

Vote 12

Department of Economic Development and Tourism

	2011/12 To be appropriated	2012/13	2013/14
MTEF allocations	R 254 414 000	R 266 862 000	R 281 200 000
Responsible MEC	Provincial Minister of Finance, Economic Development and Tourism		
Administering Department	Department of Economic Development and Tourism		
Accounting Officer	Head of Department, Economic Development and Tourism		

1. Overview

Core functions and responsibilities

Institutional Strengthening & Good Governance

Enabling Business Environment

Sector Development

Marketing the Region

Workforce Development

Spatial Economic Development

Economic Intelligence

Vision

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

Mission

Provide leadership to the Western Cape economy through the Department's understanding of the economy, its ability to identify economic opportunities and potential, and its contribution to government economic priorities.

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

Contribute to the provision of a predictable, competitive, equitable and responsible environment for investment, enterprise and trade.

Main services

Provide evidence based research that will inform economic policy development.

Support enterprise development through the provision of mentorship, training and financial support.

Promote Local Economic Development through initiatives such as capacity building within municipalities and the support of large scale projects within communities.

To develop and implement sector strategies ensuring the growth of the Western Cape economy.

To develop and intensify support for training interventions which address specific skills shortage within identified sectors.

To attract and facilitate international and domestic direct investment into the Western Cape and to grow the exports of products and services of the Western Cape through the development of exporter capability, demand and market access.

To enhance the operations of the Consumer Tribunal thereby enhancing access to redress, both outside and inside of the judicial structures and strengthening the Office of the Consumer Protector's position as the first and preferred reference point for consumers seeking information or access to redress, whether they are residents of or visitors to the province.

Prioritise and co-ordinate initiatives towards the development of a culture of responsible use of liquor to combat and replace the existing culture of misuse.

To facilitate growth of the tourism industry through the development of competitive strategies that will ensure tourist safety, access, skills development and infrastructure investment.

To market the Western Cape as a world-class business and tourist destination.

Demands and changes in service

The Western Cape economy has been performing at growth rates that substantially exceed the averages for South Africa. A key contributor to this phenomenon is the diverse nature of the economy, consisting of a wide range of competitive niche industries occupied mostly by medium and small companies. With the effects of the global recession becoming ever more prevalent in South Africa, the diversity of the Western Cape economy has helped the region to be more resilient to the global economic crisis than had the region been dependant on one or two more dominant sectors such as mining.

Despite the province faring slightly better than South Africa in terms of the widening gap between the rich and the poor, in aggregate, the level of inequality in the distribution of income in the Province is getting worse. Our Gini coefficients still remain high by international standards. We are therefore faced with the situation of a growing economy with participation rates below that which can contribute significantly to prosperity for all in the Province. In not addressing participation, sustainable growth comes under threat.

Given the above, the Department's approach to meeting the challenges head on, is grounded in the provincial Strategic Objective 1: Creating opportunities for growth and employment, which will shape the development of policy strategy and practical interventions.

It is therefore the belief of the Department that:

Only sustainable economic and employment growth can eradicate poverty and provide the people of the Western Cape with opportunities to prosper and the wherewithal to live lives they value.

Growth is driven primarily by private sector businesses operating in a market environment. As such, our approach to economic development rests on two pillars namely:

The creation and maintenance of an enabling environment for business; and

Demand-led, private sector driven government support for growth sectors, industries and businesses.

The enabling environment comprises all relevant economic, political, social, regulatory and international factors external to firms in the Western Cape. The focus of this strategy is on all government policies and practices, which "set the rules of the game" for business in the province and which influence the performance of the market, incentives to invest and the cost of business operations. The ideal enabling environment is one that minimises the hurdles to sustainable business profitability, investment and job creation. In the Western Cape ecological sustainability is a particularly important factor in the enabling environment, both on its own merits and because the green economy is a potentially important economic growth vector.

A demand led, private sector driven government support structure for the growth sectors needs a co-ordinated and focussed approach that cannot be delivered by a public sector department with all the negative bureaucratic red tape associated with the sector. What is required is a dynamic, flexible and action driven organisation that can respond to the ever changing demands of a market economy.

While a host of organisations such as NGO's and public entities have been either established or co-opted by the government to deliver on the mandate of the Provincial Government, these have been characterised by moderate to poor co-ordination, duplication and overlaps in strategy and mandate and a poor co-ordination of strategy.

It is for this reasons that the establishment of an economic development agency is proposed that will perform the development work needed in the economy, with the necessary buy in from the private and public sector and the flexibility to manage interventions and programmes. This Agency's mandate would entrench a demand-led, private sector driven approach to economic development.

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)

The Micro-economic Development Strategy (MEDS)

Businesses Act, 1991 (Act 71 of 1991)

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

Preferential Procurement Policy Framework Act of 2000

Small Business Amendment Bill, 2004

Municipal Systems Act, 2000 (Act 32 of 2000)

The Local Government Structures Act 117 of 1998

National Credit Act, 2005 (Act 34 of 2005)

Co-operatives Act of 2005

The BEE: Codes of Good Practice

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

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

Liquor Act, 2003 (Act 59 of 2003)

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

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

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

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

The National Integrated Manufacturing Strategy (NIMS)

The Advanced Manufacturing and Technological Strategy (AMTS)

The Western Cape Liquor Policy, 2005 (Department of Economic Development and Tourism, Western Cape Provincial Government)

ASGISA (Accelerated Shared Growth Initiative-South Africa)

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

Provincial White Paper on Sustainable Tourism Development and Promotion, 2001

The Western Cape's Tourism Development Plan

The Western Cape Tourism Development Framework

Budget decisions

Lessons learned from the global economic downturn experienced in 2009 and 2010 have shown that the effective, efficient and economical use of resources is of ever greater importance. It has also burst the bubble on the notion that Government resources are limitless. Thus, it has become ever more important that Government, and more specifically this Department, refocuses its resources to ensure that a greater depth and focus of intervention is achieved.

To this effect, the allocation received via the Provincial Treasury, as part of our equitable share, has been significantly reduced and as such it is imperative that the Department finds ways of doing more with less.

Given the afore-mentioned, read together with the demands and changes in service delivery section, the Department has been structured in 7 Programmes, namely; Administration, Integrated Economic Development Services, Trade and Sector Development, Business Regulation and Governance, Economic Planning, Tourism, Arts and Entertainment, and Skills and Innovation.

Noting the Programme structure, the Department will focus on the following priorities during the 2011/12 financial year and medium term:

The establishment of an Economic Development Agency;

MEDS and Sector Support;

Enterprise Development;

Skills Development;

Developing the Western Cape Brand and promoting the Cape as a destination for tourism and major events;

The regulatory environment; and

Developing and improving the infrastructure strategy of the Province including developing Mega Projects.

In an attempt to increase economies of scale within the interventions of the Department, the Department will manage all interventions through a Transversal Management System/Structure. This system should allow for the elimination of duplication of scarce resources in the delivery of services in especially our skills programmes, enterprise support and development, research and investment promotion strategies.

A further key strategy to eliminate waste, within the delivery Programmes, will be to manage, as far as is possible, most interventions internally. This strategy will have two key spin-offs for the Department in that it will almost certainly improve the functional knowledge within the individual project managers and secondly, reduce the cost of interventions.

Aligning departmental budgets to achieve government's prescribed outcomes

The Department is inextricably linked to Provincial Strategic Objective 1: Creating opportunities for growth and jobs (SO1).

As stated previously, the key mandate of the Department is the creation and maintenance of an enabling environment for business; and to provide demand-led, private sector driven government support for growth sectors, industries and businesses.

To this end, with an allocation of R254, 414 million in 2011/12 financial year, the Department will undertake a reflective stance in evaluating what it needs in order to create a vibrant growing economy that will increase job creation opportunities for all citizens of the Western Cape.

In doing so, the Department will need to focus its attention on six (6) key areas namely, the MEDS and Sector Support, Enterprise Development, Skills Development, Developing and promoting the Western Cape brand as a destination for tourism, business and major events, the Regulatory Environment, and developing and improving the infrastructure Strategy of the province.

For the upcoming period, Programme 2: Integrated Economic Development Services (IEDS) will shift its strategy from assisting the creation of new enterprises, to the provision of meaningful assistance to already established enterprises, assisting them in increasing turnover, market share, and competitiveness. In terms of Rural Local Economic Development, the up-scaling of interventions to assist municipalities to develop capacity will be intensified as the LED Growth Fund will be provided to specifically assist rural business and municipalities expand their economic activity.

Within the Trade and Sector Development Programme, a complete review of sector support interventions was undertaken. For the upcoming period, the Programme will focus the bulk of its available resources on 3 sectors, with intense support emphasis on market development. The funding of non-priority sectors will be limited to operational support, with a view to developing greater efficiencies within the clustering processes thereby improving efficiencies and learning.

While the Western Cape is one of South Africa's leading tourist destinations, its tourism potential needs to be fully realised in order to deliver on its promise of being a leading sector with the potential to create jobs and grow the economy. The Tourism Arts and Entertainment Programme will refocus its interventions significantly

on three core areas - of tourism infrastructure projects, niche market development and Tourist regulatory aspects.

Finally, human resources make a major and increasing contribution to economic development. Studies at the firm, regional and national levels locate the existence of a competitive position in the skills and aptitudes of the workforce. Employment has been increasingly skill intensive, and this is true across different sectors and across the globe. The MEDS research reported that the gap between the demand for skills and the supply was rising and reported business concerns as to the functioning of the training system.

The Department, in terms of the focus on skills, will be guided by Strategic Objective 1: to play a facilitating role and addressing the activities which address the mismatch between skills demand and supply across the economic spectrum and increase opportunities for economic and employment growth.

2. Review 2010/11

Integrated Economic Development Services

The progress on projects of the Programme which comprises Enterprise Development, Regional and Local Economic Development and Economic Empowerment has been as follows:

RED Door

Since April 2010 the achievements included assisting: 7 044 existing businesses, 7 774 new SMMEs and 33 start-up co-operatives. In terms of access to finance and opportunities, RED Door clients managed to secure over R1 million in loan finance and access tenders close on to R8 million.

Legacy Mentorship

All systems have been put in place after extensive consultation with key role-players, e.g., chambers of commerce, service clubs (e.g. Rotary and Lions), Khula and Ilima Trust. With the matching tool in place the database was completed and to date 9 voluntary mentors have registered and 25 mentees are in the process of being linked to mentors.

Social entrepreneurship

In partnership with the International Labour Organisation and The Business Place, the Social Entrepreneurship Business Plan Competition was launched in the Cape metro and the Cape Winelands.

Enterprise Development Fund

The pilot phase of the project commenced with the assessment of 6 businesses. Productivity SA, CLOTEX (clothing and textiles) and CITI (ICT) were quick to avail themselves as partners on this project which has the potential to unlock significant benefits for SMMEs.

The Supplier Development Programme scored two major successes with the securing of building contracts for two groups of emerging builders in Pacaltsdorp and Mitchells Plain. The combined value of the contracts amount to more than R50 million.

Progress on the finalisation of the E-opportunities Portal has been good with the unit and Department of the Premier who is working well together to make this a reality. By the next financial year the portal will go live and allow access to all provincial and national government procurement opportunities.

Local Economic Development (LED) Growth Fund

All systems for the Fund have been finalised and roll-out is envisaged to happen by the start of the new year. With partners such as Productivity SA and Casidra the Fund will have a significant impact on small businesses in rural areas.

Municipal capacity support

All 30 municipal IDP assessments were completed in order to inform the Municipal Capacity Support Programme of the unit. Feedback from these assessments goes directly into the identification of capacity building exercises to be undertaken by the unit in support of local government. These assessments went hand in hand with the successful LED Forums supported by the programme and used as a valuable point of engagement with local authorities

Cross border collaboration

An initiative emanating from the department that encouraged municipalities neighbouring the City of Cape Town to engage on planning issues has been highly successful. Not only was this a valuable learning exercise, but more importantly all stakeholders realised the importance of collaborative economic planning.

Trade and Sector development

In the Manufacturing industry, the programmes run by the department are responding to the serious economic and financial challenges the sector is facing.

In terms of interventions into the clothing and textiles sector, the Cape Town Fashion Council (CTFC) has strengthened ties with the Cape Craft & Design Institute (CCDI), and has now moved into shared premises in Harrington House, with a variety of creative and design linkages being developed. For the majority of the small designers who are based in the CBD area, the CTFC now also offers a technical support centre, where machinery, technical support, patterns support & fabric sourcing are available to designers.

The Western Cape Clothing & Textile Service Centre (Clotex), in conjunction with value chain suppliers (Freudenberg, MC Thompson and ACA Threads, launched a technical support centre in the Salt River area in October. The centre will assist SMEs with patent machinery and technical support. It is hoped that these technical support centres will be rolled out to SME "corridors" throughout the WC. Broader initiatives around the sector include the work the CTFC initiated in forming a National Fashion Council. SARS, Customs and Bargaining Council compliance issues are currently still being dealt with at a National level, through Ministers Davies and Patel. The Clothing & Textiles Sector is well underway to reach its 2010/11 APP targets.

The SA **Oil and Gas Alliance (SAOGA)** signed a Memorandum of Co-Operation (MoC) with Unido, which establishes the cluster as a SPX centre for company profiling, bench-marking and ultimately development of suppliers. The attendance of SAOGA at the Offshore Technology Conference (OTC) in Huston was one of the main marketing events for the industry. Investment in the A-Berth upgrade continues and an industry consortium investing in an effort to respond to the TNPA concessioning process for ship repair facilities is underway. A small project on the Blackford Dolphin rig was accompanied by a major maintenance project for Saipem's FDS pipelay vessel and these projects resulted in 2 500 people being employed. The quarter also saw a fair amount of investment into Cape Town region, with one of the major ship repair companies launching a new training centre.

Within the **Boat-Building** Industry, CTBi has embarked on the creation of a National Association, and the structure has been finalised with positive support from industry and relevant role-players. Various visits to the Knysna and Swellendam rural areas have resulted in the increase in membership from 62 to 91. Extensive work is being done to ensure the successful delivery and promotion of the next Cape Town International Boat Show.

For the **Tooling Industry**, the WCTI has not only established itself as a provincial driver for the tooling industry but played a crucial role in the national development of tooling initiatives. Its business development support programme, supported by Swiss Contact, increased collaboration amongst firms and through this process a cluster was established that will enable local companies to source contracts from local buyers and to compete against global players like the Chinese. The TDM Powered programme that is facilitated in conjunction with NTIP and TASA, is used to improve the basic skills of school leavers who chose to enter into the tooling profession. This allows students to be better equipped for the apprenticeship programme, resulting in improved retention and better skilled artisans. WCTI participated in the Afrimold Conference in August 2010 in which the tooling industry is able to host an international event exhibiting new technology and machinery as well as creating awareness of the importance of the tooling industry for various other industries in the manufacturing sector.

The **Western Cape Furniture Initiative** was officially launched in July 2010 but made good progress in a very fragmented industry that faced major challenges from global competitors. A series of the networking workshops and programmes were facilitated. WCFI's annual furniture design competition has become one of the major attractions for students and professional furniture designers and manufacturers in the province. It is also one of the drivers to ensure that the furniture industry becomes more innovative and competitive and an E-Design course has been developed to improve these specific skills of students and employees in the industry. Although the industry are still faced with import challenges, the cluster focus is on the implementation of programmes and projects that will enhance and broaden industry members' appreciation and access toward research, design, marketing and innovative management. Programmes are facilitated in conjunction with UNIDO, Productivity SA and other role-players to improve issues around productivity and overall business performances in the industry.

BPeSA Western Cape played a pivotal role in marketing the Western Cape as a preferred BPO destination. Their efforts were successfully realised when they secured AMAZON, the world's largest internet retailer to the Western Cape's shores. Amazon intends to open a call centre in the Cape Town area to service their German and US based clients. This investment has substantial benefits to the Western Cape's economy and is forecasted to boost SA's Business Process Outsourcing sector by creating an initial 600 permanent jobs in Cape Town, and 400 contract positions in the next few years. The deal has significant economic spinoffs that would instil confidence in potential investors regarding the regions abilities to host world class clients.

The Province is home to one of the oldest African Information and Communications Technology (ICT) technology business incubators, viz. the Bandwidth Barn (BWB). As the flagship project of the Cape IT Initiative (CITI), the decade-old BWB has incubated more than 100 ICT start-up firms and delivered specialised mentoring support to 155 early stage and high-growth companies, with 80 per cent still in existence after 4 years, some companies' turnover increasing by up to 190 per cent. The DEDT has, since 2005, solely supported these highly successful start-up business programmes. In 2010 the BWB attracted Nedbank, its first major financial sector sponsor, in the form of a R500 000 grant for supporting local ICT enterprises.

In the second quarter, the Department engaged the biggest corporate consumers of IT and IT skills in the Province with the view to establish current issues affecting their growth and competitiveness. Skills, specifically, the shortage of qualified IT personnel and the marketing of local, specialised ICT solutions and

services were highlighted as major support areas for government intervention. After extensive one on one company consultations with vertical industries including the financial services and retail sectors and medium-sized IT service providers to these verticals, an ICT Skills Working Group was convened to guide the development and partner with the Department on a critical IT skills supply model and pilot programme. Based on industry's commitment and partnership in the delivery model developed, a comprehensive funding request has been submitted to the Insurance SETA for consideration, with notification expected December 2010.

The Department commenced collaborative engagements with the Western Cape Education Department, commencing with supporting the latter's first ever "IT Projects Expo, which saw the Department facilitating (via its partnership with the Silicon Cape initiative) a sponsorship by a private IT firm of three internships to the top student exhibitors at the event.

