

Vote 12

Department of Economic Development and Tourism

	2007/08 To be appropriated	2008/09	2009/10
MTEF allocations	R 214 152 000	R 235 749 000	R 267 608 000
Responsible MEC	Provincial Minister of Environment, Planning and Economic Development		
Administering Department	Provincial Minister of Finance and Tourism		
Accounting Officer	Department of Economic Development and Tourism		
	Head of Department, Economic Development and Tourism		

1. Overview

Core functions and responsibilities

To **grow** the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.

To create **employment**, especially for the presently unemployed.

To make **ownership** of the economy representative of the demography of the Province.

To increase levels of **participation** in the economy by all, especially by the previously excluded and presently marginalised.

To make citizens and their enterprises effective players in the **global** economy.

To create a fair, effective and conducive **business environment** for enterprises and consumers.

Vision

The Department's vision is encapsulated in the vision of the National Growth and Development Strategy, the Home for All vision and the strategy of iKapa Elihlumayo. In essence the Department's vision is one of a shared, sustainable, growing, labour-absorbing, and globally competitive economy.

Mission

The Department's mission is a commitment to drive key economic sectors that will grow the economy in a manner that will create decent work for entrants into the labour market and to ensure that we reduce the number of people dependent on social welfare. We aim to grow and transform our economy through micro economic interventions and to ensure we meet social, economic and environmental equity outcomes.

Main services

As the lead agent, the Department is responsible for the development of the Western Cape Micro-economic Development Strategy (MEDS). The aim of the MEDS is not only a snap-shot of the economy at any given moment, but rather a long term process in which sector evaluations, data and analysis are constantly updated and expanded in perpetuity thereby guaranteeing a sound basis for decision making on programmes and interventions undertaken to influence and develop both sectors and themes in the Western Cape economy.

Demands and changes in service

The 2006/07 financial year saw further refinement of the Department's structure to better align itself to deliver on the prioritised interventions as set out in the Micro-economic Development Strategy (MEDS).

Acts, rules and regulations

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

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

To regulate financial management in the department to ensure that all revenue, expenditure, assets and liabilities are managed efficiently and effectively and to provide the responsibilities and authority to persons entrusted with financial management in the department.

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

To establish the Western Cape Investment and Trade Promotion Agency (Wesgro).

Liquor Act, 1989 (Act 27 of 1989)

The Liquor Act, No 27 of 1989 will, when the national Liquor Act, No 23 of 2003 comes into effect during the 2004/05 financial years, become the default provincial legislation that will regulate the retail and micro manufacturing sector of the liquor industry until replaced by the proposed provincial liquor legislation.

Liquor Act, 2003 (Act 59 of 2003)

The Liquor Act, No 59 of 2003 came into effect on 13 August 2004 and replaced the current Liquor Act, No 27 of 1989 for national functions while retaining it as transitional measure for provincial functions. It introduces a three tier system into the liquor industry and regulates the manufacturing and distribution tier. It provides for the devolution of functions relating to the distribution tier to the Provincial Minister and it requires the Provincial Liquor Licensing Authority to provide it with statistical information relating to the retail and micro-manufacturing tier.

Businesses Act, 1991 (Act 71 of 1991)

The Businesses Act is assigned national legislation that provides for the regulation of informal trading by municipalities, subject to monitoring of the relevant bylaws by the Provincial Minister. It further provides that the Provincial Minister may act as an appeal authority in instances where municipalities refuse applications by certain types of businesses for licenses to trade.

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

To establish a legislative framework for the promotion of black economic empowerment; to empower the Minister to issue codes of good practice, to publish transformation charters; to establish the Black Economic Empowerment Advisory Council; and to provide matters connected therewith.

Small Business Amendment Bill, 2004

To amend the National Small Business Act, 1996, so as to repeal all provisions pertaining to the Ntsika Enterprise Promotion Agency (Ntsika); to provide for the establishment of the Small Enterprise Development Agency (SEDA) and to make provision for the incorporation of Ntsika, Namac and any other designated institution into the agency.

Municipal Systems Act, 2000 (Act 32 of 2000)

To provide core principles, mechanisms and processes to enable municipalities to move progressively towards social and economic upliftment of communities and to ensure access to essential and affordable services.

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

It is expected that the regulations applicable to the legislation will be completed and that the legislation will come into effect in the 2005/06 financial year.

The National Integrated Manufacturing Strategy (NIMS)

A technologically advanced national approach implemented through the Department of Trade and Industry aimed at bringing together all role players in the industry to develop a collective vision with the purpose of ensuring sustainable development and growth and that technological resources are developed, focused and utilised proficiently.

The Advanced Manufacturing and Technological Strategy (AMTS)

A technologically advanced provincial policy in line with iKapa Elihlumayo principles and the Department's strategic priorities which will concentrate more on sector-based initiatives rather than the broad-based IMS. These initiatives will be implemented through the Council for Scientific and Industrial Research (CSIR).

The Integrated Tourism Development Framework (ITDF)

This spatial economic plan reviews tourism potential, supply patterns, possible product portfolios and routes and attempts to match these with the demand from primary and secondary domestic and international markets servicing the destination.

National Tourism Second Amendment Act, 2000 (Act 70 of 2000)

To amend the Tourism Act, 1993. Provisions in the Act include further training and registration of tourist guides, a code of conduct and ethics for tourist guides, procedures to lodging complaints and disciplinary measures.

Provincial Western Cape Tourism Act, 2004 (Act 1 of 2004)

To provide for the establishment of the Destination Marketing Organisation (DMO).

White Paper on Sustainable Tourism Development and Promotion (2001)

The White Paper on Sustainable Tourism Development and Promotion in the Western Cape provides the policy foundations and competitive strategy for the Western Cape to become a leading global tourism destination.

Budget decisions

The Department of Economic Development & Tourism is placed extraordinarily well at the outset of the 2007 MTEF planning cycle to be able to offer evidence-based and analysis-based policy options and to develop focused interventions to give effect to the national priorities.

The proposed interventions of the MEDS have been prioritised. The sectors have been prioritised into three tiers namely:

Priority Sectors

Significant Sectors

Watch-list Sectors

The Priorities (both sectors and themes) identified for the 2007/08 financial year and medium term are:

Workforce Development

Call Centres and Business Processing Outsourcing (BPO)

Tourism

Oil and Gas Industry Supply and Service hub

Information and Communication Technology (ICT)

Enterprise Development

The above-mentioned sectors were chosen based on their ability to create jobs, increase export potential, grow significantly and show the highest return on investment.

2. Review 2006/07

The 2006/07 financial year can be characterised as a tumultuous year in the life of the Department. However significant progress has been made in the improvement of the economic situation of both the economy and the average citizen of the Western Cape.

The Real Economic Development (RED) Initiative remains one of the cornerstones of the Department's interventions. The aim of the initiative is to provide the people of the Western Cape with practical business advice, practical entrepreneurship skills, real business mentorship and opportunities. The year under review has seen the consolidation of the RED programme especially in terms of the establishment of new RED Doors in the Province. To date, 9 RED Door offices have been opened, with 2 additional RED Door offices planned for the Mossel Bay and Stellenbosch areas. These "one stop shop single access points for SMMEs" have assisted in excess of 1 500 entrepreneurs.

A major focus of the year so far has also been to improve on and expand the services offered by the RED Programme, especially in the areas of finance, youth, women, and expanding the outreach projects to areas not covered by the existing RED Doors.

A key focus of our Integrated Economic Development Services Programme was to give effect to the achievement of the Siyabulela Deliverables where opportunities and projects are focused specifically at women and the youth.

The Department's continued support for economic development in local areas took a significant turn for the better with the rollout and establishment phase of DIE PLEK PLAN (DPP) programme. The recruitment and selection process for local offices and managers was undertaken. Given a surprisingly poor pool of applications, only 3 managers were identified and recruited for the position of Plek Plan managers for the regions: West Coast, Overberg and Eden districts. This programme is aimed at building on existing Economic Development Units (EDU) and supporting Local Economic Development (LED) units. Furthermore, the Plek Plan managers will ensure that municipalities have quality information and assistance on economic development issues that impact on local areas. The Plek Plan programme and the support services that accompany this intervention will set the framework for the LED unit's strategy to support and strengthen local municipalities in the achievement of local economic development.

The Rural Economic Assistance Fund (REAF) supports the development of pilot pioneering projects in rural areas. Two new projects (Phezukomkhono Hydroponics in Oudtshoorn and Eden Connect Call Centre) have been identified as catalytic projects to be undertaken.

Skills and capacity of partners and local municipalities remains a concern. To address these challenges intensive engagements have been held with relevant partners and stakeholders around areas of synergy and pooling of spending for economic development. Discussion informs an understanding of problems experienced and assists with the design of appropriate support measures. Partners included other provincial departments such as, Provincial Treasury and Local Government and Housing with whom municipal profiles were developed. Further collaboration with the Department of the Premier and Local Government and Housing occurred with the project work required for the district growth and development summits.

The Strategic Framework for Economic Empowerment in the Western Cape has been completed. This framework will assist in creating a platform where issues around economic empowerment can be dealt with in a consistent and equitable manner as well as prevent misinterpretation of the principles and functioning of Broad Based Black Economic Empowerment (BBBEE).

A final legal opinion was obtained on various aspects of the Liquor Bill, particularly constitutional concerns, and the redrafted Bill prepared for submission to the Standing Committee in accordance with the amended timeframe.

The Liquor Board continued to operate at much improved levels of efficiency, to such an extent that by the end of the reporting period, the backlog had been reduced to less than 7 months. Delays in the issuing of approved licenses were addressed and largely eliminated by mid-December 2006. It appears increasingly likely that the stated objective of the Board, to be able to consider new applications within four months from date of lodgment at the magistrate's court, will be achieved by the end of the final quarter of this financial year.

The process of preparing the Liquor Board for its transition into a public entity continued. The job descriptions for the posts in the proposed structure were completed and sent to be job evaluated by the Organisational Development unit in the Department of the Premier during January 2007. Meetings were held with managers at two other Western Cape-based public entities to gain insights into the management of the transition process: the Gambling and Racing Board and Cape Nature Conservation.

In terms of the Department's obligations of addressing the negative effects of alcohol consumption the rollout of awareness programmes against Foetal Alcohol Syndrome was expanded in rural areas.

The Office of the Consumer protector was instrumental in establishing a provincial co-ordinating body for the advice office sector in the province. This was launched in Beaufort West in October 2006. The founding meeting was a resounding success, with attendance by 108 representatives of 31 of the 48 advice offices that applied for affiliation. Called the Western Cape Advice Office Association (WCAOA), the body immediately set about establishing itself as the voice of the advice office movement in the province, and is already a major player in a long-running initiative to re-establish a national body, to which it will be affiliated. A second, similar, initiative is now underway to establish a union-type association for the paralegal workers (as opposed to the WCAOA, which is a management organisation). Support of Consumer Protection once again received attention with the continued support for the advice offices in the Western Cape. Currently, there are 48 Consumer Advice Offices being supported within the Western Cape.

To further the linking of academia and industry in the Western Cape the Department has given support to a new initiative called the Cape Initiative in Material and Manufacturing (CIMM). The CIMM aims to re-engineer its learning capacity to best meet the needs of a vibrant economy that is able to learn and grow. The evidence and analysis-based interventions in the province's economy received a major boost with the publishing of the second MEDS Synthesis report in July 2006. With the publishing of the report, the Department undertook to prioritise its sectoral landscape and develop tangible interventions that have the buy-in of all social partners including business.

In terms of our sectoral initiative much work has been completed in finalising business plans for the implementation of interventions identified through the MEDS process. Some highlights of interventions supported, include the support of the Resource Beneficiation, Services, Manufacturing, Creative, and Tourism industries.

A major coup for the Department was the initiation of the R1 Billion Saldanha Fabrication facility. This has been the culmination of nearly 4 years extensive work and will go a long way in establishing the Western Cape as a pro-manufacturing Province. A further significant achievement in the manufacturing sector was the formal launch of the Western Cape Tooling Cluster. The launch of this cluster has significant National implications and is already seen as the leader of the tooling industry, nationally.

In terms of our Services Sector interventions, the Department has initiated a number of meetings and discussions with the relevant role-players regarding the improvement of telecommunications infrastructure, particularly within the City of Cape Town. An investigation into the viability of developing an interim public transport system was instituted as this particularly impacts on the viability of the BPO industry. These interventions will not only have significant impact on the services industry, but will benefit all role-players in the Western Cape economy.

The festive season has seen the re-launch of the "Tourist in Distress" programme. This is the 3rd successive year that the Department has run this programme successfully. The programme aims to assist tourists that have experienced a traumatic situation such as a violent robbery in the Province thereby alleviating the possible negative publicity that the Province may encounter.

