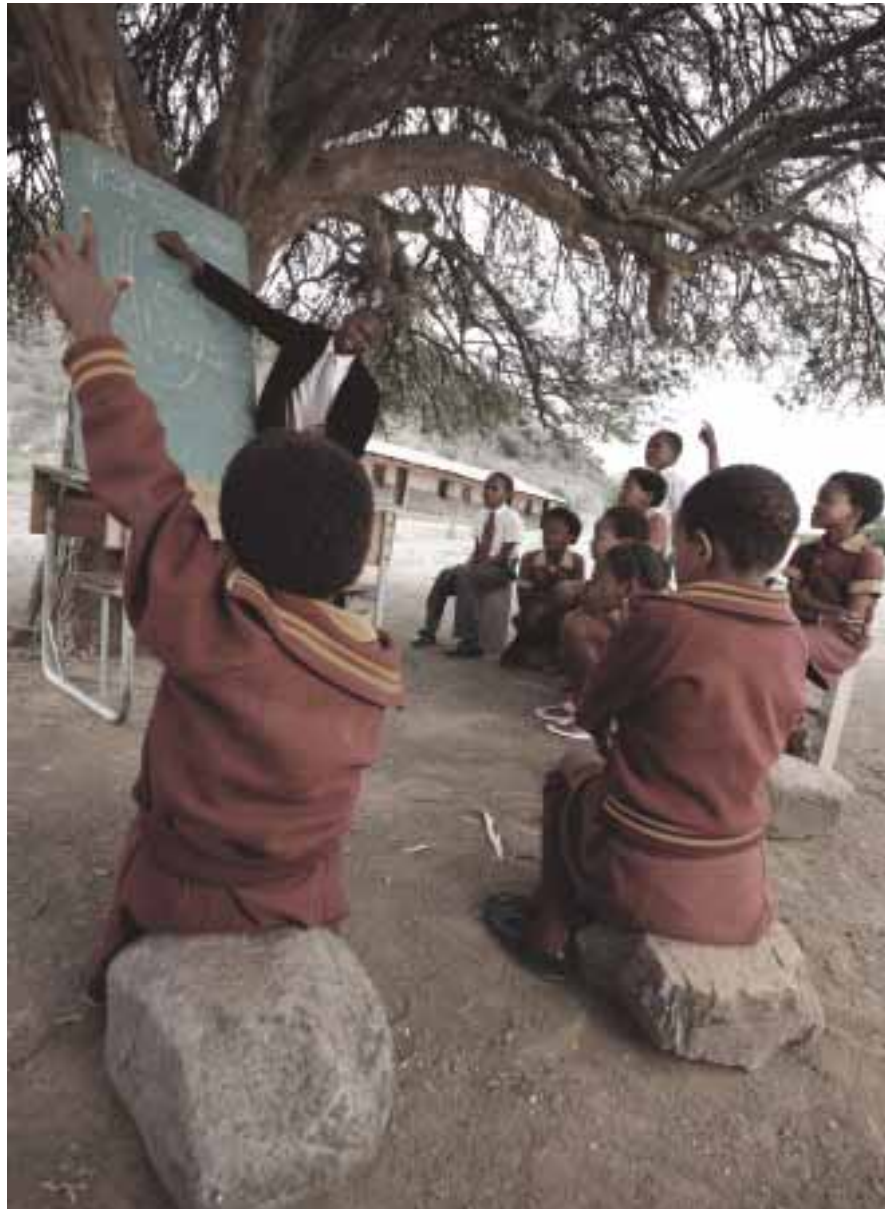




'What is the use of teaching the Bantu child mathematics when it cannot use it in practice.' (HF Verwoerd, Minister of Native Affairs, address to Parliament, 17 September 1953)

'Thus Bantu Education was introduced in 1954, consciously de-emphasising the teaching of mathematics and science. Ten years into democracy, this residue of apartheid decision lives on. It must be reversed - not merely at universities or in the work place, but at primary and pre-schools. SASA has a role to play. We have a model teaching approach in ICOTS which must be built out as a conscious effort to interrupt the cycle of the poverty of numeracy.' (Trevor Manuel, Minister of Finance, address to South African Statistics Association, November 2003)





'Kgaka kgolo ga e na mabala, mabala a na le kgakana.'

---

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## Submission of the report to the executing authority

Minister TA Manuel

I have the honour of submitting the 2005/06 annual report of Statistics South Africa in compliance with Section 7(2)(c) of the Statistics Act (Act 6 of 1999), Section 40(1)(d)(i) of the Public Finance Management Act (Act 1 of 1999), and in accordance with Section 18 of the Treasury Regulations.



PJ Lehohla  
Statistician-General



## Introduction by the Statistician-General

In many ways the year 2005/06 represented a qualitative break with any previous period in the history of the organisation. Not only does it show that Stats SA now understands the statistical needs of the people of South Africa, but also that greater clarity and vision exists within the organisation regarding what it takes to produce quality official statistics that can be trusted.

August 27 1998 was a watershed in the history of the organisation as it adopted the name Statistics South Africa. In 1999 the Statistics Act (Act No. 6 of 1999) was adopted, and prescribed the appointment of a Statistician-General. Subsequently in 2000, I was appointed as the country's Statistician-General, and the scene was set for a complete overhaul of statistical production that did not serve merely the narrow interest of the pre-democracy era.

The collection of official statistics in South Africa dates back to the last quarter of the eighteenth century and predates the establishment of the Union of South Africa (1910). During this time the four former colonies collected their own data for administrative purposes. The South Africa Act of 1909 provided for a census of the white population only. During the long years of colonialism and apartheid, a battery of legislation excluded black people in substantive aspects of economic, social and political life and, by the same token, excluded them from both the production process of statistics and the utilisation of statistical information at both national and local government level.

With the advent of democracy in 1994, the challenge has been one of undoing decades of distorted collections of statistics and building trust in official statistics. The project of building trust in official statistics was confronted by a stubborn and acute shortage of well-trained people in official statistics. Coupled with this, the organisation struggled to build a coherent leadership that could translate its vision into reality.

I am pleased that these difficulties are rapidly becoming history as the organisation is increasingly producing coherent, more accurate, relevant and reliable official statistics applying common standards, definitions and classifications, establishing partnerships and increasing human capacity. Stats SA is hard at work earning credibility, and being more professional and unified in purpose. The Minister appointed a new Statistics Council and Chairperson, Mr Howard Gabriels. Daunting as their task seemed twelve months ago, the organisation has applied their advice diligently under the guidance of the Chairperson. A new leadership team has been appointed and for the first time the organisation has a full complement of DDGs.

Top amongst the various improvements and changes it has introduced, was the significant improvement of the measurement of the GDP whereby new surveys on construction,





communication, business and personal services, transport, and tourism have been introduced.

The measurement of price changes received focused attention, particularly the Consumer Price Index which is so critical for inflation targeting by the Reserve Bank. The measurement of price changes at the point of the producer will also be re-engineered.

Another area that we prioritised is the overhaul of the Labour Force Survey. These changes are designed to ensure more accurate reporting on employment and unemployment. It is envisaged that the first detailed reports from this process will be published in 2007/08.

In February 2007, Stats SA will embark on a large-scale household survey, known as the Community Survey, which will be interviewing 300 000 dwelling units across the length and breadth of the country in order to measure life circumstances of South Africans, and to measure both the extent and impact of service delivery. A pilot survey was concluded in February this year, giving us proof of concept and confidence that we are equal to the task. Successful fieldwork on the Income and Expenditure Survey – reaching as many as 25 000 households by using the diary method – has commenced and is scheduled for completion in early September.

To deal with the stubborn problem of skills shortages, we have intensified the important task of growing our own timber. The organisation's internship programme is in its second year running, and in its fifth year of the foreign study programme. Work is also being undertaken to establish a statistical training institute. In the meantime, the organisation continues to send its staff to various training institutions in South Africa and elsewhere, as it regards statistical capacity building as very important to ensure that Stats SA continues to produce quality statistics that South Africans can trust.

Pali Lehohla

## Foreword by the Chairperson of the South African Statistics Council

This annual report represents an important turning point for Stats SA and embodies a significant stepping stone in addressing the vast challenges that the organisation faces. One challenge that has already been accomplished is that the entire management structure has been put in place. The progress recorded with the management of the organisation's resources – both financial and human resources – is the first results of the new team. There is still room for improvement and management should be reminded that the progress recorded in this annual report is only the first steps.

The central challenge is to build trust in official statistics. To address this challenge, Stats SA must focus on building its own credibility in the market. Significant steps are being taken in this regard. In my view there are four pillars that will help Stats SA to build its credibility. They are:

- **Leadership and management**

In this period of rapid change within the organisation, strong leadership is required, and prudent management must focus on the core challenges facing the organisation in its endeavours to become the 'Preferred supplier of statistics'.

- **Scientific method**

The Statistics Act of 1999 prescribes that official statistics must be '... compiled, reported and documented in a scientific and transparent manner'. This requires that Stats SA build its technical expertise and provide demonstrated leadership in the methodology and science of statistics.

- **Capacity building and training**

Capacity building and training remain a major challenge. Tertiary institutions are currently producing far too few statisticians and other relevant high-level skills. The council, together with Stats SA, developed a strategy to address this challenge, and the first positive steps are being taken to improve the outputs.

- **Marketing and communications**

Effective communications with all stakeholders are critical in building the credibility of Stats SA and require the urgent attention of management. The development of the Stats SA website – 'the digital face of Stats SA' – is one positive development, but much more remains to be done.



Over the past year the council has had a positive relationship with the Statistician-General and his management team. We thank him for taking council into his confidence and responding to all our requests efficiently and timeously. Even though some of the issues that we dealt with over the past year were difficult (as can be seen in the annual report of the South African Statistics Council), a positive and constructive relationship was built between the Council, the Statistician-General and the Minister of Finance.

As the Chairperson of the Statistics Council, I would like to thank the Minister of Finance for his support and leadership during this period.

Howard Gabriels  
24 July 2006

## Vision

To be the preferred supplier of quality statistics

## Mission

To provide a relevant and accurate body of statistics to inform users on the dynamics in the economy and society through the application of internationally acclaimed practices

## Values

- **Respect and integrity:** We will consistently treat each other with respect.
- **Accountability:** We will take full responsibility for our actions.
- **Transparency:** We will be open and accessible about the what, why and how of our actions.
- **Empowerment:** We will create opportunities for organisational and individual growth. We will harness diversity to advance organisational effectiveness.
- **Service excellence:** We will deliver our products and services right first time, every time.

## Legislative mandate

Stats SA is a national government department accountable to the Minister of Finance. The activities of the department are regulated by the Statistics Act (Act No. 6 of 1999), which ensures independence from political interference in the production and dissemination of official statistics.

According to the Statistics Act, the purpose of official statistics is to assist organs of state, businesses, other organisations and the public in planning, decision-making, and monitoring or assessment of policies.

Stats SA is also mandated with the responsibility to:

- Promote coordination among statistical producers in South Africa in order to improve the quality, consistency, comparability and optimum use of official statistics and thereby avoid unnecessary duplication;
- Provide statistical advice to government departments; and
- Liaise with statistical agencies of other countries and international agencies.

## The Statistician-General

The Statistician-General, as the head of the organisation, has the ultimate executive responsibility and authority in Stats SA. The primary responsibility of the Statistician-General is to lead the organisation and ensure that the programme of official statistics is implemented. The role of the Statistician-General is rooted in the mandate of the Statistics Act.

In order to ensure the effective and efficient administration and management of the department, the Minister of Finance has approved the delegation of powers and authority to the Statistician-General in terms of the Public Service Act and the Public Service Regulations. These delegations form part of the key performance areas of the Statistician-General.

In executing his responsibilities, the Statistician-General is assisted by an executive management team (EXCO) consisting of five Deputy Directors-General.

The five key performance areas of the Statistician-General are:

- Setting the overall strategic direction of the organisation;
- Directing, guiding and driving the timely release and effective production of high-quality economic, social and population statistics;
- Ensuring that official statistics meet internationally acclaimed standards and practices by improving statistical processes and ensuring effective statistical infrastructure to achieve operational excellence;
- Managing relations with key stakeholders and international role players; and
- Improving governance processes to achieve operational excellence in relation to employee satisfaction, managing costs and compliance to legislation.

## The South African Statistics Council

Section 8 of the Statistics Act provides for the establishment of a South African Statistics Council consisting of between 18 and 25 members, appointed by the Minister after consultation with Cabinet. Members include one representative from each province, and nominated members from organs of state, producers of statistics, organised business and labour, specialist and research interests, economic and financial interests, demographic and social interests, and the general public.

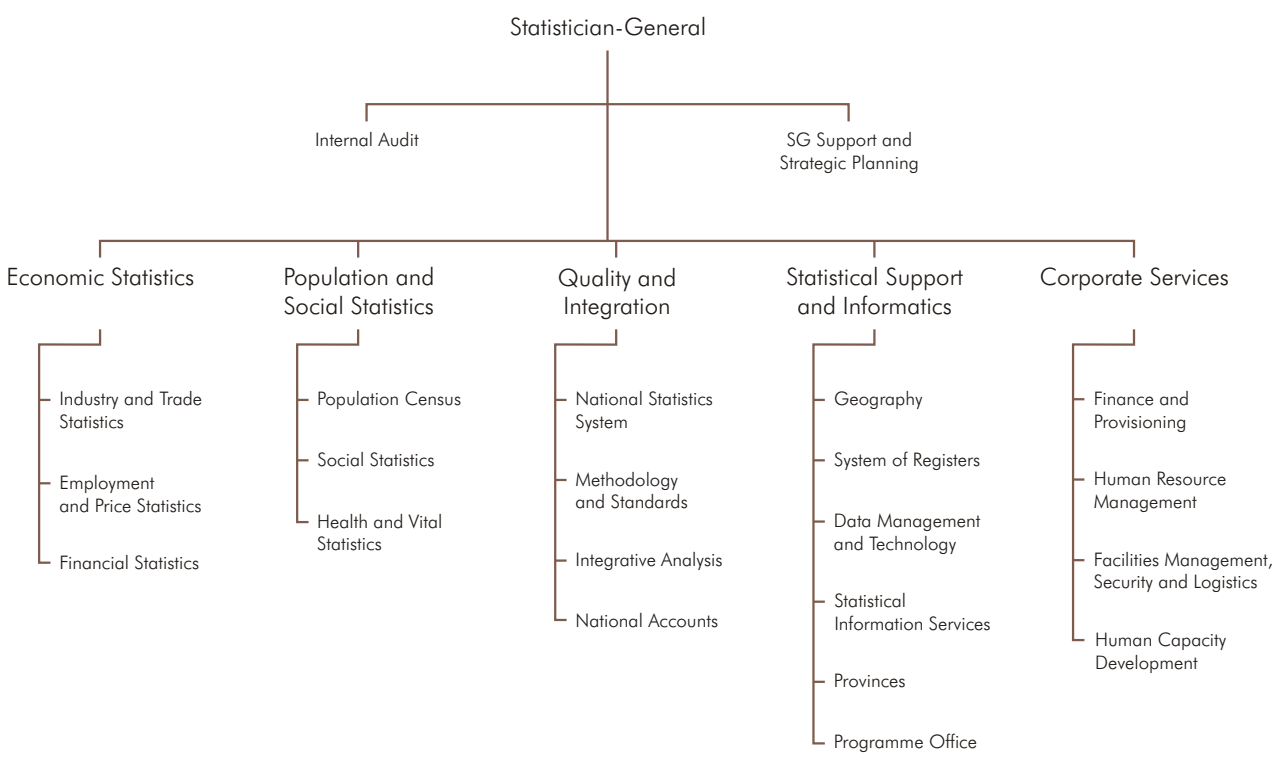
The role of the Statistics Council can be summarised as follows:

- (a) It advises the Minister, the Statistician-General or other organs of state on statistical matters with regard to:
  - the collection, processing, analysis, documentation, storage and dissemination of statistics, including the taking of a population census; and
  - the elimination of unnecessary overlapping or duplication with regard to the collection or publication of statistics by organs of state.
- (b) It promotes and safeguards official statistics and the coordination of statistical activities.
- (c) It furnishes the Minister and the Statistician-General with an annual report which must be tabled in Parliament.

(d) It issues public statements on any matter relating to its functions in terms of the Act, but only after consultation with the organ of state, business or organisation involved.

### The organisational structure

The organisational structure must be flexible for the future as well as fit for the present. Given the redefined vision, mission, values, strategic objectives and key projects, Stats SA reviewed and realigned its organisational structure to ensure alignment to shifting priorities. The realigned structure has enabled the organisation to execute its work in a more effective and streamlined manner. As a result of the realignment of the organisational structure, divisions were moved within programmes as indicated below.





◀1



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1. **Dr J Arrow**  
Deputy Director-General: Quality and Integration
2. **Dr L Gavin**  
Deputy Director-General: Statistical Support and Informatics
3. **Ms N Mokoena**  
Deputy Director-General: Corporate Services
4. **Dr R Cassim**  
Deputy Director-General: Economic Statistics  
(Assumed duty with effect from 1 August 2006)
5. **Ms K Masiteng**  
Deputy Director-General: Population and Social Statistics  
(Assumed duty with effect from 1 August 2006)



◀1



◀2



◀3

1. **Mr R Maluleke**  
Executive Manager: Office of the Statistician-General

2. **Mr T Oosterwyk**  
Manager: Communications

3. **Mr P Kelly**  
Executive Manager: Strategic Planning

4. **Mr M Manamela**  
Executive Manager: Industry and Trade Statistics



◀4



◀5



◀6

5. **Dr H Morudu**  
Executive Manager: Price Statistics

6. **Mr D Booysen**  
Project Manager: Income and Expenditure Survey

7. **Dr J Kekovole**  
Executive Manager: Population Census

8. **Mr C Molongoana**  
Project Manager: Community Survey



◀7



◀8



◀9

9. **Ms Y Mpetsheni**  
Executive Manager: Social Statistics

10. **Prof. A Kahimbaara**  
Executive Manager: National Statistics System

11. **Mr J De Beer**  
Executive Manager: National Accounts

12. **Dr H Phillips**  
Executive Manager: Integrative Analysis



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13. **Ms S Laldaparsad**

Executive Manager: Geography

14. **Mr M Phirwa**

Executive Manager: Statistical Information Services

15. **Mr A Jenneker**

Project Manager: Data Management and Information Delivery

16. **Mr S Molefe**

Executive Manager: Data Management and Technology



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17. **Ms A Myburgh**

Executive Manager: Programme Office

18. **Ms A Latief**

Chief Financial Officer

19. **Dr M Nthangeni**

Executive Manager: Human Capacity Development



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20. **Mr H Dolley**

Acting Executive Manager: Facilities Management, Security and Logistics

21. **Mr N Du Plessis**

Executive Manager: Internal Audit

---

Absent: **Dr P Naidoo** Executive Manager: Financial Statistics



## Section 2: Organisational performance

## Voted funds

Appropriation	Main appropriation	Adjusted appropriation	Actual amount spent	Over/under expenditure
Vote 13	R691 257 000	R717 424 000	R619 984 000	R97 440

Responsible Minister: Mr TA Manuel  
 Administering Department: Statistics South Africa  
 Accounting Officer: Mr PJ Lehohla

## Aim of the Vote

The aim of Statistics South Africa is to collect, process, analyse, and disseminate high-quality official and other statistical data and information, and coordinate the national statistics system, in support of economic growth, socio-economic development, democracy and good governance.

## 2.1 Key objectives and programmes

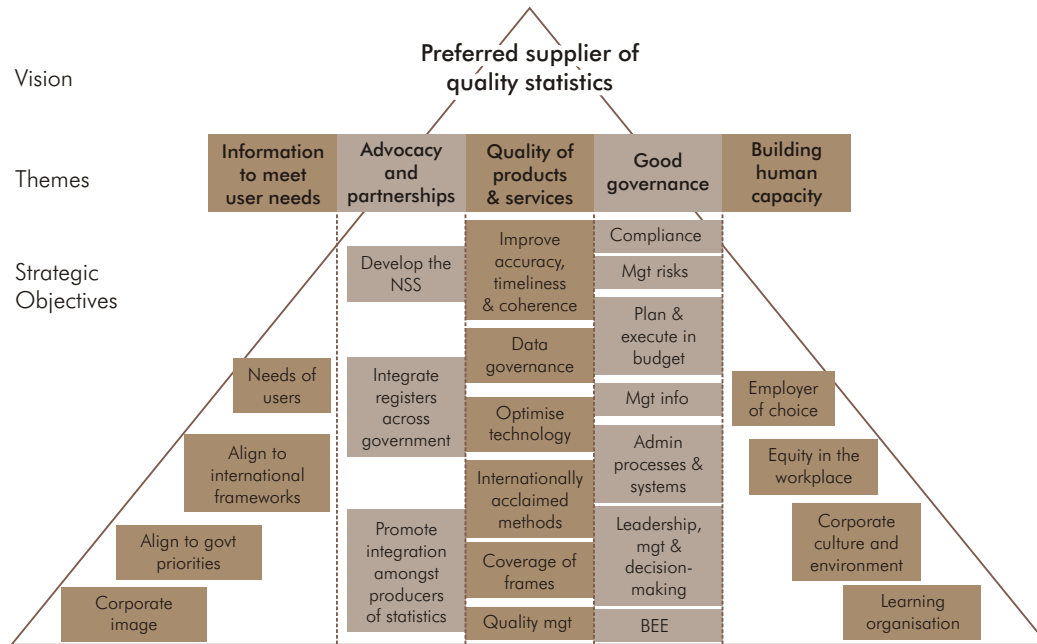
### 2.1.1 Strategic themes

To achieve the vision and mission of the organisation, Stats SA has identified five strategic themes to focus and guide the organisation over the next five years. These strategic themes respond to the key areas that the organisation should excel at, in order to become the 'Preferred supplier of quality statistics'. These are:

- Providing relevant statistical information to meet user needs
- Developing and promoting statistical advocacy and partnerships
- Enhancing the quality of products and services
- Ensuring good governance
- Building human capacity

Stats SA has also identified a set of strategic objectives within each theme, informed by the SWOT analysis, which will be pursued in the short, medium and long term.

## Stats SA's strategy



### 2.1.2 Programmes

The work of Stats SA is carried out through five programmes, namely:

- Economic Statistics
- Population and Social Statistics
- Quality and Integration
- Statistical Support and Informatics
- Corporate Services

## 2.2 Strategic overview

As political change stabilises in the country, the sources of information become more important. Over the past year, Stats SA has made significant progress in implementing the targets and milestones set in the 2005/06 strategic plan. Implementing our strategy has been largely driven by the emphasis on monitoring the performance of the country by applying best international practice in how we conduct our work.

In our effort to become the 'Preferred supplier of quality statistics', Stats SA has implemented new survey methodologies for the Consumer Price Index and the Income and Expenditure Survey in line with internationally acclaimed methodologies. The first results of the new CPI were published during the past year and provided a more robust and reliable indicator of inflation. We have also initiated a review of the Labour Force Survey and Producer Price Index and the revised methods will be implemented over the medium term. Stats SA's highest-profile project, the new Community Survey, is well underway. The pilot survey was conducted during the past year, and the main survey is scheduled to take place during February 2007. The Community Survey will be used as a key building block towards creating the necessary capacity and infrastructure for Census 2011.

Great efforts have been made during the past year to engage more regularly with users across the spectrum and to measure their levels of satisfaction. An increase in the confidence of our statistics is reflected in the increase in user visits to our website and in the satisfaction of our users as measured by the customer satisfaction survey.

### 2.2.1 Overview of the organisational environment for 2005/06

During the year, Stats SA reviewed the strategy we had set ourselves to achieve in the strategic plan. The review resulted in a much tighter and clearer strategic direction and is reflected in the work programme presented in Parliament. The results of the review reaffirmed the strategic direction as outlined in the 2005/06 strategic plan.

Stats SA continued to experience severe capacity constraints at senior management level. The services of the Deputy Directors-General for Corporate Services and Population and Social Statistics were terminated. The DDG for Quality and Integration retired. The post of DDG for Economic Statistics remained vacant during the year. Through a concerted recruitment effort, all four positions have since been filled. The new DDGs for Quality and Integration and Corporate Services have assumed duty in February and April 2006 respectively. The two remaining DDGs for Economic Statistics and Population and Social Statistics will assume duty in August 2006.

#### South African Statistics Council

The Statistics Act (Section 8) makes provision for a Statistics Council consisting of between 15 and 25 members. The term of the previous council expired in October 2004. Cabinet approved the new council in April 2005. The Ministerial inauguration of members was held in June 2005.

## 2.3 Key strategic achievements

The following section describes the key strategic achievements of the organisation in line with the strategic themes and key initiatives outlined in the strategic plan.

### Strategic theme 1: Providing relevant statistical information to meet user needs

The core of Stats SA's strategy is the provision of relevant, reliable and high-quality statistical information that influences the planning and decision-making processes of users.

**a) Assessing and monitoring the needs of users** by understanding and identifying the different roles of users, producers and suppliers of information.

Stats SA assessed and monitored the needs of users by conducting stakeholder workshops in all nine provinces twice last year. The first round of provincial workshops conducted in May, focused on educating users about Stats SA's outputs, methodologies employed and quality criteria subscribed to. The second round of workshops followed in November in celebration of African Statistics Day. This provided a platform for stakeholders to share their information needs and experiences with using Stats SA data. Over 800 stakeholders representing mainly government, the business sector, academics and non-governmental organisations attended these workshops.