Entrepreneurship development remains a key focus area within the support for the ICT sector, and the Bandwidth Barn's model for incubating ICT start-up's received a firm boost in the form of a renewed sponsorship from Telkom and the ISETT SETA's support for a new venture creation project to encourage new entrants into the sector.

Within the **Agro-processing** sector, a successful stakeholder workshop was held to set up the engagement phase which includes undertaking intensive work identifying issues and formulating recommendations resulting from the strategic business plan, with actions being implemented as well as increasing participation through membership strategy.

While no Departmental funding was allocated towards the Honeybush and Rooibos industry initiatives, the Department continued with its intensive engagements with the industry. The dti will be using the Western Cape's Rooibos and Honeybush research and strategy as the guiding framework for the development of the national strategy. This in turn will unlock greater support from national government. Further steps were also taken to introduce standards within the industry and to lobby national government to introduce geographic indicators.

Within the **Aquaculture** sector, collaborative relationships were established and/or strengthened with key national Departments involved in the development of the aquaculture sector, such as the departments of Agriculture, Fisheries and Forestry (DAFF), Water Affairs (DWA), Environmental Affairs (DEA) and Trade and Industry Development (DTI). While the Western Cape's provincial aquaculture strategy is been used as a guiding base framework for the development of the national strategy, inputs and participation were provided by the Department in a 2-day National workshop where relevant national and provincial government departments gave input into the first amalgamated marine and freshwater "National Aquaculture Strategic Framework" (NASF). This strategy is due for finalisation by end December 2010 and approval by Cabinet during early 2011. It is expected that the finalisation of the national strategy will unlock dti incentives, allowing for significant growth for the industry.

The Department successfully facilitated the leveraging of R9 million from the National Empowerment Fund (NEF), in collaboration with the Department of Agriculture, for the re-capitalisation of the successful Masiza mussel farm in Saldanha Bay. This will allow for the expansion of the company's current production through additional infrastructure (rafts) and the acquisition of equity in an existing mussel processing facility. These will significantly contribute to create additional opportunities for the establishment of SMMEs, job opportunities and the socio-economic upliftment of the affected communities.

In terms of the **Cape Catalyst** projects, The Department, with the support of the Department of the Premier, has initiated a process to develop a provincial Telecommunications Strategy in consultation with the entire range of stakeholders. A policy position paper was developed as a consultative document setting out

what PGWC can do to spread telecommunications infrastructure and affordable access to communications for business and society and to make sure that this contributes to the Province's social and economic development goals.

The ECDI symposium took place on 11 and 12 May 2010 at the Townhouse Conference Centre to discuss the proposed East City Design Institute. The symposium was a huge success as it brought together critical people in the design and creative industries fraternity to understand better the project of the ECDI and raised key issues the future roll-out and implementation of the work.

The East City Design Initiative aims to develop a design-focussed precinct in the eastern quarter of the Cape Town CBD. Part of the project plan is the need to undertake at least 2 surveys with residents of the east city and also with the design community in the region. These are currently underway.

Business Regulation and Governance

The first few quarters of the 2010/2011 financial year has seen the OCP effectively performing its consumer protection mandate. The OCP has primarily set 2 strategic imperatives. These imperatives relates to consumer education and consumer redress services. In terms of consumer education services the OCP has during the first 2 quarters conducted a total of 76 consumer education engagements and/or campaigns. In previous years the target audience of these campaigns was predominantly the ordinary consumer or "man in the street". As part of the strategic imperative of the OCP the need for enhancing the unit's engagement with business as a partner to strengthen consumer protection was identified. As a result the OCP has increased the number of engagements with different "sector members" within the Cape Chamber of Commerce as well as other businesses. The focus of these engagements was twofold, namely:

Creating awareness about the statutory function which the OCP performs; and

Informing business about the pending "consumer friendly" legislation in the form of the Consumer Protection Act, 2008.

The above-mentioned initiatives have gone a long way in forging an understanding within the business community about the role and function of the OCP as well as the legislation it is mandated to administer. The linkages that were forged will see greater cooperation from the business sector as far as the investigation of consumer complaints are concerned especially since business has a clear idea of what the OCP's mandate and powers are.

The volume and scope of educational campaigns that were conducted has seen a direct impact in the numbers of queries and complaints that have been forwarded via the toll free OCP call centre. In the first 3 quarters of this financial year a more than 7 000 consumer complaints were received by the OCP for investigation. This volume far outstretches the numbers that are recorded in other provinces. The number of matters that were resolved thus far are over 4 000. This is comparable and if not better than statistics from other provincial and national regulatory authorities.

The OCP has also finalised the statutory process around the appointment of the Western Cape Consumer Tribunal. The Tribunal members have received their appointment letters from the provincial Minister. This will ensure that the province will have a functioning and effective Tribunal in place to adjudicate consumer disputes that could not be resolved by mediation or negotiation.

The initial quarters of the 2010/11 financial year of the **Liquor Board** saw the education and awareness unit drive its programmes through various external service providers, all focusing on specific outcomes to ensure alignment with the annual performance plan.

The service providers included:

The Industry Association for Responsible Alcohol Use (ARA).

The ARA's focus involved a mass media campaign focusing on raising awareness regarding liquor related harms with the objective of reducing these harms through radio and various print media.

Life Talk

Life Talk provides a comprehensive and thought-provoking look at the challenges and situations faced by today's adolescents and parents – and it explores solutions and helpful areas to focus on. Some of the issues covered include:

Teen drinking, Sexual activity, Drugs, Peer pressure etc. The programme focuses on the methods parents and children/teens can use to positively navigate through the choices children of all ages will have to make at some point of their lives and how parents can facilitate this process that legitimises it for their children. These programmes have been presented to various community based organisations, social workers etc., to equip those who work in the field to impart the methods to parents and children of all ages where applicable.

Fas Facts

Is an NGO educating the public in the Northern and Western Cape Province about the damaging effects of alcohol consumption to the brain of unborn babies. This is done through the presentation of various modules of learning aimed at specific pre-determined target groupings.

The WCLB, on the 22 and 23 October 2010 hosted the second annual Provincial liquor conference with approximately 150 delegates, providing a platform for all stakeholders to engage, debate and together, focus on relevant issues and their priority in terms of liquor licensing, the Western Cape Liquor Act of 2008, its implementation and the implications thereof, especially on shebeen owners.

Economic Planning

Strategic Objective 1: Opportunities for growth and jobs that was approved by the Provincial Cabinet laid the foundation blocks for the Department to develop and align all programmes and projects to the Provincial strategy. In this regard, the programme has been at the forefront of organising and driving the strategic planning processes and programme.

During the 2010/11 financial year, the Programme also commenced a plethora of research studies, most notably into the impact of the FIFA 2010 World Cup on SMME's in the Western Cape. Further studies into the informal economy (micro-enterprises) were also commenced.

In order to inform the industrial policy of the Department a number surveys in sectors that are relevant to the Department was initiated. These surveys will be completed by the end of the 2010/11 financial year and will go a long way in deepening our understanding of not only the MEDS researched sectors, but other sectors that have an impact of the Western Cape economy.

Another important survey commenced during the year includes a CMT SMME survey to look at clothing and textile firms operating in the Western Cape.

With regards to Monitoring and Evaluation (M&E), 20 projects are currently in the process of being assessed in order to determine progress against the stated objectives. The primary benefit of these monitoring exercises is that it will allow for the early identification of problem areas and will ensure that modifications are timeously implemented. The data collection and analysis processes for a number of these projects have been completed, with the report writing phases soon to commence.

Evaluation, although primarily concerned with the outcomes and impact achieved invariably also considers programme design and implementation. In terms of the five evaluation studies as noted in the 2010/2011 APP, one evaluation study has been completed to date. The remaining four evaluation studies are at various stages of execution and it is anticipated that these remaining studies will be completed by the end of the 2010/11 financial year.

In terms of Knowledge Management, the establishment of an e-filing system for the Department has been delayed by the Department of the Premier's introduction of an Enterprise Content Management System for the entire Province. Cabinet has now approved the system and the Department is undertaking the preparatory work in order for the approved system to be established in the Department by the commencement of the new financial year. The scoping of the departmental needs is underway and will be completed in the current financial year.

Tourism, Arts and Entertainment

A total of 231 members of the Tourism Arts and Entertainment Partnership were engaged during the first and second quarter.

During the period under review, the WC **Tourism Development** Plan which incorporates the development for tourism sites, attractions, routes, infrastructure and facilities reported the following achievements:

The Cape Agulhas Boardwalk was launched by Mr Alan Wine, Minister of Finance, Economic Development and Tourism. .. The launch coincided with the "ideas" competition which provided the public with an opportunity to submit their ideas on the type of iconic structure they would like developed at the Southernmost Tip of Africa. The Department submitted 3 project proposals to the National Department of Tourism to apply for co-funding from the Tourism EPWP. These projects have been fully scoped and costed and includes the Langebaan Arts and Craft Centre; False Bay Ecology Park (redevelopment of the Eastern Shore Zeekoevlei); and False Bay Ecology Park (Headquarters Complex).

A meeting between Mr Alan Winde, Minister of Finance, Economic Development and Tourism and Transnet was held where an in-principle agreement for the transfer of ownership of the George-Knysna Railway Line and certain linked assets from Transnet to the Provincial Government of the Western Cape was discussed. The first Task Team meeting was held on 27 August 2010.

In terms of **Tourism Destination Global Competitiveness**, the Tourism Safety and Support Programme provided safety information to in excess of 130 establishments in the Western Cape as part of its proactive measures. As part of the 24/7 reactive measures, the programme responded to 38 incidents of tourists in distress of which 14 occurred during the 2010 FIFA World Cup period. The Quality Assurance programme also conducted minimum requirement inspections to qualify tourism products for membership of their specific local tourism organisation. 175 establishments were assessed in the Cape Town region and the Agulhas Lighthouse was assessed (as a major attraction). A total of 66 general applications were processed for Tourism Road Signage while Access the Cape provided 287 citizens from the Province with an opportunity to be tourists in the Western Cape.

The provincial **Tourism HRD** Strategy was finalised in the Tourism HRD Sub-committee, with implementation for the first time in the Collective Bursary Programme and HEI and FET Internships which arose as key interventions from the Tourism HRD Strategy.

During the second quarter of the financial year, the Tourism Human Resources Development unit matched 79 students with host employers through the HEIs Internship Placement Programme, placed 101 students with host employers through the FET Internship Placement Programme, rolled out the national Tourism Service Excellence Initiative across the Province training 1 995 delegates, co-funded the placement of 3 Western

Cape tourism graduates in the International Internship Placement Programme and a Career Awareness Road show was held reaching a total of 347 beneficiaries. Furthermore, a Job Shadowing project was held benefitting 67 beneficiaries.

Tourism Enterprise Development implemented the Tourism Tiered Support Programme where 1 237 new SMMEs and 423 existing SMMEs were assisted with interventions which included amongst others a Tourism Awareness sessions, attracting 953 participants; the roll-out of the Tourism Enterprise Development 101 Beginners, servicing 224 beneficiaries; supported 60 new businesses with Tourism Enterprise Business Support, through the Tourism Helpdesk Agents provided Tourism Enterprise Business Support to 168 existing businesses, mentored 21 mentees through the Tourism Mentorship Programme and assisted 23 beneficiaries with the Tourism Enterprise Programme's Toolkit.

Tourism Regulation registered and regulated a total of 1486 tourist guides from 1 April – 30 September 2010 as follows:

398 new tourist guides registered;

631 tourist guides renewed their registrations; and

457 tourist guides were inspected during the illegal guiding inspection programme.

Furthermore, the unit also successfully implemented a range of training/up-skilling programmes for tourist guides during the first and second quarter.

In terms of Destination Marketing, 8 conference bids were secured with an expected economic impact of R109.5 million and the potential of attracting 8 950 delegates; and 9 Joint Marketing Agreements were secured with an estimated value of R1,365 million.

In terms of the **Creative Arts and Entertainment** Sub programme, the Craft Sector Development Helpdesk registered 4 832 members, trained 173 people in Craft, assisted 171 businesses with proactive interventions and assisted 279 businesses with export opportunities. Furthermore, the Music Sector Development Helpdesk registered 199 members, with the Performing Arts Sector Development registering 1 452 members and the Visual Arts Sector Development Help Desk registering 716 members on the VANSAs database.

Skills Development and Innovation

The NSDS III (National Skills Development Strategy) which is expected to be launched in April 2011 will be expected to facilitate greater collaboration of the SETAs and FETs with key stakeholders and social partners. Workforce Development has achieved the following in the first and second quarter of 2010/11:

Consulting extensively with regional role-players to ensure that the Sector Skills Plans reflect regional nuances

Collaborative agreement between FET Colleges and the Western Cape SETA Cluster completed, that in delivery will yield numerous collaborative initiatives and projects.

Strategic sessions were held between FET Colleges, SETA's, DEDAT and relevant stakeholders to focus on: key areas of collaboration, program development and delivery.

Funds of over R9 million was leveraged, of which R7.2 million is from the Wholesale and Retail SETA towards stipends and skills training for learners placed on the Work and Skills Programme. DEDAT completed the business case with the Wholesale and Retail SETA and their board has approved funding. The operational plan is currently being development and once accepted by the board, will unlock allocated funds.

The above-mentioned skills initiative is a collaborative intervention between W & R SETA, the six FET Colleges and DEDAT.

SETAs to assist and support SPV skills plans and provide access to funds for needs jointly identified: Meetings have been held with BPeSA, SAOGA and Creative Industries.

In terms of the **Provincial Skills Development Forum** (PSDF) the LCI (Learning Cape Initiative) was mandated to facilitate a process of consultation with social partners and stakeholders regarding the establishment of a Provincial Skills Development Forum (PSDF) in the Western Cape.

The consultation culminated in the production of a business case that was submitted to DEDAT at the end of March 2010. This document was used to formulate a presentation to the Premier on a proposed structure to take skills development forward in the Province. The Premier has endorsed the proposed structure, and requested that cabinet is presented with the structure for further ratification. Parallel to this process, an implementation plan is being developed to ensure that the structure is established and operational.

Phase one and two of the **Work and Skills Programme (W & SP)** has created some viable partnerships on different levels. Learners were placed with various host companies. An example of this is the partnership between the programme and Prestige Clothing, a host company illustrate that the private sector is willing to take responsibility for the training of people in an industry. Prestige Clothing has taken on nearly 100 learners in two locations (Maitland and Caledon) and has undertaken to permanently employ at least 75 per cent of them after the completion of the year contract.

Government has also shown commitment through the Department of Social Development who has taken on a large number of learners and placed them in different NGO's in their communities to assist with administrative tasks and field work. Through the Department of Social Development 222 students were taken on and placed in various NGO's in the communities. The students are trained as admin support and to assist in community upliftment programmes.

Phase one and two have now been consolidated and the lessons learned will be transferred to the next phase of the W & SP. To operationalise phase 3 of the programme for 2010/2011.

In terms of **Innovation**, the Provincial Regional Innovation Systems (RIS) Strategy has been developed and is aligned to the national the Department of Science and Technology's (DST's) Regional Innovation Strategic (RIS) Framework. It is envisaged to use the terminology framework instead of strategy as it is still a working document. Innovation stakeholders commended the Department for its extensive engagement and their ability to develop a strategy at such short notice. Stakeholder consultation includes engagements with the provincial Technology Innovation Agency (TIA), as mandated by the DST, the Cape Higher Education Consortium (CHEC) and the Provincial Academic Forum. Representation from local authorities has also increased and interventions should be investigated to bring all on par with the Metro. One of these regions has already identified a project for possible future collaboration.

CPUT received funding in 2009/10 financial year for the Technology Station for Clothing & Textiles (CPUT-TSCT) and Advanced Manufacturing and Technology Laboratory (CPUT-AMTL) respectively. The TSCT had to provide assistance to ten (10) clothing & textile SMMEs companies to improve their productivity and competitiveness. These companies were first audited to determine the productivity needs and interventions were then implemented based on company requirements. These are currently monitored and evaluated until March 2011.

The AMTL had to assist ten (10) SMME's with their mechanical engineering technology needs to enhance their competitiveness and to build a culture of innovation in the provincial economy. This included establishing the feasibility of each project and work on the design, simulation to build the products. It has

been thought that the clothing and textiles industries are being neglected therefore almost all R+D projects were for this sector and promises to improve competitiveness of companies utilising these projects. The final report including simulation will be presented to the Department in September 2010 with the manufacturing due for completion by October 2010. A new partnership was established between TSCT and AMTL and they will exhibition/launch the final products in November 2010.

3. Outlook for 2011/12

Integrated Economic Development Services

The adoption of Strategic Objective 1 and the move towards the envisaged Economic Development Agency (EDA) has required the Programme to not only set sail in a different direction, but embark on programmes and projects that strategically make a difference in improving the environment in which businesses operate.

In departing from the status quo the process will involve the measured conclusion and wrap up of certain programmes, such as the Red Door, and the adoption of new projects that give meaning to the new direction and facilitate the smooth migration of functions into the EDA.

The significant new direction and programmes include the following:

Facilitating as opposed to an interventionist role

Currently and for the past 5 years the Programme's role in enterprise development has been that of a pro-active player. The primary reason for this is the absence of other role-players in fulfilling this role. The change in landscape and policy direction has necessitated the Programme adopt a facilitating role. In doing so its role will become more strategic and focussing on the improvement of the support environment in which small businesses operate. Significant for the coming year is the closure of seven Red Door centres (in areas where other service providers operate or where duplication of services is apparent) and the continued operation of five Red Doors (in areas where closure means no support available to small businesses).

