

BUDGET STATEMENT NUMBER 2

DEPARTMENTAL ESTIMATES

VOTE NUMBER 13

To be appropriated by Vote in 2004/05
Responsible MEC

Administering Department
Accounting Officer

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM

R 118 328 000

Provincial Minister of Tourism and Gambling
Provincial Minister of Finance and Economic Development
Department of Economic Development and Tourism
Head of Department, Economic Development and Tourism

1. OVERVIEW

Core functions and responsibilities

To conduct the overall management and administrative support of the Department and the Ministries.

To facilitate the growth of a strong, dynamic and equitable regional economy for the benefit of all residents in the Western Cape, by promoting, leveraging and developing opportunities in the industrial, communications and tourism sectors, by regulating for a fair business environment, and by facilitating the transformation of the economy through development support and alignment of private and public sector partners.

Vision

A dynamic, socially and environmentally responsible world-class economy that will systematically reduce unemployment and income disparities through broader participation in the economy.

Mission

The department is committed to drive key economic sectors that will grow the economy in a manner that will create employment opportunities for entrants into the labour market and ensure that they reduce the number of people dependent on social welfare. The department aim to grow and transform the economy through strategic micro economic interventions and to ensure that equity outcomes intended through *iKapa elihlumayo* are achieved.

Main services

Overall management and administrative support of the Department.

Facilitation of the growth of a strong, dynamic and equitable economy for the benefit of all residents in the Western Cape.

Development of opportunities in priority industrial, communications and tourism sectors of the economy.

Facilitation of the transformation of the economy through development support, leveraging and alignment of public and private sector initiatives across all three spheres of government.

Creating an enabling environment for business opportunities and activities.

Demands and changes in services

Corporate services

This Department was established on 1 August 2002 and a new Corporate Service had to be established. The Department is still in the process of capacitating this component. A new Head of Department and Chief Financial Officer have been appointed and the rest of the component is slowly being filled. A new Ministry for Tourism has also been established under this Vote.

Enterprise development

In order to build and spread the benefit of the Western Cape economy, focused attention is being given to growing sectors into which historically marginalised firms and individuals can sustainably be incorporated. More skilled and experienced staff are being recruited to facilitate such economic growth and development. In pursuit of public-private partnerships and co-operative governance between the three spheres of government for the marketing of trade, tourism and investment opportunities, a joint marketing strategy has been formulated. Consequently changes to existing institutional arrangements, including public entities, will be brought about. Legislation to replace the Western Cape Investment and Trade Promotion Agency Law of 1996 and the Western Cape Tourism Act of 1997 will therefore be enacted. The structures established by the Consumer Affairs (Unfair Business Practices) Act, No 10 of 2003 will become fully functional. Provincial liquor legislation will be finalised and implemented.

Tourism

As a result of the devolution of the function, the registration of tourist guides requires additional personnel and resources.

The tourism industry has called for a tourism registration system to upgrade products and services in the sector. The Registration Act will make provision for the mandatory registration of all tourism businesses in the Western Cape.

iKapa elihlumayo

The allocation of *iKapa Elihlumayo* to this department will assist in driving key economic sectors that will grow the economy in a manner that will create employment opportunities for entrants into the labour market which will reduce the number of persons dependent on social security. The strategy followed will be the transformation of the economy through Micro-economic interventions which will ensure proper equity outcomes.

Acts, rules and regulations

Administration

Public Finance Management Act, 1999 (Act 1 of 1999 as amended by Act 29 of 1999)
Division of Revenue Act (Annually)
Public Service Act, 1994 (Act 103 of 1994) and Regulations, 2001
Labour Relations Act, 1995 (Act 66 of 1995)
Basic Conditions of Employment Act, 1997 (Act 75 of 1997)
Skills Development Act, 1998 (Act 97 of 1998)
National Archives Act, 1996 (Act 43 of 1996)
Promotion of Access to Information Act, 2000 (Act 2 of 2000)
Occupational Health and Safety Act, 1993 (Act 85 of 1993)
Collective agreements
National Treasury Regulations
Tender Board Regulations
Provincial Treasury Instructions
Administrative Justice Act, 2000 (Act 3 of 2000)
Western Cape Direct Charges Act, 2000 (Act 6 of 2000)
Western Cape Appropriation Act (Annually)
Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000)
Compensation for Occupational Injuries and Diseases Act, 1993 (Act 130 of 1993)
Public Holiday's Act, 1994 (Act 6 of 1994)
The National Constitution, 1996 (Act 108 of 1996)
The Constitution of the Western Cape, 1998 (Act 1 of 1998)
Employment Equity Act, 1998 (Act 55 of 1998)
Adult Basic Education and Training Act, 2000 (Act 52 of 2000)
Skills Development Levies Act, 1999 (Act 9 of 1999)
South African Qualifications Act, 1995 (Act 58 of 1995)
South African Qualifications Regulations
Further Education and Training Act, 1998 (Act 98 of 1998)
General and Further Education and Training Quality Assurance Act, 2001 (Act 58 of 2001)
Employment of Education and Training Act, 1998 (Act 76 of 1998)
Government Employees Pension Law (1996)
Unemployment Insurance Act, 1966 (Act 30 of 1966)
Income Tax Act, 1962 - 4th standard

Economic development and tourism

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

Liquor Act, 1989 (Act 27 of 1989)

Businesses Act, 1991 (Act 71 of 1991)

Western Cape Tourism Act, 1997 (Act 3 of 1997)

Cape Town International Convention Centre Company Act, 2000 (Act 8 of 2000)

Consumer Affairs (Unfair business practices) Act, 2002 (Act 10 of 2002)

During the year the following new legislation will be introduced:

A Tourism Registration Act aimed at mandating all tourism businesses to register. The Act will require tourism enterprises to adhere to basic minimum standards, will develop those requiring assistance and will make provision for them to be listed on a marketing database.

A new institutional framework will require changes to the Wesgro Act of 1996 and Western Cape Tourism Act of 1997. The changes will reflect the joint marketing approach to promote tourism, trade and investment through partnerships between province, local government and the private sector.

A liquor white paper will be tabled and provincial liquor legislation introduced.

Budget decisions

iKapa elihlumayo offers a framework to grow the economy of the Western Cape by focusing on key interventions. The *iKapa elihlumayo* programme is about a broad front for reconstruction and development, it's about economic growth with equity, it's about a comprehensive social security system and it's about focusing the public service on service delivery. Essentially it is about giving hope to individuals and households by achieving higher per capita income, providing the appropriate levels of service and rising socio-economic participating rates. The allocation to this department has been increased in order to provide for focused intellectual leadership to drive the *iKapa elihlumayo* process of growing the Cape economy. Suitably qualified staff will be recruited to augment current capacity.

As a result of the high levels of competition between places for the location of foreign direct investment, for hosting international conferences, for major sporting events and for movie making, as well as between firms for exports of agricultural and manufactured products, the Province has joined forces with local government and the private sector to lever extra funds for the implementation of a commonly agreed promotion strategy.

Owing to high levels of crime and violence in society, attention and resources have to be allocated to communicating safety and security issues aimed at potential tourists, investors and importers. Stability is essential for trade, investment and tourism growth.

2. REVIEW 2003/04

Corporate affairs

The agency agreement signed with the Department of Transport and Public Works to render all corporate functions to management and staff of the Department during the 2002/03 year is still operational. As a result the Department cannot reflect any new corporate policies. However, filling vacant posts will remain a priority for the Department.

Enterprise development

The White Papers on "preparing the Western Cape for the knowledge economy of the 21st century" and "sustainable tourism development and promotion in the Western Cape" underpin the work programme for *iKapa elihlumayo*.

A policy drafting panel finalised the drafting of a white paper and draft provincial liquor legislation was introduced in the Provincial Parliament. The capacity of the Liquor Board to fulfil its functions was expanded and an increase in the inspections of licensed premises and the enforcement of licence conditions was achieved. A training programme for new licence holders has been developed and research on the negative social impact of the supply of bulk liquor products in certain packaging has commenced.

The network of funded consumer advice offices was increased to 23 and own staff was expanded to provide for consumer education and complaints handling. The structures provided for in the Consumer Affairs (Unfair Business Practices) Act No. 10 of 2002 was established and regulations passed. The Consumer tribunal has become operational. A pilot project on mass education and awareness of consumer rights and the aforesaid legislation was conducted in the Cape Town metropolitan area.

In the SMME development arena the increasingly important role of mentorship, for especially, HDI-owned businesses has been emphasised by the department mentorship programmes reaching close to 60 businesses. These have been good quality programmes delivered by international experts and tertiary institutions (UCT and Peninsula Technikon). Linked to one particular mentorship programme (UCT), a total of 19 businesses were funded by the Entrepreneurial Fund.

In pursuing the objective of ensuring tender access and advice to HDI businesses in township areas, 2 new satellite tender offices have been operating under the control of the Business Opportunities Network (BON). The offices, in Gugulethu and Khayelitsha, advertise state tenders and assist entrepreneurs to complete tender documents. A third office, in Blackheath, is scheduled to open during September 2003. This office will be a partnership between the Department, BON, Khula and Business Partners.

To date, 3 community-based SMME projects have been supported. In Khayelitsha, the Zenzele/Pep Clothing Project was provided with R250 000, resulting in 5 additional persons being employed, as well as increased production. The project has thus far been a fine example of not only a collaborative effort between the spheres of government and NGOs, but also of a sustainable market-driven community-based initiative. The two other projects were in Kuils River (block and brick making and clothing production).

To date, 3 community-based SMME projects have been supported. The projects has thus far been a fine example of not only a collaborative effort between the spheres of government and NGOs, but also of a sustainable market-driven community-based initiative. The two other projects were in Kuils River (block and brick making and clothing production).

Our partnership with the Department of Trade and Industry was further solidified with the successful DTI Express. This roadshow visited 9 regions in the Western Cape, dispensing information and assistance in towns such as Beaufort West, Caledon, Zweeklemba (Worcester), Mitchells Plain and Gugulethu.

The Department hosted the hugely successful Black Economic Empowerment conference during May 2003. This was the first such conference hosted by a provincial government. The anticipated 300 delegates swelled to over 600 for the two-day conference. The conference set the tone and background to the implementation of the *iKapa elihlumayo* strategy. The conference has also given impetus to the Growth and Development Summit.

As a concerted effort to highlight the problems and opportunities for SMMEs, the province and the City of Cape Town embarked on a Small Business Week. The event, comprising seminars (e.g. procurement and access to finance) and exhibitions attracted an audience of over 2 000 entrepreneurs over the 5 days.

The Department launched the first hydroponic herb-farm enterprise in the Western Cape and expansion plans are already in progress. In addition, it has further assisted and actively participated in the review sessions of the municipal IDP process to ensure appropriate and sustainable local economic development plans. Furthermore, the department is establishing economic development units at all 5 district municipalities in the province, with capacity building training already provided to officials within these regions. The rollout of this training to the B-municipalities is in planning. All our interventions were underpinned by the elements of broad based economic empowerment to especially women, youth, disabled and the rural-based entrepreneurs.

A selected number of key projects and interventions were supported to encourage growth in targeted sectors with potential to expand and be transformed, including clothing and textiles, organics, biotechnology, film, craft, call centres, and oil and gas. Cross-cutting industry support issues were addressed, including the improvement of infrastructure and skills, the promotion of investment and export incentives and HIV/Aids programmes for the workplace were developed. A key challenge has been the ability to identify funding to provide for the operational costs of maintaining the not-for-profit bodies, that provide the specialised instrument for developing and transforming sectors.

Examples of projects emanating from these not-for-profit sector initiatives include the marketing and attraction of major contracts around the oil and gas supply industry (totalling more than R200 million); the development of a trading house in the household textile arena supporting 20 small PDI exporters; the development of the new bandwidth barn, incubating more than 60 innovative start-up IT companies (and is rapidly being recognised as being one of the most successful incubators in the international arena; the launch and operational phase of Cape Bio-tech, which has committed itself to injecting R35 million into 7 of the most dynamic and internationally competitive bio-tech companies; the positioning of the local boat-building sector internationally with a recent initiative being to attract 5 of the top boating magazines to Cape Town, and gleaning more than R3 million worth of advertising and reporting; the training of 100 small farmers in organic production methods.

In partnership with the City of Cape Town, the Cape Film Commission and Wesgro, the private sector was invited to register expressions of interest in the establishment of a film studio in Cape Town. Great excitement has been generated, helping to benefit the indigenous film industry and build the sector, creating jobs and bringing foreign exchange to the region.

The Cape MAC (manufacturing advisory centre) has worked extremely well in its second year of operation and will reach its target of providing assistance to 100 companies. By mid-year, the Cape MAC had sustained 2,828 jobs and had facilitated the creation of a further 191 jobs.

A package and network of support for emerging exporters with mentorship, information on export development, trade incentives and the new trade agreements continued to be successfully provided through the export development programme with the Cape regional chamber of commerce and industry. Sixty companies will have been trained this year.

The Southern Cape export development centre was established in George to provide information and assistance on exporting from this growing region. The centre works in collaboration with the South Cape business centre and Ntsika in order to provide a holistic service to small and potential export companies.

