the prescribed prescripts and practice guides of cost-containment measures on curtailing budgeting on non-essentials such as accommodation, internal catering, business class travel and the use of external commercial venues. The departmental budget council (strategic planning sessions) interrogated and assessed all budget bids of programmes to determine alignment with institutional priorities, capacity to spend, implementation of cost-containment measures and affordability of the plans.

The baseline budget on compensation of employees was kept constant over the MTEF to be in line with the organisational structure which is currently under review and in the final stage of being approved. The review of the organisational structure took place to re-position the department to carry out its mandate appropriately.

Under goods and services, the department has resolved to migrate the implementation of the two research chairs as function shift to the Office of the Premier (Industrial and TER research chairs) which amounts to R4 million in 2019/20. The transfer is based on the memorandum of agreement which the GPG signed with all universities based in Gauteng to collaborate on skills development and research initiatives. Furthermore, the department had to reduce the allocations to the entities for 2019/20 by R2.1 million to make provision for the Alternative Dispute Resolution (Life Esidimeni claimants). The reprioritisation for entities was done under their operational costs, which does not have an impact on their annual project implementation.

The JMP top structure and the Bio Park phase 3 were migrated from Gauteng Economic Propeller (GEP) back to GGDA over the 2019/20 MTEF together with their respective budgets. Furthermore, the budget and the implementation of the Constitutional Hill visitors centre was moved from GTA to GGDA over the MTEF.

A net amount of R56 million has been allocated for the youth PMO over the 2019/20 MTEF under GEP to fund and implement the project until 2021/22. The focus of the YPMO is the development of skills through placement for on-the-job training, giving youth an opportunity to go into formal employment as well as the entrepreneurial stream. The mobile satellite buses project has been moved from business regulation and governance to administration. This project ensures access to government services by going directly to communities and assist them with various administrations functions as part of TER implementation.

5. PROCUREMENT

The department will continue to identify strategies and reforms that are aimed at improving procurement processes and reducing inefficiencies. Supply chain policies are reviewed annually to ensure alignment with the SCM regulations applicable to both provincial and national governments, therefore ensuring enhanced supply chain management standards. Delegation of authority will be reviewed regularly to ensure appropriate levels of delegation and operational efficiencies. Procurement plans for goods and services above the threshold of R500 000 are prepared prior to the start of the new financial year to facilitate requisitions for goods and services and to reduce delays in procurement.

Procurement of goods and services are done in line with the requirement of PPPFA together with departmental procurement policies. The department will ensure that all contracts are subjected to market price analysis and the concept of value for money is the core driver when negotiating contracts.

The department has allocated funds over the MTEF to ensure that all projects that are critical to the mandate of the department are delivered on time. Some of the projects that would impact on the procurement process are as follows:

- Enterprise Building 2 and 3;

- Spaza shop verification
- Construction of the additional factory in the Automotive Supplier Park (ASP)
- Constitution Hill Visitor Centre and redevelopment of precinct;
- JMP Superblock;
- Biopark phase 3;
- Biopark 1C;
- Export portal;
- Multi-Function printing devices;
- Winterveld;
- Security services;
- Cleaning services;
- Voice Telecommunication;
- Design @50;
- Phase 2 of We the People Park;
- SEZ ICT Park; and
- Black Industrial Business Case Development.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 3.1 SUMMARY OF RECEIPTS: DEPARTMENT OF ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Equitable share	1 305 610	1 387 699	1 425 973	1 510 450	1 536 399	1 536 399	1 581 240	1 674 951	1 774 792
Total receipts	1 305 610	1 387 699	1 425 973	1 510 450	1 536 399	1 536 399	1 581 240	1 674 951	1 774 792

The Department of Economic Development is funded through equitable shares. The budget allocation amounted to R1.3 billion in 2015/16 and increased to R1.4 billion in 2017/18, primarily owing to the funding of TER projects such as the Youth PMO, bidding and hosting of the Summer Cup, Ekasi lab, Gauteng tooling initiatives, development of the Gauteng barometer, Mega hubs and the refurbishment of township industrial hubs.

An amount of R1.5 billion was allocated in 2018/19. Among the projects earmarked for implementation were the completion of the Conhill Visitor Information Centre, JMP Super Block, Bio Park Phase 3, mineral beneficiation, recovery and rehabilitation of old mining dumps and Gauteng Auto City Masterplan design.

Over the 2019/20 MTEF the budget allocation increases from R1.6 billion in 2019/20 to R1.8 billion in 2021/22 which is an increase of 11 per cent. Among the projects that are catered over the MTEF period, which form part of job-creation initiatives, include Accelerated Youth Placement Programme, eKasi Labs and Bio Park Facility Incubator.

6.2 Departmental receipts

TABLE 3.2 : DEPARTMENTAL RECEIPTS:ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts	870 999	910 209	987 226	1 039 864	1 039 864	1 039 864	1 049 684	1 110 611	1 177 075
Casino taxes	828 997	870 030	948 608	1 000 864	1 000 864	1 000 864	1 008 684	1 068 611	1 132 765
Horse racing taxes	42 002	40 179	38 618	39 000	39 000	39 000	41 000	42 000	44 310
Sales of goods and services other than capital assets	374	413	454	433	433	433	455	480	506
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	5 167	3 226	3 366	2 404	2 404	2 404	2 400	2 544	2 696
Sales of capital assets		30	8						

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Transactions in financial assets and liabilities	(5 215)	1 126	164	324	324	324	342	361	381
Total departmental receipts	871 325	915 004	991 218	1 043 025	1 043 025	1 043 025	1 052 881	1 113 996	1 180 658

The department generates its revenue from gambling taxes (casino, bingo, LPM and horse racing taxes), parking fees and the selling of redundant assets and scrap paper.

Gambling revenue (taxes) is collected by the Gauteng Gambling Board (GGB) for a commission in terms of the Public Finance Management Act Sec 21 (b)(iii), s23(1) & (2) and (3) as well as the Gauteng Gambling Act of 1995 as amended. During the 2015/16 financial year the actual collection increased from R871 million in 2015/16 to R991 million in 2017/18. Over the 2019 MTEF, the projected revenue collection is estimated at R1.1 billion for 2019/20 and R1.2 billion for 2021/22. The increase in the projected revenue collection is informed by the envisaged revision of the gambling taxes regulations.

7. PAYMENT SUMMARY

7.1 Key assumptions

The 2019 MTEF budget is informed by the Department of Economic Development's strategic plan, annual performance plan, the provincial outcome and the NDP. Furthermore, in the costing of the budget provision is made for the annual salary adjustment, notch progression, performance bonuses, housing allowances, long-service awards, employer medical contribution, VAT increase and municipal costs.

TABLE 3.3: SUMMARY OF PAYMENTS AND ESTIMATES: ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Administration	202 072	227 488	270 671	302 494	277 712	277 712	307 704	327 390	349 040
2. Integrated Economic Development Services	301 958	246 012	257 407	320 504	244 544	244 544	269 792	288 556	301 951
3. Trade And Sector Development	578 254	677 185	737 953	703 148	847 956	847 956	818 015	859 090	907 790
4. Business Regulation And Governance	55 228	72 942	66 388	64 792	61 619	61 619	68 406	69 539	75 617
5. Economic Planning	133 332	135 642	77 406	119 512	104 568	104 568	117 323	130 375	140 394
Total payments and estimates	1 270 844	1 359 269	1 409 824	1 510 450	1 536 399	1 536 399	1 581 240	1 674 950	1 774 792

7.2 Summary of economic classification

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	369 174	385 880	381 947	474 208	423 302	423 302	483 315	521 878	556 670
Compensation of employees	165 315	184 718	207 581	258 306	223 127	223 127	275 871	293 802	317 894
Goods and services	203 859	201 162	174 366	215 902	200 175	200 175	207 444	228 076	238 776
Transfers and subsidies to:	886 660	955 727	999 780	1 022 606	1 101 603	1 101 603	1 083 410	1 137 759	1 201 967
Provinces and municipalities									
Departmental agencies and accounts	885 945	954 572	998 991	1 022 606	1 100 975	1 100 975	1 083 410	1 137 759	1 201 967
Non-profit institutions		500							
Households	715	655	789		628	628			
Payments for capital assets	15 008	17 555	17 205	13 636	11 494	11 494	14 515	15 313	16 155
Buildings and other fixed structures									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Machinery and equipment	14 924	16 988	17 205	13 636	11 494	11 494	14 515	15 313	16 155
Software and other intangible assets	84	567							
Payments for financial assets	2	107	10 892						
Total economic classification	1 270 844	1 359 269	1 409 824	1 510 450	1 536 399	1 536 399	1 581 240	1 674 950	1 774 792

The department's expenditure increased from R1.3 billion in 2015/16 to R1.4 billion in 2017/18. The increase was mainly owing to additional funds that were made available for the implementation of the automotive supplier park, job creation projects (EDP) and TER-funded projects.