The facilitative role of the Programme is also extended to RLED where bringing together local stakeholders and supporting cohesion and co-operation is paramount.

RLED – emphasising locational advantage

The approach of RLED will be radically different in that each local area or district's unique locational and competitive advantages will be exploited. The emphasis here is on local role-players co-operating, building capacity and strengthening local advantages in order to pursue agreed upon socio-economic objectives. Key foci for the coming year will be the generation of data and information that will enable good decision making and the co-opting of GTZ as a partner in RLED.

Increased business-government interaction

In order to create and sustain an enabling environment for businesses to develop and grow and provide demand-led support, much more interaction needs to take place between government and business. It is through these interactions that government becomes aware of the real needs of business. The Programme will embark on a programme of facilitating regular (monthly and quarterly) interactions between provincial government and business. The interaction will be done primarily through business associations and chambers of commerce.

On a RLED level this philosophy will be extended to encouraging local governments and local businesses to embark on a continuous cycle of interactions in order to create enabling local business environments.

Creating and maintaining an enabling environment

It has been acknowledged that the regulatory environment is a primary decider on whether businesses thrive or die. It is also that component of overall business support that government has a direct influence and impact. The Programme's attention to the regulatory environment will be focussed on the identification and removal of red tape which stifles both business development and growth. The immediate priority for the coming year is to consider relevant red tape issues relating to provincial departments and its impact on small businesses. Provincial procurement red tape as an inhibitor of business growth will be upper most on the list of interventions.

Focus on opportunities for business

In line with the Programme's move away from the focus on micro informal start-up businesses to growth-oriented existing businesses, dedicated attention will be paid to programmes and projects that identify and unlock opportunities for businesses to grow, opportunities that lie in government procurement and corporate value chains. The Supplier Development Programme will be instrumental in identifying opportunities and building capacity within small businesses to exploit these opportunities.

Trade and Sector Development

While it was anticipated that the economy would enter into a slow but steady growth phase, feedback from industry indicates that difficulties continue and are expected to continue into the new year. The high volumes of inward portfolio capital, which tends to result in the appreciation of the domestic currency, impact negatively on the extent of the recovery of the Western Cape's export-led industries. The financial woes of some Euro countries will also negatively affect the extent of Western Cape economic recovery, given that as a collective, Europe still dominates as an export destination. Consequently, while prospective look positive in the outer MTEF period, 2011/12 targets will not demonstrate any growth, and in certain cases, will shrink. This is particularly true for foreign direct investment job creation figures. While the pipeline of possible investments is growing, the jobs created as a result is thin.

While it was anticipated that the economy would enter into a slow but steady growth phase, feedback from industry indicates that difficulties continue and are expected to continue into the new year. The high volumes of inward portfolio capital, which tends to result in the appreciation of the domestic currency, impact negatively on the extent of the recovery of the Western Cape's export-led industries. The financial woes of some Euro countries will also negatively affect the extent of Western Cape economic recovery, given that as a collective, Europe still dominates as an export destination. Consequently, while prospective look positive in the outer MTEF period, 2011/12 targets will not demonstrate any growth, and in certain cases, will shrink. This is particularly true for foreign direct investment job creation figures. While the pipeline of possible investments is growing, the jobs created as a result is thin.

The announcement of the Western Cape Economic Development Agency has also caused some degree of uncertainty within the clusters and the public agencies with respect to their planning processes and implementation plans. However, with the assurances of the Minister of Economic Development and Tourism, it is hoped and expected that the delivery and implementation will not slacken.

Business Regulation and Governance

The 2011/2012 financial year will see the OCP focus on effectively implementing the Consumer Protection Act, 2008 (Act 68 of 2008). The aforementioned legislation will come into full effect on 1 April 2011 and this will result in a far more enhanced regulatory environment for consumers. The Office of the Consumer

Protector will, via its Consumer Affairs Tribunal, provide a statutory redress service to consumers who may have fallen victim to an unfair business practice. This is a matter of strategic importance, especially in light of the increased role that provincial consumer tribunals or consumer courts will play with the implementation of the Consumer Protection Act, 2008. The Consumer Protection Act envisages a scenario where consumer tribunals, both National and Provincial, will be able to adjudicate consumer disputes that are referred to it by the National Consumer Commission. The Tribunal now acts as a statutory body that is empowered to adjudicate alleged unfair business practices that have a negative effect on consumers within the province. It is therefore an important service that is effective, easy and accessible to consumers within the province.

The Regulatory Services Sub Directorate will also focus on the strategic imperative of reducing the regulatory barriers that hinder business development and growth. In terms of Provincial Strategic Objective 1 which is: **“Creating Opportunities for Jobs and Growth”** the reduction of so called red tape that hinders business development and growth in the province is considered to be one of the key areas that must be addressed. Red tape (unnecessary regulation) is an insidious threat to business and especially inhibits smaller enterprises of the sort that are so important to the Western Cape economy. While most of the business-constraining red tape originates at national level, provincial and city governments have a considerable role to play. The Programme will:

- Establish through research and consultation which regulations most constrain the private sector;

- Act as an advocate of regulatory best practice in the national and local spheres of government, and in the case of State Owned Enterprises;

- Draw on and act in concert with regulatory best practice initiatives supported by inter alia, the World Bank and the International Finance Corporation (IFC);

- Appoint an inter-governmental working group to identify key regulatory bottlenecks at both Province and City and then tackle them one-by-one over a multi-year period; and

- Significantly improving the efficiency and customer service of planning processes both within the City of Cape Town and the Western Cape government.

The 2011/2012 financial year will see the **WCLB** possibly becoming a public entity as indicated in the Western Cape Liquor Act of 2008 and therefore, greater emphasis will be placed on educating and raising awareness amongst all stakeholders on the changes that will be taking place and also, the implications to all stakeholders within the Western Cape. The aforementioned legislation will possibly come into effect during April 2011. The staggered implementation process will initially focus on initiating and implementing the various technical bodies necessary as per the Western Cape Liquor Act (2008). At later stages, the Western Cape Liquor Act (2008) will come into place and will result in the public receiving greater mechanisms to participate in the granting of licenses to possible traders. It will become the responsibility of the education and awareness unit to educate the public, enforcement, religious groupings, community, municipalities etc. on the implications of the new Act. Therefore, internally, the education and awareness unit will focus on the issues mentioned above to create a more informed stakeholder base. The internal programme will ensure the achievement of enhancing public participation in liquor regulation.

External services providers will again be utilised to continue on existing work and relationships that have been built (ARA and Fas Facts) as the behaviour change that is being focussed on (which is the reduction of liquor related harm) will take a number of years before any tangible results are seen.

Economic Planning

The translation of Strategic Objective 1 into practical programmes and projects will be the main focus of the unit's work in the next financial year. In addition, the establishment of the Western Cape Economic Development Agency is a high priority, together with the management of the Department's role as lead department of the Economic and Infrastructure Strategic Sector Committee and all its working groups.

In the 2011/12 financial year, plans to collect detailed municipal level economic data in the Western Cape will be initiated. The Programme also aims to conduct a skills audit of priority sectors in the Western Cape as identified by the Micro Economic Development Strategy (MEDS). The underpinning rationale of this research is to ultimately inform the skills initiatives of the Department thereby improving skills levels within the targeted sectors.

In the coming financial year, the M&E Unit will continue to monitor and evaluate the strategic projects identified and rolled out by the Department. The unit will furthermore aim to embed an M&E culture within the Department through the roll out of capacity building sessions. Another major intervention of the Programme will be to continuously identify potential partnerships with Higher Education Institutions and other relevant research institutions in order to augment the in-house M&E capacity within the Department.

The Department's Electronic Content Management System (Livelink) will be rolled out and established in the Department during 2011/2012. This is a major project and will be the main focus of the Knowledge Management unit's work next year.

Tourism, Arts and Entertainment

To ensure a smooth transition of tourism functions into the Western Cape Economic Development Agency, processes in tourism marketing, tourism growth and tourism participation will be taken up in the new Western Cape Economic Development Agency (WCEDA).

In terms of Tourism marketing the Programme will develop and implement a co-ordinated tourism marketing strategy between provincial and local government. This will ensure the development of a single tourism Brand for the destination (encompassing the city and the regions). The Programme will also play an instrumental role in managing the effective transition of CTRU into the WCEDA. In this regard, delivery will fundamentally be based on:

- Review of geographic and psychographic target market segmentation in direct response to Cape Town and the Western Cape and in line with South African Tourism.

- Major shift from traditional marketing methods to full exploitation of new media marketing opportunities.

- Demonstrate return on investment of all marketing effort and spend in terms of a pre-agreed measuring instrument.

In terms of Tourism Development initiatives there will be a significant upscaling of the Western Cape Tourism Development Plan, with focus on the following areas:

- Tourism niche markets: cruise liner tourism, health tourism, sport and mega events tourism, cultural and heritage tourism and responsible tourism.

This will include drafting implementation plans for development and marketing of tourism niche markets which will include understanding best practice; product audits; stakeholder engagements and establishment of partnerships; alignment to respective national niche tourism strategies.

New tourism routes (City to West Coast including a San Rock Art route; City to Cape Winelands to Central Karoo; City to Overberg and Garden Route) and existing tourism routes (Route 62; Whale route; Wine route; False Bay route and Cape to Namibia route) as well as the CTICC expansion.

This will include drafting implementation plans for development and marketing of the tourism routes.

Development of tourism infrastructure, sites, attractions and facilities.

This will include identification and development of new and existing tourism areas/infrastructure such as Agulhas, the False Bay coastline and the George-Knysna line.

Tourism Global Competitiveness is a new area that will focus on innovation and technology for the destination as a whole, especially in terms of tourism marketing and the competitiveness of tourism businesses.

The implementation of the Western Cape **Tourism Human Resources Development** Implementation Plan will be expanded through the rollout of the following programmes namely the tourism job shadow; tourism collective bursaries; tourism internship placement programme; tourism skills programme for the current workforce; tourism service excellence training.

Implementation of **Tourism Enterprise Development** to support and expand existing tourism businesses will be rolled out incorporating the Tourism Enterprise Intermediate; Tourism Enterprise Advanced; Tourism Mentorship; Access to finance; Access to markets and Tourism Economic Empowerment projects.

The strategic imperatives for the **Commercial Arts and Entertainment** sectors are the concentration on the commercialisation and globalisation of product offering as part of the Cape Town and Western Cape brand, refining the focus in Film and Craft and placing greater emphasis on product offering to the tourism industry.

The Department has, for the past 10 years, invested effort and resources into the Film and Craft sectors. This has resulted in sector maturity and significant growth as well as cohesion and increased export earnings. Furthermore, growth and positive economic potential for the Western Cape can be expected from the Film and Craft sectors. Budgetary allocation to the Main Focus area of Trade and Export Promotion will be significantly increased.

The Music, Performing Arts and Visual Arts sectors, although displaying significant potential are at this stage fractured and under-commercialised. Budgetary allocations to Music, Performing Arts and Visual Arts are only for Sector Development.

Skills and Innovation

Knowledge and Technology have become the key drivers of economic growth and international competitiveness. Developing countries focus on knowledge for ways to speed up development phases, short circuit it or even leapfrog technologies so as to increase interest by foreign investors and partnerships and accelerating assimilation into the global economy. Globalisation in turn increases mobility of ideas, goods, money and capital, creating interdependency and increasing learning, which is central to sustaining an innovation system within the knowledge economy.

The new Programme 7 in terms of its skills and innovation focus will be guided by Strategic Objective 1: to play a facilitating role and addressing the activities which address the mismatch between skills demand and supply across the economic spectrum and increase opportunities for economic and employment growth.

This programme will adopt both a top-down approach that encourages provincial skills planning through the establishment of a credible institutional mechanism for skills planning (the Provincial Skills Development Forum and the Provincial Innovation Council) and a bottom-up approach that will increase the responsiveness of FETs and SETAs to firm needs.

Thus, the programme's activities will not be confined to the policy environment, but will complement sector interventions. The focus of the Programme will thus be:

Provincial skills co-ordination will facilitate the establishment and facilitation of a provincial body that stimulates social dialogue among the social partners (i.e. labour, government, civil society and business). Through this Provincial Skills Development Forum (PSDF), agreement on HRD matters (including strategy), facilitation of key transversal skill initiatives and development of research and market intelligence will be managed.

Workforce Development will strive to coordinate a conducive environment for human resource development by supporting unemployed youth in partnership with institutions of learning, SETAs, sector bodies and industry. Increasing the depth and quality of the Province's skills reservoir will raise the productive potential of the workforce and reduce inequality by increasing job opportunities. During the recent recession most job losses were amongst those with lower levels of education. Thus Department of Economic Development and Tourism (DEDAT) complements the training initiatives to increase access to the job market through youth job initiatives that provide on the job training as well as vocational training, through the Work and Skills Programme and the Artisan Programme. The SETA Cluster and FET CEO Forum will articulate its offerings through these latter two programmes, ranging from assessment of curricula for accreditation to trainer of trainer programmes for artisans in engineering.

To facilitate an environment that is conducive to fostering innovation, and the improvement and implementation of the RISF, the Department will use the Provincial Innovation Council (PIC).

The Department will focus on design in Innovation as instrumental in moving towards being globally competitive. Design is key to enhancing the quality, improving systems, improve productivity and creating niche markets. Experiential and functional design can be incremental as it only results in minor improvements to an existing design or can be innovative, meaning a substantial departure from what was done before. The focus long term is to encourage commercialising new products or systems which should result in creating new businesses.

4. Receipts and financing

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

Table 4.1 Summary of receipts

Receipts R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate				
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate				
							2011/12	2010/11	2012/13	2013/14	
Treasury funding											
Equitable share	189 149	210 013	251 296	237 410	233 476	231 525	249 080	7.58	261 528	275 866	
Financing	3 500	13 964									
Asset Finance Reserve		2 600									
Revenue retention	3 500	11 364									
Total Treasury funding	192 649	223 977	251 296	237 410	233 476	231 525	249 080	7.58	261 528	275 866	
Departmental receipts											
Tax receipts	4 645	4 844	5 505	3 798	3 798	5 509	5 064	(8.08)	5 064	5 064	
Sales of goods and services other than capital assets	308	397	358	270	270	382	270	(29.32)	270	270	
Interest, dividends and rent on land	6	11	11								
Sales of capital assets	2										
Financial transactions in assets and liabilities	5 587	692	6 047			128		(100.00)			
Total departmental receipts	10 548	5 944	11 921	4 068	4 068	6 019	5 334	(11.38)	5 334	5 334	
Total receipts	203 197	229 921	263 217	241 478	237 544	237 544	254 414	7.10	266 862	281 200	

Summary of receipts:

Total receipts increase by R16.870 million or 7.1 per cent from R237.544 million (revised estimate) in 2010/11 to R254.414 million in 2011/12. Main reasons for this increase are due to inflationary increases in operational expenditure and compensation of employees.

Treasury funding:

Equitable share funding increases by R17.555 million or 7.58 per cent from R231.525 million in 2010/11 to R249.080 million in 2011/12 as a result of the inflationary increases.

Departmental receipts:

Included in the Department's total receipts of R254.414 million in 2011/12 is the projected departmental receipt of R5.334 million.

Total departmental receipts decreases from the revised estimate of R6.019 million in 2010/11 to R5.334 million in 2011/12 financial year. This is due the implementation of the revised tariffs for liquor licenses due to the proposed enactment of the Liquor Bill and subsequent regulations.

Of this, Tax receipts from liquor license taxes are projected at R5.064 million. This revenue figure is based on the total number of new applications received and liquor license holders that will need to renew their licenses in 2011/12.

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

Donor funding (excluded from vote appropriation)

Table 4.2 hereunder gives the sources of donor funding and details of any terms and conditions attached to donor funds.

Table 4.2 Summary of donor funding - None

5. Payment summary

Key assumptions

Only sustainable economic and employment growth can eradicate poverty and provide the people of the Western Cape with opportunities to prosper and the wherewithal to live lives they value.

That is why our economic development strategy focuses with laser-like intensity on growth and is called *Creating opportunities for growth and jobs*.

Growth is driven primarily by private sector businesses operating in a market environment. As such, our approach to economic development rests on two pillars:

The creation and maintenance of an enabling environment for business; and

Demand-led, private sector driven government support for growth sectors, industries and businesses.

National priorities

The national priorities have been incorporated into the provincial priorities.

Provincial priorities

Strategic Objective 1: Creating opportunities for growth and jobs.

Strategic Objective 11: Creating opportunities for development and growth in rural areas.