3. Outlook for 2007/08

Over the past 3 financial years, the Department has embarked on a process of researching the economic landscape of the province in order to develop an in-depth, economically sound Micro-economic Development Strategy (MEDS). The MEDS informs, integrates and prioritises interventions made by Provincial Government into the economy of the Western Cape Province.

The draft Provincial Growth and Development Strategy (PGDS) sets a clear vision for the Department – one of shared growth and integrated development. The iKapa Elihlumayo strategy, which evolved out of the PGDS, is based on four key pillars, namely growth, equity, empowerment and environmental integrity.

The iKapa Elihlumayo strategy recognises the need to define the desired form of growth that Government seeks to stimulate. Foremost, it recognises that economic growth is accompanied by and improves on the social equity of the Province. It also highlights that social inequality can negatively affect the benefits of any economic growth attained for the poor as well as future growth.

With this in mind, the Department realizes that given the resource envelope of the Province and the Department, it will be impossible to intervene in all the outcomes of the MEDS as agreed with all stakeholders in the Provincial economy.

The Department is broadly focusing, over the coming medium term, on the following:

- Promoting and mobilising investment and creating decent work for all;

- Ensuring economic empowerment for all, especially for black people, workers people with disabilities, women and youth;

- Eradicating poverty and addressing the legacy of under-development; and

- Strategically engaging globalisation to the best advantage of the Province.

At the recent Cabinet Lekgotla, it was resolved that AsgiSA constraints should be addressed concretely as they arise. With this in mind, the Department has identified certain programmatic areas for special attention, namely those relating to skills development, second economy interventions, and promoting growth in our priority sectors.

It is against this national and provincial backdrop that the Department has identified and prioritised the following as the most vital components of its strategy to achieve the added growth trajectory expected:

- Skills development

- Enterprise Development

- Sector Support

- Spatial expression of economic development

Integrated Economic Development Services

The purpose of Integrated Economic Development Services is to improve the economy and to entrench the participation of Historically Disadvantaged Individuals (HDIs) through enterprise development, local economic development and economic empowerment.

By assimilating the national and provincial strategic document such as the RIDS, BBBEE, PGDS, PSDP and AsgiSA taking into account the Departments MEDS intervention strategies, the programme has adopted the following as its key deliverables for the coming MTEF period:

The sub-programme: Enterprise Development will focus on the development and expansion of the RED Initiative. The RED Initiative will be expanded through the provision of a credible support network, improved access to finance, training and the development of strategies that will assist entrepreneurs in accessing opportunities wherever they may exist.

Our Economic Empowerment division will focus primarily on the development of BEE networks as well as the development of a policy framework for the Province taking National priorities into account. A key focus of the development of this all encompassing strategy will be access to finance, opportunities as well as information.

While all the above mentioned is fine for the metropolitan areas of the Western Cape, there needs to be a spatial dimension to all interventions identified. This spatial context will be managed through our Local Economic Development sub-programme. The LED unit will look at providing access to finance, primarily through the Rural Economic Assistance Fund (REAF). Furthermore, the LED unit will assist with the development of market opportunities and the building of capacity in rural areas through the establishment of Die Plek Plan offices and programmes and working with municipal Economic Development Units (EDU's).

Trade and Industry Development

Sectors have been prioritised in accordance with the iKapa Elihlumayo's growth strategy, and have been evaluated against two sets of criteria. The first set attempts to evaluate the potential that particular sectors offer for growth, employment expansion and broad-based black economic empowerment. The second set looks at the relative cost and the likely impact of a combination of proposed interventions within a sector on the economy as a whole.

To this end, the key deliverables in Trade and Industry Development for 2007/08 are informed by the critical criteria of:

- Transformation as defined by the BEE principles

- Growth within the sector, including a strong focus on export-orientation to allow for scalability

- Competitiveness enhancement

- A pro-poor focus as relevant

The following have therefore been denoted as priority sectors:

- BPO

- Oil and Gas

- Information and Communication Technology

- Tourism

And the following have been denoted as significant sectors:

- Creative Industries (including craft and film)

- Metals and Engineering

- Clothing and Textiles

In addition, a critical strategic goal of Trade and Industry Development is strategic sector support. Strategic sector support aims to maximise the competitiveness of sectors and industries by means of cross-cutting themes which enhance and support competitiveness within each of the prioritised sectors, as well as to facilitate a optimally-conducive economic environment for the development and growth of sectors and businesses. Within this context, skills development has been highlighted as the main strategic thrust of 2007/08.

Business Regulation and Governance

The regulatory industry has gained tremendous prominence in post-apartheid South Africa, with both government and industry being instrumental in the establishment of regulatory institutions as a bulwark against abuse and exploitation of consumers and to promote sound and ethical business practices. Whilst regulation is often viewed negatively by the business sector, it acts as an enabler, providing a platform for all the economic role-players – consumers, enterprises and the various levels of government – to co-operate in a structured, legally secure and predictable environment towards economic growth and transformation. There is now general acceptance that growth should not be at the expense of equity, and government's approach is to establish mechanisms to unlock the benefits of economic growth whilst minimising social costs. At the same time, it seeks to address other social objectives such as reduction of personal debt, access to credit, black economic empowerment and development of social and economic infrastructure. Indeed, in addition to growing the economy, the achievement of greater equity in society, which is the one of the main foci of regulation, is one of the broad objectives of government, as embodied in AsgiSA.

The Western Cape Government is aware of the need for socially responsible trade. The province has, for example, the highest incidence of foetal alcohol syndrome in the world; the highest teenage pregnancy rate in the country, often linked to alcohol abuse, and its populace is, in line with the rest of the country, heavily over-indebted. The need for regulation in order to address such social ills is therefore acute and the provincial government is committed to promotion of social responsibility in the trading environment.

The Business Regulation and Governance component has over the past few years and particularly in the last few quarters managed to align its processes and procedures to benchmarks that exceed the national norm. However, it acknowledges that in order to be truly excellent rather than better than the rest, it needs to constantly assess and review its priorities and projects with a view to re-aligning these to adapt to an ever-changing business and regulatory environment.

The key deliverables for this Programme will therefore be:

The operationalisation of the Consumer Tribunal and the establishment of the Office of the Consumer Protector (OCP) and the Tribunal as highly recognised and trusted brands.

Furthermore, the OCP is to become the preferred reference point for consumers seeking information or access to redress, whether they are residents of or visitors to the province. In addition thereto, the establishment of the OCP as a provincial credit regulator in terms of the National Credit Act, 2006, will be a priority.

The restructuring of the Liquor Board, which was delayed as a result of the slow legislative processes around the Western Cape Liquor Bill, will proceed once the Bill is passed into law and the Act and its concomitant regulations promulgated. Whilst the Board has been designated a public entity in terms of the Public Finance Management Act, 1999, the extent to which auxiliary or secondary functions and responsibilities of the regulator may be executed within the Department, and the accountability of the Board to the executive authority and/or other structures within the provincial legislature still needs to be determined through the legislative process.

The 2007/08-year should see the enactment of the new Provincial Liquor Bill. The enactment of this legislation will provide the first step towards the Liquor Board being established as a fully-fledged and independent public entity.

The Department will also be furthering its support for the existing consumer advice offices in the Western Cape. A major boost will be the piloting of the first district offices of the department in the various outlying regions of the Western Cape.

Tourism

Tourism is a sector with the potential to create many more jobs and alleviate poverty. This is further confirmed through the Accelerated Shared Growth Initiative of South Africa, which identifies Tourism and the BPO sector as being the two sectors of the economy for priority intervention.

The Western Cape Government is aware of the importance of tourism in driving our Provincial economy. For instance about 9,6 per cent of our workforce, or 150 000 people, are employed in the tourism sector. It also contributes about 9,8 per cent to the provincial GDP. As such, tourism is the most important sector driving the economy of the Western Cape.

Tourist arrivals increased from 810,000 in 2000 to 1,535,000 in 2004 accompanied by a steady increase in yields over the five-year period. 2004 yields were up 15 per cent on 2003 figures. 2005 forecasts continued growth to reach 1,6 million visitors. In addition, the 2010 FIFA World Cup will inject new impetus that will result in new job creation, increased arrivals [targeted to be 3 000 000 for Cape Town & the Western Cape], increased yield, and geographic spread. Domestic arrivals have also shown significant increases with the Western Cape enjoying a 10 per cent share of the national trade. The domestic market continues as a focus market for future growth.

From the 2nd Quarter of 2006 to date, the Tourism component conducted a comprehensive exercise to determine what a world-class, South African, provincial government tourism department should be doing from the perspective of all the social partners and consumers to have the "genuine impact" on the trajectory of the sector envisaged by the Micro-economic Development Strategy [MEDS].

From the above, we propose the following key deliverables for 2007/08, which are consistent with the national and provincial priorities of accelerated and shared growth as being:

The development of tourism sites, attractions, routes and infrastructure will be guided by a reworked version of the Integrated Tourism Development Framework (ITDF) which will then be incorporated as a key element within the Western Cape Tourism Development (WCTD) Framework. It will prioritise and sequence the rolling out of the proposed developments, specify approximate costs, recommend potential financing partners and recommend a timetable for putting these in place.

Pursue a vigorous Tourism HRD programme to develop an appropriately skilled and highly productive workforce.

Making sure that its programmes are as targeted and cost-effective as possible and to ensure refinement of its role as the Provincial Destination Marketing Organisation (DMO) in a manner which is cost effective and is reflective of the organisation moving beyond the status of a new organisation.

Massification of the Tourism Enterprise Development Programme and implementation.

Promote local tourism development [LED] in all municipalities that have the potential. We will achieve LED in tourism in the B and C municipalities through Die Plek Plan, the Department's local economic development initiative, and our Tourism Enterprise Development Programme.

Promote economic empowerment [management, ownership, control and employment equity]. The BBBEE legislation focuses on:

Ownership, control and management of enterprises.

Employment representivity at all levels within enterprises.

Procurement by enterprises from BBBEE, particularly SMME, enterprises.

Establish an array of interventions to ensure the competitiveness of the destination as a whole is maintained at a very high level.

Continue to provide tourist guiding registration and development services.

4. Receipts and financing

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

Table 4.1 Summary of receipts

Receipts R'000	Outcome			Main appropriation 2006/07	Adjusted appropriation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Treasury funding										
Equitable share	118 715	120 502	137 378	168 433	168 433	168 433	193 382	14.81	211 979	240 338
Financing				5 000	5 628	5 628		(100.00)		
Total Treasury funding	118 715	120 502	137 378	173 433	174 061	173 980	193 382	11.15	211 979	240 338
Departmental receipts										
Tax receipts	3 681	3 781	4 298	14 730	4 330	4 330	20 500	373.44	23 500	27 000
Sales of goods and services other than capital assets	359	284	266	270	270	270	270		270	270
Interest, dividends and rent on land		2								
Sales of capital assets		15								
Financial transactions in assets and liabilities		1 855	64			81		(100.00)		
Total departmental receipts	4 040	5 937	4 628	15 000	4 600	4 681	20 770	343.71	23 770	27 270
Total receipts	122 755	126 439	142 006	188 433	178 661	178 661	214 152	19.86	235 749	267 608

Summary of receipts:

Total receipts increase by R35,491 million or 19,86 per cent from R178,661 million in 2006/07 to R214,152 million in 2007/08.

Details of Departmental receipts:

Included in the Department's total receipts of R214,152 million is the projected increase in departmental receipts of R16,089 million from the R4,681 million 2006/07 revised estimate to R20,770 million in 2007/08. The main reason for this 343,71 per cent increase in 2007/08, is the increase in Tax receipts, which is due to the implementation of the proposed new tariff structure within the new Provincial Liquor legislation. The revenue figure is based on the total number of liquor license holders that will need to renew their licenses. It is also projected that the total number of licensees will be increasing over the medium term as efforts have been put in place to attract more HDI license holders and also license more of the illegal shebeen owners. These steps will see the liquor licence base increasing substantially over the medium term.

Estimates for Sales of goods and services other than capital assets in respect of the registration of Tourist Guides remain constant at R270 000 over the MTEF. It is not projected that the number of guides will increase over the MTEF.

5. Payment summary

Since the foundation of this Department's budget, our key assumptions are taken from the overarching strategy of the MEDS. These assumptions can be translated into the following:

If we want to create jobs, we must proliferate enterprises.

If we want to proliferate enterprises, we must develop new business opportunities in sectors. If we want to develop new business opportunities in sectors, we must act to strengthen and expand sectors. If we want to strengthen and expand sectors, we need **The MEDS**.