During the three year cycle which ended in 2017/18, the department managed to initiate and complete some of its major projects. These include the new mini factory which consists of approximately 8 000 square meters of floor space, the development of the AIDC's second incubation centre, the maxim programme that incubate 41 companies which is facilitated by TIH and the Gauteng Biopark which was launched to position and equip Gauteng as an anchor for the bioscience cluster. In addition, the department also managed to complete the construction of the Nissan Incubation Centre. The Winterveld Enterprise Hub was set up, the Gauteng Automotive Learning Centre was launched and mini factories phase 2 achieved 58 per cent progress against the target plan of 50 per cent. The 2018/19 main budget amounted to R1.51 billion and was increased by R25.9 million during the 2018/19 Adjustment budget process. The net increase included R18.6 million received as additional funding for the Metropolis Annual meetings; the Leggero platform and bulk buying of Media service providers. In addition, the adjustments included the approved rollover and function shifts to Office of the Premier.

Moreover, the overall departmental budget increases from R1.5 billion for 2019/20 to R1.7 billion in 2021/22 and will be disaggregated as follows:

- Programme 1: Administration, the allocation increases from R307 million in 2019/20 to R349 million in the 2021/22 financial year. The largest portion is allocated to corporate services for payment of leases, municipal rates and taxes, the provision of ICT equipment, printing tender, outreach campaigns, mobile office solutions, bursaries, litigation management and training of staff.
- Programme 2: Integrated Economic Development Services increases from R270 million in 2019/20 to R302 million in 2021/22. The budget is mainly driven by transfers of funds made to GEP. Among the projects that will be undertaken by GEP over the MTEF include the establishment of a sector-specific construction eco system centre which will house all construction manufacturing competencies. This is a continuation of the Booster Pitching Programme. Moreover, the budget will be also allocated towards the following: establishing a cooperative programme, Youth Accelerator Programme and the Spaza Shop verification which is aimed at ensuring that all spaza shops complies with the all required legislations.
- Programme 3: Trade and Sector Development increases from R818 million in 2019/20 to R908 million in 2021/22. The allocation is mainly for the transfer of funds to GGDA, GTA, Cradle of Humankind and Dinokeng which makes provision for the implementation of the industrial hubs; Ekasi Labs, ACSA rental; machinery and capital projects. Furthermore, the budget will be utilised for the water-monitoring programme; working on fire; the maintenance of roads and signage in the Cradle of Humankind as well as the implementation of tourism routes.
- Programme 4: Business Regulation and Governance increased from R68 million in 2019/20 to R76 million in 2021/22 which is a 12 per cent increase over the MTEF. The budget caters for projects such as trade exchange programme with community radio stations for consumer awareness campaigns, financial education for young entrepreneurs and the Consumer Affairs Office on Wheels (CAOW).

The allocation for this programme includes the transfers earmarked for Liquor Board, which is for the continuation of its compliance and enforcement programmes, education, and awareness activities, licence renewal and the board-adjudication process.

- Programme 5: The Economic Planning programme budget grew from R117 million in 2019/20 to R140 million in 2021/22 for the implementation of projects such as: the mid-term impact assessment of the TER strategy, a business case for the Gauteng Provincial Government Economic modelling and capacity building, the development of financial models for the Gauteng Investment Incentives Framework, Gauteng industrialisation high-impact projects and Gauteng Economic Barometer.

The compensation budget increased from R275 million to R317 million over the 2019/20 MTEF period, which equates to a 13 per cent growth over a three-year period. The growth in budget is attributed to an increase in personnel budget owing to the cost of living adjustment and the implementation of the new proposed structure.

The expenditure for goods and services decreased from R203 million in 2015/16 to R174 million in 2017/18. The expenditure on goods and services for 2016/17 declined by R2.6 million compared to 2015/16 spending. The decrease is owing to the non-payment of tenant installation costs, which was concluded after the moving of office buildings. The three-year expenditure takes into account operational costs associated with office building, audit costs as well as advertising, training and municipal costs. Over the MTEF, the budget for goods and services increased from R207 million in 2019/20 to R239 million in 2021/22. The allocation caters for projects such as: Township Stock Exchange, State Bank, Gauteng Cooperative Bank, Gauteng Consumer Cooperative, LED Capacity Building Programme; Gauteng Technical Manufacturing initiatives as well as EDP projects.

The core business of all departmental entities is to implement the mandate of the department which supports the achievement of the Transformation, Modernisation and Re-industrialization (TMR) agenda and Township Entrepreneur Revitalisation (TER). The expenditure under departmental agencies and accounts increased from R885 million in the 2015/16 financial year to R998 million in 2017/18 which is a 12.7 per cent increase over three years. Over the MTEF, the budget allocation increases from R1.1 billion 2019/20 to R1.2 billion in 2021/22.

The expenditure for payments for capital assets increased from R15 million in 2015/16 to R17 million in 2017/18. This was because of the procurement of new servers, furniture for the new building and other installation costs. Over the 2019 MTEF, the allocation increases from R14.5 million in 2019/20 to R16.1 million in 2021/22. The increase is attributed to the provision made for the finance lease of the GG vehicles, procurement of furniture for the newly renovated regional offices and desktop computers for new office members.

7.3 Infrastructure payments

7.3.1 Departmental Infrastructure payments

N/A

7.3.2 Departmental Public-Private Partnership (PPP) projects

N/A

7.4 Transfers

7.4.1 Transfers to public entities

TABLE 3.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO PUBLIC ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Gauteng Enterprise Propeller	290 438	236 718	244 930	300 694	232 689	232 689	245 771	260 595	275 292
Gautrain Management Agency									
Gauteng Tourism Agency	93 798	104 744	108 165	141 201	113 339	113 339	102 679	109 767	116 168
Gauteng Growth and Development Agency	359 033	465 282	521 847	443 181	619 467	619 467	598 888	622 676	657 287
Total departmental transfers	743 269	806 744	874 942	885 076	965 494	965 494	947 338	993 038	1 048 747

Transfers and subsidies expenditure increased from R743.3 million in 2015/16 to R874.9 million in 2017/18 due to the TMR mandate to support SMMEs, the completion of mini-factory Automotive Supplier Park (ASP), the development of AIDC's Second Incubation Centre, the construction of the Nissan Incubation Centre, the Winterveldt Enterprise Hub and the launch of Gauteng Automotive Learning Centre. In addition, the expenditure was also attributed to the refurbishment of three township industrial parks in Vosloorus, Sebokeng and Eldorado Park. Furthermore, projects such as Discorp Africa, Cycling festival and the World Choir Games projects were implemented through the GTA. The 2018/19 total transfers of R885 million was increased to an adjusted budget of R965 million. The increase was informed by the redirection of funds from compensation of employees, goods and services as well from the payment of capital assets into departmental agencies and transfers. The budget allocation over the MTEF increases from R947.3 million in 2019/20 to R1 billion in 2021/22.

The expenditure for the GEP declined from R290 million in 2015/16 to R244 million in the 2017/18 financial year. During the 2015/16 financial year the agency, through partnerships, managed to support businesses owned by disabled people. The PWD Empowerment Programme consists of the identification and assessment of potential entrepreneurs from people with disability through the database and from a network of affiliated disability service providers. An amount of R56 million has been allocated towards the Youth PMO over the 2019/20 MTEF to fund and implement the project until 2021/22, the focus being the development of skills through placement for on-the-job training to give youth an opportunity to go into formal employment as well as the entrepreneurial stream. Furthermore, a function shift was implemented between the GEP and GGDA wherein the JMP top structure and the Bio-Science Phase 3 Block projects were migrated from GEP and returned to the GGDA over the 2019 MTEF Period.