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- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2007/08	2008/09	2009/10				2011/12	2010/11	2012/13	2013/14
1. Administration	21 071	26 960	26 329	25 370	23 986	23 986	22 957	(4.29)	24 718	28 498
2. Integrated Economic Development Services	61 021	42 035	54 830	54 866	49 650	49 650	51 742	4.21	57 474	59 655
3. Trade and Sector Development	39 824	46 973	50 821	54 264	54 952	54 952	63 365	15.31	61 522	63 297
4. Business Regulation and Governance	11 427	15 286	19 843	20 793	18 543	18 543	20 580	10.99	23 252	24 756
5. Economic Planning	3 262	5 845	10 061	9 887	12 637	12 637	17 032	34.78	18 554	18 639
6. Tourism, Arts and Entertainment	60 912	65 342	70 813	62 225	62 225	62 225	62 463	0.38	64 608	67 412
7. Skills Development and Innovation	5 680	27 480	30 520	14 073	15 551	15 551	16 275	4.66	16 734	18 943
Total payments and estimates	203 197	229 921	263 217	241 478	237 544	237 544	254 414	7.10	266 862	281 200

Summary by economic classification**Table 5.2 Summary of provincial payments and estimates by economic classification**

Economic classification R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2007/08	2008/09	2009/10				2011/12	2010/11	2012/13	2013/14
Current payments	81 797	94 531	101 046	111 518	104 223	104 187	137 698	32.16	141 783	152 357
Compensation of employees	36 488	51 325	61 090	77 452	70 856	70 164	88 288	25.83	94 562	99 146
Goods and services	45 309	43 206	39 956	34 066	33 367	34 018	49 410	45.25	47 221	53 211
Interest and rent on land						5		(100.00)		
Transfers and subsidies to	118 411	132 367	161 251	129 460	132 389	132 389	115 485	(12.77)	123 985	127 726
Departmental agencies and accounts	41 474	58 796	67 576	50 040	51 355	51 355	45 690	(11.03)	48 940	49 940
Universities and technikons	150	187	818	140	144	144	1 800	1 150.00	1 800	2 500
Public corporations and private enterprises	40 261	34 755	48 900	48 500	45 750	45 750	26 800	(41.42)	29 700	31 241
Non-profit institutions	36 522	38 629	43 538	30 770	34 005	34 005	40 545	19.23	42 895	43 395
Households	4		419	10	1 135	1 135	650	(42.73)	650	650
Payments for capital assets	2 972	2 906	907	500	932	944	1 231	30.40	1 094	1 117
Machinery and equipment	2 943	2 899	907	500	932	944	1 231	30.40	1 094	1 117
Software and other intangible assets	29	7								
Payments for financial assets	17	117	13			24		(100.00)		
Total economic classification	203 197	229 921	263 217	241 478	237 544	237 544	254 414	7.10	266 862	281 200

Transfers to public entities

Table 5.3 Summary of departmental transfers to public entities

Public entities R'000	Outcome			Main appropriation 2010/11	Adjusted appropriation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Western Cape trade and Investment Promotional Agency (Wesgro)	11 450	20 669	20 325	15 600	15 000	15 000	12 250	(18.33)	15 000	16 000
Destination Marketing Organisation (Western Cape Tourism)	28 370	33 617	46 061	34 190	35 105	35 105	32 440	(7.59)	32 440	32 440
Casidra (Pty) Ltd	29 611	34 686	45 150	48 500	45 750	45 750	26 800	(41.42)	29 700	31 241
Council for Scientific and Industrial Research	10 500		3 500							
Small Enterprise Development Agency (SEDA)	1 000						1 000		1 500	1 500
South African National Parks (SANPARKS)	275	1 350	250	250	1 250	1 250		(100.00)		
Airports Company of South Africa (ACSA)	150									
Western Cape Provincial Development Council		3 160	300							
Total departmental transfers to public entities	81 356	93 482	115 586	98 540	97 105	97 105	72 490	(25.35)	78 640	81 181

Transfers to other entities**Table 5.4 Summary of departmental transfers to other entities**

Entities R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Cape Craft Design Institute	2 720	4 800	3 860	3 400	3 400	3 400	4 500	32.35	4 800	4 800
Cape Town Boatbuilding Initiative	1 800	1 550	2 900	950	950	950	950		1 000	1 000
Western Cape Furniture Initiative	250	400	950	750	1 250	1 250	950	(24.00)	1 000	1 000
South African Oil and Gas Alliance	4 900	5 069	6 820	7 500	7 500	7 500	4 950	(34.00)	4 950	4 950
Cape Information and Technology Initiative	2 800	1 500	2 700	3 950	4 300	4 300	4 800	11.63	4 800	4 800
Bpesa	7 500	7 300	7 050	4 050	4 700	4 700	5 300	12.77	5 880	5 880
Cape Film Commission	4 050	4 800	3 201	2 500	3 100	3 100	4 200	35.48	4 200	4 200
Cape Clothing and Textile Cluster	1 000	1 400	2 300	950	950	950	1 250	31.58	1 500	1 500
Western Cape Tooling Initiative	1 500	1 800	2 069	950	950	950	950		1 000	1 000
Clotex	1 000	1 250	2 200	950	950	950	1 200	26.32	1 300	1 300
Cape Town Fashion Council	2 350	1 300	1 600	950	950	950	1 200	26.32	1 300	1 300
Visual Arts Network South Africa	250	300	309	220	220	220	220		220	220
Performing Arts Network South Africa	300	300	200	220	220	220	220		220	220
Bandwidth Barn		1 200								
Cape Music Industry Commission	450	1 200	2 000	330	555	555	555		555	555
South African Rooibos Council		200	150							
South African Honeybush Tea Association			150		260	260	400		400	400
Learning Cape Initiative		400	2 249	1 200	1 200	1 200	2 000		2 000	2 500
South Cape College	120	120	100							
Cape Peninsula University of Technology	150	187	818	140	144	144	1 800		1 800	2 500
FasFacts	1 000	929	1 200	750	750	750	500		750	750
Artscape			180							
Western Cape Aquaculture Development Initiative				800	800	800	800		830	830
South African Fine Food Association				150						
Cape Town Partnership Business Place			300	200	700	700	1 400		1 000	1 000
ARA			250				1 000		1 000	1 000
Dopstop Association			200						300	300
Soul City									300	300
Western Cape Fine Food					300	300	700		750	750
Cape Town Carnival			100							
Argus Cycle Tour			500							
GreenCape							2 500		3 000	
Total departmental transfers to public	32 140	36 005	44 356	30 910	34 149	34 149	42 345	24.00	44 855	46 055

Transfers to local government

Table 5.5 Summary of departmental transfers to local government by category - None

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

Analysis per sub-programme:

Sub-programme 1.1: Office of the Head of Department

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

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

Sub-programme 1.2: Financial Management

to provide an effective financial management function

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

to provide planning and budgeting support to the Department

to make limited provision for maintenance and accommodation needs

Sub-programme 1.3: Corporate Services

to provide a strategic support function to the department

Policy developments

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.

Changes: Policy structures, service establishments, etc.

The Programme structure and service establishment remained static from the previous financial year. The only changes to the establishment occurred as a result of the modernisation process where the establishments for Human Resource Management and Enterprise Risk Management were shifted to Vote 1: Department of the Premier.

Expenditure trends analysis

The programme's estimate expenditure has decreased by 4.29 per cent or R1.029 million in the 2011/12 financial year from the 2010/11 revised estimates. This decrease can be attributed to the shifting of the Human Resource Management function to the Department of the Premier as part of the corporatisation process.

Strategic goal as per Strategic Plan:

Programme 1: Administration

Creation of Opportunities for Businesses and Citizens to grow the Economy and Employment.

Strategic objectives as per Annual Performance Plan:

Maintain level 3 and attainment of a level 4 Financial Management Capability.

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

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

Sub-programme R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
1. Office of the HOD	2 236	1 655	1 520	1 981	1 841	1 841	2 538	37.86	2 670	3 254
2. Financial Management	10 298	14 208	14 441	14 568	16 257	16 257	17 058	4.93	18 131	20 529
3. Corporate Services	8 537	11 097	10 368	8 821	5 888	5 888	3 361	(42.92)	3 917	4 715
Total payments and estimates	21 071	26 960	26 329	25 370	23 986	23 986	22 957	(4.29)	24 718	28 498

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

Economic classification R'000	Outcome			Main appro- priation 2010/11	Adjusted appro- priation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Current payments	20 107	25 589	25 641	25 205	23 330	23 316	22 577	(3.17)	24 318	27 998
Compensation of employees	11 786	15 996	18 466	20 267	16 983	17 415	16 205	(6.95)	17 094	17 919
Goods and services	8 321	9 593	7 175	4 938	6 347	5 900	6 372	8.00	7 224	10 079
Interest and rent on land						1		(100.00)		
Transfers and subsidies to	379		250		216	216		(100.00)		
Departmental agencies and accounts	379		250							
Households					216	216		(100.00)		
Payments for capital assets	585	1 324	438	165	440	440	380	(13.64)	400	500
Machinery and equipment	585	1 317	438	165	440	440	380	(13.64)	400	500
Software and other intangible assets		7								
Payments for financial assets		47				14		(100.00)		
Total economic classification	21 071	26 960	26 329	25 370	23 986	23 986	22 957	(4.29)	24 718	28 498

Details of transfers and subsidies:

Economic classification R'000	Outcome			Main appro- priation 2010/11	Adjusted appro- priation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Transfers and subsidies to (Current)					216	216		(100.00)		
Households					216	216		(100.00)		
Social benefits					216	216		(100.00)		
Transfers and subsidies to (Capital)	379		250							
Departmental agencies and accounts	379		250							
Entities receiving transfers	379		250							
Government Motor Trading Account	379		250							

Programme 2: Integrated Economic Development Services

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

Analysis per sub-programme:

Sub-programme 2.1: Enterprise Development

to support and promote development of business enterprises

Sub-programme 2.2: Regional and Local Economic Development

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

Sub-programme 2.3: Economic Empowerment

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

Sub-programme 2.4: Management: Integrated Economic Development Services

to conduct the overall management and administrative support to the Programme

Policy developments

More jobs are more likely to be immediately created by existing businesses than through the establishment of new businesses. For that reason, business retention and growth is essential to an economic growth strategy. This function will include:

The establishment of an Enterprise Development Fund which would support innovative businesses in need of some form of public support such as training, infrastructure, standards, a change in legislation, etc., in order to bring new products to market or take existent products into new markets.

The Fund would provide support to existing businesses that present it with credible business plans. Assessments of proposals to the Fund would be made by a panel of experts drawn largely from the private sector and the appropriate tertiary institutions, not by government or not-for-profit decision makers. For this reason, the Fund may need to be managed by private sector experts.

In addition, the PGWC through the Department of Economic Development and Tourism will increase its focus on facilitating and supporting – but not dominating – a network of interactions with the private sector. Provincial government will continue to engage with businesses through the private sector's representative institutions. It will also create new platforms to facilitate regular semi-structured engagement between government, business and other relevant sectors such as higher education, at all levels.

Provincial Government engagement with local economic development (LED) processes will be consistent with the principles of the provincial growth strategy: (a) the creation and protection of an enabling environment for business and (b) demand-led, private-sector driven government support for growth sectors, industries and businesses. This means that LED should be demand-led and private sector-driven.

Changes: Policy structures, service establishments, etc.

The Programme structure and service establishment remained static from the previous financial year, however the workforce Development sub-programme was shifted to form Programme 7: Skill Development and Innovation in order to elevate its importance.

Expenditure trends analysis

The budgeted allocation for the programme has increased from R49.650 million in 2010/11 revised estimate to R51.742 million in 2011/12, an increase of 4.21 per cent. The main contributor to this is the upscaling of delivery within the LED sub-programme.

Strategic goal as per Strategic Plan:

Programme 2: Integrated Economic Development Services

Creation of Opportunities for Businesses and Citizens to grow the Economy and Employment.

Strategic objectives as per Annual Performance Plan:

To create and promote an enabling business environment through facilitation of support and development of new and existing businesses through the provision of non-financial support.

Strategic LED support to local economic role players.

To create an enabling business environment for sustainable economic empowerment through promotion of procurement opportunities to local businesses.

To create and maintain an enabling regulatory environment through the reduction of Red Tape and other unnecessary burdensome bureaucratic processes and procedures.

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

Sub-programme R'000	Outcome			Main appro- priation 2010/11	Adjusted appro- priation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate		2011/12	2012/13
1. Enterprise Development	34 591	31 021	35 552	40 170	40 157	40 157	29 751	(25.91)	32 549	32 930
2. Regional and Local Economic Development	22 244	6 327	11 017	9 277	4 660	4 660	9 350	100.64	11 203	11 941
3. Economic Empowerment	3 363	4 507	3 330	3 771	3 577	3 577	4 731	32.26	5 157	5 876
4. Management: Integrated Economic Development Services	823	180	4 931	1 648	1 256	1 256	7 910	529.78	8 565	8 908
Total payments and estimates	61 021	42 035	54 830	54 866	49 650	49 650	51 742	4.21	57 474	59 655

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	Adjusted appro- piation	Revised estimate	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Current payments	18 271	15 924	17 713	16 321	14 645	14 629	24 629	68.36	26 574	28 089
Compensation of employees	6 838	9 222	11 067	11 516	10 814	10 851	15 790	45.52	16 983	17 876
Goods and services	11 433	6 702	6 646	4 805	3 831	3 778	8 839	133.96	9 591	10 213
Transfers and subsidies to	42 290	25 809	37 100	38 500	34 960	34 960	26 800	(23.34)	30 500	31 241
Departmental agencies and accounts	1 500	1 123	1 000				1 000		1 500	1 500
Public corporations and private enterprises	39 920	24 686	36 100	38 500	34 900	34 900	20 600	(40.97)	23 500	24 241
Non-profit institutions	870						5 200		5 500	5 500
Households					60	60		(100.00)		
Payments for capital assets	444	302	17	45	45	61	313	413.11	400	325
Machinery and equipment	444	302	17	45	45	61	313	413.11	400	325
Payments for financial assets	16									
Total economic classification	61 021	42 035	54 830	54 866	49 650	49 650	51 742	4.21	57 474	59 655

Details of transfers and subsidies:

Economic classification R'000	Outcome			Main appro- piation	Adjusted appro- piation	Revised estimate	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Transfers and subsidies to (Current)	42 290	25 809	37 100	38 500	34 960	34 960	26 800	(23.34)	30 500	31 241
Departmental agencies and accounts	1 500	1 123	1 000				1 000		1 500	1 500
Entities receiving transfers	1 500	1 123	1 000				1 000		1 500	1 500
Western Cape Provincial Development Council		500								
Western Cape Trade and Investment Promotion Agency	500	623	1 000							
Other	1 000						1 000		1 500	1 500
Public corporations and private enterprises	39 920	24 686	36 100	38 500	34 900	34 900	20 600	(40.97)	23 500	24 241
Public corporations	39 920	24 686	36 100	38 500	34 900	34 900	20 600	(40.97)	23 500	24 241
Other transfers (Casidra & CSIR)	39 920	24 686	36 100	38 500	34 900	34 900	20 600	(40.97)	23 500	24 241
Non-profit institutions	870						5 200		5 500	5 500
Households					60	60		(100.00)		
Other transfers to households					60	60		(100.00)		

Programme 3: Trade and Sector Development

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

Analysis per sub-programme:

Sub-programme 3.1: Trade and Investment Promotion

to facilitate trade, export promotion and attract investment

Sub-programme 3.2: Sector Development

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

Sub-programme 3.3: Strategic initiatives

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

Sub-programme 3.4: Management: Trade and Sector Development

to conduct the overall management and administrative support to the Programme

Policy developments

The National Industrial Policy Framework (NIPF) provides the current national direction within the broader parameters of the country's economic and industrial path, setting out the dti's approach to South Africa's industrialisation trajectory. The NIPF seeks to facilitate diversification and intensification of the country's economy, with a particular emphasis on employment creation, as well as broader participation and contribution towards the African regional economies. The operationalisation of the NIPF was articulated through the 2007 Industrial Policy Action Plan, and subsequently refined through the Industrial Policy Action Plan II which was launched in 2010. The key thrusts outlined within the National Industrial Framework have varying degrees of direct relevance to the Province and the Department. All the themes within the IPAP II (with the exception of one) have direct applicability to Programme 3, namely leveraging procurement (as it is linked to localising manufacturing capability), developmental trade policies (as it is linked to sector specific enabling environments), and sector strategies; skills and education for industrialisation; industrial upgrading; innovation and technology; spatial and industrial infrastructure; and co-ordination, capacity and organisation.

On a provincial level, the key objectives, principles and approach to Economic Development of the Western Cape government are encapsulated within *Strategic Objective One: Creating Opportunities for growth and Jobs*. The twin thrusts of Strategic Objective One (SO1) are (a) The creation and maintenance of an enabling environment for business, and (b) Demand-led, private-sector driven government support for growth sectors, industries and businesses. The approach and a significant number of the Growth Action Plans contained within Strategic Objective One are captured and will be implemented and/or supported by Programme 3's core responsibilities. This includes:

The Micro-Economic Development Strategy and Sector Support, which underpins the sector strategies and cluster approach within Programme 3. The Sector Strategies provide the bottom-up, demand-driven approach with respect to SO1's emphasis on red tape reduction, skills development and enterprise development.

Future Cape, wherein Programme 3 will provide secretariat and resource support.

Infrastructure and asset development, which will include Cape Catalyst economic-led infrastructure projects.

Changes: Policy structures, service establishments, etc.

The Programme structure and service establishment remained static from the previous financial year, however the innovation responsibility was shifted to Programme 7: Skills development and Innovation in order to elevate its importance.

Expenditure trends analysis

The allocated budget for the programme increased from R54.952 million in the 2010/11 revised estimate to R63.365 million in 2011/12 financial year. This represents an increase of 15.31 per cent or R8.413 million. The primary reason for this increase in Trade and Sector developments allocation is to the increased funding for operational expenditure under Goods and services.

Strategic goal as per Strategic Plan:

Programme 3: Trade and Sector Development

Creation of Opportunities for Businesses and Citizens to grow the Economy and Employment.

Strategic objectives as per Annual Performance Plan:

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

To support and develop economic sectors as a key contributor towards the achievement of maximising economic opportunities, sustainability and growth.

