

ANNUAL REPORT

2010/11



tourism

Department:
Tourism
REPUBLIC OF SOUTH AFRICA





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AMBASSADOR LM MAKHUBELA
DIRECTOR-GENERAL

" This report
complies with all
statutory reporting
requirements for
the department. "

Foreword by the Director-General

In terms of section 40(1) of the PFMA, 1999 and the Treasury Regulations paragraph 18.2, the accounting officer of a Department must submit an annual report with audited financial statements and the Auditor-General's report, to the relevant Executive Authority, for tabling in Parliament.

This report complies with all statutory reporting requirements for the department. It gives assurance that government resources were used in a manner consistent with applicable corporate governance principles to deliver services for which the resources were allocated.

In my capacity as the accounting officer of the National Department of Tourism, I hereby formally submit to you as the Executive Authority, the department's annual report with audited financial statements and the Auditor-General's report for the 2010/2011 financial year for tabling in Parliament.

AMBASSADOR LM MAKHUBELA
DIRECTOR-GENERAL
DEPARTMENT OF TOURISM
DATE: 31 JULY 2011

Minister's Statement

It gives me great pleasure to present the National Department of Tourism's Annual Report for the financial year 2010/11. It gives a detailed account of our achievements to Parliament and to all the people of South Africa. The progress we have made in achieving the Department's goals outlined in the Department's Strategy 2010/11 - 2014/15 is contained in detail in this Annual Report. The Annual Report is an ideal opportunity to reflect on the progress we have made and the direction we must take. My overriding impression is that the National Department of Tourism (NDT) has a sound foundation, capable staff members, and is currently growing its staff complement in order to realise our vision namely "To be globally celebrated as a leader in tourism excellence". The strategic plan was reviewed during the preceding financial year to provide a greater focus on key departmental priorities.

South Africa has seen a steady growth in tourism growth both in terms of tourist arrivals and tourism's contribution to Gross Domestic Product (GDP). The year 2010 was particularly significant given the boost provided by the hosting of the 2010 FIFA World Cup to the image of South Africa as a tourist destination. The full implementation of the Tourism 2010 Plan by the NDT allowed South Africa to meet all its obligations to FIFA with regard to hospitality. South Africans should all take pride in the success of the World Cup, as it was the first event of this size the country and the Continent ever hosted. This has helped the Department to continue its contribution to creating a better Africa and a better world.

In this statement I would like to highlight a few examples of the ways in which tourism in South African has utilised its competitive advantages to boost its contribution to job



MARTHINUS VAN SCHALKWYK, MP
MINISTER OF TOURISM

" This Annual Report is an ideal opportunity to reflect on the progress we have made and the direction we must take. My overriding impression is that National Department of Tourism has a sound foundation, capable staff members..."

creation, poverty alleviation and the GDP. I want to share with you our main accomplishments since the newly created NDT was established. The NDT undertook initiatives to build its capacity in terms of the growth and development of the tourism sector. We continued the work of monitoring the implementation of the Tourism BEE Charter and Scorecard and report on progress in this regard. A baseline study was undertaken to assess the state of transformation in the sector. We supported the Tourism Enterprise Partnership in its initiatives to stimulate small business development and entrepreneurship by encouraging new businesses to participate in the sector and existing enterprises to grow and perform more profitably. We implemented bilateral and multilateral initiatives through forging various international tourism agreements and contributing towards the work programme of the United Nation's World Tourism Organisation. We continued the implementation of tourism's contribution to the Expanded Public Works Programme and participated in the process to develop a Tourism Satellite Account for South Africa which provides information on tourism's contribution to the South African economy.

The Department also launched the first ever National Tourism Sector Strategy (NTSS), which has set a course for accelerating the responsible

growth of the tourism industry from 2010 to 2015. The strategy was compiled through a comprehensive consultative process, including ministerial road shows, specific strategy stakeholder workshops, a web-based survey, a report compiled by a carefully selected panel of experts, and both inter-governmental and Cabinet consultation led by the Ministry.

The NDT remains committed to providing quality service delivery to all our stakeholders in the sector, with the overall goal of an increased contribution to economic growth. We have recently released our Annual Performance Plan 2011-12, which, together with Departmental Strategic objectives and goals, provide an inspirational vision for the future.

I would like to take this opportunity to thank the Management of the Department under the leadership of our new Director-General, all staff of the Department and all of our stakeholders for their contribution during a significant year in the Tourism industry.



MARTHINUS VAN SCHALKWYK, MP
MINISTER OF TOURISM

Deputy Minister's Statement

This Annual Report, apart from providing an account of the programme that constitutes the broad mandate of the Department of Tourism as well as the implementation of the Business Plan for the year under review, includes a section on programmes performance with a clear indication of achievements and the reasons for variances where necessary. It is timely, therefore, that the Department takes a critical look at its work and its effectiveness. This is one of the tasks we have set for ourselves for the coming year. The Department is inspired by the expectations of South African citizens to contribute to the delivery of the electoral mandate entrusted to government. To support this, the department has been on a drive to capacitate itself by attracting and developing a skilled workforce that contributes positively to the delivery of excellent services.

In recognition of the importance of coordination in a sector that relies on a wide range of role-players, the department has established working relationships with various institutions with the view to influence those institutions to contribute positively to the development and growth of tourism in South Africa. We will continue to promote an integrated approach to tourism development by

implementing the Cabinet approved National Tourism Sector Strategy which was one of our key achievements in the 2010/2011 financial year. Regional coordination was also high on our agenda and we pursued opportunities to further promote regional integration in the field of tourism through the Regional Tourism Organisation of Southern Africa.

Recognising the importance of increasing destination South Africa's competitive edge, awareness creating engagements were undertaken focusing amongst others, on the findings of the research results on levels and standards of service in the country. The outcome of this process was the development of a consolidated Service Excellence Strategy that seeks to promote adoption of service excellence standards in the tourism sector to improve South Africa's rating as a competitive destination. The promotion of responsible tourism was also prioritised during this reporting period. Skills development was identified as a high priority in our plans. In that regard, the Department initiated a programme that will train youth as chefs. It also completed training of over 14 000 youth prior the 2010 Soccer World Cup as tourism ambassadors and placed them at key events.



TOKOZILE XASA, MP
DEPUTY MINISTER OF TOURISM

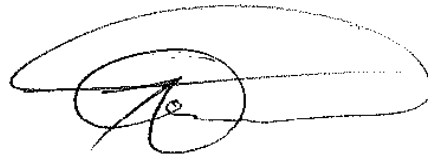
"The Department is inspired by the expectations of South African citizens to contribute to the delivery of the electoral mandate entrusted to government."

The Department has integrated designated groups in the implementation of its job creation and enterprise support programmes with a deliberate bias towards rural areas. As the report will show, action was taken to support and implement Broad-Based Black Economic Empowerment (BBBEE) as well as Small Medium- and Micro Enterprises (SMME) in the tourism sector. The department's procurement policy was implemented to achieve the BBBEE imperatives of government. The department's role of monitoring the implementation of the Tourism BEE Charter was enhanced by the establishment of systems to monitor compliance as well as a baseline study to assess the state of transformation in the industry.

The department has created platforms that allowed it to keep in touch with South Africans to reach out and raise awareness of the opportunities in the Tourism Sector through the dedicated developmental communications

initiatives including public education, awareness and community outreach with increased footprint in the rural areas.

Looking forward, we will further strengthen our partnerships with the people of South Africa and other role-players in pursuit of the objectives of South Africa's National Tourism Sector Strategy. We look forward to the task ahead and the prospects future holds.

A handwritten signature in black ink, consisting of a large, stylized 'T' and 'X' followed by a smaller 'A' and 'S', all enclosed within a large, loopy oval shape.

MS TOKOZILE XASA, MP
DEPUTY MINISTER OF TOURISM

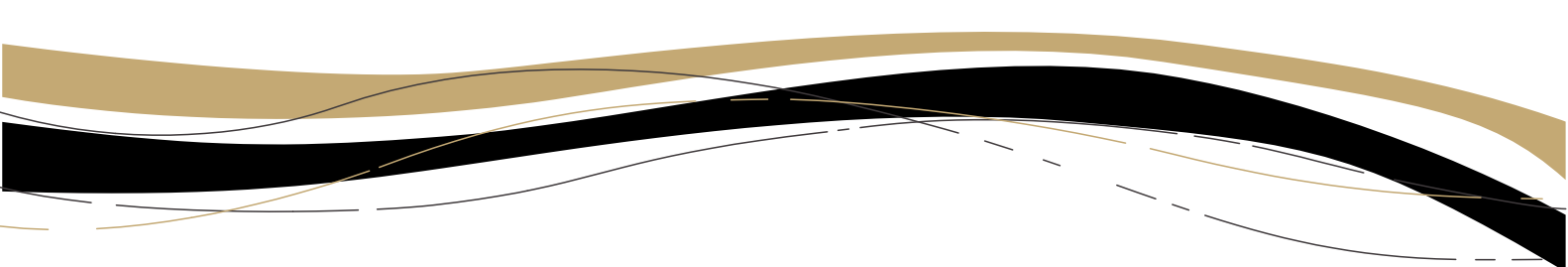
Information on the Ministry

Official International Visits by Mr Marthinus van Schalkwyk

MINISTER OF TOURISM: 1 April 2010 - 31 March 2011

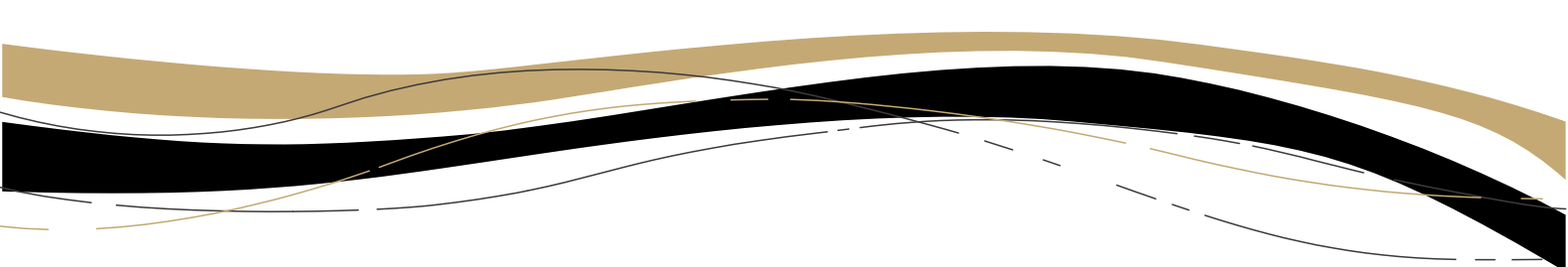
DATES	COUNTRY	PURPOSE
4–9 April 2010	USA	<p>Promoting South Africa's Tourism Offerings in the USA</p> <p>Addressed Business Tourism partners and key tour operators</p> <p>Key-note address at the Ubuntu Awards which is hosted by SAT where recognition is given to industry partners which promote SA as a key tourism destination</p> <p>Various media interviews to give an overview of SA's readiness to host the Soccer World Cup 2010</p> <p>Addressed a meeting hosted by Ambassador Sangqu for African Ambassadors in New York</p>
15–16 April 2010	Zimbabwe	<p>Meetings with counterpart Minister, Mr Engineer Walter Mzembi</p> <ul style="list-style-type: none"> Minister led a delegation of government officials and industry representatives to discuss tourism cooperation between the two countries
27 April – 1 May 2010	Europe and USA	<p>Official nomination to the position as Executive Secretary of the United Nations Framework Convention on Climate Change (UNFCCC) and to solicit support for Minister's nomination</p> <ul style="list-style-type: none"> Several meetings with key stakeholders in the United Kingdom, Denmark, Belgium, France, the United States of America and representatives to the United Nations
22–27 May 2010	China	<p>Promoting South Africa's Tourism Offerings in China</p> <ul style="list-style-type: none"> Officially opened the new offices of SAT in Beijing Participated in the WTC, Global Travel & Tourism Summit – the Summit is the world's highest level gathering of Travel & Tourism Industry Chairpersons, Chief Executives and senior government officials
7–8 June 2010	United Kingdom	<p>Promoting South Africa's Tourism Offerings in the UK and addressing the media on South Africa's readiness for the World Cup</p> <ul style="list-style-type: none"> Interviews with BBC, Sky Sport News, Sky News, CNN, The Gaurdian, CNBC <p>Addressed a meeting hosted by VISA regarding the upcoming FIFA World Cup in SA</p>

DATES	COUNTRY	PURPOSE
24–27 July 2010	China	<p>Promoting South Africa's Tourism Offerings in Hong Kong</p> <ul style="list-style-type: none"> Hong Kong is a growing market for South Africa and subsequently, South African Tourism hosted a trade workshop in Hong Kong, which the Minister addressed The Minister also had discussions with various industry stakeholders in Hong Kong to explore models of setting up a Conventions Bureau in South Africa
2–5 August 2010	Russia	<p>State Visit with President Zuma</p> <ul style="list-style-type: none"> Minister participated and supported the President on the official state visit with regard to enhancing tourism cooperation between the two countries
11 August 2010	Lesotho	<p>State Visit with President Zuma</p> <ul style="list-style-type: none"> Minister participated and supported the President on the official state visit with regard to enhancing tourism cooperation between the two countries Minister also met with Ms Lebonhang Ntsinyi, Minister of Tourism, Environment and Culture to discuss cooperation between the two countries
22–27 August 2010	China	<p>State Visit with President Zuma</p> <ul style="list-style-type: none"> Minister participated and supported the President on the official State Visit with regard to enhancing tourism cooperation between the two countries The Minister also hosted a high level tourism meeting with key tourism industry stakeholders
7–10 September 2010	Switzerland and Germany	<p>Stakeholder meetings</p> <ul style="list-style-type: none"> Minister held meetings with the International Air Transport Association (IATA) and airline partners regarding the aviation and tourism industry and future impacts on South Africa as a destination



DATES	COUNTRY	PURPOSE
23–25 September 2010	Brussels, Belgium	<p>Tourism Related Meetings</p> <ul style="list-style-type: none"> Minister addressed a meeting of key industry role players on the benefits of hosting the World Cup and lessons learned from the World Cup Minister participated in a meeting to discuss a Commission on a Green Growth Fund for Travel and Tourism
5–12 October 2010	Vietnam and South Korea	<p>State visit by the Deputy President to Vietnam and the 2nd T.20 Tourism Ministers' Meeting in Korea</p> <ul style="list-style-type: none"> Minister participated and supported the Deputy President on the official state visit with regard to enhancing tourism cooperation between the two countries The Minister signed a MOU with his counterpart on Co-Operation in the field of Tourism South Africa hosted the 1st T.20 Tourism Ministers' Meeting in February 2010 in SA, the 2nd T.20 Tourism Ministers' Meeting was hosted by the Government of Korea in which the government of South Africa participated
3–4 November 2010	Namibia	<p>State visit with President Zuma - Heads of State Economic Bilateral Forum</p> <ul style="list-style-type: none"> Minister participated and supported the President on the official state visit with regard to enhancing tourism cooperation between the two countries
7–11 November 2010	Switzerland and UK	<p>WEF Governance Meeting in Geneva and World Travel Market (WTM) in London</p> <ul style="list-style-type: none"> In Minister's capacity as the World Economic Forum (WEF) Chairperson of the Aviation, Travel and Tourism Industry Agenda Council, the WEF in cooperation with UNEP hosted a high-level discussion on the future of international environmental governance (IEG) in Geneva, which he addressed from a Tourism and aviation perspective Minister delivered a Key note address at the Ubuntu Awards Reception with industry partners and opened the South African Tourism stand at World Travel Market (WTM) in London The WTM is the premier global event for the tourism industry to exhibit its products

DATES	COUNTRY	PURPOSE
15–19 November 2010	France and Switzerland	<p>Tourism Related meetings</p> <ul style="list-style-type: none"> Minister met with the Secretary-General of the Organization of the OECD to discuss the improvement of the tourism profile within the OECD Minister hosted in conjunction with the South African Embassy in Switzerland a Business Tourism Workshop Minister met with Prof Martin Barth, General Manager of the World Tourism Forum about South Africa's participation in this event
28 November – 3 December 2010	United Arab Emirates and United Kingdom	<p>WEF Summit on the Global Agenda in Dubai and Tourism related meetings in London</p> <ul style="list-style-type: none"> Minister attended and chaired sessions at the WEF Summit on the Global Agenda in preparation for Davos Minister met with the World Travel and Tourism Council (WTTC) to discuss South Africa's engagement in the WTTC programme of work and the 2011 summit, as well as emerging tourism growth barriers in the aviation tax regimes
25–28 January 2011	Switzerland	<p>Member of the official South African delegation to the Annual Meeting of the World Economic Forum (WEF)</p> <ul style="list-style-type: none"> The theme of the meeting was "Shared Norms for the New Reality" Minister also participated as Chairperson of the WEF's Aviation, Travel and Tourism Committee in the proceedings of the Council where they focused on issues of regulatory reform in the aviation industry, travel barriers, the changing profile of consumers/tourists, and shifting markets in travel and tourism



DATES	COUNTRY	PURPOSE
6–11 March 2011	Principality of Andorra and Germany	<p>United Nations World Tourism Organisation (UNWTO) 1st Global Tourism Forum, Principality of Andorra</p> <p>International Tourismus Borse (ITB), Berlin</p> <ul style="list-style-type: none"> Minister addressed the UNWTO 1st Global Tourism Forum – Building New Models for Tourism Growth: Competitiveness & Responsibly High Level Ministerial meeting's focus was on Mainstreaming Tourism in the Political and Economic Agendas ITB is one of the biggest tourism trade platforms globally in South Africa South African Tourism (SAT) had a stand at ITB and Minister officiated at the opening, addressed the Emerging Tourism Entrepreneur of the Year Awards (ETEYA) finalists and hosted a meeting of Ministers from like-minded, long haul destinations at the SA Embassy in Berlin on the impact of aviation taxes on the countries respective tourism economies. A Joint Communiqué was adopted outlining the views

Official International Visits by Ms Tokozile Xasa, MP
DEPUTY MINISTER OF TOURISM: 15 May 2010 - 18 March 2011

DATES	COUNTRY	PURPOSE
15–16 May 2010	Victoria Water Falls, Zimbabwe	<ul style="list-style-type: none"> Official Ministerial visit
20–21 April 2010	Blantyre, Malawi	<ul style="list-style-type: none"> Attended RETOSA Board Meeting in Malawi
22–28 April 2011	Greece, Athens	<ul style="list-style-type: none"> International Conference on Sustainable Tourism and to host an Embassy National Day event
16–18 May 2010	Algiers, Algeria	<ul style="list-style-type: none"> 50th UNWTO CAF (Commission for Africa) held in the Algiers, Algeria.
21–22 May 2010	Athens, Greece	<ul style="list-style-type: none"> Follow up meetings with stakeholders in Greece
23–26 May 2010	Istanbul, Ankara, Turkey	<ul style="list-style-type: none"> Deputy President's State visit to Turkey
5–8 June 2010	Iguazu, Argentina	<ul style="list-style-type: none"> The Deputy Minister and the Private Secretary with the support of the Department attended the 88th Session of the UNWTO Executive Council
29 August–6 September 2010	Shanghai & Beijing, China	<ul style="list-style-type: none"> The Deputy Minister and the Head of Office attended the World Expo in Shanghai and visited the SAT offices in Beijing
18–20 October 2010	Cairo, Egypt	<ul style="list-style-type: none"> Presidential State Visit
12–14 October 2010	Dubai, UAE	<ul style="list-style-type: none"> UAE visit was on an invitation by the Royal Group to Show case the sporting and tourism attractions. The visit was more a an exploratory exercise since the group is planning to invest in South Africa and wanted to give the delegation a sense of what the plan entails firsthand
15–22 November 2011	Porto Valerta, Mexico	<ul style="list-style-type: none"> UNWTO 7th International Tourism Forum for Parliamentarians and Local Authorities
23–25 November 2010	Nairobi, Kenya	<ul style="list-style-type: none"> State visit by Deputy President Kgalema Motlanthe. DM met with her Kenyan counterpart to discuss the implementation of the Executive Programme which is aimed at activating the Agreement on Cooperation in the Field of Tourism that was signed by the two countries on 26 August 1997



DATES	COUNTRY	PURPOSE
20–22 January 2011	FITUR, Spain	<ul style="list-style-type: none"> The FITUR Tourism Trade Fair in Madrid, Spain is an annual event. The Fair is the third largest tourism trade fair in the world after ITB, Berlin and the World Travel Market in London. It has more than 12 000 exhibiting companies from 166 countries The Deputy Minister met with the Amadeus IT Group CEO and his team to discuss progress made and plans of expanding the Social Responsibility Programme to other provinces A meeting with the UNWTO focuses on plans by the UNWTO to collaborate with South Africa on upcoming fora and events in Southern Africa and the continent
14–18 March 2011	Paris, France	<ul style="list-style-type: none"> Visit to the South African Tourism country office, officiate the Ubuntu Awards in Paris and attend a Launch of an activation campaign

Legal and Constitutional Mandate



Johannesburg, Gauteng Province: The Constitutional Court in the Constitution Hill Precinct, Hillbrow



Legal and Constitutional Mandate

The mandate and core business of the National Department of Tourism is underpinned by the Constitution and all other relevant legislation and policies applicable to the Government. Its specific mandate is derived from the following:

1. Cabinet and Ministerial Directives and Policy decisions.
2. Batho Pele White Paper.
3. White Paper on Tourism Development and Promotion, 1996.
4. Tourism Act, 1993 (Act No 72 of 1993) as amended.
5. Regulations regarding Tourist Guides, as published in Government Gazette No 15607, dated 8 April 1994.
6. Regulations regarding Tourism Travel Insurance, as published in Government Gazette No 15808, dated 24 June 1994.
7. Regulations regarding Tourist guides, as published in Government Gazette No 22563, dated 17 August 2001.
8. Public Finance Management Act 1 of 1999 as amended.
9. Treasury Regulations.
10. Public Service Act, 1994 (Act 103 of 1994) as amended.
11. Public Service Regulations, 2001 as amended.
12. Promotion of Access to Information Act, 2000 (Act 2 of 2000) as amended and its Regulations.
13. Promotion of Administrative Justice Act, 2000 (Act 3 of 2000) as amended and its Regulations.
14. Intergovernmental Relations Framework Act, 2005 (Act No 13 of 2005).