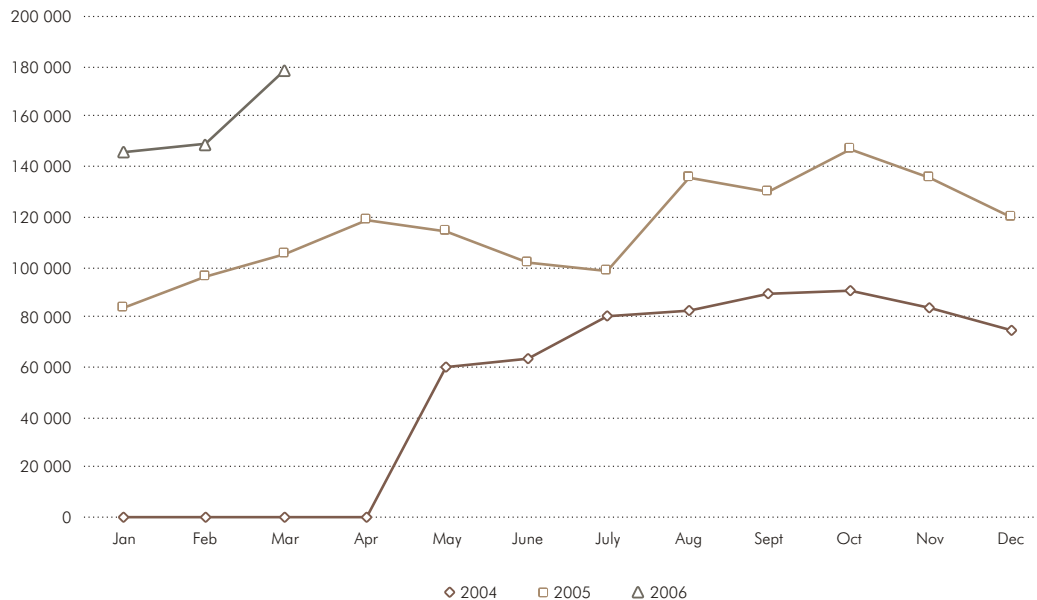
Stakeholder feedback is an important measure of how well Stats SA achieves meeting user needs in terms of relevance and accessibility of data. Stats SA conducted a user satisfaction survey that measures users' satisfaction with Stats SA's products and services, and the level of service delivery. The overall rating for Stats SA for 2005/06 showed an increase from 67,4% (in 2005) to 73,6%. Stakeholders rated various aspects of Stats SA's products and services. Ratings also improved for Stats SA facilities (from 66,1% to 74%); formats of statistical products (from 71,5% to 76,9%); level of content of Stats SA publications (from 69,1% to 72,6%); and professionalism and competency of staff (from 63,1% to 76,3%).

**b) Increasing the accessibility and usage of statistics** by ensuring that users have equal access to statistical information and metadata.

Stats SA's primary dissemination tool is StatsOnline, the organisation's official website. Over the last three years Stats SA has endeavoured to make StatsOnline a user-friendly portal through which stakeholders can search for and download all Stats SA publications and datasets.

Increased traffic through the site was a result of improved navigation and simple design. Between April 2005 and March 2006, the number of visitor sessions increased from 119 112 visitor sessions per month to 178 105, which was an increase of approximately 50%. The number of publications downloaded during this period increased from 35 392 to 94 690, showing a phenomenal increase of 268%.

### StatsOnline visitors: May 2004–March 2006



#### c) Providing relevant statistical information in line with international frameworks and in response to government priorities

International statistical frameworks such as the General Data Dissemination System, the Special Data Dissemination Standards and the System of National Accounts guide countries in the provision of their economic and financial data to the public.

Stats SA has produced information during the past financial year to inform the following national priorities in line with international frameworks:

- Economic growth
- Price stability
- Employment and job creation
- Access to service delivery
- Population dynamics and profile

Progress on the key initiatives improving the measurement of these priorities is discussed below:

##### (i) Economic growth

The Gross Domestic Product (GDP) is the key economic indicator measuring economic growth in South Africa. In order to ensure that the GDP accurately reflects this growth, Stats SA has identified that increased emphasis should be placed on understanding and measuring the agriculture, construction, transport, communication and business services sectors to provide more accurate and reliable indicators to the quarterly GDP. The main

### Fundamental principles of official statistics

In order to safeguard official statistics and guide national statistics offices in their work, the United Nations has adopted the following fundamental principles of official statistics:

- a) **Impartiality:** Official statistics provide an indispensable element in the information system of democratic society, serving the government, the economy and the public with data about the economic, demographic, social, and environmental situation. To this end, official statistics that meet the test of practical utility are to be compiled and made available on an impartial basis by official statistical agencies to honour citizens' entitlement to public information.
- b) **Professional independence:** To retain trust in official statistics, the statistical agency needs to decide, according to strictly professional consideration including scientific principles and professional ethics, on the methods and procedures for the collection, processing, storage and presentation of statistical data.
- c) **Transparency of methods applied:** To facilitate a correct interpretation of the data, the statistical agency is to present information according to scientific standards on the sources, methods and procedures of statistics.
- d) The statistical agency is entitled to **comment on erroneous interpretation** and misuse of statistics.
- e) **Use the most efficient sources:** Data for statistical purposes may be drawn from all types of sources, be they statistical surveys or administrative records. The statistical agency is to choose the source with regard to quality, timeliness, costs and the burden of respondents.
- f) **Confidentiality:** Individual data collected by the statistical agency for statistical compilation, whether they refer to natural or legal persons, are to be strictly confidential and used exclusively for statistical purposes.
- g) **Transparency of laws:** The laws, regulations and measures under which the statistical system operates are to be made public.
- h) **Cooperation among institutions:** Coordination among statistical agencies within countries is essential to achieve consistency and efficiency in the statistical system.
- i) **Adherence to international standards:** The use by the statistical agency in each country of international concepts, classifications and methods promotes the consistency and efficiency of statistical system at all official levels.
- j) **International cooperation:** Bilateral and multilateral cooperation in statistics contributes to the improvement of the system of official statistics in all countries.

The Statistics Act is based on these fundamental principles and translates them into a practical application for the South African context.



source of data for an independent estimate of the annual GDP is the Economic Activity Survey (EAS). During 2005/06 Stats SA increased the sample size of the Economic Activity Survey to ensure better coverage of all economic sectors. As outlined in the strategic plan, we plan to roll out sector-specific surveys in construction, transport, post and telecommunication, and personal and business services in 2007/08.

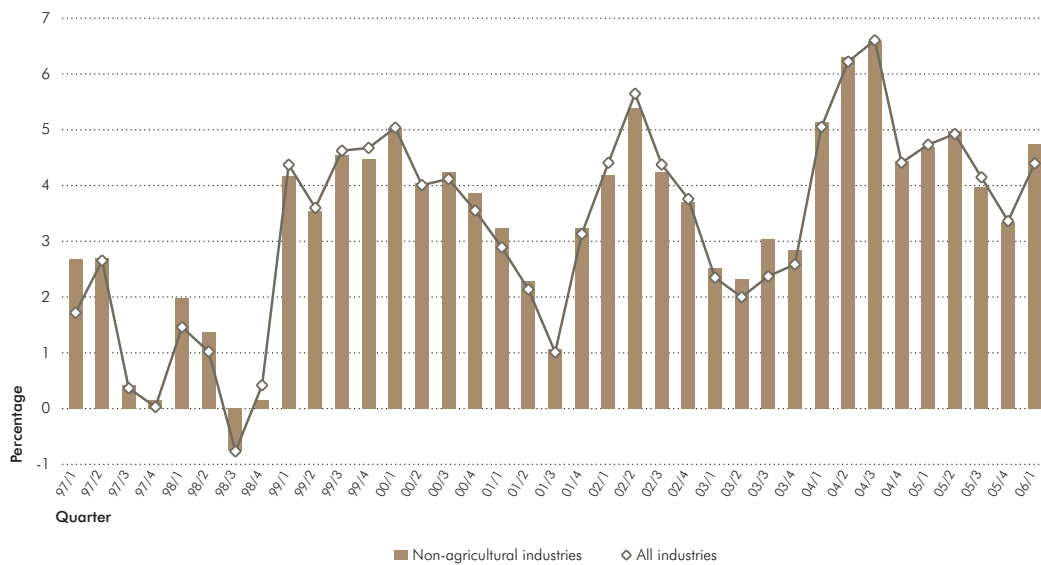
Stats SA, together with the National Department of Agriculture, conducted an agricultural survey in 2005/06. Processing and analysis of data will be done in 2006/07.

*Financial statistics:* Stats SA is in the process of implementing the 2001 Government Financial Statistics Framework in line with guidelines of the International Monetary Fund, but will report financial information on a cash basis of accounting. The new framework based on accrual basis will be rolled out over three years.

*Second economy information:* The Survey of Employers and the Self-employed (SESE) is aimed at collecting reliable data about people running businesses that are not registered for VAT or income tax. Stats SA conducted the SESE towards the later part of 2005/06. Results will be released in the new financial year.

The annualised quarterly GDP came in at 4,9% in the second quarter of 2006. Percentage changes in the seasonally adjusted quarterly GDP by industry from 1997 to the second quarter of 2006 are depicted graphically below.

### Annualised percentage changes in the seasonally adjusted quarterly gross domestic product by industry



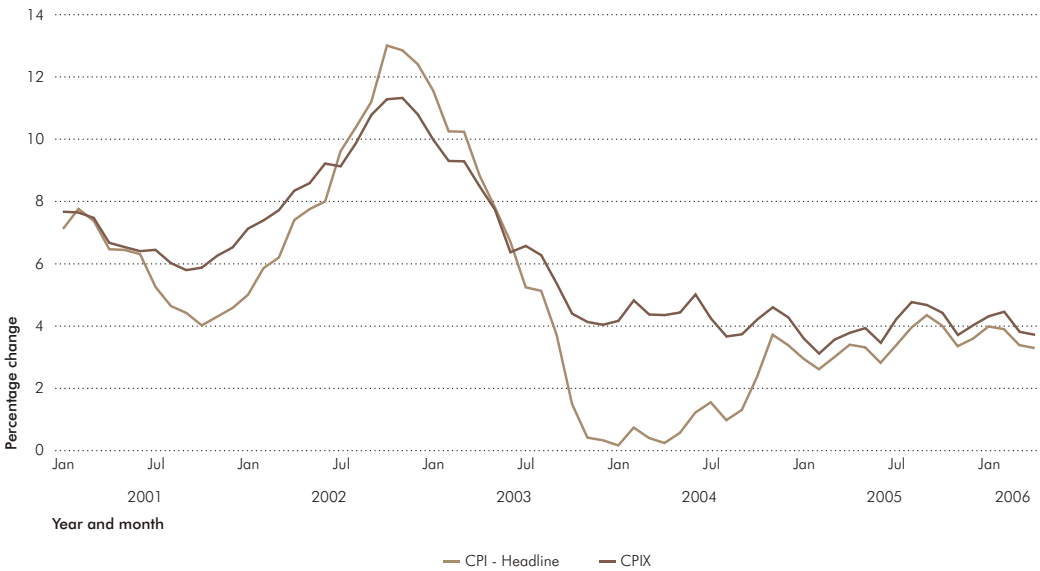
**(ii) Price stability**

*Consumer Price Index (CPI):* The CPI indicates the variation over time in household expenditure aggregates that can be attributed to price movements. In 2004, Stats SA piloted a new method to collect price information for the CPI. This method involved deploying data collectors in the field who would personally visit retail outlets and observe and record the prices of certain goods. During 2005/06 this new method was implemented fully in all of the 'historically metropolitan areas' for which the CPI is published. Training for the 'other urban areas' covered by the CPI took place in January, with collections initiated in February. The January 2006 CPI was the first release to be published on the basis of directly collected information (for the 'metro' areas only). The changeover did not affect the levels of the indices and was well received by the user community.

The direct collection method has a massive impact on the management of the CPI process. Approximately 120 fieldworkers collect about 110 000 prices each month. The data are quality controlled, captured and then compiled by a team of about 80 staff members in Head Office.

The new method brings Stats SA's price collection methods in line with international practice and provides a significant degree of confidence in the quality of the data and the actual price indices.

**Annual percentage changes in the CPI and CPIX**



*Income and Expenditure survey (IES):* Stats SA is in the process of conducting an IES. The aim of this survey is to collect information on the spending patterns of South African households. The survey also forms the basis for determining the weights for the basket of goods and services used in the compilation of the CPI.

Stats SA has taken careful steps in researching, developing and testing methodologies for the IES. A new collection methodology was adopted in line with international best practice to collect information on the expenditure patterns of South African households, covering a period of 12 months. Stats SA only finalised testing the new collection methodology during 2005, which had a significant impact on some basic assumptions and the survey methodology adopted. A combination of the recall and diary method was adopted for the IES. Information is collected over a period of a month. Trained field workers visit respondents from selected households five times or more in a particular month in order to assist them in completing the survey instruments. The household records daily acquisitions of all types of goods and services in a weekly diary.

A well-trained publicity team was appointed and tasked with informing, educating and persuading respondents to participate in the survey. Special attention was directed at ensuring participation of respondents in the more affluent areas, which accounts for a large proportion of the country's expenditure. In addition, consultation with a broad stakeholder base was conducted in order to create awareness of the organisation and highlight the objectives and importance of the IES at provincial level.

The results explaining the spending patterns of people in different income groups will be shared in the form of ten statistical releases, one for each of the nine provinces and one for South Africa as a whole. These results are expected to be available by November 2007.

### **(iii) Employment and job creation**

*Labour Force Survey (LFS):* An evaluation undertaken by the consultants from the International Monetary Fund (IMF) confirmed the need to re-engineer the LFS. During 2005/06, recommendations were made with regard to addressing weaknesses covering conceptual clarity, questionnaire design, sample design, estimation procedures, administration of the LFS questionnaire, and publication of results in terms of frequency, timeliness and statistical release content.

The main thrust of the project proposal is for the LFS to be conducted on a quarterly basis and results to be made available four weeks after the last day of data collection. The project encompasses conceptual clarification, questionnaire redesign and intense testing thereof, and introducing changes to the frequency and duration of data collection. The possible introduction of new technology to capture and process data will improve the quality of statistical releases based on the LFS. The new survey methodology for the LFS will be rolled out in the medium term.

*Average monthly earnings (AME):* The AME survey conducted in the past was reintroduced as a subsection of the quarterly employment survey. Results for the first three quarters of 2005 were used for the planning of the re-introduction of the AME survey. Three statistical releases (November 2004, February 2005 and May 2005) were published in October 2005 and one statistical release (November 2005) was published in February 2006.

#### **(iv) Access to service delivery and population dynamics and profile**

*Community Survey:* Following Cabinet's decision to replace the five-yearly census with a ten-yearly cycle, it was decided that a Community Survey would be conducted as a census replacement survey. The project is aimed at providing information at lower geographical levels than existing household-based surveys.

The Community Survey is expected to bridge the gap created by moving from five to ten years. It is envisaged that the survey will provide, amongst other things, support to the planning of Census 2011. The pilot survey was conducted in February 2006, and the main survey is scheduled for February 2007 with the results expected in November 2007.

*Population Census 2011:* Stats SA will conduct the next population census in October 2011. Work on census research commenced with the compilation of the following documents:

- Reports on qualitative and quantitative surveys conducted on the 'Perceptions and attitudes of census respondents'
- A report on the content research to inform the development of questions on migration and employment.

Fieldwork pertaining to the fertility schedule was carried out. The analysis of the data collected in the content survey on the fertility schedule commenced during the financial year.

#### **d) Improving our corporate image** by projecting a corporate posture that reflects a professional organisation that puts quality first.

Much effort has gone into promoting the corporate image of the organisation. Stats SA has increased its interaction and liaison with the media. We aim to achieve a 24-hour turnaround time in dealing with enquiries. Various senior managers have received training on how to deal with the media. The SG's column, 'Inside Statistics', is featured weekly in the *Business Report*. These efforts have resulted in improved positive coverage of Stats SA. We are currently measuring and monitoring media coverage on a monthly basis.

Stats SA's branding is prominently displayed on all products and signage at Stats SA's offices. A recent development in the marketing strategy has been to exhibit Stats SA's products and services at conferences and exhibitions.

### **Strategic theme 2: Developing and promoting statistical advocacy and partnerships**

Stats SA is mandated by the Statistics Act to coordinate and improve the statistical system in order to effectively inform government priorities.

#### **a) Developing the National Statistics System (NSS)**

In conjunction with its stakeholders, Stats SA is in the process of compiling a Statistical Master Plan that provides a framework for enhancing the NSS. A draft proposal and summary report on international best practice that is applicable to the South African context was compiled. The report informs the Statistical Master Plan and provides the basis for alignment to the

United Nations (UN) and Organisation for Economic Co-operation & Development (OECD) standards.

Joint Working Parties (JWPs) were established between Stats SA and the Departments of Education, Health and Home Affairs. The aim of the JWPs was to assess the potential of the departments' registers or administrative data to become sustainable sources of official statistics, which can be used as indicators for the Government-wide Monitoring and Evaluation System (GWM&ES).

During the 2005/06 financial year, Stats SA provided support to the Justice Crime Prevention and Safety Cluster (JCPS) task team with designing a model to predict the number of potential prisoners in the prison system, supported the Department of Transport with refining the sector's indicators and provided data to the Office of the Status of Women (OSW) in the Presidency.

#### **b) Promoting integration among producers of official statistics**

One of Stats SA's key objectives is to assist other government departments to establish monitoring and evaluation systems. During 2005/06, Stats SA, together with the Presidency's Policy Coordination and Advisory Services (PCAS), completed a first draft of the Compendium of Indicators for the Government-Wide Monitoring and Evaluation System (GWM&ES). The compendium contains 161 main indicators disaggregated into 365 subset indicators covering all five government clusters of the Forum of South African Directors-General (FOSAD).

The Millennium Development Goals (MDGs) were adopted by world leaders in 2000 and the United Nations is the global coordinator of the MDG programme. Stats SA is responsible for the coordination of the Millennium Development Goals process in South Africa. For the first time, South Africa has posted a Millennium Development Goals Country Report on the UN website.

#### **c) Integrating and improving the quality of registers across government**

One of the core requirements of the NSS is to strengthen the capacity of departments to effectively monitor the delivery of their own programmes.

The review of departmental registers, management information systems (MIS) and administrative records in various government departments commenced. Consultants from the World Bank's Trust Fund for Statistical Capacity Building assessed the existing administrative registers for scope coverage, comprehensiveness and quality against the backdrop of the Compendium of Indicators. The process involved careful mapping of procedures and processes used in the collection of data for registers and administrative records. The review was completed for the Departments of Education, Health and Home Affairs. The reports were forwarded to the respective departments.

A joint project on birth registration, between the Department of Home Affairs and Stats SA, supported by UNICEF, was undertaken. The aim of this project was to assess levels of coverage of birth registration at national and sub-national levels, and to establish reasons for under- and overcounts. Suggestions for improvements and a plan for the introduction of new procedures were elaborated.

#### **d) Improving data governance**

The cornerstone of any national statistics system is the development and implementation of common standards and definitions for all government statistics.

A key challenge facing Stats SA as a statistical agency is to successfully link statistical units, data items, classifications and standards in the statistical production process. Central storage of data and metadata is a key element in improving the quality of, and access to, authoritative and reliable statistical information. During 2005/06, a policy on data quality was approved. The purpose of the policy is to ensure that producers of statistics in South Africa adhere to the agreed standards, procedures and guidelines on producing quality data. A South African Statistical Quality Assessment Framework (SASQAF) for measuring product and data quality was developed. The development of an End-to-End Statistical Data Management Facility (ESDMF) is underway. The ESDMF will provide the technological infrastructure that will ensure compliance and delivery according to internationally accepted methodologies.

### **Strategic theme 3: Enhancing the quality of products and services**

A flow of comprehensive, reliable, accurate and timely statistics is indispensable to informed policy-making, and helps provide discipline by supporting informed public debate and market assessment in an informed society.

#### **a) Improving the accuracy of statistics**

During 2005/06, the following initiatives were undertaken to improve the accuracy of various statistical series:

- New samples on retail trade and sales, motor sales and wholesale trade were introduced to improve the quality and relevance of the surveys.
- A road show to magistrate's courts to improve the response rate of the civil cases for debt survey, was done during October. Two computer programs were installed in the magistrate's courts in Johannesburg and Brits as a pilot project to improve the quality and the response rate of the civil cases survey.
- The Department of Minerals and Energy was visited once a month to improve the quality of the mining administrative data.
- An assessment of the non-observed economy was completed. This research follows on a handbook that was released on international best practice, to guide countries on how to measure the non-observed economy.

#### **b) Improving the timeliness of statistics**

Significantly, 95% of all economic statistics produced by Stats SA meet the international standard on timeliness according to the Statistical Data Dissemination Standards (SDDS) requirements. Stats SA has initiated a project to re-engineer the LFS. One of the key objectives will be to improve the timeliness and frequency of labour market information. This project will be completed over the medium term.

### c) Promoting the quality and coverage of frames

The coverage and quality of frames impact on the accuracy of statistical information produced.

Fundamental for the collection of accurate statistics is an accurate sampling frame, which is complete and updated in order to be used confidently for surveys and censuses.

*Geographic frame:* An accurate knowledge of the location of all dwellings in the country is a prerequisite for a successful census. This will ensure that every household in the country is visited, thus ensuring that every person in the country is counted. The South African geo-referenced dwelling frame will provide the exact locations of all dwellings and will be used for the delineation of enumeration areas, for the list of dwellings against which census data are collected, and for matching and cross-checking processed census records in the census post-enumeration survey. Close collaboration has been established with all six metros. Stats SA is in the process of discussing the possibility of establishing partnerships on a national level with key stakeholders on spatial information. During 2005/06, 15,7% of the national dwelling frame was completed.

The business register was established in 2000 and forms the sampling frame from which businesses are selected to report on their activities. The sampling frame has been compiled from the tax register of the South African Revenue Services (SARS), and uses turnover as a measure of size. The correct classification of businesses is crucial for monitoring economic activity in South Africa. Classification and the status of the businesses have been maintained with minimum time-lags to ensure reliable and accurate information on economic activity. Stats SA is in the process of designing a business register quality improvement survey that will be rolled out during 2006/07. During 2005/06, Stats SA signed a Memorandum of Understanding with SARS, outlining collaboration arrangements between the two parties.

### d) Quality management

Stats SA plans to systemise its approach to quality by instituting a quality management framework for the production of statistical information.

Statistical publications from different production areas were subject to rigorous quality checks – both in the subject-matter areas as well as by independent staff members in the Methodology and Standards division.

Standard operating methodological procedures were developed for Health and Vital Statistics and discussions with the Social Statistics division have commenced for the development of standard operating methodological procedures.

### e) Application of technology to improve the quality of statistics

Stats SA wants to create an integrated enterprise-wide IT architecture, to increase efficiency and improve data quality in each stage of the statistical production process.

Stats SA relies heavily on Information and Communication Technology (ICT), due to the nature of its core business, namely the production of statistical information. As such, it has invested in networks, hardware, software and ICT personnel. The purpose of information and communication technology is to facilitate the activities required both at corporate level, and in the execution of its core business. Stats SA employed a strategy to increase efficiency, and

improve data quality in each stage of the statistical production process. The automation of routine processes will liberate human resources to undertake analysis, research and development, as well as contribute directly to the reduction of data manipulation errors and dissemination of information products derived from data collections more rapidly.

In order to optimise the use of technology in the cost-effective production of quality statistics, a phased approach has been adopted. This included stabilisation of the current environment, optimisation of existing technologies and maximising benefit through deployment of emerging technologies.

As a first key step to stabilise the current situation, Stats SA consolidated the storage of data through the implementation of a storage area network (SAN) during 2005/06. Stats SA has also established a disaster recovery facility to mitigate the risk of any disaster that may have an impact on Stats SA's data.

#### **Strategic theme 4: Ensuring good governance**

Stats SA wants to ensure that good governance arrangements are in place throughout the organisation to support the statistical production processes effectively and comply with regulations.

##### **a) Complying with legal frameworks**

As a national government department, Stats SA must comply with the requirements of the Public Finance Management Act, the Public Service Act and others.

Following the previous audit report, Stats SA has put in place various strategies and processes to ensure good governance and compliance to legislative requirements. A 'red truck' project was initiated by Corporate Services to increase awareness among all staff regarding compliance to legislation in government. Staff members in Stats SA received a 'red truck' file that included all the relevant legislation and approved policies in Stats SA. Approved policies are also available on the Intranet. Stats SA has developed a reporting and monitoring process to follow up on the implementation of internal audit and external audit queries and recommendations. These efforts and many others have resulted in the reduction of the number of matters of emphasis by the Auditor-General as outlined in Section 6.

##### **b) Improving the efficiency and effectiveness of administrative processes and systems**

by enhancing capacity in the relevant areas, implementing policies, procedures and best practice, and redesigning processes to meet user requirements.

Stats SA has initiated a business process improvement project that included mapping and documenting all current processes and identifying gaps that exist. This process has been finalised. Managers and their staff have identified areas for improvement. As part of this initiative and in an effort to improve internal control measures, the following policies were approved:

- Asset management policy
- Cellular phone policy
- Landline policy
- Policy on consultants



- Catering policy
- Black Economic Empowerment policy
- Bursary and Scholarship Administration
- Human Resources Development

The revised Procurement policy was approved and appropriate measures for improvement were identified, taking into account the recommendations made by internal and external auditors.

**c) Improving the quality and usage of management information** is important to ensure sound management, decision-making and good governance.

During 2005/06, the Management Information System (MIS) was enhanced to include the following:

- A business planning system
- A survey progress reporting system
- A leave planning and tracking system
- A telephone and emergency contact system

**d) Planning and executing activities within budget** is a key requirement to ensure that Stats SA provides cost-effective products and services.

Stats SA has tabled its strategic plan and annual report in Parliament in line with legislative requirements. The strategic plan outlines the broad strategic direction of the organisation and the milestones it wants to achieve in the medium term. Divisions have compiled annual business plans outlining quarterly outputs and targets to be achieved. Stats SA submitted quarterly reports to the Minister and Treasury, reporting on the performance of Stats SA against set targets and milestones.