If we want to develop new business opportunities in sectors, we can also develop new sectors, sub-sectors and niche opportunities. If we want to develop new sectors, sub-sectors and niche business opportunities, we need a **Global Business Intelligence Unit**, which gleans information, converts this into intelligence and articulates new business opportunities.

If we want to accelerate the growth of jobs in particular municipalities, we must have a well-resourced, well-informed mechanism in municipalities to facilitate the proliferation of enterprises on the ground. The following mechanisms and institutions will facilitate the proliferation of enterprises and jobs on the ground in all municipalities: **The MEDS, Die Plek Plan, The Enterprise Shop and The RED Initiative**.

If we want jobs in new enterprises to be sustainable, we need to strengthen and expand enterprises and constantly improve the skills of the workforce.

Programme 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.

Table 5.1 Summary of payments and estimates

Programme R'000	Outcome			Main appro- prium	Adjusted appro- prium	Revised estimate	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
1. Administration	10 997	14 890	16 924	28 502	24 302	24 302	23 264	(4.27)	29 298	31 905
2. Integrated Economic Development Services	42 690	40 830	34 085	49 594	46 972	46 972	63 535	35.26	67 187	70 557
3. Trade and Industry Development	36 879	34 466	45 139	51 020	53 375	53 375	64 885	21.56	70 943	80 502
4. Business Regulation and Governance	7 741	9 790	8 757	15 180	11 030	11 030	13 970	26.65	17 390	19 193
5. Tourism	24 448	26 463	37 101	44 137	42 982	42 982	48 498	12.83	50 931	65 451
Total payments and estimates	122 755	126 439	142 006	188 433	178 661	178 661	214 152	19.86	235 749	267 608

Summary by economic classification

Table 5.2 Summary of provincial payments and estimates by economic classification

Economic classification R'000	Outcome			Main appro- piation 2006/07	Adjusted appro- piation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Current payments	35 028	45 417	51 877	102 648	76 717	76 637	112 602	46.93	117 599	141 458
Compensation of employees	14 678	22 182	27 084	45 093	36 099	32 148	45 781	42.41	50 970	54 579
Goods and services	20 350	23 188	24 771	57 555	40 618	44 483	66 821	50.22	66 629	86 879
Financial transactions in assets and liabilities		47	22			6		(100.00)		
Transfers and subsidies to	84 784	79 495	89 554	85 285	100 634	100 619	101 050	0.43	117 400	125 400
Provinces and municipalities	4 731	2 565	1 918	513	526	511		(100.00)		
Departmental agencies and accounts	29 802	52 232	51 010	40 583	37 181	37 181	34 300	(7.75)	36 300	38 300
Universities and technikons		550	300	480	2 480	2 480	150	(93.95)	300	450
Public corporations and private enterprises	4 250	17 330	20 880	20 100	31 600	31 600	26 150	(17.25)	36 300	37 450
Non-profit institutions	46 001	6 818	15 446	23 609	28 847	28 847	40 450	40.22	44 500	49 200
Payments for capital assets	2 943	1 527	575	500	1 310	1 405	500	(64.41)	750	750
Machinery and equipment	2 943	1 527	575	500	1 310	1 405	500	(64.41)	750	750
Total economic classification	122 755	126 439	142 006	188 433	178 661	178 661	214 152	19.86	235 749	267 608

Transfers to public entities

Table 5.3 Summary of departmental transfers to public entities

Public entities R'000	Outcome			Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Western Cape trade and Investment Promotional Agency (Wesgro)	7 461	31 700	24 500	9 000	10 431	10 431	11 300	8.33	12 300	13 300
Destination Marketing Organization (Western Cape Tourism)	14 741	20 532	26 510	26 570	26 750	26 750	23 000	(14.02)	24 000	25 000
Casidra (Pty) Ltd	4 250	17 330	20 880	20 100	26 600	26 600	18 000	(32.33)	28 300	29 450
Council for Scientific and Industrial Research	3 350			5 000	5 000	5 000	8 000	60.00	8 000	8 000
Total departmental transfers to public entities	29 802	69 562	71 890	60 670	68 781	68 781	60 300	(12.33)	72 600	75 750

Transfers to development corporations

Table 5.4 Summary of departmental transfers to development corporations by entity - None

Transfers to local government

Table 5.5 Summary of departmental transfers to local government by category

Departmental transfers R'000	Outcome			Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Category A	2 200	200	200							
Category C	2 505	2 310	1 650	491	491	491		(100.00)		
Total departmental transfers to local government	4 705	2 510	1 850	491	491	491		(100.00)		

Note: Excludes regional services council levy.

Departmental Public-Private Partnership (PPP) projects

Table 5.6 Summary of departmental Public-Private Partnership projects - None

6. Programme Description

Programme 1: Administration

Purpose: To provide overall management and administrative support to the Department and respective branches within the department. To supply economic statistics and research which informs policy development.

Analysis per sub-programme

Sub-programme 1.1: Office of the Head of Department

to conduct the overall management and administrative support to the programme and department

Sub-programme 1.2: Financial Management

ensuring effective financial management

Sub-programme 1.3: Corporate services

management of human resources and administrative support services

management of research and policy development within the department

management of communications and corporate image

promotion of economic development and capacity building

Policy developments:

The key points emerging from this programme include:

increasing capacity to best meet the demands of the reprioritised department and its structures;

increased focus on delivery and performance of the department; and

the provision of a coherent and integrated management, administrative and support function to the department.

Expenditure trends analysis:

The programme expenditure has decreased by just under 4,27 per cent or R1,038 million in the 2007/08 financial year from the previous financial year. The primary reason for this are the improvements in administrative efficiencies as well as a reduction in the MEDS research planned for 2007/08.

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

Sub-programme R'000	Outcome			Main appro- piation 2006/07	Adjusted appro- piation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
1. Office of the HOD			3 914	2 997	2 708	5 582	1 736	(68.90)	3 596	4 596
2. Financial Management	5 857	8 943	5 971	12 140	7 862	12 929	10 168	(12.14)	12 456	13 456
3. Corporate Services	5 140	5 947	7 039	13 365	13 732	5 791	11 360	(100.00)	13 246	13 853
Total payments and estimates	10 997	14 890	16 924	28 502	24 302	24 302	23 264	(4.27)	29 298	31 905

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

Economic classification R'000	Outcome			Main appro- piation 2006/07	Adjusted appro- piation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Current payments	9 538	12 034	16 459	28 389	23 489	23 373	23 164	(0.89)	29 148	31 755
Compensation of employees	5 017	6 306	9 298	15 202	12 044	11 973	16 014	33.75	18 298	19 305
Goods and services	4 521	5 681	7 153	13 187	11 445	11 397	7 150	(37.26)	10 850	12 450
Financial transactions in assets and liabilities		47	8			3		(100.00)		
Transfers and subsidies to		2 258	73	13	13	7		(100.00)		
Provinces and municipalities			23	13	13	7		(100.00)		
Departmental agencies and accounts		500								
Non-profit institutions		1 758	50							
Payments for capital assets	1 459	598	392	100	800	922	100	(89.15)	150	150
Machinery and equipment	1 459	598	392	100	800	922	100	(89.15)	150	150
Total economic classification	10 997	14 890	16 924	28 502	24 302	24 302	23 264	(4.27)	29 298	31 905

Details of transfers and subsidies:

Economic classification R'000	Outcome			Main appro- piation 2006/07	Adjusted appro- piation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Transfers and subsidies to (Current)		2 258	73	13	13	7		(100.00)		
Provinces and municipalities			23		13	7		(100.00)		
Municipalities			23		13	7		(100.00)		
Municipalities of which										
Municipal agencies and funds			23		13	7		(100.00)		
Departmental agencies and accounts		500		13						
Entities receiving transfers		500		13						
Western Cape Trade and Investment Promotion Agency		500								
Other				13						
Non-profit institutions		1 758	50							

Programme 2: Integrated Economic Development Services

Purpose: To improve the economy and to entrench the participation of Historically Disadvantaged Individuals (HDIs) through enterprise development, local economic development and economic empowerment.

Analysis per sub-programme

Sub-programme 2.1: Management: Integrated Economic Development

to conduct the overall management and administrative support to the Programme

Sub-programme 2.2: Enterprise development

to contribute to an environment that is conducive to the stimulation of entrepreneurship and the development, establishment, growth and support of SMMEs

Sub-programme 2.3: Local economic development

to establish effective relationships at local (municipal) level

to promote increased spread of targeted economic activity

to ensure that citizens of the province are fully informed of the offerings of all 3 spheres of government

Sub-programme 2.4: Economic empowerment

to provide strategic direction for empowerment and transformation of the Western Cape's economy

Policy developments:

Integrated Economic Development Services' objectives and strategies will be delivered in the context of iKapa Elihlumayo. In aligning its objectives and strategies with that of national government, it will base these on policy documents and programmes such as the National Small Business Act (amended 2004), the Broad Based Black Economic Empowerment Strategy, the ISRP, Urban Renewal Programme and the Micro Reform Strategy, the Co-operatives Act, ASGISA, JIPSA, NSDF. The Provincial Growth and Development Strategy and the Department's MEDS, will form the platform upon which the unit's objectives will be based.

The main aim of Enterprise Development is to create and maintain an environment conducive to the development and growth of small, medium and micro enterprises (SMME's), both formal and informal. This will be accomplished through:

Access to business information, opportunities and service offerings that is enhanced through the co-ordination of a reliable network of competent small business support service providers.

The inculcation of an entrepreneurial culture amongst the people of the Western Cape.

The main thrust of the Sub-programme's interventions is to provide tangible ways in which the economy of the Province may be accelerated and shared by its citizens. The delivery vehicle is a number of conveniently located single entry points across the Province.

Local Economic Development (LED) is committed to providing a coherent, integrated framework and environment in which to achieve local economic development, by focussing on HDI ownership and the geographic spread of economic activity in the province. The main aim of the unit's strategy will be strengthening support of local municipalities through interventions such as the DIE PLEK PLAN.

Economic Empowerment will provide a strategic direction for empowerment and transformation of the economy of the province. The process of empowerment of the Historically Disadvantaged Persons include elements of human resource development, employment equity, enterprise development, preferential procurement, as well as investment, ownership and control of enterprises and economic assets. The unit will focus on the key elements underpinning the targeted groups of women, the disabled, youth and the rurally located.

Expenditure trends analysis:

Since the establishment of this programme, the primary aim has been to increase the number of enterprises in the economy and as such has been one of the foundations on which all interventions of the Department are based. To this end, the budgeted allocation for the programme has increased significantly from R46,972 million in 2006/07 financial year to R63,535 million in 2007/08. This represents an increase of 35,26 per cent. The main contributors to this increase is the rollout of Die Plek Plan Programme, the capitalisation of the Rural Economic Assistance Fund as well as the expansion of services offered by the RED Initiative.

Service delivery measures:

Programme 2: Integrated Economic Development Services

Sub-programme	Measurable objective	Performance measure	Output	Target (2007/08)
2.2 Enterprise development.	To establish conveniently located SMME Service Support centres	Number of conveniently located SMME Support Service Centres including Mega support Centre.	1 SMME Support Service Centre	1 SMME Support Service Centre

Sub-programme	Measurable objective	Performance measure	Output	Target (2007/08)
	To maintain and monitor existing SMME Service support centres. To establish awareness around programs and initiatives of the Enterprise Development Unit Dedicated fund to assist entrepreneurs considered "unbankable."	Number of SMME Support Service Centres including Mega <u>Operating</u> (additional to those newly established) and number of entrepreneurs provided with business support. Number of stakeholders, clients, local governments departments reached through awareness sessions, media, information programs and initiatives held Number of entrepreneurs assisted by fund	13 SMME Support Service Centres maintained and monitored. 1800 entrepreneurs provided with business support. Develop & Implementation marketing strategy through marketing initiatives and programs Directly financing at least 150 entrepreneurs	13 SMME Support Service Centres maintained and monitored. 1800 entrepreneurs provided with business support. Develop & Implementation marketing strategy through marketing initiatives and programs Directly financing at least 150 entrepreneurs
2.3 Local economic development.	To provide guidance, support and capacity to municipalities through the Plek Plan Programme (the economic development units & IDP assessments & reviews) to strengthen the economic development capacity of municipalities.	Number of local Plek Plan offices established & operational to assist with strengthening the credibility of LED strategy development and implementation plans.	5 Plek Plan offices rolled out, and operationalised at municipal level	5 Plek Plan offices rolled out, and operationalised at municipal level
2.4 Economic empowerment.	Provide a strategic framework for the promotion of Economic Empowerment in the Western Cape.	Fully developed and implemented framework. Host a BBBEE Conference.	Strategy implementation plan. Host 2 nd BBBEE Conference.	Strategy implementation plan. Host 2 nd BBBEE Conference.