A very successful month-long Learning Cape Festival - based on the knowledge economy white paper - was initiated and organised. With a wide range of public and private sector players, the objectives and outcomes of a broader Learning Cape Initiative, with a human resource strategy for the province, are being formulated. More than 500 events were held over the period of the festival, with more than 150 organisations being active participants in the festival.

For the first time the Western Cape participated in Walt Disney's Epcot Food and Wine Festival showcasing our Cape wines, Cape Malay cuisine, Cape craft with tourism and conservation messages. Working with a world-class company proved a major learning experience for the team drawn from provincial and local government, public entities, crafters, chefs, winemakers and conservationists.

A close working relationship existed with the Western Cape investment and trade promotion agency (WESGRO) during its restructuring to ensure that the work is more focused on core tasks of investment and trade promotion, in alignment with government strategies for economic growth and development.

Tourism

The plan for developing the industry is contained in the Integrated Tourism Development Framework (ITDF).

This framework reviews tourism potential, supply patterns, possible product portfolio's and routes; and matches these with the demand from primary and secondary international and domestic markets servicing the destination.

The plan identifies 11 nodes and corridors (called tourism development areas) worthy of further development in the province. These areas were chosen on the basis of their:

- product and resource strength
- supply of infrastructure
- market requirements and trends
- socio-economic need

The strategy is to look at where potential demand may go, to assess product and resource strength, to ascertain supply of infrastructure, to understand the market requirements and trends and to map all of this taking into account the socio-economic need of various communities across the Province.

The Provincial Government views the ITDF as its guiding document over the next 10 years in the field of tourism development. The key approach has been to leverage support, commitment and adoption of the plan by other agencies impacting on tourism. To a large extent this approach has been successful as other programmes like provincial transport plans, provincial environmental plans and IDP's are beginning to take cognisance of the ITDF and integrate it into their work space.

In total the following 11 areas have been identified on the basis of the strategy and approach outlined above:

Cape Town Foreshore
Cape Flats
Stellenbosch-Paarl-Franschoek
Langebaan-Velddrif
Overstrand
L'Agulhas
George-Mossel Bay-Oudtshoorn
Eastern gateway (Plettenberg Bay-Knysna-Wilderness)
Beaufort West
Cederberg gateway
Route 62

In the past financial year, the plan was introduced to all six regions of the Province and favourably received.

Roadshows were held in the regions to communicate the implications for implementation to local government and relevant departments. Implementation began in three of the identified 11 priority nodes in the Province – the Foreshore, Cape Agulhas and the Cape Flats. There was also commitment to fund the implementation of projects in the other areas.

Initiatives to fund projects from national poverty relief funds in co-operation with the Department of Environmental Affairs and Tourism were managed on behalf of the Griqua Ratelgat Development Trust for product development, Elands Bay for infrastructure and accommodation and the establishment of a training centre and outlet for arts and crafts in Ceres. The West Coast Investment Initiative saw the facilitation of 10 projects in excess of a million rand, provided by the DTI.

Entrepreneurship support programmes were taken further, including the Tourism Help Desk Programme, which held forums every quarter. SMME workshops hosted throughout the province provided opportunities for emerging entrepreneurs to develop their businesses. A handbook, "Facilitating Entrepreneurship in Tourism" was produced and distributed. Small tourism businesses were given the opportunity to promote their products at the "Western Cape Tourism Showcase – Exploring the Undiscovered Gems" held at Grand West Casino during 2002. During the Showcase the Western Cape Chapter of the Africa Travel Association was launched with a departmental representative as chair. The department started the first ever mentorship programme with SATSA where 10 SMME's were matched with mentors from SATSA.

The department was privileged to co-host and participate in the successful "Responsible Tourism in Destinations: Shaping sustainable spaces into better futures" conference which preceded the World Summit on Sustainable Development in August 2002. The conference was attended by over 250 delegates from around the world. The programme included site visits along five routes into the hinterland focusing on applying the principles of responsible tourism to build capacity of site managers to achieve the triple bottom line of economic, social and environmental sustainability.

The Cape Craft and Design Institute, co-funded by the Department in order to sustain and maintain the holistic support they provide to crafters, achieved outstanding results in profiling and selling over R600 000 of Western Cape craft at the World Summit on Sustainable Development, Epcot and the North Sea Jazz Festival. The CCDI was successfully launched at the first function in the new CTICC.

The Cape Town International Convention Centre was completed and officially opened, providing the Province with a facility to stimulate entrepreneurship amongst local people, open opportunities for the growing meetings and incentives market, contribute towards job creation in the city and spread tourism to rural areas.

The Air Access Task Team appointed by the Minister reported and contributed to the public debate on bringing more direct and daily flights from our priority destinations across the world. Key to airline profitability are dealing with fluctuation in seasonal demand and bringing more business and first class passengers to Cape Town. The CTICC is the major contribution to overcoming both these challenges, but year round attractions, events and increasing foreign trade and investment will fundamentally contribute to the Cape's global connectivity (and not only to London).

The Tourism Human Resources Development Framework was developed in order to promote tourism excellence and to open opportunities for participation by marginalised communities. It will give strategic direction to both the private and the public sector on the required intervention with respect to tourism skills development. This is aimed at providing entry into the tourism industry for people from historically marginalised backgrounds and consultation with stakeholders has already taken place.

Thirteen students from previously disadvantaged groups are benefiting from bursaries to attend the Hotel School of the Cape Technikon as part of the department's commitment to bridging the skills gap. The students are now in their second year of study.

Forty-two schools participated in a competition to raise awareness of tourism and entrepreneurship and the winning project in Swellendam was turned into a business opportunity.

Financial support was provided to the Western Cape Tourism Board to market and promote the province, the various regions and tourism products.

A historical agreement was signed between the City and Province aimed at ensuring co-operation in marketing the City and Province. A strategic marketing framework was finalised and this will result in the change of legislation and the formation of a legal successor to the Western Cape Tourism Board.

Key Challenges

The key challenges facing the tourism development sector over the strategic planning period include the following:

- Attracting sufficient resources and partnerships to implement the Integrated Tourism Development Framework (ITDF)

- Integrating the ITDF into local government IDP's and lobbying to ensure that both national and other provincial government departments plus funders and development finance institutions take the ITDF into account when making tourism based investment decisions
- Developing partnerships with the private sector in order to promote access to the market place, access to capital and access to expertise for new entrants and previously excluded communities.
- Raising the level of awareness of tourism as a resource in communities.
- Limited funding to effect transformation of the tourism sector.

iKapa elihlumayo

Constraints are presently the result of the absence of a comprehensive Micro-economic Strategy that informs our interventions in an authoritative manner. As a result of the absence of other rigorous and fully-aligned provincial development strategies and plans, there is a lack of synergy between Provincial departments in general but most notably, for primarily economic interventions, those in the Economic Cluster. The creation of the Micro Economic Strategy will give greater certainty to our approach and will provide the assurance that funds spent under the auspices of the *iKapa elihlumayo* Economic Stimulation Fund are achieving maximum impact.

3. OUTLOOK FOR 2004/05

Corporate affairs

The main focus will be the rapid appointment of suitably qualified and experienced staff to grow the Cape. The Department will then take control of all corporate functions and endeavour to render a professional support service to management and staff. Under the leadership of the new head of department (HOD) and guidance of the new Chief Financial Officer (CFO) the department will embark on the formulation and implementation of departmental policies in support of *iKapa elihlumayo*, and closely monitor their outcomes.

Enterprise development

With increased capacity, the Department will be able to play a key role in driving *iKapa elihlumayo* through facilitating the growth of sectors with potential for job and wealth creation e.g. information communication technology, biotechnology, craft, fynbos, film, call centres and organic products, with targeted projects being supported in the clothing and textiles, oil and gas, wine and jewellery sectors.

New initiatives are beginning in the materials and manufacturing sector, including the furniture and boat building sectors.

A support package from the public sector is to be announced in order to incentivise the film industry and deliver a film studio within a year with the cooperation of all three spheres of government.

The Cape Biotechnology Initiative will be supported and with generous support from the national Department of Science and Technology, an innovation centre will be established with a select portfolio of projects.

A feasibility assessment is underway with Eskom for the upgrading of port facilities for the suppliers of the oil and gas industry to serve the huge market off the West Coast of Africa. Further port planning is taking place with all three spheres of government.

The Learning Cape initiative is to be launched with a clear brief and methodology for developing a human resource development strategy for the Province, in partnership with public and private sector players. The Learning Cape Festival will be hosted as an annual event to popularise and promote learning.

Export capacity is to be built into the West Coast Business Service Centre to provide export advice and assistance to potential and current exporters.

The training provided through the Export Development Programme will be extended in order to develop emerging exporters in the Southern Cape and the West Coast.

Legislation will have to be amended to make provision for more focused and effective trade and investment promotion, in synergy with tourism promotion and using major events and the film industry to profile the Cape - alive with possibility.

The operations of the CapeMAC (manufacturing advising centre) office within Cape Town will be further refined to reach bigger numbers of companies and facilitate greater numbers of jobs.

A regional office of CapeMAC will be established in the Southern Cape in order to increase the reach of the services provided into areas outside of the metropole.

Implementation of provincial liquor legislation will commence. The accredited training programme for newly licensed traders will form a part of the implementation of the legislation. Suitable measures to address the harm associated with the supply of bulk liquor products contained in certain packaging will be developed based on the outcome of the research.

The network of funded consumer advice offices and own staff to provide for consumer education and complaints handling will be maintained. The Consumer Tribunal established by the Consumer Affairs (Unfair Business Practices) Act, No 10 of 2002 will become fully functional. Measures to ensure the education and awareness of consumer rights and issues in the urban and rural areas to the consumers and businesses, based on the earlier pilot project, will be embarked upon in conjunction with other role players.

The Department has developed innovative methodology to apply the national micro economic reform strategy to address growth sectors in order to provide for equity issues, remove bottlenecks to development and mobilise partners. Working with stakeholders to refine the implementation of integrated development plans is a main focus. Support for SMMEs and community based enterprises will still focus on the identified generic needs in terms of training, mentorship, access to markets and finance, as well as adopting more sector specific support, such as in the craft industry. Crucial aspects including black economic empowerment and SMME participation in the mainstream economy are now integral to growing the sectors.

In order to improve service delivery of SMME support services, the "Real Enterprise Development" or RED Door concept will be rolled out. These centres (commencing with 5) will be the physical contact points for entrepreneurs starting and or growing their businesses. Entrepreneurs (and potential entrepreneurs) will receive professional and competent advice regarding access to finance, business opportunities, human resource development, etc. Red Doors will tap into the pipeline of services being offered to SMMEs. Increased funding and assistance will be given to our Entrepreneurial Fund, boosting the fund by R1 million. This additional funding will be used as bridging finance and other short term debt instruments.

All efforts will be guided by the goals of *iKapa elihlumayo* of increasing economic growth; reducing inequality in the province through increased rates of employment and broader participation in the provincial economy, and the delivery of sustained poverty relief in the short term.

In partnership with the rest of the economic cluster, statistical and analytical capacity will be established to analyse and track trends and progress of the Western Cape economy within the global economy and national parameter.

Tourism

Tourism as a major growing sector and provincial priority, will have to receive attention through *iKapa elihlumayo* in order to deliver on commitments to a single marketing agency established by the City and Province. As a rapidly expanding sector, it is also ripe for new entrants from historically disadvantaged backgrounds. Programmes for transformation, including in the short term for the tourist guide industry, are being developed and implemented in this light.

In support of local tourism across the province, help desks are maintained to assist local economic development where tourism potential is present. Training programmes for entrepreneurs from basic to more advanced skills are provided in partnership with local government.

Tourism development projects, in terms of the Integrated Tourism Development Framework, funding will continue to be targeted, monitored, evaluated and supported.

The Cape Craft and Design Institute will continue to be supported in their excellent work, with leveraged funding from public and private partners.

The tourism human resources development, road signage and information provisioning frameworks will be implemented. The first phase of the visitors' information centres will be branded and established strategically across the province, starting with the gateways and in cooperation with local government.

The implementation of the Integrated Tourism Development Framework began with support in each of the 11 nodes identified for development, in partnership with the Department of Transport and Public Works and local government.

The key challenges facing the tourism sector over the strategic planning period include the following:

- Attracting sufficient resources and partnerships to implement the integrated tourism development framework.
- Integrating the ITDF into local government IDP's and lobbying to ensure that both national and other provincial government departments take the ITDF into account when making tourism based investment decisions.
- Developing partnerships with the private sector in order to promote access to the market place, access to capital and access to expertise for new entrants and previously excluded communities.
- Raising the level of awareness of tourism as a resource in communities.
- Limited funding to effect transformation of the tourism sector.

The Department will continue proactively supporting and maintaining the implementation of the tourism safety strategy, encouraging the industry to communicate constructively through the all inclusive tourism safety forum.

iKapa elihlumayo

Currently interventions are fully in tune with the broad principles of the concept of *iKapa elihlumayo* and the spirit of the Framework Agreement emerging from the Provincial Growth and Development Summit held in November 2003. However, a comprehensive Micro Economic Strategy needs to be developed to define and prioritise those targeted interventions that will have maximum impact per Rand spent to place the Province on a sustainable growth path that addresses equity issues and the need to create sufficient decent jobs.