Vision, Mission and Values



Mpumalanga Landscape (South Africa)



Vision, Mission and Values

Vision

To be globally celebrated as a leader in tourism excellence.

Mission

Collectively and boldly promoting responsible and sustainable tourism for the benefit of all South Africans.

Values

The following departmental values (**Prosper**) are based on the broader South African value of **Ubuntu** and Public Service **Batho Pele** Principles:

- A **R**esponsible government department
- that is **R**esponsive to the needs of the people,
- **S**erving them with **P**ride and **E**xcellence,
- With a sense of **P**rofessionalism
- and **O**penness.

Executive Management



Ambassador L M Makhubela
Director-General



Mr Dirk van Schalkwyk
Chief Operations Officer



Ms Lerato Matlakala Deputy
Director-General (Acting): Tourism
Development



Ms Bulelwa Seti
Deputy Director-General (Acting):
Tourism Growth



Mr Victor Tharage Deputy
Director-General : Policy,
Research, Monitoring and
Evaluation

Accounting Officer's Overview

The 2010/11 financial year has been both an exciting and challenging one, not just for the department, but for the country as a whole. It was the year in which the current administration completed the second year of its five-year term. There was also macro-restructuring of departments. We finalised the processes related to macro-restructuring, which resulted in the National Department of Tourism (NDT) being established as a department separate from the Department of Environmental Affairs. NDT remained focused on ensuring that it delivers on commitments made in the departmental strategic plan.

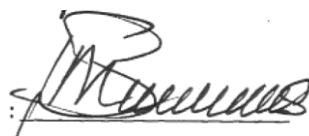
The 2009 Provisional Tourism Satellite Account published recently by Statistics South Africa shows that tourism directly contributed 2.8% to Gross Domestic Product (GDP) in 2009 and accounted for 4.1% of total employment in the same year¹. South Africa continues to outperform global tourism growth, which grew by 6.6%² in 2010, while tourist arrivals to South Africa grew by 15.1%³.

The department's frontline services continue to be the flagship of the organisation in our drive to promote access, with 98% of all customer requests being effectively processed as per service delivery standards. The department has achieved a 70% share of voice in the media, which has resulted in positive coverage of the ministry and the department. The department also achieved 100% uptime of the website, with no network interruptions. The implementation of Performance Management Development System (PMDS) is underway to ensure skilled, capable and competitive human capital in the department.

We implemented the Social Responsibility Implementation (SR) programme and supported the Tourism Enterprise Partnership (TEP) which seeks to contribute to job creation through the use of labour-intensive methods targeting the unemployed, youth, women, the disabled and SMMEs. 8 090 full-time equivalent jobs were created

through these programmes. A total number of 25 390 accredited training person days were created through Medium-Term Expenditure Framework (MTEF) Base-line Budget. In addition to the above, a total number of 6 050 accredited training person days were created through the MTEF Wage incentive. These interventions intend to build and improve the skills and capacity levels of the Expanded Public Works employees employed in the Social Responsibility projects.

We finalised and launched the National Tourism Sector Strategy (NTSS) which intends to coordinate the efforts of all role players in the achievement of tourism objectives. With regard to the promotion of responsible tourism practices, we have cooperated with the South African Bureau of Standards to develop the National Minimum Standards for Responsible Tourism. The annual Mye o Awards on responsible tourism were successfully hosted in partnership with Federation of Hospitality Associations of South Africa (FEDHASA) on 10 November 2010. The services online registration for service providers, E-library, events calendar are now accessible through NDT portal. To encourage intergovernmental coordination in the pursuit of tourism growth and development objectives, department analysed 9 Provincial Growth and Development Strategies (PGDSs) and 67 municipal Integrated Development Plans (IDPs). A total of 9 PGDSs and 170% of the Municipal IDPs analysed integrated tourism priorities. A total number of 14 000 frontline staff on service excellence training programme were trained towards FFA 2010 World Cup. The programme seeks to ensure competitiveness of the tourism sector.



AMBASSADOR LM MAKHUBELA
DIRECTOR-GENERAL

¹ Tourism Satellite Account, provisional 2009, March 2011

² Source: UNWTO World Tourism Barometer Vol 9, April 2011

³ Source: South African Tourism: Tourist Arrivals Report December 2010

Public Entity

Reporting to the Minister of Tourism

The following Public Entity reports to the Minister:

- South African Tourism

South African Tourism is the national tourism agency responsible for marketing South Africa as a tourism destination of choice internationally and domestically. It was established in terms of the Tourism Act of 1993 (Act No. 72 of 1993).

Some of the key achievements of South African Tourism during the 2010/11 financial year include:

- Contributing to an all-time high of 8 073 552 international tourist arrivals in 2010 (an increase of 15.1% on the 2009 tourism figures and well above the 6.6% rate of global tourism growth in 2010).
- Contributing to 29.7 million domestic trips in 2010, with travel for the primary purpose of holidaying increasing to 13.4%.
- Reaching over 1.8-billion consumers in the 2010/11 financial year through a combination of brand and channel-specific commercials and online and programme sponsorships.
- Contributing to the hosting of the successful 2010 FIFA World Cup, which saw 309 554 tourist arrivals specifically for the tournament, who spent around R3.64 billion during the tournament.
- South African Tourism generated over R11-billion worth of media coverage for the destination in the 2010/11 financial year, driven by the massive media interest generated by South Africa's hosting of the 2010 FIFA World Cup.
- South African Tourism branded the 2010 FIFA World Cup media centres, which catered for 15 000 journalists and was voted the "Best Press Facility" of the year by the International Sports Press Association.
- South African Tourism's e-Marketing division delivered a 61.11% growth in online traffic to its website, www.southafrica.net, with partnerships with the likes of WAYN.com, TripAdvisor.com and Expedia.com collectively delivering more than 28 983 000 page impressions on its web platforms.
- South African Tourism's search engine marketing and paid search campaigns globally delivered more than 316 456 500 search results for the destination.
- Meetings Africa, South African Tourism's premier business tourism trade platform, attracted almost 3000 attendees.
- INDABA 2010 was the biggest event on the African tourism calendar, attracting 1 813 exhibitors in 2010.
- The revision of the grading criteria by the Tourism Grading Council of South Africa, entailing the review of grading criteria and minimum requirements.

Programme Performance Report



THEIR LIVES IN THE STRUGGLE

The Hector Pieterse Memorial in Soweto

111

Programme Performance Report

The activities of the National Department of Tourism are organized in the following programmes:

Programme 1: Administration

Programme 2: Tourism Development

Programme 3: Tourism Growth

Programme 4: Policy, Research, Monitoring and Evaluation

Programme 1: Administration

Purpose: To provide strategic leadership, centralised administration, executive support and corporate services.

Strategic Theme: Public Education, Awareness and Outreach					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for variance
			Target	Actual	
To create a positive image of the department	Percentage increase in the share of own voice in the media	32%	40%	70%	<ul style="list-style-type: none"> The impact of the 2010 FIFA World Cup
To create a tourism culture in the country	Number of tourism awareness initiatives	No baseline	1	3	<ul style="list-style-type: none"> Other opportunities occurred and were exploited to raise awareness
To empower South Africans through access to tourism information	Number of information publications available at existing centres/on website	1 –Publications such as 'Starting up a Tourism Business' on NDT website	1	1	
	Number of official languages used	Overarching government guidelines on languages	Develop a language policy	Not achieved.	<ul style="list-style-type: none"> This is still being pursued. Consultations completed with the Department of Arts and Culture (custodians of government's language policy)
	Number of community-based media platforms (agreements with community radio stations)	On ad-hoc basis	2	4	<ul style="list-style-type: none"> Other opportunities occurred and were exploited to communicate the tourism agenda

Strategic Theme: Public Education, Awareness and Outreach					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for variance
			Target	Actual	
	Number of diverse electronic media platforms (public broadcaster; regional radio stations, community media)	Currently mainstream electronic media	4	8	<ul style="list-style-type: none"> Other opportunities occurred and were exploited to communicate the tourism agenda
	Number of new services accessible through NDT web portal (online registration for service providers, E-library, events calendar etc.)	Currently the only interactive element is the 'Comments' facility on the website	2	3	<ul style="list-style-type: none"> As a new department we prioritised accessibility of information and services
	Average monthly traffic on NDT website by external people (hits report)	14 000	15 000	296 192	<ul style="list-style-type: none"> The impact of the 2010 FIFA World Cup
	Percentage of NDT website's up time	95%	95%	100%	<ul style="list-style-type: none"> There were no network interruptions
	Percentage of compliance to PAIA requirements	100%	100%	100%	
To create collective ownership of the sector through stakeholder participation To create a caring and compassionate department	Number of stakeholder engagement initiatives (joint sessions – government and industry representatives)	Engagements have been issue based	1	5	<ul style="list-style-type: none"> Other opportunities occurred and were exploited to communicate the tourism agenda
To create a caring and compassionate department	Percentage of call centre requests processed as per service delivery standards	100%	85%	98%	<ul style="list-style-type: none"> The target was informed by the fact that we were setting up a new independent call centre and anticipated delays in response

Programme Performance Report

Strategic Theme: Public Education, Awareness and Outreach					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for variance
			Target	Actual	
	Percentage of visitors to the contact centre successfully attended to	100%	85%	95%	<ul style="list-style-type: none"> Only 10 of the 218 queries could not be dealt with within the 48 hour standard

Strategic Theme: A Better Africa and a Better World					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for variance
			Target	Actual	
Facilitate a conducive global environment that supports growth, developments and sustainability of Tourism in South Africa	Percentage of negotiated international agreements on tourism growth, development and knowledge services signed	50%	50%	25%	<ul style="list-style-type: none"> Reliance on other parties to the agreement for the signing. All the actions that NDT is responsible for have been completed Vietnam: Agreement signed Malawi: The draft agreement has been sent to Malawi for their comments Saudi Arabia: Awaiting the date for signing Zimbabwe: Redrafted the agreement and awaiting Zimbabwe's Cabinet approval

Strategic Theme: A Better Africa and a Better World					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for variance
			Target	Actual	
To contribute to Good Global Tourism Governance	Percentage of participation / representation in the international forums / organisations identified and prioritised for participation / representation by South African tourism industry associations	To be determined	50%	25%	<ul style="list-style-type: none"> Postponement of the ATA Presidential Forum meeting scheduled for 2010/2011 which will now only take place in September 2011
	Percentage of the South African mandates successfully negotiated at multilateral forums	65%	50%	50%	
Contribute to strengthening of Regional, South-South and South-North Cooperation and Integration	Number of initiatives aimed at promoting integration of tourism in Southern African Development Community (SADC)	To be determined	2	4	<ul style="list-style-type: none"> Other opportunities occurred and were exploited to promote regional integration
	Number of regional tourism capacity building initiatives facilitated	UNWTO agreement	2	2	

Programme Performance Report

Strategic Theme: A Better Africa and a Better World					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for variance
			Target	Actual	
	Percentage of New Partnership for Africa's Development (NEPAD) tourism action plan initiatives implemented	Tourism NEPAD Action Plan	50%	Not achieved.	<ul style="list-style-type: none"> Reliance on other role players (co-funding)
	Number of events supported to promote regional tourism growth and development	To be determined	2	2	
	Number of tourism priorities initiative supported through South-South Cooperation	IBSA agreement	2	3	<ul style="list-style-type: none"> Another opportunity occurred and was exploited to promote South-South cooperation
	Number of tourism priorities initiative supported through South-North Cooperation	To be determined	2	2	

Strategic Theme: Human Capital Management and Development					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for variance
			Target	Actual	
Ensure availability of adequate human capital	Percentage of vacancies	42%	30%	19%	<ul style="list-style-type: none"> Filling of vacancies was prioritised with a recruitment drive to enable the NDT to meet its goals, deliver on its obligations in the Outcomes Based Approach and the New Growth Path

Strategic Theme: Human Capital Management and Development					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for variance
			Target	Actual	
	Percentage of employees departing from NDT per year	10% of employees departing from NDT per year	13%	9.24%	<ul style="list-style-type: none"> The target was to keep the turnover rate at below 13%
Ensure skilled, capable and competitive human capital	Percentage of implementation of Performance Management Development System (PMDS) Policy Framework	PMDS Policy Framework in place	95%	98%	<ul style="list-style-type: none"> The target was to ensure a minimum 95% implementation
	Percentage of implementation of Human Resources Development (HRD) Strategy (annual plan)	2010/2011 WSP	50%	100%	<ul style="list-style-type: none"> The target was to ensure a minimum 50% implementation
Ensure employee well-being and productivity	Percentage of employee relations cases processed within prescribed timeframes	100%	95%	100%	<ul style="list-style-type: none"> The arbitration hearing for 1 case of unfair dismissal that was referred to the GPSSBC was scheduled for 19 May 2011 which fell outside the reporting period under review. The department had complied 100% with all the process that fall within its responsibility
	Percentage of Implementation of Employee Wellness Plan	Employee Wellness Support Programme in place (including HIV/ AIDS)	70%	81%	<ul style="list-style-type: none"> The target was to ensure a minimum 70% implementation

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Strategic Theme: Human Capital Management and Development					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for variance
			Target	Actual	
Ensure representation of designate groups in the work force	Percentage of representation of women	48%	50%	53%	<ul style="list-style-type: none"> The target was to ensure a minimum of 50% women representation in the department
	Percentage of representation of people with disability	2%	2%	2%	
	Percentage of representation of blacks	71%	75%	91%	<ul style="list-style-type: none"> The target was to ensure a minimum of 75% blacks' representation in the department

Strategic Theme: Good Governance					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for variance
			Target	Actual	
Ensure economic, efficient and effective use of departmental resources towards achievement of government mandate	Report of the Auditor-General (AG)	New department	Unqualified audit reports	<ul style="list-style-type: none"> The interim reports were issued on the 15 March 2011 and presented to Management and Audit Committee on 24 March 2011 	<ul style="list-style-type: none"> Final Audit Report that states qualified or unqualified opinion will be issued in July 2011 after completion of audit of the financial statements
Reduce departmental risk exposure	Percentage of compliance with relevant prescripts and service standards	New department	90%	<ul style="list-style-type: none"> 100% compliance 	

Strategic Theme: Good Governance					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for variance
			Target	Actual	
Maximise the use of allocated financial resources	Percentage of expenditure of Departmental MTEF budget	New department	95%	<ul style="list-style-type: none"> Total budget spent for 2010/2011 financial year is 96.6% 	
Ensure the use of government procurement to promote transformation	Percentage of expenditure on procurement from BBBEE or BEE enterprises	New department	58%	59%	
To ensure alignment and cooperation with Public Entities	Percentage of compliance by Public Entities, with agreed governance and performance requirements	100%	100%	100%	
To ensure public accountability and transparency	Percentage of compliance with statutory tabling requirements	100%	100%	100%	
	Percentage of Parliamentary Questions for which responses have been provided with specified time frames	95%	95%	100%	<ul style="list-style-type: none"> Parliamentary Questions were submitted within required timeframes

Reasons for major variances

The department conducted a mid-term review of its Strategic Plan 2010/2011 financial year with the emphasis on its annual targets on 26 – 28 October 2010. During the review, the department considered emerging issues such as departmental priorities, targets and resource allocation for the next bi-annual of the 2010/11 financial year. The following mentioned amendments were approved by the Minister and communicated to the Select Committee on Trade and International Relations and the Portfolio Committee on Tourism.

Strategic Objectives	Key Performance Indicators (KPI)	Proposed Amendments
To create a tourism culture in the country	Number of tourism awareness initiatives	The quarterly milestone 3 (Q3) to be shifted to the first quarter (Q1) of the next financial year 2011/2012, based on the revamping of the event
To create a caring and compassionate department	Percentage of call centre requests processed as per service delivery standards	The milestone in quarter 3 (Q3) to be shifted to the first quarter of the next financial year 2011/12, due to the process of moving to the new building. Currently we are sharing with our sister Department, Department of Environmental Affairs (DEA)
	Percentage of visitors to the contact centre successfully attended to	The milestone in quarter 3 (Q3) to be shifted to the first quarter of the next financial year 2011/12, due to the process of moving to the new building. Currently we are sharing with our sister Department, Department of Environmental Affairs (DEA)
Facilitate a conducive global environment that supports growth, developments and sustainability of Tourism in South Africa	% of negotiated international agreements on tourism growth, development and knowledge services signed	The targets were amended to remove obligation to sign from the department's responsibility as this falls outside our domain

Programme 2: Tourism Development

Purpose: To facilitate and support the development of an equitable tourism sector.