Grow and develop the provincial economy and facilitate economic opportunities through development of strategically competitive and/or infrastructural initiatives.

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

Sub-programme R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
1. Trade and Investment Promotion	11 714	20 537	16 650	15 000	15 000	15 000	12 750	(15.00)	15 000	16 000
2. Sector Development	26 275	22 408	26 693	34 072	33 628	33 628	34 457	2.47	36 849	37 352
3. Strategic Initiatives	341	161	3 239	3 440	4 591	4 591	14 279	211.02	7 667	7 864
4. Management: Trade and Sector Development	1 494	3 867	4 239	1 752	1 733	1 733	1 879	8.42	2 006	2 081
Total payments and estimates	39 824	46 973	50 821	54 264	54 952	54 952	63 365	15.31	61 522	63 297

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

Economic classification R'000	Outcome			Main appro- priation 2010/11	Adjusted appro- priation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Current payments	10 329	10 825	10 695	17 074	15 301	15 301	26 221	71.37	20 428	21 203
Compensation of employees	4 337	6 248	6 971	10 952	10 587	10 587	14 960	41.31	15 615	16 395
Goods and services	5 992	4 577	3 724	6 122	4 714	4 714	11 261	138.88	4 813	4 808
Transfers and subsidies to	29 306	35 762	39 989	37 150	39 625	39 625	37 050	(6.50)	41 000	42 000
Departmental agencies and accounts	10 800	21 856	19 325	15 000	15 000	15 000	12 250	(18.33)	15 000	16 000
Universities and technikons		37								
Public corporations and private enterprises		69	1 000							
Non-profit institutions	18 502	13 800	19 664	22 150	24 560	24 560	24 800	0.98	26 000	26 000
Households	4				65	65		(100.00)		
Payments for capital assets	189	369	137	40	26	26	94	261.54	94	94
Machinery and equipment	189	369	137	40	26	26	94	261.54	94	94
Payments for financial assets		17								
Total economic classification	39 824	46 973	50 821	54 264	54 952	54 952	63 365	15.31	61 522	63 297

Details of transfers and subsidies:

Economic classification R'000	Outcome			Main appro- priation 2010/11	Adjusted appro- priation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Transfers and subsidies to (Current)	29 306	35 762	39 989	37 150	39 625	39 625	37 050	(6.50)	41 000	42 000
Departmental agencies and accounts	10 800	21 856	19 325	15 000	15 000	15 000	12 250	(18.33)	15 000	16 000
Entities receiving transfers	10 800	21 856	19 325	15 000	15 000	15 000	12 250	(18.33)	15 000	16 000
Western Cape Provincial Development Council		1 960								
Western Cape Trade and Investment Promotion Agency	10 800	19 896	19 325	15 000	15 000	15 000	12 250	(18.33)	15 000	16 000
Universities and technikons		37								
Public corporations and private enterprises		69	1 000							
Public corporations			1 000							
Other transfers (Casidra & CSIR)			1 000							
Private enterprises		69								
Other transfers		69								
Non-profit institutions	18 502	13 800	19 664	22 150	24 560	24 560	24 800	0.98	26 000	26 000
Households	4				65	65		(100.00)		
Other transfers to households	4				65	65		(100.00)		

Programme 4: Business Regulation and Governance

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

Analysis per sub-programme:

Sub-programme 4.1: Regulation Services

to lobby against and address barriers in the broader business environment which inhibits business development

Sub-programme 4.2: Consumer Protection

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

Sub-programme 4.3: Liquor Regulation

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

Policy developments

The Business Regulation and Governance programme executes regulatory mandates that are imposed by the Constitution, as a functional area of either concurrent national and provincial legislative competence (consumer protection, as per Part A of Schedule 4 to the Constitution) or exclusive provincial legislative competence (liquor licences, as per Part A of Schedule 5). Its sub-programme Regulatory Services, similarly, draws its mandate from the Constitution, more particularly in certain areas of exclusive provincial legislative competence listed under Part B of Schedule 5 of the Constitution. Regulatory Services further derives its mandates from the programme structure alignment process initiated by the National Treasury in 2006/07.

Changes: Policy structures, service establishments, etc.

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

Expenditure trends analysis

Inflationary increases to Compensation of Employees and the increase in the staff establishment of the Office of the Consumer Protector (OCP) are the main factors leading to the increase of R2.037 million or 10.99 per cent in the allocated budget from the revised estimate of R18.543 million in 2010/11 to R20.580 million in 2011/12. The additional staffing requirements are due to the creation of a centre of expertise in the OCP sub-programme.

Strategic goal as per Strategic Plan:

Programme 4: Business Regulation and Governance

Creation of Opportunities for Businesses and Citizens to grow the Economy and Employment.

Strategic objectives as per Annual Performance Plan:

An effective provincial trading environment facilitated through a reduction in regulatory barriers and inhibiting compliance requirements.

A business environment that reflects high levels of consumer rights awareness by a majority of the Western Cape population and business community, supported by effective complaints management and resolution mechanisms.

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

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

Sub-programme R'000	Outcome			Main appro- pria- tion 2010/11	Adjusted appro- pria- tion 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
1. Governance				1	1	1	(100.00)			
2. Regulation Services					213	213				
3. Consumer Protection	5 649	7 803	10 598	11 871	10 031	10 031	11 551	15.15	13 182	14 348
4. Liquor Regulation	5 778	7 483	9 245	8 921	8 298	8 298	9 029	8.81	10 070	10 408
Total payments and estimates	11 427	15 286	19 843	20 793	18 543	18 543	20 580	10.99	23 252	24 756

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- pria- tion 2010/11	Adjusted appro- pria- tion 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Current payments	9 427	12 280	17 319	19 943	17 593	17 586	19 874	13.01	21 852	23 356
Compensation of employees	5 191	6 993	8 277	12 621	11 161	10 869	15 701	44.46	16 485	17 237
Goods and services	4 236	5 287	9 042	7 322	6 432	6 717	4 173	(37.87)	5 367	6 119
Transfers and subsidies to	1 000	2 529	2 408	750	750	750	500	(33.33)	1 350	1 350
Departmental agencies and accounts			758							
Non-profit institutions	1 000	2 529	1 650	750	750	750	500	(33.33)	1 350	1 350
Payments for capital assets	1 000	457	103	100	200	198	206	4.04	50	50
Machinery and equipment	1 000	457	103	100	200	198	206	4.04	50	50
Payments for financial assets		20	13			9		(100.00)		
Total economic classification	11 427	15 286	19 843	20 793	18 543	18 543	20 580	10.99	23 252	24 756

Details of transfers and subsidies:

Economic classification R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate 2010/11	2011/12	2012/13	2013/14
Transfers and subsidies to (Current)	1 000	2 529	1 768	750	750	750	500	(33.33)	1 350	1 350
Departmental agencies and accounts			118							
Entities receiving transfers			118							
Destination Marketing Organisation			118							
Non-profit institutions	1 000	2 529	1 650	750	750	750	500	(33.33)	1 350	1 350
Transfers and subsidies to (Capital)			640							
Departmental agencies and accounts			640							
Entities receiving transfers			640							
Government Motor Trading Account			640							

Programme 5: Economic Planning

Purpose: To provide support to the leadership i.e. Minister, HOD and the Departmental Top Management (DTM), in undertaking province-wide cross-cutting economic planning processes to give effect to Strategic Objective 1: Creating opportunities for growth and jobs. Strategic Objective 1 requires the long-term perspective, to inform shorter term plans, resource allocation, trade-offs and the sequencing of policies.

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

to develop provincial economic policies and strategies

Sub-programme 5.2: Research and Development

to conduct economic research

Sub-programme 5.3: Knowledge Management

to contribute to the creation of knowledge economy

Sub-programme 5.4: Monitoring and Evaluation

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

Sub-programme 5.5: Management Economic Planning

to conduct the overall management and administrative support to the Programme

Policy developments

Framed within the concomitant policy frameworks of the New Growth Path and the Provincial Strategic Objective 1: Creating opportunities for growth and jobs, the Programme is bound to the Economic Agenda for the province. As outlined in Strategic Objective 1, the Micro Economic Development Strategy (MEDS) approach represents best practice in ensuring business-led support to growth sectors. The key focus for the Programme will therefore be:

The identification and prioritisation of growth sectors;

The institutional arrangements and systems within a WCEDA to give effect to the MEDS strategy; and

The refinement of the performance indicator structure against which we measure the effectiveness of our sector development efforts.

Changes: Policy structures, service establishments, etc.

The Programme structure and service establishment remained static from the previous financial year. Furthermore, the establishment of the Western Cape Economic Development Agency (WCEDA) will have a major impact on the Programme and Department as a whole.

Expenditure trends analysis

The programme's budget has increased by 34.78 per cent or R4.395 million in the 2011/12 financial year from the 2010/11 revised estimate. This increase can be attributed to the increased staffing capacity within the Programme and the funding allocated to implement the knowledge management system within the Department.

Strategic goal as per Strategic Plan:

Programme 5: Economic Planning

Creation of Opportunities for Businesses and Citizens to grow the Economy and Employment.

Strategic objectives as per Annual Performance Plan:

Strengthening institutional governance for improved service delivery.

To provide research that informs the strategic objective of the Department.

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

Sub-programme R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
1. Policy and Planning	1		926	717	770	766	1 078	40.73	1 136	1 183
2. Research and Development	2 570	3 584	5 186	3 514	4 345	4 345	5 205	19.79	6 591	6 324
3. Knowledge Management	1	637	776	270	776	801	2 826	252.81	2 596	2 689
4. Monitoring and Evaluation	340	850	1 301	1 859	2 631	2 611	3 047	16.70	3 155	3 254
5. Management	350	774	1 872	3 527	4 115	4 114	4 876	18.52	5 075	5 189
Total payments and estimates	3 262	5 845	10 061	9 887	12 637	12 637	17 032	34.78	18 554	18 639

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

Economic classification R'000	Outcome			Main appro- priation 2010/11	Adjusted appro- priation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Current payments	3 262	5 246	9 646	9 847	12 528	12 535	16 943	35.17	18 504	18 609
Compensation of employees	1 261	2 509	4 151	7 548	7 029	6 772	9 575	41.39	10 922	11 424
Goods and services	2 001	2 737	5 495	2 299	5 499	5 762	7 368	27.87	7 582	7 185
Interest and rent on land						1		(100.00)		
Transfers and subsidies to		500	317		9	9		(100.00)		
Departmental agencies and accounts		500	300							
Households			17		9	9		(100.00)		
Payments for capital assets		99	98	40	100	93	89	(4.30)	50	30
Machinery and equipment		99	98	40	100	93	89	(4.30)	50	30
Total economic classification	3 262	5 845	10 061	9 887	12 637	12 637	17 032	34.78	18 554	18 639

Details of transfers and subsidies

Economic classification R'000	Outcome			Main appro- priation 2010/11	Adjusted appro- priation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Transfers and subsidies to (Current)		500	317		9	9		(100.00)		
Departmental agencies and accounts		500	300							
Entities receiving transfers		500	300							
Western Cape Provincial Development Council		500	300							
Households			17		9	9		(100.00)		
Other transfers to households			17		9	9		(100.00)		

Programme 6: Tourism, Arts and Entertainment

Purpose: To facilitate the opportunities for the growth and increased inclusivity of the tourism, arts and entertainment sectors.

Analysis per sub-programme:

Sub-programme 6.1: Management: Tourism

to conduct the overall management and administrative support to the Programme

to ensure that the quality of the policy choices, integrated planning, programmatic activity and performance of the Chief Directorate are world class

Sub-programme 6.2: Tourism Growth

to facilitate Growth of the tourism industry

to actively promote the Competitiveness of the destination and its product offerings

Sub-programme 6.3: Tourism Participation

to develop the workforce to ensure that the industry has the right skills available at all times

to promote and ensure effective engagement with regard to Participation, Enterprise Development and Local Economic Development

to ensure a Regulated and Fair Business Environment within the tourism industry

Sub-programme 6.4: Destination Marketing Organisation (DMO)

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

Sub-programme 6.5: Commercial Arts and Entertainment

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

to promote and nurture the development of the Western Cape commercial art and entertainment brand

Policy developments

The Provincially approved *Strategic Objective 1: Creating opportunities for growth and jobs* reaffirms that a key feature of the provincial economy is "a thriving multi-dimensional international tourism industry with strong links to the creative and cultural sectors.

The Strategy, adopted for the development of all dimensions of the Tourism Industry in South Africa in general and in the Western Cape in particular, is one which is the tried and tested standard in major tourism countries and sub-national regions worldwide.

The fundamental purpose of the strategy is to increase demand for tourism business (accommodation, land transport and the like). This results in more business for established firms, enough additional business for new firms to establish themselves and big opportunities for large foreign firms (Dubai World and the Taj Hotel) to establish themselves and thrive in the market. As Tourism is fundamentally a service industry, new business translates into new jobs across the employment levels and in all the sub-sectors which make up the Tourism Industry.

Changes: Policy structures, service establishments, etc.

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

Expenditure trends analysis

The allocated budget for the programme increased from R62.225 million in 2010/11 revised estimate to R62.463 million in the 2011/12 financial year. This represents an increase of 0.38 per cent or R338 000. The major contributing factor to the increase in estimated expenditure is the inflationary increases with regard to goods and services.

Strategic goal as per Strategic Plan:**Programme 6: Tourism, Arts and Entertainment**

Creation of Opportunities for Businesses and Citizens to grow the Economy and Employment.

Strategic objectives as per Annual Performance Plan:

To achieve global best practice in public sector organisation delivery.

The achievement of above average sustainable economic growth [measured by output and by value] which gives rise to significant numbers of new sustainable employment opportunities.

The achievement of a situation in which opportunity exists of participating in the economy, through employment and business ownership, for all who seek such opportunity.

The achievement of above average sustainable economic growth [measured by output and by value] which gives rise to significant numbers of new sustainable employment opportunities.

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

Sub-programme R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate 2011/12	2010/11	2012/13	2013/14
1. Management: Tourism	1 982	1 530	4 244	2 673	2 658	2 658	3 006	13.09	2 962	3 173
2. Tourism Growth	9 977	10 411	7 359	6 795	7 451	7 451	9 625	29.18	11 389	13 157
3. Tourism Participation	8 776	7 952	8 072	9 145	8 310	8 310	7 888	(5.08)	8 129	8 854
4. Destination Marketing Organisation	25 831	31 826	43 043	34 190	35 105	35 105	32 440	(7.59)	32 440	32 440
5. Commercial Arts and Entertainment	14 346	13 623	8 095	9 422	8 701	8 701	9 504	9.23	9 688	9 788
Total payments and estimates	60 912	65 342	70 813	62 225	62 225	62 225	62 463	0.38	64 608	67 412

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

Economic classification R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Current payments	18 915	20 144	15 953	20 255	16 475	16 470	21 763	32.14	23 957	26 743
Compensation of employees	6 213	8 842	9 992	12 122	11 313	10 701	12 387	15.76	13 369	14 002
Goods and services	12 702	11 302	5 961	8 133	5 162	5 768	9 376	62.55	10 588	12 741
Interest and rent on land						1		(100.00)		
Transfers and subsidies to	41 256	44 817	54 778	41 860	45 629	45 629	40 585	(11.05)	40 585	40 585
Departmental agencies and accounts	28 795	35 317	45 943	35 040	36 355	36 355	32 440	(10.77)	32 440	32 440
Universities and technikons	150	150	368	140	144	144		(100.00)		
Public corporations and private enterprises	341		1 800		850	850		(100.00)		
Non-profit institutions	11 970	9 350	6 456	6 670	7 495	7 495	7 495		7 495	7 495
Households			211	10	785	785	650	(17.20)	650	650
Payments for capital assets	740	349	82	110	121	126	115	(8.73)	66	84
Machinery and equipment	711	349	82	110	121	126	115	(8.73)	66	84
Software and other intangible assets	29									
Payments for financial assets	1	32								
Total economic classification	60 912	65 342	70 813	62 225	62 225	62 225	62 463	0.38	64 608	67 412

Details of transfers and subsidies:

Economic classification R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Transfers and subsidies to (Current)	41 256	44 817	54 778	41 860	45 629	45 629	40 585	(11.05)	40 585	40 585
Departmental agencies and accounts	28 795	35 317	45 943	35 040	36 355	36 355	32 440	(10.77)	32 440	32 440
Entities receiving transfers	28 795	35 317	45 943	35 040	36 355	36 355	32 440	(10.77)	32 440	32 440
Western Cape Provincial Development Council		200								
Destination Marketing Organisation	28 370	33 617	45 943	34 190	35 105	35 105	32 440	(7.59)	32 440	32 440
Western Cape Trade and Investment Promotion Agency	150	150		600						
Other	275	1 350		250	1 250	1 250		(100.00)		
Universities and technikons	150	150	368	140	144	144		(100.00)		
Public corporations and private enterprises	341		1 800		850	850		(100.00)		
Public corporations	341		1 800		850	850		(100.00)		
Other transfers (Casidra & CSIR)	341		1 800		850	850		(100.00)		
Non-profit institutions	11 970	9 350	6 456	6 670	7 495	7 495	7 495		7 495	7 495
Households			211	10	785	785	650	(17.20)	650	650
Other transfers to households			211	10	785	785	650	(17.20)	650	650

Programme 7: Skills Development and Innovation

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

Analysis per sub-programme:

Sub-programme 7.1: Provincial skills co-ordination

to enhance cohesion between all provincial and national stakeholders, to ensure an environment conducive to skills development

to enhance its role as "unlocker/unblocker" of skills funding

Sub-programme 7.2: Workforce development

to facilitate/support unemployed youth to access jobs

to improve alignment of SETA and FET activities to support firm based training

Sub-programme 7.3: Innovation

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

Sub-programme 7.4: Management

to conduct the overall management and administrative support to the Programme

Policy developments

On a provincial level, the key objectives, principles and approach to Economic Development of the Western Cape government are encapsulated within *Strategic Objective One: Creating Opportunities for growth and Jobs*.