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

Sub-programme R'000	Outcome			Main appro- pria- tion 2006/07	Adjusted appro- pria- tion 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
1. Management: Integrated economic development services	1 733	2 766	1 210	4 013	2 463	2 260	3 631	60.66	4 640	5 230
2. Enterprise development	30 548	17 098	23 838	30 646	29 595	31 434	37 665	19.82	38 234	39 504
3. Local economic development	9 234	8 941	5 856	13 345	13 324	11 122	18 395	65.39	20 171	21 227
4. Economic empowerment	1 175	12 025	3 181	1 590	1 590	2 156	3 844	78.29	4 142	4 596
Total payments and estimates	42 690	40 830	34 085	49 594	46 972	46 972	63 535	35.26	67 187	70 557

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

Economic classification R'000	Outcome			Main appro- piation 2006/07	Adjusted appro- piation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Current payments	5 296	8 484	12 034	25 685	16 013	16 018	31 405	96.06	24 387	26 107
Compensation of employees	2 222	4 417	6 998	8 494	7 694	6 425	9 035	40.62	10 008	10 558
Goods and services	3 074	4 067	5 029	17 191	8 319	9 593	22 370	133.19	14 379	15 549
Financial transactions in assets and liabilities			7							
Transfers and subsidies to	36 806	31 861	21 968	23 809	30 809	30 804	32 030	3.98	42 650	44 300
Provinces and municipalities	3 105	1 111	1 218	9	9	4		(100.00)		
Departmental agencies and accounts	7 250	10 000		5 000	500	500	500		500	500
Universities and technikons		200								
Public corporations and private enterprises	4 250	17 250	19 900	18 300	29 800	29 800	26 000	(12.75)	36 000	37 000
Non-profit institutions	22 201	3 300	850	500	500	500	5 530	1 006.00	6 150	6 800
Payments for capital assets	588	485	83	100	150	150	100	(33.33)	150	150
Machinery and equipment	588	485	83	100	150	150	100	(33.33)	150	150
Total economic classification	42 690	40 830	34 085	49 594	46 972	46 972	63 535	35.26	67 187	70 557

Details of transfers and subsidies:

Economic classification R'000	Outcome			Main appro- piation 2006/07	Adjusted appro- piation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Transfers and subsidies to (Current)	36 806	31 861	21 968	23 809	30 809	30 804	32 030	3.98	42 650	44 300
Provinces and municipalities	3 105	1 111	1 218	9	9	4		(100.00)		
Municipalities	3 105	1 111	1 218	9	9	4		(100.00)		
of which										
Municipal agencies and funds	3 105	1 111	1 218	9	9	4		(100.00)		
Departmental agencies and accounts	7 250	10 000		5 000	500	500	500		500	500
Entities receiving transfers	7 250	10 000		5 000	500	500	500		500	500
Western Cape Trade and Investment Promotion Agency		10 000			500	500	500		500	500
CSIR	3 000			5 000						
Other	4 250									
Universities and technikons		200								
Public corporations and private enterprises	4 250	17 250	19 900	18 300	29 800	29 800	26 000	(12.75)	36 000	37 000
Public corporations	4 250	17 250	19 900	18 300	29 800	29 800	26 000	(12.75)	36 000	37 000
Other transfers	4 250	17 250	19 900	18 300	29 800	29 800	26 000	(12.75)	36 000	37 000
Non-profit institutions	22 201	3 300	850	500	500	500	5 530	1006.00	6 150	6 800

Programme 3: Trade and Industry Development

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

Analysis per sub-programme

Sub-programme 3.1: Management: Trade and Industry Development

to conduct the overall management and administrative support to the Programme

Sub-programme 3.2: Trade and Investment Promotion

to facilitate trade, export promotion and attract investment

Sub-programme 3.3: Sector development

to develop, promote and transform industry sectors that have a strong growth potential, through facilitating the establishment, funding and support of special purpose vehicles and the initiation and funding of key sectoral projects

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

Sub-programme 3.4: Industry development

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

to develop mechanisms and fund interventions to improve the articulation between the current and the future demand for skills, and the supply of education and training

to identify and develop interventions to improve the adoption of ICT and e-commerce across all firms and to all citizens

to identify and develop programmes to promote innovative practises, and adoption of globally competitive technologies within firms and institutions

to develop programmes to drive productivity, growth and industrial upgrading within and across sectors

Policy developments

Framed within the National Growth and Development Strategy vision and the iKapa Elihlumayo vision and goals, the Micro-economic Development Strategy underpins and is underpinned by the Department of Economic Development and Tourism's (DEDT) economic sectoral and thematic strategies. Contextualised by a stable macro-economic environment, the Micro-economic Development sector and thematic strategies within the Department seek to accelerate growth, create employment, increase ownership of the economy and ensure that industries are increasingly globally competitive in line with the overall goals of iKapa Elihlumayo.

The broad approach will be to develop the social capital of these sectors through section 21 bodies. Utilising these structures to develop intervention strategies and projects to transform and develop the sectors. These will be monitored to examine impact, and ensure the appropriate allocation of resources.

The MEDS research, which informs the sector prioritisation within the programme has assessed and prioritised sectors in terms of the iKapa Elihlumayo growth strategy. Sectors have been evaluated against two sets of criteria:

Evaluation of the potential growth, employment expansion, and

BBBEE, and the relative cost and likely impact of a combination of proposed interventions within the sector as a whole.

However, it has also been proven that sector strategies do not yield equity and participation outcomes without direct agendas that pre-determine efforts toward these outcomes. In other words, prioritisation of sectors according to their potential is not enough. The Department should also be active in determining and driving these goals within each sector.

Expenditure trends analysis

The allocated expenditure for the programme increased from R53,375 million in 2006/07 to R64,885 million in 2007/08 financial year. This increase represents an increase in allocated expenditure of 21,56 per cent or R11,510 million. The major contributing factors to this increase in allocated expenditure has been the additional funding received for interventions into Workforce Development, and the up-scaling of interventions into the identified priority and significant sectors.

Service delivery measures:

Programme 3: Trade and Industry Development

Sub-programme	Measurable objective	Performance measure	Output	Target (2007/08)
3.2 Trade and Investment Promotion.	<p>Identify new investment opportunities through targeting, close liaison and leveraging of business tourism, flowing from events and conference held in Cape Town.</p> <p>To assist Western Cape based exporting firms to broaden their reach into both emerging and established markets.</p>	<p>Average value of investment per number of investors and projects.</p> <p>Rand value of business generated per company exposed.</p>	<p>Investor targeting.</p> <p>Conduct outward missions.</p>	<p>Establishment of baseline.</p> <p>Increase the value of business generated as a result of outward missions.</p>
3.3 Sector Development	<p>Facilitation and support for the development of a bio-fuels industry strategy..</p> <p>To develop and grow the oil and gas sector through marketing, promotion and facilitating investment recruitment and strengthening of clusters.</p> <p>To develop and grow the ICT sector through marketing, promotion and facilitating investment recruitment & strengthening of clusters.</p> <p>To develop and grow the BPO sector through marketing, promotion and facilitating investment recruitment & strengthening of clusters.</p> <p>Facilitate the development and growth of the Craft industry through marketing, promotion and facilitating investment recruitment.</p> <p>Facilitate the development of the film industry through marketing, promotion and facilitating investment recruitment & strengthening of clusters.</p>	<p>Attend and support various task team consultations & sessions.</p> <p>Research needs identified.</p> <p>Amount of investment recruited, work opportunities created or sustained.</p> <p>Development and initiation of investment and outsourcing strategy.</p> <p>Amount of investment recruited and jobs created.</p> <p>Number of initiatives facilitated, developed and supported to market, promote and facilitate investment recruitment.</p> <p>Number of initiatives facilitated, developed and supported.</p>	<p>Consultation with national government and relevant stakeholders regarding feasibility and impact of initiatives.</p> <p>Expand support for The South African Oil and Gas Alliance (SAOGA) as the primary agent for the marketing, promotion and growth of local oil and Gas Supply industry.</p> <p>Expand support for Cape IT Initiative (CITI) and/or WESGRO in their Industry Support and focused Marketing Programmes aimed at the development, marketing, promotion and growth of Western Cape ICT industry.</p> <p>Expand support for Calling the Cape (CtC) as investment and marketing agent.</p> <p>Strengthening of implementation of the following programmes:</p> <ul style="list-style-type: none"> • Craft route. • Retail-producer linkages. • Export readiness programmes for craft businesses. <p>Expand support for the Cape Film Commission.</p>	<p>Consultation with national government and relevant stakeholders regarding feasibility and impact of initiatives.</p> <p>Expand support for The South African Oil and Gas Alliance (SAOGA) as the primary agent for the marketing, promotion and growth of local oil and Gas Supply industry.</p> <p>Expand support for Cape IT Initiative (CITI) and/or WESGRO in their Industry Support and focused Marketing Programmes aimed at the development, marketing, promotion and growth of Western Cape ICT industry.</p> <p>Expand support for Calling the Cape (CtC) as investment and marketing agent.</p> <p>Strengthening of implementation of the following programmes:</p> <ul style="list-style-type: none"> • Craft route. • Retail-producer linkages. • Export readiness programmes for craft businesses. <p>Expand support for the Cape Film Commission.</p>
3.4 Industry Development	<p>Provide the appropriate human resource profiles and analysis in support of demand-led sector strategies.</p>	<p>No. of sectors analysed.</p>	<p>Interventions within sector skills strategies deepened in terms of analysis, particularly re best practice.</p>	<p>Interventions within sector skills strategies deepened in terms of analysis, particularly re best practice.</p>

Sub-programme	Measurable objective	Performance measure	Output	Target (2007/08)
	Enhance workforce development within BPO sector.	No. of training provided per sector.	Development, consultation and implementation of workforce development strategies & interventions for specific sectors.	Development, consultation and implementation of workforce development strategies & interventions for specific sectors.

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

Sub-programme R'000	Outcome			Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
1. Management: Trade and Industry Development	1 790	2 612	2 674	2 855	2 424	2 703	2 835	4.88	3 508	4 075
2. Trade and Investment Promotion	7 501	21 889	9 578	9 900	10 831	10 905	11 400	4.54	13 100	14 100
3. Sector development	22 347	6 095	30 198	30 738	34 106	34 114	41 192	20.75	43 355	49 155
4. Industry development	5 241	3 870	2 689	7 527	6 014	5 653	9 458	67.31	10 980	13 172
Total payments and estimates	36 879	34 466	45 139	51 020	53 375	53 375	64 885	21.56	70 943	80 502

Earmarked allocation:

Included in sub-programme 3.3: Sector development is an earmarked allocation amounting to R2,431,000 (2007/08), R12,976,000 (2008/09) and R24,414,000 (2009/10) for the purpose of supporting Workforce development.

Included in sub-programme 3.4: Industry development is an earmarked allocation amounting to R3,000,000 (2007/08), R3,000,000 (2008/09) and R5,000,000 (2009/10) for the purpose of supporting Workforce development.

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

Economic classification R'000	Outcome			Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Current payments	6 504	12 624	9 206	21 755	16 464	16 466	19 815	20.34	21 993	26 902
Compensation of employees	3 127	3 874	3 406	6 730	5 799	5 019	6 595	31.40	7 223	7 702
Goods and services	3 377	8 750	5 800	15 025	10 665	11 444	13 220	15.52	14 770	19 200
Financial transactions in assets and liabilities						3		(100.00)		
Transfers and subsidies to	29 875	21 651	35 920	29 165	36 811	36 809	44 970	22.17	48 800	53 450
Provinces and municipalities	9	21	6	5	5	3		(100.00)		
Departmental agencies and accounts	7 461	21 200	24 500	9 000	9 931	9 931	10 800	8.75	11 800	12 800
Universities and technikons					2 000	2 000		(100.00)		
Non-profit institutions	22 405	430	11 414	20 160	24 875	24 875	34 170	37.37	37 000	40 650
Payments for capital assets	500	191	13	100	100	100	100		150	150
Machinery and equipment	500	191	13	100	100	100	100		150	150
Total economic classification	36 879	34 466	45 139	51 020	53 375	53 375	64 885	21.56	70 943	80 502

Details of transfers and subsidies:

Economic classification R'000	Outcome			Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Transfers and subsidies to (Current)	29 875	21 731	35 920	29 160	36 811	36 809	44 970	22.17	48 800	53 450
Provinces and municipalities	9	21	6		5	3		(100.00)		
Municipalities	9	21	6	5	5	3		(100.00)		
Municipalities of which										
Municipal agencies and funds	9	21	6	5	5	3		(100.00)		
Departmental agencies and accounts	7 461	21 200	24 500	9 000	9 931	9 931	10 800	8.75	11 800	12 800
Entities receiving transfers	7 461	21 200	24 500	9 000	9 931	9 931	10 800	8.75	11 800	12 800
Western Cape Trade and Investment Promotion Agency	7 461	21 200	24 500	9 000	9 931	9 931	10 800	8.75	11 800	12 800
Universities and technikons					2 000	2 000		(100.00)		
Public corporations and private enterprises		80								
Non-profit institutions	22 405	430	11 414	20 160	24 875	24 875	34 170	37.37	37 000	40 650

Programme 4: Business Regulation and Governance

Purpose: To ensure an equitable, socially responsible business environment within the Western Cape.