Strategic Theme: People Empowerment and Job Creation					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
To contribute to job creation through the use of labour-intensive methods targeting the unemployed, youth, women, the disabled and SMMEs	Number of Full-Time Equivalent jobs created from the MTEF Baseline Budget	0	9 861 4 287 - Social Responsibility Implementation (SRI) 5 574 - Tourism Enterprise Partnership (TEP)	8 090 SRI = 1 864 TEP = 6 226 Total = 8090	<ul style="list-style-type: none"> There were not enough projects which can generate sufficient EPWP outputs i.e. job days and training days Additional projects were approved in October 2010 and February 2011 for funding and implementation

Strategic Theme: People Empowerment and Job Creation					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	Number of Full-Time Equivalent jobs created from the MTEF Expanded Public Works Programme (EPWP) Wage Incentive Budget	0	1 069	51	<ul style="list-style-type: none"> Projects only commenced with implementation in the third (3rd) and fourth (4th) quarter as detailed planning sustainability and accountability controls was being undertaken
To build and improve the skills and capacity levels of the Expanded Public Works workers employed in the Social Responsibility projects	Number of accredited training person days created from MTEF Baseline Budget	0	17 629	25 390	<ul style="list-style-type: none"> Additional projects were approved in October 2010. Training is done during first phase of the implementation of the project

Programme Performance Report

Strategic Theme: People Empowerment and Job Creation					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	Number of accredited training person days created from the MTEF EPWP Wage Incentive Budget	0	2 323	6 050	<ul style="list-style-type: none"> Additional projects were approved in October 2010. Training is done during first phase of the implementation of the project

Strategic Theme: Tourism Sector Transformation					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
To ensure demographic representativity within the tourism sector	Percentage of black majority owned tourism enterprises in line with the Tourism Charter	To be determined from 2010 State of Transformation Research	30%	<ul style="list-style-type: none"> Research indicates the following percentages of enterprises comply with the 30% ownership target <ul style="list-style-type: none"> 22.8% of large enterprise 21.3% of Qualifying Small Enterprises (QSE) 17.7% of the Exempt Micro Enterprises (EME) 	<ul style="list-style-type: none"> The main focus for this period was to establish a baseline on transformation in the tourism sector and on establishing systems for monitoring compliance

Strategic Theme: Tourism Sector Transformation					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	Percentage of state organs compliant with Tourism Charter and scorecard	To be determined	20%	<ul style="list-style-type: none"> • % not determined • Online user requirements signed off and ready for activation • Local government liaison strategy developed and presented to focal points • National database of SCM developed and meetings are being scheduled for the 1st quarter of the next financial year • Internal information session on B-BBEE hosted in January • Oversight visits to 8 provinces conducted covering 18 enterprises • Draft MOU on reporting requirements by provinces developed and presented to provinces 	<ul style="list-style-type: none"> • The main focus for this period was to establish a baseline on transformation in the tourism sector and on establishing systems for monitoring compliance
	Percentage of black new graduates absorbed by the sector	To be determined	10%	<ul style="list-style-type: none"> • Compliance levels according to research: <ul style="list-style-type: none"> • 62% of large enterprises • 29% of Qualifying Small Enterprises QSE's • 14% of EME's • Database updated and currently sitting with 300 available black talents 	<ul style="list-style-type: none"> • The main focus for this period was to establish a baseline on transformation in the tourism sector and on establishing systems for monitoring compliance

Programme Performance Report

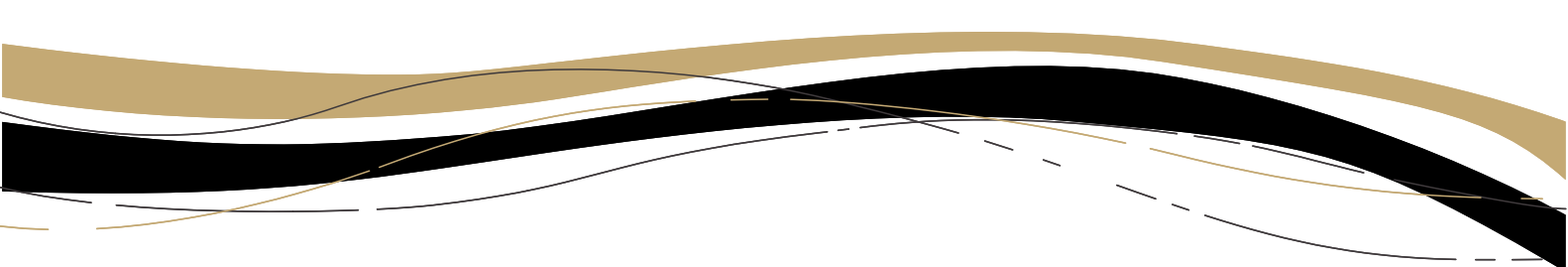
Strategic Theme: Tourism Sector Transformation					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	Increase in the number of black women in executive positions and ownership of businesses	To be determined	20	<ul style="list-style-type: none"> TEP partnership for the mentorship of women which will see women being allocated international mentors to support them in the development and implementation of their business plans has been agreed to Interim report on the BEE study has been released providing insights on the participation of women in the sector Mentorship launch planned for March 2011 was postponed due to clashing schedules) 	<ul style="list-style-type: none"> The main focus for this period was to establish a baseline on transformation in the tourism sector and on establishing systems for monitoring compliance
	Percentage of Exempt Micro Enterprises verified with a BEE rating	To be determined	10%	<ul style="list-style-type: none"> 3% EME survey respondents had a verified BEE rating and 9% did not know 	<ul style="list-style-type: none"> The main focus for this period was to establish a baseline on transformation in the tourism sector and on establishing systems for monitoring compliance

Strategic Theme: Tourism Sector Transformation					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	Percentage of Qualifying Small Enterprises verified with a BEE rating	To be determined	25%	<ul style="list-style-type: none"> 13% QSE's survey respondents had a verified BEE rating and 21% did not know 	<ul style="list-style-type: none"> The main focus for this period was to establish a baseline on transformation in the tourism sector and on establishing systems for monitoring compliance
	Percentage of Large Enterprises verified with a BEE rating	To be determined	40%	<ul style="list-style-type: none"> 45% of survey respondents had a verified BEE rating and 3% did not know 	<ul style="list-style-type: none"> Own initiative of industry by complying with the Charter
	Percentage of compliant businesses (level 4 and above)	To be determined	30%	<ul style="list-style-type: none"> 45% of large enterprises and 75% of QSE's achieved compliance 	<ul style="list-style-type: none"> Own initiative of industry by complying with the Charter
	Designate group members as a percentage of beneficiaries of the Tourism Enterprise Development Programme	To be determined	50% women	30.66%	<ul style="list-style-type: none"> This target was new addition to TEP's targets and therefore this was not a focus area previously

Strategic Theme: Sustainable Tourism Sector Growth and Development					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
To address imbalanced geographic spread and seasonality of tourist and visitors	Number of accommodation and conferencing facilities developed in less-visited provinces	8	8 initiated	10	<ul style="list-style-type: none"> More projects met the criteria for EPWP projects

Programme Performance Report

Strategic Theme: Sustainable Tourism Sector Growth and Development					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	Number of accommodation and conferencing facilities upgraded in less-visited provinces	4	4	2	<ul style="list-style-type: none"> Not enough upgrading projects in the year under review
	Number of Visitor Information or Tourism or Interpretation Centres developed and/or upgraded in less-visited provinces	5	3	3	
	Number of new niche tourism products and/or attractions developed in less-visited provinces	0	1	1	
	Number of existing tourism products and/or attractions upgraded in less-visited provinces	0	8	8	



Strategic Theme: Sustainable Tourism Sector Growth and Development					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	Number of Culture, Heritage and Social History tourism products identified, developed and packaged	Baseline research to be undertaken	4	<ul style="list-style-type: none"> A draft Memorandum of Understanding (MoU) between the department and Department of Arts and Culture has been vetted Heritage Monument project has been completed including Terms of Reference, business plan finalized; Service Level Agreement and all payments have been made A draft Culture and Heritage Tourism Strategy is done 	<ul style="list-style-type: none"> The focus was on developing the strategy that would inform development and packaging of products

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Strategic Theme: Sustainable Tourism Sector Growth and Development					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	Availability and spread of supported events and festivals across the country (1 per province)	Baseline research to be undertaken	Strategy in place	<ul style="list-style-type: none"> Communication with stakeholders was done A draft National Events Strategy is done Calendar of Events Guidelines is in place Consulted and sourced events strategy documents from provinces Identified provincial needs in relation to events strategy 	<ul style="list-style-type: none"> Process to finalise the strategy took longer than anticipated
	Number of niche tourism products developed and packaged within the country (edu-tourism, shopping tourism, home stays, cruise tourism, medical etc.)	Research on medical tourism	3	<ul style="list-style-type: none"> Niche tourism framework is in place 	<ul style="list-style-type: none"> Focus was on the development of the framework and strategies for the niches
	Number of attractions upgraded and/or new ones developed in the country	Baseline survey on the state of attractions to be upgraded and/or development opportunities	4	<ul style="list-style-type: none"> This target is aligned to Social Responsibility Implementation projects mentioned above 	

Strategic Theme: Sustainable Tourism Sector Growth and Development					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
Ensure involvement of rural communities in mainstream tourism	Number of sustainable tourism products and experience in rural areas	Baseline research is required to ascertain the need	5	<ul style="list-style-type: none"> Draft rural tourism strategy has been developed Memorandum of Understanding (MoU) between the department and the Department of Rural Development and Land Reform (DRDLR) has been vetted and is ready to be signed 	<ul style="list-style-type: none"> Focus was on the development of the rural tourism strategy. NDT had to ensure alignment of the plans for rural tourism development with those of the Department for Rural Development and Land Reform to limit duplication of efforts for cost effectiveness
Entrench a culture of travel amongst South Africans	Number of Social Tourism Programme initiatives in place	Social Tourism Position Paper	1	<ul style="list-style-type: none"> Social Tourism concept document finalised 	<ul style="list-style-type: none"> Focus was on the development of the Social Tourism concept document
To increase the travel and tourism sector's contribution to economic growth	Number of direct investments attracted	Baseline research to be undertaken	3	<ul style="list-style-type: none"> Update of Tourism Investment Portfolio Trade-Invest responses Approval for renewal of Trade Invest Service Level Agreement 	<ul style="list-style-type: none"> Focus was on investment promotion

Programme Performance Report

Strategic Theme: Sustainable Tourism Sector Growth and Development					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
To promote Enterprise Development in the tourism sector	Number of enterprises supported to start up	To be determined	10 (8 rural)	<ul style="list-style-type: none"> 1 588 enterprises were supported to start up 	<ul style="list-style-type: none"> More business signed up for support from the programme
	Number of enterprises supported to grow (5% revenue and/or 5% jobs)	To be determined	10 (8 rural)	19	<ul style="list-style-type: none"> More enterprises showed an increase in turnover or jobs
	Number of businesses supported to diversify	To be determined	10(8 rural)	10 (2 rural)	
	Number of enterprises trained (tourism opportunities and competitiveness)	To be determined	100 (80 rural)	<ul style="list-style-type: none"> 4 964 (922 rural) enterprises were trained 	<ul style="list-style-type: none"> More business signed up for support from the programme
	Rand value of transactional linkages created	R168 669 332 in 2008/9 financial year	R100m (80% urban & 20%)	R 546, 450, 061	<ul style="list-style-type: none"> The increase in the number of businesses signing up for support resulted in the increase of value of transactional linkages

Reasons for major variances

The department conducted a mid-term review of its Strategic Plan 2010/2011 financial year with the emphasis on its annual targets on 26 – 28 October 2010. During the review, the department considered emerging issues such as departmental priorities, targets and resource allocation for the next bi-annual of the 2010/11 financial year. The following mentioned amendments were approved by the Minister and communicated to the Select Committee on Trade and International Relations and the Tourism Portfolio Committee.

Strategic Objectives	Key Performance Indicators (KPI)	Original Target	Approved Amendments
To address imbalanced geographic spread and seasonality of tourists and visitors	Number of Culture, Heritage and Social History tourism products identified, developed and packaged	4	Development of a strategy for Culture and Heritage and Social History Tourism
	Availability and spread of supported events and festivals across the country (1 per province)	Strategy in place	Draft Strategy in place
	Number of niche tourism products developed and packaged within the country (edu-tourism, shopping tourism, home stays, cruise tourism, medical etc)	3	2
Entrench a culture of travel amongst South Africans	Number of Social Tourism Programme initiatives in place	1	1
To increase the travel and tourism's contribution to economic growth	Number of direct investments attracted	3	1

Programme 3: Tourism Growth

Purpose: Promote growth, competitiveness and quality of the tourism sector.

Strategic Theme: Sustainable Tourism Sector Growth and Development					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
To ensure provision of decent work within the tourism sector	Percentage of compliance with the tourism sector "Decent Work Framework"	No framework for decent work in the sector	Framework in place	<ul style="list-style-type: none"> A consultative workshop was conducted on the 03 March 2011 in partnership with International Labour Organisation, Department of Labour, Tourism Business Council of South Africa, Tourism, Hospitality Education & Training Authority and 114 delegates attended both from public and private sector A draft report containing proposed elements of the framework is in place 	<ul style="list-style-type: none"> The process to develop the framework took longer than anticipated due to the need to consult with stakeholders
	South Africans as a percentage of total workforce in the tourism sector	Baseline to be determined	<ul style="list-style-type: none"> Baseline in place Framework in place 	<ul style="list-style-type: none"> A concept document was developed 	<ul style="list-style-type: none"> Research priorities for the department did not include the baseline research to inform the Framework

Strategic Theme: Sustainable Tourism Sector Growth and Development					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
To provide excellent people development within the tourism sector targeting young people	Number of educators trained to better understand tourism	18 provincial workshops held	100	805	<ul style="list-style-type: none"> Cooperation with the Department of Basic Education led to greater turnout of educators to the workshops that were held
	Number of educators placed within the tourism sector for experiential learning		10	<ul style="list-style-type: none"> Not achieved 	<ul style="list-style-type: none"> No nominations were secured from provincial departments
	Number of businesses participating in the placement programme	Current placement programme	Placement framework in place	<ul style="list-style-type: none"> The placement framework plan was developed 	
	Percentage of implementation of identified tourism sector scarce and critical skills as per report	Report on skills audit	Draft report in place	<ul style="list-style-type: none"> Report on the implementation of scarce and critical skills by THETA is in place 	

Programme Performance Report

Strategic Theme: Sustainable Tourism Sector Growth and Development					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	Number of people exposed to international and local training opportunities	150	180	242	<ul style="list-style-type: none"> Partnership arrangements that were secured with Ubuntu Institute, Passenger Rail Association of South Africa (PRASA) and the Services SETA allowed the department to cover more people
	Number of tourism graduates placed for experiential learning	80	50	300	<ul style="list-style-type: none"> Extra funding secured from Expanded Public Works Programme (EPWP)
	Percentage of tourism graduates placed for experiential learning employed	To be determined	5%	39%	<ul style="list-style-type: none"> Partnership arrangements that were secured with Passenger Rail Association of South Africa (PRASA) enabled the department to place more graduates

Strategic Theme: Sustainable Tourism Sector Growth and Development					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	Number of school leavers who register for tourism qualifications at higher learning institutions	0	200	7 557	<ul style="list-style-type: none"> NTCE and the department's engagements with educators raised more awareness amongst school leavers
	Number of young people trained as chefs	0	150	176	<ul style="list-style-type: none"> Additional funding received from EPWP
	Number of young people trained as tourism ambassadors and placed at key events	4 000	15 000	14 678	<ul style="list-style-type: none"> There were recruitment challenges

Strategic Theme: Responsible Tourism Promotion					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
To ensure Responsible Tourism Best Practices	Number of certification agencies accredited for National Minimum Standards for Responsible Tourism (NMSRT)	0	NMSRT	<ul style="list-style-type: none"> NMSRT has been published as a South African National Standard on 28 March 2011 	

Programme Performance Report

Strategic Theme: Responsible Tourism Promotion					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	Number of provinces where Universal Accessibility Awareness Campaigns targeting Tourism Associates are conducted	Brochure developed 5 500 copies distributed	9	10	<ul style="list-style-type: none"> Additional workshop was conducted in Western Cape Province due to demand
	Percentage of tourism establishments adopting and implementing Universal Accessibility minimum requirements	0	Minimum requirements for Universal Accessibility (UA) in place	<ul style="list-style-type: none"> Not achieved 	<ul style="list-style-type: none"> Legal framework on Universal Accessibility not in place
	Annual Imvelo Awards for Responsible Tourism hosted	Imvelo Awards 2009 hosted with 183 entries	1	1	

Strategic Theme: Tourism Service Excellence					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
To ensure competitiveness of the tourism sector	% of tourist guides registered in the new system	0	20%	25.3%	<ul style="list-style-type: none"> Baseline was 8000. Total registered at end of financial year is 10 024 due excellent cooperation with Provincial Government

Strategic Theme: Tourism Service Excellence					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	% of complaints addressed and resolved within 7 working days	0	Tourism Consumer protection framework in place	<ul style="list-style-type: none"> Database containing categories of complaints and referrals developed Complaints were received as follows: <ul style="list-style-type: none"> 7 complaints classified as miscellaneous were resolved 7 of the 19 accommodation related complaints were resolved 24 timeshares related complaints were received 3 of the 17 transport complaints related were resolved 1 of the 4 complaints classified as other were resolved 	<ul style="list-style-type: none"> The department took a decision to discontinue the development of the Tourism Consumer Protection Framework in view of the establishment of the Consumer Protection Commission by the Department of Trade and Industry The department is now focusing on monitoring tourism consumer complaints reported

Programme Performance Report

Strategic Theme: Tourism Service Excellence					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	% of businesses buying into the consumer protection charter	0	Framework for the Tourism Consumer Protector Charter developed and launched	<ul style="list-style-type: none"> A first draft of the framework was developed Consultations with the Department of Trade and Industry (DTI) on cooperation between the two departments on Consumer Protection Act took place 	<ul style="list-style-type: none"> The department took a decision to discontinue the development of the Tourism Consumer Protection Charter in view of the establishment of the Consumer Protection Commission by the Department of Trade and Industry
	Number of participants on service excellence training programme	To be determined	250 000	<ul style="list-style-type: none"> 14 000 frontline staff were trained towards FIFA 2010 World Cup 	<ul style="list-style-type: none"> The department took a decision to discontinue the service excellence training programme The department is of the view that the service excellence training programme can best be done by individual tourism enterprises The focus of the department is now on setting standards for Tourism Service Excellence

Strategic Theme: Tourism Service Excellence					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	% compliance with the service excellence framework by the sector	0	Standards and certification programme in place	<ul style="list-style-type: none"> Draft guidelines (concept) presented to SABS TC 288 Committee meeting and approved for registration in the SABS register Working Group established by the SABS TC228 committee to commence with the process of drafting Service Excellence Norms and Standards (28/02/2011) First Draft developed and will be discussed during the Service Excellence Working Group meeting in April 2011. Further consultations with experts on service excellence underway 	<ul style="list-style-type: none"> The process of engagement with SABS took longer than anticipated
	% implementation of the framework governing the tourism centre of excellence	No framework for centre of excellence	Concept document in place	<ul style="list-style-type: none"> Concept document in place 	

Reasons for major variances

The department conducted a mid-term review of its Strategic Plan 2010/2011 financial year with the emphasis on its annual targets on 26 – 28 October 2010. During the review, the department considered emerging issues such as departmental priorities, targets and resource allocation for the next bi-annual of the 2010/11 financial year. The following mentioned amendments were approved by the Minister and communicated to the Select Committee on Trade and International Relations and the Tourism Portfolio Committee.

Strategic Objective	Key Performance Indicators (KPI)	Approved Amendments
To ensure provision of decent work within the tourism sector	South Africa as a % of total workforce in the tourism sector	<ul style="list-style-type: none"> Defer research to 2011/12. Proposed research concept document will be presented to 4D management for approval
To provide excellent people development within the tourism sector targeting young people	Number of business participating in the placement programme	The overall target 5 establishments (which is a number of) business participating in the placement programme
	Number of people exposed to international and local training opportunities	Target reduced from 180 to 30 opportunities created
	Number of school leavers who register for tourism/hospitality qualification at higher learning institutions	The overall target should change as the branch is striving towards establishing a baseline
To ensure competitiveness of the tourism sector	Number of participants on service excellence training programme	The whole KPI and its target have been discontinued as per management decision
	Percentage compliance with the service excellence framework by the sector	<ul style="list-style-type: none"> In order for standards to be finalised as National Standards they will be gazetted (obtain comments) for a period of 60 days By the end of the 2010/11 financial year, only draft standards will be in place

Programme 4: Policy, Research, Monitoring and Evaluation

Purpose: Sector policy development, research, planning, monitoring and evaluation.