Further to the strategic and business plans, a detailed project plan was compiled for each project, in line with international practice on project management. These plans detail the activities and tasks to be conducted and managed on a monthly basis.

#### **e) Managing risks effectively**

During 2005/06, Stats SA developed a risk management framework. Comprehensive risk management plans for all divisions in the organisation were compiled. The organisation conducted a risk assessment at divisional level during March 2006. One hundred and eight managers were trained on risk management in Stats SA.

**f) Effective leadership, management and decision-making** are required to drive the organisational change needed to become the 'Preferred supplier of quality statistics'.

To ensure effective leadership, management and decision-making in the organisation, Stats SA's executive management committee meets weekly to discuss and make decisions around: (i) strategic conceptualisation and planning, (ii) strategic reporting and monitoring,

(iii) strategic intervention, and (iv) resource allocations. This has provided clear direction and decision-making to the organisation.

### **Strategic theme 5: Building human capacity**

Well-trained staff members are essential for the sustainable production of quality products and services.

**a) Becoming an employer of choice** that attracts and retains valuable employees by ensuring that the organisation is respected for its products and services, competitive in its compensation packages, concerned with the welfare of its employees and appreciated for the overall contribution to the development of the country.

The development of a human resource strategy that focuses on competency-based career pathing, has commenced. A final HRM strategy was presented to EXCO and approved in principle. A performance appraisal policy was approved in the third quarter. The policy makes provision for aligning organisational and individual goals, and rewarding excellent performance.

A project management course based on the Project Management Body of Knowledge (PMBOK) principles, was developed for Stats SA. A total of 97 staff members attended in-house project management training.

**b) Achieving equity in the workplace** by promoting equal opportunities and fair treatment of all employees, and implementing the Employment Equity Plan and Affirmative Action policy and programme.

Stats SA aims to achieve equity in the workplace by implementing the Employment Equity Plan and Affirmative Action policy. The Employment Equity Plan was approved in June 2005. A Workplace Skills Development Committee is in place, and the integration of Employment Equity targets in the recruitment and selection processes is in progress. An Employment Equity Consultative Committee was launched in October 2005.

**c) Creating a learning organisation** calls on the organisation to ensure that it develops its people and continually learns from its experiences in the quest for excellence.

Stats SA launched an Internship programme during 2005. This programme is aimed at addressing the lack of skills in the organisation, especially in the statistical core areas. Thirteen interns received intensive training for a period of twelve months. Twelve interns who successfully completed the programme were appointed with effect from 1 January 2006 on a permanent basis into various components of Stats SA. A new cohort of seventeen graduates was recruited into the programme in December 2005, and started their internship training in January 2006.

The South African Statistical Association (SASA) conference was held at Rhodes University in November 2005. The aim of the conference was to share knowledge in the area of statistics. A special session was held to discuss training of statisticians in the SADC region. The discussions focused on the collaborations between universities and national statistics offices. The discussions included the SADC Heads of Statistical Offices, the SADC Secretariat, and Heads of Statistics Departments at universities. South Africa, through Stats SA, presented a

position paper on the way forward in the training of statisticians, in order to address the critical skills shortage.

Work towards the development of a statistical training framework commenced. This framework is aligned to the SADC statistical framework. Consultations were held with other institutions, including the SARS Academy and the South African Reserve Bank.

**d) Creating an enabling corporate culture and environment** where all people want to be involved in decisions that affect them, take pride in themselves, their jobs, one another and their place of work.

In an effort to create an enabling corporate culture and environment, Stats SA runs an Employee Assistance Programme (EAP). One of the endeavours of the EAP is to promote continuous education, awareness and campaigns on HIV/AIDS. Awareness workshops were held in October and November 2005, and National Aids Day was commemorated in December 2005. Another endeavour of the EAP is to build partnerships with external support groups. During the third quarter, a workshop on healthy living, and voluntary counselling and testing was conducted in partnership with an NGO called Siyaphila.

The National Gambling Association in conjunction with the Gauteng Gambling Board conducted a workshop on responsible gambling. Stats SA launched a Men's Indaba at a seminar held in November 2005. One hundred and thirty three male staff members attended the workshop. The theme was: 'Partnership for peace; involvement of men in protecting women and children against abuse and violence'.

During the 4<sup>th</sup> quarter, the Employment Equity (EE) Desk conducted awareness campaigns at Head Office and provincial offices. In inculcating a culture of good disability management, the EE Desk held a series of disability management workshops during March 2006.

## 2.4 International relations

### The 14<sup>th</sup> Conference of Commonwealth Statisticians

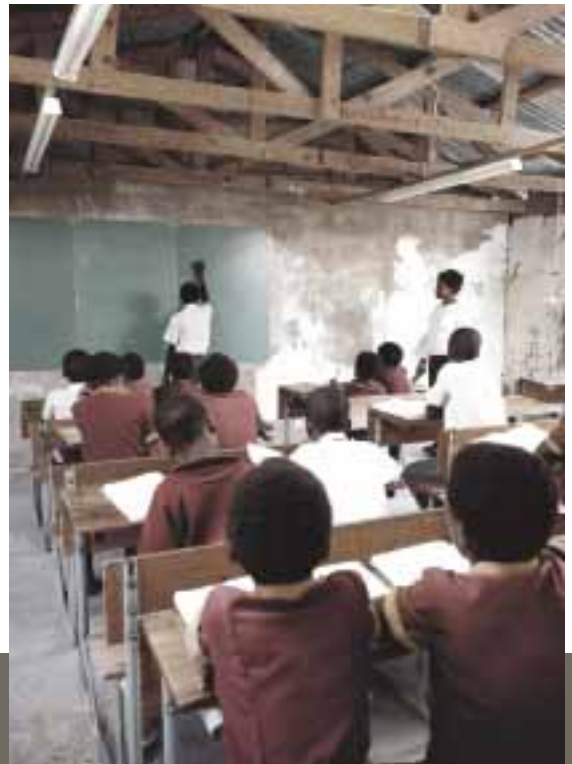
The theme of the 14<sup>th</sup> Conference of Commonwealth Statisticians was 'Millennium+5: Managing statistics for more equitable societies'. This conference was held in Cape Town in September 2005 and participants from 61 countries attended. The main focus of the conference was to measure the progress of governments in implementing the Millennium Development Goals. A highlight of the conference was the session for young statisticians. An essay competition was held and six winning entries from UK, Tanzania, Kenya, Lesotho and South Africa were selected and presented at the conference.

## **The African Symposium on Statistical Development**

Stats SA hosted the African Symposium on Statistical Development in January 2006. Forty-three national statistical agencies from the continent attended the conference.

The conference evaluated the steps taken by African countries to prepare for the 2010 round of population and household censuses in terms of a resolution adopted by the United Nations. At the conference it was resolved that:

- All African countries make the necessary preparations for the next round of censuses.
- The Economic Commission for Africa (ECA) play a central role in supporting the initiatives of all African countries, and for this purpose will establish statistical capacity at its headquarters. Ten countries were nominated as 'Friends of the ECA' to assist the Executive Secretary. South Africa is one of the ten countries.
- The African Symposium for Statistical Development become an annual event. The next meeting will be held in Rwanda in February 2007.





## Summary of programmes

Stats SA's work is carried out through five programmes, namely:

- Economic Statistics
- Population and Social Statistics
- Quality and Integration
- Statistical Support and Informatics
- Administration

### 3.1 Economic Statistics

#### Purpose

To produce economic statistics to meet user requirements

#### Measurable objective

To inform economic decision-making by providing accurate, relevant and timely economic statistical information through the application of internationally acclaimed practices

#### Service delivery targets and performance

Subprogramme: Industry and Trade Statistics

Output	Indicator	Target	Actual output
<b><i>Statistical information on major areas of the economy</i></b>	<b><i>Number of economic sectors reported on</i></b>	<b><i>Seven economic sectors</i></b>	<b><i>Reported on seven sectors of the economy as outlined below</i></b>
Mining: Production and sales	Frequency and accuracy of statistical releases	Publish monthly statistical releases	Published 12 statistical releases according to the release schedule
Generation and consumption of electricity	Frequency and accuracy of statistical releases	Publish monthly statistical releases	Published 12 statistical releases with an average response rate of 100%
Manufacturing: Production and sales	Frequency and accuracy of statistical releases	Publish monthly statistical releases	Published 12 statistical releases with an average response rate of 84%
Retail trade sales	Frequency and accuracy of statistical releases	Publish monthly statistical releases	Published 12 statistical releases with an average response rate of 89%
Motor trade sales	Frequency and accuracy of statistical releases	Publish monthly statistical releases	Published 12 statistical releases with an average response rate of 87%
Wholesale trade sales	Frequency and accuracy of statistical releases	Publish monthly statistical releases	Published 12 statistical releases with an average response rate of 90%

Output	Indicator	Target	Actual output
<b>Statistical information on major areas of the economy</b>	<b>Number of economic sectors reported on</b>	<b>Seven economic sectors</b>	<b>Reported on seven sectors of the economy as outlined below</b>
Selected buildings completed – sample	Frequency and accuracy of statistical releases	Publish monthly statistical releases	Published 12 statistical releases with an average response rate of 98%
Selected buildings completed – annual	Frequency and accuracy of statistical releases	Publish one statistical release annually (April 2005)	Published one statistical release with a response rate of 99% as scheduled
Liquidations and insolvencies	Frequency and accuracy of statistical releases	Publish monthly statistical releases	Published 12 statistical releases according to the release schedule
Civil cases of debt	Frequency and accuracy of statistical releases	Publish monthly statistical releases	Published 12 statistical releases with an average response rate of 83%
Restaurants, bars and canteens	Frequency and accuracy of statistical releases	Publish quarterly statistical releases	No statistical releases were published <sup>1</sup>
Accommodation – short stay	Frequency and accuracy of statistical releases	Publish quarterly statistical releases	Published four statistical releases with an average response rate of 77%
Manufacturing: Utilisation of production capacity by large enterprises	Frequency and accuracy of statistical releases	Publish quarterly statistical releases	Published four statistical releases with an average response rate of 77%
Large sample surveys of construction, mining, accommodation, and personal services	Frequency and accuracy of statistical releases	Publish periodic statistical releases (March 2006)	Published four statistical releases by December 2005 with an average response rate of 77%
Large sample surveys of manufacturing, wholesale trade, and retail trade	Periodic surveys	Conduct surveys (October 2005)	The surveys were conducted in December 2005 <sup>2</sup>
Large sample surveys of electricity and water, motor trade, transport, communication, and business services	Periodic surveys	Surveys planned (March 2006)	The operational plan for the survey was compiled as scheduled

<sup>1</sup> Staff members were seconded to the CPI development project, since this was a high organisational priority. The publication will be released in August 2006

<sup>2</sup> The surveys were delayed due to discussions on sampling design at provincial level as no suitable sampling subframe was available on the business sampling frame. Results will be available in December 2006 as planned



## Subprogramme: Employment and Price Statistics

Output	Indicator	Target	Actual output
<b>Statistical information on employment and earnings</b>	<b>Number of industries</b>	<b>Eight industries</b>	<b>Reported on eight sectors of the economy</b>
Employment and earnings	Frequency and accuracy of statistical releases	Publish quarterly statistical releases	Published four statistical releases with an average response rate of 89% reporting on eight industries of the economy
	Number of industries on which labour market trends are reported	Eight industries of the economy	
Average monthly earnings	Frequency and accuracy of statistical releases	Survey planned	Published three statistical releases in October 2005 and one release in February 2006 with an average response rate of 89%
Pilot Income and Expenditure Survey	Frequency and accuracy of statistical releases	Pilot survey and survey conducted	The pilot survey was conducted in March 2005. Data collection for the main survey commenced in September 2005 and will continue until August 2006
Consumer Price Index (postal collection)	Frequency and accuracy of statistical releases	Publish monthly statistical releases	Published 12 statistical releases with an average response rate of 95% reporting on 1 500 consumer products
	Number of commodities price movements collected	1 500 consumer products	
Consumer Price Index (direct collection)	CPIX collection methodology in line with international best practice	75% roll-out of new methodology	The methodology was rolled out in all nine provinces in historically metropolitan areas by March 2006
Rural Consumer Price Index	Frequency and accuracy of statistical releases	Publish monthly statistical releases	Published 12 statistical releases with an average response rate of 95%
Producer Price Index	Frequency and accuracy of statistical releases	Publish monthly statistical releases	Published 12 statistical releases with an average response rate of 99% reporting on 1 700 products
	Number of commodities price movements collected	1 700 producer products	
	Revised basket of commodities	Basket of commodities reweighted and rebased	This target was not achieved <sup>3</sup>

<sup>3</sup> Data received from the Large Sample Survey of Manufacturing were not of good quality and were also not consistent with data from SARS

Output	Indicator	Target	Actual output
<b>Statistical information on employment and earnings</b>	<b>Number of industries</b>	<b>Eight industries</b>	<b>Reported on eight sectors of the economy</b>
Building Contracts Adjustment Indices	Frequency of statistical releases	Publish monthly statistical releases	Published 12 statistical releases
Services Price Index	Research, planning and design	March 2006	Research was conducted on the civil plant hire services. The survey on civil plant hire services will be conducted in 2006/07

### Subprogramme: Financial Statistics

Output	Indicator	Target	Actual output
Economic activity survey 2004	Frequency and accuracy of statistical releases	Publish annual statistical release (September 2005)	Published annual statistical release on 31 October 2005 with an average response rate of 80% reporting on eight sectors of the economy
	Number of economic sectors reported on	Eight economic sectors	
Quarterly financials of private sector	Frequency and accuracy of statistical releases	Publish quarterly statistical releases	Published four quarterly statistical releases with an average response rate of 80% reporting on eight sectors of the economy
	Number of economic sectors reported on	Eight economic sectors	
Non-financial census of municipalities 2004	Frequency and accuracy of statistical releases	Publish annual statistical release (December 2005)	Published annual statistical release on 30 November 2005 with a response rate of 100%
Financial data of municipalities for 2004	Frequency and accuracy of statistical releases	Publish annual statistical release (October 2005)	Published annual statistical release on 31 August 2005 with a response rate of 98%
Regional council levies – district and metros	Frequency and accuracy of statistical releases	Publish quarterly statistical releases	Published four quarterly statistical releases with a response rate of 100%
Quarterly financial statistics of local government	Frequency and accuracy of statistical releases	Publish quarterly statistical releases	Published four quarterly statistical releases with an average response rate of 80%
Capital expenditure of the public sector for 2004	Frequency and timeliness of statistical releases	Publish annual statistical release (June 2005)	Published annual statistical release in July 2005
Extra-budgetary accounts and funds expenditure 2003/2004	Frequency and timeliness of statistical releases	Publish annual statistical release (August 2005)	Published annual statistical release in August 2005
Provincial government expenditure 2003/2004	Frequency and timeliness of statistical releases	Publish annual statistical release (September 2005)	Published annual statistical release in September 2005

Output	Indicator	Target	Actual output
National government expenditure 2003/2004	Frequency and timeliness of statistical releases	Publish annual statistical release (June 2005 )	Published annual statistical release in June 2005
Universities and universities of technology 2004	Frequency and timeliness of statistical releases	Publish annual statistical release (September 2005)	Published annual statistical release in September 2005
Consolidated government expenditure	Frequency and timeliness of statistical releases	Publish annual statistical release (November 2005)	Published annual statistical release in November 2005

## 3.2 Population and Social Statistics

### Purpose

To produce population and social statistics to meet user requirements

### Measurable objective

To inform policy and planning processes by providing relevant and accurate population and social statistics using ethical and internationally acclaimed methodologies

### Service delivery targets and performance

Subprogramme: Population Census

Output	Indicator	Target	Actual output
Comprehensive demographic information on the population dynamics at all levels of society to inform social and economic development	Pilot Community Survey	Conduct pilot survey in October 2005	The pilot Community Survey was conducted in February 2006 <sup>4</sup>
	Census 2011: Census research conducted	Conduct Community Survey in October 2006	Plans and processes are in place to conduct the main survey in February 2007
		Two research documents to inform development of content and publicity strategies for testing user consultations and methodologies	Two detailed reports on the qualitative and quantitative surveys pertaining to <i>Perceptions and attitudes of census respondents</i> were prepared
			A report on the content survey on employment status and migration was finalised

<sup>4</sup> Due to delays in finalising the sample design, the Statistics Council supported the recommendation of Stats SA to the Minister to delay the pilot survey from October 2005 to February 2006 and the main survey from October 2006 to February 2007

Output	Indicator	Target	Actual output
Comprehensive demographic information on the population dynamics at all levels of society to inform social and economic development	Census planning and reviews	Strategic and operational planning in consultation with users and stakeholders	Nine consultation sessions with strategy experts in the provinces were conducted. A draft strategic plan was compiled. The operational plan for 2006/07 was finalised
	Percentage completion of allocation of addresses and standardised formats for physical addresses	15% completed by March 2006	16% of the national address system and register was completed as scheduled

### Subprogramme: Health and Vital Statistics

Output	Indicator	Target	Actual output
Statistical information on causes of death (2003 and 2004)	Number of releases produced	Publish annual statistical release of 2003 data (March 2006)	A statistical release for 2003 and 2004, with revised data for 1997–2002 was published in May 2006 <sup>5</sup>
Statistical information on marriages and divorces (2004)	Number of releases and reports produced	Publish annual statistical release of 2004 data (May 2005)	Annual statistical release was published in February 2006 <sup>6</sup>
Statistical information on recorded live births (2004)	Number of releases produced	Publish annual statistical release of 2004 data (June 2005)	Annual statistical release was published in August 2005 <sup>7</sup>
Statistical information on tourism and migration	Number of releases and reports produced	Publish monthly statistical releases and two reports	Nine statistical releases were published <sup>8</sup>
Statistical information on health	Research and planning of health statistics	Processes for acquisition, analysis and dissemination of health statistics put in place (December 2005)	This target was not achieved <sup>9</sup>

<sup>5</sup> The inclusion of updated data from 1997 to 2002 in order to provide users with a consistent time-series delayed publication

<sup>6</sup> The delay was the result of the late receipt of forms

<sup>7</sup> The delay was as a result of staff shortages

<sup>8</sup> The current processing system proved inadequate with increasing numbers of records being received. The processing system was redesigned. There was a delay in receiving data

<sup>9</sup> Staff members responsible were seconded to the Causes of Death project

## Subprogramme: Social Statistics

Output	Indicator	Target	Actual output
Statistical information on living conditions in South Africa (General Household Survey)	Number of releases and reports produced	Publish annual statistical release (May 2006)	Annual statistical release was published in May 2006
Labour Force Survey (LFS)	Number of releases and reports produced	Publish biannual statistical releases (September 2005 and March 2006)	Published two statistical releases (July 2005 and January 2006)
Second economy (SESE)	Survey planned and conducted	Conduct survey (September 2005)	The SESE was conducted during September/October 2005
Master sample	100% complete update	Update Master sample (January 2006)	The Master sample was not updated as scheduled <sup>10</sup>

## 3.3 Quality and Integration

### Purpose

To provide expertise on quality and methodology for official statistics, build the National Statistics System, compile national accounts and analyse statistical data

### Measurable objective

To provide integrated social, economic and demographic information according to acclaimed best practice, to improve the quality and usage of national statistics

### Service delivery targets and performance

#### Subprogramme: National Statistics System

Output	Indicator	Target	Actual output
Statistical advocacy and partnerships within the National Statistics System (NSS)	Number of Memoranda of Understanding (MoUs) signed with partners in the NSS	Five MoUs by March 2006	Seven MoUs were drafted. None of the MoUs were signed with partners in the NSS <sup>11</sup>
Statistical assessments conducted	Number of statistical assessments conducted in other government departments	Nine departments during 2005/06	Three assessments were conducted in the Departments of Health, Education, and Home Affairs <sup>12</sup>

<sup>10</sup> The Master sample was not updated as scheduled because of problems with holiday homes when the update takes place in January. The Master sample update was rescheduled for May 2006

<sup>11</sup> Seven MoUs were drafted. However, due to difficulties in securing suitable dates, none of the MoUs were signed

<sup>12</sup> Based on agreement with relevant stakeholders, this target was revised from nine to three assessments for the year

Output	Indicator	Target	Actual output
Indicators for the monitoring and evaluation system	Number of performance indicators identified for monitoring and evaluation framework and to measure Millennium Development Goals (MDGs)	Twenty-five social indicators identified during 2005/06	Stats SA, together with the Presidency's Policy Coordination and Advisory Services (PCAS), completed a first draft of the Compendium of Indicators for the Government-Wide Monitoring and Evaluation System (GWM&ES). The compendium contains 161 main indicators disaggregated into 365 subset indicators covering all five government clusters of the Forum of South African Directors-General <sup>13</sup>
Statistical units established in other government departments	Number of departments	Establish statistical unit at the Department of Education (DoE)	A Joint Working Party (JWP) was established with the Department of Education <sup>14</sup>
Statistical master plan for the NSS	Master plan	Compile strategic plan for the NSS	A draft proposal and summary report on international good practice was compiled <sup>15</sup>
NSS framework document	NSS framework that includes capacity assessments, capacity building and governance	Compile framework document (March 2006)	This is a document in progress and consists of elements from all the NSSD projects. The NSS framework is compiled of the Certification Framework, Terms of Engagement, Capacity Building Framework and other NSSD projects
MDGs country report and related products	Number of reports	Annual MDG country report and annual MDG baseline report	The Millennium Development Goals project was concluded. The report is available on the UN website. The MDG country report was submitted to the Presidency

<sup>13</sup> The 25 social indicators are included in the compendium

<sup>14</sup> Establishing statistical units in government departments is a long-term goal and requires a governance structure of the NSS to be in place first

<sup>15</sup> The statistical master plan will be finalised in March 2007. The delay resulted from capacity issues in the NSSD

## Subprogramme: Methodology and Standards

Output	Indicator	Target	Actual output
Methodological compliance on economic series	Number of surveys whose statistical methodology complies with international standards	All surveys on the economic series comply	All surveys on the economic series complied with international standards for documentation of methodologies
Methodological compliance on population and social series	Number of surveys whose statistical methodology complies with international standards	85% of surveys on the population and social series comply	Standard operating methodological procedures were developed for Health and Vital Statistics. The development of standard operating methodological procedures for Social Statistics is underway
Review and assessment of methodology and standards in the economic series	Review of statistics series	Review and improvement of CPI collection methodology	Implemented the direct collection methodology in the CPI
Review and assessment of methodology and standards in the population and social series	Review of statistics series	Re-engineered LFS	Proposal compiled on re-engineering the LFS. Questionnaire redesigned and tested in the field
Methodological research and development	Defined standard methodologies for estimation and validation	Reviewed LFS and Master sample programs	The test results from the LFS (Limpopo) were compiled and analysed
Internship programme	Training and development of 15 new interns	Permanently appointed interns	Thirteen interns were trained, 12 were offered permanent employment and one intern was offered employment by a commercial bank <sup>16</sup>

<sup>16</sup> Two interns resigned before completion of the programme

## Subprogramme: Integrative Analysis

Output	Indicator	Target	Actual output
Thematic reports on South Africa's demography, society and the economy	Number of reports produced on South Africa's demography, society and economy	Three demographic reports	The mid-year population estimates were released on 31 May 2005  A report on <i>External causes of mortality in South Africa</i> was released in March 2006
	Social report	One integrative report on poverty	A draft social report on <i>South Africa's Index of Deprivation</i> was compiled in November 2005  A report on <i>The Provincial Indices of Multiple Deprivation for South Africa 2001</i> was released in March 2006
	Economic report	Establish economic analysis unit	The unit was established in the National Accounts division
	Integrative report	Monetary poverty report (May 2005)	A draft report was compiled

## Subprogramme: National Accounts

Output	Indicator	Target	Actual output
<b>Information about the level of economic activity</b>			
GDP and GDP estimates	Number of sectors reported on according to international best practice	Publish quarterly statistical release	The GDP figures for all quarters were released as scheduled, reporting on 10 sectors in the economy
	Frequency and timeliness of statistical releases	Publish annual statistical release (November 2005)	The annual GDP and GDP estimates were released as scheduled, reporting on 34 sectors in the economy
Social Accounting Matrix	Number and timeliness of report	Publish SAM for 2000 (March 2006)	A draft Social Accounting Matrix (SAM) for the 2002 reference year was developed (March 2006) <sup>17</sup>
	Number and timeliness of document	Compile discussion document on extending the labour accounts in the SAM (August 2005)	A discussion document titled <i>Labour accounts for South Africa</i> was published on the Stats SA website for comments in October 2005

<sup>17</sup> As per recommendations of the Advisory Committee, it was decided that the SAM for 2002 would be more relevant



Output	Indicator	Target	Actual output
Tourism satellite account	Number and timeliness of document	Discussion document on the status of the TSA in South Africa (March 2006)	A discussion document on the <i>Status of the tourism satellite account in South Africa</i> was published in April 2005
Natural resource accounts	Number and timeliness of document	Compile paper on Biodiversity (July 2005)	A position paper was compiled in March 2006 <sup>18</sup>
	Number and timeliness of document	Compile paper on Aquatic resources (November 2005)	A position paper was compiled in December 2005 <sup>19</sup>
	Number and timeliness of document	Compile paper on Timber and forestry (March 2006)	A position paper was compiled in December 2005
	Number and timeliness of document	Compile four papers on: Water monetary accounts Energy use Air quality Land use (March 2006)	The papers/reports were not released as scheduled <sup>20</sup>
Supply and use tables	Frequency and timeliness of releases	Publish annual release (June 2005)	The supply and use tables for 2002 were released in October 2005. In addition, supply and use tables for 2003 and 2004 were published in November 2005 and February 2006 <sup>21</sup>
Research activities – improving national accounts	Research papers on: Linking annual supply and use tables to annual GDP estimates	November 2005	The target was not achieved <sup>22</sup>
Research activities – improving national accounts	Research papers on: Implications of the non-observed economy for national accounts in Stats SA	March 2006	An assessment of the non-observed economy was completed in November 2005 <sup>23</sup>
	Assessment of the division of SNA responsibilities in South Africa	October 2005	A Memorandum of Understanding was drafted and discussed with the South African Reserve Bank in November 2005. It has not yet been signed. Stats SA is awaiting a response from the SARB
	Lessons learnt from the 2004 benchmark project	July 2005	A research paper was compiled in July 2005