Analysis Per Sub-Programme

Sub-programme 4.1: Management: Business Regulation and Governance

to conduct the overall management and administrative support to the Programme

Sub-programme 4.2: Consumer protection

to develop, implement and promote measures that ensure consumer protection

Sub-programme 4.3: Liquor Regulation

to provide and maintain an effective and efficient regulatory system for the liquor industry within the Western Cape in a manner that supports the achievement of equity, dignity and prosperity for the inhabitants of the Province

to promote, develop and transform the liquor industry in a socially responsible manner

Policy developments

The programme's mandates are established as part of the concepts contained in iKapa Elihlumayo. These are reflected in the following manner:

To create a fair, effective and conducive business environment for enterprises and consumers.

Most of the policies, legislative interventions, and strategic interventions within this programme are within this objective of iKapa Elihlumayo, which include provincial liquor policy and legislation and consumer protection legislation, both national and provincial.

To create employment, especially for the presently unemployed, to make ownership of the economy representative of the demography of the Province and to increase levels of participation in the economy by all, especially by the previously excluded and presently marginalized.

The main thrust of activity at **Consumer Protection (CP)** will be the full operationalisation of the Consumer Tribunal and the establishment of the OCP and the Tribunal as highly recognised and trusted brands. Furthermore, the OCP is to become the preferred reference point for consumers seeking information or access to redress, whether they are residents of or visitors to the province. In addition thereto, the establishment of the OCP as a provincial credit regulator in terms of the National Credit Act, 2005, will be a priority.

The main priority for the *Liquor Board* will be the enactment of the Liquor Bill which was published for comment in February 2006. The restructuring of the Liquor Board, which was delayed as a result of the slow legislative processes around the Western Cape Liquor Bill, will proceed once the Bill is passed into law and the Act and its concomitant regulations promulgated. Whilst the Board has been designated a public entity in terms of the Public Finance Management Act, 1999, the extent to which auxiliary or secondary functions and responsibilities of the regulator may be executed within the Department, and the accountability of the Board to the executive authority and/or other structures within the provincial legislature, still needs to be determined through the legislative process.

Expenditure trends analysis

The new liquor legislation is expected to be passed in the early part of the new financial year. The enactment of this legislation will pave the way for the Western Cape Liquor Board to become a fully independent and autonomous Public Entity of the Department. The Office of the Consumer Protector will expand its services in the Province by increasing its support to the Consumer Advice Centres located throughout the Province as well as expand its marketing campaigns to advise consumers of their rights and recourses that may be taken. These factors are amongst others leading to the increase of R2,940 million or 26,65 per cent in the allocated budget for 2007/08 from 2006/07.

Service delivery measures:

Programme 4: Business Regulation and Governance

Sub-programme	Measurable objective	Performance measure	Output	Target (2007/08)
4.2 Consumer protection.	Strengthening and enhancing the operation of the Consumer Tribunal. Provision and maintenance of effective and appropriate <u>internal</u> systems that enable consumers to lodge their complaints and queries with the OCP.	The number of cases presented before the Consumer Tribunal. A single, fully functional and effective system for receipt, recording, management and finalisation of consumer complaints, enabling reduced turn-around periods on complaints lodged with office.	Consumer Tribunal operation consolidated, monitored and improved and number of cases increased by 25% per quarter. Procurement, installation and operationalisation of single system with transverse application capability.	Consumer Tribunal operation consolidated, monitored and improved and number of cases increased by 25% per quarter. Procurement, installation and operationalisation of single system with transverse application capability.

Sub-programme	Measurable objective	Performance measure	Output	Target (2007/08)
	Expansion of network of OCP-funded advice offices.	Number and location of additional offices to be funded determined through structured engagement with sector.	Advice offices funded and supported by OCP increased to number determined through M&E exercise and consultation with NGO sector.	Advice offices funded and supported by OCP increased to number determined through M&E exercise and consultation with NGO sector.
4.3 Liquor Regulation.	Finalisation and promulgation of provincial liquor legislation. Restructuring of the Liquor Board in accordance with new legislation and transition of Liquor Board to public entity.	Fully enacted provincial liquor legislation. Fully operational structure in accordance with the legislation.	Legislation enacted, regulations thereto completed and issued by Minister, Western Cape Liquor Act implemented. Restructuring of Board completed and all posts filled. Liquor Board operational and administrative staff, SAPS designated liquor (DLOs) and municipal officials capacitated.	Legislation enacted, regulations thereto completed and issued by Minister, Western Cape Liquor Act implemented. Restructuring of Board completed and all posts filled. Liquor Board operational and administrative staff, SAPS designated liquor (DLOs) and municipal officials capacitated.

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

Sub-programme R'000	Outcome			Medium-term estimate						
	Audited 2003/04	Audited 2004/05	Audited 2005/06	Main appro- piation 2006/07	Adjusted appro- piation 2006/07	Revised estimate 2006/07	% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
1. Management: Business Regulation and Governance	1 602	1 742	520	920	320	5	896	17820.00	1 293	1 593
2. Consumer protection	6 139	3 813	4 419	6 055	4 455	4 953	5 887	18.86	8 417	8 865
3. Liquor Regulation		4 235	3 818	8 205	6 255	6 072	7 187	18.36	7 680	8 735
Total payments and estimates	7 741	9 790	8 757	15 180	11 030	11 030	13 970	26.65	17 390	19 193

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

Economic classification R'000	Outcome			Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Current payments	7 382	9 527	8 019	13 826	9 176	9 204	13 370	45.26	16 240	17 793
Compensation of employees	2 525	5 711	4 537	8 330	5 380	4 606	7 020	52.41	7 940	9 093
Goods and services	4 857	3 816	3 476	5 496	3 796	4 598	6 350	38.10	8 300	8 700
Financial transactions in assets and liabilities			6							
Transfers and subsidies to	359	14	686	1 254	1 754	1 753	500	(71.48)	1 000	1 250
Provinces and municipalities	9	14	14	4	4	3		(100.00)		
Departmental agencies and accounts	350									
Non-profit institutions			672	1 250	1 750	1 750	500	(71.43)	1 000	1 250
Payments for capital assets		249	52	100	100	73	100	36.99	150	150
Machinery and equipment		249	52	100	100	73	100	36.99	150	150
Total economic classification	7 741	9 790	8 757	15 180	11 030	11 030	13 970	26.65	17 390	19 193

Details of transfers and subsidies:

Economic classification R'000	Outcome			Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Transfers and subsidies to (Current)	359	14	686	1 250	1 754	1 753	500	(71.48)	1 000	1 250
Provinces and municipalities	9	14	14		4	3		(100.00)		
Municipalities	9	14	14	4	4	3		(100.00)		
of which										
Municipal agencies and funds	9	14	14	4	4	3		(100.00)		
Departmental agencies and accounts	350									
Entities receiving transfers	350									
CSIR	350									
Non-profit institutions			672	1 250	1 750	1 750	500	(71.43)	1 000	1 250

Programme 5: Tourism

Purpose: To grow a sustainable tourism economy and spread the benefits to all the inhabitants of the Western Cape.

Analysis per sub-programme

Sub-programme 5.1: Management: Tourism

to conduct the overall management and administrative support to the Programme

Sub-programme 5.2: Tourism Growth

to develop tourism spatial and economic planning

to conduct tourism research to develop the industry

to formulate tourism policy, legislation and strategy interventions

Sub-programme 5.3: Tourism Participation

to implement and maintain a tourism enterprise development programme

to implement, evaluate and maintain tourism community development programmes

to implement tourism capacity building

Sub-programme 5.4: Destination marketing organisation (DMO)

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

Policy developments

Tourism is a sector with the potential to create many more jobs and alleviate poverty. This is further confirmed through the Accelerated Shared Growth Initiative of South Africa, which identifies Tourism and the BPO sector as being the two sectors of the economy for priority intervention.

The Western Cape Tourism Development Framework [WCTD Framework] is intended to be the translation of all the general and tourism industry-specific National and Provincial mandates and all the recommendations which emerge from the Western Cape's Micro-economic Development Strategy [MEDS] into a detailed Master Plan to grow and transform the Tourism Industry in the Western Cape over the next ten years for the benefit of all citizens. It will set targets and define outcomes that need to be achieved over a ten-year timeframe. It will be a living and dynamic document. Research will constantly add to the evidence base. Analysis may adjust as circumstances change. There will be a major review on a five-year basis.

In terms of the White Paper on Sustainable Tourism Promotion and Development and the Provincial Western Cape Tourism Act (Act 1 of 2004), the marketing functions of tourism has been outsourced to the Destination Marketing Organisation (DMO). The DMO is responsible for areas of leisure marketing, new product development, visitor services, conventions and events. The Department will be responsible for ensuring that the DMO delivers on targets set in these work areas.

Expenditure trends analysis

The programme has received an additional allocation for expenditure due to the additional allocation received for Workforce Development as well as the expansion of the work area of tourism in the province. Tourism being a key driver of the economy of the Western Cape is one of the key areas where the province will need to prepare for the 2010 FIFA World Cup.

To give effect to these strategies, the overall increase in allocated expenditure for the programme is R5,516 million or 12,83 per cent from the 2006/07 financial year to the 2007/08 financial year.

Service delivery measures:

Programme 5: Tourism

Sub-programme	Measurable objective	Performance measure	Output	Target (2007/08)
5.2 Tourism Growth.	Providing a secretariat function to the Western Cape Tourism Development Partnership Forum via the PDC process [incorporating Government; Labour, Civil Society; Business & Education]. Updated Western Cape Tourism Development Framework.	Facilitate and co-ordinate partnership meetings. Establish the Development Framework that is completely aligned to Provincial and National imperatives.	Conduct and facilitate partnership quarterly meetings. Ensure that meeting outcomes are communicated Provincial to all stakeholders. Prioritise & implement Development Framework recommendations.	Conduct and facilitate partnership quarterly meetings. Ensure that meeting outcomes are communicated Provincial to all stakeholders. Prioritise & implement Development Framework recommendations.

Sub-programme	Measurable objective	Performance measure	Output	Target (2007/08)
	ITDF review process as part of the Western Cape Tourism Development Framework. Conducting tourism research via the MEDS research process.	Reviewed and redefined ITDF. Number of topics researched.	Communicate and implement ITDF recommendations. Publication, communication and evaluation of research with annual review process.	Communicate and implement ITDF recommendations. Publication, communication and evaluation of research with annual review process.
5.3 Tourism Strategic Implementation.	Strengthening the Tourism Business Forum Partnership. Strategic Blueprint for Tourism Enterprise Development Tourism Blue Chip Investment Portfolio. Refining the overhauled THD (Tourism Help Desk) Network.	Consolidated Tourism Business Development in the Western Cape through the co-operation of all relevant role-players. Develop a number of Business concepts, some of which are packaged with business plans and feasibility studies developed to be awarded to suitable tourism entrepreneurs. Number of opportunities completed in the province. Suitable, competent THDs adequately covering all regions of the Western Cape.	Ensuring that each of the core members of the Tourism Business Forum deliver according to agreed responsibilities of the core partners. Twenty packaged business concepts (and 200 business ideas developed) to be awarded to suitable tourism entrepreneurs as part of Tourism Blue Chip Investment Portfolio. Ensure external network of capacitated THDs in all regions of the Western Cape.	Ensuring that each of the core members of the Tourism Business Forum deliver according to agreed responsibilities of the core partners. Twenty packaged business concepts (and 200 business ideas developed) to be awarded to suitable tourism entrepreneurs as part of Tourism Blue Chip Investment Portfolio. Ensure external network of capacitated THDs in all regions of the Western Cape.
5.4 Destination Marketing Organisation.	To ensure good governance by the DMO.	Management of service level Agreement of Destination Marketing Organisation. Annual review and evaluation.	Management of service level Agreement of DMO. Annual review and evaluation.	Management of service level Agreement of DMO. Annual review and evaluation.