Strategic Theme: Tourism Sector Knowledge and Policy Leadership					
Strategic Objective	Key Performance Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
To inform tourism planning and decision making with timeous and relevant tourism information	Number of impact evaluation reports for tourism sector initiatives (including major events)	Proposal on the Impact of 2010 FIFA World Cup	1	1	None
		Impact of WSSD			
		Learning from the 2009 Confederations Cup			
	Frequency of State of Tourism Report	Trends Report	Draft annual State of Tourism Report for 2009/10	<ul style="list-style-type: none"> Proposal to develop the state of tourism was developed and data sourcing commenced 	<ul style="list-style-type: none"> The following information is not yet available to complete the report: <ul style="list-style-type: none"> 2010 tourism statistics not yet available from SAT (information on spend, geographic spread, purpose, domestic survey) preliminary report to be released in May at Indaba 2009 TSA report was only released on 31 March 2011 by Statistics South Africa Transformation report not yet released Accommodation database still to be updated

Programme Performance Report

Strategic Theme: Tourism Sector Knowledge and Policy Leadership					
Strategic Objective	Key Performance Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
To ensure uniformity and functionality of the tourism sector's Monitoring and Evaluation system	Percentage of compliance with sector M&E framework	M&E Green Paper	Framework approved	<ul style="list-style-type: none"> Draft M&E Framework for NTSS developed 	<ul style="list-style-type: none"> M&E Framework development was put on hold to allow for approval of NTSS by Cabinet
	Frequency of sector reporting as per M&E framework	M&E Green Paper	Per Presidency Requirements	<ul style="list-style-type: none"> All reporting requests from Presidency on Outcomes were met 	
Create an enabling policy and legislative environment for tourism growth and development	Number of tourism-related policies / strategies / legislation reviewed	Tourism White Paper Tourism Act Draft Amendment to Tourism Act	Legislation finalised	<ul style="list-style-type: none"> Draft bill was approved by MINMEC and Minister for Cabinet. Obtained comments of the State Law Adviser 	<ul style="list-style-type: none"> Consultation to the amendments to the legislation took longer than anticipated
	Number of tourism policies / strategies / legislation developed	Draft National Tourism Sector Strategy	2	2	

Strategic Theme: Tourism Sector Knowledge and Policy Leadership					
Strategic Objective	Key Performance Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	Number of tourism regulatory instruments promulgated	Tourist Guides regulations	1	<ul style="list-style-type: none"> Policy Proposal on registration of tourism businesses submitted developed 	<ul style="list-style-type: none"> The promulgation of the new Tourism Bill was deferred due to the consultative nature of legislation development. Review of timelines in line with the required consultation
Support local government tourism growth and development	Number of district and local municipalities supported to develop tourism plans, strategies and programmes	Tourism Local Government Toolkit	3	<ul style="list-style-type: none"> For efficiency purpose, the districts were clustered per Province. All districts in 3 provinces (Limpopo, Eastern Cape and Free State) were supported on the use of the Local Government Tourism toolkit and draft NTSS implications 	
To manage and conduct tourism research to inform tourism growth and development	Number of tourism research projects conducted	Tourism Satellite Account	3	3	

Programme Performance Report

Strategic Theme: Tourism Sector Knowledge and Policy Leadership					
Strategic Objective	Key Performance Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	Number of baseline indicators developed	Tourism Satellite Account	2	3	<ul style="list-style-type: none"> One report which we contributed towards is the responsibility of the Statistics South Africa ie the Tourism Satellite Account
	National Tourism Research Framework developed	Draft documents on national and provincial indicators	National and provincial indicators finalised and approved	<ul style="list-style-type: none"> Draft National and provincial indicators developed 	<ul style="list-style-type: none"> Provincial engagements on approval of the indicators delayed
			Draft National Research Framework developed	<ul style="list-style-type: none"> Draft research framework developed 	

Strategic Theme: Integrated Tourism Governance					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
To ensure integration of tourism priorities into provincial and local government planning	Number of Provincial Growth and Development Strategies (PGDSs) integrating tourism priorities	9	9	9	None
	Percentage of municipality Integrated Development Plans (IDPs) integrating tourism priorities	To be determined	10%	<ul style="list-style-type: none"> 70% of 67 municipal IDP's analysed integrate tourism priorities 	<ul style="list-style-type: none"> More cooperation from the municipalities around the country

Strategic Theme: Integrated Tourism Governance					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	Number of new information and knowledge systems and services developed (e-library, tourist guides register, events calendar etc.)	4	1	4	<ul style="list-style-type: none"> The department as newly formed had to increase access information and knowledge management systems and services to its stakeholders and public
	Percentage of the National Visitors Information Framework (NVIF) implemented	<p>Audit report on all Visitor Information Centres (VICs) in SA</p> <p>Draft National VICs framework. Framework on the Development of Fan Embassies for the 2010 FIFA World Cup</p>	NVIF finalised and approved	<ul style="list-style-type: none"> National Visitors Information Framework being consulted with Provinces 	<ul style="list-style-type: none"> The framework could not be completed due to lack of human resources and emerging priorities such as Research on conventions Bureau
To provide information to encourage domestic tourism	Number of events per province that are captured in the National Events Calendar	0			None
			1	<ul style="list-style-type: none"> 1 event in 9 provinces available on the NDT calendar (112 events in total) 	

Programme Performance Report

Strategic Theme: Integrated Tourism Governance					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
To facilitate interdepartmental contribution to tourism growth	Number of VISA restriction in Portfolio Markets reduced	Interde-partmental agreement with Home Affairs	2	<ul style="list-style-type: none"> Report on VISA & Airlift developed 	<ul style="list-style-type: none"> The achievement of this is not within the NDT mandate. The Department relied on other strategic partnerships to achieve the target
	Number of additional Aviation Frequencies secured in key tourism Portfolio Markets	Airlift Strategy and Implementation Plan	2	<ul style="list-style-type: none"> Sector response on the proposed EU Horizontal Agreement was coordinated and communicated to the Department of Transport Report on the implementation of the Airlift strategy against the portfolio Markets developed 	<ul style="list-style-type: none"> The achievement of this is not within the NDT mandate. The Department relied on other strategic partnerships to achieve the target



Reasons for major variances

The department conducted a mid-term review of its Strategic Plan 2010/2011 financial year with the emphasis on its annual targets on 26 – 28 October 2010. During the review, the department considered emerging issues such as departmental priorities, targets and resource allocation for the next bi-annual of the 2010/11 financial year. The following mentioned amendments were approved by the Minister and communicated to the Select Committee on Trade and International Relations and the Tourism Portfolio Committee.

Strategic Objectives	Key Performance indicators (KPI)	Target	Approved Amendments
To create an enabling policy and legislative environment for tourism growth and development	Number of tourism regulatory instruments promulgated	1	<ul style="list-style-type: none">• The overall target for the department, which is the promulgation of one regulatory instrument, namely the tourism legislation, will not be met within the financial year due to consultations still to be undertaken and lack of consensus on the registration issue• Tourism legislative review process is still in progress• The process for finalization of and progress on the draft NTSS is still within the planned time frames

A photograph of a blue and white cable car (gondola) suspended from a cable, moving up a steep, rocky mountain slope. The cable car has large windows and a metal frame. The background shows a rugged, layered rock face and some sparse vegetation. A black banner with white text is overlaid on the left side of the image.

Annual Financial Statements

Table Mountain Cart, Cape Town (South Africa)



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Annual Financial Statements

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Report of the Audit Committee

for the year ended 31 March 2011

We are pleased to present our report for the financial year ended 31 March 2011.

Audit Committee members and attendance

The Audit Committee consists of the members listed hereunder and meets at least four times per annum as per its approved terms of reference. During the year under review three meetings were held. Over and above the three meetings there was one combined meeting with the Department of Environmental Affairs.

Member	Number of meetings attended
Prof. H. de Jager (Chairman)(external)	3
J Rapoo (external)	3
T Bouwer (external)	3
R Rajcoomar (external)	3
K Rapoo (external)	2

The Auditor-General South Africa, National Treasury, Internal Audit and the Accounting Officer were invited to the meetings. The Accounting Officer, the Chief Financial Officer and the Chief Operating Officer attended meetings ex-officio.

Audit Committee responsibility

The Audit Committee reports that it has complied with its responsibilities arising from sections 38(1) (a) of the PFMA and Treasury Regulations 3.1. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The effectiveness of internal control

The department's system of internal control is designed to provide reasonable assurance, inter alia, that assets are safeguarded and that liabilities and working capital are efficiently managed.

Based on the approved annual internal audit plan setting out the scope, control objectives and risks, for the period covered, various reports were submitted by the internal auditors. The Management Report of the Auditor-General South Africa on the annual financial statements was also submitted to the committee.

The results of the internal and external audits indicated that controls have been operating as intended in certain areas, while in others attention should be given to strengthen and improve the controls. Where control weaknesses and other matters were reported, the Audit Committee has considered the management responses and action plans to address the matters and to facilitate corrective action and/or improvements to controls and procedures. Implementation of such corrective actions is monitored through the implementation of an issue tracking report and the follow-up review reports submitted to the committee on a regular basis.

Report of the Audit Committee

for the year ended 31 March 2011

The quality of management monthly reports submitted in terms of the PFMA

The Audit Committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued by the department during the year under review.

Evaluation of financial statements

The Audit Committee has:

- reviewed and discussed the audited annual financial statements to be included in the annual report with the Auditor-General South Africa and management;
- reviewed the Auditor-General South Africa's management report and management's response thereto;
- reviewed the department's compliance with legal and regulatory provisions; and
- reviewed adjustments resulting from the audit.

The Audit Committee concurs and accepts the Auditor-General's conclusion on the annual financial statements, and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General South Africa. Management is commended that the Audit Report is unqualified and for their attitude to take corrective actions. Progress on the execution of the plan was monitored and reported on at each Audit Committee meeting. Variations and amendments to the plan were justified and subsequently approved by the Audit Committee.

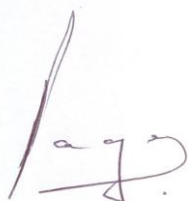
The Audit Committee is therefore satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the department in its Audit Plan.

Risk strategy

The Department has a risk management strategy in place and keeps a risk register.

Auditor-General South Africa

The Audit Committee has met with the Auditor-General South Africa to ensure that there are no unresolved issues.



Chairperson of the Audit Committee

Date: 30 July 2011

Report of the Accounting Officer

for the year ended 31 March 2011

Report by the Accounting Officer to the Executive Authority and Parliament of the Republic of South Africa.

1. General review of the state of financial affairs

The aim of the Department of Tourism is to promote and support the growth and development of an equitable, competitive and sustainable tourism sector, enhancing its contribution to national priorities.

Strategic issues facing the department

The National Department of Tourism (NDT) is a newly created department following the announcement by the president in May 2009 that a separate ministry for tourism would be created. The newly formed Department of Tourism aims to fulfil one of government's strategic priorities, which is to create the conditions for the growth and development of responsible tourism growth by promoting and developing the tourism sector. Responsible tourism is tourism that generates economic benefits for local people and enhances the wellbeing of host communities, makes positive contributions to the conservation of natural and cultural heritage, provides more enjoyable experiences for tourists through meaningful connections with local people, minimises negative economic environmental and social impacts, and is culturally sensitive in that it engenders respect between tourists and hosts to build local pride and confidence.

The department aims to increase job and entrepreneurial opportunities and encourage the meaningful participation of previously disadvantaged communities and individuals. The focus will be on facilitating the growth of the tourism industry by providing support to the public and private sectors, and the broader community. In relation to tourism specifically, the department aims to increase inbound tourism, deliver a world class visitor experience, entrench a culture of tourism among South Africans and increase the sector's contribution to job creation and the country's GDP.

Key priorities

In line with its vision of growing and developing an equitable, competitive and sustainable tourism sector, enhancing its contribution to national priorities, the department's key priorities include: increasing investment in the tourism sector; providing decent work; addressing people development; leading the world in environmentally sustainable tourism; increasing the numbers of foreign tourists to the country; effective cooperative partnerships; improving service levels; facilitating the development of quality innovative and authentic products that meet market needs; providing value for money; and inspiring more South Africans to enjoy the tourism experiences of the country.

Report of the Accounting Officer

for the year ended 31 March 2011

Spending trends

Programme R'000	Adjustment Appropriation R'000	Virement R'000	Final Appropriation R'000	Expenditure R'000	Over/(Under) Expenditure R'000
Administration	178,840	10,226	189,066	169,814	(19,252)
Tourism Development	331,683	(3,764)	327,919	306,867	(21,052)
Tourism Growth	658,728	(5,413)	653,315	653,279	(36)
Policy, Research, Monitoring and Evaluation	14,565	(1,049)	13,516	13,516	-
TOTAL	1,183,816	-	1,183,816	1,143,476	(40,340)

The virement was approved by the accounting officer in terms of section 43 of the Public Finance Management Act, 1999.

The under spending of R40,340 million is mainly due to the following:

Programme	R'000	Reason
Administration	19,252	Roll-over request for new Building
Tourism Development	21,052	Expanded Public works incentive projects allocation based on performance, compensation of employees and goods and services saving
Tourism Growth	36	Saving on transfer payment to Fedhasa
TOTAL	40,340	

The roll-over amount requested is R19,422 million which relate directly to the new building and include the following:

	R'000	
Security system	1,400	Capital
Furniture	17,022	Current / Capital
Art	500	Capital
Signage	500	Capital
TOTAL	19,422	

Report of the Accounting Officer

for the year ended 31 March 2011

2. Service rendered by the department

2.1 Services rendered

The services rendered by the department are aimed at making the tourism industry more competitive, promoting international tourism, promoting transformation, supporting job creation, supporting small town and rural tourism, reviewing existing legislation and improving tourism infra structure.

2.2 Tariff policy

The department does not charge tariffs for goods sold and/or services rendered.

2.3 Free services

The department is not a direct service delivery department and does not provide direct services.

3. Capacity constraints

Due to limited budget allocation, the department had to prioritize posts to be filled to minimize the impact on the planned programmes as per strategic plan in the first financial year of the Medium Term Expenditure Framework (MTEF). A phased in approach over the MTEF had to be implemented and only in the third year of the MTEF the total establishment of 450 posts will be funded.

4. Utilisation of donor funds

The department received no donor funding.

5. Trading entities and public entities

South African Tourism is a schedule 3(a) public entity reporting to the Minister of Tourism.

The core business of South African Tourism, established in terms of the Tourism Act (1993), is to market South Africa as a tourism destination of choice through regulating and interfacing with industry, maintaining and enhancing the standard of facilities and services for tourists, and coordinating the marketing activities of the role players in the industry.

To ensure that South Africa becomes a preferred tourism destination, South African Tourism will develop and implement a world class marketing strategy. In implementing this strategy, the organisation will facilitate the strategic alignment of the provinces and industry with the global marketing of tourism to South Africa, remove obstacles to tourism growth, build a tourist friendly nation and ensure that tourism benefits all South Africans.

Key objectives include increasing the annual volume of international tourists visiting South Africa, increasing the average spend per tourist, increasing international brand awareness of South Africa as a travel destination; and increasing the number of graded accommodation establishment.

Funding is primarily used for: running marketing offices in market countries; promoting local tourism, which helps reduce seasonality in the industry; facilitating the grading of products and services; and implementing the Tourism BEE Charter and Scorecard.

South African Tourism has rolled out a tourism marketing growth strategy based on in-depth segmentation research and international focus groups. The strategy focuses marketing activities on specific segments of tourism in particular markets.

Report of the Accounting Officer

for the year ended 31 March 2011

6. Organisations to whom transfer payments have been made

Organisation	Amount R'000	Reason for Transfer Payment
Regional Tourism Organisation of South Africa	1,930	Membership fee
United Nations World Tourism Organisation	1,335	Membership fee
Business Trust	20,000	Non profit organisation
National Business Initiative	2,200	Non profit organisation
Expanded Public Works Programme	238,281	Social responsibility Projects
Expanded Public Works Programme – Incentive	11,423	Social responsibility Projects
South African Tourism	631,685	Public entity
Tourism Business Council of South Africa	500	Non profit organisation
Federated Hospitality Association of South Africa	4,964	Non profit organisation
Bursaries	525	Social responsibility
TOTAL	912,843	

7. Public private partnerships (PPP)

The department has no new or existing public private partnerships.

8. Corporate governance arrangements

In the 2010/2011 financial year the Audit Committee of the Department was fully functional, executed its duties and responsibilities in accordance with the Public Finance Management Act (PFMA) of 1999, and the Treasury Regulations (TR). The Chairperson of the Audit Committee was Prof. H. de Jager. The other four audit committee members were:

Member	Institution	Position
Mr JR Rapoo		Consultant
Mr R Rajcoomar	FoodBev SETA	Chief Financial Officer
Mr T Bouwer	Department of Water Affairs	Consultant
Ms K Rapoo	South African Post Office	General Manager: RM

In the 2010/2011 financial year internal audits were performed by KPMG. The Risk Management Strategy was developed and the Fraud Prevention Strategy and Fraud Policy were approved by the Accounting Officer. The risk assessment was conducted for the period 2010/2011 and the risk management plan was compiled and implementation thereof was monitored by the Audit Committee on a quarterly basis. The Audit Committee met three times during the financial year on, 1 November 2010, 9 December 2010 and 24 March 2011. Over and above these three meetings there was

one combined meeting with the Department of Environmental Affairs.

9. Discontinued activities/activities to be discontinued

The Tourism Enterprise Programme (TEP) previously funded through the Business Trust will no longer exist and the funding will be transferred to the newly established "Strategic Partners in Tourism" a section 21 company for the 2011/12 financial year.

Report of the Accounting Officer

for the year ended 31 March 2011

10. New/proposed activities

The department has no new / proposed activities.

11. Asset management

The National Department of Tourism received assets (furniture and computer equipment) from the Department of Environmental Affairs. This has been taken up in the asset register of NDT and was done in accordance with section 42 of the Public Finance Management Act, 1999 (Act No.1 of 1999)

All furniture and computer equipment procured in the 2010/11 financial year were added to the asset register.

The furniture received from the Department of Environmental Affairs will however be transferred back to Environmental Affairs after 1 April 2011 in accordance with section 42 of the Public Finance Management Act, 1999 (Act No.1 of 1999)

The computer equipment will remain with NDT.

12. Inventories

The department has no store. All inventory items are direct purchases from the suppliers.

13. Events after the reporting date

The Accounting Officer of the Department of Tourism initiated a forensic audit investigation concerning the project implementers for misuse of state funds in respect of projects for the Expanded Public Works Programme. The forensic audit investigation has not yet been finalised.

14. Information on predetermined objectives

Predetermined objectives are measurable and are reported on a quarterly basis.

15. SCOPA resolutions

The department has no SCOPA resolutions.

16. Prior modifications to audit reports

None

17. Exemptions and deviations received from the National Treasury

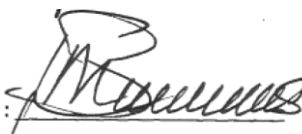
No exemptions and deviations received from National Treasury.

18. Other

None.

19. Approval

The Annual Financial Statements set out on pages 71 to 108 have been approved by the Accounting Officer.



Ambassador LM Makhubela

DIRECTOR-GENERAL

Date: 31 May 2011

Report of the Auditor-General to Parliament on Vote No. 34: Department of Tourism

for the year ended 31 March 2011

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Department of Tourism, which comprise the appropriation statement, the statement of financial position as at 31 March 2011, and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory information, and the accounting officer's report, as set out on pages 62 to 108.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with The Departmental Financial Reporting Framework prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA), and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) and section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing and General Notice 1111 of 2010 issued in Government Gazette 33872 of 15 December 2010. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Report of the Auditor-General to Parliament on Vote No. 34: Department of Tourism

for the year ended 31 March 2011

Opinion

7. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Tourism as at 31 March 2011, and its financial performance and cash flows for the year then ended in accordance with the Departmental Financial Reporting Framework prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA)

Additional matter

8. I draw attention to the matter below. My opinion is not modified in respect of this matter:

Financial reporting framework

9. The financial reporting framework prescribed by the National Treasury and applied by the department is a compliance framework. Thus my opinion would have reflected that the financial statements had been properly prepared instead of fairly presented as required by section 20(2)(a) of the PAA, which requires me to express an opinion on the fair presentation of the financial statements of the department.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

10. In accordance with the PAA and in terms of *General Notice 1111 of 2010*, issued in *Government Gazette 33872 of 15 December 2010*, I include below my findings on the annual performance report as set out on pages 21 to 57 and material non-compliance with laws and regulations applicable to the department.

Predetermined objectives

11. There were no material findings on the annual performance report concerning the presentation, usefulness and reliability of the information.

Compliance with laws and regulations

Transfer of funds

12. The accounting officer did not maintain appropriate measures to ensure that the transfers to Expanded Public Works Programme projects are applied for their intended purpose, as per the requirements of TR 8.4.1, as the audit of the Expanded Public Works Programme projects revealed a number of instances where:

- provincial project managers and project implementers did not comply with required regular reporting procedures
- project implementers did not submit external audit reports
- provincial project managers did not comply with regular monitoring procedures and did not execute regular inspection visits or review of performance as required by their performance agreement.

Management identified the Expanded Public Works Programme as an area that requires improvement in internal controls and compliance. During the year under review the department commenced with a review of all projects and will implement any corrective actions identified.

Report of the Auditor-General to Parliament on Vote No. 34: Department of Tourism

for the year ended 31 March 2011

INTERNAL CONTROL

13. In accordance with the PAA and in terms of *General Notice 1111 of 2010*, issued in *Government Gazette 33872 of 15 December 2010*, I considered internal controls relevant to my audit, but not for the purpose of expressing an opinion on the effectiveness of internal control. The matters reported below are limited to the significant deficiencies that resulted in the findings on material non-compliance with laws and regulations included in this report.

Leadership

14. The monitoring controls to ensure adherence to contractual requirements and the internal controls over the expanded public works programme were not sufficient to detect and prevent control deviations and non-compliance with laws and regulations.

Governance

15. Concerns exist about the nature, extent and frequency of management's assessment of the controls in place, relating to the expanded public works programme, to prevent and detect fraudulent activities.

OTHER REPORTS

Investigations

16. Forensic audit investigations were initiated by the accounting officer of the Department of Tourism in respect of the Expanded Public Works Program projects. These have not yet been finalised.