One of the department's mandate is to revitalise township economies through the GEP. As a result various projects will be implemented over the MTEF to support the achievement of the Transforming, Modernizing and Re-Industrialisation Agenda. Among the projects, which will be implemented to support, the TER in the province over the 2019/20 MTEF are:

- Provide financial support to 250 SMMEs, of which 150 SMMEs will be township based. This will enhance their growth, profitability and sustainability;
- Spaza shop verification, which is aimed at ensuring that all spaza shops comply with the all required legislations;
- Booster Pitching Programme provides township-based youth and non-youth SMMEs an opportunity to present innovative business ideas to corporates, investors and other entrepreneurs to qualify for business development support. GEP support is aimed at equipping entrepreneurs with adequate business knowledge and skills to ensure their proposals are viable and investment ready;
- Youth Accelerator Programme seeks to enhance job creation for youth, reduce poverty, and increase the potential of youth to become active participants in the Gauteng economy;
- Localisation programme stimulates local production with a focus on clothing and textile, manufacturing and furniture;
- Construction Ecosystem Centre is aimed at providing, incubating and skills development opportunities to township businesses; and
- TSHEPO 1m - Youth Accelerator Programme.

The expenditure for GTA grew from R94 million in 2015/16 to R108 million in the 2017/18 financial year. The 2019/20 allocation decreased from R113 million in 2018/19 to R103 million. The Constitutional Hill Visitor Centre has been migrated back to GGDA for implementation and the budget has been shifted from GTA to GGDA over the 2019 MTEF. The entity will continue to implement destination marketing and promotion programmes to market destination Gauteng by focusing on urban tourism and township tourism promotion. In addition, the allocation caters for projects such as the hosting of the Gauteng Shopping Festival, Cycling Relay, and Discorp Africa, Joy of Jazz and the Gauteng Summer Cup and marketing of Gauteng tourism.

The department transferred R359 million in 2015/16 and R521 million in 2017/18 to GGDA which translates into an increase of R162 million over three years. Among the programmes that were implemented by GGDA from 2015/16 to 2017/18 are: the development of AIDC's second Incubation Centre; the Gauteng Automotive Learning Centre and the eKasi Labs programmes. The eKasi labs are aimed at promoting a culture of innovation within the township economy. Furthermore, the JMP top structure and the Bio Park phase 3 were migrated from the GEP back to GGDA over the 2019/20 MTEF together with their respective budgets. Furthermore, the Constitutional Hill Visitor Centre was migrated from GTA to GGDA.

Over the MTEF, the allocation for GGDA increased from R599 million in 2019/20 to R657 million in 2021/22, to implement projects such as:

- AIDC Supplier Efficiency Programme;
- Refurbishment of the township industrial parks;
- AIDC skills development and training programme;
- Construction of the additional factory for the tenants in the ASP;
- mLab and Code Tribe Academy;
- Implementation of the Gauteng Science and Hi-Tech SEZ Programme; and
- Completion of the Visitor's Centre construction.

The following are some of the Deliverology Projects that will be implemented through GGDA:

- Artisan training;
- Zambia Capital Equipment Hub;
- Black industrialists; and
- Incubation at eKasi Labs.

7.4.2 Transfers to other entities

TABLE 3.6: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES:

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Cradle of Humankind	71 377	63 583	64 522	73 454	70 554	70 554	72 062	79 625	84 368
Dinokeng	53 570	43 576	36 498	39 056	39 056	39 056	37 658	39 925	42 481
Gauteng Liquor Board	25 327	40 669	23 029	25 021	25 871	25 871	26 352	25 171	26 371
Total departmental transfers	150 274	147 828	124 049	137 531	135 481	135 481	136 072	144 721	153 220

The transfers to other entities decreased from R150 million 2015/16 to R124 million in 2017/18. The main budget for 2018/19 amounted to R137 million and was adjusted downwards to R135 million. The funds were reprioritised from Cradle of Humankind to GEP for the Business start-up kits. The budget allocation over the MTEF increased from R136 million in 2019/20 to R153 million in 2021/22.

The expenditure for Cradle of Humankind decreased from R71 million in 2015/16 to R64 million in the 2017/18 financial year. The bulk of the expenditure was on infrastructure development, natural resources management, operations of Maropeng and Sterkfontein Caves as well community development projects such as Sponsored School Visits to the COHWS and specific public meetings. The budget allocation for 2018/19 financial year is R70 million, of which R20 million has been allocated to implement core projects such as the water monitoring programme, operational funding for the Cradle of Humankind World Heritage Site (COH WHS), the COHWS Trust Management, Working on Fire, tourism routes implementation and mountain bike trail management. Moreover, a large portion of the budget is allocated to scientific research, community beneficiation and the tourism visitor economy to ensure that it becomes the anchor for socio-economic development projects.

The MTEF budget allocation for Cradle of Humankind has increased from R72 million in 2019/20 million to R85 million in the 2021/22 financial year and will be disaggregated as follows:

- The increase includes the additional budget of R15.9 million for the tourism routes implementation in Gauteng. This tourism route will bring together a variety of activities and attractions under a unified theme and this stimulates entrepreneurial opportunity through development of ancillary product and services.
- There will be a renewed effort in implementing critical tourism development objectives as per the Economic Development Implementation Plan within the Global City Region context with the Management of the COHWS Community Trust. The following projects will be implemented in the 2019/20 MTEF: Portion 26 Community projects, World Heritage Education awareness partnership with Ethiopia and public transport accessibility to Maropeng / Sterkfontein visitor centres.

Transfers made to the Dinokeng Trading Entity amounted to R53 million in 2015/16, decreasing to R43 million in 2016/17 and R36 million in 2017/18. Over the MTEF, the allocation increases from R37 million in 2019/20 to R42 million in 2021/22. The increase is because of the intensive drive on investment in tourism infrastructure development programmes and empowerment of SMMs and cooperatives that the Dinokeng Project has embarked on over these periods. Projects such as Working on Fire Programme, school visits to the Dinokeng Game Reserve (DGR) as well as establishing the Dinokeng community development fund will be implemented. Moreover, the following projects will also be prioritised during the 2019/20 MTEF: Natural Resource Management at DGR, operational funding support to the DGR and implement the brand strategy for Dinokeng.

The mandate of GLB, among other things, is to manage the lodgement of liquor licence applications, processing liquor licence applications and a renewal of licences. The budget transferred to the GLB decreased from R25 million in 2015/16 financial year to R23 million in 2017/18. The decrease in the budget allocation for GLB was a result of increased revenue tariffs which resulted in improved income streams for GLB. This compelled the department to decrease its funding to the GLB. Over the 2019 MTEF the allocation will remain constant at R26 million. The entity envisages the finalisation of its physical verification project, full implementation of GLB Automation System and Records Management project. The automation will modernise the GLB process, enhance the potential for revenue collection and will contribute towards creation of a credible database.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

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

Programme objectives

Capacitate GDED financially to meet its objectives, fulfil its mission and improve service delivery.

TABLE 3.7: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Office Of The Mec	10 146	8 285	9 539	14 920	9 142	9 142	15 756	17 887	19 532
2. Office Of The Hod	14 089	13 127	22 721	22 764	22 316	22 316	24 038	26 860	28 999
3. Financial Management	32 310	36 642	52 046	55 236	51 070	51 070	58 327	61 533	65 578
4. Corporate Services	145 527	169 434	186 366	209 574	195 184	195 184	209 583	221 110	234 931
Total payments and estimates	202 072	227 488	270 671	302 494	277 712	277 712	307 704	327 390	349 040

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	186 752	209 237	242 262	288 858	266 000	266 000	293 189	312 077	332 885
Compensation of employees	92 750	97 334	115 854	138 285	123 536	123 536	146 029	156 822	168 091
Goods and services	94 002	111 903	126 409	150 573	142 464	142 464	147 160	155 255	164 794
Transfers and subsidies to:	311	858	313	218	218				
Provinces and municipalities									
Departmental agencies and accounts									
Non-profit institutions		500							
Households	311	358	313	218	218				
Payments for capital assets	15 008	17 287	17 205	13 636	11 494	11 494	14 515	15 313	16 155
Buildings and other fixed structures									
Machinery and equipment	14 924	16 988	17 205	13 636	11 494	11 494	14 515	15 313	16 155
Software and other intangible assets	84	299							
Payments for financial assets	1	106	10 891						
Total economic classification	202 072	227 488	270 671	302 494	277 712	277 712	307 704	327 390	349 040

The administration budget is utilised for the items that are centralised to Corporate Services and Financial Management such as lease payments for office buildings, security services, cleaning services, bursaries, telephones payment, LAN upgrades, payment of software licences, disaster recover management, fleet services, municipal rates and taxes, legal costs, ICT equipment and internal audit costs that are allocated under the CFO's office budget.