Table 6.5 Summary of payments and estimates – Programme 5: Tourism

Sub-programme R'000	Outcome			Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
1. Management: Tourism		649	711	2 891	1 736	879	4 735	438.68	5 196	6 577
2. Tourism Growth	5 699	3 092	7 231	3 268	3 268	4 028	9 428	134.06	9 528	15 565
3. Tourism Participation	4 008	2 190	2 309	15 078	15 078	15 175	10 435	(31.24)	11 307	17 409
4. Destination marketing organisation	14 741	20 532	26 850	22 900	22 900	22 900	23 900	4.37	24 900	25 900
Total payments and estimates	24 448	26 463	37 101	44 137	42 982	42 982	48 498	12.83	50 931	65 451

Table 6.5.1 Summary of provincial payments and estimates by economic classification – Programme 5: Tourism

Economic classification R'000	Outcome			Main appropriation 2006/07	Adjusted appropriation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Current payments	6 308	2 748	6 159	12 993	11 575	11 576	24 848	114.65	25 831	38 901
Compensation of employees	1 787	1 874	2 845	6 337	5 182	4 125	7 117	72.53	7 501	7 921
Goods and services	4 521	874	3 313	6 656	6 393	7 451	17 731	137.97	18 330	30 980
Financial transactions in assets and liabilities			1							
Transfers and subsidies to	17 744	23 711	30 907	31 044	31 247	31 246	23 550	(24.63)	24 950	26 400
Provinces and municipalities	1 608	1 419	657	495	495	494		(100.00)		
Departmental agencies and accounts	14 741	20 532	26 510	26 570	26 750	26 750	23 000	(14.02)	24 000	25 000
Universities and technikons		350	300	480	480	480	150	(68.75)	300	450
Public corporations and private enterprises		80	980	1 800	1 800	1 800	150	(91.67)	300	450
Non-profit institutions	1 395	1 330	2 460	1 699	1 722	1 722	250	(85.48)	350	500
Payments for capital assets	396	4	35	100	160	160	100	(37.50)	150	150
Machinery and equipment	396	4	35	100	160	160	100	(37.50)	150	150
Total economic classification	24 448	26 463	37 101	44 137	42 982	42 982	48 498	12.83	50 931	65 451

Details of transfers and subsidies:

Economic classification R'000	Outcome			Main appropriation 2006/07	Adjusted appropriation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Transfers and subsidies to (Current)	17 744	23 711	30 907	31 044	31 247	31 246	23 550	(24.63)	24 950	26 400
Provinces and municipalities	1 608	1 419	657	495	495	494		(100.00)		
Municipalities	1 608	1 419	657	495	495	494		(100.00)		
Municipalities of which										
Municipal agencies and funds	1 608	1 419	657	495	495	494		(100.00)		
Departmental agencies and accounts	14 741	20 532	26 510	26 570	26 750	26 750	23 000	(14.02)	24 000	25 000
Entities receiving transfers	14 741	20 532	26 510	26 570	26 750	26 750	23 000	(14.02)	24 000	25 000
Destination Marketing Organisation	14 741	20 532	26 510	26 570	26 750	26 750	23 000	(14.02)	24 000	25 000
Universities and technikons		350	300	480	480	480	150	(68.75)	300	450
Public corporations and private enterprises		80	980	1 800	1 800	1 800	150	(91.67)	300	450
Public corporations		80	980	1 800	1 800	1 800		(100.00)	300	450
Other transfers		80	980	1 800	1 800	1 800		(100.00)	300	450
Private enterprises							150			
Other transfers							150			
Non-profit institutions	1 395	1 330	2 460	1 699	1 722	1 722	250	(85.48)	350	500

7. Other programme information

Personnel numbers and costs

Table 7.1 Personnel numbers and costs

Programme R'000	As at 31 March 2004	As at 31 March 2005	As at 31 March 2006	As at 31 March 2007	As at 31 March 2008	As at 31 March 2009	As at 31 March 2010
1. Administration	42	42	53	79	91	113	113
2. Intergrated Economic Development Services	62	18	26	30	34	39	39
3. Trade and Industry Development	20	16	27	20	24	27	27
4. Business Regulation and Governance		27	25	29	33	37	37
5. Tourism		21	29	28	30	30	30
Total personnel numbers	124	124	160	186	212	246	246
Total personnel cost (R'000)	14 678	22 182	27 084	32 148	45 781	50 970	54 579
Unit cost (R'000)	118	179	169	173	216	207	222

Table 7.2 Departmental personnel number and cost

Description	Outcome			Main appropriation 2006/07	Adjusted appropriation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2003/04	2004/05	2005/06				2007/08	2006/07	2008/09	2009/10
Total for department										
Personnel numbers (head count)	124	124	160	218	186	186	212	13.98	246	246
Personnel cost (R'000)	14 678	22 182	27 084	45 093	36 099	32 148	45 781	42.41	50 970	54 579
<i>of which</i>										
Human resources component										
Personnel numbers (head count)			32	30	27	27	30	11.11	35	35
Personnel cost (R'000)			2 302	3 436	3 436	3 436	3 785	10.16	4 515	4 763
Head count as % of total for department			20.00	13.76	14.52	14.52	14.15		14.23	14.23
Personnel cost as % of total for department			8.50	7.62	9.52	10.69	8.27		8.86	8.73
Finance component										
Personnel numbers (head count)			53	43	40	40	46	15.00	50	50
Personnel cost (R'000)			4 073	6 537	6 537	6 537	6 787	3.82	7 819	8 249
Head count as % of total for department			33.13	19.72	21.51	21.51	21.70		20.33	20.33
Personnel cost as % of total for department			15.04	14.50	18.11	20.33	14.82		15.34	15.11
Full time workers										
Personnel numbers (head count)	124	124	160	218	186	186	212	13.98	246	246
Personnel cost (R'000)	14 678	22 182	27 084	45 093	36 099	32 148	45 781	42.41	50 970	54 579
Head count as % of total for department	100.00	100.00	100.00	100.00	100.00	100.00	100.00		100.00	100.00
Personnel cost as % of total for department	100.00	100.00	100.00	100.00	100.00	100.00	100.00		100.00	100.00
Part-time workers										
Personnel numbers (head count)										
Personnel cost (R'000)										
Head count as % of total for department										
Personnel cost as % of total for department										
Contract workers										
Personnel numbers (head count)										
Personnel cost (R'000)										
Head count as % of total for department										
Personnel cost as % of total for department										

Training

Table 7.3 Payments on training

Programme R'000	Outcome			Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
1. Administration		192	188	238	238	238	458	92.44	510	546
<i>of which</i>										
Payments on tuition		192	188	238	238	238	458	92.44	510	546
2. Economic Participation		33	71	77	77	77		(100.00)		
<i>of which</i>										
Payments on tuition		33	71	77	77	77		(100.00)		
3. Fair Business Environment		36	15	39	39	39		(100.00)		
<i>of which</i>										
Payments on tuition		36	15	39	39	39		(100.00)		
4. Economic Sector Development		49	56	31	31	31		(100.00)		
<i>of which</i>										
Payments on tuition		49	56	31	31	31		(100.00)		
5. Tourism		35	47	96	96	96		(100.00)		
Payments on tuition		35	47	96	96	96		(100.00)		
Total payments on training		345	377	481	481	481	458	(4.78)	510	546

Table 7.4 Information on training

Description	Outcome			Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	2003/04	2004/05	2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Number of staff	124	124	203	218	181	181	212	17.13	246	246
Number of personnel trained	128	82	324	333	333	232	220	(5.17)	220	220
<i>of which</i>										
Male	53	28	86	90	90	78	72	(7.69)	72	72
Female	75	54	238	243	243	154	148	(3.90)	148	148
Number of training opportunities	128	408	324	333	333	26	30	15.38	30	30
<i>of which</i>										
Tertiary		14	14	18	18	4	10	150.00	10	10
Workshops	128	394	113	121	121					
Seminars						22	20	(9.09)	20	20
Other			197	194	194					
Number of bursaries offered	4	14	14	15	15	26	26		26	26
Number of interns appointed	3	13	22	16	16	40	40		40	40
Number of days spent on training			2 310	2 400	2 400	1 392	2 500	79.60	2 500	2 500

Reconciliation of structural changes

Table 7.5 Reconciliation of structural changes

Programme for 2006/07			Programme for 2007/08		
Programme R'000	2007/08 Equivalent		Programme R'000	Pro- gramme	Sub-pro- gramme
	Pro- gramme	Sub-pro- gramme			
1. Administration	23 264		1. Administration	23 264	
Management		1 736	Office of HOD		1 736
Corporate Services		10 168	Financial Management		10 168
Delivery Enabling Services		11 360	Corporate Services		11 360
2. Economic Participation	63 535		2. Integrated Economic Development Services	63 535	
Management		3 631	Management Integrated Economic Development Services		3 631
Enterprise development		37 665	Enterprise development		37 665
Local economic development		18 395	Local economic development		18 395
Economic empowerment		3 844	Economic empowerment		3 844
3. Fair Business Environment	13 970		3. Trade and Industry Development	64 885	
Management		896	Management Trade and Industry Development		2 835
Office Of the Consumer Protector		5 887	Trade and Industry Devel		11 400
Western Cape Liquor Board		7 187	Sector Development		41 192
			Industry Development		9 458
4. Economic Sector Development	64 885		4. Business Regulation and Governance	13 970	
Management		2 835	Management Business Regulation and Governance		896
Industry Development		11 400	Consumer Protection		5 887
Strategic Sector Support		41 192	Liquor Regulation		7 187
WESGRO		9 458			
5. Tourism	48 498		5. Tourism	48 498	
Management		4 735	Management Tourism		4 735
Tourism Industry Development		9 428	Tourism Growth		9 428
Tourism Strategic Implementation		10 435	Tourism Participation		10 435
Destination marketing organisation		23 900	Destination marketing organisation		23 900
Total	214 152			214 152	

Table B.1 Specification of receipts

Receipts R'000	Outcome			Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate		2007/08	2008/09
Tax receipts	3 681	3 781	4 298	14 730	4 330	4 330	20 500	373.44	23 500	27 000
Other taxes (Liquor licence fees)	3 681	3 781	4 298	14 730	4 330	4 330	20 500	373.44	23 500	27 000
Sales of goods and services other than capital assets	359	284	266	270	270	270	270		270	270
Sales of goods and services produced by department (excluding capital assets)	359	284	266	270	270	270	270		270	270
Other sales	359	284	266	270	270	270	270		270	270
<i>of which</i>										
Sales of goods	359	284	266	270	270	270	270		270	270
Interest, dividends and rent on land		2								
Interest		2								
Sales of capital assets		15								
Other capital assets		15								
Financial transactions in assets and liabilities		1 855	64			81		(100.00)		
Recovery of previous year's expenditure		1 850								
Unallocated credits		2								
Other		3	64			81		(100.00)		
Total departmental receipts	4 040	5 937	4 628	15 000	4 600	4 681	20 770	343.71	23 770	27 270