Auditor-General

Pretoria

28 July 2011



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence



Qunu, Eastern Cape Province : The Nelson Mandela Museum

Appropriation Statement

for the year ended 31 March 2011

Appropriation per programme

APPROPRIATION STATEMENT	2010/11							2009/10	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration Current									
payment Transfers and	147,662	(6,561)	9,963	151,064	150,978	86	99.9%	-	-
subsidies Payment for	3,265	525	-	3,790	3,790	-	100%	-	-
capital assets	27,913	6,036	263	34,212	15,046	19,166	44.0%	-	-
2. Tourism Development									
Current payment	37,700	(1)	(3,650)	34,049	33,892	157	99.5%	-	-
Transfers and subsidies	292,543	-	-	292,543	271,904	20,639	92.9%	-	-
Payment for capital assets	1,440	-	(114)	1,326	1,070	256	80.7%	-	-
Payment for financial assets	-	1	-	1	1	-	100%	-	-
3. Tourism Growth									
Current payment	21,118	(3)	(5,312)	15,803	15,803	-	100%	-	-
Transfers and subsidies	637,185	-	-	637,185	637,149	36	100%	-	-
Payment for capital assets	425	3	(101)	327	327	-	100%	-	-
4. Policy, Research, Monitoring and Evaluation									
Current payment	14,214	(19)	(1,000)	13,195	13,195	-	100%	-	-
Payment for capital assets	351	17	(49)	319	319	-	100%	-	-
Payment for financial assets	-	2	-	2	2	-	100%	-	-
TOTAL	1,183,816	-	-	1,183,816	1,143,476	40,340	96.6%	-	-
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts				1,521				-	
Actual amounts per Statement of Financial Performance (Total revenue)				1,185,337				-	
Actual amounts per Statement of Financial Performance (Total expenditure)					1,143,476				-

Appropriation Statement

for the year ended 31 March 2011

Appropriation per economic classification

	2010/11							2009/10	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	101,080	(742)	-	100,338	100,252	86	99.9%	-	-
Goods and services	119,614	(5,842)	-	113,772	113,615	157	99.9%	-	-
Transfers and subsidies									
Departmental agencies and accounts	631,685	-	-	631,685	631,685	-	100%	-	-
Foreign governments and international organisations	3,265	-	-	3,265	3,265	-	100%	-	-
Non-profit institutions	27,700	-	-	27,700	27,664	36	99.9%	-	-
Households	270,343	525	-	270,868	250,229	20,639	92.4%	-	-
Payments for capital assets									
Machinery and equipment	29,829	6,356	-	36,185	16,763	19,422	46.3%	-	-
Software and other intangible assets	300	(300)	-	-	-	-	-	-	-
Payments for financial assets	-	3	-	3	3	-	100%	-	-
TOTAL	1,183,816	-	-	1,183,816	1,143,476	40,340	96.6%	-	-

Appropriation Statement

for the year ended 31 March 2011

Programme 1 : Administration

Details per sub-programme	2010/11							2009/10	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Minister									
Current payment	1,816	(5)	-	1,811	1,811	-	100%	-	-
1.2 Deputy Minister									
Current payment	1496	(140)	-	1,356	1,356	-	100%	-	-
1.3 Management									
Current payment	8,925	(597)	-	8,328	8,291	37	99.6%	-	-
Payment for capital assets	308	-	105	413	413	-	100%	-	-
1.4 Corporate Affairs									
Current payment	105,067	(2,418)	526	103,175	103,126	49	99%	-	-
Transfers and subsidies	3,265	525	-	3,790	3,790	-	100%	-	-
Payment for capital assets	14,105	370	158	14,633	14,633	-	100%	-	-
1.5 Office Accommodation									
Current payment	30,358	(3,401)	9,437	36,394	36,394	-	100%	-	-
Payment for capital assets	13,500	5,666	-	19,166	-	19,166	100%	-	-
TOTAL	178,840	-	10,226	189,066	169,814	19,252	89.8%	-	-

Programme 1 Per Economic classification	2010/11							2009/10	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	58,421	-	525	58,946	58,860	86	99.9%	-	-
Goods and services	89,241	(6,562)	9,438	92,117	92,117	-	100%	-	-
Transfers and subsidies									
Foreign governments and international organisations	3,265	-	-	3,265	3,265	-	100%	-	-
Households	-	525	-	525	525	-	100%	-	-
Payments for capital assets									
Machinery and equipment	27,813	6,137	263	34,213	15,047	19,166	44.0%	-	-
Software and other intangible assets	100	(100)	-	-	-	-	-	-	-
TOTAL	178,840	-	10,226	189,066	169,814	19,252	89.8%	-	-

Appropriation Statement

for the year ended 31 March 2011

Programme 2 : Tourism Development

Details per sub-programme	2010/11							2009/10	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Tourism Development Management Current									
payment Payment for	3,239	744	(86)	3,897	3,897	-	100%	-	-
capital assets	112	(46)	(36)	30	30	-	100%	-	-
2.2 Product and Enterprise Development Current									
payment Transfers and	7,886	(745)	(941)	6,200	6,200	-	100%	-	-
subsidies Payment for	2,200	-	-	2,200	2,200	-	100%	-	-
capital assets	77	46	-	123	123	-	100%	-	-
2.3 Social Responsibility Implementation Current									
payment Transfers and	19,752	-	1	19,753	19,596	157	99.2%	-	-
subsidies Payment for	270,343	-	-	270,343	249,704	20,639	92.4%	-	-
capital assets	1,131	-	1	1,132	876	256	77.4%	-	-
2.4 Sector Transformation									
Current payment	6,823	-	(2,624)	4,199	4,199	-	100%	-	-
Payment for capital assets	120	-	(79)	41	41	-	100%	-	-
Payment for financial assets	-	1	-	1	1	-	100%	-	-
2.5 Business Trust									
Transfers and subsidies	20,000	-	-	20,000	20,000	-	100%	-	-
TOTAL	331,683	-	(3,764)	327,919	306,867	21,052	93.6%	-	-

Programme 2 Per Economic classification	2010/11							2009/10	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	21,479	522	(490)	21,511	21,511	-	100%	-	-
Goods and services	16,221	(523)	(3,160)	12,538	12,381	157	98.7%	-	-
Transfers and subsidies									
Non-profit institutions	22,200	-	-	22,200	22,200	-	100%	-	-
Households	270,343	-	-	270,343	249,704	20,639	92.4%	-	-
Payments for capital assets									
Machinery and equipment	1,440	-	(114)	1,326	1,070	256	80.7%	-	-
Payments for financial assets									
	-	1	-	1	1	-	100%	-	-
TOTAL	331,683	-	(3,764)	327,919	306,867	21,052	93.6%	-	-

Appropriation Statement

for the year ended 31 March 2011

Programme 3 : Tourism Growth

Details per sub-programme	2010/11							2009/10	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Tourism Growth Management Current									
payment Payment for capital assets	2,130 169	(72) (8)	(977) (76)	1,081 85	1,081 85	- -	100% 100%	- -	- -
3.2 Marketing, Responsible Tourism and Quality Assurance									
Current payment	6,768	68	(1,649)	5,187	5,187	-	100%	-	-
Payment for capital assets	145	-	(25)	120	120	-	100%	-	-
3.3 Capacity Building									
Current payment	12,220	1	(2,686)	9,535	9,535	-	100%	-	-
Transfers and subsidies	5,500	-	-	5,500	5,464	36	99.3%	-	-
Payment for capital assets	111	11	-	122	122	-	100%	-	-
3.4 South African Tourism									
Transfers and subsidies	631,685	-	-	631,685	631,685	-	100%	-	-
TOTAL	658,728	-	(5,413)	653,315	653,279	36	100%	-	-

Programme 3 Per Economic classification	2010/11							2009/10	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	12,623	(1,264)	(149)	11,210	11,210	-	100%	-	-
Goods and services	8,495	1,261	(5,163)	4,593	4,593	-	100%	-	-
Transfers and subsidies									
Departmental agencies and accounts	631,685	-	-	631,685	631,685	-	100%	-	-
Non-profit institutions	5,500	-	-	5,500	5,464	36	99.3%	-	-
Payments for capital assets									
Machinery and equipment	425	3	(101)	327	327	-	100%	-	-
TOTAL	658,728	-	(5,413)	653,315	653,279	36	100%	-	-

Appropriation Statement

for the year ended 31 March 2011

Programme 4 : Policy, Research, Monitoring and Evaluation

Details per sub-programme	2010/11							2009/10	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 Policy, Research, Monitoring and Evaluation Management									
Current payment	1,815	206	(130)	1,891	1,891	-	100%	-	-
Payment for capital assets	20	20	-	40	40	-	100%	-	-
4.2 Policy Development and Evaluation									
Current payment	6,813	(313)	(819)	5,681	5,681	-	100%	-	-
Payment for capital assets	67	3	-	70	70	-	100%	-	-
4.3 Research and Knowledge Management Current									
payment Payment for	5,586	88	(51)	5,623	5,623	-	100%	-	-
capital assets	264	(6)	(49)	209	209	-	100%	-	-
Payment for financial assets	-	2	-	2	2	-	100%	-	-
TOTAL	14,565	-	(1,049)	13,516	13,516	-	100%	-	-

Programme 4 Per Economic classification	2010/11							2009/10	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	8,557	-	114	8,671	8,671	-	100%	-	-
Goods and services	5,657	(18)	(1,115)	4,524	4,524	-	100%	-	-
Payments for capital assets									
Machinery and equipment	151	216	(48)	319	319	-	100%	-	-
Software and other intangible assets	200	(200)	-	-	-	-	-	-	-
Payments for financial assets	-	2	-	2	2	-	100%	-	-
TOTAL	14,565	-	(1,049)	13,516	13,516	-	100%	-	-

Notes to the appropriation statement

for the year ended 31 March 2011

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-D) to the Annual Financial Statements.

2. Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

3. Detail on payments for financial assets

Detail of these transactions per programme can be viewed in note 5 on Payments for financial assets to the Annual Financial Statements.

4. Explanations of material variances from Amounts Voted (after Virement):

4.1 Per Programme:

Programme name	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Administration	189,066	169,814	19,252	10.18%
Tourism Development	327,919	306,867	21,052	6.42%
Tourism Growth	653,315	653,279	36	0.01%
Policy, Research, Monitoring and Evaluation	13,516	13,516	-	-

Explanation of variance

Programme 1: Administration

The amount of R19,252 million has been committed for the payment of furniture, security system installation and the installation of video conferencing facilities in the new head office building.

Programme 2: Tourism Development

The transfer payment amount of R20,639 million for the Public Works Incentive Programme was not requested from National Treasury as the criteria could not be met by the department. The remaining R413,000 relates to savings on compensation of employees and goods and services, and also include R170,000 commitments for furniture.

Programme 3: Tourism Growth

A saving on the transfer payment to FEDHASA – R36,000.

Notes to the appropriation statement

for the year ended 31 March 2011

4.2 Per economic classification:

	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Current payment:				
Compensation of employees	100,338	100,252	86	0.08%
Goods and services	113,772	113,615	157	0.14%
Transfers and subsidies:				
Departmental agencies and accounts	631,685	631,685	-	-
Foreign governments and international organisations	3,265	3,265	-	-
Non-profit institutions	27,700	27,664	36	0.13%
Households	270,868	250,229	20,639	7.62%
Payment for capital assets				
Machinery and equipment	36,185	16,763	19,422	53.67%
Payment for financial assets	3	3	-	-

Explanation of variance

Compensation of employees and Goods and Services:

R243, 000 relates to savings on compensation of employees and goods and services.

Transfers and subsidies:

The transfer payment amount of R20,639 million for the Public Works Incentive Programme was not requested from National Treasury as the criteria could not be met by the department. The remaining R36, 000 relates to savings on the transfer payment to FEDHASA.

Payments for capital assets:

The amount of R19,422 million has been committed for the payment of furniture, security system installation and the installation of video conferencing facilities in the new head office building.

Statement of Financial Performance

for the year ended 31 March 2011

PERFORMANCE	Note	2010/11 R'000	2009/10 R'000
REVENUE			
Annual appropriation	1	1,183,816	-
Departmental revenue	2	1,521	-
TOTAL REVENUE		1,185,337	-
EXPENDITURE			
Current expenditure			
Compensation of employees	3	100,252	-
Goods and services	4	113,615	-
Total current expenditure		213,867	-
Transfers and subsidies	6	912,843	-
Expenditure for capital assets			
Machinery and equipment	7	16,763	-
Total expenditure for capital assets		16,763	-
Payments for financial assets	5	3	-
TOTAL EXPENDITURE		1,143,476	-
SURPLUS/(DEFICIT) FOR THE YEAR		41,861	-
Reconciliation of Surplus/(Deficit) for the year			
Voted Funds		40,340	-
Annual appropriation		40,340	-
Departmental Revenue to be surrendered to the revenue fund	12	1,521	-
SURPLUS/(DEFICIT) FOR THE YEAR		41,861	-

Statement of Financial Position

as at 31 March 2011

POSITION	Note	2010/11 R'000	2009/10 R'000
ASSETS			
Current assets		19,816	-
Cash and cash equivalents	8	19,051	-
Prepayments and advances	9	59	-
Receivables	10	706	-
TOTAL ASSETS		19,816	-
LIABILITIES			
Current liabilities		19,726	-
Voted funds to be surrendered to the Revenue Fund	11	19,702	-
Departmental revenue to be surrendered to the Revenue Fund	12	5	-
Payables	13	19	-
TOTAL LIABILITIES		19,726	-
NET ASSETS		90	-
Represented by:			
Recoverable revenue		90	-
TOTAL		90	-

Statement of Change in Net Assets

for the year ended 31 March 2011

NET ASSETS	2010/11 R'000	2009/10 R'000
Recoverable revenue		
Opening balance	-	-
Transfers	90	-
Debts raised	90	-
Closing balance	90	-
TOTAL	90	-

Cash Flow Statement

for the year ended 31 March 2011

CASH FLOW	Note	2010/11 R'000	2009/10 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		1,164,699	-
Annual appropriated funds received	1	1,163,178	-
Departmental revenue received	2	1,521	-
Net (increase)/decrease in working capital		(746)	-
Surrendered to Revenue Fund		(1,516)	-
Current payments		(213,867)	-
Payment for financial assets		(3)	-
Transfers and subsidies paid		(912,843)	-
Net cash flow available from operating activities	14	35,724	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	7	(16,763)	-
Net cash flows from investing activities		(16,763)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		90	-
Net cash flows from financing activities		90	-
Net increase/(decrease) in cash and cash equivalents		19,051	-
Cash and cash equivalents at the beginning of the period		-	-
Cash and cash equivalents at end of period	15	19,051	-

Accounting Policies

for the year ended 31 March 2011

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act.

1. PRESENTATION OF THE FINANCIAL STATEMENTS

1.1 Basis of preparation

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid.

1.2 Presentation currency

All amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

1.3 Rounding

Unless otherwise stated all financial figures have been rounded to the nearest one thousand Rand (R'000).

1.4 Comparative figures

The newly created National Department of Tourism does not have comparative figures in the current year's financial statements.

1.5 Comparative figures - Appropriation Statement

The newly created National Department of Tourism does not have comparative figures in the current year's financial statements.

2. REVENUE

2.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against revenue fund (i.e. statutory appropriation).

Appropriated funds are recognised in the financial records on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

Unexpended appropriated funds are surrendered to the National Revenue Fund. Any amounts owing to the National Revenue Fund at the end of the financial year are recognised as payable in the statement of financial position.

Any amount due from the National Revenue Fund at the end of the financial year is recognised as a receivable in the statement of financial position.

2.2 Departmental revenue

All departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the National Revenue Fund, unless stated otherwise.

Any amount owing to the National Revenue Fund is recognised as a payable in the statement of financial position.

No accrual is made for amounts receivable

Accounting Policies

for the year ended 31 March 2011

from the last receipt date to the end of the reporting period. These amounts are however disclosed in the disclosure note to the annual financial statements.

2.3 Direct Exchequer receipts

All direct exchequer receipts are recognised in the statement of financial performance when the cash is received and is subsequently paid into the National Revenue Fund, unless stated otherwise.

Any amount owing to the National Revenue Fund at the end of the financial year is recognised as a payable in the statement of financial position.

2.4 Direct Exchequer payments

All direct exchequer payments are recognised in the statement of financial performance when final authorisation for payment is effected on the system (by no later than 31 March of each year).

3. EXPENDITURE

3.1 Compensation of employees

3.1.1 Salaries and wages

Salaries and wages are expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Other employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements at its face value and are not recognised in the statement of financial performance or position.

3.1.2 Social contributions

Employer contributions to post employment benefit plans in respect of current employees are expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National Revenue Fund and not in the financial statements of the employer department.

3.2 Goods and services

Payments made during the year for goods and/or services are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

The expense is classified as capital if the goods and/or services were acquired for a capital project or if the total purchase price exceeds the capitalisation threshold (currently R5, 000). All other expenditures are classified as current.

Rental paid for the use of buildings or other fixed structures is classified as *goods and services* and not as *rent on land*.

3.3 Payments for financial assets

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts,

Accounting Policies

for the year ended 31 March 2011

but an estimate is included in the disclosure notes to the financial statements amounts.

All other losses are recognised when authorisation has been granted for the recognition thereof.

3.4 Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.5 Unauthorised expenditure

When confirmed unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

Unauthorised expenditure approved with funding is derecognised from the statement of financial position when the unauthorised expenditure is approved and the related funds are received.

Where the amount is approved without funding it is recognised as expenditure in the statement of financial performance on the date of approval.

3.6 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as expenditure in the statement of financial performance according to the nature of the payment and not as a separate line item on the face of the statement. If the expenditure is recoverable it is treated as an asset until it

is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

3.7 Irregular expenditure

Irregular expenditure is recognised as expenditure in the statement of financial performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable.

4. ASSETS

4.1 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost.

Bank overdrafts are shown separately on the face of the statement of financial position.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held and bank overdrafts.

4.2 Other financial assets

Other financial assets are carried in the statement of financial position at cost.

4.3 Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made and are derecognised as and when the goods/services are received or the funds are utilised.

Prepayments and advances outstanding at the end of the year are carried in the statement of financial position at cost.

Accounting Policies

for the year ended 31 March 2011

4.4 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party (including departmental employees) and are derecognised upon recovery or write-off.

Receivables outstanding at year-end are carried in the statement of financial position at cost plus any accrued interest. Amounts that are potentials irrecoverable are included in the disclosure notes.

4.5 Inventory

Inventories that qualify for recognition must be initially reflected at cost. Where inventories are acquired at no cost, or for nominal consideration, their cost shall be their fair value at the date of acquisition.

All inventory items at year-end are reflected using the weighted average cost or FIFO cost formula.

4.6 Capital assets

4.6.1 Movable assets

Initial recognition

A capital asset is recorded in the asset register on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the movable capital asset is stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

All assets acquired prior to 1 April 2002 are included in the register at R1.

Subsequent recognition

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as "expenditure for capital assets" and is capitalised in the asset register of the department on completion of the project.

Repairs and maintenance is expensed as current "goods and services" in the statement of financial performance.

4.6.2 Immovable assets

Initial recognition

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the immovable capital asset is stated at R1 unless the fair value for the asset has been reliably estimated.

Subsequent recognition

Work-in-progress of a capital nature is recorded in the statement of financial performance as "expenditure for capital assets". On completion, the total cost of the project is included in the asset register of the department that is accountable for the asset.

Repairs and maintenance is expensed as current "goods and services" in the statement of financial performance.

5. LIABILITIES

5.1 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities.

Accounting Policies

for the year ended 31 March 2011

These payables are carried at cost in the statement of financial position.

5.2 Contingent liabilities

Contingent liabilities are included in the disclosure notes to the financial statements when it is possible that economic benefits will flow from the department, or when an outflow of economic benefits or service potential is probable but cannot be measured reliably.

5.3 Contingent assets

Contingent assets are included in the disclosure notes to the financial statements when it is probable that an inflow of economic benefits will flow to the entity.

5.4 Commitments

Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

5.5 Accruals

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

5.6 Employee benefits

Short-term employee benefits that give rise to a present legal or constructive obligation are

disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the statement of financial performance or the statement of financial position.

5.7 Lease commitments

Finance lease

Finance leases are not recognised as assets and liabilities in the statement of financial position. Finance lease payments are recognised as an expense in the statement of financial performance and are apportioned between the capital and interest portions. The finance lease liability is disclosed in the disclosure notes to the financial statements.