<sup>18</sup> The delay was due to the resignation of two staff members

<sup>19</sup> The delay was due to the resignation of two staff members

<sup>20</sup> The papers/reports were not released due to methodological and scope changes, as well as resignation of staff members. The paper on energy use was compiled but not published as per the recommendation of the Advisory Committee

<sup>21</sup> The delay was due to revisions in source data

<sup>22</sup> Staff members were seconded to other projects. The research paper will be completed in June 2006

<sup>23</sup> Recommendations of paper were not implemented due to the resignation of staff members

### 3.4 Statistical Support and Informatics

#### Purpose

To promote and provide better access to official statistics by optimising the management of information in the production and use of official statistics

#### Measurable objective

To improve service delivery and increase accessibility through supporting the entire statistical production cycle with best practice information management infrastructure

#### Service delivery targets and performance

Subprogramme: Geography

Output	Indicator	Target	Actual output
Geographic frame for spatial analysis of statistical information	Percentage of enumerator area boundaries reviewed	20% by March 2006	A draft strategy document was compiled <sup>24</sup>
Geographic support services	Number of users provided with geographic information and support	240 users during 2005/06	275 users were provided with geographic information and support
	Demarcation of Enumeration Areas (EAs)	25% of country	Data were obtained to target areas requiring re-demarcation
	Updated maps for survey fieldwork	3 000 for surveys	Approximately 9 000 maps were produced
	Urban function index – research	March 2006	Research was conducted and a business plan was compiled including a proposal on methodology (April 2006)
Maintenance of the geographic database	Percentage coverage of imagery and spatial data from selected metropolitan councils, municipalities and private sector	90% coverage	90% coverage was achieved. Information was updated as received from data sources
Maintenance of the geographic frame	Aligning new municipal, ward and provincial boundaries	100% of the country	100% of the country was updated with information received from the demarcation board
	Maintenance of the place name database	25% of the country	Information was gathered from different data sources. Data were evaluated and tested

<sup>24</sup> Due to the critical skills shortage in this area, vacancies could not be filled and this target was not met

## Subprogramme: System of Registers

Output	Indicator	Target	Actual output
Sample frame for the collection of economic statistics	Percentage of coverage and completeness of the business register	100% coverage of income tax registered businesses on a monthly basis maintained	100% coverage of income tax registered businesses was achieved on a monthly basis
Business survey (improving the quality of the frame)	Percentage of businesses correctly classified	85% correctly classified businesses of size group 1 and 50% of size group 2	This target was not achieved <sup>25</sup>
Preliminary business sampling frame snapshot	Timeliness of snapshot	April 2005	A preliminary business sampling frame snapshot was provided to Methodology and Standards in April 2005
Final business sampling frame snapshot	Timeliness of snapshot	July 2005	A final business sampling frame snapshot was provided to Methodology and Standards in August 2005

## Subprogramme: Statistical Data Management

Output	Indicator	Target	Actual output
A statistical data warehouse with standardised metadata	Percentage of products produced with standardised metadata	70% of products with metadata	The Data Quality Policy was approved. The Draft South African Statistical Quality Assessment Framework (SASQAF) was completed and six priority standards projects were approved <sup>26</sup>
		25% of products metadata stored	
	Standards development and implementation	Infrastructure developed	The infrastructure was developed as scheduled
Policy	Percentage of roll-out of data warehouse	30% roll-out by March 2006	Detailed system requirements specifications and data models for the data management facility were completed <sup>27</sup>
	Policy framework	Develop policy framework (March 2006)	The policy framework was developed and approved by EXCO

<sup>25</sup> This target was streamlined as follows: Percentage of group-one business register units not classified correctly, and will be undertaken in 2006/07

<sup>26</sup> Based on a better understanding of the role of metadata in the End-to-End Statistical Data Management Facility (ESDMF) it was realised that metadata elements had to be expanded to cover the entire statistical value chain. The tool developed to capture metadata was therefore inadequate and the target was not achieved. Target will be rolled over and achieved over the next two financial years

<sup>27</sup> The roll-out of 30% was not achieved because of the change of scope from Data Warehouse (DW) to ESDMF. The target will be reviewed to comply with the components of the ESDMF

Output	Indicator	Target	Actual output
Application and database development	SDLC methodology researched and established	March 2006	The SDLC methodology was communicated to programmers and developers for implementation
	Established Systems Analysis and Development section	March 2006	The unit was established. The centralising of programmers will be phased in over a period of three years
Management and user support	Disaster recovery system implemented	June 2005	A disaster recovery site was established off-site with replicas of critical servers and accommodation
• Research and implement	COBIT/ITIL	March 2006	Management completed the first stage of training on ITIL and are continuing with the final stage. Recommendations on the implementation of ITIL best practices were adopted by the ICT steering committee. Phase 2 of COBIT was completed
	Market-related methods according to audit guidelines	March 2006	Findings and recommendations of the Auditor-General were attended to. The process is ongoing
	Asset management system	March 2006	Front-end and back-end systems were installed. All organisational assets were captured and reconciled
Networking			
• Research and implement	Virtual Private Network	March 2006	The Virtual Private Network (VPN) was established at Head Office in Pretoria and nine provincial offices
	ICT security network	March 2006	Planning and procurement phases were completed for the establishment of Virtual Local Area Networks (VLAN) segmentation at Head Office
	Infrastructure upgrade	March 2006	A technology refresher project was established to upgrade all the provincial offices' servers and backup systems. At Head Office plans were compiled to consolidate older systems into Blade enclosures

## Subprogramme: Statistical Information Services

Output	Indicator	Target	Actual output
User management services	Number of user queries handled	48 000 user queries	8 062 user queries were handled directly by User Information Services during 2005/06 <sup>28</sup>
<ul style="list-style-type: none"> <li>Increased accessibility</li> </ul>	Percentage increase in website visitor sessions	10% increase	58% increase in total visitor sessions in 2005/2006
<ul style="list-style-type: none"> <li>Assessing and monitoring the needs of users</li> </ul>	Number of stakeholder workshops conducted	18 workshops	18 stakeholder workshops were conducted in May and November of 2005
Publishing, printing and distribution	Number of regular series, publications and releases printed and distributed	52 regular series printed and distributed	52 regular series publications and releases were printed and distributed during the year under review
	Number of cross-sectional publications compiled and published	Cross-sectional publications compiled and published	Cross-sectional publications compiled and published. A survey of users regarding use of cross-sectional publications was conducted
	<ul style="list-style-type: none"> <li><i>Stats in brief</i></li> </ul>		The annual edition was published in September 2005
	<ul style="list-style-type: none"> <li><i>Bulletin of statistics</i></li> </ul>		Four quarterly editions were published
	<ul style="list-style-type: none"> <li><i>SA Statistics</i></li> </ul>		The annual edition was published in November 2005

## Subprogramme: Provinces

Output	Indicator	Target	Actual output
Fieldwork capacity within Stats SA for surveys and censuses: Statistical information solutions to provincial and local stakeholders and statistical geographical information services to all provincial stakeholders	Number of completed questionnaires for all household-based surveys according to standards of quality and timeliness	90 000 questionnaires during 2005/06	103 236 questionnaires were completed for the following surveys: <ul style="list-style-type: none"> <li>LFS 12: 32 464</li> <li>LFS 13: 32 480</li> <li>GHS: 32 146</li> <li>Census fertility survey: 6 146</li> <li>SESE: 3 381</li> </ul>
	Percentage implementation of regional offices	50% implementation of regional offices	91% of the total regional offices were established. 75% of the established regional offices are fully operational <sup>29</sup>

<sup>28</sup> The difference from the target is attributed to the 58% increase in the use of the website

<sup>29</sup> A new office space requirement of 500m<sup>2</sup> was introduced during July 2005 and resulted in the number of fully operational regional offices decreasing to 28%. The process between Stats SA and the Department of Public Works to acquire office space is very slow

## Subprogramme: Programme Office

Output	Indicator	Target	Actual output
Project management training	Number of staff members who successfully completed project management training	20 staff members	20 staff members were trained
Business management	Integrated progress reports on projects across Stats SA		
<ul style="list-style-type: none"> <li>• Business planning system</li> </ul>		Roll out Phase 1 and develop Phase 2	Developed and rolled out Phase 2
<ul style="list-style-type: none"> <li>• Quarterly reporting system</li> </ul>		Develop and roll out Phase 1	Developed as part of the business planning system
<ul style="list-style-type: none"> <li>• Audit reporting system</li> </ul>		Develop and roll out Phase 3	Developed and rolled out Phase 3
<ul style="list-style-type: none"> <li>• Leave planning and tracking system</li> </ul>		Develop and roll out Phase 1	Developed and handed over to the HR division for roll-out
<ul style="list-style-type: none"> <li>• Personnel emergency contact system</li> </ul>		Develop and roll out Phase 1	Developed and rolled out Phase 2
<ul style="list-style-type: none"> <li>• Risk management system</li> </ul>		Develop and roll out Phase 1	Developed and rolled out a system in Excel
Operational and project management	Integrated progress reports on projects across Stats SA		
<ul style="list-style-type: none"> <li>• Operational and project planning system</li> </ul>		Develop and roll out Phase 3	Developed and rolled out Phase 3
<ul style="list-style-type: none"> <li>• Progress reporting system</li> </ul>		Roll out Phase 1 and develop Phase 2	Rolled out Phase 1 and developed and rolled out Phase 2
<ul style="list-style-type: none"> <li>• Integrated statistics schedule</li> </ul>		Roll out Phase 2 and develop Phase 3	Rolled out Phase 2 and developed and rolled out Phase 3
<ul style="list-style-type: none"> <li>• Personnel tracking system</li> </ul>		Develop and roll out Phase 1	Developed and rolled out Phase 1
<ul style="list-style-type: none"> <li>• Ideas bank</li> </ul>		Develop and roll out Phase 1	Developed and rolled out Phase 1
<ul style="list-style-type: none"> <li>• Contract management system</li> </ul>		Develop and roll out Phase 1	The Department of Trade and Industry's system is currently being customised for Stats SA's purposes

Output	Indicator	Target	Actual output
Business and operational financial management	Online business management system		
<ul style="list-style-type: none"> <li>Operational and project budgeting system</li> </ul>		Develop and roll out Phase 3	Developed and rolled out Phase 3
<ul style="list-style-type: none"> <li>MTEF business budgeting system</li> </ul>		Develop and roll out Phase 1	Developed and rolled out Phase 1
<ul style="list-style-type: none"> <li>Project expenditure monitoring</li> </ul>		Develop and roll out Phase 1	This is currently under discussion with relevant stakeholders

### 3.5 Corporate Services

#### Purpose

To provide sound infrastructure and support that enables Stats SA to achieve its mandate

#### Measurable objective

To provide strategic leadership, management and corporate support services to all activities to ensure optimal performance of the organisation

#### Service delivery targets and performance

Subprogramme: Finance and Provisioning Administration

Output	Indicator	Target	Actual output
Financial accounting and reporting	Compliance to regulations	Monthly reporting	Monthly reports were submitted to Treasury
<ul style="list-style-type: none"> <li>Improving administrative systems and processes</li> </ul>	Debt management system improved	June 2005	The appointment, termination and payment procedure for fieldworkers was changed and implemented
	Functions decentralised to the provinces	January 2006	Survey payments, on Persal, were decentralised to provinces in October 2005
Financial management	Compliance to regulations	Monthly reports	Monthly reports were submitted to the Minister of Finance, National Treasury and budget managers within the organisation. This was implemented in the third quarter of 2005/06
<ul style="list-style-type: none"> <li>Expenditure reports on actual and estimated expenditure</li> </ul>			
<ul style="list-style-type: none"> <li>MTEF budget submission</li> </ul>	Timeous submission	August 2005	The MTEF budget was approved and submitted in August 2005

Output	Indicator	Target	Actual output
Procurement			
<ul style="list-style-type: none"> <li>Adherence to supply chain management (SCM)</li> </ul>	SCM implemented (75%)	March 2006	The framework for supply chain management was implemented and all practitioners were trained
<ul style="list-style-type: none"> <li>Improvements</li> </ul>	Supplier payment process improved	October 2005	The supplier payment process was improved. The process is still under review for further improvements
	Credit management unit established	May 2005	The unit was established at the beginning of the financial year. However, capacity constraints resulted in limited effectiveness of the unit
Risk management	Risk management strategy implemented	Integrated risk management strategy implemented	Stats SA developed a Risk Management Framework. Comprehensive risk management plans for all divisions were compiled and the organisation conducted a risk assessment at divisional level during March 2006

### Subprogramme: Human Resource Management

Output	Indicator	Target	Actual output
Becoming an employer of choice			
<ul style="list-style-type: none"> <li>Recruitment, remuneration and appointment strategy</li> </ul>	Percentage vacancies filled	Fill 90% vacancies within EE targets	83% of vacancies were filled
	Research conducted	Research and introduce E-recruitment	The research was completed. The system will be implemented in the next financial year
<ul style="list-style-type: none"> <li>Enhancing quality of statistics through continuous supply of competent field workers for survey areas</li> </ul>	Number of staff members recruited	Recruit 4 000 contract staff members	The target was achieved
<ul style="list-style-type: none"> <li>HR administrative processes and systems</li> </ul>	HR systems developed	Research and develop electronic systems to modernise HR processes	An electronic leave system was developed and will be tested during April 2006 for implementation. A leave register was implemented with effect from January 2006 and is reconciled on a weekly basis



Output	Indicator	Target	Actual output
Achieving equity in the workplace  • Employment equity, succession planning, career advancement and retention strategy  • Employee assistance programme	Document compiled and approved	Implement Employment Equity (EE) Plan	An EE plan was approved in June 2005 and is being implemented
	Documents compiled and approved	Compile career advancement and succession frameworks and plans	This target was not achieved. Framework and plans will be completed in the next financial year
	Number of staff members trained	Implement HIV/AIDS peer-group education programme	Thirty peer educators were trained
	Percentage staff members assisted	Implement counselling and professional support	Counselling and referral services were provided to 70% of staff members who requested assistance
Organisational development	Realigned structure	April 2005	The realignment of the structure was completed as scheduled

### Subprogramme: Facilities Management, Security and Logistics

Output	Indicator	Target	Actual output
Facilities management	Accommodation needs of Head Office reviewed	February 2006	A needs analysis was conducted as scheduled
	Visibility of building improved	August 2005	The initiative to improve the visibility of the building was delayed and will be finalised in July 2006
	Video and telecommunication facilities enhanced	September 2005	The facilities were not enhanced as scheduled. Stats SA is still in the process of negotiations with SITA
Security	Security system reviewed	September 2005	The review of the system commenced in September 2005 and is ongoing

Output	Indicator	Target	Actual output
Logistics	New fleet management system implemented	October 2005	The implementation of the fleet management system was delayed. The Government Garage has declined permission for Stats SA to proceed with the installation of appropriate software <sup>30</sup>
	Asset register implemented	May 2005	The asset register was improved and implemented as scheduled
	Disposal process improved	February 2006	Outstanding disposals from the provinces were completed in November 2005

### Subprogramme: Human Capacity Development

Output	Indicator	Target	Actual output
Planning and quality assurance	Workplace skills plan (WSP)	May 2006	The WSP was submitted in October 2006
• Competency profiling	16 occupational profiles compiled	November 2005	Profiles based on relevant registered qualifications were compiled
• Skills audit and career pathing	Skills audit conducted for 16 occupations	October 2005	Skills audits were conducted for 16 occupations
Training and development			
Internal training provided on:			
• Master Maths	40 students	March 2006	• 20 students were trained
• Statistical training	15 students	March 2006	• 94 staff members were trained on basic CARS • 67 staff members were trained on basic SAS • 15 staff members were trained on Basic Sampling • 44 staff members were trained on Introduction to Statistics
• IT training	20 students	March 2006	• 397 staff members were trained on IT programmes

<sup>30</sup> The implementation of the new fleet management system is expected to be completed in October 2006

Output	Indicator	Target	Actual output
Management training and development	External management training courses attended by all SMS	March 2006	<ul style="list-style-type: none"> <li>• 108 managers were trained on Risk Management</li> </ul>
Survey training provided (IES, SESE, LFS and GHS, Community Survey and Consumer Survey)	Fieldworkers trained for IES, SESE, LFS and GHS	March 2006	<ul style="list-style-type: none"> <li>• 9 staff members were trained on local government surveys</li> <li>• 50 staff members were trained as trainers for the GHS</li> <li>• 32 staff members were trained as trainers for the Community Survey listing</li> </ul>
Curriculum development	Two courses developed	March 2006	<p>The following manuals were developed:</p> <ul style="list-style-type: none"> <li>• Statistical training manual (Introduction to Basic Sampling)</li> <li>• Induction manual (Customer Care)</li> </ul>
E-learning	E-learning system acquired	October 2005	<p>The E-learning system was not acquired as scheduled. The selection of a vendor in conjunction with SITA is currently in progress</p>
External training attended			
<ul style="list-style-type: none"> <li>• Tertiary and higher level education</li> </ul>	Number of employees trained	100 employees	<ul style="list-style-type: none"> <li>• 19 employees are registered at Wits University</li> <li>• 260 employees were awarded bursaries</li> </ul>
<ul style="list-style-type: none"> <li>• Short courses</li> </ul>	Number of employees trained	100 employees	<ul style="list-style-type: none"> <li>• 125 employees attended short courses</li> </ul>
<ul style="list-style-type: none"> <li>• ISAE and EASTC</li> </ul>	Number of employees trained	6 employees	<ul style="list-style-type: none"> <li>• 19 employees are registered at the Institute for Statistics and Applied Economics (ISAE) and the Eastern Africa Statistical Training Centre (EASTC)</li> </ul>

## Subprogramme: Office of the Statistician-General

Output	Indicator	Target	Actual output
International relations	Commonwealth Conference of Statisticians	September 2006	The 14 <sup>th</sup> Commonwealth Conference of Statisticians was organised by Stats SA and held in Cape Town in September 2005
Internal communications	Newsletter	Weekly	Three newsletters were published
	Report to staff members	Monthly	Five monthly reports were circulated to staff members
	Staff meeting	Biannually	One staff meeting was held in January 2006
	Branding strategy	March 2006	A draft branding strategy was compiled in June 2006
Public and media relations	News article	Weekly	An article is published every Thursday in the Business Report
	Magazine	Biannually	Three articles/advertorials were published in AgriSA, Leadership and Business Guide magazines
	Relationship with journalists	Regularly	Two formal press conferences were conducted
Statistics Council	New Statistics Council established	April 2005	Cabinet approved the new council in April 2005. The Ministerial inauguration of members was held in June 2005
	Council meetings	Quarterly	Quarterly council meetings were held as scheduled
	Role definition of the council and its individual members	July 2005	The newly appointed council members were briefed by the chairperson of the council on the mandate of the council in terms of the Statistics Act, at the first council meeting held in July 2005
Strategic planning and development	Annual strategic plan	May 2005	The strategic plan was published and tabled in Parliament in May 2005
	ENE compiled	December 2005	The ENE was compiled and submitted in December 2005
Strategy scorecard	Corporate and cluster performance indicators	April 2005	Corporate and cluster performance indicators were identified per strategic theme
	Performance indicators cascaded to division level	October 2005	Strategic and business plans per division were compiled including performance measures

Output	Indicator	Target	Actual output
Monitoring and reporting	Annual report	September 2005	The annual report was compiled and tabled in Parliament in October 2005
	Quarterly review meetings and reports	Quarterly	Quarterly reports were submitted to the Minister and Treasury. Review sessions were held at the end of the 2 <sup>nd</sup> and 4 <sup>th</sup> quarters

### Subprogramme: Internal Audit

Output	Indicator	Target	Actual output
Population and Social Statistics	Participation in planning, risk management and control evaluation in regional and provincial offices	Assurance and advisory service to Community Survey	Advisory services were rendered and a review of controls was done at regional offices
Provincial and regional offices	Number of audit reports	Audit all nine provincial offices	Twelve audit reports were issued
Financial management	Number of audit reports	Nine planned audits	Twelve audit reports covering all planned audit work on financial management were compiled
Human Resources Management	Number of audit reports	Audit of various HRM processes	An audit report covering key HRM processes was compiled
Information technology	Number of audit reports	Audit of general application controls	An audit report on Phase 2 of the COBIT review was compiled
Governance relating to core business	Number of audit reports	Performance audit on project management	A performance audit report covering 48 recommendations on various areas for improvement was compiled
	Management advice and support	Assurance and advisory service to risk management	Advisory services were rendered to the risk management committee
	Participation in workshops and evaluation of risk management process	Performance audit on policies and procedures	The performance audit was conducted and is included in the audit reports
	Participation in the Business Process Improvement (BPI) steering committee meetings	Assurance and advisory service to the BPI project	The BPI project was discontinued



## Service delivery

### 1.1 Main products and services

#### *Core business*

The department's core business is the production of a range of economic, social and population statistics. More specifically, these include:

- **Economic statistics** on various aspects of the economy derived from information from businesses, enabling the compilation of indices such as the Producer Price Index and Consumer Price Index; trends in employment, production volumes and prices in various sectors; and financial statistics of government and the private sector;
- **Social, employment and population statistics** based on household surveys, a ten-yearly population census and administrative records;
- **National accounts** such as the Gross Domestic Product, supply and use tables and social accounting matrices; and
- **Analyses** of demographic, social and economic data.

A further core activity of the department is the development of the National Statistics System which coordinates the production of official statistics; creates a set of development indicators to measure national, provincial and local government performance; and promotes statistical literacy and capacity-building in government.

Stats SA has a wide range of stakeholders from which it collects information and to which it supplies statistical information. Our stakeholders include:

- Government
- The public
- The media
- Business
- The academic sector
- Parliamentarians
- Non-governmental organisations
- Constitutional institutions and major public entities
- Foreign and international bodies

### 1.2 Consultation arrangements

The Statistics Council represents a vast range of stakeholders and users and meets four times a year to provide advice to the Minister and the Statistician-General on statistical matters including the needs of users. Council members are required to represent the needs of their constituency and should therefore consult with them to ensure sound advice to the Minister and the Statistician-General.

Stats SA has various advisory committees comprising key stakeholders. These advisory committees meet periodically, or whenever changes to a questionnaire or statistical release are proposed. Stats SA also conducts periodic workshops in order to seek advice, comments and suggestions from key stakeholders.

The National Statistics System division is in the process of establishing partnerships with other national government departments aimed at ensuring coherence in statistical information produced by different government departments, as well as promoting the use of statistics in evidence-based decision-making. These government departments are both producers and users of statistics. Stats SA approaches these partnerships as an opportunity to engage with the departments on their requirements for statistical information.

In order to improve stakeholder relations and ensure that Stats SA meets the growing and changing demands of users, nine Statistical literacy workshops and nine workshops in celebration of African Statistics Day were conducted in the provinces. Over 800 stakeholders attended the workshops.

### 1.3 Service delivery access strategy

Stats SA provides information in a variety of formats and through different channels. During the year, the following were recorded:

Total visits to Stats Online	1 574 931 (58 % increase in total visitor sessions)
Time series subscribers	13 970
Newsletter subscribers	7 620
Time series data files: (ASCII, Excel & PX WEB)	29 779

### 1.4 Service information tool

Stats SA provides different software tools to improve the utilisation of data. These tools include:

SuperCross (948 Census 2001 Community profile packages were distributed, 448 were installed and 1 867 people were trained)  
Small area statistics layer: 100 CDs were distributed

## Expenditure

Table 2.1 – Personnel costs by programme

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services (R'000)	Personnel cost as a percentage of total expenditure	Average personnel cost per employee (R'000)
Programme 1: Administration	155 558	71 814	825	9 038	11,6	216
Programme 2: Economic Statistics	144 472	91 839	355	957	14,8	312
Programme 3: Population and Social Statistics	172 941	36 279	189	51 809	5,9	321
Programme 4: Quality and Integration	32 539	24 774	179	1 925	4,0	339
Programme 5: Statistical Support and Informatics	114 474	77 346	421	5 635	12,5	195
<b>Total</b>	<b>619 984</b>	<b>302 052</b>	<b>1 969</b>	<b>69 364</b>	<b>48,7</b>	<b>250</b>



Table 2.2 – Personnel costs by salary band

Salary band	Personnel expenditure (R'000)	Percentage of total personnel cost	Average personnel cost per employee (R)
Levels 3-5 (permanent staff)	8 356	2,8	89 849
Levels 3-5 (temporary staff)	29 646	10,0	40 667
Levels 6-8 (permanent staff)	81 439	27,4	135 506
Levels 6-8 (temporary staff)	23 567	7,9	55 583
Levels 9-12 (permanent staff)	95 671	32,1	232 211
Levels 9-12 (temporary staff)	6 306	2,1	105 100
Levels 13-16 (permanent staff)	48 548	16,3	480 673
Levels 13-16 (temporary staff)	3 571	1,2	446 375
Periodical remuneration	644	0,2	34 268
<b>Total</b>	<b>297 748</b>	<b>100,0</b>	<b>63 297</b>

Periodical remuneration – Employees that are paid per questionnaire/survey day

Table 2.3 – Overtime, allowances and benefits by programme - amount and percentage of total personnel cost

Programme	Salaries		Overtime		Home owners allowance		Medical allowance	
	Amount (R'000)	Salaries as a percentage of personnel cost	Amount (R'000)	Overtime as a percentage of personnel cost	Amount (R'000)	Home owners allowance as a percentage of personnel cost	Amount (R'000)	Medical allowance as a percentage of personnel cost
Programme 1: Administration	44 130	65,5	3 965	5,9	743	1,1	1 822	2,7
Donor funds	93	77,5	0	0,0	1	0,8	4	3,3
Programme 2: Economic Statistics	73 704	76,2	82	0,1	465	0,5	1 899	2,0
Programme 3: Population and Social Statistics	25 737	57,8	621	1,4	449	1,0	750	1,7
Recoverable expenditure	824	92,1	0	0,0	0	0,0	0	0,0
Programme 4: Quality and Integration	15 787	66,4	13	0,1	614	2,6	684	2,9
Programme 5: Statistical Support and Informatics	63 711	72,4	463	0,5	896	1,0	2 812	3,2
<b>Total</b>	<b>223 986</b>	<b>69,7</b>	<b>5 144</b>	<b>1,6</b>	<b>3 168</b>	<b>1,0</b>	<b>7 971</b>	<b>2,5</b>

Donor funds: These funds refer to financing received from other countries to improve the quality of statistics.