In a globalised economy, where capital and labour are highly mobile and technology evolves rapidly, workforce development has a key role to play in improving prosperity and living standards (OECD, *More than Just Jobs*: 2008)

Knowledge and Technology have become the key drivers of economic growth and international competitiveness. Developing countries focus on knowledge for ways to speed up development phases, short circuit it or even leapfrog technologies so as to increase interest by foreign investors and partnerships and accelerating assimilation into the global economy. Globalisation in turn increases mobility of ideas, goods, money and capital, creating interdependency and increasing learning, which is central to sustaining an innovation system within the knowledge economy.

Nationally, South Africa as a developing country has a vital role to play to move from reliance on its rich resource base in building its competitiveness to one that is more focussed on knowledge and high skills level as a key driver for economic and social development. The challenge is that with the lowest level workers in the workforce having to upskill themselves to respond to the challenges in the workplace, there is also the flexibility to accommodate the fact that new technology demands new skills.

Changes: Policy structures, service establishments, etc.

The Programme structure and service establishment is newly created for the 2011/12 and medium term. The need to the programme arose in an attempt to improve economies of scale within the Department's activities with regard to human resource development, workforce development and innovation.

Expenditure trends analysis

The allocated budget for the programme increased from R15.551 million in 2010/11 revised estimate to R16.275 million in the 2011/12 financial year. This represents an increase of 4.66 per cent or R724 000. The major contributing factor to the nominal increase in estimated expenditure reflects the downscaling of funding attributed to the work and skills for 100 000 programme.

Strategic goal as per Strategic Plan:

Programme 7: Skills development and innovation

Creation of Opportunities for Businesses and Citizens to grow the Economy and Employment.

Strategic objectives as per Annual Performance Plan:

To ensure strategic coordination of skills initiatives to decrease duplication of HRD activities and ensure appropriate training to increase the absorption of labour.

To co-ordinate institutional arrangements by increasing access to occupationally directed programmes, leading to entry, intermediate and high level learning.

The Regional Innovation Forum, RIF, will stimulate technological innovation in order to improve economic growth and enterprise competitiveness.

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

Sub-programme R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
1. Provincial Skills Co-ordination							2 398		2 744	3 322
2. Workforce Development	5 048	26 276	26 290	13 595	14 562	14 562	8 903	(38.86)	8 889	9 716
3. Innovation	632	1 204	4 230	478	989	989	3 850	289.28	3 908	4 653
4. Management: Skills							1 124		1 193	1 252
Total payments and estimates	5 680	27 480	30 520	14 073	15 551	15 551	16 275	4.66	16 734	18 943

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

Economic classification R'000	Outcome			Main appro- priation 2010/11	Adjusted appro- priation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Current payments	1 486	4 523	4 079	2 873	4 351	4 350	5 691	30.83	6 150	6 359
Compensation of employees	862	1 515	2 166	2 426	2 969	2 969	3 670	23.61	4 094	4 293
Goods and services	624	3 008	1 913	447	1 382	1 379	2 021	46.56	2 056	2 066
Interest and rent on land						2		(100.00)		
Transfers and subsidies to	4 180	22 950	26 409	11 200	11 200	11 200	10 550	(5.80)	10 550	12 550
Universities and technikons			450				1 800		1 800	2 500
Public corporations and private enterprises		10 000	10 000	10 000	10 000	10 000	6 200	(38.00)	6 200	7 000
Non-profit institutions	4 180	12 950	15 768	1 200	1 200	1 200	2 550	112.50	2 550	3 050
Households			191							
Payments for capital assets	14	6	32				34		34	34
Machinery and equipment	14	6	32				34		34	34
Payments for financial assets		1				1		(100.00)		
Total economic classification	5 680	27 480	30 520	14 073	15 551	15 551	16 275	4.66	16 734	18 943

Details of transfers and subsidies:

Economic classification R'000	Outcome			Main appro- priation 2010/11	Adjusted appro- priation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Transfers and subsidies to (Current)	4 180	22 950	26 409	11 200	11 200	11 200	10 550	(5.80)	10 550	12 550
Universities and technikons			450				1 800		1 800	2 500
Public corporations and private enterprises		10 000	10 000	10 000	10 000	10 000	6 200	(38.00)	6 200	7 000
Public corporations		10 000	10 000	10 000	10 000	10 000	6 200	(38.00)	6 200	7 000
Other transfers (Casidra & CSIR)		10 000	10 000	10 000	10 000	10 000	6 200	(38.00)	6 200	7 000
Non-profit institutions	4 180	12 950	15 768	1 200	1 200	1 200	2 550	112.50	2 550	3 050
Households			191							
Other transfers to households			191							

7. Other programme information

Personnel numbers and costs

Table 7.1 Personnel numbers and costs

Programme R'000	As at 31 March 2008	As at 31 March 2009	As at 31 March 2010	As at 31 March 2011	As at 31 March 2012	As at 31 March 2013	As at 31 March 2014
1. Administration	70	74	59	74	56	56	56
2. Integrated Economic Development Services	26	33	36	42	30	30	30
3. Trade and Sector Development	17	24	30	30	32	32	32
4. Business Regulation and Governance	26	26	46	42	90	90	90
5. Economic Planning	4	6	15	16	25	25	25
6. Tourism, Arts and Entertainment	18	29	30	42	32	32	32
7. Skills Development and Innovation	3	3	3	3	9	9	9
Total personnel numbers	164	195	219	249	274	274	274
Total personnel cost (R'000)	36 488	51 325	61 090	70 164	88 288	94 562	99 146
Unit cost (R'000)	222	263	279	282	322	345	362

Table 7.2 Departmental personnel number and cost

Description	Outcome			Main appropriation 2010/11	Adjusted appropriation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Total for department										
Personnel numbers (head count)	164	195	219	244	239	249	274	10.04	274	274
Personnel cost (R'000)	36 488	51 325	61 090	77 452	70 856	70 164	88 288	25.83	94 562	99 146
<i>of which</i>										
Human resources component										
Personnel numbers (head count)	25	27	29	35	12	12		(100.00)		
Personnel cost (R'000)	4 577	5 274	5 817	7 124	7 124	7 124		(100.00)		
Head count as % of total for department	15.24	13.85	13.24	14.34	5.02	4.82				
Personnel cost as % of total for department	12.54	10.28	9.52	9.20	10.05	10.15				
Finance component										
Personnel numbers (head count)	40	42	41	47	42	42	46	9.52	46	46
Personnel cost (R'000)	6 332	8 749	9 865	11 016	11 016	11 016	16 157	46.67	15 757	16 522
Head count as % of total for department	24.39	21.54	18.72	19.26	17.57	16.87	16.79		16.79	16.79
Personnel cost as % of total for department	17.35	17.05	16.15	14.22	15.55	15.70	18.30		16.66	16.66
Full time workers										
Personnel numbers (head count)	164	195	219	244	239	249	274	10.04	274	274
Personnel cost (R'000)	36 488	51 325	61 090	77 452	70 856	70 164	88 288	25.83	94 562	99 146
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 2010/11	Adjusted appro- priation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
1. Administration	994	713	457	281	557	557	570	2.33	684	850
<i>of which</i>										
Payments on tuition	994	713	457	281	557	557	570	2.33	684	850
2. Integrated Economic Development Services		44	70	86	86	86	112	30.23	160	175
<i>of which</i>										
Payments on tuition		44	70	86	86	86	112	30.23	160	175
3. Trade and Sector Development		18	60	101	137	137	17	(87.59)	44	44
<i>of which</i>										
Payments on tuition		18	60	101	137	137	17	(87.59)	44	44
4. Business Regulation and Governance		51	114	120	315	315	331	5.08	299	300
<i>of which</i>										
Payments on tuition		51	114	120	315	315	331	5.08	299	300
5. Economic Planning		103	50	20	251	251	98	(60.96)	100	119
<i>of which</i>										
Payments on tuition		103	50	20	251	251	98	(60.96)	100	119
6. Tourism, Arts and Entertainment		38	200	108	154	154	215	39.61	210	215
<i>of which</i>										
Payments on tuition		38	200	108	154	154	215	39.61	210	215
7. Skills Development and Innovation				34	34	34	56	64.71	60	60
<i>of which</i>										
Payments on tuition		5	1	34	34	34	56	64.71	60	60
Total payments on training	994	967	951	750	1 534	1 534	1 399	(8.80)	1 557	1 763

Table 7.4 Information on training

Description	Outcome			Main appro- pria- tion 2010/11	Adjusted appro- pria- tion 2010/11	Revised estimate 2010/11	Medium-term estimate			
	2007/08	2008/09	2009/10				% Change from Revised estimate			
							2011/12	2009/10	2012/13	2013/14
Number of staff	164	195	219	244	239	249	274	10.04	274	274
Number of personnel trained	173	185	199	244	244	244	244		244	244
<i>of which</i>										
Male	73	70	72	88	88	88	88		88	88
Female	100	115	127	156	156	156	156		156	156
Number of training opportunities	57	53	53	53	53	53	53		53	53
<i>of which</i>										
Tertiary	3	3	3	3	3	3	3		3	3
Workshops	46	45	45	45	45	45	45		45	45
Seminars	8	5	5	5	5	5	5		5	5
Number of bursaries offered	22	35	24	8	8	8	8		8	8
Number of interns appointed	35	38	29	23	23	23	23		23	23
Number of days spent on training	6 200	5 450	5 000	5 000	5 000	5 000	5 000		5 000	5 000

Reconciliation of structural changes

Table 7.5 Reconciliation of structural changes

Programme for 2010/11			Programme for 2011/12		
Programme R'000	2011/12 Equivalent		Programme R'000		
	Pro- gramme	Sub-pro- gramme		Pro- gramme	Sub-pro- gramme
1. Administration	23 986		1. Administration	22 957	
HOD and Support Services		1 841	HOD and Support Services		2 538
Financial Management		16 257	Financial Management		17 058
Corporate Services		5 888	Corporate Services		3 361
2. Integrated Economic Development Services	64 212		2. Integrated Economic Development Services	51 742	
Enterprise Development		40 157	Enterprise Development		29 751
Regional and Local Economic Development		4 660	Regional and Local Economic Development		9 350
Economic Empowerment		3 577	Economic Empowerment		4 731
Workforce Development		14 562	Management Integrated Economic Development Services		7 910
Management Integrated Economic Development Services		1 256			
3. Trade and Sector Development	55 941		3. Trade and Sector Development	63 365	
Trade and Investment Promotion		15 000	Trade and Investment Promotion		12 750
Sector Development		33 628	Sector Development		34 457
Strategic Initiatives		5 580	Strategic Initiatives		14 279
Management Trade and Sector Developer		1 733	Management Trade and Sector Development		1 879
4. Business Regulation and Governance	18 543		4. Business Regulation and Governance	20 580	
Governance		1	Governance		
Regulation Services		213	Regulation Services		
Consumer Protection		10 031	Consumer Protection		11 551
Liquor Regulation		8 298	Liquor Regulation		9 029
5. Economic Planning	12 637		5. Economic Planning	17 032	
Policy and Planning		770	Policy and Planning		1 078
Research and Development		4 345	Research and Development		5 205
Knowledge Management		776	Knowledge Management		2 826
Monitoring and Evaluation		2 631	Monitoring and Evaluation		3 047
Management Economic Planning			Management Economic Planning		4 876
6. Tourism Arts and Entertainment	62 225		6. Tourism Arts and Entertainment	62 463	
Management Tourism Arts and Entertainment		2 658	Management Tourism Arts and Entertainment		3 006
Tourism Growth		7 451	Tourism Growth		9 625
Tourism Participation		8 310	Tourism Participation		7 888
Destination Marketing Organisation		35 105	Destination Marketing Organisation		32 440
Commercial Arts and Entertainment		8 701	Commercial Arts and Entertainment		9 504
			7. Skills Development and Innovation	16 275	
			Provincial Skills Co-ordination		2 398
			Workforce Development		8 903
			Innovation		3 850
			Management Skills Development		1 124
	237 544			254 414	

Annexure B to Vote 12

Table B.1 Specification of receipts

Receipts R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Tax receipts	4 645	4 844	5 505	3 798	3 798	5 509	5 064	(8.08)	5 064	5 064
Other taxes (Liquor licence fees)	4 645	4 844	5 505	3 798	3 798	5 509	5 064	(8.08)	5 064	5 064
Sales of goods and services other than capital assets	308	397	358	270	270	382	270	(29.32)	270	270
Sales of goods and services produced by department (excluding capital assets)	308	397	358	270	270	382	270	(29.32)	270	270
Administrative fees	308	397	358	270	270	382	270	(29.32)	270	270
Registration	308	397	358	270	270	382	270	(29.32)	270	270
Interest, dividends and rent on land	6	11	11							
Interest	6	11	11							
Sales of capital assets	2									
Land and subsoil assets	2									
Financial transactions in assets and liabilities	5 587	692	6 047			128		(100.00)		
Other	5 587	692	6 047			128		(100.00)		
Total departmental receipts	10 548	5 944	11 921	4 068	4 068	6 019	5 334	(11.38)	5 334	5 334

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

Economic classification R'000	Outcome			Medium-term estimate						
	Audited 2007/08	Audited 2008/09	Audited 2009/10	Main appro- prium 2010/11	Adjusted appro- prium 2010/11	Revised estimate 2010/11	% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Current payments	81 797	94 531	101 046	111 518	104 223	104 187	137 698	32.16	141 783	152 357
Compensation of employees	36 488	51 325	61 090	77 452	70 856	70 164	88 288	25.83	94 562	99 146
Salaries and wages	32 457	45 292	54 125	69 123	62 885	62 324	78 252	25.56	83 384	87 503
Social contributions	4 031	6 033	6 965	8 329	7 971	7 840	10 036	28.01	11 178	11 643
Goods and services	45 309	43 206	39 956	34 066	33 367	34 018	49 410	45.25	47 221	53 211
<i>of which</i>										
Administrative fees	184	113	214	40	152	131	282	115.27	346	370
Advertising	2 385	3 876	3 933	2 449	2 021	1 668	209	(87.47)	295	315
Assets <R5 000	628	1 367	620	366	350	385	77	(80.00)	151	282
Audit cost: External	1 041	1 752	1 680	1 750	2 541	2 397	2 700	12.64	2 900	3 200
Bursaries (employees)	190	210	616	200	701	664	1 028	54.82	975	1 040
Catering: Departmental activities	489	775	548	221	240	384	443	15.36	484	554
Communication	1 809	1 911	2 241	1 396	1 554	1 300	1 306	0.46	1 418	1 708
Computer services	207	543	492	377	269	333	397	19.22	572	912
Cons/prof. Business and advisory service	25 414	16 384	15 494	18 761	15 219	15 854	34 465	117.39	31 054	34 606
Cons/prof. Legal cost		91				252		(100.00)		
Contractors	126	1 855	2 377	208	253	465	141	(69.68)	171	321
Agency and support/outsourced services	2 448	2 013	2 086	1 920	2 020	2 695		(100.00)		
Entertainment	43	48	37	145	123	83	127	53.01	139	151
Fleet services (including government motor transport)	805	661	112	533	327	192		(100.00)		
Inventory: Food and food supplies			47		10	15	56	273.33	52	62
Inventory: Materials and supplies			27		22	15	16	6.67	24	34
Inventory: Medical supplies			2			1	1		1	1
Inventory: Other consumables	666	1 212	7	752	700	418	261	(37.56)	311	434
Inventory: Stationery and printing	503	692	1 730	436	732	1 179	1 154	(2.12)	1 255	1 527
Lease payments	2 494	2 561	460	501	651	497	616	23.94	695	893
Transport provided: Departmental activity	235	10				10		(100.00)		
Travel and subsistence	3 199	3 702	3 611	2 413	2 901	2 811	4 469	58.98	4 533	4 689
Training and development	880	993	1 906	750	1 522	1 403	1 399	(0.29)	1 557	1 763
Operating expenditure	544	1 009	1 110	473	644	443	88	(80.14)	107	137
Venues and facilities	1 019	1 428	606	375	415	423	175	(58.63)	181	213
Interest and rent on land						5		(100.00)		
Interest						3		(100.00)		
Rent on land						2		(100.00)		
Transfers and subsidies to	118 411	132 367	161 251	129 460	132 389	132 389	115 485	(12.77)	123 985	127 726
Departmental agencies and accounts	41 474	58 796	67 576	50 040	51 355	51 355	45 690	(11.03)	48 940	49 940
Entities receiving transfers	41 474	58 796	67 576	50 040	51 355	51 355	45 690	(11.03)	48 940	49 940
Western Cape Provincial Development Council		3 160	300							
Destination Marketing Organisation	28 370	33 617	46 061	34 190	35 105	35 105	32 440	(7.59)	32 440	32 440
Western Cape Trade and Investment Promotion Agency	11 450	20 669	20 325	15 600	15 000	15 000	12 250	(18.33)	15 000	16 000
Government Motor Trading	379		890							
Other	1 275	1 350		250	1 250	1 250	1 000	(20.00)	1 500	1 500
Universities and technikons	150	187	818	140	144	144	1 800	1150.00	1 800	2 500
Public corporations and private enterprises	40 261	34 755	48 900	48 500	45 750	45 750	26 800	(41.42)	29 700	31 241
Public corporations	40 261	34 686	48 900	48 500	45 750	45 750	26 800	(41.42)	29 700	31 241
Other transfers	40 261	34 686	48 900	48 500	45 750	45 750	26 800	(41.42)	29 700	31 241
Private enterprises		69								
Other transfers		69								
Non-profit institutions	36 522	38 629	43 538	30 770	34 005	34 005	40 545	19.23	42 895	43 395
Households	4		419	10	1 135	1 135	650	(42.73)	650	650
Social benefits					216	216		(100.00)		
Other transfers to households	4		419	10	919	919	650	(29.27)	650	650