Operating lease

Operating lease payments are recognised as an expense in the statement of financial performance. The operating lease commitments are disclosed in the disclosure notes to the financial statement.

5.8 Impairment and other provisions

The department tests for impairment where there is an indication that a receivable may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year-end.

Provisions are disclosed when there is a present legal or constructive obligation to

Accounting Policies

for the year ended 31 March 2011

forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.

6. RECEIVABLES FOR DEPARTMENTAL REVENUE

Receivables for departmental revenue are disclosed in the disclosure notes to the annual financial statements.

7. NET ASSETS

7.1 Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National Revenue Fund when the underlining asset is disposed and the related funds are received.

7.2 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

8. RELATED PARTY TRANSACTIONS

The newly created National Department of Tourism does not have related party transactions and comparative figures in the current year's financial statements.

9. KEY MANAGEMENT PERSONNEL

Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes.

10. PUBLIC PRIVATE PARTNERSHIPS

The newly created National Department of Tourism does not have PPP agreements.

Notes to the Annual Financial Statements

for the year ended 31 March 2011

1. Annual appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds)

		2010/11		2009/10
	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Appropriation received
Programmes	R'000	R'000	R'000	R'000
Administration	189,066	189,066	-	-
Tourism Development	327,919	307,281	20,638	-
Tourism Growth	653,315	653,315	-	-
Policy, Research, Monitoring and Evaluation	13,516	13,516	-	-
Total	1,183,816	1,163,178	20,638	-

Note:

The transfer payment amount of R20,638 million for the Public Works Incentive Programme was not requested from National Treasury as the criteria could not be met by the department.

2. Departmental revenue

		2010/11	2009/10
	Note	R'000	R'000
Sales of goods and services other than capital assets	2.1	64	-
Interest, dividends and rent on land	2.2	29	-
Financial transactions in assets and liabilities	2.3	1,428	-
Total Departmental revenue collected		1,521	-

2.1 Sales of goods and services other than capital assets

	Note	2010/11	2009/10
	2	R'000	R'000
Sales of goods and services produced by the department		64	-
Sales by market establishment		34	-
Other sales		30	-
Total		64	-

Notes to the Annual Financial Statements

for the year ended 31 March 2011

2.2 Interest, dividends and rent on land and buildings

	Note	2010/11	2009/10
	2	R'000	R'000
Interest		29	-
Total		29	-

2.3 Financial transactions in assets and liabilities

	Note	2010/11	2009/10
	2	R'000	R'000
Receivables		3	-
Other Receipts including Recoverable Revenue		1,425	-
Total		1,428	-

3. Compensation of employees

3.1 Salaries and Wages

	Note	2010/11	2009/10
	3	R'000	R'000
Basic salary		64,565	-
Performance award		4,448	-
Service Based		312	-
Compensative/circumstantial		1,715	-
Other non-pensionable allowances		18,211	-
Total		89,251	-

3.2 Social Contributions

	Note	2010/11	2009/10
	3	R'000	R'000
Employer contributions			
Pension		7,888	-
Medical		3,099	-
Bargaining council		14	-
Total		11,001	-
Total compensation of employees		100,252	-
Average number of employees		302	-

Notes to the Annual Financial Statements

for the year ended 31 March 2011

4. Goods and services

	Note	2010/11 R'000	2009/10 R'000
Administrative fees		277	-
Advertising		1,974	-
Assets less than R5,000	4.1	2,989	-
Bursaries (employees)		360	-
Catering		299	-
Communication		3,533	-
Computer services	4.2	9,381	-
Consultants, contractors and agency/outsourced services	4.3	47,775	-
Entertainment		83	-
Audit cost -external	4.4	1,583	-
Inventory	4.5	3,654	-
Operating leases		3,550	-
Owned and leasehold property expenditure	4.6	1,223	-
Travel and subsistence	4.7	30,281	-
Venues and facilities		2,687	-
Training & staff development		1,105	-
Other operating expenditure	4.8	2,861	-
Total		113,615	-

Note:

The operating leases includes a capital amount of R804,600.00 and the interest portion of R223,912.00 in respect of finance lease expenses.

4.1 Assets less than R5,000

	Note	2010/11 R'000	2009/10 R'000
Tangible assets	4	2,492	-
Machinery and equipment		2,492	-
Intangible assets		497	-
Total		2,989	-

4.2 Computer services

	Note	2010/11 R'000	2009/10 R'000
SITA computer services	4	1,995	-
External computer service providers		7,386	-
Total		9,381	-

Notes to the Annual Financial Statements

for the year ended 31 March 2011

4.3 Consultants, contractors and agency/outourced services

	Note	2010/11	2009/10
	4	R'000	R'000
Business and advisory services		9,172	-
Legal costs		7	-
Contractors		38,505	-
Agency and support/outourced services		91	-
Total		47,775	-

4.4 Audit Cost - External

	Note	2010/11	2009/10
	4	R'000	R'000
Regulatory audits		1,583	-
Total external audit fees		1,583	-

4.5 Inventory

	Note	2010/11	2009/10
	4	R'000	R'000
Food and Food supplies		83	-
Fuel, oil and gas		581	-
Other consumables materials		316	-
Maintenance material		22	-
Stationery and printing		2,652	-
Total Inventory		3,654	-

4.6 Owned and leasehold property expenditure

	Note	2010/11	2009/10
	4	R'000	R'000
Municipal services		554	-
Property maintenance and repairs		170	-
Other		499	-
Total		1,223	-

4.7 Travel and subsistence

	Note	2010/11	2009/10
	4	R'000	R'000
Local		15,033	-
Foreign		15,248	-
Total travel and subsistence		30,281	-

Notes to the Annual Financial Statements

for the year ended 31 March 2011

4.8 Other operating expenditure

	Note	2010/11 R'000	2009/10 R'000
Professional bodies, membership and subscription fees	4	208	-
Resettlement costs		542	-
Other		2,111	-
Total		2,861	-

5. Payments for financial assets

	Note	2010/11 R'000	2009/10 R'000
Material losses through criminal conduct			
Theft	5.1	2	-
Other material losses written off	5.2	1	-
Total		3	-

5.1 Details of theft

Nature of theft	Note	2010/11 R'000	2009/10 R'000
Officials daily allowance was stolen whilst abroad	5	2	-
Total		2	-

5.2 Other material losses written off

Nature of losses	Note	2010/11 R'000	2009/10 R'000
Vehicle Losses – damage due to accidents	5	1	-
Total		1	-

6. Transfers and subsidies

	Note	2010/11 R'000	2009/10 R'000
Departmental agencies and accounts	Annex 1A	631,685	-
Foreign governments and international organisations	Annex 1B	3,265	-
Non-profit institutions	Annex 1C	27,664	-
Households	Annex 1D	250,229	-
Total		912,843	-

Notes to the Annual Financial Statements

for the year ended 31 March 2011

7. Expenditure on capital assets

		2010/11 R'000	2009/10 R'000
Tangible assets		16,763	-
Machinery and equipment	24.1	16,763	-
Total		16,763	-

7.1 Analysis of funds utilised to acquire capital assets

	2010/11 Voted Funds R'000	2009/10 Voted Funds R'000
Tangible assets	16,763	-
Machinery and equipment	16,763	-
Total	16,763	-

8. Cash and cash equivalents

	2010/11 R'000	2009/10 R'000
Consolidated Paymaster General Account	26,398	-
Disbursements	(7,388)	-
Cash on hand	40	-
Cash with commercial banks (Local)	1	-
Total	19,051	-

9. Prepayments and advances

	2010/11 R'000	2009/10 R'000
Travel and subsistence	59	-
Total	59	-

Notes to the Annual Financial Statements

for the year ended 31 March 2011

10. Receivables

		Less than one year	One to three years	Older than three years	2010/11 R'000 Total	2009/10 R'000 Total
Claims recoverable	Note 10.1					
	Annex 3	359	-	-	359	-
Recoverable expenditure	10.2	168	-	-	168	-
Staff debt	10.3	175	-	-	175	-
Other debtors	10.4	4	-	-	4	-
Total		706	-	-	706	-

10.1 Claims recoverable

	Note	2010/11 R'000	2009/10 R'000
	10		
National departments		269	-
Provincial departments		90	-
Total		359	-

10.2 Recoverable expenditure (disallowance accounts)

	Note	2010/11 R'000	2009/10 R'000
	10		
Departmental suspense accounts		168	-
Total		168	-

10.3 Staff Debtors

	Note	2010/11 R'000	2009/10 R'000
	10		
Debt accounts		175	-
Total		175	-

10.4 Other debtors

	Note	2010/11 R'000	2009/10 R'000
	10		
Persal deduction accounts – Sal Medical Aid		4	-
Total		4	-

Notes to the Annual Financial Statements

for the year ended 31 March 2011

11. Voted funds to be surrendered to the Revenue Fund

	Note	2010/11 R'000	2009/10 R'000
Opening balance		-	-
Transfer from Statement of Financial Performance		40,340	-
Voted funds not requested/not received	1	(20,638)	-
Paid during the year		-	-
Closing balance		19,702	-

12. Departmental revenue to be surrendered to the Revenue Fund

	2010/11 R'000	2009/10 R'000
Opening balance	-	-
Transfer from Statement of Financial Performance	1,521	-
Paid during the year	(1,516)	-
Closing balance	5	-

13. Payables – current

	Note	2010/11 R'000	2009/10 R'000
Other payables	13.1	19	-
Total		19	-

13.1 Other payables

	Note	2010/11 R'000	2009/10 R'000
Salary related payables	13	19	-
Total		19	-

14. Net cash flow available from operating activities

	2010/11 R'000	2009/10 R'000
Net surplus/(deficit) as per Statement of Financial Performance	41,861	-
Add back non cash/cash movements not deemed operating activities	(6,137)	-
(Increase)/decrease in receivables – current	(706)	-
(Increase)/decrease in prepayments and advances	(59)	-
Increase/(decrease) in payables – current	19	-
Expenditure on capital assets	16,763	-
Surrenders to revenue fund	(1,516)	-
Voted funds not requested/not received	(20,638)	-
Net cash flow generated by operating activities	35,724	-

Notes to the Annual Financial Statements

for the year ended 31 March 2011

15. Reconciliation of cash and cash equivalents for cash flow purposes

	2010/11 R'000	2009/10 R'000
Consolidated Paymaster General account	26,398	-
Disbursements	(7,388)	-
Cash on hand	40	-
Cash with commercial banks(Local)	1	-
Total	19,051	-

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

These amounts are not recognised in the Annual Financial Statements and are disclosed to enhance the usefulness of the Annual Financial Statements.

16. Contingent liabilities and contingent assets

16.1 Contingent liabilities

Liable to	Nature	Note	2010/11 R'000	2009/10 R'000
Housing loan guarantees	Employees	Annex 2A	58	-
Claims against the department		Annex 2B	10,290	-
Other departments (interdepartmental unconfirmed balances)		Annex 4	77	-
Total			10,425	-

17. Commitments

	2010/11 R'000	2009/10 R'000
Current expenditure		
Approved and contracted	9,914	-
Approved and not yet contracted	18	-
	9,932	-
Capital expenditure		
Approved and contracted	3,312	-
	3,312	-
Total Commitments	13,244	-

Note:

The amount of R5,352,000.00 is included above for commitments over a period longer than a year

- Current expenditure	R 2,386,000.00
- Capital expenditure	R 2,966,000.00

18. Accruals

			2010/11 R'000	2009/10 R'000
Listed by economic classification	30 Days	30+ Days	Total	Total
Goods and services	3,089	36	3,125	-
Machinery and equipment	705	-	705	-
Other (Assets & liabilities)	87	-	87	-
Total	3,881	36	3,917	-

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

	2010/11 R'000	2009/10 R'000
Listed by programme level		
Administration	3,314	-
Tourism Development	333	-
Tourism Growth	101	-
Policy, Research, Monitoring and Evaluation	82	-
Other (Assets & Liabilities)	87	-
Total	3,917	-
Confirmed balances with other departments	Annex 4 241	-
Total	241	-

19. Employee benefits

	2010/11 R'000	2009/10 R'000
Leave entitlement	3,243	-
Service bonus (Thirteenth cheque)	2,921	-
Performance awards	2,129	-
Capped leave commitments	2,747	-
Total	11,040	-

20. Lease commitments

20.1 Finance leases expenditure

2010/11	Machinery and equipment R'000	Total R'000
Not later than 1 year	973	973
Later than 1 year and not later than 5 years	1,360	1,360
Total present value of lease liabilities	2,333	2,333
2009/10	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-
Later than 1 year and not later than 5 years	-	-
Total present value of lease liabilities	-	-

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

21. Irregular expenditure

21.1 Reconciliation of irregular expenditure

	2010/11 R'000	2009/10 R'000
Opening balance	-	-
Add: Irregular expenditure – relating to current year	208	-
Less: Amounts recoverable (not condoned)	(33)	-
Irregular expenditure awaiting condonation	175	-
Analysis of irregular expenditure per age classification		
Current	175	-
Total	175	-

21.2 Details of irregular expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2010/11 R'000
Contravention of departmental policy	Disciplinary process initiated against the official. The official's service contract expired on 30 November 2010 The matter was referred to the State Attorney for recovery	33
3 Quotations for the OR Tambo Heritage Route could not be provided for audit purposes	Under investigation	175

21.3 Details of irregular expenditure under investigation

Incident	2010/11 R'000
3 Quotations for the OR Tambo Heritage Route could not be provided for audit purposes	175

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

22. Fruitless and wasteful expenditure

22.1 Reconciliation of fruitless and wasteful expenditure

	2010/11 R'000	2009/10 R'000
Opening balance	-	-
Fruitless and wasteful expenditure – relating to current year	28	-
Fruitless and wasteful expenditure to be recovered	28	-

22.2 Analysis of fruitless and wasteful expenditure per economic classification

Current	28	-
Total	28	-

22.3 Analysis of Current Year's fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	2010/11 R'000
Duplicate Payments	In the process of recovery	28

23. Key management personnel

	No. of Individuals	2010/11 R'000	2009/10 R'000
Political office bearers	2	3,303	-
Officials			
Level 15 to 16	4	4,018	-
Level 14	13	9,455	-
Total		16,776	-

24. Movable tangible capital assets

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011

	Opening balance R'000	Current Year Adjustments to prior year balances R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	-	-	22,300	-	22,300
Transport assets	-	-	2,165	-	2,165
Computer equipment	-	-	13,018	-	13,018
Furniture and office equipment	-	-	2,653	-	2,653
Other machinery and equipment	-	-	4,464	-	4,464
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	-	-	22,300	-	22,300

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

24.1 ADDITIONS TO MOVEABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011

	Cash	Non-cash	(Capital Work in Progress current costs)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	16,763	4,792	-	745	22,300
Transport assets	1,302	863	-	-	2,165
Computer equipment	9,899	2,654	-	465	13,018
Furniture and office equipment	1,376	1,140	-	137	2,653
Other machinery and equipment	4,186	135	-	143	4,464
TOTAL ADDITIONS TO MOVEABLE TANGIBLE CAPITAL ASSETS	16,763	4,792	-	745	22,300

Note:

As per the agreement between National Department of Tourism and Department of Environmental Affairs, the furniture to the amount of R1,048,990.10 which were received during the split will be transferred back to the Department of Environmental Affairs after 1 April 2011.

24.2 MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
MACHINERY AND EQUIPMENT	-	-	-	-
Transport assets	-	-	-	-
Computer equipment	-	-	-	-
Furniture and office equipment	-	-	-	-
Other machinery and equipment	-	-	-	-
TOTAL MOVEABLE TANGIBLE CAPITAL ASSETS	-	-	-	-

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

Minor assets

24.3 MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011

	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	-	-
Additions	393	-	93	-	486
TOTAL MINOR ASSETS	393	-	93	-	486

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	43	-	43
Number of minor assets at cost	429	-	49	-	478
TOTAL	429	-	92	-	521

24.4 MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	-	-
Additions	-	-	-	-	-
TOTAL MINOR ASSETS	-	-	-	-	-

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	-	-
Number of minor assets at cost	-	-	-	-	-
TOTAL	-	-	-	-	-

Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 1A

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTS/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2009/10
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
South African Tourism	631,685	-	-	631,685	631,685	100%	-
TOTAL	631,685	-	-	631,685	631,685		-

ANNEXURE 1B

STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

FOREIGN GOVERNMENT/ INTERNATIONAL ORGANISATION	TRANSFER ALLOCATION				EXPENDITURE		2009/10
	Adjusted Appropriation Act	Roll overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers Regional Tourism Organisation of South Africa	1,930	-	-	1,930	1,930	100%	-
United Nations World Tourism Organisation	1,335			1,335	1,335	100%	-
TOTAL	3,265	-	-	3,265	3,265		-

Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 1C

STATEMENT OF TRANSFERS/SUBSIDIES TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2009/10
	Adjusted Appropriation Act	Roll overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000		R'000
Transfers							
National Business Trust	20,000	-	-	20,000	20,000	100%	-
National Business Initiative	2,200	-	-	2,200	2,200	100%	-
Tourism Business Council of South Africa	500	-	-	500	500	100%	-
Federated Hospitality Association of Southern Africa	5,000	-	-	5,000	4,964	99%	-
TOTAL	27,700	-	-	27,700	27,664		-

ANNEXURE 1D

STATEMENT OF TRANSFERS/SUBSIDIES TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2009/10
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000		R'000
Transfers							
Expanded Public Works Programme	238,281	-	-	238,281	238,281	100%	-
Expanded Public Works Programme - Incentive	32,062	-	-	32,062	11,423	36%	-
Bursaries	-	-	525	525	525	100%	-
TOTAL	270,343	-	525	270,868	250,229		-

Note:

An amount of R32,062 million in respect of the Expanded Public Works Programme – Incentive includes R20,638 million which was not approved by National Treasury for withdrawal as the Department could not meet the Expanded Public Works Programme requirements.

Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 2 A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2011 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2011	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Currency revaluations	Closing balance 31 March 2011	Guaranteed interest for year ended 31 March 2011	Realised losses not recoverable
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Standard Bank	Housing	54	-	11	-	-	11	-	-
Nedbank Limited		130	-	26	-	-	26	-	-
Firststrand Bank: FNB		207	-	29	29	-	-	-	-
NHFC (Masikheni)		104	-	21	-	-	21	-	-
TOTAL		495	-	87	29	-	58	-	-

ANNEXURE 2 B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2011

Nature of Liability	Opening balance 1 April 2010	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2011
	R'000	R'000	R'000	R'000	R'000
Claims against the department I CAN-ABCOR – Free State training project agreement	-	10,290	-	-	10,290
TOTAL	-	10,290	-	-	10,290

Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 3

INTER-GOVERNMENT RECEIVABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2011	31/03/2010	31/03/2011	31/03/2010	31/03/2011	31/03/2010
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Department of Correctional Services	19	-	-	-	19	-
Department of Environmental Affairs	-	-	36	-	36	-
Department of International Relations and Corporations (DIRCO)	13	-	-	-	13	-
Department of Justice and Constitutional Development	14	-	-	-	14	-
Limpopo Department of Agriculture	54	-	-	-	54	-
National Prosecuting Authority	33	-	-	-	33	-
Office of the Premier (KZN)	15	-	-	-	15	-
Gauteng Agriculture Conservation Environment	-	-	21	-	21	-
Independent Complaints Directorate (ICD)	-	-	27	-	27	-
The Presidency	-	-	127	-	127	-
TOTAL	148	-	211	-	359	-

Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 4

INTER-DEPARTMENTAL PAYABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2011	31/03/2010	31/03/2011	31/03/2010	31/03/2011	31/03/2010
	R'000	R'000	R'000	R'000	R'000	R'000
Department Current						
Department of Higher Education	9	-	-	-	9	-
Department of Justice & Constitutional Development	40	-	55	-	95	-
Department of Environmental Affairs	41	-	-	-	41	-
Statistic South Africa	14	-	-	-	14	-
The Presidency	72	-	-	-	72	-
Office of the Public Service Commission	-	-	1	-	1	-
Department of Correctional Services	-	-	14	-	14	-
Limpopo Department of Agriculture	-	-	2	-	2	-
Department of Public Works	-	-	3	-	3	-
Department of Trade and Industry	-	-	2	-	2	-
Department of Cooperative Governance & Trad. Aff	65	-	-	-	65	-
TOTAL	241	-	77	-	318	-

A full-page photograph of a long, straight asphalt road stretching into the distance. The road has a dashed white center line and solid yellow edge lines. It is flanked by dry, grassy fields and low hills under a blue sky with scattered clouds. The perspective is from the road's surface, looking down its length.