The programme will be structured as follows:

- Development of a Micro-economic Strategy including output benchmarks and a monitoring system.
- To effect an Economic elihlumayo Stimulation Programme that will ensure that key interventions identified by the Micro-economic Strategy are implemented.

4. RECEIPTS AND FINANCING

4.1 Summary of receipts

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

Table 4.1										
Summary of receipts										
Department of Economic Development and Tourism										
Receipts	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Equitable share	(2 690)	(3 771)	(3 700)	(3 650)	(3 650)	118 594	114 648	(3.33)	(3 710)	(3 710)
Conditional grants										
Departmental receipts	2 690	3 771	3 700	3 650	3 650	3 650	3 680	0.82	3 710	3 710
Financing										
Total receipts	30 369	50 815	142 622	119 404	124 576	122 244	118 328	(3.20)	122 492	128 206

4.2 Departmental receipts collection

Table 4.2 below is a summary of the receipts the department is responsible for collecting.

Table 4.2										
Departmental receipts										
Department of Economic Development and Tourism										
Departmental receipts	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Tax receipts	2 690	3 299	3 388	3 400	3 400	3 400	3 420	0.59	3 440	3 440
Non-tax receipts		472	312	250	250	250	260 ^a	4.00	270	270
Sale of goods and services other than capital assets		472	312	250	250	250	260	4.00	270	270
Fines, penalties and forfeits										
Interest, dividends and rent on land										
Transfers received										
Sale of capital assets										
Financial transactions										
Total departmental receipts	2 690	3 771	3 700	3 650	3 650	3 650	3 680	0.82	3 710	3 710

^a Includes abnormal load permits, special vehicle registration numbers, trading account: surpluses, letting of immovable property, administration fees and taxi permits.

5. PAYMENT SUMMARY

Table 5.1 below shows the budget or estimated expenditure per programme and Table 5.2 per economic classification (in summary). Details of the Government Financial Statistics (GFS) economic classifications are attached as an annexure to this vote.

5.1 Programme summary

Programme	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
1. Administration	3 291	2 909	3 614	10 016	11 969	11 026	11 297 ^a	2.46	11 964	14 278
2. Enterprise development	15 378	20 068	14 578	23 512	26 396	26 026	71 305	173.98	72 799	72 988
3. Tourism	11 700	27 838	124 430	40 722	41 057	40 038	31 301	(21.82)	34 149	34 149
4. <i>iKapa elihlumayo</i>				45 154 ^b	45 154	45 154	4 425	(90.20)	3 580	6 791
Total payments and estimates	30 369	50 815	142 622	119 404	124 576	122 244	118 328	(3.20)	122 492	128 206

^a MEC remuneration payable. Salary: R463 356. Car allowance: R115 839.
^b Initially included in the budget of Vote 3: Povincial Treasury.

5.2 Summary by economic classification

Table 5.2 Summary of provincial payments and estimates by economic classification: Department of Economic Development and Tourism										
Economic classification	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Current payments	13 078	14 373	16 006	77 535	35 736	32 078	68 851	114.64	70 769	75 637
Compensation of employees	7 368	8 211	10 238	20 217	20 945	14 996	24 478	63.23	26 071	27 116
Goods and services	5 710	6 162	5 766	57 318	14 791	17 082	44 373	159.76	44 698	48 521
Interest and rent on land										
Financial transactions in assets and liabilities			2							
Unauthorised expenditure										
Transfers and subsidies to	17 122	36 022	126 561	40 140	86 615	86 615	49 072	105	51 361	51 570
Provinces and municipalities			4 364	4 628	4 630	4 630	2 550	(44.92)	2 798	2 860
Departmental agencies and accounts	10 840	23 105	7 090	8 291	11 741	11 741	40 032	240.96	42 032	42 032
Universities and technikons										
Public corporations and private enterprises										
Foreign governments and international organisations										
Non-profit institutions	3 816	10 723	115 107	27 221	70 244	70 244	6 490	(90.76)	6 531	6 678
Households	2 466	2 194								
Payments for capital assets	169	420	55	1 729	2 225	3 551	405	(89) (88.59)	362	999
Buildings and other fixed structures										
Machinery and equipment	169	420	55	1 729	2 225	3 551	405	(88.59)	362	999
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total economic classification	30 369	50 815	142 622	119 404	124 576	122 244	118 328	(3.20)	122 492	128 206

5.3 Transfers to public entities

Table 5.3 Summary of departmental transfers to public entities Department of Economic Development and Tourism										
Public entities	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
WESGRO/legal successor	3 500	3 500	3 500	1 000	4 150	4 150	6 000	44.58	6 000	6 000
Western Cape Tourism Board/legal successor	6 340	6 340	6 340	7 291	7 291	7 291	20 032	174.75	22 032	22 032
Total departmental transfers to public entities	9 840	9 840	9 840	8 291	11 441	11 441	26 032	127.53	28 032	28 032

5.4 Transfers to local government

Table 5.4 Summary of departmental transfers to local government by category Department of Economic Development and Tourism										
Departmental transfers	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Category A	720	625	7 648	2 200	200	2 200	200	(90.91)	200	200
Category B		1 685	340							
Category C	146	124	2 154	2 405	800	2 405	2 110	(12.27)	2 269	2 320
Total departmental transfers to local government	866	2 434	10 142	4 605	1 000	4 605	2 310	(49.84)	2 469	2 520

Note: Excludes regional services council levy.

6. PROGRAMME DESCRIPTION

6.1 PROGRAMME 1: ADMINISTRATION

PURPOSE:

To conduct the overall management and administrative support of the Ministries, the Department and respective branches within the department.

ANALYSIS PER SUB-PROGRAMME

Sub-programme 1: Office of the Minister of Tourism

to render an advisory, secretarial, administrative and office support to the Minister of Tourism

Sub-programme 2: Corporate services

to provide leadership and support to *iKapa elihlumayo*

to conduct the overall management and administrative support to the Department and Ministries

Sub-programme	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
1. Office of the Minister of Tourism					2 353	2 074	2 849	37.37	3 025	3 181
2. Corporate services	3 291	2 909	3 614	10 016	9 616	8 952	8 448	(5.63)	8 939	11 097
Total payments and estimates	3 291	2 909	3 614	10 016	11 969	11 026	11 297	2.46	11 964	14 278

**Table 6.1.1 Summary of provincial payments and estimates by economic classification -
Programme 1: Administration
Department of Economic Development and Tourism**

Economic classification	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Current payments	3 224	2 770	3 584	9 047	10 559	8 658	11 195	29.30	11 897	13 593
Compensation of employees	2 137	2 116	2 989	5 947	6 975	5 312	9 158	72.40	9 870	10 478
Goods and services	1 087	654	593	3 100	3 584	3 346	2 037	(39.12)	2 027	3 115
Interest and rent on land										
Financial transactions in assets and liabilities			2							
Unauthorised expenditure										
Transfers and subsidies to	17	37		9	11	11	20	81.82	23	24
Provinces and municipalities				9	11	11	20	81.82	23	24
Departmental agencies and accounts										
Universities and technikons										
Public corporations and private enterprises										
Foreign governments and international organisations										
Non-profit institutions										
Households	17	37								
Payments for capital assets	50	102	30	960	1 399	2 357	82	(96.52)	44	661
Buildings and other fixed structures										
Machinery and equipment	50	102	30	960	1 399	2 357	82	(96.52)	44	661
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total economic classification	3 291	2 909	3 614	10 016	11 969	11 026	11 297	2.46	11 964	14 278

6.2 PROGRAMME 2: ENTERPRISE DEVELOPMENT

PURPOSE:

To grow key sectors in the regional economy to ensure competitiveness, employment, small business development, black economic empowerment and the geographic spread of economic activity and to ensure a fair business environment.

ANALYSIS PER SUB-PROGRAMME

Sub-programme 1: Business regulation

to provide a more effective regulatory framework that provides for equity and predictability in the business environment within the Province

Sub-programme 2: Industry Development

to provide the foundation for the establishment of new enterprises and the growth of existing enterprises through a pipeline of services that enhances enterprise and employment creation (and retention) focussing on HDI ownership and geographic spread of economic activity

Sub-programme 3: Economic Development Co-ordination

to stimulate economic growth and ensure global competitiveness, key sectors of the economy are analysed and assisted to organise for increased effectiveness

Sub-programme 4: Wesgro/legal successor

advising the responsible Minister, providing and administering the required financial and other support functions, inclusive of the management of transfer payment to the entity to increase foreign investment (FDI) and trade

POLICY DEVELOPMENTS

The Directorate is strongly influenced by cutting-edge international regional developmental thinking. This is embodied in the work by the Organisation for Economic Co-ordination and Development (OECD) and The Competitiveness Institute (TCI). At a national level there are four key policies that influence the strategic direction:

- (a) The Micro Economic Reform Strategy (DTI)
- (b) The Integrated Manufacturing Strategy (DTI)
- (c) The Advanced Manufacturing Technology Strategy (DTI)
- (d) The Customised Sector Programme (TISA)

At a Provincial level the key direction is provided by *iKapa elihlumayo*, and critically the development of a matrix-approach which has been refined and co-ordinated by the Directorate and which will continue to play a leadership role in its roll-out.

The matrix will allow a more strategic and integrated approach to industry development, and allow for benchmarking of performance and impact.

EXPENDITURE TRENDS ANALYSIS

Sub-programme 1: Business regulation

Since its establishment, the Sub-directorate Business Licensing (which inter alia houses the Liquor board of the Western Cape) has aligned itself to service delivery pertaining to regulating liquor licences in accordance with the Liquor laws and the Constitution throughout the Province of the Western Cape. Given insufficient human and financial resources, delivery of comprehensive, integrated and impacting services in this field had been severely constrained during the earlier part of the period under review (PUR). The unit's budgetary allocation has seen an average real change (annualised) of about 13% from 1999/2000 to 2004/5, increasing from R4 million in 1999/2000 to about R10 million for 2006/7. For the PUR, capacity for the unit has been bolstered by a 100% increase in the admin staff complement, and the establishment of an Inspectorate to ensure compliance with the law .

The unit's approach has been increasingly characterised by the emphasis on public interest, growth, competitiveness, employment, small business development, broad-based black economic empowerment and a more equitable spread of economic activity in the Liquor Industry across the province. The unit aims to increase the pace or speed-up growth and development by addressing obstacles to competitiveness, employment, to economic efficiency and to equity. It is envisaged that the approach will be far more interventionist compared to previous years. It is further emphasised that a high priority will be given to the educational and research unit's capacity which will be established within the near future.

It needs to be mentioned that a new organisational structure as recommended by the Directorate Organisation Development are in the process to be submitted to the HOD for approval. This structure forms the basis for an Independent Liquor Authority which will ensure compliance with Schedule 3 of the PFMA as well as the requirements of the new National Liquor Bill. Our approach, therefore, will be heavy grounded in national policy.

Since its establishment in 1996, the Sub-directorate Consumer Services and fair Trade (recently renamed Office of the Consumer Protector ("OCP") in line with the terminology used in Western Cape Consumer Affairs (Unfair Business Practices Act), Act 10 of 2002), has aligned itself to protecting and educating consumers. This was and is being done in accordance with national legislation and policies aimed at safeguarding consumer interests. With the promulgation in December 2002 of the provincial consumer protection legislation referred to above, the Province's capacity to intervene on behalf of consumers has been bolstered considerably.

During the earlier part of the period under review (PUR), insufficient human and financial resources severely compromised the unit's ability to deliver comprehensive, integrated and effective services in the fields of consumer protection and education. However, for the PUR, the unit's budgetary allocation has increased at a real (annualised) rate of roughly 17.5% from about R2,2 million in 1999/2000 to R6,783 million in 2006/7. Furthermore, the unit's human resource capacity has been enhanced by a 120% increase in its staff complement from 5 (including contract staff) in 1999 to 11. This will enable it to deal with the ever-increasing number of consumer complaints lodged by members of the public through a range of improved channels, and to establish and operationalise a trade inspection division.

The unit's approach has always been characterised by the emphasis on quick, efficient response to consumer complaints lodged by members of the public, empowerment of consumers through education, effective mass communication of consumer rights and policies and the creation of a more balanced, equitable and predictable environment for business and consumers within which to transact. Through the soon to be established Consumer Tribunal, enforcement of consumer protection legislation, both National and Provincial, will be enhanced, while the deterrent effect of the tribunal's orders is expected to result in a decrease in attempts on the part of businesses to prejudice consumers through unfair practices.

Consumer protection being a concurrent legislative competency, the OCP's will continue to base its approach on both National and Provincial legislative imperatives and policy, including *Batho Pele* and particularly the first 2 of the 10 Cabinet's Objectives.