The budget increased from R202 million in 2015/16 financial year to R227 million in 2016/17 owing to the implementation of the TER projects through the Qondisi'shishini Lakho Campaign, the hosting of inaugural Infrastructure Investment Conference, the Township Entrepreneurship Awards and Regional Township Revitalisation Summit. The 2018/19 main budget of R302.4 million was reduced to an adjusted budget of R277.7 million, the funds were shifted to GEP for Business start-up kits, the Job placements projects and the Spaza shop verification.

Over the 2019 MTEF, the allocation increased from R307.7 million to R349 million in the 2021/22 financial year. The largest portion is allocated to corporate services for payment of leases, municipal rates and taxes, provision of ICT equipment, printing tender, outreach campaigns, mobile office solutions, bursaries, litigation management and training of staff.

The Compensation of Employees expenditure increased from R92.8 million in 2015/16 to R115.9 million in the 2017/18 financial year. The budget is R146 million in 2019/20 and increases to R168 million in 2021/22 owing to the implementation of the department's proposed structure, which is intended to increase the operational capacity in the department and ensure that all the TMR, NDP and SOPA targets are met.

Goods and services expenditure amounts to R94 million in 2015/16 and increased to R126 million in the 2017/18. Over the 2019 MTEF, the allocation increased from R147 million in 2019/20 to R164 million in 2021/22 due to the inflationary increase in prices of services.

Machinery and equipment expenditure for 2015/16 amounts to R14.9 million and increased to R17.2 million in 2017/18. The increase was because of the procurement of office equipment such computers, furniture and software. Over the 2019 MTEF, R14.5 million is allocated in 2019/20 and the allocation increases to R16.2 million in 2021/22. The increase is owing to the planned implementation of projects such as the disaster recovery site for the purposes of system recovery and implementation of community ICT hubs for SMMEs to access Internet, broadband, and payment of software licences.

PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

Programme description

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

Programme objectives

- Advance economic development skills to Radically Transform and Re-Industrialise Gauteng Economy;
- Radically transform the Gauteng economy through new, smart, knowledge-based economy;
- Remodel township economies reflecting radical transformation and re-industrialisation of Gauteng's economy; and Strategic economic infrastructure that supports and facilitates the radical economic transformation and re-industrialisation of Gauteng.

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Enterprise Development	291 337	236 718	244 930	305 662	232 689	232 689	251 017	266 057	281 055
2. Regional And Local Economic Development	(877)		2 067	1 160			1 225	1 293	1 364
3. Economic Empowerment	11 498	9 294	10 410	13 682	11 855	11 855	17 550	21 206	19 532
Total payments and estimates	301 958	246 012	257 407	320 504	244 544	244 544	269 792	288 556	301 951

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	11 487	9 268	12 438	19 810	11 785	11 785	24 021	27 961	26 659
Compensation of employees	8 775	9 222	12 364	19 810	11 785	11 785	24 021	25 269	26 659
Goods and services	2 712	46	73					2 692	
Transfers and subsidies to:	290 471	236 744	244 969	300 694	232 759	232 759	245 771	260 595	275 292
Provinces and municipalities									
Departmental agencies and accounts	290 438	236 718	244 930	300 694	232 689	232 689	245 771	260 595	275 292
Households	33	26	39		70	70			
Payments for capital assets									
Buildings and other fixed structures									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Software and other intangible assets									
Payments for financial assets									
Total economic classification	301 958	246 012	257 407	320 504	244 544	244 544	269 792	288 556	301 951

The expenditure under Integrated Economic Development services decreases from R302 million in 2015/16 to R257 million in 2017/18. The 2018/19 main budget of R320.5 million was adjusted downwards to R244.5 million owing to the redirection of projects from GEP to GGDA, which are detailed in the subsequent paragraphs. Enterprise development accounts for the largest share of the budget, followed by economic empowerment and regional and local economic development. Over the 2019 MTEF, the budget increases from R270 million in 2019/20 to R302 million in 2021/22.

The compensation of employees expenditure increases from R8.8 million in 2015/16 to R12.4 million in 2017/18. The increase is attributed to the cost of living salary adjustments and filling in of vacant posts. The 2018/19 budget allocation amounts to R11.8 million. In 2019/20, the budget allocation increases from R24 million to R26.7 million in 2021/22. This is informed by the negotiated salary increases, which factor in different salary levels over a 3 year period.

Goods and services expenditure decreases from R2.7 million in 2015/16 to R73 000 in 2017/18. The decrease is as a result of centralising operational costs under a common cost centre as well as shifting of the BBBEE and inclusive Economy function to Programme 5.

The expenditure under departmental transfers decreased from R290 million in 2015/16 to R245 million in the 2017/18 financial year. Over the MTEF it increases from R245.7 million to R275.3 million. The entity utilised its budget to fund the Qondishishini Lakho Campaign and provided financial support to new and existing SMMEs. The construction of the JMP top structure and Bio Science Park Projects migrated from GEP to GGDA which resulted in the re-prioritisation of funds over the 2019 MTEF period between the two entities. In addition, the allocation over the MTEF will cater for the following programmes and projects that will be carried out by GEP, such as financial support to township, support to informal businesses, Youth Accelerator Programme, establishment of Construction Ecosystem Centre, implementation of a localisation programmes, spaza shop verification, continuation of the Booster Pitching Programme and Supplier Development Programme.

SERVICE DELIVERY MEASURES

PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of jewellery manufacturing and design students contracted	15	15	15	15
Number of companies graduated with sustainable businesses from incubation	12	15	15	15
Number of companies incubated at Ekasi Labs	80	80	80	80
Number of innovations commercialised by incubated start-ups	60	75	75	75
Number of township industrial parks refurbished	10	10	10	10
Number of township attractions promoted	120	150	180	180
Number. of SMME's financially supported in the prioritized sectors	250	250	250	250
Number. of SMME's non-financially supported in the prioritized sectors	1 500	1 750	2 000	2 000
Number of SMME's supported through the Pitching Booster Programme	250	300	350	350
Number of youths benefited from Youth Accelerator Programme	600	700	800	800
Number of Co-ops supported to improve their investment readiness	100	100	100	100
Number of Informal Businesses supported non-financially to formalise	750	800	850	850

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT**Programme description**

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

Programme objectives

Provide an enabling environment for sustainable business activities in Gauteng for radical economic transformation of Gauteng's economy:

- Create an enabling environment for economic activities that generate revenue for transformation and re-industrialisation of the Gauteng economy; and
- Sustain tourism development by providing protection mechanisms for biodiversity areas and other conservation sites.

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Trade And Investment Promotion	476		3 749	6 257	5 541	5 541	6 728	7 097	7 486
2. Sector Development	218 745	211 903	209 185	253 711	222 949	222 949	212 399	229 317	243 017
3. Strategic Initiatives	359 033	465 282	525 019	443 181	619 467	619 467	598 888	622 676	657 287
Total payments and estimates	578 254	677 185	737 953	703 148	847 956	847 956	818 015	859 090	907 790

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	475		6 921	6 257	5 491	5 491	6 728	7 097	7 486
Compensation of employees	469		6 887	6 257	5 491	5 491	6 606	6 969	7 352
Goods and services	6		34				122	128	134
Transfers and subsidies to:	577 778	677 185	731 032	696 891	842 465	842 465	811 287	851 993	900 304
Provinces and municipalities									
Departmental agencies and accounts	577 778	677 185	731 032	696 891	842 415	842 415	811 287	851 993	900 304
Households					50	50			
Payments for capital assets									
Payments for financial assets	1								
Total economic classification	578 254	677 185	737 953	703 148	847 956	847 956	818 015	859 090	907 790

The expenditure for Trade and Sector Development increased from R578 million in 2015/16 to R738 million in 2017/18. The 2018/19 main budget amounted to R703.1 million, during the same period, the department received an additional budget of R7 million which was allocated to GTA for the bidding and hosting of annual Metropolis meeting. In addition, the 2018/19 adjustments also included funds redirected from other programmes.