Human Resources Oversight

1. Service Delivery

TABLE 1.1 - Main Service for Service Delivery Improvement and Standards

Main Services	Actual Customers	Potential Customers	Standard of Service	Actual Achievement against Standards
Upskill frontline staff and executive leadership and in the service excellence	Frontline staff, executive leadership and the tourism industry	New entries in the Frontline staff and tourism industry	Frontline staff and executive leadership lack the necessary skills to provide excellent service in the tourism sector	MoU signed between the national department of tourism (NDT) and the tourism business council of south africa (TBCSA)
Implement quality assurance programme in the tourism sector	Tourism industry and tourists	New entries in the tourism industry	Grading about 7000 establishment by the tourism grading council of south africa (TGCSA)	Some 7710 establishments were graded

TABLE 1.2 - Consultation Arrangements for Customers

Type of Arrangement	Actual Customer	Potential Customer	Actual Achievements
Conferences hosted and presentations done for tourism stakeholders	Frontline staff, executive leadership and the tourism industry	New entries in the tourism industry	Hosted conference and undertook all outlined activities Workshops, meetings (telephonic and electronic), visits to Tourism, TGCSA, improved use of local radio stations and different radio stations utilising different languages
Workshops, meetings (telephonic and electronic) visits to Tourism and TGCSA	Tourism industry and tourists	New entries in the industry	

TABLE 1.3 - Service Delivery Access Strategy

Access Strategy	Actual Achievements
Applications are received by department of Tourism and provincial conservation authorities through internet, e - mail or fax	Standards met
Strategy and presentations made available to stakeholders in the sector	Call centres and helpdesks, websites ,e - mail, as well as of community radio stations. Presentations done during provincial forums and awareness campaigns and sessions, information shared on the website, as well as through discussions on radio stations
Applications are received by Tourism and provincial conservation authorities through internet, e - mail or fax	Provincial regional offices must be equipped with internet

TABLE 1.4 - Service Information Tool

Type of Information Tool	Actual Achievements
Tourism website, information available for visits to regional offices	Standards are met
Workshops are key platforms of communicating with stakeholders	Local radio stations and other platforms of communication, including print media will be utilised to disseminate information, provincial workshops held with different stakeholders
Additional road shows, workshops and the use of local radio stations to communicate critical aspects of the grading process in various languages	Websites, exhibitions, tourism Meetings, manuals, accommodation guides, workshops, use of local radio stations in various languages to communicate critical aspects of the grading process

TABLE 1.5 - Complaint Mechanism

Complaint Mechanism	Actual Achievements
Complaints to the Minister, Director General and Department of Tourism hotline	Complaints received via hotline and letters to the Minister and DG addressed
Complaints may be addressed to the Minister of Tourism or provincial offices	Assessment was conducted to analyse TOPS implementation in provinces, the findings collated informed the development of the TOPS implementation plan
Appeal processes for dissatisfaction with star allocations/ grading process (internal arbitor)	Oral and written feedback on complaints received and responded to Local and national radio stations used mechanisms for capacity building and dealing with complaints Talk shows with members of the public phoning in

2. Expenditure

TABLE 2.1 - Personnel costs by Programme

Programme	Total Voted Expenditure (R'000)	Compensation of Employees Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Compensation of Employees as percent of Total Expenditure	Average Compensation of Employees Cost per Employee (R'000)	Employment
Administration	169,814	58,861	0	0	34.7	195	302
Tourism development	306,867	21,511	0	0	7	71	302
Tourism growth	653,279	11,209	0	0	1.7	37	302
Policy, research, mon & eval	13,516	8,671	0	0	64.2	29	302
Total as on Financial Systems (BAS)	1,143,476	100,252	0	0	8.8	332	302

TABLE 2.2 - Personnel costs by Salary band

Salary Bands	Compensation of Employees Cost (R'000)	Percentage of Total Personnel Cost for Department	Average Compensation Cost per Employee (R)	Total Personnel Cost for Department including Goods and Transfers (R'000)	Number of Employees
Skilled (Levels 3-5)	3,393	3.3	212,063	102,222	16
Highly skilled production (Levels 6-8)	19,342	18.9	184,210	102,222	105
Highly skilled supervision (Levels 9-12)	34,126	33.4	315,981	102,222	108
Senior management (Levels 13-16)	22,607	22.1	611,000	102,222	37
Contract (Levels 1-2)	479	0.5	53,222	102,222	9
Contract (Levels 3-5)	784	0.8	392,000	102,222	2
Contract (Levels 6-8)	717	0.7	179,250	102,222	4
Contract (Levels 9-12)	4,846	4.7	969,200	102,222	5
Contract (Levels 13-16)	13,958	13.7	872,375	102,222	16
TOTAL	100,252	98	331,960	102,222	302

TABLE 2.3 - Salaries, Overtime, Home Owners Allowance and Medical Aid by Programme

Programme	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost per Programme (R'000)
Prog1: Administration	44,210	74	270	1	1,392	2	1,874	3	59,495
Prog2: Tourism development	17,226	75	45	0	313	1	627	3	23,091
Prog3: Tourism growth	8,238	76	80	1	149	1	358	3	10,812
Prog4: Policy research monitoring and evaluation	6,551	74	22	0	282	3	208	2	8,824
TOTAL	76,225	75	417	0	2,136	2	3,067	3	102,222

TABLE 2.4 - Salaries, Overtime, Home Owners Allowance and Medical Aid by Salary Band

Salary bands	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost per Salary Band (R'000)
Skilled (Levels 3-5)	2,282	67	8	0	164	5	274	8	3,396
Highly skilled production (Levels 6-8)	13,410	69	187	1	656	3	1,072	6	19,447
Highly skilled supervision (Levels 9-12)	24,940	73	196	1	452	1	1,108	3	34,228
Senior management (Levels 13-16)	18,386	79	0	0	438	2	361	2	23,251
Contract (Levels 1-2)	469	96	9	2	0	0	0	0	489
Contract (Levels 3-5)	756	96	16	2	0	0	0	0	789
Contract (Levels 6-8)	682	95	0	0	0	0	5	1	719
Contract (Levels 9-12)	3,942	73	0	0	18	0	96	2	5,368
Contract (Levels 13-16)	11,358	78	0	0	408	3	151	1	14,535
TOTAL	76,225	75	416	0	2,136	2	3,067	3	102,222

3. Employment

TABLE 3.1 - Employment and Vacancies by Programme at end of period

Programme	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Prog1: Administration, Permanent	237	184	22.4	12
Prog2: Tourism development, Permanent	73	63	13.7	1
Prog3: Tourism growth, Permanent	36	27	25	2
Prog4: Policy research monitoring and evaluation, Permanent	39	28	28.2	2
TOTAL	385	302	21.6	17

TABLE 3.2 - Employment and Vacancies by Salary Band at end of period

Salary Band	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Lower skilled (Levels 1-2), Permanent	1	0	100	0
Skilled (Levels 3-5), Permanent	20	16	20	0
Highly skilled production (Levels 6-8), Permanent	152	105	30.9	0
Highly skilled supervision (Levels 9-12), Permanent	134	108	19.4	0
Senior management (Levels 13-16), Permanent	42	37	11.9	2
Contract (Levels 1-2), Permanent	9	9	0	10
Contract (Levels 3-5), Permanent	2	2	0	1
Contract (Levels 6-8), Permanent	4	4	0	1
Contract (Levels 9-12), Permanent	5	5	0	2
Contract (Levels 13-16), Permanent	16	16	0	1
TOTAL	385	302	21.6	17

TABLE 3.3 - Employment and Vacancies by Critical Occupation at end of period

Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Administrative related, Permanent	113	88	22.1	2
Client inform clerks (switchboard reception inform clerks), Permanent	2	1	50	0
Communication and information related, Permanent	1	1	0	0
Finance and economics related, Permanent	5	4	20	0
Financial and related professionals, Permanent	3	3	0	0
Financial clerks and credit controllers, Permanent	10	10	0	0
General legal administration & rel. professionals, Permanent	4	2	50	0
Head of department/chief executive officer, Permanent	3	3	0	0
Human resources & organisational development & related professional, Permanent	13	11	15.4	0
Human resources clerks, Permanent	17	10	41.2	0
Human resources related, Permanent	4	3	25	0
Language practitioners interpreters & other communication, Permanent	6	6	0	0
Library mail and related clerks, Permanent	5	5	0	0
Light vehicle drivers, Permanent	4	2	50	0
Logistical support personnel, Permanent	6	4	33.3	0
Material-recording and transport clerks, Permanent	2	1	50	0
Messengers porters and deliverers, Permanent	10	9	10	0
Other administrative & related clerks and organisers, Permanent	24	20	16.7	10
Other administrative policy and related officers, Permanent	42	29	31	0
Other information technology personnel, Permanent	1	1	0	0
Other occupations, Permanent	2	2	0	2
Risk management and security services, Permanent	1	1	0	0
Secretaries & other keyboard operating clerks, Permanent	40	33	17.5	2
Security officers, Permanent	12	3	75	0
Senior managers, Permanent	55	50	9.1	1
TOTAL	385	302	21.6	17

4. Evaluation

TABLE 4.1 - Job Evaluation

Salary Band	Number of Posts	Number of Jobs Evaluated	% of Posts Evaluated	Number of Posts Upgraded	% of Upgraded Posts Evaluated	Number of Posts Downgraded	% of Downgraded Posts Evaluated
Lower skilled (Levels 1-2)	1	0	0	0	0	0	0
Contract (Levels 1-2)	9	0	0	0	0	0	0
Contract (Levels 3-5)	2	0	0	0	0	0	0
Contract (Levels 6-8)	4	0	0	0	0	0	0
Contract (Levels 9-12)	5	0	0	0	0	0	0
Contract (Band A)	5	0	0	0	0	0	0
Contract (Band B)	8	1	12.5	0	0	0	0
Contract (Band C)	3	0	0	0	0	0	0
Skilled (Levels 3-5)	20	1	5	0	0	0	0
Highly skilled production (Levels 6-8)	152	12	7.9	11	91.7	1	8.3
Highly skilled supervision (Levels 9-12)	134	19	14.2	18	94.7	25	131.6
Senior Management Service Band A	34	0	0	0	0	0	0
Senior Management Service Band B	3	0	0	0	0	0	0
Senior Management Service Band C	2	0	0	0	0	0	0
Senior Management Service Band D	3	0	0	0	0	0	0
TOTAL	385	33	8.6	29	87.9	26	78.8

TABLE 4.2 - Profile of employees whose positions were upgraded due to their posts being upgraded

Beneficiaries	African	Asian	Coloured	White	Total
Female	17	0	3	0	20
Male	12	0	0	0	0
TOTAL	29	0	3	0	0
Employees with a Disability	0	0	0	0	32

TABLE 4.3 - Employees whose salary level exceed the grade determined by Job Evaluation [in terms of PSR 1.V.C.3]

Occupation	Number of Employees	Job Evaluation Level	Remuneration Level	Reason for Deviation	No of Employees in Dept
	0	0	0	0	0
	0	0	0	0	0
TOTAL	0	0	0	0	0
Percentage of Total Employment	0	0	0	0	0

TABLE 4.4 - Profile of employees whose salary level exceeded the grade determined by job evaluation [in terms of PSR 1.V.C.3]

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
TOTAL	0	0	0	0	0
Employees with a Disability	0	0	0	0	0

5. Employee changes

TABLE 5.1 - Annual Turnover Rates by Salary Band

Salary Band	Employment at Beginning of Period (April 2010)	Appointments	Terminations	Turnover Rate
Skilled (Levels 3-5), Permanent	15	2	0	0
Highly skilled production (Levels 6-8), Permanent	87	9	0	0
Highly skilled supervision (Levels 9-12), Permanent	55	13	3	5.5
Senior Management Service Band A, Permanent	13	7	0	0
Senior Management Service Band B, Permanent	2	1	0	0
Senior Management Service Band C, Permanent	1	0	0	0
Senior Management Service Band D, Permanent	2	0	0	0
Contract (Levels 1-2), Permanent	0	17	2	0
Contract (Levels 3-5), Permanent	8	12	11	137.5
Contract (Levels 6-8), Permanent	3	9	2	66.7
Contract (Levels 9-12), Permanent	12	1	2	16.7
Contract (Band A), Permanent	8	0	0	0
Contract (Band B), Permanent	6	2	0	0
Contract (Band C), Permanent	2	0	1	50
TOTAL	214	73	21	9.8

TABLE 5.2 - Annual Turnover Rates by Critical Occupation

Occupation	Employment at Beginning of Period (April 2010)	Appoint-ments	Terminations	Turnover Rate
Administrative related, Permanent	56	15	3	5.4
Finance and economics related, Permanent	3	0	0	0
Financial and related professionals, Permanent	2	0	0	0
Financial clerks and credit controllers, Permanent	8	0	0	0
General legal administration & rel. professionals, Permanent	2	0	0	0
Head of department/chief executive officer, Permanent	1	0	0	0
Human resources & organisat developm & relate prof, Permanent	4	1	0	0
Human resources clerks, Permanent	8	0	0	0
Human resources related, Permanent	2	0	5	250
Language practitioners interpreters & other commun, Permanent	4	1	0	0
Library mail and related clerks, Permanent	5	0	0	0
Light vehicle drivers, Permanent	1	1	1	100
Logistical support personnel, Permanent	3	1	0	33.3
Material-recording and transport clerks, Permanent	1	7	0	0
Messengers porters and deliverers, Permanent	10	1	0	0
Other administrat & related clerks and organisers, Permanent	15	18	5	33.3
Other administrative policy and related officers, Permanent	31	1	0	0
Other information technology personnel., Permanent	1	1	0	0
Other occupations, Permanent	2	0	0	0
Secretaries & other keyboard operating clerks, Permanent	21	16	6	28.6
Security officers, Permanent	3	0	0	0
Senior managers, Permanent	31	10	1	3.2
TOTAL	214	73	21	9.8

TABLE 5.3 - Reasons why staff are leaving the department

Termination Type	Number	Percentage of Total Resignations	Percentage of Total Employment	Total	Total Employment
Resignation, Permanent	4	19	1.9	21	214
Expiry of contract, Permanent	16	76.2	7.5	21	214
Dismissal-misconduct, Permanent	1	4.8	0.5	21	214
TOTAL	21	100	9.8	21	214

Resignations as % of Employment
16.4

TABLE 5.4 - Granting of Employee Initiated Severance Packages

Category	No of applications received	No of applications referred to the MPSA	No of applications supported by MPSA	No of Packages approved by department
Lower Skilled (Salary Level 1-2)	0	0	0	0
Skilled (Salary Level 3-5)	0	0	0	0
Highly Skilled Production (Salary Level 6-8)	0	0	0	0
Highly Skilled Production (Salary Level 9-12)	0	0	0	0
Senior Management (Salary Level 13 and higher)	0	0	0	0
TOTAL	0	0	0	0

TABLE 5.5 - Promotions by Critical Occupation

Occupation	Employment at Beginning of Period (April 2010)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Administrative related	56	38	67.9	21	37.5
Agricul animal oceanography forestry & other scien	0	1	0	0	0
Architects town and traffic planners	0	1	0	0	0
Client inform clerks (switchb recept inform clerks)	0	1	0	0	0
Communication and information related	0	1	0	1	0
Diplomats	0	1	0	0	0
Finance and economics related	3	3	100	3	100
Financial and related professionals	2	0	0	2	100
Financial clerks and credit controllers	8	2	25	6	75
General legal administration & rel. professionals	2	0	0	2	100
Head of department/chief executive officer	1	2	200	0	0
Human resources & organisat developm & relate prof	4	8	200	3	75
Human resources clerks	8	4	50	5	62.5
Human resources related	2	2	100	2	100
Language practitioners interpreters & other commun	4	1	25	3	75
Library mail and related clerks	5	0	0	5	100
Light vehicle drivers	1	0	0	0	0
Logistical support personnel	3	2	66.7	3	100
Material-recording and transport clerks	1	0	0	1	100
Messengers porters and deliverers	10	0	0	10	100
Other administrat & related clerks and organisers	15	2	13.3	5	33.3
Other administrative policy and related officers	31	10	32.3	23	74.2
Other information technology personnel.	1	0	0	0	0
Other occupations	2	0	0	0	0
Secretaries & other keyboard operating clerks	21	5	23.8	10	47.6
Security officers	3	0	0	3	100
Senior managers	31	3	9.7	0	0
Trade/industry advisers & other related profession	0	1	0	0	0
TOTAL	214	88	41.1	108	50.5

TABLE 5.6 - Promotions by Salary Band

Salary Band	Employment at Beginning of Period (April 2010)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Skilled (Levels 3-5), Permanent	15	3	20	36	240
Highly skilled production (Levels 6-8), Permanent	87	31	35.6	41	47.1
Highly skilled supervision (Levels 9-12), Permanent	55	46	83.6	20	36.4
Senior management (Levels 13-16), Permanent	18	2	11.1	0	0
Contract (Levels 3-5), Permanent	8	0	0	0	0
Contract (Levels 6-8), Permanent	3	0	0	1	33.3
Contract (Levels 9-12), Permanent	12	5	41.7	10	83.3
Contract (Levels 13-16), Permanent	16	1	6.3	0	0
TOTAL	214	88	41.1	108	50.5

6. Employee equity

TABLE 6.1 - Total number of Employees (incl. Employees with disabilities) per Occupational Category (SASCO)

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Legislators, senior officials and managers, Permanent	18	0	2	20	6	19	2	0	21	4	51
Professionals, Permanent	18	0	1	19	0	13	2	0	15	3	37
Technicians and associate professionals, Permanent	50	4	2	56	4	51	2	1	54	5	119
Clerks, Permanent	25	1	1	27	0	43	6	2	51	3	81
Service and sales workers, Permanent	2	0	0	2	0	1	0	0	1	0	3
Plant and machine operators and assemblers, Permanent	1	0	0	1	0	0	0	0	0	0	1
Elementary occupations, Permanent	5	0	0	5	0	5	0	0	5	0	10
TOTAL	119	5	6	130	10	132	12	3	147	15	302
Employees with disabilities	2	0	1	3	1	1	0	0	1	1	6

TABLE 6.2 - Total number of Employees (incl. Employees with disabilities) per Occupational Bands

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Top Management, Permanent	1	0	0	1	1	1	0	0	1	0	3
Senior Management, Permanent	9	2	2	13	2	13	1	1	15	4	34
Professionally qualified and experienced specialists and mid-management, Permanent	54	1	3	58	3	40	4	0	44	3	108
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	34	1	1	36	0	56	6	2	64	5	105
Semi-skilled and discretionary decision making, Permanent	8	0	0	8	0	7	1	0	8	0	16
Contract (Top Management), Permanent	1	0	0	1	2	0	0	0	0	0	3
Contract (Senior Management), Permanent	4	0	0	4	1	6	0	0	6	2	13
Contract (Professionally qualified), Permanent	1	1	0	2	1	1	0	0	1	1	5
Contract (Skilled technical), Permanent	0	0	0	0	0	4	0	0	4	0	4
Contract (Semi-skilled), Permanent	1	0	0	1	0	1	0	0	1	0	2
Contract (Unskilled), Permanent	6	0	0	6	0	3	0	0	3	0	9
TOTAL	119	5	6	130	10	132	12	3	147	15	302

TABLE 6.3 - Recruitment

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Senior Management, Permanent	2	0	0	2	0	5	0	0	5	1	8
Professionally qualified and experienced specialists and mid-management, Permanent	7	0	0	7	1	5	0	0	5	0	13
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	3	0	0	3	0	6	0	0	6	0	9
Semi-skilled and discretionary decision making, Permanent	1	0	0	1	0	1	0	0	1	0	2
Contract (Senior Management), Permanent	1	0	0	1	0	0	0	0	0	1	2
Contract (Professionally qualified), Permanent	0	0	0	0	0	1	0	0	1	0	1
Contract (Skilled technical), Permanent	2	0	0	2	0	7	0	0	7	0	9
Contract (Semi-skilled), Permanent	4	0	0	4	0	8	0	0	8	0	12
Contract (Unskilled), Permanent	10	1	0	11	0	6	0	0	6	0	17
TOTAL	30	1	0	31	1	39	0	0	39	2	73
Employees with disabilities	0	0	0	0	0	0	0	0	0	0	6