Sub-programme 2: Industry Development

Overall the budget of the directorate has increased by 86% over the period under analysis from R6.5 million to R12 million. This has been influenced by two main factors, being the allocation to Wesgro/legal successor as the trade and investment agency for the Province and the allocations for enhanced sector development capacity. The allocation for Wesgro until 2004/05 remained unchanged at R3.5 million due to concerns around the performance of the agency to deliver on its mandate. Following an extensive process and the appointment of a new CEO, this amount was revised to R6 million from 2004/05.

The directorate has focused strongly on developing capacity in facilitating the formation of sector initiatives. From an organogramme of 6 staff members focused on industry development and trade in early 2000, the directorate in line with the increasing emphasis on support for strategic sectors has increased its staff complement to 17. This has had significant implications for the budget of the sub-programme but has reduced the amount available for strategic projects. This emphasis on "human capital" has been supported by the thrust and availability of support from the *iKapa elihlumayo* allocation. The other major item has been the support for the Cape Manufacturing Advisory Centre from R400,000 in 2001/02 to R800,000 in 2002/03 and to R1,5 million in 2004/05. The CAPEMAC has become an integral part of the supporting institutional fabric of the manufacturing sector.

Sub-programme 3: Economic Development Co-ordination

Since its establishment this component has explicitly aligned itself to the objectives and aims of National economic policies. Given insufficient human and financial resources, delivery of comprehensive, integrated and impacting services in the field of enterprise development had been severely constrained during the earlier part of the period under review (PUR). The unit's budgetary allocation has seen an average real change (annualised) of about 13% from 1999/2000 to 2004/5, increasing from R4 million in 1999/2000 to about R10 million for 2006/7. For the PUR, capacity for the unit has been bolstered by a 100% increase in the staff complement, the deepening of the SMME development component (with specific emphasis on procurement as an enabling tool for enterprise development) and the establishment of a dedicated Black Economic Empowerment sub-directorate.

The unit's approach has been increasingly characterised by the emphasis on growth, competitiveness, employment, small business development, broad-based black economic empowerment and a more equitable spread of economic activity across the Province. The unit aims to increase the pace or speed-up growth and development by addressing obstacles to competitiveness, employment, to economic efficiency and to equity. It is envisaged that the approach will be far more interventionist compared to previous years. Specific targeted interventions where the market has failed to address development and growth, such as the access to finance for HDI entrepreneurs (addressed by a total allocation of R2.5 million in 2001/02 and 2003/4), have started to bear fruits. The capacity of municipalities to deliver on economic development issues has also been given a boost by the allocation of R1 million per annum for the periods 2003/2004 to 2006/07.

Our approach, as before, will be heavy grounded in National policy documents such as the IDP, Micro-economic Reform Strategy and Integrated Manufacturing Strategy. The implementation of such policies will be guided by the principles of *iKapa elihlumayo*.

SERVICE DELIVERY MEASURES:

PROGRAMME 2: ENTERPRISE DEVELOPMENT						
Sub-programme 2.1: Business regulation						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
Raising the level of awareness of the rights of consumers amongst consumers and businesses in the province .	In accordance with a comprehensive strategy provide: Public awareness campaign regarding the consumer legislation.	Tender awarded to Com-mutanet for pilot project of 6 months in 2003/04 financial year. Advertisements on trains, taxis and bill boards, Distribution of branded music cas-ettes to taxis and Spoor-net radio.	300 000 con-sumers reached through mass media.	350 000 con-sumers reached through mass media.	400 000 con-sumers reached through mass media.	500 000 con-sumers reached through mass media.

Sub-programme 2.1: Business regulation (continued)						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
	<p>Public education campaign regarding consumer rights.</p> <p>Design, produce and distribute, consumer education material.</p> <p>In co-operation with other stake holders, particularly the advice offices, participate in localised public education projects and events.</p>		<p>300 000 consumers reached through mass media.</p> <p>100 000 households reached through mass distribution.</p> <p>Participate in 4 festivals and 12 - 16 events.</p>	<p>350 000 consumers reached through mass media.</p> <p>120 000 households reached through mass distribution.</p> <p>Participate in 5 festivals and 13 - 17 events.</p>	<p>400 000 consumers reached through mass media.</p> <p>150 000 households reached through mass distribution.</p> <p>Participate in 6 festivals and 14 - 18 events.</p>	<p>500 000 consumers reached through mass media.</p> <p>200 000 households reached through mass distribution.</p> <p>Participate in 7 festivals and 15 - 19 events.</p>
The provision of measures for the protection of consumers through the provision of a complaints handling mechanism.	<p>Expand and maintain network of consumer advice offices.</p> <p>Provision of line functional training to consumer advisors (own and 6 advice office regions).</p> <p>Provision of managerial guidance to advice offices, including training.</p>	18 advice offices maintained.	<p>Expand to 21 advice offices.</p> <p>Advice offices of 4 regions trained as well as new own staff.</p> <p>Management committees of 4 regions to be trained.</p>	<p>Expand to 26 advice offices.</p> <p>Advice offices of remaining 2 regions trained, follow up training to new or replaced staff in own and advice offices.</p> <p>Own staff: 50 to 60% resolution rate Advice Offices: 40 to 50% resolution rate.</p>	<p>Expand to 30 advice offices.</p> <p>Follow up training to new or replaced staff in own and advice offices.</p> <p>Follow up training for new management members.</p>	<p>Maintain 30 advice offices.</p> <p>Follow up training to new or replaced staff in own and advice offices.</p> <p>Follow up training for new management members.</p>

Sub-programme 2.1: Business regulation (continued)						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
Implementation of Provincial consumer protection legislation and establishment and maintenance of subsequent structures.	<p>Maintaining an acceptable quantitative and qualitative level of finalisation of complaints by own staff and advice offices.</p> <p>Identifying, procuring and implementing an appropriate electronic complaints management system.</p> <p>Resolution of referred consumer complaints by the Office of the Consumer Protector and the Consumer Tribunal.</p>	Legislation promulgated.	<p>Own staff: 50 to 60 % resolution rate. Advice Offices: 40 to 50% resolution rate. Procured, piloted and first quarterly report produced.</p> <p>Appointment of Chairperson and members.</p> <p>Publication of regulations. Tribunal adjudicates referred complaints.</p>	The measurable objective has been achieved and is subsumed as part of the provision of a complaints network.	The measurable objective has been achieved and is subsumed as part of the provision of a complaints network.	The measurable objective has been achieved and is subsumed as part of the provision of a complaints network.
Implementation of provincial liquor legislation and establishment of subsequent structures.	<p>Establishing and operation of proposed structure.</p> <p>Increasing the number of licensed premises.</p>	Draft Policy document approved.	Policy document and legislation approved.	<p>Municipal and SAPS implementation structures fully functional.</p> <p>Liquor Board and structures fully functional.</p> <p>Increase in licences from 5500 to 6000.</p>	Increase in number of licences to 7000.	Increase of number of licences to 8000.

Sub-programme 2.1: Business regulation (continued)						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
Maintaining an effective and socially responsible liquor licensing system.	Increasing the number of licenced premises.	Increase to 5000.	Increase to 5500.	Increase to 6000.	Increase in number of licences to 7000.	Increase of number of licences to 8000.
	Increasing the number of complaints resolved.	Increase to 100.	Increase to 150.	Increase to 200.	Increase to 300.	Increase to 400.
The development and implementation of a system of education, training and awareness of the sellers and consumers of liquor to reduce the harm associated with the abuse of alcohol.	Establishing and implementing an accredited education and training programme.	Initiating development of training with partners.	Training programme developed and accredited with SAQA.	Training programme developed and accredited with SAQA.	Training programme developed and accredited with SAQA.	Training programme developed and accredited with SAQA.
	Ensuring that every new licence holder completes the prescribed training.			1000 new licence holders trained.	1000 new licence holders trained.	1000 new licence holders trained.
	Implementing measures to reduce the harm associated with the sale of liquor and alcohol abuse.		Research into packaging initiated.	Research into packaging concluded/development of measures.	Implementation of measures.	Implementation of measures.
	Ensuring a general awareness amongst the public of provincial liquor licensing system and awareness of dangers of abuse.		Public awareness campaign with partners.	Public awareness campaign with partners.	Public awareness campaign with partners.	Public awareness campaign with partners.

Sub-programme 2.2: Industry development						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
Funding and leadership of existing not-for-profit sector bodies.	<p>Number of sector initiatives actively supported and funded, and combined impact of the sector bodies on KPI's and job creation measurables:</p> <p>Cape IT Initiative (CITI) Cape Biotech Initiative (CBI) Calling the Cape (CTC) The Cape Film Commission (CFC) Clotex The South African Wine and Brandy Institute The Cape Oil and Gas Supply Initiative The Cape Town Boat Building and Technology Initiative (CTBTI) Cape Craft and Design Institute (CCDI) The SA Mariculture Initiative (SAMI) SAPPEX (South African Protea Producers Exporters Forum) Cape Initiative in Materials in Manufacturing (CIMM)</p>	5 sector initiatives.	6 sector initiatives.	11 sector initiatives.	12 sector initiatives.	12 sector initiatives.

Sub-programme 2.2: Industry development (continued)						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
Funding of major sector based initiatives: Arising from a Provincial Manufacturing and Technology strategy. Recommended by sector summits arising from the Provincial Growth and Development Summit process. Of a major infrastructural nature. Arising from the micro-economic strategy.	To fund the strategies as well as projects and technology platforms identified in these. At least 3 major projects to be initiated through the process. Infrastructure: Film studio: Dependent on financial commitment by the project leaders, this funding will be measured by its contribution to ensuring the project is launched, as well the impact of the studio in the longer term, through an impact analysis.			3 projects.	3 projects.	3 projects.
Increased foreign direct investment (FDI) & Trade. Competitive emerging exporters. Facilitating Skills Development.	Funding of Wesgro/legal successor: Value of new investments p.a. Number of direct jobs p.a. Training of emerging exporters. Workshops on exporting and trade agreements. Establishment of incentives programme for sector focused trading houses. Managing the process of managing an Integrated Human Resource Development Strategy (HRDS) for the province. Management and co-ordination of the Learning Cape Festival. Establishment and strategic support for a Learning Cape Initiative to facilitate the implementation and monitoring of the HRDS.	R1 billion 1 500 40 3	R1 billion 1 000 50 4 1	R1 billion 1 500 60 5 3 Delivery of strategy Participation of 100 org. Est. of body.	R1 billion 1 500 75 5 5 120 orgs. Raise 50% funding.	R1 billion 1 500 75 5 5 150 orgs. Raise 65% funding.
Business Environment Enhancement Unit.	To develop programmes and projects focused on industry specific issues such as infrastructure and logistics, R&D, innovation, new materials, logistics, connectivity etc. To establish and fund a regional innovation support centre.			5 key projects to be developed (depends on funds).	5 key projects to be developed (depends on funds).	5 key projects to be developed (depends on funds).

Sub-programme 2.3: Economic development co-ordination						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To develop an enterprise development pipeline, meaning a network of service providers addressing the problem areas experienced by businesses.	Number of service providers serving the needs of SMMEs in terms of information, access to finance, access to markets, training, etc.	19 service providers.	20 service providers.	20 service providers.	20 service providers.	20 service providers.
To create the "RED Door", a single entry point for businesses to access the services of the pipeline in all major towns in the Western Cape.	Number of physical "RED Doors" in especially the rural areas. Number of SMMEs assisted through the RED Door.	0 Red Door service points. 600 SMMEs assisted.	05 quasi Red Door Service points (City-based). 600 SMMEs assisted.	05 quasi Red Doors in major rural areas and 01 in metro Cape Town. 750 SMMEs assisted.	08 fully-fledged Red Doors in major rural areas. 900 SMMEs assisted.	10 full fledged Red Door in major rural areas. 1 100 SMMEs assisted.