The budget allocation over the MTEF increased from R818 million in 2019/20 to R908 million in 2021/22. A significant share of the budget is allocated between sector development and strategic initiatives where Cradle of Humankind, Dinokeng, GTA and GGDA are located.

The Compensation of Employees expenditure increased from R469 000 in 2015/16 to R6.9 million in 2017/18. The increase is attributed to vacancies which were filled to increase the capacity under the Sector and Development Branch. Over the 2019 MTEF, the allocation increases from R6.6 million in 2019/20 million to R7.4 million in 2021/22 owing to the implementation of the cost of living adjustment over the MTEF.

The expenditure under goods and services increases from R6 000 in 2015/16 to R34 000 in 2017/18. Over the MTEF, the allocation increases from R122 000 in 2019/20 to R134 000 in 2021/22 and caters for operational costs for the new Trade and Sector Branch.

The expenditure under departmental agencies and transfers increased from R577.7 million in 2015/16 to R731 million in 2017/18. The budget increases from R811 million in 2019/20 to R900 million in 2021/22. The budget under this programme is mainly allocated to cater for transfers of funds for GTA, Cradle of Humankind, Dinokeng and GGDA towards the implementation of core projects/programmes some of which include: the eKasi labs roll-out, completion of the visitor's centre construction, Working on Fire Programme, tourism routes implementation, implementation of the JMP top structure, the Bio- Science park as well as the bidding and hosting of Gauteng Shopping Festival, Cycling Relay, Discorp Africa and Joy of Jazz.

SERVICE DELIVERY MEASURES

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT

Programme performance measures	Estimated performance	Medium-term estimates			
	2018/19	2019/20	2020/21	2021/22	
Number of Gauteng tourism marketing initiatives implemented in the key International source markets	20	25	35	35	
Number of Gauteng tourism marketing initiatives implemented in the domestic markets	9	11	15	15	
Number of enterprises provided with export readiness development programme	270	300	300	300	
Number of Gauteng based firms assisted to expand operations in Africa	14	16	16	16	
COHWS Integrated Management Plan (IMP) implementation report produced	Implementation report produced	Implementation report produced	Implementation report produced	Implementation report produced	
Number of jobs created from the Dinokeng Project	721	741	751	751	
Number of Cooperatives supported at Dinokeng	10	12	15	15	
Number of township tourism products showcased to markets	300	400	500	500	

PROGRAMME 4: BUSINESS REGULATION AND GOVERNANCE

Programme description

To create a seamless business regulation and good governance environment that promotes ethical conduct, transforms industry, realises sustainable revenue generation and contributes towards the achievement of TMR goals.

Programme objectives

- Provide an enabling environment for consumer satisfaction to stimulate growth of businesses;
- Properly regulate the Liquor Industry in Gauteng;
- Properly regulate the Gambling and Betting Industry in Gauteng; and
- Generate revenue from business regulation for socio-economic development of the Gauteng.

TABLE 3.13: SUMMARY OF PAYMENTS AND ESTIMATES: BUSINESS REGULATION AND GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Governance	4 177	5 219	16 678	9 587	4 676	4 676	10 132	10 690	12 091
2. Igr And Strategic Partnerships	6 803	6 700	4 457	9 544	6 243	6 243	10 115	10 672	12 071
3. Consumer Protection	26 518	20 353	22 224	20 640	24 829	24 829	21 807	23 006	25 084
4. Liquor Regulation	17 730	40 670	23 029	25 021	25 871	25 871	26 352	25 171	26 371
Total payments and estimates	55 228	72 942	66 388	64 792	61 619	61 619	68 406	69 539	75 617

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	37 373	32 222	43 068	39 771	35 728	35 728	42 054	44 368	49 246
Compensation of employees	24 342	26 805	26 106	32 125	30 462	30 462	33 924	35 788	40 196
Goods and services	13 031	5 417	16 962	7 646	5 266	5 266	8 130	8 580	9 050
Transfers and subsidies to:	17 855	40 719	23 320	25 021	25 891	25 891	26 352	25 171	26 371
Departmental agencies and accounts	17 729	40 669	23 029	25 021	25 871	25 871	26 352	25 171	26 371
Households	126	50	291		20	20			
Payments for capital assets									
Payments for financial assets		1							
Total economic classification	55 228	72 942	66 388	64 792	61 619	61 619	68 406	69 539	75 617

The total expenditure amounted to R55 million for 2015/16 and increased to R66 million in the 2017/18. The 2018/19 main budget of R64.8 million was adjusted downwards to R61.6 million, this was due to the reduction from the usage of consultants and the implementation of cost containment. The 2019/20 budget has increased from R68 million to R76 million in 2021/22.

The expenditure for compensation of employees increased from R24 million in 2015/16 to R26 million in the 2017/18 financial year. Over the MTEF, the budget increased from R34 million in 2019/20 to R40 million in 2021/22 financial year.

Expenditure under goods and services for 2015/16 was R13 million and increased to R17 million in 2017/18. Over the 2019 MTEF, the budget increases from R8 million in 2019/20 to R9 million in 2021/22. The budget caters for projects such as Trade Exchange Programme with community radio stations for consumer awareness campaigns, financial education for young entrepreneurs, the Consumer Affairs Office on Wheels (CAOW), Spaza Shop Summit and the Consumer Affairs Court holding its sittings.

Transfers to the GLB increased from R18 million in 2015/16 to R23 million in 2017/18 owing to low revenue collection from GLB, which compelled the department to increase its funding to assist the GLB to fund operational costs. Over the 2019 MTEF, the allocation increased by a constant R26.3 million in 2019/20 and 2021/22 to fund - among others - the following: Automation System Maintenance which seeks to simplify the liquor licence process through automation, the physical verification project which will assist with the verification project that determines the total number of liquor outlet in the province, the lodgement of liquor licence applications, processing liquor licence applications and the renewal of licences. The education and awareness campaigns will educate the public and stakeholders about liquor legislation and effects of alcohol abuse.

SERVICE DELIVERY MEASURES

PROGRAMME 4: BUSINESS REGULATION AND GOVERNANCE

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of liquor social responsibility programmes supported	4	4	4	4
Rand value spent on Corporate Social Investment programmes	800 000	900 000	1 000 000	1 000 000
Number of liquor inspections conducted	11 065	12 065	13 065	13 065
Number of liquor awareness activities conducted	220	250	280	280
Number of gambling compliance audits conducted	181	181	181	181
Number of technical gambling inspections conducted	678	678	678	678
Percentage of consumer complaints resolved within 60 days	100%	100%	100%	100%
Number of consumer education programmes conducted	400	450	500	500

PROGRAMME 5: ECONOMIC PLANNING

Programme description

To provide thought leadership to transform and re-industrialise the Gauteng City Region through policy and strategy development

Programme objectives

- Develop informative strategies for implementing effective economic development programmes in Gauteng.