Recoverable expenditure: This refers to funds received from other departments to gather specified data for their use.

Table 2.4 – Overtime, allowances and benefits by salary band - amount and percentage of total personnel cost per salary band

Salary band	Salaries		Overtime		Home owners allowance		Medical allowance	
	Amount (R'000)	Salaries as a percentage of personnel cost	Amount (R'000)	Overtime as a percentage of personnel cost	Amount (R'000)	Home owners allowance as a percentage of personnel cost	Amount (R'000)	Medical allowance as a percentage of personnel cost
Levels 3-5 (permanent staff)	5 104	60,2	1 355	16,0	139	1,6	305	3,6
Levels 3-5 (temporary staff)	28 524	91,7	409	1,3	0	0,0	14	0,0
Levels 6-8 (permanent staff)	61 413	74,5	1 599	1,9	785	1,0	3 469	4,2
Levels 6-8 (temporary staff)	22 668	94,7	257	1,1	2	0,0	8	0,0
Levels 9-12 (permanent staff)	69 694	71,7	1 523	1,6	789	0,8	2 911	3,0
Levels 9-12 (temporary staff)	5 947	92,1	2	0,0	0	0,0	1	0,0
Levels 13-16 (permanent staff)	28 404	57,0	0	0,0	1 370	2,7	1 215	2,4
Levels 13-16 (temporary staff)	2 232	61,4	0	0,0	85	2,3	46	1,3
<b>Total</b>	<b>223 986</b>	<b>69,7</b>	<b>5 145</b>	<b>1,6</b>	<b>3 170</b>	<b>1,0</b>	<b>7 969</b>	<b>2,5</b>

## Employment and vacancies

Table 3.1 – Employment and vacancies by programme, 31 March 2006

Programme	Permanent posts			Contract posts	
	Number of posts	Number of posts filled	Vacancy rate	Number of contract posts	Number of posts filled additional to establishment
Programme 1: Administration	434	332	102	41	0
Programme 2: Economic Statistics	383	294	89	970	0
Programme 3: Population and Social Statistics	140	113	27	167	0
Programme 4: Quality and Integration	97	73	24	21	0
Programme 5: Statistical Support and Informatics	407	396	11	21	0
<b>Total</b>	<b>1 461</b>	<b>1 208</b>	<b>253</b>	<b>1 220</b>	<b>0</b>

Table 3.2 – Employment and vacancies by salary band, 31 March 2006

Salary band	Permanent posts			Contract posts	
	Number of posts	Number of posts filled	Vacancy rate	Number of contract posts	Number of posts filled additional to establishment
Levels 1-2	0	0	0	0	0
Levels 3-5	108	92	16	738	0
Levels 6-8	679	597	82	414	0
Levels 9-12	525	417	108	61	0
Levels 13-16	149	102	47	7	0
<b>Total</b>	<b>1 461</b>	<b>1 208</b>	<b>253</b>	<b>1 220</b>	<b>0</b>

Table 3.3 – Employment and vacancies by critical occupation, 31 March 2006

Critical occupation	Permanent posts			Contract posts	
	Number of posts	Number of posts filled	Vacancy rate	Number of contract posts	Number of posts filled additional to establishment
IT Specialists	109	86	23	0	0
Economists	43	27	16	1	0
Statisticians and related professionals	650	589	61	7	0
Graphic designers	4	4	0	0	0
<b>Total</b>	<b>806</b>	<b>706</b>	<b>100</b>	<b>8</b>	<b>0</b>

## Job evaluation

Table 4.1 – Job evaluation, 1 April 2005 to 31 March 2006

Salary band	Number of permanent posts	Number of posts evaluated	Percentage of posts evaluated by salary band	Posts upgraded		Posts downgraded	
				Number of posts upgraded	Percentage of upgraded posts evaluated	Number of posts downgraded	Percentage of downgraded posts evaluated
Levels 3-5	108	0	0,0	0	0,0	0	0,0
Levels 6-8	679	5	0,7	0	0,0	0	0,0
Levels 9-12	525	19	3,6	1	5,3	0	0,0
SMS Band A	113	13	11,5	0	0,0	0	0,0
SMS Band B	30	1	3,3	0	0,0	0	0,0
SMS Band C	5	0	0,0	0	0,0	0	0,0
SMS Band D	1	0	0,0	0	0,0	0	0,0
<b>Total</b>	<b>1 461</b>	<b>38</b>	<b>19,1</b>	<b>1</b>	<b>5,3</b>	<b>0</b>	<b>0,0</b>

Table 4.2 – Profile of employees whose positions were upgraded due to their posts being upgraded, 1 April 2005 to 31 March 2006

Beneficiaries	African	Indian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	1	1
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>
Employees with a disability	0	0	0	0	0

Table 4.3 – Employees whose salary level exceeds the grade determined by job evaluation, 1 April 2005 to 31 March 2006 (in terms of PSR 1.V.C.3)

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Senior Manager	1	13	14	Person already on higher salary level
Senior Manager	2	14	15	Persons already on higher salary level
<b>Total</b>	<b>3</b>			
Total number of employees whose salaries exceeded the level determined by job evaluation in 2005/2006				3
Percentage of total employment				0,17

Table 4.4 – Profile of employees whose salary level exceeds the grade determined by job evaluation, 1 April 2005 to 31 March 2006 (in terms of PSR 1.V.C.3)

Beneficiaries	African	Indian	Coloured	White	Total
Female	0	0	0	1	1
Male	1	0	0	1	2
<b>Total</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>3</b>
Employees with a disability	0	0	0	0	0

## Employment changes

Table 5.1 – Annual turnover rates by salary band, 1 April 2005 to 31 March 2006

Salary band	Number of employees per band as on 1 April 2005	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
<b>Permanent staff</b>				
Levels 3-5	92	10	24	23,5
Levels 6-8	540	105	45	7,0
Levels 9-12	302	38	25	7,4
SMS Band A	65	5	4	5,7
SMS Band B	13	1	0	0,0
SMS Band C	7	1	3	37,5
SMS Band D	2	0	0	0,0
<b>Total</b>	<b>1 021</b>	<b>160</b>	<b>101</b>	<b>8,6</b>
<b>Temporary staff</b>				
Levels 3-5	61	2 436	1 748	70,0
Levels 6-8	88	476	91	16,1
Levels 9-12	9	64	9	12,3
SMS Band A	3	2	7	140,0
SMS Band B	3	1	0	0,0
<b>Total</b>	<b>164</b>	<b>2 979</b>	<b>1 855</b>	<b>59,0</b>

Table 5.2 – Annual turnover rates by critical occupation, 1 April 2005 to 31 March 2006

Occupation	Number of employees per occupation as on 1 April 2005	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Computer programmers (permanent staff)	22	10	1	3,1
Computer system designers and analysts (permanent staff)	1	0	0	0,0
Economists (permanent staff)	34	4	3	7,9
Finance and economics-related (permanent staff)	23	0	7	30,4
Information technology-related (permanent staff)	2	0	0	0,0
Other information technology personnel (permanent staff)	46	22	9	13,2
Statisticians and related professionals (permanent staff)	362	162	59	11,3
Statisticians and related professionals (temporary staff)	10	1	5	45,5
<b>Total</b>	<b>500</b>	<b>199</b>	<b>84</b>	<b>12,0</b>

Table 5.3 – Reasons why staff are leaving the department

Termination type	Number	Percentage of total resignations	Percentage of total employment
<b>Permanent staff</b>			
Death	9	8,9	0,8
Resignation	76	75,2	6,4
Discharged due to ill health	2	2,0	0,2
Dismissal – misconduct	7	6,9	0,6
Retirement	7	6,9	0,6
<b>Total</b>	<b>101</b>	<b>100,0</b>	<b>8,6</b>
<b>Temporary staff</b>			
Death	3	0,2	0,1
Resignation	52	2,8	1,7
Expiry of contract	1 798	96,9	57,2
Other	2	0,1	0,1
<b>Total</b>	<b>1 855</b>	<b>100,0</b>	<b>59,0</b>

Table 5.4 – Promotions by critical occupation

Occupation	Employees as at 1 April 2005	Promotion to another salary level	Salary level promotion as a percentage of employees by occupation	Progression to another notch within salary level	Notch progression as a percentage of employees by occupation
Computer programmers	22	1	4,5	8	36,4
Computer system designers and analysts	1	0	0,0	0	0,0
Economists	34	31	91,2	8	23,5
Finance and economics-related	23	3	13,0	1	4,3
Information technology-related	2	0	0,0	0	0,0
Other information technology personnel	46	9	19,6	27	58,7
Statisticians and related professionals	362	101	27,9	207	57,2
<b>Total</b>	<b>490</b>	<b>145</b>	<b>156,2</b>	<b>251</b>	<b>180,1</b>

Table 5.5 – Promotions by salary band

Salary band	Employees as at 1 April 2005	Promotion to another salary level	Salary level promotion as a percentage of employees by salary level	Progression to another notch within salary level	Notch progression as a percentage of employees by salary band
Levels 3-5 (permanent staff)	92	2	2,2	53	57,6
Levels 3-5 (temporary staff)	61	2	3,3	2	3,3
Levels 6-8 (permanent staff)	540	61	11,3	347	64,3
Levels 6-8 (temporary staff)	88	42	47,7	7	8,0
Levels 9-12 (permanent staff)	302	94	31,1	187	61,9
Levels 9-12 (temporary staff)	9	9	100,0	2	22,2
SMS levels 13-16 (permanent staff)	87	15	17,2	3	3,4
SMS levels 13-16 (temporary staff)	6	0	0,0	0	0,0
<b>Total</b>	<b>1 185</b>	<b>225</b>	<b>19,0</b>	<b>601</b>	<b>50,7</b>

## Employment equity

Table 6.1 – Total number of employees (incl. employees with a disability) per occupational category (SASCO), 31 March 2006

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers (permanent staff)	24	2	1	10	9	1	2	6	55
Professionals (permanent staff)	460	37	25	70	329	19	14	126	1 080
Professionals (temporary staff)	0	0	0	0	0	0	0	7	7
Clerks (permanent staff)	475	60	4	6	570	57	6	54	1 232
Clerks (temporary staff)	0	0	0	0	0	0	0	1	1
Plant and machine operators and assemblers (permanent staff)	17	0	0	2	3	0	0	0	22
Elementary occupations (permanent staff)	19	0	0	0	11	1	0	0	31
<b>Total</b>	<b>995</b>	<b>99</b>	<b>30</b>	<b>88</b>	<b>922</b>	<b>78</b>	<b>22</b>	<b>194</b>	<b>2 428</b>
Employees with a disability	2	0	0	3	1	0	0	4	10

Table 6.2 – Total number of employees (incl. employees with a disability) per occupational band, as on 31 March 2006

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management (permanent staff)	5	0	0	0	0	0	0	2	7
Senior management (permanent staff)	31	4	7	19	15	2	4	12	94
Senior management (temporary staff)	4	0	0	3	0	0	0	1	8
Professionally qualified and experienced specialists and mid-management (permanent staff)	176	12	13	31	125	4	6	46	413
Professionally qualified and experienced specialists and mid-management (temporary staff)	31	5	1	1	14	1	2	6	61
Skilled technical and academically qualified workers, junior management, supervisors, foremen (permanent staff)	203	13	4	25	230	12	5	101	593
Skilled technical and academically qualified workers, junior management, supervisors, foremen (temporary staff)	216	22	3	6	145	13	5	21	431
Semi-skilled and discretionary decision-making (permanent staff)	57	2	0	2	25	4	0	2	92
Semi-skilled and discretionary decision-making (temporary staff)	272	41	2	1	368	42	0	3	729
<b>Total</b>	<b>995</b>	<b>99</b>	<b>30</b>	<b>88</b>	<b>922</b>	<b>78</b>	<b>22</b>	<b>194</b>	<b>2 428</b>







## Performance rewards

Table 7.1 – Performance rewards by race, gender and disability, 1 April 2004 to 31 March 2005

	Number of beneficiaries	Total number of employees in group	Percentage of total in group	Total cost (R'000)	Average cost per employee (R)
African, female	169	310	54,5	798 160	2 575
African, male	181	334	54,2	956 993	2 865
Indian, female	9	10	90,0	58 244	5 824
Indian, male	10	13	76,9	94 189	7 245
Coloured, female	11	13	84,6	65 951	5 073
Coloured, male	14	19	73,7	69 673	3 667
White, female	120	160	75,0	855 159	5 345
White, male	34	51	66,7	299 983	5 882
Employees with a disability	9	14	64,3	55 949	3 996
<b>Total</b>	<b>557</b>	<b>924</b>	<b>60,3</b>	<b>3 254 301</b>	<b>3 522</b>

Table 7.2 – Performance rewards by salary band for personnel below Senior Management Service, 1 April 2004 to 31 March 2005

Salary band	Total number of employees	Number of beneficiaries	Percentage of total	Total cost (R'000)	Average cost per employee (R)	Total cost as a percentage of total personnel expenditure
Levels 1-2	3	1	33,3	922	922	0,0
Levels 3-5	114	50	43,9	116 657	2 333	3,6
Levels 6-8	504	287	56,9	1 228 543	4 281	38,4
Levels 9-12	289	210	72,7	1 852 229	8 820	57,9
<b>Total</b>	<b>910</b>	<b>548</b>	<b>60,2</b>	<b>3 198 352</b>	<b>5 836</b>	<b>100,0</b>

Table 7.3 – Performance rewards by critical occupation, 1 April 2004 to 31 March 2005

Critical occupation	Total number of employees	Number of beneficiaries	Percentage of total	Total cost (R'000)	Average cost per employee (R)
Economists	23	16	69,6	72 548	4 534
IT Specialists	49	28	57,1	245 099	8 754
Statisticians	147	83	56,5	443 904	5 348
<b>Total</b>	<b>219</b>	<b>127</b>	<b>58,0</b>	<b>761 552</b>	<b>5 996</b>

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 within band	Total cost (R'000)	Average cost per employee (R)
Band A	36	77	46,8	713 619	9 268
Band B	3	4	75,0	85 401	21 350
Band C	2	4	50,0	126 247	31 562
Band D	0	1	0,0	0	0
<b>Total</b>	<b>41</b>	<b>86</b>	<b>47,7</b>	<b>925 267</b>	<b>10 759</b>

## Foreign workers

Table 8.1 – Foreign workers by salary band, 1 April 2005 to 31 March 2006

Salary band	1 April 2005		31 March 2006		Change	
	Number	Percentage of total	Number	Percentage of total	Number	Percentage changed
Levels 6-8 (permanent staff)	1	6,7	0	0,0	-1	100,0
Levels 6-8 (temporary staff)	1	6,7	2	14,3	1	-100,0
Levels 9-12 (permanent staff)	5	33,3	4	28,6	-1	100,0
Levels 9-12 (temporary staff)	0	0,0	1	7,1	1	-100,0
SMS levels 13-16 (permanent staff)	5	33,3	5	35,7	0	0,0
SMS levels 13-16 (temporary staff)	3	20,0	2	14,3	-1	100,0
<b>Total</b>	<b>15</b>	<b>100,0</b>	<b>14</b>	<b>100,0</b>	<b>-1</b>	<b>100,0</b>

Table 8.2 – Foreign workers by major occupation, 1 April 2005 to 31 March 2006

Major occupation	1 April 2005		31 March 2006		Change	
	Number	Percentage of total	Number	Percentage of total	Number	Percentage changed
Administrative office workers	1	6,7	2	14,3	1	-100,0
Information technology personnel	0	0,0	1	7,1	1	-100,0
Professionals and managers	14	93,3	11	78,6	-3	300,0
<b>Total</b>	<b>15</b>	<b>100,0</b>	<b>14</b>	<b>100,0</b>	<b>-1</b>	<b>100,0</b>

## Leave utilisation

Table 9.1 – Sick leave, 1 January 2005 to 31 December 2005

Salary band	Total days	Percentage of days with medical certification	Number of employees using sick leave	Percentage of total employees using sick leave	Average days per employee	Estimated cost (R'000)
Levels 3-5 (permanent staff)	449	71,7	67	6,6	7	92
Levels 3-5 (temporary staff)	369	72,5	121	11,9	3	79
Levels 6-8 (permanent staff)	3 504	67,0	447	44,0	8	1 138
Levels 6-8 (temporary staff)	181	69,8	46	4,5	4	54
Levels 9-12 (permanent staff)	1 682	72,9	274	27,0	6	1 040
Levels 9-12 (temporary staff)	27	92,6	5	0,5	5	14
SMS levels 13-16 (permanent staff)	279	75,3	54	5,3	5	483
SMS levels 13-16 (temporary staff)	5	80,0	2	0,2	3	8
<b>Total</b>	<b>6 495</b>	<b>69,7</b>	<b>1 016</b>	<b>100,0</b>	<b>6</b>	<b>2 908</b>

Table 9.2 – Disability leave (temporary and permanent), 1 January 2005 to 31 December 2005

Salary band	Total days	Percentage of days with medical certification	Number of employees using disability leave	Percentage of total employees using disability leave	Average days per employee	Estimated cost (R'000)
Levels 1-2	0	0,0	0	0,0	0	0
Levels 3-5	114	100,0	6	16,2	19	21
Levels 6-8	319	98,1	24	64,9	13	125
Levels 9-12	47	100,0	6	16,2	8	28
SMS levels 13-16	5	100,0	1	2,7	5	8
<b>Total</b>	<b>485</b>	<b>98,8</b>	<b>37</b>	<b>100,0</b>	<b>13</b>	<b>182</b>

Table 9.3 – Annual leave, 1 January 2005 to 31 December 2005

Salary band	Total days taken	Average number of days per employee	Number of employees who took leave
Levels 3-5 (permanent staff)	1 883	19	101
Levels 3-5 (temporary staff)	1 345	4	345
Levels 6-8 (permanent staff)	9 876	17	597
Levels 6-8 (temporary staff)	718	4	170
Levels 9-12 (permanent staff)	7 129	17	422
Levels 9-12 (temporary staff)	89	4	22
SMS levels 13-16 (permanent staff)	1 806	18	99
SMS levels 13-16 (temporary staff)	86	17	5
<b>Total</b>	<b>22 932</b>	<b>13</b>	<b>1 761</b>

Table 9.4 – Capped leave, 1 January 2005 to 31 December 2005

Salary band	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2005
Levels 3-5	27	3	23
Levels 6-8	194	6	33
Levels 9-12	124	5	48
SMS levels 13-16	51	7	55
<b>Total</b>	<b>396</b>	<b>5</b>	<b>42</b>

Table 9.5 – Leave payouts, 1 April 2005 to 31 March 2006

Reason	Total amount (R'000)	Number of employees	Average payment per employee (R)
Leave payouts for 2005/06 due to non-utilisation of leave for the previous cycle	394	54	7 296
Capped leave payouts on termination of service for 2005/06	789	219	3 603
Current leave payouts on termination of service for 2005/06	411	258	1 593
<b>Total</b>	<b>1 594</b>	<b>531</b>	<b>3 002</b>

## HIV/AIDS and health promotion programmes

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 and related diseases (if any)	Key steps taken to reduce the risk
None	N/A

Table 10.2 – Details of health promotion and HIV/AIDS programmes

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 the name and position of the particular SMS member.	YES	Ms Xoli Kunene, Manager: Employee Relations
2. Does the department have a dedicated unit or have you designated specific staff members to promote the 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	Four full-time staff members and a budget of R2 million including staff salaries.
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 and professional support, health and wellness programmes, and special programmes such as a social plan, retirement plan, and skills training.
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.	YES	There is an HIV/AIDS Committee comprising the following Head Office representatives: Ms N Baholo, Ms R Dhlamini, Ms P Kgosana, Ms P Nkoyane, Ms M Lerobane, Ms T Maboa, Mr J Masangu, Ms R Masuku, Ms E Mkhabela, Ms C Mphago, Ms A Setshogoe. Mr M Muravha and Ms B van der Spuy (representatives of NEHAWU and PSA respectively). The following are provincial representatives: Mr G Jacobs (Western Cape), Mr M Maruping (North West), Mr O Shigadla (Eastern Cape), Mr R Matsemela (Free State), Ms C Nkomo (Gauteng), Ms M Ravele (Limpopo), Mr L Sambo (Mpumalanga), Mr K Mokoena (Northern Cape), and Ms I van Zyl (KwaZulu-Natal).
5. Has the department reviewed the employment policies and practices of your department to ensure these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	YES	The bereavement and EAP policies were reviewed and communicated to staff members.
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	Workshops, addresses by people living with HIV/AIDS, and Email Talk are being used to deal with issues of stigma.
7. Does the department encourage its employees to undergo voluntary counselling and testing (VCT)? If so, list the results that you have achieved.	YES	Voluntary counselling sessions on VCT were attended by 60% of staff members. 80% of staff members attended and actively participated in VCT workshops.
8. Has the department developed measures/indicators to monitor and evaluate the impact of your health promotion programme? If so, list these measures/indicators.	YES	Quantified targets are set on counselling cases closed, the number of condoms distributed, the response rate to the VCT programme, number of candidates attending workshops and the number of posters distributed.