Sub-programme 2.3: Economic development co-ordination (continued)						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To achieve medium size business actualisation, the creation and development of small and micro businesses through sector based interventions.	Number of businesses created and or sustained through direct and indirect interventions, e.g. access to finance.	53	80	100	120	150
To support projects and programmes that will increase black ownership, women participation, and opportunities for the disabled and the youth through community-based enterprises. Community Based businesses and co-operatives will be a key focus.	Based on the strategic plans of the identified key sectors, the number of sustainable economic development projects identified and supported from the IDPs of municipalities.	4	4	4	4	4
	Number of community-based enterprises established and or expanded, based on the strategic plans of the identified key sectors.	3 1 established. 2 expanded.	3 1 established. 2 expanded.	3	3	3
	Based on the strategic plans of the identified key sectors, the number of engagements assisted with expert advice and interventions.	104 engagements.	50	100	100	100
	Based on the strategic plans of the identified key sectors, the number of projects assisted with business plan evaluation.	23 projects.	5	8	10	11
To assist municipalities with their economic development responsibilities. Through the strategic plans of the identified key sectors, provide informed support to municipal IDPs to ensure meaningful local economic development and geographic spread of economic activities.	Number of Economic development units (EDUs) or structures with a similar function supported to provide capacity within a municipality.	2 pilot EDUs established.	5 EDUs supported.	5 EDUs supported.	5 EDUs supported.	5 EDUs supported.
	Number of local authority officials capacitated and or supported in their economic development responsibility.	10 Officials trained.	10 Officials trained.	10 Officials trained.	10 Officials trained.	10 Officials trained.
	Assist and commission analysis of economic structures, trends and potentials for local areas to ensure sustainable plans for targeted initiatives for the regions. (Number of scoping exercises undertaken.)	1 scoping exercise conducted and a data-base and/or report available.	3 scoping exercise conducted and a data-base and/or report available.	2 scoping exercise conducted and a data-base and/or report available.	2 scoping exercise conducted and a data-base and/or report available.	2 scoping exercise conducted and a data-base and/or report available.
To engage in public works programmes to ensure rural communities and businesses are empowered.	Number of projects impacted on through collaboration with other departments.	6 projects.	10 projects.	12 projects.	14 projects.	16 projects.
To engage in initiatives to address widespread problems experienced by business such as access to finance for the resource poor, logistics (inbound and outbond) and promoting the use of incentives and grants from the public, private and NGO sector.	Number of assistance programmes addressing start-up SMMEs (including number of SMMEs).	5 (100)	8 (160)	10 (200)	12 (240)	15 (300)
	Number of mentorship programmes (including number of SMMEs).	4 (40)	3 (70)	5 (80)	8 (120)	8 (150)
	Number of business training and information programmes (including number of SMMEs).	4 (160)	4 (200)	5 (240)	8 (300)	8 (360)
	Number of programmes enabling the access to tenders (including number of SMMEs).	2 (100)	3 (140)	4 (160)	8 (200)	8 (200)
	Number of rural Library Business Corners serving as Information Depots.	27	30	35	40	45
	Publication and/or distribution of SMME-relevant information.	3 000 booklets.	4 000 booklets.	4 000 booklets.	4 000 booklets.	5 000 booklets.
	Support and funding of the Manufacturing Advice Centre (MAC)	1 centre	1 centre and 1 satellite unit	1 centre and 1 satellite unit	1 centre and 1 satellite unit	1 centre and 1 satellite unit

Sub-programme 2.3: Economic development co-ordination (continued)						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To assist SMME-support services providers to provide effective assistance to SMMEs, co-operatives and community-based business organisations.	Number of formal service providers participating in the "pipeline of SMME-support services" and the re-orientation of service providers to deliver in geographically spread areas.			16	18	20
To facilitate the mentorship and incubation of SMMEs, community-based business organisations and co-operatives.	Number of SMMEs, community-based business organisations and co-operatives assisted.			100	120	120
To assist in the establishment and growth of sustainable community-based rural businesses and co-operatives.	Number of community-based rural businesses and co-operatives established and supported, including ISRDP and Urban Renewal initiatives.			30	35	45

Sub-programme 2.4: Wesgro/legal successor						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
Increased foreign direct investment (FDI) and Trade.	Funding of Wesgro/legal successor: Value of new investments per annum.	R1 billion.	R500 million.	R1 billion.	R1 billion.	R1 billion.
	Number of direct jobs per annum.	1 500	1 000	1 500	1 500	1 500

Table 6.2 Summary of payments and estimates - Programme 2: Enterprise development Department of Economic Development and Tourism

Sub-programme	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
1. Business regulation	3 906	4 833	4 557	6 881	6 946	6 779	6 635	(2.12)	6 893	6 893
2. Industry development	2 926	5 771	1 347	7 055	6 724	6 724	29 707	341.81	30 567	30 756
3. Economic development co-ordination	5 046	5 964	5 174	8 576	8 576	8 373	28 963	245.91	29 339	29 339
4. Wesgro/legal successor	3 500	3 500	3 500	1 000	4 150	4 150	6 000	44.58	6 000	6 000
Total payments and estimates	15 378	20 068	14 578	23 512	26 396	26 026	71 305	173.98	72 799	72 988

**Table 6.2.1 Summary of provincial payments and estimates by economic classification -
Programme 2: Enterprise development
Department of Economic Development and Tourism**

Economic classification	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Current payments	7 981	8 853	9 806	17 239	16 904	16 178	45 311	180.08	46 915	46 805
Compensation of employees	4 738	4 954	6 195	10 660	10 660	7 637	11 007	44.13	11 705	12 071
Goods and services	3 243	3 899	3 611	6 579	6 244	8 541	34 304	301.64	35 210	34 734
Interest and rent on land										
Financial transactions in assets and liabilities										
Unauthorised expenditure										
Transfers and subsidies to	7 316	11 140	4 759	5 839	9 058	9 058	25 811	184.95	25 711	25 990
Provinces and municipalities				1 214	1 214	1 214	1 111	(8.48)	1 011	1 011
Departmental agencies and accounts	3 500	417	750	1 000	4 150	4 150	20 000	381.93	20 000	20 000
Universities and technikons										
Public corporations and private enterprises										
Foreign governments and international organisations										
Non-profit institutions	3 816	10 723	4 009	3 625	3 694	3 694	4 700	27.23	4 700	4 979
Households										
Payments for capital assets	81	75	13	434	434	790	183	(76.84)	173	193
Buildings and other fixed structures										
Machinery and equipment	81	75	13	434	434	790	183	(76.84)	173	193
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total economic classification	15 378	20 068	14 578	23 512	26 396	26 026	71 305	173.98	72 799	72 988

6.3 PROGRAMME 3: TOURISM

PURPOSE:

To promote and develop sustainable growth of the tourism economy and to ensure that all people in the Western Cape share the benefits derived from tourism.

ANALYSIS PER SUB-PROGRAMME

Sub-programme 1: Tourism development

to broaden the ownership base of the tourism economy through the development and implementation of the integrated tourism development framework, entrepreneurship programmes and a community tourism programme

to implement projects arising from the human resource development framework to enhance productivity, and skills development

to promote the effective marketing of tourism globally and locally by maintaining and sustaining tourism institutions

Sub-programme 2: Tourism regulation

to ensure a fair, predictable and regulated tourism business environment

Sub-programme 3: Western Cape Tourism Board/legal successor

advising the responsible minister, providing and administering the required financial and other support functions, inclusive of the management of transfer payment to the entity, to market the Province as a world class tourist destination

POLICY DEVELOPMENTS

The Tourism Programme has developed a White Paper on Sustainable Tourism Development and Promotion in the Western Cape, which provides policy directives, strategic imperatives and institutional arrangements to guide tourism in the province. Based on the White Paper, strategic documents have been developed to guide the policy implementation. They are as follows:

- Integrated Tourism Development Framework to identify priority areas for tourism growth and required public and private sector investment to support that growth.
- Strategic Tourism Marketing Framework to devise a focused, winning game plan to compete for the largest possible share of domestic and international tourism markets.
- Tourism Safety and Security strategy to provide guidelines for dealing with issues related to the prevention of crime against tourists, managing incidents of crime against tourists and providing after care in the unlikely event of crime against tourists
- Tourism Road Signage and Information Provisioning framework to provide guidelines for applying for facility and route signs, to integrate road signs within the broader information provisioning framework and to put in place mechanisms to administer applications for road signs.
- Tourism Human Resources Development Framework to promote tourism excellence and to use it as a tool to address problems of transformation in the tourism industry.
- Integrated tourism business development support model to provide integrated support focusing on capital and expertise with proper monitoring and evaluation of impact
- Project funding policy to serve as a blue print for funding community based tourism projects, initiatives and businesses.

EXPENDITURE TRENDS ANALYSIS

During the period 1997 to 1999 all tourism public sector funding resorted under the Western Cape Tourism Board. The subsequent establishment of Tourism as a programme in this department, arose directly out of the Provincial White Paper on sustainable tourism and promotion (1999). The white paper clearly delineated the three broad functional areas of public sector involvement in tourism, viz. tourism development, tourism regulation and tourism marketing. The white paper argued that tourism regulation and development should be core government functions, whilst tourism marketing should be outsourced to an agency. The expenditure during the period under review (PUR) reflected this trend.

In the period 1999/00 to 2000/01 the tourism budget increased from R8,312 million to R11,7 million (40%), reflecting an increasingly direct involvement of the tourism development sector as a core function of government. In the period 2001/02 to 2002/03, the Province began to realise the importance of tourism as an economic driver and it became one of the top ten cabinet priorities for the PUR. This was reflected in the budget of the sector rising from R11,7 million in 2000/01 to 27,838 million in 2001/02 (an increase of more than 100%). Whilst a significant portion of these funds were allocated to the initial development of the Cape Town International Convention Centre (CTICC), the significant growth in the budget reflected an increasing awareness of the sector as an important growth opportunity in the economy of the Western Cape.

In the financial year 2002/2003, the budget rose to R103 million although 86% of this budget was dedicated to the development of the CTICC, a significant tourism node in the Province.

In 2003/04 the budgetary allocation of R17,398 million was split between tourism marketing (42%) and tourism development and regulation (58%). The budget reflected the growth of the Integrated Tourism Development Framework (ITDF) which would serve to guide tourism development in the Province over the next 10 years. The key strategic thrust of this document is to ensure that the benefits associated with growth in the industry are spread both geographically and demographically throughout the Province. This is in line with the principles of *iKapa elihlumayo* – the Provincial growth and development policy. This budget also made provision for a 100% increase in the staff component of the Chief Directorate of Tourism.

In terms of the white paper on sustainable tourism development and promotion the joint marketing of all agencies working to promote the destination in the Province is advocated. An agreement has therefore been signed between the City of Cape Town and the Provincial Government committing to this approach. The increase of the budget from R17,398 million for 2003/04 to R31,378 million in 2004/05 reflects this approach. This increase of nearly 98% is largely made up of a commitment by both City and Province to jointly fund a legal successor for the Western Cape Tourism board and 64% of this budget reflects this commitment.

In summary, the approach will be to leverage growth opportunities for HDI's in both the marketing and development fields via a commitment by government to seriously fund this important sector in line with the principles exposed by the *iKapa elihlumayo* policy.

SERVICE DELIVERY MEASURES:

PROGRAMME 3: TOURISM						
Sub-programme 3.1: Tourism development						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
ITDF Implementation of Cape Agulhas framework.	Projects from framework implemented.	Concept of framework accepted by municipality.	Framework developed.	Attracting potential partners and investors to projects.	Development of southernmost tip.	Development of projects in surrounding towns.
Implementation of Cape Flats Tourism development framework.	Projects from framework implemented.	Concept accepted by stakeholders.	Framework developed (emphasis on culture and heritage tourism).	Attracting potential partners and investors to projects.	Development of magnet attraction.	Development of projects surrounding magnet attraction.
Implementation of plans for Northern Gateway.	Northern gateway established.	Concept accepted by stakeholders.	Feasibility study completed.	Building operations begin.	Completion of northern gateway.	Implementation of maintenance programme.
Development and implementation of frameworks and projects in other nodes of the ITDF.	Frameworks developed for all nodes.	Concept widely communicated.	Concept accepted by stakeholders.	Framework developed in all 4 nodes.	Framework developed in a further 4 nodes.	Magnet projects from each node completed.

Sub-programme 3.1: Tourism development (continued)						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
Integration of ITDF into IDPs and tourism related plans of Provincial and National government departments and other agencies and setting up of forum.	ITDF adopted in all IDPs and tourism related plans of national and provincial government.	Concept developed and introduced to stakeholders.	Regular contact sessions with stakeholders to communicate plan and review implementation. Formal forum set up.	Plans adopted in IDPs. Plans reviewed.	Plans adopted by National and Provincial government departments. Plans reviewed.	Ongoing communication of ITDF. Five year strategic review.
Entrepreneurship Development and implementation of integrated entrepreneurship support model.	Integrated support model piloted, evaluated and rolled out.		Concept developed with DBSA and feasibility explored.	Pilot model rolled out for implementation, based on feasibility.	Pilot model reviewed.	Programme rolled out in all six regions of the Province.
Development of catalyst fund.	Catalyst fund fully developed and operational.		Concept being discussed with stakeholders.	Pilot fund implemented as a first step.	Review.	Catalyst fund fully implemented.
Implementation of Tourism Help Desk Model.	Tourism help desks fully functional.	THD programme available to the six regions of the Province.	THD programme institutionally linked to district councils and other structures in the regions.	Programme maintained and sustained.	Programme maintained and sustained.	Programme maintained and sustained.
Partnership with other stakeholders: industry-wide debate.	Relationships with partners and stakeholders beneficial for all parties. Dialogue and summit on empowerment in the industry.	Identification of stakeholders and formal partnerships established. Declaration or charter adopted.	Formal partnerships established with TEP, SATSA, Transport, Local municipalities. Implementation of charter.	Regular formal programme developed and maintained.	Regular formal programme developed and maintained.	Regular formal programme developed and maintained.
Monitoring and evaluation programme.	System of M and E fully implemented.		Pilot system being implemented.	System review.	System maintained and sustained.	System maintained and sustained.