Annexure B to Vote 12

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

Economic classification R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Payments for capital assets	2 972	2 906	907	500	932	944	1 231	30.40	1 094	1 117
Machinery and equipment	2 943	2 899	907	500	932	944	1 231	30.40	1 094	1 117
Other machinery and equipment	2 943	2 899	907	500	932	944	1 231	30.40	1 094	1 117
Software and other intangible assets	29	7								
Payments for financial assets	17	117	13			24		(100.00)		
Total economic classification	203 197	229 921	263 217	241 478	237 544	237 544	254 414	7.10	266 862	281 200

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

Economic classification R'000	Outcome			Main appro- priation 2010/11	Adjusted appro- priation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2007/08	2008/09	2009/10				2011/12	2010/11	2012/13	2013/14
Current payments	20 107	25 589	25 641	25 205	23 330	23 316	22 577	(3.17)	24 318	27 998
Compensation of employees	11 786	15 996	18 466	20 267	16 983	17 415	16 205	(6.95)	17 094	17 919
Salaries and wages	10 376	13 914	16 039	17 884	15 164	15 596	14 088	(9.67)	14 897	15 646
Social contributions	1 410	2 082	2 427	2 383	1 819	1 819	2 117	16.38	2 197	2 273
Goods and services	8 321	9 593	7 175	4 938	6 347	5 900	6 372	8.00	7 224	10 079
<i>of which</i>										
Administrative fees	152	9	38	5	22	25	60	140.00	80	100
Advertising	496	1 360	438	300	228	57	20	(64.91)	30	50
Assets <R5 000	225	378	104	127	125	126	10	(92.06)	30	156
Audit cost: External	1 041	1 668	1 490	1 500	2 111	2 114	2 300	8.80	2 500	2 800
Bursaries (employees)	190	210	616	200	637	508	530	4.33	550	610
Catering: Departmental activities	145	166	83	65	55	52	60	15.38	70	140
Communication	805	733	904	370	437	301	200	(33.55)	250	500
Computer services	192	363	309	160	212	196	350	78.57	500	830
Cons/prof: Business and advisory service	2 345	1 052	351	300	22	263	860	227.00	900	1 500
Cons/prof: Legal cost						4		(100.00)		
Contractors	120	389	400	50	95	231	120	(48.05)	150	300
Entertainment	17	17	9	28	21	26	10	(61.54)	20	30
Fleet services (including government motor transport)	233	32	112	120						
Inventory: Food and food supplies			25		7	13	5	(61.54)	10	20
Inventory: Materials and supplies			19		17	11	5	(54.55)	10	20
Inventory: Medical supplies			2			1		(100.00)		
Inventory: Other consumables	167	420	2	300	264	132	200	51.52	250	373
Inventory: Stationery and printing	170	210	481	100	267	515	200	(61.17)	250	400
Lease payments	340	198	198	140	144	155	150	(3.23)	200	400
Transport provided: Departmental activity		2								
Travel and subsistence	510	970	453	501	612	482	696	44.40	700	900
Training and development	550	713	723	281	557	480	570	18.75	684	850
Operating expenditure	432	551	406	251	374	173	12	(93.06)	20	50
Venues and facilities	191	152	12	140	140	35	14	(60.00)	20	50
Interest and rent on land						1		(100.00)		
Interest						1		(100.00)		
Transfers and subsidies to	379		250		216	216		(100.00)		
Departmental agencies and accounts	379		250							
Provide list of entities receiving transfers	379		250							
Government Motor Trading	379		250							
Households					216	216		(100.00)		
Social benefits					216	216		(100.00)		
Payments for capital assets	585	1 324	438	165	440	440	380	(13.64)	400	500
Machinery and equipment	585	1 317	438	165	440	440	380	(13.64)	400	500
Other machinery and equipment	585	1 317	438	165	440	440	380	(13.64)	400	500
Software and other intangible assets		7								
Payments for financial assets		47				14		(100.00)		
Total economic classification	21 071	26 960	26 329	25 370	23 986	23 986	22 957	(4.29)	24 718	28 498

Annexure B to Vote 12

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

Economic classification R'000	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2007/08	2008/09	2009/10				2010/11	2010/11	2010/11	2011/12
Current payments	18 271	15 924	17 713	16 321	14 645	14 629	24 629	68.36	26 574	28 089
Compensation of employees	6 838	9 222	11 067	11 516	10 814	10 851	15 790	45.52	16 983	17 876
Salaries and wages	6 144	8 048	9 730	10 058	9 356	9 393	13 970	48.73	14 905	15 691
Social contributions	694	1 174	1 337	1 458	1 458	1 458	1 820	24.83	2 078	2 185
Goods and services	11 433	6 702	6 646	4 805	3 831	3 778	8 839	133.96	9 591	10 213
<i>of which</i>										
Administrative fees		5	34				13		50	50
Advertising	740	572	386	157	157	157	91	(42.04)	135	135
Assets <R5 000	100	223	61	41	41	41	2	(95.12)	20	20
Bursaries (employees)							100			
Catering: Departmental activities	131	285	242	82	82	82	75	(8.54)	120	120
Communication	296	295	315	180	180	180	252	40.00	360	400
Computer services		3		24	24	24		(100.00)		
Cons/prof. Business and advisory service	8 639	2 805	3 608	3 372	2 398	2 345	7 300	211.30	7 931	8 478
Contractors		403	301	60	60	60		(100.00)		
Agency and support/outsourced services		8								
Entertainment	10	9	7	21	21	21	24	14.29	35	35
Fleet services (including government motor transport)	248	275		164	164	164		(100.00)		
Inventory: Food and food supplies			6				5			
Inventory: Materials and supplies			1							
Inventory: Other consumables	51	114	1	118	118	118		(100.00)		
Inventory: Stationery and printing	54	71	146	65	65	65	137	110.77	220	230
Lease payments	24	29	41	51	51	51	87	70.59	110	120
Transport provided: Departmental activity		4								
Travel and subsistence	616	834	611	274	274	274	641	133.94	450	450
Training and development	37	43	466	86	86	86	112	30.23	160	175
Operating expenditure	60	72	98	110	110	110		(100.00)		
Venues and facilities	427	652	322							
Transfers and subsidies to	42 290	25 809	37 100	38 500	34 960	34 960	26 800	(23.34)	30 500	31 241
Departmental agencies and accounts	1 500	1 123	1 000				1 000		1 500	1 500
Provide list of entities receiving transfers	1 500	1 123	1 000				1 000		1 500	1 500
Western Cape Provincial Development Council		500								
Western Cape Trade and Investment Promotion Agency	500	623	1 000							
Other	1 000						1 000		1 500	1 500
Public corporations and private enterprises	39 920	24 686	36 100	38 500	34 900	34 900	20 600	(40.97)	23 500	24 241
Public corporations	39 920	24 686	36 100	38 500	34 900	34 900	20 600	(40.97)	23 500	24 241
Other transfers	39 920	24 686	36 100	38 500	34 900	34 900	20 600	(40.97)	23 500	24 241
Non-profit institutions	870						5 200		5 500	5 500
Households					60	60		(100.00)		
Other transfers to households					60	60		(100.00)		
Payments for capital assets	444	302	17	45	45	61	313	413.11	400	325
Machinery and equipment	444	302	17	45	45	61	313	413.11	400	325
Other machinery and equipment	444	302	17	45	45	61	313	413.11	400	325
Payments for financial assets	16									
Total economic classification	61 021	42 035	54 830	54 866	49 650	49 650	51 742	4.21	57 474	59 655

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

Economic classification R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2007/08	2008/09	2009/10				2011/12	2010/11	2012/13	2013/14
Current payments	10 329	10 825	10 695	17 074	15 301	15 301	26 221	71.37	20 428	21 203
Compensation of employees	4 337	6 248	6 971	10 952	10 587	10 587	14 960	41.31	15 615	16 395
Salaries and wages	3 971	5 617	6 231	9 926	9 524	9 524	13 521	41.97	13 835	14 526
Social contributions	366	631	740	1 026	1 063	1 063	1 439	35.37	1 780	1 869
Goods and services	5 992	4 577	3 724	6 122	4 714	4 714	11 261	138.88	4 813	4 808
<i>of which</i>										
Administrative fees		71	13	2	9	9	151	1577.78	154	154
Advertising	146	412	155	144	192	192	78	(59.38)	95	95
Assets <R5 000	4	142	43	79	74	74	39	(47.30)	56	56
Bursaries (employees)							139		153	153
Catering: Departmental activities	27	24	26	24	24	24	151	529.17	151	151
Communication	121	195	177	210	201	201	174	(13.43)	176	176
Computer services			5	12	12	12	7	(41.67)	12	12
Cons/prof: Business and advisory service	4 098	1 762	2 027	4 841	3 434	3 434	9 620	180.14	2 666	2 666
Contractors		148	516	16	16	16	15	(6.25)	15	15
Agency and support/outsourced services			1							
Entertainment	5	5	7	26	23	23	27	17.39	28	28
Fleet services (including government motor transport)	79	29		28	28	28		(100.00)		
Inventory: Food and food supplies			8				11		13	13
Inventory: Materials and supplies			3							
Inventory: Other consumables	100	118	1	150	150	150	1	(99.33)	1	1
Inventory: Stationery and printing	59	82	155	39	38	38	209	450.00	235	235
Lease payments	936	1 029	43	59	59	59	7	(88.14)	7	7
Transport provided: Departmental activity		4								
Travel and subsistence	306	498	337	289	211	211	560	165.40	947	945
Training and development	7	18	87	88	124	124	17	(86.29)	44	44
Operating expenditure		12	82	50	50	50	8	(84.00)	13	13
Venues and facilities	104	28	38	65	69	69	47	(31.88)	47	45
Transfers and subsidies to	29 306	35 762	39 989	37 150	39 625	39 625	37 050	(6.50)	41 000	42 000
Departmental agencies and accounts	10 800	21 856	19 325	15 000	15 000	15 000	12 250	(18.33)	15 000	16 000
Entities receiving transfers	10 800	21 856	19 325	15 000	15 000	15 000	12 250	(18.33)	15 000	16 000
Western Cape Provincial Development Council		1 960								
Western Cape Trade and Investment Promotion Agency	10 800	19 896	19 325	15 000	15 000	15 000	12 250	(18.33)	15 000	16 000
Universities and technikons		37								
Public corporations and private enterprises		69	1 000							
Public corporations			1 000							
Other transfers			1 000							
Private enterprises		69								
Other transfers		69								
Non-profit institutions	18 502	13 800	19 664	22 150	24 560	24 560	24 800	0.98	26 000	26 000
Households	4				65	65		(100.00)		
Other transfers to households	4				65	65		(100.00)		
Payments for capital assets	189	369	137	40	26	26	94	261.54	94	94
Machinery and equipment	189	369	137	40	26	26	94	261.54	94	94
Other machinery and equipment	189	369	137	40	26	26	94	261.54	94	94
Payments for financial assets		17								
Total economic classification	39 824	46 973	50 821	54 264	54 952	54 952	63 365	15.31	61 522	63 297

Annexure B to Vote 12

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

Economic classification R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2007/08	2008/09	2009/10				2011/12	2010/11	2012/13	2013/14
Current payments	9 427	12 280	17 319	19 943	17 593	17 586	19 874	13.01	21 852	23 356
Compensation of employees	5 191	6 993	8 277	12 621	11 161	10 869	15 701	44.46	16 485	17 237
Salaries and wages	4 568	6 144	7 356	11 101	9 612	9 389	13 743	46.37	14 446	15 121
Social contributions	623	849	921	1 520	1 549	1 480	1 958	32.30	2 039	2 116
Goods and services	4 236	5 287	9 042	7 322	6 432	6 717	4 173	(37.87)	5 367	6 119
<i>of which</i>										
Administrative fees	11	1	42	27	74	44	12	(72.73)	12	12
Advertising	242	889	2 360	1 500	950	1 051		(100.00)		
Assets <R5 000	84	273	107	70	50	34	5	(85.29)	5	5
Audit cost: External		84	190	250	430	283	400	41.34	400	400
Bursaries (employees)					64		60		65	70
Catering: Departmental activities	63	29	29	33	65	50	30	(40.00)	30	30
Communication	237	291	516	337	359	256	100	(60.94)	50	50
Computer services	15	82	142	150		100	40	(60.00)	60	70
Cons/prof: Business and advisory service		221	1 789	1 747	535	373	1 510	304.83	3 010	3 760
Cons/prof: Legal cost		91				248		(100.00)		
Contractors		42	315	80	30	33	6	(81.82)	6	6
Agency and support/ outsourced services	2 448	2 004	2 085	1 920	2 020	2 695		(100.00)		
Entertainment	3	6	4	15	17	6	15	150.00	15	15
Fleet services (including government motor transport)	159	187		90	99					
Inventory: Food and food supplies			1		1		7		7	7
Inventory: Materials and supplies			2		3	2	1	(50.00)	1	1
Inventory: Other consumables	152	153	1	55	4		58		58	58
Inventory: Stationery and printing	114	129	245	53	174	222	98	(55.86)	64	98
Lease payments	63	44	33	52	164	38	147	286.84	147	147
Travel and subsistence	476	610	851	767	999	882	1 315	49.09	1 100	1 050
Training and development	102	76	179	120	315	271	331	22.14	299	300
Operating expenditure		10	24	6	40	23	30	30.43	30	30
Venues and facilities	67	65	127	50	39	106	8	(92.45)	8	10
Transfers and subsidies to	1 000	2 529	2 408	750	750	750	500	(33.33)	1 350	1 350
Departmental agencies and accounts			758							
Provide list of entities receiving transfers			758							
Destination Marketing Organisation			118							
Government Motor Trading			640							
Non-profit institutions	1 000	2 529	1 650	750	750	750	500	(33.33)	1 350	1 350
Payments for capital assets	1 000	457	103	100	200	198	206	4.04	50	50
Machinery and equipment	1 000	457	103	100	200	198	206	4.04	50	50
Other machinery and equipment	1 000	457	103	100	200	198	206	4.04	50	50
Payments for financial assets		20	13			9		(100.00)		
Total economic classification	11 427	15 286	19 843	20 793	18 543	18 543	20 580	10.99	23 252	24 756

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

Economic classification R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Current payments	3 262	5 246	9 646	9 847	12 528	12 535	16 943	35.17	18 504	18 609
Compensation of employees	1 261	2 509	4 151	7 548	7 029	6 772	9 575	41.39	10 922	11 424
Salaries and wages	1 000	2 313	3 876	7 065	6 369	6 112	8 579	40.36	9 865	10 332
Social contributions	261	196	275	483	660	660	996	50.91	1 057	1 092
Goods and services	2 001	2 737	5 495	2 299	5 499	5 762	7 368	27.87	7 582	7 185
<i>of which</i>										
Administrative fees		1	12		5	4	4		8	8
Advertising	227	145	214	15	108	93		(100.00)	10	10
Assets <R5 000	33	33	127	35	41	52	11	(78.85)	25	25
Bursaries (employees)							22		30	30
Catering: Departmental activities	22	9	18	10	11	11	19	72.73		
Communication	50	51	51	81	117	115	226	96.52	220	220
Computer services		72	21	10						
Cons/prof. Business and advisory service	1 494	1 725	3 975	1 586	4 544	4 870	6 350	30.39	6 522	6 104
Contractors		44	202		7	3		(100.00)		
Entertainment	1	2	2	26	12		18		10	10
Fleet services (including government motor transport)		7		101	6					
Inventory: Food and food supplies			3		2	1	21	2000.00	15	15
Inventory: Materials and supplies			1		2	2	7	250.00	10	10
Inventory: Other consumables	21	213	1	26			1		1	1
Inventory: Stationery and printing	7	43	283	31	56	53	250	371.70	250	300
Lease payments		73	82	58	92	95	107	12.63	130	100
Travel and subsistence	29	46	95	280	217	162	226	39.51	236	218
Training and development	112	103	45	20	251	260	98	(62.31)	100	119
Operating expenditure		153	321		14	26		(100.00)	5	5
Venues and facilities	5	17	42	20	14	15	8	(46.67)	10	10
Interest and rent on land						1		(100.00)		
Rent on land						1		(100.00)		
Transfers and subsidies to		500	317		9	9		(100.00)		
Departmental agencies and accounts		500	300							
Provide list of entities receiving transfers		500	300							
Western Cape Provincial Development Council		500	300							
Households			17		9	9		(100.00)		
Other transfers to households			17		9	9		(100.00)		
Payments for capital assets		99	98	40	100	93	89	(4.30)	50	30
Machinery and equipment		99	98	40	100	93	89	(4.30)	50	30
Other machinery and equipment		99	98	40	100	93	89	(4.30)	50	30
Total economic classification	3 262	5 845	10 061	9 887	12 637	12 637	17 032	34.78	18 554	18 639