Table 11.4 – Grievances lodged, 1 April 2005 to 31 March 2006

	Number	Percentage of total
Number of grievances resolved	12	85,7
Number of grievances not resolved	2	14,3
<b>Total number of grievances lodged</b>	<b>14</b>	<b>100,0</b>

Table 11.5 – Disputes lodged with councils, 1 April 2005 to 31 March 2006

	Number	Percentage of total
Disputes upheld	0	0,0
Disputes dismissed	0	0,0
Cases pending	1	100,0
<b>Total</b>	<b>1</b>	<b>100,0</b>

Table 11.6 – Strike actions, 1 April 2006 to 31 March 2006

Strike actions	Total
Total number of working days lost	0
Total cost (R'000) of working days lost	0
Amount (R'000) recovered as a result of no work no pay	0

Table 11.7 – Precautionary suspensions, 1 April 2005 to March 2006

Precautionary suspensions	Total
Number of people suspended	12
Number of people whose suspension exceeded 30 days	2
<b>Total number of days suspended</b>	<b>263</b>
Average number of days suspended	12
<b>Total cost of suspensions (R'000)</b>	<b>R352 802,90</b>

## Skills development

Table 12.1 – Training needs identified, 1 April 2005 to 31 March 2006

		Training needs identified at start of reporting period					
Occupational category	Gender	Number of employees as at 1 April 2005 (permanent and contract)	Learnerships	Skills programmes and other short courses	Other forms of training	Total	
Legislators, senior officials and managers	Female	18	0	40	25	65	
	Male	37	0	20	18	38	
Professionals	Female	494	0	260	55	315	
	Male	591	0	200	19	219	
Clerks	Female	688	0	254	43	297	
	Male	545	0	199	27	226	
Plant and machine operators and assemblers	Female	3	0	0	0	0	
	Male	19	0	0	0	0	
Elementary occupations	Female	13	0	186	22	208	
	Male	20	0	114	10	124	
Gender subtotals	Female	1 216	0	740	145	885	
	Male	1 212	0	533	74	607	
<b>Total</b>		<b>2 428</b>	<b>0</b>	<b>1 273</b>	<b>219</b>	<b>1 492</b>	

Table 12.2 – Training provided, 1 April 2005 to 31 March 2006

		Training provided within the reporting period					
Occupational category	Gender	Number of employees as at 1 April 2005 (permanent and contract)	Learnerships	Skills programmes and other short courses	Other forms of training	Total	
Legislators, senior officials and managers	Female	18	0	55	20	75	
	Male	37	0	30	12	42	
Professionals	Female	494	0	265	52	317	
	Male	591	0	215	60	275	
Clerks	Female	688	8	271	50	329	
	Male	545	7	188	27	222	
Plant and machine operators and assemblers	Female	3	0	0	0	0	
	Male	19	0	0	0	0	
Elementary occupations	Female	13	4	170	22	196	
	Male	20	1	98	10	109	
Gender subtotals	Female	1 216	12	761	144	917	
	Male	1 212	8	531	109	648	
<b>Total</b>		<b>2 428</b>	<b>20</b>	<b>1 292</b>	<b>253</b>	<b>1 565</b>	

## Injury on duty

Table 13.1 – Injury on duty, 1 April 2005 to 31 March 2006

Nature of injury on duty	Number	Percentage of total
Required basic medical attention only	20	83,3
Temporary total disablement	0	0,0
Permanent disablement	0	0,0
Fatal	4	16,7
<b>Total</b>	<b>24</b>	<b>100,0</b>

## Utilisation of consultants

Table 14.1 – Report on consultant appointments using appropriated funds

Project title	Total number of consultants that worked on the project	Contract value (R'000)
Re-engineering of the Labour Force Survey	2	283 635
Standards and good practice methodology	1	542 640
Consultancy services, expertise and advice	1	761 309
Data management and information delivery	1	21 000
Asset management support	8	495 027
Risk management	1	414 510
Advisory services	3	611 214
Outsourcing of internal audit	3	262 372
Geographic spread	1	273 600
Media monitoring and analysis	3	274 370
Data warehouse	1	1 849 422
Change management	1	289 859
Management consultant	1	512 658
Provincial office realignment	2	1 642 225
Causes of death – mortality	52	1 490 331
Business process mapping	2	163 177
Internship programme development	2	1 594 867
Project management and technical support (CS)	8	30 880 661
<b>Total number of projects</b>	<b>Total individual consultants</b>	<b>Total contract value (R'000)</b>
<b>18</b>	<b>93</b>	<b>R42 362 877</b>

Table 14.2 – Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs)

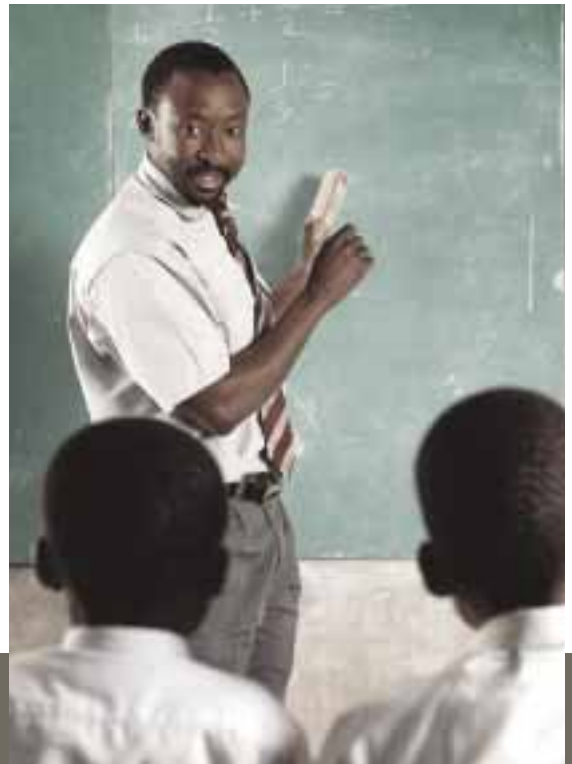
<b>Project title</b>	<b>Percentage ownership by HDI groups</b>	<b>Percentage management by HDI groups</b>	<b>Number of consultants from HDI groups that worked on the project</b>
Change management	100,0	100,0	1
Management consultant	100,0	100,0	1
Provincial office realignment	100,0	100,0	2
Causes of death – mortality	100,0	100,0	52
Business process mapping	100,0	100,0	2
Internship programme development	4,0	3,9	2
Project management and technical support (CS)	50,0	43,8	8

Table 14.3 – Report on consultant appointments using donor funds

<b>Project title</b>	<b>Total number of consultants that worked on the project</b>	<b>Donor and contract value (R'000)</b>
Income and Expenditure Survey	4	1 026 302
Poverty Survey	1	886 300
<b>Total number of projects</b>	<b>Total individual consultants</b>	<b>Total contract value (R'000)</b>
2	5	1 912 602

Table 14.4 – Analysis of consultant appointments using donor funds, in terms of Historically Disadvantaged Individuals (HDIs)

There were no consultant appointments using donor funds in terms of HDIs for the period 1 April 2005 to 31 March 2006.





## Report of the Audit Committee of Statistics South Africa for the financial year ended 31 March 2006

### Report of the Audit Committee

We are pleased to present our report for the financial year ended 31 March 2006.

### Members and attendance

The Audit Committee consists of four members, namely three non-executives and one executive member. The Audit Committee has met five times during the financial year under review, in compliance with the approved terms of reference. Internal and external auditors and the Chief Financial Officer are permanent invitees to the Audit Committee, and have unrestricted access to bring any matter within their scope and responsibility to the attention of the committee.

Name of member	Status	Meetings attended
Mr TR Naidoo CA(SA), HDip(Tax)	Chairperson Non-executive	4
Mr SJ Thema BA, LLB	Member Non-executive	5
Ms Z Jones MBA, MIB	Member Non-executive	3
Mr PJ Lehohla Statistician-General	Member Executive	5

### Responsibility

The Audit Committee reports that it has complied with the responsibilities arising from section 38(1)(a) of the PFMA and Treasury Regulation 3.1.13 and that it has adopted appropriate formal terms of reference as its charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities contained therein.

### The effectiveness of internal control

During the year under review internal and external auditors reported several instances of controls that were not fully effective as a result of the breakdown in the proper functioning of certain controls. Control weaknesses have been reported by the Auditor-General under emphasis of matter and in the management letter.

The Audit Committee recognises the continuous efforts made by management, particularly in the latter half of the year to actively improve the effectiveness of controls.

The quality of in-year management and monthly/quarterly reports submitted in terms of the PFMA

The Audit Committee is satisfied with the content and quality of reports prepared and issued by the Accounting Officer and the Department during the year under review.

#### Evaluation of the annual 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 and the Accounting Officer; and
- reviewed the Auditor-General's management letter and management's response thereto.

The Audit Committee concurs and accepts the Auditor-General's conclusions 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.



TR Naidoo  
Chairperson: Audit Committee  
Date: 25 July 2006







## Management report for the year ended 31 March 2006

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

#### 1. General review of the state of affairs

In pursuit of becoming the preferred supplier of quality statistics, Stats SA has focused in the past year on increasing the quality, coherence and coverage of economic, population and social statistics through long-term investment in systems, statistical infrastructure, methodology and skills.

##### Economic statistics

Key initiatives and developments to improve the quality of economic statistics included:

- The introduction of a new enumerator-based price collection methodology for the Consumer Price Index Survey. The new survey methodology was rolled out to all nine provinces.
- The introduction of a new collection methodology for the Income and Expenditure Survey providing information on spending patterns of South African households. A pilot survey and the main survey were implemented during the 2005/06 financial year and will be finalised during 2006/07. Results will be published during 2007/08.
- Improvements to the business register and the drawing of new samples on an annual basis have improved sampling and consequently the coverage of businesses for economic statistics.
- Conducting large sample surveys of manufacturing, wholesale trade and retail trade during the past year. Results will be published in the 2006/07 financial year. Stats SA also published its first official quarterly release on financial statistics of local government.

##### Population and social statistics

Key initiatives and developments to produce accurate and relevant information on the population dynamics, life circumstances and services delivery included:

- Strategic and business planning for Census 2011 has started in earnest during the past financial year. A comprehensive research programme to support the development of population census methodologies and content has been introduced.
- The introduction of the Community Survey to replace the five-yearly census which is designed to meet information requirements at a lower geographical level. A pilot survey has been conducted in preparation for the main survey. The actual survey is scheduled to take place during February 2007. The Community Survey is designed to build human, management and logistical capacity for Census 2011.
- Conducting a Survey of Employers and Self-employed (SESE) with the aim to provide information on small and micro-businesses that are not registered for VAT or income tax. The results of the survey will be published during 2006/07.

## Sources of income

Four sources of income are reflected in the income statement:

- Appropriations
- General revenue
- Foreign aid assistance
- Contract work

## Summary of financial performance

The Department's voted budget was R691,257 million and this was adjusted to R717,424 million in the Adjusted Estimates. The adjustments included amounts of R30 million and R5,279 million for the Income and Expenditure Survey and the IT disaster recovery plan respectively. An amount of R9,112 million was suspended from the Department's vote to the Department of Public Works for accommodation for regional offices.

Spending as at 31 March 2006 amounts to R619,984 million, the related accruals amount to R87,3 million, thus in real terms constituting a saving of R10,14 million. The majority of the accruals occurred on the Community Survey 2007. The starting date of the Community Survey had been delayed pending a decision by the Statistics Council, which affected the scope and hence the spending patterns. Some of the operations like the dwelling frame database and data collection were thus delayed. This has contributed to the accruals relating to the spending on goods and services for the Community Survey. In relation to the accruals, the Department had requested to roll over an amount of R79 million to the 2006/07 financial year for the Community Survey 2007. A further amount of R8,3 million for projects commenced but not yet finalised (R4,6 million for the Income and Expenditure Survey, R2,5 million for economic spread of activities, and R1,2 million for information security) was also requested to be rolled over.

Savings were also realised on personnel because of the delay in recruiting and employing suitably qualified staff for the organisation. This is due to the general shortage of statistical skills in the country.

## General revenue

Stats SA is not a major revenue-generating department. Total revenue for the 2005/06 financial year amounts to R8,929 million.

## Foreign aid assistance

An amount of R1,416 million was brought forward from the previous financial year in respect of a non-financial census of municipalities. Expenditure incurred during the year amounted to R0,259 million, leaving a balance of R1,157 million for this project. The information is used as a framework by stakeholders and policy makers for planning, monitoring and evaluating the performance of municipalities in service delivery. The information is also used to measure progress on the roll-out and provision of basic services.

An amount of R0,029 million which represents a surplus of funds after the successful conclusion of a project funded by the Swedish International Development Cooperation Agency (Sida), was brought forward from previous financial years. Approval has been sought from Sida to transfer these excess funds to a new technical assistance project, currently ongoing, which is co-sponsored by Sida.

An amount of R5,656 million was received during this financial year to assist Stats SA in developing capacity for poverty research and analysis, improving the methodology of Income and Expenditure Survey statistics, and developing capacity of statistical training methods. Of the aforementioned amount, only R1,936 million was spent, leaving a balance of R3,720 million available for use in the 2006/07 financial year.

The total amount of R4,906 million from foreign aid assistance programmes is still available for ongoing work.

### Contract work

An amount of R7,723 million was brought forward from 2004/05 in respect of ongoing projects, which consisted of a Transport Survey, an agricultural census, and statistics for the Joint Building Contracts Committee (JBCC).

Information from the Transport Survey is used for traffic management. The information from the agricultural census will be used for GDP (Gross Domestic Product) benchmarking because agriculture contributes approximately 3,2% of the GDP.

A further amount of R5,226 million including R5,000 million for the purchase of satellite imagery was received during this financial year. A total of R12,949 million was available for the specific projects. Expenditure of R1,887 million was incurred during the financial year. Unused funds amounting to R3,884 million were transferred to revenue. The balance of R7,178 million is in respect of projects still to be completed.

## 2. Services rendered by the Department

The main statistical outputs of the Department during the financial year were:

### Industry and Trade Statistics

- Statistical information on industry-related activities in the primary, secondary, tertiary, services and transport sectors of the economy.

### Employment and Price Statistics

- Statistical information on the composition and characteristics of the workforce in the formal non-agricultural business sector.
- Statistics on various goods and services to monitor price changes.

### Financial Statistics

- Financial statistics on national, provincial and local government and on the private sector.

### Social Statistics

- General Household Survey information on living conditions of South Africans.
- Statistics on labour market dynamics, which include employment and unemployment.

### Health and Vital Statistics

- Statistical information on births, deaths, marriages and divorces, tourism and migration.

### Integrative Analysis

- Integrative demographic, economic and social information, meeting specific needs of users.

### National Accounts

- Data about the level of economic activity within a coherent system of concepts and classifications.
- Statistics on quarterly GDP estimates, annual GDP estimates, natural resource accounts and supply and use tables.

### Tariff Policy

The Department disseminates approximately 98% of its statistics through its website on the Internet at no cost to users. As a general principle, Stats SA does not seek to recover any of the costs of data collected, products developed or standard services provided. Exceptions are where costs not provided for in the core budget of Stats SA are incurred in servicing user requests. Special requests involving activities not catered for in the core budget are charged for at a rate of R300,00 per hour.

### Inventories

Inventories are issued at average cost. The following are the main stock categories and the values at the end of the financial year at hand:

Other consumables	R108 869
Parts and maintenance	R9 510
Domestic consumables	R24 946
Stationery and printing	R615 696

## 3. Capacity constraints

The Department currently makes use of temporary staff to undertake fieldwork on the various field surveys. There is, however, a need to establish a permanent structure to manage the fieldwork. With this in view, the Department has established 31 regional offices.

Certain core statistical skills are lacking in the Department. These skills are also not readily available in the labour market in South Africa. Consequently Stats SA has been utilising the expertise of foreign statistical agencies, namely from Australia, Sweden and Canada in order to assist in the improvement of methodologies and to transfer skills that are lacking in Stats SA. This expertise has especially been used intensively in the area of economic and social statistics. In order to ensure that Stats SA has a sustainable supply of skilled expertise, significant emphasis has been placed on training and development. Stats SA has initiated an internship programme to address the skills shortage of professional staff. Fifteen graduates were recruited to participate in the internship programme during 2005/06. An e-learning system will make training programmes available to officials in other departments. A bid

process was undertaken during the financial year and the Department intends to roll the system out during the course of the new financial year.

The Department has continued to experience numerous problems with the transversal BAS and Logis systems. The BAS system is often overstrained resulting in delays or difficulties in obtaining financial reports. This difficulty was once again particularly pronounced when closing the books of account and compiling the financial statements for 2005/06. The Logis Integration System was often offline and this delayed the processing of orders and payments. These systems are mandatory and the Department is prohibited from seeking alternatives.

#### **4. Corporate governance arrangements**

An electronic asset management system was implemented during the previous financial year and has become operational during 2005/06. This system makes use of bar coding to identify and track assets. Assets on all premises occupied by the Department have been bar coded and registered on the system's database. The system will be fully operational during 2006/07.

A project for business process improvement was initiated in the previous financial year relating to Corporate Services. The first phase of the project, which mapped the current processes, was completed. Various improvements have been implemented in the reporting year resulting in the review and development of departmental policies to enhance corporate governance.

A departmental risk management strategy and process was implemented. A framework for risk management was developed and operational plans for the various areas were compiled. Implementation of the strategy is overseen by a risk management steering committee, composed of selected executive managers, who represent different parts of the organisation. A comprehensive risk management training programme was introduced that enabled managers to identify and assess business risks.

#### **5. Discontinued activities**

A census of agriculture was completed during 2004/05. This has been replaced by a survey on agriculture during 2005/06.

#### **6. New/proposed activities**

New surveys to improve the measurement of economic growth will be introduced in the new financial year. These include conducting a large sample survey on agriculture as a joint venture between Stats SA and the Department of Agriculture; researching the collection of information on construction, communication and business services; and replacing the land freight survey with a new survey on transport.

Key initiatives and developments to improve the measurement of price stability include finalising the roll-out of CPI direct price collection methodology to other urban areas; initiating the re-engineering of the Production Price Index; and finalising the collection and processing of the Income and Expenditure Survey according to the new diary method.

In order to measure more accurately the dynamics of South Africa's labour market, the Labour Force Survey (LFS) will be re-engineered. Stats SA is planning to launch the new quarterly LFS in January 2008 and the first publication will be available in August 2008.

Key initiatives to improve the measurement of life circumstances and service delivery include conducting the Community Survey in February 2007 to provide information at lower geographical levels and designing and developing a new survey on poverty.

Stats SA continues to conduct planning and research activities towards the Population Census in 2011. This will enable Stats SA to provide information on the demographic profile and population dynamics of South Africa.

## 7. Other

Advances and expenditure on work carried out in respect of paying users have been treated as funds emanating from local aid on the advice of the National Treasury because no provision for such expenditure was made in the National Treasury templates. National Treasury has undertaken to engage Stats SA and the affected departments during the 2006/07 financial year, in order to ensure that these interdepartmental transactions are catered for in the templates in future.

### Approval

The annual financial statements set out on pages 96–136 have been approved by the Accounting Officer.



PJ Lehohla  
Statistician-General (Accounting Officer)  
31 May 2006





AUDITOR - GENERAL

## **Report of the Auditor-General to Parliament on the Financial Statements of Vote 13 – Statistics South Africa for the year ended 31 March 2006**

### **1. Audit assignment**

The financial statements as set out on pages 96 to 136 for the year ended 31 March 2006, have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 4 and 20 of the Public Audit Act, 2004 (Act No. 25 of 2004). The fixed asset opening balances have not been audited because of the timing of guidance from National Treasury to the departments relating to the treatment, valuation and disclosure of fixed assets. These financial statements are the responsibility of the accounting officer. My responsibility is to express an opinion on these financial statements, based on the audit.

### **2. Scope**

The audit was conducted in accordance with the International Standards of Auditing read with General Notice 544 of 2006, issued in Government Gazette no. 28723 of 10 April 2006 and General Notice 808 of 2006, issued in Government Gazette no. 28954 of 23 June 2006. Those standards require that I plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements;
- assessing the accounting principles used and significant estimates made by management; and
- evaluating the overall financial statement presentation.

I believe that the audit provides a reasonable basis for my opinion.

### **3. Basis of accounting**

The department's policy is to prepare financial statements on the modified cash basis of accounting determined by the National Treasury, as described in note 1 to the statement of accounting policies and related matters.

### **4. Audit opinion**

In my opinion, the financial statements present fairly, in all material respects, the financial position of Statistics South Africa at 31 March 2006 and the results of its operations and cash flows for the year then ended, in accordance with the modified cash basis of accounting determined by the National Treasury of South Africa, as described in note 1 to the accounting policies, and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999).

## 5. Emphasis of matter

Without qualifying the audit opinion, attention is drawn to the following matters:

### 5.1 Creditors payments

Treasury Regulation 8.2.3 requires that all payments due to creditors be settled within 30 days from receipt of the invoices. Due to a lack of proper follow-up and monitoring controls at Statistics South Africa, invoices amounting to R385 000 included in the audit sample were not paid within the prescribed period. An amount of R1,6 million was reported in respect of the prior year.

### 5.2 Differences in bank reconciliations

Control lists kept by the provincial branches with regard to outstanding payment vouchers on hand did not reconcile in all instances to the provincial bank reconciliations or consolidated reconciliation prepared by Head Office. The root cause of the aforementioned related to the lack of effective controls over bank reconciling items in the provinces.

### 5.3 Asset registers

The expenditure for capital assets (machinery, equipment, software and intangible assets) disclosed in the Statement of Financial Performance, as extracted from the Basic Accounting System (BAS), does not agree with the totals for additions as per note 9 to the financial statements, as well as annexure 3 and 4, as extracted from the asset management system (BAUD).

Notwithstanding a concerted effort, the department could not reconcile the aforementioned BAS and BAUD figures by an amount of approximately R526 000. Furthermore, audit tests revealed instances where detail as per supporting invoices were incorrectly captured on BAUD. This, together with the lack of monthly reconciliations between the two systems, was the root cause for the differences as mentioned above. An amount of R1,5 million was reported in respect of the prior year.

### 5.4 Control over leave

During the audit of the control environment of the leave system, the following weaknesses were identified as a result of leave controls in place which were not functioning as intended, and in certain instances control over leave did not exist:

- Instances were identified where leave forms were not always on file to substantiate leave taken;
- Discrepancies between the leave captured on Persal and the total leave approved as per leave forms; and
- Leave forms were approved by the relevant managers and sent through to human resources for capturing without confirming the leave balances available on the date of application.

The department has implemented a manual leave register in February 2006 which will, if operational, address the relevant control weaknesses. This new control will be followed up in the 2006/07 audit.

## 6. Appreciation

The assistance rendered by the staff of Statistics South Africa during the audit is sincerely appreciated.

A handwritten signature in black ink, appearing to read 'Lily Zondo'.

Lily Zondo  
for Auditor-General

Pretoria  
31 July 2006

## **Statement of accounting policies and related matters for the year ended 31 March 2006**

Financial statements have been prepared in accordance with the policies mentioned below, 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 for Departments and Constitutional Institutions issued in terms of the Act and the Division of Revenue Act, Act 1 of 2005.

### **1. Presentation of financial statements**

#### **1.1 Basis of preparation**

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 or when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

#### **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**

Prior period comparative information has been presented in the current year's financial statements. Where necessary, figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

A comparison between actual and budgeted amounts per major classification of expenditure is included in the appropriation statement.

### **2. Revenue**

#### **2.1 Appropriated funds**

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

Total appropriated funds are presented in the statement of financial performance.

Unexpended appropriated funds are surrendered to the National Revenue Fund, unless approval has been given by the National Treasury to roll over the funds to the subsequent financial year. Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the statement of financial position.

## 2.2 Departmental revenue

All departmental revenue is paid into the National Revenue Fund when received, unless otherwise stated. Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the statement of financial position.

### 2.2.1 Sales of goods and services other than capital assets

The proceeds received from the sale of goods and/or the provision of services is recognised in the statement of financial performance when the cash is received.

### 2.2.2 Interest, dividends and rent on land

Interest, dividends and rent on land are recognised in the statement of financial performance when the cash is received.

### 2.2.3 Sale of capital assets

The proceeds received on sale of capital assets are recognised in the statement of financial performance when the cash is received.

### 2.2.4 Financial transactions in assets and liabilities

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the statement of financial performance on receipt of the funds. Amounts receivable at the reporting date are disclosed in the disclosure notes to the annual financial statements.

Cheques issued in previous accounting periods that expire before being banked are recognised as revenue in the statement of financial performance when the cheque becomes stale. When the cheque is reissued the payment is made from Revenue.

### 2.2.5 Gifts, donations and sponsorships (transfers received)

All cash gifts, donations and sponsorships are paid into the National Revenue Fund and recorded as revenue in the statement of financial performance when received. Amounts receivable at the reporting date are disclosed in the disclosure notes to the financial statements.

All in-kind gifts, donations and sponsorships are disclosed at fair value in the annexures to the financial statements.

## 2.3 Local and foreign aid assistance

Local and foreign aid assistance is recognised in the financial records when notification of the donation is received from the National Treasury or when the department directly receives the cash from the donor(s). The total cash amounts received during the year are reflected in the statement of financial performance as revenue.

All in-kind local and foreign aid assistance are disclosed at fair value in the annexures to the annual financial statements.

Cash payments made during the year relating to local and foreign aid assistance projects are recognised as expenditure in the statement of financial performance. A receivable is recognised in the statement of financial position to the value of the amounts expended prior to the receipt of the funds.

A payable is raised in the statement of financial position where amounts have been inappropriately expended using local and foreign aid assistance. Unutilised amounts are recognised in the statement of financial position.

### 3. Expenditure

#### 3.1 Compensation of employees

Salaries and wages comprise payments to employees. Salaries and wages 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). Capitalised compensation forms part of the expenditure for capital assets in the statement of financial performance<sup>1</sup>.

All other payments are classified as current expense.

Social contributions include the entities' contribution to social insurance schemes paid on behalf of the employee. Social contributions are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system.

##### 3.1.1 Short-term employee benefits

Short-term employee benefits comprise leave entitlements (capped leave), thirteenth cheques and performance bonuses. The cost of short-term employee benefits is expensed as salaries and wages 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).

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the notes to the financial statements. These amounts are not recognised in the statement of financial performance.

##### 3.1.2 Long-term employee benefits

###### 3.1.2.1 Termination benefits

Termination benefits such as severance packages are recognised as an expense in the statement of financial performance as a transfer when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

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<sup>1</sup> This accounting policy is only relevant where the department elects to capitalise the compensation paid to employees involved on capital projects.

#### 3.1.2.2 *Post-employment retirement benefits*

The department provides retirement benefits (pension benefits) for certain of its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions. Employer contributions to the fund are expensed when the final authorisation for payment to the fund 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.

The department provides medical benefits for certain of its employees. Employer contributions to the medical funds are expensed when the final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year).

### 3.2 Goods and services

Payments made 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 services were used on a capital project.

### 3.3 Interest and rent on land

Interest and rental payments 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). This item excludes rental for the use of buildings or other fixed structures.

### 3.4 Financial transactions in assets and liabilities

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 but amounts are disclosed as a disclosure note.

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

### 3.5 Unauthorised expenditure

When discovered, unauthorised expenditure is recognised as an asset in the statement of financial position until such time that 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 recognised in the statement of financial performance when the unauthorised expenditure is approved and the related funds are received. Where the amount is approved without funding, it is recognised as expenditure, subject to availability of savings in the statement of financial performance on the date of approval.

### 3.6 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as an asset in the statement of financial position until such time as the expenditure 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.

### 3.8 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).

### 3.9 Expenditure for capital assets

Payments made for capital assets 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).

## 4. Assets

### 4.1 Cash and cash equivalents

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

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

### 4.2 Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made.

### 4.3 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party.

Revenue receivable not yet collected is included in the disclosure notes. Amounts that are potentially irrecoverable are included in the disclosure notes.

### 4.4 Investments

Capitalised investments are shown at cost in the statement of financial position. Any cash flows such as dividends received or proceeds from the sale of the investment are recognised in the statement of financial performance.



Investments are tested for an impairment loss whenever events or changes in circumstances indicate that the investment may be impaired. Any impairment loss is included in the disclosure notes.

#### 4.5 Inventory

Inventories on hand at the reporting date are disclosed at cost in the management report.

#### 4.6 Asset registers

Assets are recorded in an asset register, at cost, on receipt of the item. Cost of an asset is defined as the total cost of acquisition. Assets procured in previous financial periods, may be stated at fair value, where determinable, or R1, in instances where the original cost of acquisition or fair value cannot be established. No revaluation or impairment of assets is currently recognised in the asset register. Projects (of construction/development) running over more than one financial year relating to assets, are only brought into the asset register on completion of the project and at the total cost incurred over the duration of the project.

Annexures 4 and 5 of the disclosure notes, reflect the total movement in the asset register of assets with a cost equal to and exceeding R5 000 (therefore capital assets only) for the current financial year. The movement is reflected at the cost as recorded in the asset register and not the carrying value, as depreciation is not recognised in the financial statements under the modified cash basis of accounting. The opening balance reflected in Annexures 4 and 5 will include items procured in prior accounting periods and the closing balance will represent the total cost of the register for capital assets on hand.