Sub-programme 3.1: Tourism development (continued)						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
Cape Tourism Showcase.	Increased no. of businesses getting exposure from showcase. Proper monitoring and evaluation system in place.	1st show-case held.	Successful show-case linked to other shows at CTICC. Impact report evaluated and implemented.	Successful show-case linked to other shows at CTICC.	Successful show-case linked to other shows at CTICC. Impact report evaluated and implemented.	Successful show-case linked to other shows at CTICC. Impact report evaluated and implemented. Linkages with other shows in other Pro-Formal Linkage of cape Show-case to Indaba.
Implementation of mentorship model.	Increased profit for businesses participating in mentorship programme. Programme rolled out to include start ups.	Pro-gramme conceptualised.	Pro-gramme successfully implemented between 10 mentors and mentees.	Pro-gramme expanded to include regions.	Pro-gramme expanded to include regions and start ups.	Programme includes regions and start ups. Five year review.
BEE Promotion of BEE. Setting up information database.	Increased number of black businesses fully operational in the sector. Sector fully educated on BEE. Increased awareness of BEE companies of the opportunities in tourism.	Conceptual framework formulated.	Successful tourism based BEE conference held. First pilot introduced.	BEE directory fully developed. Increased utilisation of black business by both the private and the public sectors. Pro-gramme rolled out in the Province.	Formation of representative structures. Pro-gramme sustained and maintained.	Ongoing maintenance and support. Pro-gramme sustained and maintained.

Sub-programme 3.1: Tourism development (continued)						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
Community tourism Implementation of community tourism projects.	Community projects in line with ITDF fully implemented.	Community projects in all six regions of the Province supported and implemented.	Community projects in line with ITDF supported.	Establish formal linkages between community based projects and entrepreneurship.	Develop a model for successful entrepreneurially independent community based tourism projects.	Ongoing maintenance and support and model rolled out to all six regions.
Implementation of schools awareness programme.	Tourism awareness programme at schools fully implemented.	Successful schools competition held in 24 high schools and 80 primary schools.	Implementation of business plan (e-plan) for successful winning school in 2002).	Schools programme implemented in all six regions of the Province.	Ongoing support and maintenance.	Ongoing support and maintenance.
Implementation of community tourism awareness programme.	Implementation of community tourism awareness programmes.		Development of plan for community tourism awareness programmes.	Implementation of pilot in line with ITDF.	Roll out of plan to all six regions of the Province.	Review.
Poverty relief and LED projects.	Implementation of poverty relief projects and LED tourism projects in line with ITDF.	Projects implemented.	Alignment with ITDF sought.	Ongoing maintenance and support.	Ongoing maintenance and support.	Ongoing maintenance and support.
Productivity and skills enhancement Development of partnerships with education, labour, Theta, educational training institutions and service providers.	Structured relationships with education, labour, theta, educational training institutions and service providers.	Informal relationships with sectors.	Formal talks with sectors.	Establishment of formal forums to facilitate discussion. Ensure coordination between employers training institutions and marketing organisations.	Ongoing maintenance and support.	Ongoing maintenance and support.
Implementation of specialised market related training of tourist guides.	Guides in niche markets like – flowers, rock art, whale watching, wines etc.		Development of a plan for training of tour guides in line with ITDF.	Implementation of aspects of the plan in line with ITDF.	Plan fully implemented in nodes of ITDF.	Ongoing maintenance and support.

Sub-programme 3.1: Tourism development (continued)						
Implementing a scarce skills strategy.	Human resources equipped to service needs of the growing tourism industry. Tourism bursary fund in place.	Piloted tourism bursary fund.	Fund fully supported and maintained.	Matching scarce skills in ITDF nodes to needs in industry. Bursaries funded in this basis.	Ongoing programme.	Ongoing programme.
Cape Craft and Design Institute	CCDI fully operational in all regions of the Province.	CCDI established.	CCDI formally launched.	CCDI programmes expanded to six regions of the Province in line with the ITDF.	Ongoing support for projects in line with ITDF.	Ongoing support for projects in line with ITDF.

Sub-programme 3.2: Tourism regulation						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
Registration of tourism businesses.	New Tourism Act in place.	Concept has been presented to majority of stakeholders and it is well received.	Draft legislation ready for public process.	Registration of tourism businesses to commence and linkages to other programmes such as e-business strategy Visitor Information Centre.	All tourism businesses to be registered.	Marketing plan for registration of non tourism business to be embarked upon.
Promote tourism and security.	Local government road shows, safety forum, task team, victim support, brochure and conference.	Tourism safety and security plan and crisis plan in place. Buy in from stakeholders including local government sourced.	Action plan derived from the conference ready for implementation to build.	Strong tourism safety infrastructure in place and replication at local level.	Fully functional tourism safety structures at regional level. International Tourism Conference.	Reduction of crime reported cases. Review of plan and improvement on victim support.

Sub-programme 3.2: Tourism regulation (continued)						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
	RTLCS up and running, communication and training of local government and implementation in two pilot areas.	Four RTLCS structures have been set and functioning effectively to address backlogs. Implementation plans for the two pilot areas workshopped and finalised. Planning phase for priority phase completed.	Maintenance of RTLCS and implementation in two pilot areas to commence. Feasibility study for information centres and gateways. Planning phase for another super route to complement route 62.	Formation of RTLC forum. Development of a route connection plan to link all routes. Infrastructure development for gateways and information centres.	Independent RTLC structures in all the regions. All information offices and gateways to be accredited and fully functional.	Upgrading of routes. Review of information centre and added services.

Sub-programme 3.3: Western Cape Tourism Board/legal successor						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
Global and local marketing Establishment of a legal successor to the Western Cape Tourism Board.	Established legal successor to the Western Cape Tourism Board.	WCTB maintained and sustained.	WCTB and transitional structures maintained and sustained.	Legal successor to the Western Cape Tourism Board operational, sustained and maintained.	Ongoing support.	Ongoing support.

Table 6.3 Summary of payments and estimates - Programme 3: Tourism Department of Economic Development and Tourism										
Sub-programme	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
1. Tourism development	4 303	18 802	111 415	28 894	29 172	28 277	8 164	(71.13)	9 014	8 962
2. Tourism regulation	1 057	2 696	6 675	4 537	4 594	4 470	3 105	(30.54)	3 103	3 155
3. Western Cape Tourism Board/legal successor	6 340	6 340	6 340	7 291	7 291	7 291	20 032	174.75	22 032	22 032
Total payments and estimates	11 700	27 838	124 430	40 722	41 057	40 038	31 301	(21.82)	34 149	34 149

**Table 6.3.1 Summary of provincial payments and estimates by economic classification -
Programme 3: Tourism
Department of Economic Development and Tourism**

Economic classification	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Current payments	1 873	2 750	2 616	6 095	6 073	5 042	7 920	57.08	8 377	8 448
Compensation of employees	493	1 141	1 054	3 610	3 310	2 047	4 313	110.70	4 496	4 567
Goods and services	1 380	1 609	1 562	2 485	2 763	2 995	3 607	20.43	3 881	3 881
Interest and rent on land										
Financial transactions in assets and liabilities										
Unauthorised expenditure										
Transfers and subsidies to	9 789	24 845	121 802	34 292	34 592	34 592	23 241	(32.81)	25 627	25 556
Provinces and municipalities			4 364	3 405	3 405	3 405	1 419	(58.33)	1 764	1 825
Departmental agencies and accounts	7 340	22 688	6 340	7 291	7 591	7 591	20 032	163.89	22 032	22 032
Universities and technikons										
Public corporations and private enterprises										
Foreign governments and international organisations										
Non-profit institutions			111 098	23 596	23 596	23 596	1 790	(92.41)	1 831	1 699
Households	2 449	2 157								
Payments for capital assets	38	243	12	335	392	404	140	(65.35)	145	145
Buildings and other fixed structures										
Machinery and equipment	38	243	12	335	392	404	140	(65.35)	145	145
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total economic classification	11 700	27 838	124 430	40 722	41 057	40 038	31 301	(21.82)	34 149	34 149

6.5 PROGRAMME 4: *iKapa elihlumayo*

PURPOSE:

To address the developmental challenges of the Province by giving effect to initiative aimed at achieving the vision of *iKapa elihlumayo*: promoting economic growth and employment, reducing inequalities and significantly increasing participation by all in the economy.

ANALYSIS PER SUB-PROGRAMME

Sub-programme 1: *iKapa elihlumayo*

to develop a common vision for the Province is very important as different stakeholders hold different perspectives on the most desired route to follow to achieve particular outcomes. It is also important that "government must act to ensure that we reduce the number of people dependent on social welfare, increasing the numbers that rely for their livelihood on normal participation in the economy ... we must use the state budget to improve the quality of life of especially the poor, while contributing to the expansion of the economy." Thabo Mbeki, President of South Africa

iKapa elihlumayo offers us with a framework to grow the economy of the Western Cape by focusing on key interventions.

The *iKapa elihlumayo* programme is about a broad front for reconstruction and development, it is about economic growth with equity, it's about a comprehensive social security system and it's about focusing the public service on service delivery. Essentially it is about giving hope to individuals and household by achieving higher per capita income, providing the appropriate levels of service and rising socio-economic participating rates.

SERVICE DELIVERY MEASURES:

PROGRAMME 4: <i>iKapa elihlumayo</i>						
Sub-programme 4.1: <i>iKapa elihlumayo</i>						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
Micro Economic Strategic Plan.	In accordance with the broad goals of <i>iKapa elihlumayo</i> and the specific targets set in terms of the Framework Agreement arising from the Provincial GDS.			Develop strategic plan 6 months in 2004/05 financial year: Monitoring and Evaluation system. Benchmarks as baseline to measure impact.		
<i>iKapa elihlumayo</i> Economic Stimulation Programme.	To invest funds in strategic development interventions in order to attain employment generation and per capita income growth through specific projects.	Interventions as identified by research and partners, IDP's and the GDS outcomes.	Interventions as identified by research and partners, IDP's and the GDS outcomes.	Interventions as identified by research and partners, IDP's and the GDS outcomes.	Interventions as identified by research and partners, IDP's and the GDS outcomes.	Interventions as identified by research and partners, IDP's and the GDS outcomes.

Table 6.4 Summary of payments and estimates - Programme 4: <i>iKapa elihlumayo</i> Department of Economic Development and Tourism										
Sub-programme	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
1. <i>iKapa elihlumayo</i>				45 154	45 154	45 154	4 425	(90.20)	3 580	6 791
Total payments and estimates				45 154 ^a	45 154	45 154	4 425	(90.20)	3 580	6 791

^a Initially included in the budget of Vote 3: Provincial Treasury.

Table 6.4.1 Summary of provincial payments and estimates by economic classification - Programme 4: <i>iKapa elihlumayo</i> Department of Economic Development and Tourism										
Economic classification	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Current payments				45 154	2 200	2 200	4 425	101.14	3 580	6 791
Compensation of employees										
Goods and services				45 154	2 200	2 200	4 425	101.14	3 580	6 791
Interest and rent on land										
Financial transactions in assets and liabilities										
Unauthorised expenditure										
Transfers and subsidies to					42 954	42 954		(100.00)		
Provinces and municipalities										
Departmental agencies and accounts										
Universities and technikons										
Public corporations and private enterprises										
Foreign governments and international organisations										
Non-profit institutions					42 954	42 954		(100.00)		
Households										
Payments for capital assets										
Buildings and other fixed structures										
Machinery and equipment										
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total economic classification				45 154	45 154	45 154	4 425	(90.20)	3 580	6 791

7. OTHER PROGRAMME INFORMATION

7.1 Personnel numbers and costs

Table 7.1 Personnel numbers and costs: Department of Economic Development and Tourism						
Programme	As at 31 March 2000	As at 31 March 2001	As at 31 March 2002	As at 31 March 2003	As at 31 March 2004	As at 31 March 2005
1. Administration			12	12	42	42
2. Enterprise development		40	36	36	62	62
3. Tourism		5	8	8	20	20
4. <i>iKapa elihlumayho</i>						
Total personnel numbers		45	56	56	124	124
Total personnel cost (R'000)		7 368	8 211	10 238	20 945	24 478
Unit cost (R'000)		164	147	183	169	197

7.2 Training

Table 7.2 Expenditure on training: Department of Economic Development and Tourism										
Programme	Outcome			Main appro- piation 2003/04 R'000	Adjusted appro- piation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
1. Administration							90		92	95
2. Enterprise development							70		75	80
3. Tourism							90		93	95
4. <i>iKapa elihlumayo</i>										
Total expenditure on training							250		260	270

7.3 Reconciliation of structural changes

Table 7.3 Reconciliation of structural changes: Department of Economic Development and Tourism					
Programme for 2003/04			Programme for 2004/05		
Programme	2004/05 Equivalent		Programme	Pro- gramme R'000	Sub-pro- gramme R'000
	Pro- gramme R'000	Sub-pro- gramme R'000			
None					
Total					