Annexure B to Vote 12

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

Economic classification R'000	Outcome			Medium-term estimate						
	Audited 2007/08	Audited 2008/09	Audited 2009/10	Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Current payments	18 915	20 144	15 953	20 255	16 475	16 470	21 763	32.14	23 957	26 743
Compensation of employees	6 213	8 842	9 992	12 122	11 313	10 701	12 387	15.76	13 369	14 002
Salaries and wages	5 581	7 927	8 964	10 899	10 090	9 540	11 077	16.11	11 811	12 385
Social contributions	632	915	1 028	1 223	1 223	1 161	1 310	12.83	1 558	1 617
Goods and services	12 702	11 302	5 961	8 133	5 162	5 768	9 376	62.55	10 588	12 741
<i>of which</i>										
Administrative fees	21	12	72	6	42	49	28	(42.86)	28	28
Advertising	520	498	380	300	353	85		(100.00)		
Assets <R5 000	180	307	169	12	14	53		(100.00)		
Bursaries (employees)						156	177	13.46	177	177
Catering: Departmental activities	99	260	146			162	62	(61.73)	63	63
Communication	270	303	237	191	233	220	292	32.73	292	292
Computer services		23	10	20	20					
Cons/prof: Business and advisory service	8 414	5 980	2 191	6 715	3 149	3 435	7 225	110.33	8 425	10 498
Contractors		800	643	2	45	122		(100.00)		
Agency and support/outsourced services		1								
Entertainment	6	8	5	26	26	4	24	500.00	22	24
Fleet services (including government motor transport)	86	131		30	30					
Inventory: Food and food supplies			3			1	7	600.00	7	7
Inventory: Materials and supplies			1				3		3	3
Inventory: Medical supplies							1		1	1
Inventory: Other consumables	175	194	1	103	164	18	1	(94.44)	1	1
Inventory: Stationery and printing	86	134	389	97	97	251	231	(7.97)	204	232
Lease payments	1 131	1 188	60	120	120	78	117	50.00	100	117
Transport provided: Departmental activity	235					10		(100.00)		
Travel and subsistence	1 187	702	1 192	247	525	737	921	24.97	985	1 011
Training and development	67	39	303	108	154	148	215	45.27	210	215
Operating expenditure		211	94	56	56	61	31	(49.18)	31	31
Venues and facilities	225	511	65	100	134	178	41	(76.97)	39	41
Interest and rent on land							1	(100.00)		
Rent on land							1	(100.00)		
Transfers and subsidies to	41 256	44 817	54 778	41 860	45 629	45 629	40 585	(11.05)	40 585	40 585
Departmental agencies and accounts	28 795	35 317	45 943	35 040	36 355	36 355	32 440	(10.77)	32 440	32 440
Provide list of entities receiving transfers	28 795	35 317	45 943	35 040	36 355	36 355	32 440	(10.77)	32 440	32 440
Western Cape Provincial Development Council		200								
Destination Marketing Organisation	28 370	33 617	45 943	34 190	35 105	35 105	32 440	(7.59)	32 440	32 440
Western Cape Trade and Investment Promotion Agency	150	150		600						
Other	275	1 350		250	1 250	1 250		(100.00)		
Universities and technikons	150	150	368	140	144	144		(100.00)		
Public corporations and private enterprises	341		1 800		850	850		(100.00)		
Public corporations	341		1 800		850	850		(100.00)		
Other transfers	341		1 800		850	850		(100.00)		
Non-profit institutions	11 970	9 350	6 456	6 670	7 495	7 495	7 495		7 495	7 495
Households			211	10	785	785	650	(17.20)	650	650
Other transfers to households			211	10	785	785	650	(17.20)	650	650
Payments for capital assets	740	349	82	110	121	126	115	(8.73)	66	84
Machinery and equipment	711	349	82	110	121	126	115	(8.73)	66	84
Other machinery and equipment	711	349	82	110	121	126	115	(8.73)	66	84
Software and other intangible assets	29									
Payments for financial assets	1	32								
Total economic classification	60 912	65 342	70 813	62 225	62 225	62 225	62 463	0.38	64 608	67 412

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

Economic classification R'000	Outcome			Main appro- priation 2010/11	Adjusted appro- priation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2007/08	2008/09	2009/10				2011/12	2010/11	2012/13	2013/14
Current payments	1 486	4 523	4 079	2 873	4 351	4 350	5 691	30.83	6 150	6 359
Compensation of employees	862	1 515	2 166	2 426	2 969	2 969	3 670	23.61	4 094	4 293
Salaries and wages	817	1 329	1 929	2 190	2 770	2 770	3 274	18.19	3 625	3 802
Social contributions	45	186	237	236	199	199	396	98.99	469	491
Goods and services	624	3 008	1 913	447	1 382	1 379	2 021	46.56	2 056	2 066
<i>of which</i>										
Administrative fees		14	3				14		14	18
Advertising	14			33	33	33	20	(39.39)	25	25
Assets <R5 000	2	11	9	2	5	5	10	100.00	15	20
Catering: Departmental activities	2	2	4	7	3	3	46	1433.33	50	50
Communication	30	43	41	27	27	27	62	129.63	70	70
Computer services			5	1	1	1		(100.00)		
Cons/prof: Business and advisory service	424	2 839	1 553	200	1 137	1 134	1 600	41.09	1 600	1 600
Contractors	6	29								
Entertainment	1	1	3	3	3	3	9	200.00	9	9
Inventory: Food and food supplies			1							
Inventory: Stationery and printing	13	23	31	51	35	35	29	(17.14)	32	32
Lease payments			3	21	21	21	1	(95.24)	1	2
Travel and subsistence	75	42	72	55	63	63	110	74.60	115	115
Training and development	5	1	103	47	35	34	56	64.71	60	60
Operating expenditure	52		85				7		8	8
Venues and facilities		3			19	20	57	185.00	57	57
Interest and rent on land						2		(100.00)		
Interest						2		(100.00)		
Transfers and subsidies to	4 180	22 950	26 409	11 200	11 200	11 200	10 550	(5.80)	10 550	12 550
Universities and technikons			450				1 800		1 800	2 500
Public corporations and private enterprises		10 000	10 000	10 000	10 000	10 000	6 200	(38.00)	6 200	7 000
Public corporations		10 000	10 000	10 000	10 000	10 000	6 200	(38.00)	6 200	7 000
Other transfers		10 000	10 000	10 000	10 000	10 000	6 200	(38.00)	6 200	7 000
Non-profit institutions	4 180	12 950	15 768	1 200	1 200	1 200	2 550	112.50	2 550	3 050
Households			191							
Other transfers to households			191							
Payments for capital assets	14	6	32				34		34	34
Machinery and equipment	14	6	32				34		34	34
Other machinery and equipment	14	6	32				34		34	34
Payments for financial assets		1				1		(100.00)		
Total economic classification	5 680	27 480	30 520	14 073	15 551	15 551	16 275	4.66	16 734	18 943

Annexure B to Vote 12

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

R'000	Outcome			Estimated outcome 2010/11	Medium-term estimate		
	Audited 2007/08	Audited 2008/09	Audited 2009/10		2011/12	2012/13	2013/14
Revenue							
Non-tax revenue	645	17 661	1 299	650	550	550	550
Sale of goods and services other than capital assets	401	253	313	200	50	50	50
Of which:							
Admin fees	401	253	313	200	50	50	50
Other non-tax revenue	244	17 408	986	450	500	500	500
Transfers received	38 588	36 916	26 061	25 030	19 050	20 109	21 220
Total revenue	39 233	54 577	27 360	25 680	19 600	20 659	21 770
Expenses							
Current expense	17 352	47 283	28 288	24 058	20 067	21 184	22 270
Compensation of employees	9 108	9 855	11 672	10 690	12 334	12 959	13 614
Goods and services	7 816	37 077	16 031	12 695	7 266	7 700	8 156
Depreciation	414	351	585	633	467	525	500
Interest, dividends and rent on land	14			40			
Interest	14			40			
Transfers and subsidies	3 414						
Total expenses	20 766	47 283	28 288	24 058	20 067	21 184	22 270
Surplus/(Deficit)	18 467	7 294	(928)	1 622	(467)	(525)	(500)
Cash flow summary							
Adjust surplus/(deficit) for accrual transactions	433	9 134	3 091	183	(33)	25	
Adjustments for:							
Depreciation	414	351	585	633	467	525	500
Interest		(692)	(729)	(450)	(500)	(500)	(500)
Net (profit)/loss on disposal of fixed assets	7	(16)	(57)				
Other		9 491	3 292				
Operating surplus/ deficit) before changes in working capital	18 900	16 428	2 163	1 805	(500)	(500)	(500)
Changes in working capital	(17 665)	(11 173)	2 600	100	100	100	100
(Decrease)/increase in accounts payable	(15 318)	(7 357)	2 215	100	100	100	100
Decrease/(increase) in accounts receivable	(2 347)	1 947	385				
(Decrease)/increase in provisions		(5 763)					
Cash flow from operating activities	1 235	5 255	4 763	1 905	(400)	(400)	(400)
Cash flow from investing activities	(15 106)	(15 264)	(1 835)	(200)	(200)	(200)	(200)
Acquisition of Assets	(109)	(280)	(1 892)	(200)	(200)	(200)	(200)
Other flows from Investing Activities	(14 997)	(14 984)	57				
Net increase/decrease) in cash and cash equivalents	(13 871)	(10 009)	2 928	1 705	(600)	(600)	(600)
Balance Sheet Data							
Carrying Value of Assets	810	739	2 150	1 166	1 033	1 008	1 008
Investments	15 000	21 200	18 600	25 000	30 000	30 000	30 000
Cash and Cash Equivalents	21 027	11 018	13 946	14 512	1 762	1 762	1 762
Receivables and Prepayments	2 397	450	65	10	10	10	10
Total Assets	39 234	33 407	34 761	40 688	32 805	32 780	32 780
Capital & Reserves	20 163	21 693	20 766	36 687	31 575	31 522	31 522
Trade and Other Payables	18 734	10 880	12 842	3 470	670	670	670
Provisions	337	834	1 153	531	560	588	588
Total Equity and Liabilities	39 234	33 407	34 761	40 688	32 805	32 780	32 780

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

R'000	Outcome			Estimated outcome 2010/11	Medium-term estimate		
	Audited 2007/08	Audited 2008/09	Audited 2009/10		2011/12	2012/13	2013/14
Revenue							
Non-tax revenue	6 889 000	21 069 000	15 310 135	3 586 173	2 625 000	2 625 000	2 625 000
Other non-tax revenue	6 889 000	21 069 000	15 310 135	3 586 173	2 625 000	2 625 000	2 625 000
Transfers received	44 515 000	36 353 000	38 549 141	34 190 000	32 440 000	32 440 000	32 440 000
Total revenue	51 404 000	57 422 000	53 859 276	37 776 173	35 065 000	35 065 000	35 065 000
Expenses							
Current expense	57 783 000	60 382 031	53 241 452	37 776 173	34 965 000	34 965 000	34 965 000
Compensation of employees	12 585 000	16 035 920	25 052 016	16 911 682	19 604 000	19 604 000	19 604 000
Goods and services	44 487 000	43 423 753	26 910 650	19 624 793	14 271 000	14 271 001	14 271 001
Depreciation	711 000	922 358	1 278 786	1 239 698	1 090 000	1 090 000	1 090 000
Total expenses	57 783 000	60 382 031	53 241 452	37 776 173	34 965 000	34 965 000	34 965 000
Surplus/(Deficit)	(6 379 000)	(2 960 031)	617 824		100 000	100 000	100 000
Cash flow summary							
Adjust surplus/(deficit) for accrual transactions	(2 192 000)	86 358	1 008 651	865 000	810 000	810 000	810 000
Adjustments for:							
Depreciation	711 000	922 358	1 278 786	1 115 000	1 090 000	1 090 000	1 090 000
Interest	(1 335 000)	(839 000)	(336 135)	(250 000)	(280 000)	(280 000)	(280 000)
Net (profit)/loss on disposal of fixed assets			66 000				
Other	(1 568 000)	3 000					
Operating surplus/ (deficit) before changes in working capital	(8 571 000)	(2 873 673)	1 626 475	865 000	910 000	910 000	910 000
Changes in working capital	(6 295 000)	(5 029 000)	1 443 000	590 000			
(Decrease)/increase in accounts payable	1 544 000	(2 664 000)	366 000	250 000	(150 000)	(150 000)	(150 000)
Decrease/(increase) in accounts receivable	(7 839 000)	6 377 000	2 645 000	480 000	200 000	200 000	200 000
(Decrease)/increase in provisions		(8 742 000)	(1 568 000)	(140 000)	(50 000)	(50 000)	(50 000)
Cash flow from operating activities	(14 866 000)	(7 902 673)	3 069 475	1 455 000	910 000	910 000	910 000
Cash flow from investing activities	510 000	(642 000)	(771 865)	102 000	180 000	180 000	180 000
Acquisition of Assets	(762 000)	(1 478 000)	(1 174 000)	(148 000)	(100 000)	(100 000)	(100 000)
Other flows from Investing Activities	1 272 000	836 000	402 135	250 000	280 000	280 000	280 000
Net increase/(decrease) in cash and cash equivalents	(14 356 000)	(8 544 673)	2 297 610	1 557 000	1 090 000	1 090 000	1 090 000
Balance Sheet Data							
Carrying Value of Assets	1 428 000	1 983 000	1 746 000	2 426 400	2 788 400	2 788 400	2 788 400
Cash and Cash Equivalents	9 684 000	1 140 000	3 438 000	1 250 000	1 154 336	1 154 336	1 154 336
Receivables and Prepayments	10 376 000	3 999 000	1 354 000	625 000	425 000	425 000	425 000
Total Assets	21 488 000	7 122 000	6 538 000	4 301 400	4 367 736	4 367 736	4 367 736
Capital & Reserves	1 846 000	(1 114 000)	(496 000)	1 373 600	1 639 936	1 639 936	1 639 936
Trade and Other Payables	19 018 000	7 439 000	6 166 000	2 102 800	1 952 800	1 952 800	1 952 800
Provisions	624 000	797 000	868 000	825 000	775 000	775 000	775 000
Total Equity and Liabilities	21 488 000	7 122 000	6 538 000	4 301 400	4 367 736	4 367 736	4 367 736

Annexure B to Vote 12

Table B.3.3 Details on public entities – Name of Public Entity: Liquor Board

R'000	Outcome			Estimated outcome 2010/11	Medium-term estimate		
	Audited 2007/08	Audited 2008/09	Audited 2009/10		2011/12	2012/13	2013/14
Revenue							
Tax revenue	4 665	4 500					
Transfers received	6 294	7 080					
Total revenue	10 959	11 580					
Expenses							
Current expense	3 942	5 792					
Compensation of employees	3 007	3 925					
Goods and services	809	1 867					
Depreciation	126						
Interest, dividends and rent on land							
Transfers and subsidies	1 000	1 830					
Total expenses	4 942	7 622					
Surplus/(Deficit)	6 017	3 958					
Cash flow summary							
Adjustments for:							
Operating surplus/ deficit) before changes in working capital	6 017	3 958					
Cash flow from operating activities	6 017	3 958					
Cash flow from investing activities	(1 118)	100					
Acquisition of Assets	(1 118)	100					
Net increase/decrease) in cash and cash equivalents	4 899	4 058					
Balance Sheet Data							
Carrying Value of Assets	1 218						
Cash and Cash Equivalents	771						
Receivables and Prepayments	592						
Total Assets	2 581						
Capital & Reserves	2 397	15 057					
Trade and Other Payables	89						
Provisions	95						
Total Equity and Liabilities	2 581	15 057					

Note: The budget of the Liquor Board has been incorporated into Programme 4: Business Regulation and Governance.

Table B.4 Transfers to local government by transfers/grant type, category and municipality - None

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

Municipalities R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Cape Town Metro	175 708	128 047	141 924	135 809	133 567	133 567	240 451	80.02	249 956	262 750
West Coast Municipalities	6 369	16 207	19 297	16 811	16 542	16 542	1 605	(90.30)	2 000	2 000
Across wards and municipal projects	6 369	16 207	19 297	16 811	16 542	16 542	1 605	(90.30)	2 000	2 000
Cape Winelands Municipalities	4 463	37 045	44 107	38 424	37 809	37 809	832	(97.80)	1 500	2 000
Across wards and municipal projects	4 463	37 045	44 107	38 424	37 809	37 809	832	(97.80)	1 500	2 000
Overberg Municipalities	4 124	18 523	22 053	19 213	18 905	18 905	2 682	(85.81)	3 200	3 500
Across wards and municipal projects	4 124	18 523	22 053	19 213	18 905	18 905	2 682	(85.81)	3 200	3 500
Eden Municipalities	8 484	25 468	30 323	26 418	25 995	25 995	8 116	(68.78)	9 255	9 800
Across wards and municipal projects	8 484	25 468	30 323	26 418	25 995	25 995	8 116	(68.78)	9 255	9 800
Central Karoo Municipalities	4 049	4 631	5 513	4 803	4 726	4 726	728	(84.60)	950	1 150
Across wards and municipal projects	4 049	4 631	5 513	4 803	4 726	4 726	728	(84.60)	950	1 150
Total provincial expenditure by district and local municipality	203 197	229 921	263 217	241 478	237 544	237 544	254 414	7.10	266 861	281 200

Note: Projects disaggregated per district.