TABLE 3.15: SUMMARY OF PAYMENTS AND ESTIMATES: ECONOMIC PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Policy And Planning	12 702	21 017	19 342	26 759	25 862	25 862	23 358	24 808	27 054
2. Research And Development	3 008	2 698	1 817	3 931	1 193	1 193	6 073	6 316	6 665
3. Knowledge Management	1 009	1 350	1 631	1 283	9 489	9 489	2 000	2 119	2 438
4. Monitoring And Evaluation	3 916	5 099	10						
5. Economic Infrastructure Development	66 750	49 511	838	11 247			11 876	12 529	13 218
6. Sector And Industry Development	39 501	46 010	41 533	61 756	53 884	53 884	59 508	69 297	73 991
7. Inclusive Economy	6 446	9 957	12 235	14 536	14 140	14 140	14 508	15 306	17 028
Total payments and estimates	133 332	135 642	77 406	119 512	104 568	104 568	117 323	130 375	140 394

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	133 087	135 153	77 258	119 512	104 298	104 298	117 323	130 375	140 394
Compensation of employees	38 979	51 357	46 370	61 829	51 853	51 853	65 291	68 954	75 596
Goods and services	94 108	83 796	30 888	57 683	52 445	52 445	52 032	61 421	64 798
Transfers and subsidies to:	245	221	146		270	270			
Non-profit institutions									
Households	245	221	146		270	270			
Payments for capital assets		268							
Machinery and equipment									
Software and other intangible assets		268							
Payments for financial assets			1						
Total economic classification	133 332	135 642	77 406	119 512	104 568	104 568	117 323	130 375	140 394

The programme expenditure decreased from R133 million in 2015/16 to R77 million in 2017/18. Projects implemented were: Industrial High-Impact Tooling Initiatives, SMME support, State Owned Bank feasibility studies, Gauteng Barometer and the Gauteng Tooling Initiatives. The 2018/19 main budget of R119.5 million was reduced to an adjusted budget of R104.6 million owing to the delays in filling vacant posts. These adjustments also included: provincial roll-overs of R2.8 million, function shifts of R4 million; and an additional funding of R7 million.

Over the 2019 MTEF, the programme budget grew from R117 million in 2019/20 to R140 million in 2021/22 for the projects such as: the implementation of the mid-term impact assessment of the TER strategy, business case for the Gauteng Provincial Government Economic modelling and capacity building, development of Financial Models for the Gauteng Investment Incentives Framework, Gauteng Growth and Modernisation Programme, facilitation of township brick project, township clothing and linen clusters, township consumer cooperatives, economic intervention workshops, Gauteng industrialisation high-impact projects and enterprise licence for the Gauteng Economic Barometer.

The expenditure for Compensation of Employees increased from R38.9 million in 2015/16 to R46 million in 2017/18. The increase in expenditure is informed by the employment of core staff in the branch. The MTEF budget for compensation increased from R65 million in 2019/20 to R75 million in 2021/22 to provide for annual salary increases and benefits.

The budget for goods and services increased from R52 million in 2019/20 before it increased further to R64 million in 2021/22 to implement the following projects: Quarterly Economic Bulletin, Gauteng Economic Barometer, Economic Growth Model, Economic Impact Assessments, Housing Cooperatives, GCR EDP Monitoring and Evaluation Tool and Job Creation Tracking.

SERVICE DELIVERY MEASURES

PROGRAMME 5: ECONOMIC PLANNING

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of impact assessment reports produced	2	2	2	2
Number Gauteng Econometric Models and capacity programme building reports produced	1	1	1	1
Number of TER Intergovernmental Programmes coordinated	4	4		
Number of Gauteng consumer cooperatives in all regions facilitated	2			
Number of cooperatives banking platforms established	2	3		
Number of GCR EDP implantation reports produced	4	4	4	4
State Bank Business Case developed	Gauteng State Owned Bank Business Case developed			

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 3.17: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS BY PROGRAMME: ECONOMIC DEVELOPMENT

Actual			Revised estimate			Medium-term expenditure estimate				Average annual growth over MTEF									
2016/17			2017/18			2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22					
R thousands	Personnel numbers ¹	Costs	Filled posts	Additional posts	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel growth rate	Costs growth rate	% Costs of Total				
Salary level																			
1 – 6	44	8 382	40	6 341	41	12 151	62	11	73	13 895	70	13 155	70	14 169	70	15 450	(1%)	4%	5%
7 – 10	171	53 902	181	57 392	209	57 344	213	9	222	86 608	237	100 855	237	108 556	237	116 344	2%	10%	37%
11 – 12	70	45 372	68	53 723	83	37 652	74		74	46 491	81	51 587	81	54 771	81	59 192	3%	8%	19%
13 – 16	60	54 336	66	67 262	62	81 685	38	12	50	68 734	53	87 497	53	91 023	53	98 972	2%	13%	31%
Other	18	3 323			4	18 749	8		8	7 399	8	22 778	8	25 283	8	27 936	0%	56%	7%
Total	363	165 315	355	184 718	399	207 581	395	32	427	223 127	449	275 871	449	293 802	449	317 894	2%	13%	100%
Programme																			
1. Administration	192	92 750	212	97 334	231	115 854	221	18	239	123 535	239	146 029	239	156 822	239	168 091	0%	11%	54%
2. Integrated Economic Development Services	77	8 775		9 222	25	12 364	36	2	38	11 785	38	24 021	38	25 269	38	26 659	0%	31%	8%
3. Trade And Sector Development	26	469			26	6 887	46		46	5 491	40	6 606	40	6 969	40	7 352	(5%)	10%	2%
4. Business Regulation And Governance	59	24 342	69	26 805	61	26 106	55	10	65	30 462	65	33 924	65	35 788	65	40 196	0%	10%	13%
5. Economic Planning	9	38 979	74	51 357	56	46 370	37	2	39	51 853	67	65 291	67	68 954	67	75 596	20%	13%	24%
Total	363	165 315	355	184 718	399	207 581	395	32	427	223 127	449	275 871	449	293 802	449	317 894	2%	13%	100%

Personnel costs increased from R165 million in 2015/16 to R184 million in the financial year 2016/17. This was owing to many critical posts that needed to be filled. The increase in personnel costs was due to the continuation of the implementation of the organisational structure.

Over the MTEF, the compensation budget allocation will escalate due to an increase in the number of posts as per the proposed structure, which has been submitted to DPSA for review, which is in support of the Ten Pillar Programme. The Compensation of Employees will increase from R276 million in 2019/20 to R318 million in 2021/22. The TMR Strategy and the GCR Economic Development Plan are cornerstones for the rationalisation of the departmental functions and the proposed organisational structure.

9.2 Training

TABLE 3.18: PAYMENTS ON TRAINING BY PROGRAMME

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Number of staff	363	355	399	427	427	427	449	449	449
Number of personnel trained	487	377	497	526	526	526	305	305	322
of which									
Male	211	128	227	240	240	240	130	130	137
Female	276	249	270	286	286	286	175	175	185
Number of training opportunities	750	117	125	131	131	131	139	142	148
of which									
Tertiary	135	77	81	83	83	83	88	88	93
Workshops	500	15	17	19	19	19	20	21	22
Seminars	100								
Other	15	25	27	29	29	29	31	33	33
Number of bursaries offered	75	49	55	57	57	57	35	35	37
Number of interns appointed	30	63	65	65	65	65	64	64	68
Number of learnerships appointed	25	20	15	15	15	15	10	10	11
Number of days spent on training	2 595	2 595	2 725	2 883	2 883	2 883	222	222	234
Payments on training by programme									
1. Administration	2 245	2 306	3 474	3 673	3 673	3 673	3 879	4 092	4 317
2. Integrated Economic Development Services									
3. Trade And Sector Development									
4. Business Regulation And Governance									
5. Economic Planning									
Total payments on training	2 245	2 306	3 474	3 673	3 673	3 673	3 879	4 092	4 317

The department continues to build capacity and improve the efficiency and effectiveness of staff members by encouraging participation in skills development programmes, management development programmes and bursary opportunities. The bursaries awarded in the 2015/16 and 2016/17 financial year increased owing to the improvement in the bursary application and approval process.

The budget for training is centralised in Programme 1 under Human Capital Management for better coordination and management. The training budget constitutes 1 per cent of the compensation budget in line with the directive on training budget as determined by the DPSA.

In the 2018/19 financial year, the department implemented a framework of courses, experiential learning and capacity development for each level of staff using the different methodologies of learning, i.e. e-learning, classroom learning and on-the-job training. This included technical skills, foundation skills, behavioural skills and leadership development. To ensure succession planning and retention of skills, there will be a focus on preparing supervisory levels (MMS and SMS) for the next level of management based on the competency framework for SMS. The training budget also makes provision for the development of graduates through the appointment of interns and graduate trainees with scarce and critical skills in core business units. To ensure compliance with the standards of operational skills sectors, affiliation to professional bodies will also be provided for.