Table B.1 Specification of receipts: Department of Economic Development and Tourism										
Receipts	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Tax receipts										
Casino taxes										
Motor vehicle licences										
Horseracing										
Other taxes	2 690	3 299	3 388	3 400	3 400	3 400	3 420	0.59	3 440	3 440
Total tax receipts	2 690	3 299	3 388	3 400	3 400	3 400	3 420	0.59	3 440	3 440
Non-tax receipts										
Sale of goods and services other than capital assets		472	312	250	250	250	260	4.00	270	270
Sales of goods and services produced by department		472	312	250	250	250	260	4.00	270	270
Sales by market establishments										
Administrative fees										
Other sales		472	312	250	250	250	260	4.00	270	270
Of which										
Other		472	312	250	250	250	260	4.00	270	270
Sales of scrap, waste, arms and other used current goods (excluding capital assets)										
Fines, penalties and forfeits										
Interests, dividends and rent on land										
Interest										
Dividends										
Rent on land										
Total non-tax receipts		472	312	250	250	250	260	4.00	270	270
Transfers received from										
Other governmental units										
Universities and technikons										
Foreign governments										
International organisations										
Public corporations and private enterprises										
Households and non-profit institutions										
Total transfers received										
Sales of capital assets										
Land and subsoil assets										
Other capital assets										
Total sales of capital assets										
Financial transactions										
Total specification of receipts	2 690	3 771	3 700	3 650	3 650	3 650	3 680	0.82	3 710	3 710

Table B.2 Summary of payments and estimates by economic classification Department of Economic Development and Tourism										
Economic classification	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Current payments										
Compensation of employees	7 368	8 211	10 238	20 217	20 945	14 996	24 478	63.23	26 071	27 116
Salaries and wages	5 935	6 766	9 423	16 977	17 703	11 754	21 588	83.67	23 030	23 932
Social contributions	1 433	1 445	815	3 240	3 242	3 242	2 890	(10.86)	3 041	3 184
Goods and services	5 710	6 162	5 766	57 318	14 791	17 082	44 373	159.76	44 698	48 521
<i>Of which</i>										
Communication							748		803	35 036
Consultants and special services							35 525		34 955	37 954
Travel and subsistence							2 781		3 183	3 257
Operating Leases							1 084		1 086	1 090
Interest and rent on land										
Interest										
Rent on land										
Financial transactions in assets and liabilities			2							
Unauthorised expenditure										
Total current payments	13 078	14 373	16 006	77 535	35 736	32 078	68 851	114.64	70 769	75 637
Transfers and subsidies to										
Provinces and municipalities			4 364	4 628	4 630	4 630	2 550	(44.92)	2 798	2 860
Provinces										
Provincial Revenue Funds										
Provincial agencies and funds										
Municipalities			4 364	4 628	4 630	4 630	2 550	(44.92)	2 798	2 860
Municipalities			4 364	4 628	4 630	4 630	2 550	(44.92)	2 798	1 035
Municipal agencies and funds										1 825
Departmental agencies and accounts	10 840	23 105	7 090	8 291	11 741	11 741	40 032	240.96	42 032	42 032
Social security funds	7 340	7 688	6 340	7 291	7 591	7 591	20 032	163.89	22 032	22 032
Provide list of entities receiving transfers	3 500	15 417	750	1 000	4 150	4 150	20 000	381.93	20 000	20 000
Universities and technikons										
Public corporations and private enterprises										
Public corporations										
Subsidies on production										
Other transfers										
Private enterprises										
Subsidies on production										
Other transfers										
Foreign governments and international organisations										
Non-profit institutions	3 816	10 723	115 107	27 221	70 244	70 244	6 490	(90.76)	6 531	6 678
Households	2 466	2 194								
Social benefits	17	37								
Other transfers to households	2 449	2 157								
Total transfers and subsidies	17 122	36 022	126 561	40 140	86 615	86 615	49 072	(43.34)	51 361	51 570
Payments for capital assets										
Buildings and other fixed structures										
Buildings										
Other fixed structures										
Machinery and equipment	169	420	55	1 729	2 225	3 551	405	(88.59)	362	999
Transport equipment										
Other machinery and equipment	169	420	55	1 729	2 225	3 551	405	(88.59)	362	999
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total payments for capital assets	169	420	55	1 729	2 225	3 551	405	(88.59)	362	999
Total economic classification	30 369	50 815	142 622	119 404	124 576	122 244	118 328	(3.20)	122 492	128 206

Table B.2.1 Payments and estimates by economic classification										
Programme 1: Administration										
Department of Economic Development and Tourism										
Economic classification	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Current payments										
Compensation of employees	2 137	2 116	2 989	5 947	6 975	5 312	9 158	72.40	9 870	10 478
Salaries and wages	1 392	1 411	2 765	4 950	5 926	4 263	7 784	82.59	8 389	8 906
Social contributions	745	705	224	997	1 049	1 049	1 374	30.98	1 481	1 572
Goods and services	1 087	654	593	3 100	3 584	3 346	2 037	(39.12)	2 027	3 115
<i>Of which</i>										
Communication							161		161	172
Consultants and special services							14		14	120
Travel and subsistence							789		841	969
Operating Leases							70		70	72
Interest and rent on land										
Interest										
Rent on land										
Financial transactions in assets and liabilities			2							
Unauthorised expenditure										
Total current payments	3 224	2 770	3 584	9 047	10 559	8 658	11 195	29.30	11 897	13 593
Transfers and subsidies to										
Provinces and municipalities				9	11	11	20	81.82	23	24
Provinces										
Provincial Revenue Funds										
Provincial agencies and funds										
Municipalities				9	11	11	20	81.82	23	24
Municipal agencies and funds				9	11	11	20	81.82	23	24
Departmental agencies and accounts										
Social security funds										
Provide list of entities receiving transfers										
Universities and technikons										
Public corporations and private enterprises										
Public corporations										
Subsidies on production										
Other transfers										
Private enterprises										
Subsidies on production										
Other transfers										
Foreign governments and international organisations										
Non-profit institutions										
Households	17	37								
Social benefits	17	37								
Other transfers to households										
Total transfers and subsidies	17	37		9	11	11	20	81.82	23	24
Payments for capital assets										
Buildings and other fixed structures										
Buildings										
Other fixed structures										
Machinery and equipment	50	102	30	960	1 399	2 357	82	(96.52)	44	661
Transport equipment										
Other machinery and equipment	50	102	30	960	1 399	2 357	82	(96.52)	44	661
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total payments for capital assets	50	102	30	960	1 399	2 357	82	(96.52)	44	661
Total economic classification	3 291	2 909	3 614	10 016	11 969	11 026	11 297	2.46	11 964	14 278

Table B.2.2 Payments and estimates by economic classification										
Programme 2: Enterprise development										
Department of Economic Development and Tourism										
Economic classification	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Current payments										
Compensation of employees	4 738	4 954	6 195	10 660	10 660	7 637	11 007	44.13	11 705	12 071
Salaries and wages	4 110	4 310	5 694	8 970	8 970	5 947	10 101	69.85	10 767	11 101
Social contributions	628	644	501	1 690	1 690	1 690	906	(46.39)	938	970
Goods and services	3 243	3 899	3 611	6 579	6 244	8 541	34 304	301.64	35 210	34 734
<i>Of which</i>										
Communication							460		512	34 734
Consultants and special services							30 033		30 291	29 973
Travel and subsistence							1 505		1 649	1 673
Operating Leases							978		980	982
Interest and rent on land										
Interest										
Rent on land										
Financial transactions in assets and liabilities										
Unauthorised expenditure										
Total current payments	7 981	8 853	9 806	17 239	16 904	16 178	45 311	180.08	46 915	46 805
Transfers and subsidies to										
Provinces and municipalities				1 214	1 214	1 214	1 111	(8.48)	1 011	1 011
Provinces										
Provincial Revenue Funds										
Provincial agencies and funds										
Municipalities				1 214	1 214	1 214	1 111	(8.48)	1 011	1 011
Municipalities				1 214	1 214	1 214	1 111	(8.48)	1 011	1 011
Municipal agencies and funds										
Departmental agencies and accounts	3 500	417	750	1 000	4 150	4 150	20 000		20 000	20 000
Social security funds										
Provide list of entities receiving transfers	3 500	417	750	1 000	4 150	4 150	20 000		20 000	20 000
Universities and technikons										
Public corporations and private enterprises										
Public corporations										
Subsidies on production										
Other transfers										
Private enterprises										
Subsidies on production										
Other transfers										
Foreign governments and international organisations										
Non-profit institutions	3 816	10 723	4 009	3 625	3 694	3 694	4 700	27.23	4 700	4 979
Households										
Social benefits										
Other transfers to households										
Total transfers and subsidies	7 316	11 140	4 759	5 839	9 058	9 058	25 811	184.95	25 711	25 990
Payments for capital assets										
Buildings and other fixed structures										
Buildings										
Other fixed structures										
Machinery and equipment	81	75	13	434	434	790	183	(76.84)	173	193
Transport equipment										
Other machinery and equipment	81	75	13	434	434	790	183	(76.84)	173	193
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total payments for capital assets	81	75	13	434	434	790	183	(76.84)	173	193
Total economic classification	15 378	20 068	14 578	23 512	26 396	26 026	71 305	173.98	72 799	72 988

Table B.2.3 Payments and estimates by economic classification										
Programme 3: Tourism										
Department of Economic Development and Tourism										
Economic classification	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Current payments										
Compensation of employees	493	1 141	1 054	3 610	3 310	2 047	4 313	161	4 496	4 567
Salaries and wages	433	1 045	964	3 057	2 807	1 544	3 703	139.83	3 874	3 925
Social contributions	60	96	90	553	503	503	610	21.27	622	642
Goods and services	1 380	1 609	1 562	2 485	2 763	2 995	3 607	20.43	3 881	3 881
<i>Of which</i>										
Communication							127		130	130
Consultants and special services							1 053		1 070	1 070
Travel and subsistence							487		693	615
Operating Leases							36		36	36
Interest and rent on land										
Interest										
Rent on land										
Financial transactions in assets and liabilities										
Unauthorised expenditure										
Total current payments	1 873	2 750	2 616	6 095	6 073	5 042	7 920	57.08	8 377	8 448
Transfers and subsidies to										
Provinces and municipalities			4 364	3 405	3 405	3 405	1 419	(58.33)	1 764	1 825
Provinces										
Provincial Revenue Funds										
Provincial agencies and funds										
Municipalities			4 364	3 405	3 405	3 405	1 419	(58.33)	1 764	1 825
Municipal agencies and funds			4 364	3 405	3 405	3 405	1 419	(58.33)	1 764	1 825
Departmental agencies and accounts	7 340	22 688	6 340	7 291	7 591	7 591	20 032	163.89	22 032	22 032
Social security funds	7 340	7 688	6 340	7 291	7 591	7 591	20 032	163.89	22 032	22 032
Provide list of entities receiving transfers		15 000								
Universities and technikons										
Public corporations and private enterprises										
Public corporations										
Subsidies on production										
Other transfers										
Private enterprises										
Subsidies on production										
Other transfers										
Foreign governments and international organisations										
Non-profit institutions			111 098	23 596	23 596	23 596	1 790	(92.41)	1 831	1 699
Households	2 449	2 157								
Social benefits										
Other transfers to households	2 449	2 157								
Total transfers and subsidies	9 789	24 845	121 802	34 292	34 592	34 592	23 241	(32.81)	25 627	25 556
Payments for capital assets										
Buildings and other fixed structures										
Buildings										
Other fixed structures										
Machinery and equipment	38	243	12	335	392	404	140	(65.35)	145	145
Transport equipment										
Other machinery and equipment	38	243	12	335	392	404	140	(65.35)	145	145
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total payments for capital assets	38	243	12	335	392	404	140	(65.35)	145	145
Total economic classification	11 700	27 838	124 430	40 722	41 057	40 038	31 301	(21.82)	34 149	34 149

Table B.2.4 Payments and estimates by economic classification										
Programme 4: <i>iKapa elihlumayo</i>										
Department of Economic Development and Tourism										
Economic classification	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Current payments										
Compensation of employees										
Salaries and wages										
Social contributions										
Goods and services				45 154	2 200	2 200	4 425	101.14	3 580	6 791
<i>Of which</i>										
Communication										
Consultants and special services							4 425		3 580	6 791
Travel and subsistence										
Operating Leases										
Interest and rent on land										
Interest										
Rent on land										
Financial transactions in assets and liabilities										
Unauthorised expenditure										
Total current payments				45 154	2 200	2 200	4 425	101.14	3 580	6 791
Transfers and subsidies to										
Provinces and municipalities										
Provinces										
Provincial Revenue Funds										
Provincial agencies and funds										
Municipalities										
Municipalities										
Municipal agencies and funds										
Departmental agencies and accounts										
Social security funds										
Provide list of entities receiving transfers										
Universities and technikons										
Public corporations and private enterprises										
Public corporations										
Subsidies on production										
Other transfers										
Private enterprises										
Subsidies on production										
Other transfers										
Foreign governments and international organisations										
Non-profit institutions					42 954	42 954		(100.00)		
Households										
Social benefits										
Other transfers to households										
Total transfers and subsidies					42 954	42 954		(100.00)		
Payments for capital assets										
Buildings and other fixed structures										
Buildings										
Other fixed structures										
Machinery and equipment										
Transport equipment										
Other machinery and equipment										
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total payments for capital assets										
Total economic classification				45 154	45 154	45 154	4 425	(90.20)	3 580	6 791