TABLE 6.4 - Promotions

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Senior Management, Permanent	8	1	1	10	2	7	0	1	8	2	22
Professionally qualified and experienced specialists and mid-management, Permanent	29	0	2	31	2	26	3	1	30	3	66
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	21	0	2	23	0	42	2	2	46	3	72
Semi-skilled and discretionary decision making, Permanent	20	1	0	21	0	12	4	1	17	1	39
Contract (Top Management), Permanent	1	0	0	1	1	1	0	0	1	0	3
Contract (Senior Management), Permanent	3	0	0	3	1	5	0	0	5	3	12
Contract (Professionally qualified), Permanent	5	2	0	7	1	3	0	0	3	0	11
Contract (Skilled technical), Permanent	0	0	0	0	0	1	0	0	1	0	1
TOTAL	87	4	5	96	7	97	9	5	111	12	226
Employees with disabilities	2	0	0	2	1	1	0	0	1	1	5

TABLE 6.5 - Terminations

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Professionally qualified and experienced specialists and mid-management, Permanent	1	0	0	1	0	2	0	0	2	0	3
Contract (Top Management), Permanent	0	0	0	0	0	1	0	0	1	0	1
Contract (Senior Management), Permanent	0	0	0	0	0	1	0	0	1	1	2
Contract (Professionally qualified), Permanent	3	0	0	3	1	2	0	0	2	0	6
Contract (Skilled technical), Permanent	1	0	0	1	0	4	0	0	4	0	5
Contract (Semi-skilled), Permanent	5	0	0	5	0	11	0	0	11	0	16
Contract (Unskilled), Permanent	0	0	0	0	0	2	0	0	2	0	2
TOTAL	10	0	0	10	1	23	0	0	23	1	35
Employees with disabilities	0	0	0	0	0	0	0	0	0	0	0

TABLE 6.6 - Disciplinary Action

Disciplinary Action	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total	Not Available
TOTAL	1	0	0	1	0	2	0	0	2	0	2	0

TABLE 6.7 - Skills Development

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Legislators, Senior Officials and Managers	9	0	0	9	0	12	0	0	12	1	22
Professionals	20	3	0	22	3	8	0	0	8	2	37
Technicians and Associate Professionals	5	0	0	5	0	13	0	0	14	0	18
Clerks	18	0	0	18	0	38	5	0	38	0	61
Service and Sales Workers	0	0	0	0	0	0	0	0	0	0	0
Skilled Agriculture and Fishery Workers	0	0	0	0	0	0	0	0	0	0	0
Craft and related Trades Workers	0	0	0	0	0	0	0	0	0	0	0
Plant and Machine Operators and Assemblers	0	0	0	0	0	0	0	0	0	0	0
Elementary Occupations	10	0	0	10	0	14	0	0	14	0	24
TOTAL	62	3		64	3	85	5		86	3	162
Employees with disabilities	3	0	0	0	0	0	0	0	0	0	3

7. Performance

TABLE 7.1 - Performance Rewards by Race, Gender and Disability

Demographics	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
African, Female	61	131	46.6	1,684	27,604
African, Male	44	117	37.6	1,244	28,265
Asian, Female	2	3	66.7	55	27,565
Asian, Male	3	5	60	112	37,398
Coloured, Female	9	12	75	207	22,992
Coloured, Male	2	5	40	80	40,215
Total Blacks, Female	72	146	49.3	1,946	27,026
Total Blacks, Male	49	127	38.6	1,436	29,312
White, Female	10	14	71.4	416	41,608
White, Male	5	9	55.6	308	61,516
Employees with a disability	4	6	66.7	207	51,650
TOTAL	140	302	46.4	4,312	30,803

TABLE 7.2 - Performance Rewards by Salary Band for Personnel below Senior Management Service

Salary Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Skilled (Levels 3-5)	13	16	81.3	133	10,231
Highly skilled production (Levels 6-8)	53	105	50.5	878	16,566
Highly skilled supervision (Levels 9-12)	49	108	45.4	1,613	32,918
Contract (Levels 1-2)	0	9	0	0	0
Contract (Levels 3-5)	0	2	0	0	0
Contract (Levels 6-8)	0	4	0	0	0
Contract (Levels 9-12)	1	5	20	45	45,000
TOTAL	116	249	47	2,669	23,009

TABLE 7.3 - Performance Rewards by Critical Occupation

Critical Occupations	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Administrative related	39	84	46.4	1,247	31,974
Agricul animal oceanography forestry & other scien	0	1	0	0	0
Architects town and traffic planners	0	1	0	0	0
Client inform clerks (switchb receipt inform clerks)	0	1	0	0	0
Communication and information related	0	1	0	0	0
Diplomats	0	1	0	0	0
Finance and economics related	1	6	16.7	24	24,003
Financial and related professionals	2	2	100	58	29,000
Financial clerks and credit controllers	7	10	70	108	15,429
General legal administration & rel. professionals	1	2	50	79	79,000
Head of department/chief executive officer	3	3	100	43	14,333
Human resources & organisat developm & relate prof	6	11	54.5	199	33,167
Human resources clerks	5	9	55.6	82	16,400
Human resources related	2	5	40	92	46,000
Language practitioners interpreters & other commun	1	6	16.7	46	46,000
Library mail and related clerks	4	5	80	83	20,750
Light vehicle drivers	0	1	0	0	0
Logistical support personnel	3	3	100	53	17,667
Material-recording and transport clerks	0	1	0	0	0
Messengers porters and deliverers	10	10	100	105	10,500
Natural sciences related	0	1	0	0	0
Other administrat & related clerks and organisers	5	21	23.8	67	13,400
Other administrative policy and related officers	17	31	54.8	305	17,941
Other information technology personnel.	0	1	0	0	0
Other occupations	0	2	0	0	0
Secretaries & other keyboard operating clerks	8	34	23.5	98	12,250
Security officers	3	3	100	41	13,667
Senior managers	23	45	51.1	1,582	68,783
Trade/industry advisers & other related profession	0	1	0	0	0
TOTAL	140	302	46.4	4,312	30,803

TABLE 7.4 - Performance Related Rewards (Cash Bonus) by Salary Band for Senior Management Service

SMS Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)	% of SMS Wage Bill	Personnel Cost SMS (R'000)
Band A	14	36	38.9	851	6,079	4.2	20,275
Band B	7	11	63.6	491	7,014	5.4	9,153
Band C	3	3	100	303	10,100	7.9	3,850
Band D	0	3	0	0	0	0	0
TOTAL	24	53	45.3	1,645	6,854.2	4.9	33,278

8. Foreign workers

TABLE 8.1 - Foreign Workers by Salary Band

Salary Band	Employment at Beginning Period	Percentage of Total	Employment at End of Period	Percentage of Total	Change in Employment	Percentage of Total	Total Employment at Beginning of Period	Total Employment at End of Period	Total Change in Employment
TOTAL	0	0	0	0	0	0	0	0	0

TABLE 8.2 - Foreign Workers by Salary Band

Major Occupation	Employment at Beginning Period	Percentage of Total	Employment at End of Period	Percentage of Total	Change in Employment	Percentage of Total	Total Employment at Beginning of Period	Total Employment at End of Period	Total Change in Employment
TOTAL	0	0	0	0	0	0	0	0	0

9. Leave

TABLE 9.1 - Sick Leave for Jan 2010 to Dec 2010

Salary Band	Total Days	% Days with Medical Certification	Number of Employees using Sick Leave	% of Total Employees using Sick Leave	Average Days per Employee	Estimated Cost (R'000)	Total number of Employees using Sick Leave	Total number of days with medical certification
Skilled (Levels 3-5)	40	85	8	4.8	5	12	165	34
Highly skilled production (Levels 6-8)	446	81.8	67	40.6	7	230	165	365
Highly skilled supervision (Levels 9-12)	303	74.9	59	35.8	5	421	165	227
Senior management (Levels 13-16)	70	67.1	17	10.3	4	188	165	47
Contract (Levels 1-2)	6	0	4	2.4	2	1	165	0
Contract (Levels 6-8)	2	0	1	0.6	2	0	165	0
Contract (Levels 9-12)	4	75	2	1.2	2	7	165	3
Contract (Levels 13-16)	22	72.7	7	4.2	3	66	165	16
TOTAL	893	77.5	165	100	5	925	165	692

TABLE 9.2 - Disability Leave (Temporary and Permanent) for Jan 2010 to Dec 2010

Salary Band	Total Days	% Days with Medical Certification	Number of Employees using Disability Leave	% of Total Employees using Disability Leave	Average Days per Employee	Estimated Cost (R'000)	Total number of days with medical certification	Total number of Employees using Disability Leave
TOTAL	0	0	0	0	0	0	0	0

TABLE 9.3 - Annual Leave for Jan 2010 to Dec 2010

Salary Band	Total Days Taken	Average days per Employee	Number of Employees who took leave
Skilled (Levels 3-5)	198	12	16
Highly skilled production (Levels 6-8)	1,148	11	102
Highly skilled supervision (Levels 9-12)	1,243	12	103
Senior management (Levels 13-16)	401	13	31
Contract (Levels 1-2)	69	7	10
Contract (Levels 3-5)	6	3	2
Contract (Levels 6-8)	12	4	3
Contract (Levels 9-12)	64	13	5
Contract (Levels 13-16)	221	14	16
TOTAL	3,362	12	288

TABLE 9.4 - Capped Leave for Jan 2010 to Dec 2010

	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2010	Number of Employees who took Capped leave	Total number of capped leave available at 31 December 2010	Number of Employees as at 31 December 2010
Skilled (Levels 3-5)	1	1	42	1	296	7
Highly skilled supervision (Levels 9-12)	1	1	39	1	890	23
TOTAL	2	1	40	2	1,186	30

TABLE 9.5 - Leave Payouts

Reason	Total Amount (R'000)	Number of Employees	Average Payment per Employee (R)
Leave payout for 2010/11 due to non-utilisation of leave for the previous cycle	76	5	15,200
Capped leave payouts on termination of service for 2010/11	216	13	16,615
Current leave payout on termination of service for 2010/11	71	9	7,889
TOTAL	363	27	13,444

10. HIV

TABLE 10.1 - Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
ALL	Distribution of Condoms

TABLE 10.2 - Details of Health Promotion and HIV/AIDS Programmes [tick Yes/No and provide required information]

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position	Yes		Ms E Mkhavelle - Director: Human Capital Development and Practices
2. Does the department have a dedicated unit or have you designated specific staff members to promote health and well being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose	Yes		Dedicated Unit: Employee Health & Wellness: Ms C Steenkamp; Mr S V Nkosi
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme	Yes		Counselling Services; Health Screening Services; Conducted HIV and AIDS Workshops; and EAP Services
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent		No	
5. Has the department reviewed the employment policies and practices of your department to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed	Yes		HIV and AIDS and TB Policy

Question	Yes	No	Details, if yes
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures	Yes		There is a dedicated Unit which specializes on Employee Health & Wellness including HIV and AIDS and TB in the workplace. This Unit has measures in place to prevent discrimination of HIV-positive employees at work
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved	Yes		The Department had two interventions during the financial year 2010/11, where staff was encouraged to go for HIV Test and this was done in collaboration with the Health Screening Program. The estimated percentage of employees reached is 16 % from the entire staff
8. Has the department developed measures/ indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/ indicators		No	

11. Labour Relations

TABLE 11.1 - Collective Agreements

Subject Matter	Date
Retention Policy	09/12/2010
Bereavement Policy	09/12/2010
Wellness policy	09/12/2010
Health and Productivity Management Policy	09/12/2010
Learning and Development Policy	09/12/2010
HIV and AIDS and TB Policy	09/12/2010
Recruitment, Selection and Appointment Policy	09/12/2010
Occupational Health and Safety Policy	09/12/2010
Special Leave Policy	09/12/2010
Resettlement Policy	09/12/2010
Job Evaluation and Organisational Design Policy	09/12/2010
Performance Management Policy	09/12/2010
Overtime Policy	09/12/2010
Working Hours Policy	09/12/2010
Accommodation of Employees with Disabilities	09/12/2010
Sports and Recreation Policy	09/12/2010
Employment Equity Plan	09/12/2010
Workplace Violence Management Policy	09/12/2010
Workplace Violence Management Policy	09/12/2010

TABLE 11.2 - Misconduct and Discipline Hearings Finalised

Outcomes of disciplinary hearings	Number	Percentage of Total	Total
Dismissal	1	50	50
Not guilty	1	50	50
TOTAL	2	100	100

TABLE 11.3 - Types of Misconduct Addressed and Disciplinary Hearings

Type of misconduct	Number	Percentage of Total	Total
Misrepresentation of qualifications	1	50	50
Harassment	1	50	50
TOTAL	2	100	100

TABLE 11.4 - Grievances Lodged

Number of grievances addressed	Number	Percentage of Total	Total
Resolved	2	66.6	66.6
Not resolved	1	33.3	33.3
TOTAL	3	100	100

TABLE 11.5 - Disputes Lodged

Number of disputes addressed	Number	% of total
Upheld	0	0
Dismissed	1	100
TOTAL	1	100

TABLE 11.6 - Strike Actions

Strike Actions	
Total number of person working days lost	23
Total cost(R'000) of working days lost	R 14,282.33
Amount (R'000) recovered as a result of no work no pay	R 12,769.68

TABLE 11.7 - Precautionary Suspensions

Precautionary Suspensions	
Number of people suspended	1
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	104
Cost (R'000) of suspensions	R 127,797.76

12. Skills Development

TABLE 12.1 - Training Needs identified

Occupational Categories	Gender	Employment	Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	18	0	5	0	5
	Male	16	0	4	0	4
Professionals	Female	12	0	7	0	7
	Male	6	0	4	0	4
Technicians and associate professionals	Female	50	0	33	0	33
	Male	40	0	22	0	22
Clerks	Female	44	0	29	0	29
	Male	19	0	12	0	12
Service and sales workers	Female	1	0	1	0	1
	Male	2	0	2	0	2
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	1	0	1	0	1
Elementary occupations	Female	5	8	4	11	23
	Male	5	6	5	9	20
Gender sub totals	Female	130	8	79	11	98
	Male	89	6	50	9	65
TOTAL		219	14	129	20	163

TABLE 12.2 - Training Provided

Occupational Categories	Gender	Employment	Learnerships (18.2)	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	25	0	13	0	13
	Male	26	0	8	1	9
Professionals	Female	18	0	10	0	10
	Male	19	0	26	1	27
Technicians and associate professionals	Female	59	0	13	0	13
	Male	60	0	4	1	5
Clerks	Female	54	0	38	5	43
	Male	27	0	16	2	18
Service and sales workers	Female	1	0	0	0	0
	Male	2	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	1	0	0	0	0
Elementary occupations	Female	5	10	0	4	14
	Male	5	7	1	3	11
Gender sub totals	Female	162	0	0	0	0
	Male	140	0	0	0	0
TOTAL		302	17	129	17	163

13 Injuries

TABLE 13.1 - Injury on Duty

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
TOTAL	0	0

14. Consultants

TABLE 14.1 - Report on consultant appointments using appropriated funds

TABLE 14.2 - Analysis of consultant appointments using appropriated funds, in terms of HDI's

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand	BEE Credentials	Order No
Consulting service(Administration of EDMS) Datacentrix	4	36 Months	1,095,291.08	50% HDI 25% Black Women	AD-971078
Maintenance and enhancement on the development of the framework, web portal and applications Molwa Business Enterprise cc	3	12 Months	2,290,031.67	100% Black male	AD-971151
Mainframe hosting service SITA	Not indicated	36 Months	650,000.00	0%	AD-971210
Development of the Tourism Geographic Information Project Afrigis	Not indicated	7 Months	854,999.99	52% HDI 1.67%-White women	AE-611207
Service Auditing KPMG	Not indicated	36 Months	2,409,219.00	40% HDI 1% - Black women	AE-611251 OR-000550
TOTAL			7,299,541.74		

QUOTATIONS Above R 30 000.00					
Project Description	Total individual consultants	Total duration work days	Total contract value in rand	BEE Credentials	Order No
May '10					
Media monitoring Newsclip Media Monitoring	Not indicated	12 Months	66,895.20	65% HDI	AD-971098
Layout and design of database system of service providers on both DEA and NDT	1	Once off	76,380.00	100% Black male owned	AD-971112
July '10					
Web hosting, maintenance and support services Dataworld	2	6 Months	107,160.00	100% HDI 16%-Black Women	AD-971206
September '10					
Hosting of the department of Tourism's maps Afrlgis	Not indicated	3 Months	92,340.00	52% HDI 1.67%-White women	AE-611207
December '10					
Layout and design of floors BBR Design	Not indicated	Once off	421,800.00	0%	OR-000098
January '11					
Conducting of the State of Transformation study Citizen Surveys	Not indicated	6 Months	1,299,044.00	100% HDI 100% Black women	OR-000106
Providing a web-based investment promotion services for the South Africa Investment Portfolio publication	1	6 Months	135,261.00	55% HDI	OR-000114
March '11					
Media monitoring Media Tenor	Not indicated	5 Months	147,630.00	0%	OR-000358
Specify the soft seating and decoration BBR Design	Not indicated	Once off	305,377.50	0%	OR-000499
TOTAL			2,651,887.70		

TABLE 14.3 - Report on consultant appointments using Donor funds

Project Title	Total number of consultants that worked on the project	Duration: Work days	Donor and Contract value in Rand
None			

Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
None			

TABLE 14.4 - Analysis of consultant appointments using Donor funds, i.t.o. HDIs

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
None			

Acronyms and Abbreviations

AG	Auditor General
BBBEE	Broad-Based Black Economic Empowerment
BBC	British Broadcasting Corporation
BEE	Black Economic Empowerment
CAF	Commission for Africa
CNBC	Consumer News and Business Channel
CNN	Cable News Network
DEA	Department of Environmental Affairs
DIRCO	Department of International Relations and Cooperation
DRDLR	Department of Rural Development and Land Reform
DTI	Department of Trade and Industry
EDMS	Electronic Document Management System
EME	Exempt Micro Enterprises
EPWP	Extended Public Works Programme
ETEYA	Emerging Tourism Entrepreneur of the Year Awards
EU	European Union
FEDHASA	Federation of Hospitality Association of South Africa
FIFA	Fédération Internationale de Football Association
FIFO	first-in-first-out
FITUR	Feria Internacional de Turismo
FNB	First National Bank
GDP	Gross Domestic Product
GPSSBC	General Public Service Sector Bargaining Council
HDIs	Historically Disadvantaged Institutions/ Individuals
HRD	Human Resource Development
IATA	International Air Transport Association



Acronyms and Abbreviations

IBSA	India, Brazil and South Africa
ICD	Independent Complaints Directorate
IDP's	Integrated Development Plans
IEG	International Environment Governance
ITB	International Tourismus Borse
KPI	Key Performance Indicator
KZN	Kwa-Zulu Natal
MoU	Memorandum of Understanding
MTEF	Medium – Term Expenditure Framework
NDT	National Department of Tourism
NEPAD	New Partnership for Africa's Development
NHFC	National Housing Finance Corporation
NMSRT	National Minimum Standards for Responsible Tourism
NTCE	National Tourism Careers Expo
NTSS	National Tourism Sector Strategy
NVIF	National Visitors Information Framework
OECD	Organisation for Economic Co-operation and Development
PAA	Public Audit Act
PFMA	Public Finance Management Act
PGDS's	Provincial Growth and Development Strategies
PMDS	Performance Management Development System
PRASA	Passenger Rail Association of South Africa
QSEs	Qualifying Small Enterprises
RETOSA	Regional Tourism Organisation of Southern Africa
SABS	South African Bureau of Standards
SADC	South African Development Community
SAT	South African Tourism
SCM	Supply Chain Management

SCOPA	Standing Committee on Public Accounts
SETA	Sector Education and Training Authority
SITA	State Information Technology Agency
SMMEs	Small, Medium and Micro Enterprises
SRI	Social Responsibility Implementation
TBCSA	Tourism Business Council of South Africa
TEP	Tourism Enterprise Programme
TGCSA	Tourism Grading Council of South Africa
THETA	Tourism, Hospitality and Sport Education Training Authority
TOPS	Threatened or protected species
TR	Treasury Regulations
TSA	Tourism Satellite Account
UA	Universal Accessibility
UAE	United Arab Emirates
UK	United Kingdom
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNWTO	United Nations World Tourism Organisation
VIC	Visitor Information Centres
WEF	World Economic Forum
WSSD	World Summit on Sustainable Development
WTM	World Trade Market
WTC	World Travel and Tourism Council

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RP215/2011

ISBN: 978-0-621-40344-2



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Department:
Tourism
REPUBLIC OF SOUTH AFRICA