### 5. Liabilities

#### 5.1 Payables

Recognised payables mainly comprise amounts owing to other governmental entities. These payables are recognised at historical cost in the statement of financial position.

#### 5.2 Lease commitments

Lease commitments represent amounts owing from the reporting date to the end of the lease contract. These 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.

Operating and finance lease commitments are expensed when the payments are made. Assets acquired in terms of finance lease agreements are disclosed in the annexures to the financial statements.

#### 5.3 Accruals

Accruals represent goods/services that have been received, but where no invoice has been received from the supplier at the reporting date, or where an invoice has been received but final authorisation for payment has not been effected on the system.

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.

## 5.4 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the department; or a present obligation that arises from past events but is not recognised because:

- it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are included in the disclosure notes.

## 5.5 Commitments

Commitments represent goods/services that have been approved and/or contracted, but where no delivery has taken place at the reporting date.

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.

## 6. Net assets

### 6.1 Capitalisation reserve

The capitalisation reserve comprises 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 transferred to the National/Provincial Revenue Fund on disposal, repayment or recovery of such amounts.

### 6.2 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made and recognised in a previous financial year becomes recoverable from a debtor.

## 7. Related party transactions

Related parties are other entities that control or significantly influence the department in making financial and operating decisions. Specific information with regard to related party transactions is included in the disclosure notes.

## 8. Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department.

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

## Appropriation statement for the year ended 31 March 2006

### Appropriation per programme

Programme	2005/06						2004/05			
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as percentage of final appropriation %	Final appropriation R'000	Actual expenditure R'000	
<b>1. Administration</b>										
Current payment	132 197	-	10 000	142 197	137 257	4 940	96,5	119 801	101 666	
Transfers and subsidies	214	-	-	214	456	(242)	213,1	209	184	
Expenditure for capital assets	12 892	-	5 000	17 892	17 845	47	99,7	18 619	8 394	
<b>2. Economic Statistics</b>										
Current payment	151 320	-	(8 500)	142 820	136 805	6 015	95,8	59 847	50 613	
Transfers and subsidies	575	-	-	575	376	199	65,4	143	123	
Expenditure for capital assets	8 117	-	-	8 117	7 291	826	89,8	3 699	1 237	
<b>3. Population and Social Statistics</b>										
Current payment	265 059	-	(22 000)	243 059	161 362	81 697	66,4	170 914	87 976	
Transfers and subsidies	201	-	-	201	214	(13)	106,5	192	154	
Expenditure for capital assets	11 153	-	-	11 153	11 365	(212)	101,9	6 143	791	
<b>4. Quality and Integration</b>										
Current payment	31 020	(800)	2 500	32 720	30 743	1 977	94,0	28 692	23 271	
Transfers and subsidies	70	-	-	70	77	(7)	110,0	64	61	
Expenditure for capital assets	935	800	-	1 735	1 719	16	99,1	1 451	912	
<b>5. Statistical Support and Informatics</b>										
Current payment	99 812	(2 452)	13 000	110 360	108 234	2 126	98,1	85 943	70 807	
Transfers and subsidies	201	-	-	201	429	(228)	213,4	344	346	
Expenditure for capital assets	3 658	2 452	-	6 110	5 811	299	95,1	4 129	2 582	
<b>Total</b>	<b>717 424</b>	<b>-</b>	<b>-</b>	<b>717 424</b>	<b>619 984</b>	<b>97 440</b>	<b>86,4</b>	<b>500 190</b>	<b>349 117</b>	

### Reconciliation with the statement of financial performance

Prior-year unauthorised expenditure approved with funding	-	-
Departmental receipts	8 929	1 227
Local and foreign aid assistance	10 882	8 016
<b>Actual amounts with the statement of financial performance (total revenue)</b>	<b>737 235</b>	<b>509 433</b>
Investments acquired and capitalised during the current financial year – expensed for appropriation purposes	-	-
Other payments in the appropriation statement, not accounted for in the statement of financial performance	-	-
Local and foreign aid assistance	7 967	6 208
Prior-year unauthorised expenditure approved	-	-
Prior-year fruitless and wasteful expenditure condoned	-	-
<b>Actual amounts per statement of financial performance expenditure</b>	<b>627 951</b>	<b>355 325</b>

Appropriation per economic classification

Economic classification	2005/06						2004/05			
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as percentage of final appropriation	Final appropriation	Actual expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
<b>Current payments</b>										
Compensation of employees	318 355	-	(5 000)	313 355	302 052	11 303	96,4	240 421	195 051	
Goods and services	361 053	(3 252)	-	357 801	271 631	86 170	75,9	224 776	137 796	
Interest and rent on land	-	-	-	-	-	-	-	-	1 380	
Financial transactions in assets and liabilities	-	-	-	-	718	(718)	-	-	106	
<b>Transfers and subsidies</b>										
Provinces and municipalities	957	-	-	957	1 012	(55)	105,7	740	642	
Non-profit institutions	-	-	-	-	72	(72)	-	-	-	
Households	304	-	-	304	468	(164)	153,9	212	226	
<b>Payment on capital assets</b>										
Machinery and equipment	36 503	2 096	600	39 199	38 566	633	98,4	29 857	13 036	
Software and other intangible assets	252	1 156	4 400	5 808	5 465	343	94,1	4 184	880	
<b>Total</b>	<b>717 424</b>	<b>-</b>	<b>-</b>	<b>717 424</b>	<b>619 984</b>	<b>97 440</b>	<b>86,4</b>	<b>500 190</b>	<b>349 117</b>	

### Detail per programme 1 - Administration for the year ended 31 March 2006

Programme per subprogramme	2005/06						2004/05			
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as percentage of final appropriation %	Final appropriation R'000	Actual expenditure R'000	
<b>Management</b>										
Current payment	36 667	-	-	36 667	31 304	5 363	85,4	26 103	20 072	
Transfers and subsidies	56	-	-	56	271	(215)	483,9	36	35	
Expenditure for capital assets	2 158	-	-	2 158	763	1 395	35,4	301	528	
<b>Corporate Services</b>										
Current payment	95 530	-	10 000	105 530	105 953	(423)	100,4	93 698	81 594	
Transfers and subsidies	158	-	-	158	185	(27)	117,1	173	149	
Expenditure for capital assets	10 734	-	5 000	15 734	17 082	(1 348)	108,6	18 318	7 866	
<b>Total</b>	<b>145 303</b>	<b>-</b>	<b>15 000</b>	<b>160 303</b>	<b>155 558</b>	<b>4 745</b>	<b>97,0</b>	<b>138 629</b>	<b>110 244</b>	

Economic classification	2005/06						2004/05			
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as percentage of final appropriation %	Final appropriation R'000	Actual expenditure R'000	
<b>Current payments</b>										
Compensation of employees	72 544	-	-	72 544	71 814	730	99,0	63 627	52 745	
Goods and services	59 653	-	10 000	69 653	65 307	4 346	93,8	56 174	48 814	
Interest and rent on land	-	-	-	-	-	-	-	-	1	
Financial transactions in assets and liabilities	-	-	-	-	136	(136)	-	-	106	
<b>Transfers and subsidies</b>										
Provinces and municipalities	214	-	-	214	229	(15)	107,0	196	161	
Non-profit institutions	-	-	-	-	71	(71)	-	-	-	
Households	-	-	-	-	156	(156)	-	13	23	
<b>Payments for capital assets</b>										
Machinery and equipment	12 795	-	600	13 395	16 168	(2 773)	120,7	17 722	8 384	
Software and other intangible assets	97	-	4 400	4 497	1 677	2 820	37,3	897	10	
<b>Total</b>	<b>145 303</b>	<b>-</b>	<b>15 000</b>	<b>160 303</b>	<b>155 558</b>	<b>4 745</b>	<b>97,0</b>	<b>138 629</b>	<b>110 244</b>	

## Detail per programme 2 - Economic Statistics for the year ended 31 March 2006

Programme per subprogramme	2005/06						2004/05		
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as percentage of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Industry and Trade Statistics</b>									
Current payment	21 379	-	(10 000)	11 379	24 445	(13 066)	214,8	18 820	16 207
Transfers and subsidies	63	-	-	63	140	(77)	222,2	43	41
Expenditure for capital assets	1 309	-	-	1 309	1 211	98	92,5	1 256	484
<b>Employment and Price Statistics</b>									
Current payment	111 836	-	1 500	113 336	95 098	18 238	83,9	27 349	22 859
Transfers and subsidies	467	-	-	467	192	275	41,1	68	51
Expenditure for capital assets	5 742	-	-	5 742	5 112	630	89,0	2 018	654
<b>Financial Statistics</b>									
Current payment	18 105	-	-	18 105	17 262	843	95,3	13 678	11 547
Transfers and subsidies	45	-	-	45	44	1	97,8	32	31
Expenditure for capital assets	1 066	-	-	1 066	968	98	90,8	425	99
<b>Total</b>	<b>160 012</b>	<b>-</b>	<b>(8 500)</b>	<b>151 512</b>	<b>144 472</b>	<b>7 040</b>	<b>95,4</b>	<b>63 689</b>	<b>51 973</b>

Economic classification	2005/06						2004/05		
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as percentage of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current</b>									
Compensation of employees	90 803	-	1 500	92 303	91 839	464	99,5	42 631	39 391
Goods and services	60 517	-	(10 000)	50 517	44 966	5 551	89,0	17 216	11 222
<b>Transfers and subsidies</b>									
Provinces and municipalities	274	-	-	274	301	(27)	109,9	135	123
Households	301	-	-	301	75	226	24,9	8	-
<b>Capital</b>									
Machinery and equipment	8 117	-	-	8 117	5 469	2 648	67,4	3 660	1 223
Software and other intangible assets	-	-	-	-	1 822	(1 822)		39	14
<b>Total</b>	<b>160 012</b>	<b>-</b>	<b>(8 500)</b>	<b>151 512</b>	<b>144 472</b>	<b>7 040</b>	<b>95,4</b>	<b>63 689</b>	<b>51 973</b>

### Detail per programme 3 - Population and Social Statistics for the year ended 31 March 2006

Programme per subprogramme	2005/06						2004/05			
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as percentage of final appropriation %	Final appropriation R'000	Actual expenditure R'000	
<b>Population Census and Statistics</b>										
Current payment	201 091	-	(22 000)	179 091	99 696	79 395	55,7	105 638	20 096	
Transfers and subsidies	167	-	-	167	79	88	47,3	89	27	
Expenditure for capital assets	10 630	-	-	10 630	10 421	209	98,0	5 419	266	
<b>Health and Vital Statistics</b>										
Current payment	8 406	-	-	8 406	11 472	(3 066)	136,5	26 970	27 037	
Transfers and subsidies	16	-	-	16	58	(42)	362,5	50	53	
Expenditure for capital assets	369	-	-	369	103	266	27,9	415	410	
<b>Social Statistics</b>										
Current payment	55 562	-	-	55 562	50 194	5 368	90,3	38 306	40 843	
Transfers and subsidies	18	-	-	18	77	(59)	427,8	53	74	
Expenditure for capital assets	154	-	-	154	841	(687)	546,1	309	115	
<b>Total</b>	<b>276 413</b>	<b>-</b>	<b>(22 000)</b>	<b>254 413</b>	<b>172 941</b>	<b>81 472</b>	<b>68,0</b>	<b>177 249</b>	<b>88 921</b>	

Economic classification	2005/06						2004/05			
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as percentage of final appropriation %	Final appropriation R'000	Actual expenditure R'000	
<b>Current</b>										
Compensation of employees	67 144	-	(22 000)	45 144	36 279	8 865	80,4	53 645	30 356	
Goods and services	197 915	-	-	197 915	124 502	73 413	62,9	117 269	56 241	
Interest and rent on land	-	-	-	-	-	-	-	-	1 379	
Financial transactions in assets and liabilities	-	-	-	-	582	(582)	-	-	-	
<b>Transfers and subsidies</b>										
Provinces and municipalities	201	-	-	201	179	22	89,1	192	146	
Households	-	-	-	-	34	(34)	-	-	8	
<b>Capital</b>										
Machinery and equipment	11 153	-	-	11 153	10 081	1 072	90,4	6 011	784	
Software and other intangible assets	-	-	-	-	1 284	(1 284)	-	132	7	
<b>Total</b>	<b>276 413</b>	<b>-</b>	<b>(22 000)</b>	<b>254 413</b>	<b>172 941</b>	<b>81 472</b>	<b>68,0</b>	<b>177 249</b>	<b>88 921</b>	

### Detail per programme 4 - Quality and Integration for the year ended 31 March 2006

Programme per subprogramme	2005/06						2004/05		
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as percentage of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Quality and Methodology</b>									
Current payment	11 768	(370)	2 500	13 898	12 285	1 613	88,4	9 059	7 364
Transfers and subsidies	22	-	-	22	29	(7)	131,8	22	20
Expenditure for capital assets	322	-	-	322	695	(373)	215,8	870	610
<b>Integrative Analysis</b>									
Current payment	6 432	(430)	-	6 002	6 327	(325)	105,4	8 335	5 512
Transfers and subsidies	15	-	-	15	16	(1)	106,7	18	14
Expenditure for capital assets	432	800	-	1 232	507	725	41,2	430	203
<b>National Accounts</b>									
Current payment	7 340	-	-	7 340	6 730	610	91,7	6 865	6 129
Transfers and subsidies	18	-	-	18	18	-	100,0	13	16
Expenditure for capital assets	147	-	-	147	235	(88)	159,9	151	82
<b>National Statistics System</b>									
Current payment	5 480	-	-	5 480	5 401	79	98,6	4 433	4 266
Transfers and subsidies	15	-	-	15	14	1	93,3	11	11
Expenditure for capital assets	34	-	-	34	282	(248)	829,4	-	17
<b>Total</b>	<b>32 025</b>	<b>-</b>	<b>2 500</b>	<b>34 525</b>	<b>32 539</b>	<b>1 986</b>	<b>94,2</b>	<b>30 207</b>	<b>24 244</b>

Economic classification	2005/06						2004/05		
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as percentage of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current</b>									
Compensation of employees	22 794	-	2 500	25 294	24 774	520	97,9	23 862	19 960
Goods and services	8 226	(800)	-	7 426	5 969	1 457	80,4	4 830	3 311
<b>Transfers and subsidies</b>									
Provinces and municipalities	70	-	-	70	77	(7)	110,0	64	61
<b>Capital</b>									
Machinery and equipment	909	800	-	1 709	1 719	(10)	100,6	1 242	684
Software and other intangible assets	26	-	-	26	-	26	-	209	228
<b>Total</b>	<b>32 025</b>	<b>-</b>	<b>2 500</b>	<b>34 525</b>	<b>32 539</b>	<b>1 986</b>	<b>94,2</b>	<b>30 207</b>	<b>24 244</b>



### Detail per programme 5 - Statistical Support and Informatics for the year ended 31 March 2006

Programme per subprogramme	2005/06							2004/05		
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as percentage of final appropriation %	Final appropriation R'000	Actual expenditure R'000	
<b>Geography</b>										
Current payment	8 939	-	300	9 239	8 779	460	95,0	7 564	6 638	
Transfers and subsidies	16	-	-	16	17	(1)	106,3	7	13	
Expenditure for capital assets	402	1 305	-	1 707	1 370	337	80,3	775	811	
<b>System of Registers</b>										
Current payment	11 688	-	-	11 688	11 136	552	95,3	11 225	10 455	
Transfers and subsidies	29	-	-	29	30	(1)	103,4	29	27	
Expenditure for capital assets	180	-	-	180	286	(106)	158,9	495	429	
<b>Statistical Information Services</b>										
Current payment	14 173	-	-	14 173	14 352	(179)	101,3	15 280	11 819	
Transfers and subsidies	30	-	-	30	31	(1)	103,3	159	46	
Expenditure for capital assets	728	1 147	-	1 875	1 468	407	78,3	860	394	
<b>Provincial Coordination</b>										
Current payment	54 130	-	12 700	66 830	69 333	(2 503)	103,7	49 050	40 112	
Transfers and subsidies	121	-	-	121	348	(227)	287,6	146	258	
Expenditure for capital assets	2 348	-	-	2 348	2 421	(73)	103,1	1 933	932	
<b>Stats Data Management</b>										
Current payment	10 882	(2 452)	-	8 430	4 634	3 796	55,0	2 824	1 783	
Transfers and subsidies	5	-	-	5	3	2	60,0	3	2	
Expenditure for capital assets	-	-	-	-	266	(266)	-	66	16	
<b>Total</b>	<b>103 671</b>	<b>-</b>	<b>13 000</b>	<b>116 671</b>	<b>114 474</b>	<b>2 197</b>	<b>98,1</b>	<b>90 416</b>	<b>73 735</b>	

Economic classification	2005/06							2004/05		
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as percentage of final appropriation %	Final appropriation R'000	Actual expenditure R'000	
<b>Current</b>										
Compensation of employees	65 070	-	13 000	78 070	77 346	724	99,1	56 656	52 599	
Goods and services	34 742	(2 452)	-	32 290	30 887	1 403	95,7	29 287	18 208	
<b>Transfers and subsidies</b>										
Provinces and municipalities	198	-	-	198	226	(28)	114,1	153	151	
Non-profit institutions	-	-	-	-	1	(1)	-	-	-	
Households	3	-	-	3	203	(200)	6 766,7	191	195	
<b>Capital</b>										
Machinery and equipment	3 529	1 296	-	4 825	5 129	(304)	106,3	1 222	1 961	
Software and other intangible assets	129	1 156	-	1 285	682	603	53,1	2 907	621	
<b>Total</b>	<b>103 671</b>	<b>-</b>	<b>13 000</b>	<b>116 671</b>	<b>114 474</b>	<b>2 197</b>	<b>98,1</b>	<b>90 416</b>	<b>73 735</b>	

Some of the previous year's figures have been restated due to changes in the departmental code structure.

## Notes to the appropriation statement for the year ended 31 March 2006

1. Details of transfers and subsidies as per Appropriation Act (after virement)  
 Details of these transactions can be viewed in note 8 (Transfers and subsidies) and Annexure 1 (A-C) to the annual financial statements.
2. Details of specifically and exclusively appropriated amounts voted (after virement)  
 Details of these transactions can be viewed in note 1 (Annual Appropriation) to the annual financial statements.
3. Details of financial transactions in assets and liabilities  
 Details of these transactions per programme can be viewed in note 7 [Details of special functions (theft and losses)] to the annual financial statements.
4. Explanations of material variances from amounts voted (after virement)

4.1 Per programme	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Variance as percentage of final appropriation %
<b>Administration</b>	160 303	155 558	4 745	3
	The saving was realised on consultancy services for implementing the information security strategy and for the geographic economic spread of activities. The service providers had been appointed, but they did not deliver all the required services before the year end. A request has been made to roll over these funds to the 2006/07 financial year.			
<b>Economic Statistics</b>	151 512	144 472	7 040	5
	The data processing phase of the Income and Expenditure Survey has not yet been completed, which contributed to the saving. A request has been made to roll over these funds to the 2006/07 financial year.			
<b>Population and Social Statistics</b>	254 413	172 941	81 472	32
	The saving was realised on the Community Survey. A decision by the Statistics Council to change the scope of the Community Survey delayed the start of the survey which affected the spending patterns. A request has been made to roll over these funds to the 2006/07 financial year.			
<b>Quality and Integration</b>	34 525	32 539	1 986	6
	Savings were realised on Standards and Classification, Analysis and Consulting and Integrative Reporting.			
<b>Statistical Support and Informatics</b>	116 671	114 474	2 197	2
	Savings were realised on the operations and maintenance of the Business Register, Departmental Marketing and Statistical Data Management.			

4.2 Per economic classification	R'000
<b>Current expenditure</b>	
Compensation of employees	302 052
Goods and services	271 631
Financial transactions in assets and liabilities	718
<b>Transfers and subsidies</b>	
Provinces and municipalities	1 012
Non-profit institutions	72
Households	468
<b>Payments for capital assets</b>	
Machinery and equipment	38 566
Software and other intangible assets	5 465

## Statement of financial performance for the year ended 31 March 2006

	Note	2005/06 R'000	2004/05 R'000
<b>Revenue</b>			
Annual appropriation	1	717 424	500 190
Departmental revenue	2	8 929	1 227
Local and foreign aid assistance	3	10 882	8 016
<b>Total revenue</b>		<b>737 235</b>	<b>509 433</b>
<b>Expenditure</b>			
<b>Current expenditure</b>			
Compensation of employees	4	302 052	195 051
Goods and services	5	271 631	137 796
Interest and rent on land	6	-	1 380
Financial transactions in assets and liabilities	7	718	106
Local and foreign aid assistance	3	7 948	5 970
<b>Total current expenditure</b>		<b>582 349</b>	<b>340 303</b>
<b>Transfers and subsidies</b>	8	<b>1 552</b>	<b>868</b>
<b>Expenditure for capital assets</b>			
Machinery and equipment	9	38 566	13 036
Software and other intangible assets	9	5 465	880
Local and foreign aid assistance	3	19	238
<b>Total expenditure for capital assets</b>		<b>44 050</b>	<b>14 154</b>
<b>Total expenditure</b>		<b>627 951</b>	<b>355 325</b>
<b>Surplus/(deficit)</b>		<b>109 284</b>	<b>154 108</b>
<b>Surplus/(deficit) for the year</b>		<b>109 284</b>	<b>154 108</b>
<b>Reconciliation of net surplus/(deficit) for the year</b>			
Voted funds	15.1	97 440	151 073
Departmental revenue	2	8 929	1 227
Local and foreign aid assistance	3	2 915	1 808
<b>Surplus/(deficit) for the year</b>		<b>109 284</b>	<b>154 108</b>

## Statement of financial position as at 31 March 2006

	Note	2005/06 R'000	2004/05 R'000
<b>Assets</b>			
<b>Current assets</b>			
		<b>164 812</b>	<b>176 557</b>
Unauthorised expenditure	10	158 072	158 072
Fruitless and wasteful expenditure	11	13	92
Cash and cash equivalents	12	1 773	6 886
Prepayments and advances	13	211	366
Receivables	14	4 743	11 141
<b>Total assets</b>		<b>164 812</b>	<b>176 557</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
		<b>164 802</b>	<b>172 759</b>
Voted funds to be surrendered to the Revenue Fund	15	73 001	1 883
Departmental revenue to be surrendered to the Revenue Fund	16	323	383
Bank overdraft	17	54 782	141 035
Payables	18	24 613	20 290
Local and foreign aid assistance unutilised	3	12 083	9 168
<b>Non-current liabilities</b>			
Payables	19	10	3 798
<b>Total liabilities</b>		<b>164 812</b>	<b>176 557</b>

## Cash flow statement for the year ended 31 March 2006

	Note	2005/06 R'000	2004/05 R'000
<b>Cash flows from operating activities</b>			
<b>Receipts</b>		<b>712 796</b>	<b>360 243</b>
Annual appropriated funds received		692 985	351 000
Departmental revenue received		8 929	1 227
Local and foreign aid assistance received		10 882	8 016
Net (increase)/decrease in working capital		10 955	13 788
Surrendered to Revenue Fund		(10 872)	(10 260)
Current payments		(582 349)	(340 303)
Transfers and subsidies paid		(1 552)	(868)
<b>Net cash flows available from operating activities</b>	20	<b>128 978</b>	<b>22 600</b>
<b>Cash flows from investing activities</b>			
Payments for capital assets		(44 050)	(14 154)
<b>Net cash flows from investing activities</b>		<b>(44 050)</b>	<b>(14 154)</b>
<b>Cash flows from financing activities</b>			
Increase/(decrease) in non-current payables		(3 788)	(251)
<b>Net cash flows from financing activities</b>		<b>(3 788)</b>	<b>(251)</b>
Net increase/(decrease) in cash and cash equivalents		81 140	8 195
Cash and cash equivalents at beginning of period		(134 149)	(142 344)
<b>Cash and cash equivalents at end of period</b>	21	<b>(53 009)</b>	<b>(134 149)</b>

Some of the previous year's figures have been restated due to changes in the reporting template.

## Notes to the annual financial statements for the year ended 31 March 2006

### 1. Annual appropriation

Included are funds appropriated in terms of the Appropriation Act for national departments (voted funds)

Programmes	2005/06			2004/05	
	Final appropriation R'000	Actual funds received R'000	Funds not requested/not received R'000	Final appropriation R'000	Appropriation received R'000
Administration	160 303	164 176	(3 873)	138 629	78 230
Economic Statistics	151 512	152 662	(1 150)	63 689	93 194
Population and Social Statistics	254 413	243 874	10 539	177 249	50 629
Quality and Integration	34 525	31 229	3 296	30 207	22 418
Statistical Support and Informatics	116 671	101 044	15 627	90 416	106 529
<b>Total</b>	<b>717 424</b>	<b>692 985</b>	<b>24 439</b>	<b>500 190</b>	<b>351 000</b>

The Statistics Council decided to change the scope of the Community Survey which affected the implementation date and as a result changed spending patterns and cash flow. The Department thus revised its cash flow projections and requested funds that were necessary. This was to ensure sound cash management.

### 2. Departmental revenue to be surrendered to Revenue Fund

	Note	2005/06 R'000	2004/05 R'000
Sales of goods and services other than capital assets	2.1	806	915
Interest, dividends and rent on land	2.2	56	49
Financial transactions in assets and liabilities	2.3	8 067	263
<b>Total departmental revenue</b>		<b>8 929</b>	<b>1 227</b>

Departmental revenue surrendered to Revenue Fund is inclusive of surplus funds received for projects.