Payments and receipts	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Receipts										
Tax receipts	8 215	6 375	5 453	9 010	3 055	3 055	6 701	119.35	7 395	8 047
Non-tax receipts	780	664	489	900	125	125	300	140.00	300	300
Sale of goods and services other than capital assets										
Other non-tax revenue	780	664	489	900	125	125	300	140.00	300	300
Transfers received	3 500	3 500	2 750	5 500	1 440	1 440	6 701	365.35	7 395	8 047
Sale of capital assets	19		11		68	68		(100.00)		
Total receipts	12 495	10 539	8 692	15 410	4 620	4 620	13 702	196.58	15 090	16 394
Payments										
Current payments	11 601	12 244	11 072	15 036	9 676	9 676	13 078	35.16	14 310	15 583
Compensation of employees	5 969	6 119	6 208	7 552	6 082	6 082	8 880	46.00	9 502	10 167
Use of goods and services	5 420	5 914	4 601	7 214	3 308	3 308	3 908	18.14	4 498	5 101
Depreciation	212	211	263	270	286	286	290	1.40	310	315
Interest, dividends and rent on land										
Transfers and subsidies										
Total payments	11 601	12 244	11 072	15 036	9 676	9 676	13 078	35.16	14 310	15 583
Surplus (deficit)	894	(1 705)	(2 380)	374	(5 056)	(5 056)	624	(112.34)	780	811
Cash flow summary										
Operating surplus (deficit)	894	(1 705)	(2 380)	374	(5 056)	(5 056)	624		780	811
Adjustments for:										
Depreciation	212	211	264	270	287	287	290	1.05	310	315
Interest	(780)	(664)	(489)	(900)	(125)	(125)	(300)	140.00	(300)	(300)
Net (profit)/loss on disposal of fixed assets	(19)		(11)		(68)	(68)		(100.00)		
Other										
Operating surplus (deficit) before changes in working capital	(587)	(453)	(236)	(630)	94	94	(10)	(110.64)	10	15
Decrease/(increase) in accounts payable	(355)	(900)	1 910		(300)	(300)	(80)	(73.33)	(50)	(30)
(Decrease)/increase in accounts receivable	1 166	115	2 316		(2 316)	(2 316)	100	(104.32)	150	200
(Decrease)/increase in provisions										
Cash flow from operating activities	18 084	17 393	(6 833)	23 776	13 942	13 942	19 489	39.79	21 395	23 315
Cash receipts	7 049	6 260	4 289	9 010	5 003	5 003	6 701	33.94	7 395	8 047
<i>Of which</i>										
Transfers from government	3 500	3 500		5 500	4 190	4 190	6 701	59.93	7 395	8 046
Cash payments	11 035	11 133	(11 122)	14 766	8 939	8 939	12 788	43.06	14 000	15 268
Cash flow from investing activities	(238)	(209)	(413)	(374)	(535)	(535)	(323)	(39.63)	(480)	(510)
Cash flow financing activities	780	664	489	900	108	108	300	177.78	300	300
Net increase/(decrease) in cash and cash equivalents	18 626	17 848	(6 757)	24 302	13 515	13 515	19 466	44.03	21 215	23 105

Table B.3.2 Details on public entities										
Name of Public Entity: WCTB/Cape Town Tourism and Events Company (WCTB/legal successor)										
Payments and receipts	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Receipts										
Tax receipts										
Non-tax receipts										
Sale of goods and services other than capital assets										
Other non-tax revenue										
Transfers received										
City of Cape Town							27 000		30 000	30 000
Provincial Government	6 340	6 340	7 291	7 291		7 291	20 032	174.75	22 032	22 032
Western Cape										
Sale of capital assets										
Total receipts	6 340	6 340	7 291	7 291		7 291	47 032	545.07	52 032	52 032
Payments										
Current payments	6 340	6 340	7 291	7 291		7 291	47 032	545.07	52 032	52 032
Compensation of employees	2 823	3 004	3 196	3 400		3 400	15 000	341.18	15 900	15 900
Use of goods and services	3 517	3 336	4 095	3 891		3 891	32 032	723.23	36 132	36 132
Depreciation										
Interest, dividends and rent on land										
Transfers and subsidies										
Total payments	6 340	6 340	7 291	7 291		7 291	47 032	545.07	52 032	52 032
Surplus (deficit)										
Cash flow summary										
Operating surplus (deficit)										
Adjustments for:										
Depreciation										
Interest										
Net (profit)/loss on disposal of fixed assets										
Other										
Operating surplus (deficit) before changes in working capital										
Decrease/(increase) in accounts payable										
(Decrease)/increase in accounts receivable										
(Decrease)/increase in provisions										
Cash flow from operating activities										
Cash receipts										
<i>Of which</i>										
Transfers from government										
Cash payments										
Cash flow from investing activities										
Cash flow financing activities										
Net increase/(decrease) in cash and cash equivalents										

Table B.4 Transfers to local government by transfers/grant type, category and municipality:										
Department of Economic Development and Tourism										
Municipalities	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Total departmental transfers/grants										
Category A	720	625	7 648	2 200	200	2 200	200	(90.91)	200	200
City of Cape Town	720	625	7 648	2 200	200	2 200	200	(90.91)	200	200
Category B		1 685	340							
Beaufort West		1 080								
Bergrivier										
Bitou										
Breede River/Winelands										
Breede Valley		50								
Cape Agulhas										
Cederberg										
Drakenstein		80								
George										
Kannaland										
Knysna										
Laingsburg										
Langeberg			200							
Matzikama										
Mossel Bay										
Oudtshoorn		245								
Overstrand		80								
Paarl										
Prince Albert										
Robertson										
Saldanha Bay			40							
Stellenbosch		50								
Swartland										
Swellendam		100	100							
Theewaterskloof										
Witzenberg										
Unallocated										
Category C	146	124	2 154	2 405	800	2 405	2 110	(12.27)	2 269	2 320
Boland			200	295		295	270	(8.47)	290	290
Central Karoo		100	500	450	200	450	560	24.44	520	570
Eden			300	550	200	550	380	(30.91)	449	450
Overberg			754	600	200	600	480	(20.00)	600	600
West Coast	146	24	400	510	200	510	420	(17.65)	410	410
Unallocated										
Total transfers to local government	866	2 434	10 142	4 605	1 000	4 605	2 310	(49.84)	2 469	2 520

Table B.4.1 Transfers to local government by transfers/grant type, category and municipality: Department of Economic Development and Tourism										
Municipalities	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Entrepreneurship		245	1 020	375		375	320		370	370
Category A		40								
City of Cape Town		40								
Category B		155	170							
Beaufort West										
Bergrivier										
Bitou										
Breede River/Winelands										
Breede Valley										
Cape Agulhas										
Cederberg										
Drakenstein		40								
George										
Kannaland										
Knysna										
Laingsburg										
Langeberg			100							
Matzikama										
Mossel Bay										
Oudtshoorn										
Overstrand		40								
Paarl										
Prince Albert										
Robertson										
Saldanha Bay			20							
Stellenbosch		25								
Swartland										
Swellendam		50	50							
Theewaterskloof										
Witzenberg										
Unallocated										
Category C		50	850	375		375	320	(14.67)	370	370
Boland			200	105		105	100	(4.76)	100	100
Central Karoo		50	200	70		70	60	(14.29)	70	70
Eden			100				80		100	100
Overberg			250	100		100	80	(20.00)	100	100
West Coast			100	100		100		(100.00)		
Unallocated										

Table B.4.2 Transfers to local government by transfers/grant type, category and municipality: Department of Economic Development and Tourism										
Municipalities	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Integrated Tourism Development Framework projects				1 330		1 330	1 090	(18.05)	1 299	1 350
Category A				100		100	200	100.00	200	200
City of Cape Town				100		100	200	100.00	200	200
Category B										
Beaufort West										
Bergrivier										
Bitou										
Breede River/Winelands										
Breede Valley										
Cape Agulhas										
Cederberg										
Drakenstein										
George										
Kannaland										
Knysna										
Laingsburg										
Langeberg										
Matzikama										
Mossel Bay										
Oudtshoorn										
Overstrand										
Paarl										
Prince Albert										
Robertson										
Saldanha Bay										
Stellenbosch										
Swartland										
Swellendam										
Theewaterskloof										
Witzenberg										
Unallocated										
Category C				1 230		1 230	890	(27.64)	1 099	1 150
Boland				190		190	170	(10.53)	190	190
Central Karoo				180		180	300	66.67	250	300
Eden				350		350	100	(71.43)	149	150
Overberg				300		300	200	(33.33)	300	300
West Coast				210		210	120	(42.86)	210	210
Unallocated										

Table B.4.3 Transfers to local government by transfers/grant type, category and municipality: Department of Economic Development and Tourism										
Municipalities	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Direct Marketing of Province			3 344	1 900		1 900		(100.00)		
Category A			3 344	1 900		1 900		(100)		
City of Cape Town			3 344	1 900		1 900		(100.00)		
Category B										
Beaufort West										
Bergrivier										
Bitou										
Breede River/Winelands										
Breede Valley										
Cape Agulhas										
Cederberg										
Drakenstein										
George										
Kannaland										
Knysna										
Laingsburg										
Langeberg										
Matzikama										
Mossel Bay										
Oudtshoorn										
Overstrand										
Paarl										
Prince Albert										
Robertson										
Saldanha Bay										
Stellenbosch										
Swartland										
Swellendam										
Theewaterskloof										
Witzenberg										
Unallocated										
Category C										
Boland										
Central Karoo										
Eden										
Overberg										
West Coast										
Unallocated										

Table B.4.4 Transfers to local government by transfers/grant type, category and municipality: Department of Economic Development and Tourism										
Municipalities	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Job Creation and Poverty Relief	866	2 189	6 078	600	600	1 200	500	(58.33)	1 000	1 000
Category A	720	585	4 304	200	200	200		(100.00)		
City of Cape Town	720	585	4 304	200	200	200		(100.00)		
Category B		1 530	170							
Beaufort West		1 080								
Bergrivier										
Bitou										
Breede River/Winelands										
Breede Valley		50								
Cape Agulhas										
Cederberg										
Drakenstein		40								
George										
Kannaland										
Knysna										
Laingsburg										
Langeberg			100							
Matzikama										
Mossel Bay										
Oudtshoorn		245								
Overstrand		40								
Paarl										
Prince Albert										
Robertson										
Saldanha Bay			20							
Stellenbosch		25								
Swartland										
Swellendam		50	50							
Theewaterskloof										
Witzenberg										
Unallocated										
Category C	146	74	1 604	400	400	1 000	500	(50.00)	1 000	1 000
Boland			300	200	200	200	200		200	200
Central Karoo		50	300	200	200	200	200		200	200
Eden			200	200	200	200	200		200	200
Overberg			504	200	200	200	200		200	200
West Coast	146	24	300	200	200	200	300	50.00	200	200
Unallocated										

Table B.5 Provincial payments and estimates by district and local municipality										
Department of Economic Development and Tourism										
Municipalities	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Cape Town Metro	19 370	32 411	90 968	91 617	78 429	77 979	73 637	(5.57)	76 317	79 856
West Coast Municipalities	1 738	2 908	8 161	4 360	7 429	6 993	7 299	4.38	7 411	7 747
Matzikama										
Cederberg										
Bergrivier										
Saldanha Bay										
Swartland										
West Coast DMA										
West Coast District Municipality	1 738	2 908	8 161	4 360	7 429	6 993	7 299	4.38	7 411	7 747
Boland Municipalities	4 756	7 959	22 337	11 649	19 473	19 142	18 512	(3.29)	19 140	20 058
Witzenberg										
Drakenstein										
Stellenbosch										
Breede Valley										
Breede River/Winelands										
Breede River DMA										
Boland District Municipality	4 756	7 959	22 337	11 649	19 473	19 142	18 512	(3.29)	19 140	20 058
Overberg Municipalities	1 368	2 287	6 423	3 666	5 844	5 504	5 750	4.47	6 065	6 329
Theewaterskloof										
Overstrand										
Cape Agulhas										
Swellendam										
Overberg DMA										
Overberg District Municipality	1 368	2 287	6 423	3 666	5 844	5 504	5 750	4.47	6 065	6 329
Eden Municipalities	2 680	4 485	12 587	6 651	11 219	10 787	10 706	(0.75)	11 117	11 636
Kannaland										
Langeberg										
Mossel Bay										
George										
Oudtshoorn										
Bitou										
Knysna										
South Cape DMA										
Eden District Municipality	2 680	4 485	12 587	6 651	11 219	10 787	10 706	(0.75)	11 117	11 636
Central Karoo Municipalities	457	765	2 146	1 461	2 182	1 839	2 424	31.81	2 442	2 580
Laingsburg										
Prince Albert										
Beaufort West										
Central Karoo DMA										
Central Karoo District Municipality	457	765	2 146	1 461	2 182	1 839	2 424	31.81	2 442	2 580
Total provincial expenditure by district and local municipality	30 369	50 815	142 622	119 404	124 576	122 244	118 328	(3.20)	122 492	128 206