The department's Workplace Skills Plan (WSP) is compiled annually by 30 April as mandated. The WSP is an indication of the planned training that will be implemented as per identified skills requirements in performance management. In addition, ad hoc training requests are also implemented as they arise from unforeseen factors such as poor performance, DPSA Directives and changes in the department's objectives. As such, training priorities are determined on an annual basis while the training budget is allocated based on the MPSA's Directive on Training Budgets.

9.3 Reconciliation of structural changes

No changes.

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 3.19: SPECIFICATION OF RECEIPTS: DEPARTMENT OF ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts	870 999	910 209	987 226	1 039 864	1 039 864	1 039 864	1 049 684	1 110 611	1 177 075
Casino taxes	828 997	870 030	948 608	1 000 864	1 000 864	1 000 864	1 008 684	1 068 611	1 132 765
Horse racing taxes	42 002	40 179	38 618	39 000	39 000	39 000	41 000	42 000	44 310
Sales of goods and services other than capital assets	374	413	454	433	433	433	455	480	506
Sale of goods and services produced by department (excluding capital assets)	374	413	454	433	433	433	455	480	506
Sales by market establishments									
Administrative fees									
Other sales	374	413	454	433	433	433	455	480	506
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
Transfers received from:									
Fines, penalties and forfeits									
Interest, dividends and rent on land	5 167	3 226	3 366	2 404	2 404	2 404	2 400	2 544	2 696
Interest	5 167	3 226	3 366	2 404	2 404	2 404	2 400	2 544	2 696
Sales of capital assets		30	8						
Other capital assets		30	8						
Transactions in financial assets and liabilities	(5 215)	1 126	164	324	324	324	342	361	381
Total departmental receipts	871 325	915 004	991 218	1 043 025	1 043 025	1 043 025	1 052 881	1 113 996	1 180 658

TABLE 3.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	369 174	385 880	381 947	474 208	423 302	423 302	483 315	521 878	556 670
Compensation of employees	165 315	184 718	207 581	258 306	223 127	223 127	275 871	293 802	317 894
Salaries and wages	144 485	162 058	181 719	222 588	195 822	195 822	238 154	254 013	275 070
Social contributions	20 830	22 660	25 862	35 718	27 305	27 305	37 717	39 789	42 824
Goods and services	203 859	201 162	174 366	215 902	200 175	200 175	207 444	228 076	238 776
Administrative fees	1 159	1 374	663	524	915	607	661	693	730
Advertising	23 720	8 660	13 983	28 174	32 391	32 097	18 978	19 405	20 521
Minor assets	186	2 868	989		2 532	2 532			
Audit cost: External	4 293	3 792	5 329	5 300	4 300	4 300	5 577	5 884	6 208
Bursaries: Employees	799	1 006	897	1 900	1 750	1 750	1 991	2 101	2 217
Catering: Departmental activities	1 054	2 021	2 283	4 040	3 350	3 359	4 000	4 140	4 358
Communication (G&S)	4 826	6 679	5 537	4 677	3 690	3 986	4 476	4 722	4 981
Computer services	7 619	17 495	19 680	25 400	15 257	15 257	26 782	29 658	31 789
Consultants and professional services:	79 624	85 640	53 043	57 359	56 088	56 088	50 867	63 021	63 605

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Business and advisory services									
Legal services	2 742	1 275	2 351	4 915	1 515	1 515	4 901	5 171	5 455
Contractors	14 311	4 403	1 808	8 745	3 455	3 789	8 821	9 044	9 541
Agency and support / outsourced services	389	338	378	100	400	400	101	107	113
Entertainment	2	4	8	53	53	53	56	59	62
Fleet services (including government motor transport)	4 442	1 939	1 212	2 478	2 878	2 878	2 671	2 818	2 973
Inventory: Food and food supplies	1								
Inventory: Materials and supplies	197								
Consumable supplies	581	2 259	3 510	2 105	2 248	2 036	2 253	2 376	2 506
Consumable: Stationery, printing and office supplies	2 841	3 604	3 580	3 959	3 636	4 024	4 596	4 785	5 048
Operating leases	12 362	21 962	21 471	23 840	25 650	25 650	25 214	26 601	28 064
Property payments	27 261	20 678	25 013	25 334	25 334	25 334	26 862	28 339	30 398
Travel and subsistence	4 277	3 929	5 962	8 387	5 568	5 536	8 990	9 178	9 691
Training and development	2 060	4 274	3 031	2 583	3 083	3 083	2 758	2 910	3 070
Operating payments	177	1 301	293	1 172	1 147	975	129	136	143
Venues and facilities	2 840	4 868	2 868	4 463	4 541	4 532	6 360	6 502	6 850
Rental and hiring	6 096	793	475	395	395	395	400	426	454
Transfers and subsidies	886 660	955 727	999 780	1 022 606	1 101 603	1 101 603	1 083 410	1 137 759	1 201 967
Departmental agencies and accounts	885 945	954 572	998 991	1 022 606	1 100 975	1 100 975	1 083 410	1 137 759	1 201 967
Provide list of entities receiving transfers	885 945	954 572	998 991	1 022 606	1 100 975	1 100 975	1 083 410	1 137 759	1 201 967
Non-profit institutions		500							
Households	715	655	789		628	628			
Social benefits	537	655	789		628	628			
Other transfers to households	178								
Payments for capital assets	15 008	17 555	17 205	13 636	11 494	11 494	14 515	15 313	16 155
Machinery and equipment	14 924	16 988	17 205	13 636	11 494	11 494	14 515	15 313	16 155
Transport equipment	2 120	4 846	4 793	6 836	5 836	5 836	7 217	7 614	8 033
Other machinery and equipment	12 804	12 142	12 412	6 800	5 658	5 658	7 298	7 699	8 122
Software and other intangible assets	84	567							
Payments for financial assets	2	107	10 892						
Total economic classification	1 270 844	1 359 269	1 409 824	1 510 450	1 536 399	1 536 399	1 581 240	1 674 950	1 774 792

TABLE 3.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	186 752	209 237	242 262	288 858	266 000	266 000	293 189	312 077	332 885
Compensation of employees	92 750	97 334	115 854	138 285	123 536	123 536	146 029	156 822	168 091
Salaries and wages	80 287	84 405	100 238	118 655	107 571	107 571	125 300	134 954	144 780
Social contributions	12 463	12 929	15 616	19 630	15 965	15 965	20 729	21 868	23 311
Goods and services	94 002	111 903	126 409	150 573	142 464	142 464	147 160	155 255	164 794
Administrative fees	609	615	171	113	164	196	398	421	444
Advertising	16 631	8 333	13 247	27 744	31 365	31 071	18 114	19 110	20 161
Minor assets	186	2 868	987		2 532	2 532			
Audit cost: External	4 293	3 792	5 329	5 300	4 300	4 300	5 577	5 884	6 208
Bursaries: Employees	799	1 006	897	1 900	1 750	1 750	1 991	2 101	2 217
Catering: Departmental activities	339	526	330	1 070	1 090	1 090	1 206	1 272	1 342
Communication (G&S)	4 772	6 673	5 536	4 587	3 600	3 894	4 476	4 722	4 981
Computer services	7 619	17 495	19 593	25 300	14 962	14 962	26 282	27 728	29 753
Consultants and professional services: Business and advisory services	2 168	5 290	14 371	4 540	11 003	11 003	4 564	4 815	5 080
Legal services	2 742	1 275	2 351	4 915	1 515	1 515	4 900	5 170	5 454
Contractors	8 683	4 365	1 421	8 488	3 163	3 163	8 520	8 989	9 483
Agency and support / outsourced services	389	338	378	100	400	400	100	106	112
Entertainment	2	4	6	53	53	53	56	59	62
Fleet services (including government motor transport)	4 442	1 939	1 197	2 438	2 438	2 438	2 671	2 818	2 973
Inventory: Food and food supplies	1								
Inventory: Materials and supplies	197								
Consumable supplies	576	1 349	2 620	2 100	2 159	1 772	2 247	2 370	2 500
Consumable: Stationery, printing and office supplies	2 834	3 198	3 514	3 179	3 105	3 492	3 370	3 555	3 751
Operating leases	12 362	21 962	21 471	23 840	25 650	25 650	25 214	26 601	28 064
Property payments	17 713	20 343	25 005	25 334	25 334	25 334	26 862	28 339	30 398
Travel and subsistence	1 767	1 561	3 088	4 140	2 274	2 242	4 396	4 638	4 894
Training and development	2 060	4 071	3 031	2 583	3 083	3 083	2 758	2 910	3 070
Operating payments	97	1 285	293	128	103	103	129	136	143
Venues and facilities	2 452	3 089	1 313	2 572	2 272	2 272	3 179	3 353	3 537
Rental and hiring	269	526	259	150	150	150	150	158	167
Transfers and subsidies	311	858	313		218	218			
Non-profit institutions		500							
Households	311	358	313		218	218			
Social benefits	133	358	313		218	218			
Other transfers to households	178								