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

Economic classification R'000	Outcome			Main appro- piation 2006/07	Adjusted appro- piation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Current payments	35 028	45 417	51 877	102 648	76 717	76 637	112 602	46.93	117 599	141 458
Compensation of employees	14 678	22 182	27 084	45 093	36 099	32 148	45 781	42.41	50 970	54 579
Salaries and wages	13 106	19 658	24 631	38 406	30 675	27 620	32 098	16.21	35 678	39 687
Social contributions	1 572	2 524	2 453	6 687	5 424	4 528	13 683	202.19	15 292	14 892
Goods and services	20 350	23 188	24 771	57 555	40 618	44 483	66 821	50.22	66 629	86 879
<i>of which</i>										
Audit fees: external	387	434	724	900	900	900	500	(44.44)	1 000	1 000
Communication	1 196	1 843	267	3 600	2 700	2 700	2 100	(22.22)	4 100	4 800
Computer equipment	348	100								
Consultancy fees	8 365	11 218	12 831	34 940	22 770	25 882	54 421	110.27	46 550	63 400
Machinery and equipment	571	426	117	1 000	886	886	450	(49.21)	1 250	1 750
Operating Leases	36	2 087		1 597	1 497	1 497	2 000	33.60	1 400	1 400
Printing and publications		224		500	725	725	300	(58.62)	600	600
Training	240	197	194	1 316	1 316	1 316	458	(65.20)	510	546
Transport	552			1 800	1 800	1 800	1 100	(38.89)	1 800	1 800
Travel and subsistence	825	1 619	2 191	2 678	2 678	2 678	1 800	(32.79)	2 750	2 900
Other	3 309	4 166	8 447	9 224	5 346	6 099	3 692	(39.47)	6 669	8 683
Financial transactions in assets and liabilities		47	22			6		(100.00)		
Transfers and subsidies to	84 784	79 495	89 554	85 285	100 634	100 619	101 050	0.43	117 400	125 400
Provinces and municipalities	4 731	2 565	1 918	513	526	511		(100.00)		
Municipalities	4 731	2 565	1 918	513	526	511		(100.00)		
<i>of which</i>										
Municipal agencies and funds	4 731	2 565	1 918	513	526	511		(100.00)		
Departmental agencies and accounts	29 802	52 232	51 010	40 583	37 181	37 181	34 300	(7.75)	36 300	38 300
Entities receiving transfers	29 802	52 232	51 010	40 583	37 181	37 181	34 300	(7.75)	36 300	38 300
Destination Marketing Organisation	14 741	20 532	26 510	26 570	26 750	26 750	23 000	(14.02)	24 000	25 000
Western Cape Trade and Investment Promotion Agency	7 461	31 700	24 500	9 000	10 431	10 431	11 300	8.33	12 300	13 300
CSIR	3 350			5 000						
Other	4 250			13						
Universities and technikons		550	300	480	2 480	2 480	150	(93.95)	300	450
Public corporations and private enterprises	4 250	17 330	20 880	20 100	31 600	31 600	26 150	(17.25)	36 300	37 450
Public corporations	4 250	17 330	20 880	20 100	31 600	31 600	26 000	(17.72)	36 300	37 450
Other transfers	4 250	17 330	20 880	20 100	31 600	31 600	26 000	(17.72)	36 300	37 450
Private enterprises							150			
Other transfers							150			
Non-profit institutions	46 001	6 818	15 446	23 609	28 847	28 847	40 450	40.22	44 500	49 200
Payments for capital assets	2 943	1 527	575	500	1 310	1 405	500	(64.41)	750	750
Machinery and equipment	2 943	1 527	575	500	1 310	1 405	500	(64.41)	750	750
Other machinery and equipment	2 943	1 527	575	500	1 310	1 405	500	(64.41)	750	750
Total economic classification	122 755	126 439	142 006	188 433	178 661	178 661	214 152	19.86	235 749	267 608

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

Economic classification R'000	Outcome			Main appropriation 2006/07	Adjusted appropriation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Current payments	9 538	12 034	16 459	28 389	23 489	23 373	23 164	(0.89)	29 148	31 755
Compensation of employees	5 017	6 306	9 298	15 202	12 044	11 973	16 014	33.75	18 298	19 305
Salaries and wages	4 432	5 567	8 374	12 772	10 292	10 242	11 262	9.96	12 809	13 514
Social contributions	585	739	924	2 430	1 752	1 731	4 752	174.52	5 489	5 791
Goods and services	4 521	5 681	7 153	13 187	11 445	11 397	7 150	(37.26)	10 850	12 450
<i>of which</i>										
Audit fees: external	387	434	724	900	900	900	500	(44.44)	1 000	1 000
Communication	265	508	100	1 000	977	977	200	(79.53)	500	1 000
Computer equipment	348	100								
Consultancy fees	971	2 322	2 589	5 400	6 022	6 022	4 200	(30.26)	4 700	5 000
Machinery and equipment	321	71	117	500	386	386	250	(35.23)	750	750
Operating Leases		102		300	200	200	200		500	500
Printing and publications		224		500	725	725	300	(58.62)	600	600
Training	43	91	180	500	500	500	235	(53.00)	265	282
Transport	552			800	800	800	400	(50.00)	800	800
Travel and subsistence	318	308	563	500	500	500	500		500	500
Other	1 316	1 521	2 880	2 787	435	387	365	(5.68)	1 235	2 018
Financial transactions in assets and liabilities		47	8			3		(100.00)		
Transfers and subsidies to		2 258	73	13	13	7		(100.00)		
Provinces and municipalities			23		13	7		(100.00)		
Municipalities			23		13	7		(100.00)		
Municipalities										
<i>of which</i>										
Municipal agencies and funds			23		13	7		(100.00)		
Departmental agencies and accounts		500		13						
Entities receiving transfers		500		13						
Western Cape Trade and Investment Promotion Agency		500								
Other				13						
Non-profit institutions		1 758	50							
Payments for capital assets	1 459	598	392	100	800	922	100	(89.15)	150	150
Machinery and equipment	1 459	598	392	100	800	922	100	(89.15)	150	150
Other machinery and equipment	1 459	598	392	100	800	922	100	(89.15)	150	150
Total economic classification	10 997	14 890	16 924	28 502	24 302	24 302	23 264	(4.27)	29 298	31 905

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

Economic classification R'000	Outcome			Main appropriation 2006/07	Adjusted appropriation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Current payments	5 296	8 484	12 034	25 685	16 013	16 018	31 405	96.06	24 387	26 107
Compensation of employees	2 222	4 417	6 998	8 494	7 694	6 425	9 035	40.62	10 008	10 558
Salaries and wages	1 920	3 927	6 480	7 282	6 482	5 538	6 324	14.19	7 006	7 391
Social contributions	302	490	518	1 212	1 212	887	2 711	205.64	3 002	3 167
Goods and services	3 074	4 067	5 029	17 191	8 319	9 593	22 370	133.19	14 379	15 549
<i>of which</i>										
Communication	206	554	37	1 000	1 000	1 000	500	(50.00)	700	900
Consultancy fees	2 425	2 102	2 978	12 000	4 724	5 998	20 270	237.95	11 600	12 420
Machinery and equipment	45	67								
Operating Leases	5	67		400	400	400		(100.00)		
Training	51	31	3	77	77	77	68	(11.69)	75	79
Travel and subsistence	61	291	511	750	750	750	500	(33.33)	650	800
Other	281	955	1 500	2 964	1 368	1 368	1 032	(24.56)	1 354	1 350
Financial transactions in assets and liabilities			7							
Transfers and subsidies to	36 806	31 861	21 968	23 809	30 809	30 804	32 030	3.98	42 650	44 300
Provinces and municipalities	3 105	1 111	1 218	9	9	4		(100.00)		
Municipalities	3 105	1 111	1 218	9	9	4		(100.00)		
Municipalities										
<i>of which</i>										
Municipal agencies and funds	3 105	1 111	1 218	9	9	4		(100.00)		
Departmental agencies and accounts	7 250	10 000		5 000	500	500	500		500	500
Entities receiving transfers	7 250	10 000		5 000	500	500	500		500	500
Western Cape Trade and Investment Promotion Agency		10 000			500	500	500		500	500
CSIR	3 000			5 000						
Other	4 250									
Universities and technikons		200								
Public corporations and private enterprises	4 250	17 250	19 900	18 300	29 800	29 800	26 000	(12.75)	36 000	37 000
Public corporations	4 250	17 250	19 900	18 300	29 800	29 800	26 000	(12.75)	36 000	37 000
Other transfers	4 250	17 250	19 900	18 300	29 800	29 800	26 000	(12.75)	36 000	37 000
Non-profit institutions	22 201	3 300	850	500	500	500	5 530	1006.00	6 150	6 800
Payments for capital assets	588	485	83	100	150	150	100	(33.33)	150	150
Machinery and equipment	588	485	83	100	150	150	100	(33.33)	150	150
Other machinery and equipment	588	485	83	100	150	150	100	(33.33)	150	150
Total economic classification	42 690	40 830	34 085	49 594	46 972	46 972	63 535	35.26	67 187	70 557

Table B.2.3 Payments and estimates by economic classification – Programme 3: Trade and Industry Development

Economic classification R'000	Outcome			Main appropriation 2006/07	Adjusted appropriation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Current payments	6 504	12 624	9 206	21 755	16 464	16 466	19 815	20.34	21 993	26 902
Compensation of employees	3 127	3 874	3 406	6 730	5 799	5 019	6 595	31.40	7 223	7 702
Salaries and wages	2 892	3 478	3 149	5 766	4 972	4 342	4 616	6.31	5 056	5 416
Social contributions	235	396	257	964	827	677	1 979	192.32	2 167	2 286
Goods and services	3 377	8 750	5 800	15 025	10 665	11 444	13 220	15.52	14 770	19 200
<i>of which</i>										
Communication	475	397	27	1 500	623	623	200	(67.90)	2 000	2 000
Consultancy fees	1 953	5 137	3 912	10 780	7 297	8 077	10 070	24.68	9 370	12 800
Machinery and equipment	68	42		500	500	500	200	(60.00)	500	1 000
Operating Leases	22	1 764					900			
Training	128	58		500	500	500	49	(90.20)	54	58
Transport				700	700	700	200	(71.43)	700	700
Travel and subsistence	163	471	408	700	700	700	200	(71.43)	800	800
Other	568	881	1 453	345	345	344	1 401	307.27	1 346	1 842
Financial transactions in assets and liabilities						3		(100.00)		
Transfers and subsidies to	29 875	21 651	35 920	29 165	36 811	36 809	44 970	22.17	48 800	53 450
Provinces and municipalities	9	21	6	5	5	3		(100.00)		
Municipalities	9	21	6	5	5	3		(100.00)		
Municipalities										
<i>of which</i>										
Municipal agencies and funds	9	21	6	5	5	3		(100.00)		
Departmental agencies and accounts	7 461	21 200	24 500	9 000	9 931	9 931	10 800	8.75	11 800	12 800
Entities receiving transfers	7 461	21 200	24 500	9 000	9 931	9 931	10 800	8.75	11 800	12 800
Western Cape Trade and Investment Promotion Agency	7 461	21 200	24 500	9 000	9 931	9 931	10 800	8.75	11 800	12 800
Universities and technikons					2 000	2 000		(100.00)		
Non-profit institutions	22 405	430	11 414	20 160	24 875	24 875	34 170	37.37	37 000	40 650
Payments for capital assets	500	191	13	100	100	100	100		150	150
Machinery and equipment	500	191	13	100	100	100	100		150	150
Other machinery and equipment	500	191	13	100	100	100	100		150	150
Total economic classification	36 879	34 466	45 139	51 020	53 375	53 375	64 885	21.56	70 943	80 502

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

Economic classification R'000	Outcome			Main appropriation 2006/07	Adjusted appropriation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Current payments	7 382	9 527	8 019	13 826	9 176	9 204	13 370	45.26	16 240	17 793
Compensation of employees	2 525	5 711	4 537	8 330	5 380	4 606	7 020	52.41	7 940	9 093
Salaries and wages	2 175	4 930	4 012	7 177	4 545	3 871	4 914	26.94	5 558	7 821
Social contributions	350	781	525	1 153	835	735	2 106	186.53	2 382	1 272
Goods and services	4 857	3 816	3 476	5 496	3 796	4 598	6 350	38.10	8 300	8 700
<i>of which</i>										
Communication	250	384	71				1 000		800	800
Consultancy fees	3 016	1 657	2 201	3 300	1 804	1 804	4 750	163.30	5 150	5 500
Machinery and equipment	137	246								
Operating Leases	9	154		897	897	897		(100.00)		
Training	18	17	4	39	39	39	53	35.90	60	68
Travel and subsistence	283	549	356	228	228	228	300	31.58	300	300
Other	1 144	809	844	1 032	828	1 630	247	(84.85)	1 990	2 032
Financial transactions in assets and liabilities			6							
Transfers and subsidies to	359	14	686	1 254	1 754	1 753	500	(71.48)	1 000	1 250
Provinces and municipalities	9	14	14	4	4	3		(100.00)		
Municipalities	9	14	14	4	4	3		(100.00)		
<i>of which</i>										
Municipal agencies and funds	9	14	14	4	4	3		(100.00)		
Departmental agencies and accounts	350									
Entities receiving transfers	350									
CSIR	350									
Non-profit institutions			672	1 250	1 750	1 750	500	(71.43)	1 000	1 250
Payments for capital assets		249	52	100	100	73	100	36.99	150	150
Machinery and equipment		249	52	100	100	73	100	36.99	150	150
Other machinery and equipment		249	52	100	100	73	100	36.99	150	150
Total economic classification	7 741	9 790	8 757	15 180	11 030	11 030	13 970	26.65	17 390	19 193

Table B.2.5 Payments and estimates by economic classification – Programme 5: Tourism

Economic classification R'000	Outcome			Main appropriation 2006/07	Adjusted appropriation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Current payments	6 308	2 748	6 159	12 993	11 575	11 576	24 848	114.65	25 831	38 901
Compensation of employees	1 787	1 874	2 845	6 337	5 182	4 125	7 117	72.53	7 501	7 921
Salaries and wages	1 687	1 756	2 616	5 409	4 384	3 627	4 982	37.36	5 249	5 545
Social contributions	100	118	229	928	798	498	2 135	328.71	2 252	2 376
Goods and services	4 521	874	3 313	6 656	6 393	7 451	17 731	137.97	18 330	30 980
<i>of which</i>										
Communication			32	100	100	100	200	100.00	100	100
Consultancy fees			1 151	3 460	2 923	3 981	15 131	280.08	15 730	27 680
Operating Leases							900		900	900
Training			7	200	200	200	53	(73.50)	56	59
Transport				300	300	300	500	66.67	300	300
Travel and subsistence			353	500	500	500	300	(40.00)	500	500
Other			1 770	2 096	2 370	2 370	647	(72.70)	744	1 441
Financial transactions in assets and liabilities			1							
Transfers and subsidies to	17 744	23 711	30 907	31 044	31 247	31 246	23 550	(24.63)	24 950	26 400
Provinces and municipalities	1 608	1 419	657	495	495	494		(100.00)		
Municipalities	1 608	1 419	657	495	495	494		(100.00)		
<i>of which</i>										
Municipal agencies and funds	1 608	1 419	657	495	495	494		(100.00)		
Departmental agencies and accounts	14 741	20 532	26 510	26 570	26 750	26 750	23 000	(14.02)	24 000	25 000
Entities receiving transfers	14 741	20 532	26 510	26 570	26 750	26 750	23 000	(14.02)	24 000	25 000
Destination Marketing Organisation	14 741	20 532	26 510	26 570	26 750	26 750	23 000	(14.02)	24 000	25 000
Universities and technikons		350	300	480	480	480	150	(68.75)	300	450
Public corporations and private enterprises		80	980	1 800	1 800	1 800	150	(91.67)	300	450
Public corporations		80	980	1 800	1 800	1 800		(100.00)	300	450
Other transfers		80	980	1 800	1 800	1 800		(100.00)	300	450
Private enterprises							150			
Other transfers							150			
Non-profit institutions	1 395	1 330	2 460	1 699	1 722	1 722	250	(85.48)	350	500
Payments for capital assets	396	4	35	100	160	160	100	(37.50)	150	150
Machinery and equipment	396	4	35	100	160	160	100	(37.50)	150	150
Other machinery and equipment	396	4	35	100	160	160	100	(37.50)	150	150
Total economic classification	24 448	26 463	37 101	44 137	42 982	42 982	48 498	12.83	50 931	65 451

Table B.3.1 Details on public entities – Name of Public Entity: Western Cape Investments and Trade Promotion Agency

R'000	Outcome			Estimated outcome 2006/07	Medium-term estimate		
	Audited 2003/04	Audited 2004/05	Audited 2005/06		2007/08	2008/09	2009/10
Revenue							
Non-tax revenue	570	864	1 215	612	400	440	484
Sale of goods and services other than capital assets	440	477	168	332	250	290	334
<i>Of which:</i>							
Admin fees	440	477	168	332	250	290	334
Other non-tax revenue	130	387	1 047	280	150	150	150
Transfers received	4 209	21 237	17 953	16 920	18 081	18 986	19 935
Total revenue	4 779	22 101	19 168	17 532	18 481	19 426	20 419
Expenses							
Current expense	8 376	14 366	17 831	17 257	18 290	19 359	20 366
Compensation of employees	5 468	7 014	9 072	9 611	10 837	11 379	11 947
Goods and services	2 637	6 850	8 388	7 306	7 096	7 606	8 025
Depreciation	271	392	371	340	357	374	394
Interest, dividends and rent on land		110					
Interest		110					
Transfers and subsidies	35	493	2 067	6 594	46	49	51
Total expenses	8 411	14 859	19 898	23 851	18 336	19 408	20 417
Surplus/(Deficit)	(3 632)	7 242	(730)	(6 319)	145	18	2
Cash flow summary							
Adjust surplus/(deficit) for accrual transactions	297	506	241	310	357	374	394
Adjustments for:							
Depreciation	271	392	371	340	357	374	394
Impairments		86					
Net (profit)/loss on disposal of fixed assets	26	28	(130)	(30)			
Operating surplus/ deficit) before changes in working capital	(3 335)	7 748	(489)	(6 009)	502	392	396
Changes in working capital	6 748	14 251	12 998	4 800	5 000	6 000	5 500
(Decrease)/increase in accounts payable	3 373	16 343	10 933	7 300	8 200	8 500	7 500
Decrease/(increase) in accounts receivable	3 375	(2 092)	2 065	(2 500)	(3 200)	(2 500)	(2 000)
Cash flow from operating activities	3 413	21 999	12 509	(1 209)	5 502	6 392	5 896
Cash flow from investing activities	(19)	(8 185)	(693)	170			
Acquisition of Assets	(47)	(629)	(823)	170			
Other flows from Investing Activities	28	(7 556)	130				
Net increase/decrease) in cash and cash equivalents	3 394	13 814	11 816	(1 039)	5 502	6 392	5 896
Balance Sheet Data							
Carrying Value of Assets	492	609	1 057	2 229	1 691	1 299	1 008
Investments		7 563					
Cash and Cash Equivalents	3 853	17 666	29 482	8 222	127	47	62
Receivables and Prepayments	1 729	3 821	1 757	1 855	1 710	1 715	1 710
Inventory			6 544				
Total Assets	6 074	29 659	38 840	12 306	3 528	3 061	2 780
Capital & Reserves	2 240	9 482	7 733	1 414	1 559	1 577	1 579
Trade and Other Payables	236	18 995	30 462	10 437	1 476	953	670
Provisions	247	269	335	455	493	531	531
Managed Funds	3 351	913	310				
Total Equity and Liabilities	6 074	29 659	38 840	12 306	3 528	3 061	2 780

Table B.3.2 Details on public entities – Name of Public Entity: Destination Marketing Organisation

R'000	Outcome			Estimated outcome 2006/07	Medium-term estimate		
	Audited 2003/04	Audited 2004/05	Audited 2005/06		2007/08	2008/09	2009/10
Revenue							
Non-tax revenue		993 519	7 725 534	7 500 000	8 250 000	9 075 000	9 982 500
Other non-tax revenue		993 519	7 725 534	7 500 000	8 250 000	9 075 000	9 982 500
Transfers received		53 357 564	54 490 000	67 500 000	74 250 000	81 675 000	89 842 500
Total revenue		54 351 083	62 215 534	75 000 000	82 500 000	90 750 000	99 825 000
Current expense		53 384 398	62 184 362	74 994 907	82 505 728	90 733 425	92 944 140
Compensation of employees		7 803 977	14 597 000	16 164 976	17 297 604	18 509 625	19 806 605
Goods and services		45 296 606	47 148 455	58 355 024	64 685 726	71 649 163	72 505 434
Depreciation		283 815	438 907	474 907	522 398	574 637	632 101
Total expenses		53 384 398	62 184 362	74 994 907	82 505 728	90 733 425	92 944 140
Surplus/(Deficit)		966 685	31 172	5 093	(5 728)	16 575	6 880 860
Cash flow summary							
Adjust surplus/(deficit) for accrual transactions		283 816	438 907	474 907	522 398	574 637	632 101
Adjustments for:							
Depreciation		283 816	438 907	474 907	522 398	574 637	632 101
Operating surplus/ (deficit) before changes in working capital		1 250 501	470 079	480 000	516 669	591 212	7 512 961
Changes in working capital		5 017 019	3 202 981	10 000	20 000	15 000	15 000
(Decrease)/increase in accounts payable		15 052 422	(6 612 422)	10 000	20 000	15 000	15 000
Decrease/(increase) in accounts receivable		(10 035 403)	9 815 403				
Cash flow from operating activities		6 267 520	3 673 060	490 000	536 669	606 212	7 527 961
Cash flow from investing activities		(1 524 624)	(600 000)	(180 000)	(180 000)	(703 406)	(703 406)
Acquisition of Assets		(1 524 624)	(600 000)	(180 000)	(180 000)	(703 406)	(703 406)
Net increase/decrease) in cash and cash equivalents		4 742 896	3 073 060	310 000	356 669	(97 194)	6 824 555
Balance Sheet Data							
Carrying Value of Assets		1 240 808	1 401 901	1 106 994	764 597	493 364	493 364
Cash and Cash Equivalents		7 906 596	10 979 656	11 289 656	11 646 325	11 549 132	11 549 132
Receivables and Prepayments		10 035 403	220 000	220 000	220 000	220 000	220 000
Total Assets		19 182 807	12 601 557	12 616 650	12 630 922	12 262 496	12 262 496
Capital & Reserves		4 130 385	4 161 557	4 166 650	4 160 922	4 177 496	11 058 356
Trade and Other Payables		12 549 385	7 500 000	7 500 000	7 500 000	7 500 000	7 500 000
Provisions		2 503 037	940 000	950 000	970 000	585 000	585 000
Total Equity and Liabilities		19 182 807	12 601 557	12 616 650	12 630 922	12 262 496	19 143 356

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

Municipalities R'000	Outcome			Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Total departmental transfers/grants										
Category A	2 200	200	200							
City of Cape Town	2 200	200	200							
Category C	2 505	2 310	1 650	491	491	491		(100.00)		
Cape Winelands	495	470	200	20	20	20		(100.00)		
Central Karoo	450	560	450							
Eden	450	380	200							
Overberg	600	480	300	180	180	180		(100.00)		
West Coast	510	420	500	291	291	291		(100.00)		
Total transfers to local government	4 705	2 510	1 850	491	491	491		(100.00)		

Note: Excludes regional services council levy.

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

Municipalities R'000	Outcome			Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Signage										
Category C	375	320	350	400	400	400		(100.00)		
Cape Winelands	105	100		20	20	20		(100.00)		
Central Karoo	70	60	250							
Eden		80								
Overberg	100	80	100	180	180	180		(100.00)		
West Coast	100			200	200	200		(100.00)		

Note: Excludes regional services council levy.

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

Municipalities R'000	Outcome			Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Empowerment	1 230	1 090	300	91	91	91	(100.00)			
Category A	100	200								
City of Cape Town	100	200								
Category C	1 130	890	300	91	91	91	(100.00)			
Cape Winelands	190	170								
Central Karoo	180	300								
Eden	250	100								
Overberg	300	200								
West Coast	210	120	300	91	91	91	(100.00)			

Note: Excludes regional services council levy.

Table B.4.3 Transfers to local government by transfers/grant type, category and municipality

Municipalities R'000	Outcome			Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				% Change from Revised estimate			
							2007/08	2006/07	2008/09	2009/10
Procurement opportunities and Linkages	1 900		200							
Category A	1 900		200							
City of Cape Town	1 900		200							

Note: Excludes regional services council levy.

Table B.4.4 Transfers to local government by transfers/grant type, category and municipality

Municipalities R'000	Outcome			Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2003/04	2004/05	2005/06				2007/08	2006/07	2008/09	2009/10
Job Creation and Poverty Relief	1 200	1 100	1 000							
Category A	200									
City of Cape Town	200									
Category C	1 000	1 100	1 000							
Cape Winelands	200	200	200							
Central Karoo	200	200	200							
Eden	200	200	200							
Overberg	200	200	200							
West Coast	200	300	200							

Note: Excludes regional services council levy.

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

Municipalities R'000	Outcome			Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2003/04	2004/05	2005/06				2007/08	2006/07	2008/09	2009/10
Cape Town Metro	78 490	78 730	87 955	119 708	112 038	112 038	186 663	66.61	139 452	142 532
West Coast Municipalities	6 993	7 656	8 721	10 977	10 634	10 634	6 369	(40.11)	14 445	17 365
West Coast District Municipality	6 993	7 656	8 721	10 977	10 634	10 634	6 369	(40.11)	14 445	17 365
Cape Winelands Municipalities	19 142	19 810	22 726	28 899	27 960	27 960	4 463	(84.04)	35 781	41 526
Cape Winelands District Municipality	19 142	19 810	22 726	28 899	27 960	27 960	4 463	(84.04)	35 781	41 526
Overberg Municipalities	5 504	6 258	7 096	8 871	8 601	8 601	4 124	(52.05)	16 330	22 512
Overberg District Municipality	5 504	6 258	7 096	8 871	8 601	8 601	4 124	(52.05)	16 330	22 512
Eden Municipalities	10 787	11 477	12 720	16 598	16 089	16 089	8 484	(47.27)	25 556	37 852
Eden District Municipality	10 787	11 477	12 720	16 598	16 089	16 089	8 484	(47.27)	25 556	37 852
Central Karoo Municipalities	1 839	2 508	2 788	3 380	3 339	3 339	4 049	21.26	4 185	5 821
Central Karoo District Municipality	1 839	2 508	2 788	3 380	3 339	3 339	4 049	21.26	4 185	5 821
Total provincial expenditure by district and local municipality	122 755	126 439	142 006	188 433	178 661	178 661	214 152	19.86	235 749	267 608