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Payments for capital assets	15 008	17 287	17 205	13 636	11 494	11 494	14 515	15 313	16 155
Machinery and equipment	14 924	16 988	17 205	13 636	11 494	11 494	14 515	15 313	16 155
Transport equipment	2 120	4 846	4 793	6 836	5 836	5 836	7 217	7 614	8 033
Other machinery and equipment	12 804	12 142	12 412	6 800	5 658	5 658	7 298	7 699	8 122
Software and other intangible assets	84	299							
Payments for financial assets	1	106	10 891						
Total economic classification	202 072	227 488	270 671	302 494	277 712	277 712	307 704	327 390	349 040

TABLE 3.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INTERGRATED ECONOMIC DEVELOPMENT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	11 487	9 268	12 438	19 810	11 785	11 785	24 021	27 961	26 659
Compensation of employees	8 775	9 222	12 364	19 810	11 785	11 785	24 021	25 269	26 659
Salaries and wages	7 757	7 993	10 671	16 649	10 149	10 149	20 683	21 748	22 944
Social contributions	1 018	1 229	1 693	3 161	1 636	1 636	3 338	3 521	3 715
Goods and services	2 712	46	73					2 692	
Administrative fees	12								
Advertising	1 083								
Catering: Departmental activities	5								
Consultants and professional services: Business and advisory services	1 500							2 692	
Contractors									
Travel and subsistence	112	30	50						
Operating payments		16							
Venues and facilities			23						
Transfers and subsidies	290 471	236 744	244 969	300 694	232 759	232 759	245 771	260 595	275 292
Departmental agencies and accounts	290 438	236 718	244 930	300 694	232 689	232 689	245 771	260 595	275 292
Provide list of entities receiving transfers	290 438	236 718	244 930	300 694	232 689	232 689	245 771	260 595	275 292
Households	33	26	39		70	70			
Social benefits	33	26	39		70	70			
Other transfers to households									
Payments for capital assets									
Payments for financial assets									
Total economic classification	301 958	246 012	257 407	320 504	244 544	244 544	269 792	288 556	301 951

TABLE 3.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRADE AND SECTOR DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	475		6 921	6 257	5 491	5 491	6 728	7 097	7 486
Compensation of employees	469		6 887	6 257	5 491	5 491	6 606	6 969	7 352
Salaries and wages	430		6 466	6 234	5 319	5 319	6 582	6 944	7 326
Social contributions	39		421	23	172	172	24	25	26
Goods and services	6		34				122	128	134
Administrative fees									
Catering: Departmental activities	6						26	27	28
Contractors									
Travel and subsistence			34				59	62	65
Transfers and subsidies	577 778	677 185	731 032	696 891	842 465	842 465	811 287	851 993	900 304
Departmental agencies and accounts	577 778	677 185	731 032	696 891	842 415	842 415	811 287	851 993	900 304
Provide list of entities receiving transfers	577 778	677 185	731 032	696 891	842 415	842 415	811 287	851 993	900 304
Households					50	50			
Social benefits					50	50			
Other transfers to households									
Payments for capital assets									
Payments for financial assets	1								
Total economic classification	578 254	677 185	737 953	703 148	847 956	847 956	818 015	859 090	907 790

TABLE 3.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: BUSINESS REGULATION AND GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	37 373	32 222	43 068	39 771	35 728	35 728	42 054	44 368	49 246
Compensation of employees	24 342	26 805	26 106	32 125	30 462	30 462	33 924	35 788	40 196
Salaries and wages	21 302	23 537	22 820	27 144	26 578	26 578	28 664	30 239	34 162
Social contributions	3 040	3 268	3 286	4 981	3 884	3 884	5 260	5 549	6 034
Goods and services	13 031	5 417	16 962	7 646	5 266	5 266	8 130	8 580	9 050
Administrative fees	90	8	20	101	101	101	100	100	105
Advertising	46	327	736	430	1 026	1 026	264	295	360
Catering: Departmental activities	504	568	472	1 080	350	359	688	737	767
Communication (G&S)	32								
Consultants and professional services: Business and advisory services	4 662	2 705	13 915	2 707	661	661	3 348	3 501	3 651
Contractors	36	28	244	257	62	62	16	55	58
Agency and support / outsourced services									
Entertainment			2						
Inventory: Materials and supplies									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Consumable supplies	5	2	403	5	89	261	6	6	6
Consumable: Stationery, printing and office supplies	7	12	61	40	111	111	56	59	62
Operating leases									
Travel and subsistence	1 632	1 108	618	1 512	640	640	1 937	2 050	2 171
Training and development									
Operating payments				1 044	1 044	872			
Venues and facilities	251	469	442	465	777	768	1 710	1 767	1 856
Rental and hiring	5 766	190	32	5	5	5	5	10	15
Transfers and subsidies	17 855	40 719	23 320	25 021	25 891	25 891	26 352	25 171	26 371
Departmental agencies and accounts	17 729	40 669	23 029	25 021	25 871	25 871	26 352	25 171	26 371
Provide list of entities receiving transfers	17 729	40 669	23 029	25 021	25 871	25 871	26 352	25 171	26 371
Households	126	50	291		20	20			
Social benefits	126	50	291		20	20			
Other transfers to households									
Payments for capital assets									
Payments for financial assets		1							
Total economic classification	55 228	72 942	66 388	64 792	61 619	61 619	68 406	69 539	75 617

TABLE 3.25: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ECONOMIC PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	133 087	135 153	77 259	119 512	104 298	104 298	117 323	130 375	140 394
Compensation of employees	38 979	51 357	46 370	61 829	51 853	51 853	65 291	68 954	75 596
Salaries and wages	34 709	46 123	41 524	53 906	46 205	46 205	56 925	60 128	65 858
Social contributions	4 270	5 234	4 846	7 923	5 648	5 648	8 366	8 826	9 738
Goods and services	94 108	83 796	30 889	57 683	52 445	52 445	52 032	61 421	64 798
Administrative fees	448	751	472	310	650	310	163	172	181
Advertising	5 960						600		
Catering: Departmental activities	200	927	1 481	1 890	1 910	1 910	2 080	2 104	2 221
Communication (G&S)	22	6	1	90	90	92			
Computer services			87	100	295	295	500	1 930	2 036
Consultants and professional services: Business and advisory services	71 294	77 645	24 757	50 112	44 424	44 424	42 955	52 013	54 874
Legal services							1	1	1
Contractors	5 592	10	143		230	564	285		
Agency and support /							1	1	1

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
outsourced services									
Entertainment									
Fleet services (including government motor transport)				40	40	40			
Inventory: Materials and supplies									
Consumable supplies		908	487			3			
Consumable: Stationery, printing and office supplies		394	5	740	420	421	1 170	1 171	1 235
Property payments	9 548	335	7						
Travel and subsistence	766	1 230	2 172	2 735	2 654	2 654	2 598	2 428	2 561
Training and development		203							
Operating payments	80								
Venues and facilities	137	1 310	1 090	1 426	1 492	1 492	1 434	1 343	1 416
Rental and hiring	61	77	185	240	240	240	245	258	272
Transfers and subsidies	245	221	146		270	270			
Households	245	221	146		270	270			
Social benefits	245	221	146		270	270			
Other transfers to households									
Payments for capital assets		268							
Machinery and equipment									
Other machinery and equipment									
Software and other intangible assets		268							
Payments for financial assets			1						
Total economic classification	133 332	135 642	77 406	119 512	104 568	104 568	117 323	130 375	140 394