#### 2.1 Sales of goods and services other than capital assets

	2005/06 R'000	2004/05 R'000
Sales of goods and services produced by the department	804	912
Sales by market establishment	607	735
Administrative fees	197	177
Sales of scrap, waste and other used current goods	2	3
<b>Total</b>	<b>806</b>	<b>915</b>

## 2.2 Interest, dividends and rent on land

	2005/06 R'000	2004/05 R'000
Interest	56	49
<b>Total</b>	<b>56</b>	<b>49</b>

## 2.3 Financial transactions in assets and liabilities

	2005/06 R'000	2004/05 R'000
Other receipts including recoverable revenue	8 067	263
<b>Total</b>	<b>8 067</b>	<b>263</b>

## 3. Local and foreign aid assistance

	2005/06 R'000	2004/05 R'000
<b>Assistance received in cash: other</b>		
<b>Local</b>		
Opening balance	7 723	6 542
Revenue	5 226	6 302
Expenditure	5 772	5 121
Current	5 772	5 121
Capital	-	-
<b>Closing balance</b>	<b>7 177</b>	<b>7 723</b>
<b>Foreign</b>		
Opening balance	1 445	818
Revenue	5 656	1 714
Expenditure	2 195	1 087
Current	2 176	849
Capital	19	238
<b>Closing balance</b>	<b>4 906</b>	<b>1 445</b>
<b>Total</b>		
Opening balance	9 168	7 360
Revenue	10 882	8 016
Expenditure	7 967	6 208
Current	7 948	5 970
Capital	19	238
<b>Closing Balance</b>	<b>12 083</b>	<b>9 168</b>
<b>Analysis of balance</b>		
Local and foreign aid receivable	-	-
Local and foreign aid unutilised	12 083	9 168
Local foreign aid payable to RDP fund/donors	-	-
<b>Closing balance</b>	<b>12 083</b>	<b>9 168</b>

Expenditure is inclusive of surplus funds on projects that have been paid over to revenue.



## 4. Compensation of employees

### 4.1 Salaries and wages

	2005/06 R'000	2004/05 R'000
Basic salary	226 493	139 966
Performance awards	4 004	1 744
Service-based	12 292	1 632
Compensative/circumstantial	3 261	4 791
Periodic payments	1 251	550
Other non-pensionable allowances	24 258	21 657
<b>Total</b>	<b>271 559</b>	<b>170 340</b>

### 4.2 Social contributions

	2005/06 R'000	2004/05 R'000
<b>Employer contributions</b>		
Pension	22 386	17 783
Medical	8 045	6 889
Bargaining council	62	39
<b>Total</b>	<b>30 493</b>	<b>24 711</b>
<b>Total compensation of employees</b>	<b>302 052</b>	<b>195 051</b>
Average number of employees	1 136	1 294

## 5. Goods and services

	Note	2005/06 R'000	2004/05 R'000
Advertising		4 982	2 487
Attendance fees (including registration fees)		301	828
Bank charges and card fees		260	152
Bursaries (employees)		2 376	2 007
Communication		19 722	15 261
Computer services		22 703	20 971
Consultants, contractors and special services		69 364	25 178
Courier and delivery services		611	476
Entertainment		192	209
Equipment less than R5 000		11 996	3 233
External audit fees	5.1	3 730	2 172
Freight service		373	36
Honoraria (voluntary workers)		3	-
Inventory	5.2	16 568	8 012
Legal fees		659	519
Maintenance, repair and running costs		5 111	3 016
Medical services		11	-
Operating leases		5 771	9 024
Owned and leasehold property expenditure		4 729	2 685
Personnel agency fees		2 131	9 371
Photographic services		67	16
Plants, flowers and other decorations		51	56
Printing and publications		4 154	742
Professional bodies and membership fees		12	105
Resettlement costs		772	342
Subscriptions		336	293
Training and staff development		1 969	935
Translations and transcriptions		93	-
Transport provided as part of the departmental activities		2 076	367
Travel and subsistence	5.3	83 669	27 542
Venues and facilities		6 839	1 761
<b>Total goods and services</b>		<b>271 631</b>	<b>137 796</b>

### 5.1 External audit fees

	2005/06 R'000	2004/05 R'000
Regulatory audits	3 730	2 070
Performance audits	-	102
<b>Total</b>	<b>3 730</b>	<b>2 172</b>

## 5.2 Inventory

	2005/06 R'000	2004/05 R'000
Domestic consumables	960	298
Medical supplies	12	23
Other consumables	946	39
Parts and other maintenance material	-	255
Sport and recreation	-	14
Stationery and printing	14 650	7 383
<b>Total</b>	<b><u>16 568</u></b>	<b><u>8 012</u></b>

## 5.3 Travel and subsistence

	2005/06 R'000	2004/05 R'000
Local	82 189	26 832
Foreign	1 480	710
<b>Total</b>	<b><u>83 669</u></b>	<b><u>27 542</u></b>

## 6. Interest and rent on land

	2005/06 R'000	2004/05 R'000
Interest expense	-	1 380
<b>Total interest and rent on land</b>	<b><u>-</u></b>	<b><u>1 380</u></b>

## 7. Financial transactions in assets and liabilities

	Note	2005/06 R'000	2004/05 R'000
Other material losses written off	7.1	-	32
Debts written off	7.2	718	74
<b>Total financial transactions in assets and liabilities</b>		<b><u>718</u></b>	<b><u>106</u></b>

### 7.1 Other material losses

	2005/06 R'000	2004/05 R'000
Vehicle accidents	-	30
Other	-	2
<b>Total</b>	<b>-</b>	<b>32</b>

### 7.2 Debts written off

	2005/06 R'000	2004/05 R'000
UIF claims written off due to being time barred	12	-
Deceased debtors and uneconomical debts	127	74
Tax penalties (Tax year 2002)	579	-
<b>Total</b>	<b>718</b>	<b>74</b>

## 8. Transfers and subsidies

	Note	2005/06 R'000	2004/05 R'000
Provinces and municipalities	Annexure 1A	1 012	642
Non-profit institutions	Annexure 1B	72	-
Households	Annexure 1C	468	226
<b>Total transfers and subsidies</b>		<b>1 552</b>	<b>868</b>

## 9. Expenditure on capital assets

	Note	2005/06 R'000	2004/05 R'000
Machinery and equipment	Annexure 3	34 951	19 719
Software and other intangible assets	Annexure 4	6 794	1 074
<b>Total expenditure on capital assets</b>		<b>41 745</b>	<b>20 793</b>

The above amounts are extracted from the Asset Register and therefore do not agree with the figures on the statement of financial performance. Refer to National Treasury guidelines.

## 10. Unauthorised expenditure

### 10.1 Reconciliation of unauthorised expenditure

	2005/06 R'000	2004/05 R'000
Opening balance	158 072	158 072
<b>Unauthorised expenditure awaiting authorisation</b>	<b>158 072</b>	<b>158 072</b>

### 10.2 Analysis of current unauthorised expenditure

Incident	Disciplinary steps taken/criminal proceedings	Total R'000
Over-expenditure on Statistics Council 1996	Approved by Parliament	21
Census 1996	Awaiting approval from Parliament	36 114
Census 2001	Awaiting approval from Parliament	121 937
<b>Total</b>		<b>158 072</b>

Amounts approved have not yet been made available through appropriation acts.

## 11. Fruitless and wasteful expenditure

### 11.1 Reconciliation of fruitless and wasteful expenditure

	2005/06 R'000	2004/05 R'000
Opening balance	92	-
Transfer to receivables for recovery (not condoned)	(79)	92
<b>Fruitless and wasteful expenditure awaiting condonement</b>	<b>13</b>	<b>92</b>

#### Analysis of current fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	2005/06 R'000	2004/05 R'000
Service procured but not rendered totals to R92 000 for the year 2004/05.	As a result of internal disciplinary hearings, debt has been raised against the official during the current financial year valued at R79 000.	92	-
		(79)	-
<b>Total</b>		<b>13</b>	<b>-</b>

## 12. Cash and cash equivalents

	2005/06 R'000	2004/05 R'000
Consolidated Paymaster-General account	140	6 509
Cash receipts	49	14
Cash on hand	145	63
Cash with commercial banks	1 439	300
<b>Total cash and cash equivalents</b>	<b><u>1 773</u></b>	<b><u>6 886</u></b>

## 13. Prepayments and advances

	2005/06 R'000	2004/05 R'000
Travel and subsistence	211	366
<b>Total prepayments and advances</b>	<b><u>211</u></b>	<b><u>366</u></b>

## 14. Receivables

	Note	Less than one year R'000	One to three years R'000	Older than three years R'000	2005/06 Total R'000	2004/05 Total R'000
Private enterprises	14.1	-	20	-	20	20
Staff debtors	14.2	1 562	960	1 195	3 717	3 012
Other debtors	14.3	952	-	-	952	188
Claims recoverable	Annexure 5	54	-	-	54	7 921
<b>Total</b>		<b><u>2 568</u></b>	<b><u>980</u></b>	<b><u>1 195</u></b>	<b><u>4 743</u></b>	<b><u>11 141</u></b>

### 14.1 Private enterprises

	2005/06 R'000	2004/05 R'000
Debts emanating from suppliers	20	20
<b>Total</b>	<b><u>20</u></b>	<b><u>20</u></b>

### 14.2 Staff debtors

	2005/06 R'000	2004/05 R'000
Debt account	3 698	3 010
Salary tax debt	19	2
<b>Total</b>	<b><u>3 717</u></b>	<b><u>3 012</u></b>

### 14.3 Other debtors

	2005/06 R'000	2004/05 R'000
Salary garnishees	1	-
Disallowance: miscellaneous	951	188
<b>Total</b>	<b><u>952</u></b>	<b><u>188</u></b>

The previous year's figures relating to staff debtors and private enterprises have been reclassified to ensure that the format in which the information is presented is consistent with that of the current year's financial statements.

## 15. Voted funds to be surrendered to the Revenue Fund

	Note	2005/06 R'000	2004/05 R'000
Opening balance		1 883	9 018
Transfer from statement of financial performance	15.1	97 440	151 073
Voted funds not requested/not received		(24 439)	(149 190)
Paid during the year		(1 883)	(9 018)
<b>Closing balance</b>		<b><u>73 001</u></b>	<b><u>1 883</u></b>

### 15.1 Analysis of unused funds

	2005/06 R'000	2004/05 R'000
Funds to be rolled over	87 300	35 279
Funds not to be requested	10 140	115 794
<b>Total</b>	<b><u>97 440</u></b>	<b><u>151 073</u></b>

Note 15.1 represents analysis of unused funds: the difference between Appropriation and Expenditure. The amount of R24,439 million is represented by the difference between appropriated funds and funds drawn by the Department.

## 16. Departmental revenue to be surrendered to the Revenue Fund

	2005/06 R'000	2004/05 R'000
Opening balance	383	398
Transfer from statement of financial performance	8 929	1 227
Paid during the year	(8 989)	(1 242)
<b>Closing balance</b>	<b>323</b>	<b>383</b>

## 17. Bank overdraft

	2005/06 R'000	2004/05 R'000
Consolidated Paymaster-General account	54 782	141 035
<b>Total bank overdraft</b>	<b>54 782</b>	<b>141 035</b>

## 18. Payables – current

	Note	30 Days R'000	30+ Days R'000	2005/06 Total R'000	2004/05 Total R'000
Amounts owing to other entities	Annexure 6	119	-	119	775
Advances received	18.1	-	-	-	1 000
Clearing accounts	18.2	23 856	-	23 856	17 887
Other payables	18.3	638	-	638	628
<b>Total</b>		<b>24 613</b>	<b>-</b>	<b>24 613</b>	<b>20 290</b>

### 18.1 Advances received

	2005/06 R'000	2004/05 R'000
Department of Health	-	1 000
<b>Total</b>	<b>-</b>	<b>1 000</b>



### 18.2 Clearing accounts

	2005/06 R'000	2004/05 R'000
Cheques payable	19	8
Salary Peral EBT control account	163	22
Outstanding payments	23 287	11 588
Third party control account	387	6 269
<b>Total</b>	<b><u>23 856</u></b>	<b><u>17 887</u></b>

### 18.3 Other payables

	2005/06 R'000	2004/05 R'000
Debt receivable income	258	329
Receivable interest	380	299
<b>Total</b>	<b><u>638</u></b>	<b><u>628</u></b>

## 19. Payables – Non-current

	Note	One to two years R'000	Two to three years R'000	More than three years R'000	2005/06 Total R'000	2004/05 Total R'000
Other payables	19.1	-	10	-	10	3 798
<b>Total</b>		<b><u>-</u></b>	<b><u>10</u></b>	<b><u>-</u></b>	<b><u>10</u></b>	<b><u>3 798</u></b>

### 19.1 Other payables

	2005/06 R'000	2004/05 R'000
Census 2001 tax refunds	10	3 798
<b>Total</b>	<b><u>10</u></b>	<b><u>3 798</u></b>

## 20. Net cash flow available from operating activities

	2005/06 R'000	2004/05 R'000
Net surplus/(deficit) as per statement of financial performance	109 284	154 108
(Increase)/decrease in receivables – current	6 398	10 215
(Increase)/decrease in prepayments and advances	155	(293)
(Increase)/decrease in other current assets	79	(92)
Increase/(decrease) in payables – current	4 323	3 958
Surrenders to Revenue Fund	(10 872)	(10 260)
Expenditure on capital assets	44 050	14 154
Voted funds not requested/not received	(24 439)	(149 190)
<b>Net cash flow generated by operating activities</b>	<b>128 978</b>	<b>22 600</b>

## 21. Reconciliation of cash and cash equivalents for cash flow purposes

	2005/06 R'000	2004/05 R'000
Consolidated Paymaster-General account	(54 642)	(134 526)
Cash receipts	49	14
Cash on hand	145	63
Cash with commercial banks	1 439	300
<b>Total</b>	<b>(53 009)</b>	<b>(134 149)</b>

## Disclosure notes to the annual financial statements for the year ended 31 March 2006

These amounts are not recognised in the financial statements and are disclosed to enhance the usefulness of the financial statements.

### 22. Contingent liabilities

Liable to	Nature	Note	2005/06 R'000	2004/05 R'000
Motor vehicle guarantees	Employees	Annexure 2A	-	408
Housing loan guarantees	Employees	Annexure 2A	2 182	2 626
Claims against the Department Other departments	Interdepartmental unconfirmed balances	Annexure 2B Annexure 6	13 048 34	18 067 -
<b>Total contingent liabilities</b>			<b>15 264</b>	<b>21 101</b>

### 23. Commitments

	2005/06 R'000	2004/05 R'000
<b>Current expenditure</b>		
Approved and contracted	16 931	9 150
<b>Capital expenditure</b>		
Approved and contracted	4 017	2 304
<b>Total commitments</b>	<b>20 948</b>	<b>11 454</b>

### 24. Accruals

By economic classification	30 Days R'000	30+ Days R'000	2005/06 Total R'000	2004/05 Total R'000
Goods and services	2 845	518	3 363	4 624
Machinery and equipment	559	1 704	2 263	4 687
Software and other intangible assets	687	-	687	87
<b>Total accruals</b>	<b>4 091</b>	<b>2 222</b>	<b>6 313</b>	<b>9 398</b>
<b>Listed by programme level</b>				
Administration			867	1 816
Economic Statistics			533	811
Population and Social Statistics			2 509	1 726
Quality and Integration			84	828
Statistical Support and Informatics			1 502	3 587
Local and Foreign Aid			818	630
<b>Total accruals</b>			<b>6 313</b>	<b>9 398</b>

## 25. Employee benefit provisions

	2005/06 R'000	2004/05 R'000
Leave entitlement	4 234	4 753
Thirteenth cheque	11 227	5 419
Performance awards	3 937	1 377
Capped leave commitments	13 431	13 391
<b>Total employee benefit provisions</b>	<b>32 829</b>	<b>24 940</b>

## 26. Lease Commitments

### 26.1 Operating leases

	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	2005/06 Total R'000	2004/05 Total R'000
Not later than one year	-	-	752	752	216
Later than one year and not later than five years	-	-	2 778	2 778	337
<b>Total present value of lease liabilities</b>	<b>-</b>	<b>-</b>	<b>3 530</b>	<b>3 530</b>	<b>553</b>

## 27. Irregular expenditure

### 27.1 Reconciliation of irregular expenditure

	2005/06 R'000	2004/05 R'000
Opening balance	60 864	28 121
Adjustment of opening balance - tender amount exceeded and understated in previous year	-	22 397
Amounts condoned	(45 755)	-
Current expenditure	(45 755)	-
Transfers to receivable for recovery (not condoned)	-	10 346
<b>Irregular expenditure awaiting condonement</b>	<b>15 109</b>	<b>60 864</b>
<b>Analysis</b>		
Current	-	-
Prior years	15 109	60 864
<b>Total</b>	<b>15 109</b>	<b>60 864</b>

## 27.2 Irregular expenditure

Incident	Disciplinary steps taken/criminal proceedings	2005/06 R'000	2004/05 R'000
Pro Con Africa	Condoned	-	45 755
Accenture	Yet to be finalised	10 346	10 346
Personnel	Yet to be finalised	4 763	4 763
<b>Total</b>		<b>15 109</b>	<b>60 864</b>

## 28. Key management personnel

	No. of individuals	2005/06 Total R'000	2004/05 Total R'000
Officials:			
Levels 15 to 16	5	3 453	3 407
Levels 13 to 14	7	3 229	511
Family members of key management personnel		-	-
<b>Total</b>		<b>6 682</b>	<b>3 918</b>

EXCO members are key management personnel. Several senior managers have also served on EXCO on an ad hoc basis, details of whom are not included here.

## 29. Provisions

	2005/06 R'000	2004/05 R'000
<b>Potential irrecoverable debts</b>		
Staff debtors	792	1 727
<b>Total</b>	<b>792</b>	<b>1 727</b>

## Annexures to the annual financial statements for the year ended 31 March 2006

### Annexure 1A: Statement of unconditional grants and transfers to municipalities

Name of municipality	2005/06			2004/05
	Amount raised R'000	Actual payment R'000	Percentage of RSC levies paid %	Amount R'000
Motheo District	30	30	100,0	14
Ehlanzeni District	24	24	100,0	12
Frances Baard District	21	21	100,0	9
Capricorn District	29	29	100,0	13
Greater East Rand Metro	42	42	100,0	19
Tshwane Metropolitan	718	718	100,0	517
Cape Metropolitan	27	27	100,0	11
Amatole District	42	42	100,0	16
eThekweni Metropolitan	44	44	100,0	17
Central District	35	35	100,0	14
<b>Total</b>	<b>1 012</b>	<b>1 012</b>	<b>100,0</b>	<b>642</b>

### Annexure 1B: Statement of transfers/subsidies to non-profit institutions

Non-profit organisation	2005/06				2004/05		
	Transfer allocation			Total available R'000	Expenditure		Final appropriation R'000
	Adjusted appropriation R'000	Rollovers R'000	Adjustments R'000		Actual transfer R'000	Percentage available funds transferred %	
<b>Transfers</b>							
Donations and gifts to non-profit institutions	22	-	-	22	22	100,0	-
Sponsorship to SASA for conference held at Grahamstown, November 2005	50	-	-	50	50	100,0	-
<b>Total</b>	<b>72</b>	<b>-</b>	<b>-</b>	<b>72</b>	<b>72</b>	<b>100,0</b>	<b>-</b>

Annexure 1C: Statement of transfers/subsidies to households

Non-profit organisation	2005/06				2004/05		Final appropriation R'000
	Transfer allocation			Total available R'000	Expenditure		
	Adjusted appropriation R'000	Rollovers R'000	Adjustments R'000		Actual transfer R'000	Percentage of available funds transferred %	
<b>Transfers</b>							
Households	468	-	-	468	468	100,0	222
Stolen equipment	-	-	-	-	-		4
<b>Total</b>	<b>468</b>	<b>-</b>	<b>-</b>	<b>468</b>	<b>468</b>	<b>100,0</b>	<b>226</b>

Leave gratuities paid out to employees on retirement or medical boarding.

Annexure 1D: Statement of gifts, donations and sponsorships received for the year ended 31 March 2006

Name of organisation	Nature of gift, donation or sponsorship	2005/06 R'000	2004/05 R'000
<b>Received in kind</b>			
Geospace International	Sponsorship of conference bags for the 14th Conference of Commonwealth Statisticians	50	-
SPSS	Sponsorship of conference bags	30	-
Development Bank of Southern Africa (DBSA)	Purchase of airline tickets for delegates from 42 African countries attending 2005 Africa Symposium on Statistical Development	1 000	-
<b>Total</b>		<b>1 080</b>	<b>-</b>

Annexure 1E: Statement of local and foreign aid assistance received for the year ended 31 March 2006

Name of donor	Purpose	Opening balance R'000	Revenue R'000	Expenditure R'000	Surplus funds transferred to revenue R'000	Closing balance R'000
<b>Received in cash</b>						
<b>Local</b>						
Department of Agriculture	To conduct the Agriculture Sample Survey and collect related statistics	4 061	-	1 884	-	2 177
JBCC	To reproduce and disseminate the CPI statistical release to specified subscribers. Surplus of funds after the deduction of expenditure is transferred to Revenue annually	-	226	4	222	-
Department of Agriculture	Amount received to purchase Spot 5 satellite imagery	-	5 000	-	-	5 000
Department of Transport	Surplus of funds after the completion of the Trafman Survey and the National Travel Survey is transferred to Revenue during this financial year	3 662	-	-	3 662	-
<b>Received in cash</b>						
<b>Foreign</b>						
Government of Switzerland	To finance the Census of Municipalities project for the development of a census of non-financial data at local government levels	1 416	-	259	-	1 157
Government of Sweden	To finance a short-term project to analyse the outcome of the 1996 Population Census	29	-	-	-	29
Institutional Support	To assist Stats SA in developing capacity for Poverty Research and Analysis, improving the methodology of the Income and Expenditure Survey statistics, improving the reporting on and understanding of the impact of HIV/AIDS and developing capacity for the development of statistical training methods and tools	-	5 656	1 936	-	3 720
<b>Total</b>		<b>9 168</b>	<b>10 882</b>	<b>4 083</b>	<b>3 884</b>	<b>12 083</b>



Annexure 1F: Statement of gifts, donations and sponsorships made and remissions, refunds and payments made as an act of grace for the year ended 31 March 2006

	2005/06 R'000
<b>Made in kind</b>	
Gift to an employee on retirement	1
Gifts to delegates from Rwanda	1
<b>Total</b>	<b>2</b>

All donations and gifts in kind are part of the expenditure of the Department under appropriate items.

Annexure 2A: Statement of financial guarantees issued as at 31 March 2006

Guarantor institution	Original guaranteed capital amount R'000	Opening balance 1 April 2005 R'000	Guarantees issued during the year R'000	Guarantees released/paid/cancelled/reduced during the year R'000	Guaranteed interest outstanding as at 31 March 2006 R'000	Closing balance R'000
<b>Motor vehicles</b>						
Stannic	743	408	-	408	-	-
	<b>743</b>	<b>408</b>	<b>-</b>	<b>408</b>	<b>-</b>	<b>-</b>
<b>Housing</b>						
ABSA Bank	837	754	-	88	-	666
Standard Bank	537	407	-	90	-	317
First National Bank	475	480	-	147	-	333
Nedcor	1 296	969	-	307	-	662
Permanent Bank	-	-	76	-	-	76
Old Mutual Bank	-	-	112	-	-	112
BoE Bank	24	16	-	-	-	16
	<b>3 169</b>	<b>2 626</b>	<b>188</b>	<b>632</b>	<b>-</b>	<b>2 182</b>
<b>Total</b>	<b>3 912</b>	<b>3 034</b>	<b>188</b>	<b>1 040</b>	<b>-</b>	<b>2 182</b>

Annexure 2B: Statement of contingent liabilities as at 31 March 2006

Nature of liability	Opening balance 1 April 2005 R'000	Liabilities incurred during the year R'000	Liabilities paid/cancelled/reduced during the year R'000	Liabilities recoverable R'000	Closing balance 31 March 2006 R'000
<b>Claims against the Department</b>					
EAX Consortium	11 067	-	-	-	11 067
Forenco	-	969	-	-	969
Uniform dispensation	7 000	13 012	19 000	-	1 012
<b>Total</b>	<b>18 067</b>	<b>13 981</b>	<b>19 000</b>	<b>-</b>	<b>13 048</b>

Annexure 3: Capital tangible asset movement schedule for the year ended 31 March 2006

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
<b>Machinery and equipment</b>	<b>41 418</b>	<b>34 951</b>	<b>238</b>	<b>76 131</b>
Computer equipment	29 619	30 665	214	60 070
Furniture and office equipment	11 799	4 286	24	16 061
<b>Total capital assets</b>	<b>41 418</b>	<b>34 951</b>	<b>238</b>	<b>76 131</b>

Annexure 3.1: Additions movement schedule for the year ended 31 March 2006

	Cash R'000	In kind R'000	Total R'000
<b>Machinery and equipment</b>	<b>34 951</b>	<b>-</b>	<b>34 951</b>
Computer equipment	30 665	-	30 665
Furniture and office equipment	4 286	-	4 286
<b>Total capital assets</b>	<b>34 951</b>	<b>-</b>	<b>34 951</b>

Annexure 3.2: Disposals movement schedule for the year ended 31 March 2006

	Cost/carrying amount R'000	Cash R'000	Profit/(loss) on disposal R'000
<b>Machinery and equipment</b>	<b>238</b>	<b>-</b>	<b>(238)</b>
Computer equipment	214	-	(214)
Furniture and office equipment	24	-	(24)
<b>Total capital assets</b>	<b>238</b>	<b>-</b>	<b>(238)</b>

Annexure 3.3: Capital tangible asset movement schedule for the year ended 31 March 2005

	Additions R'000	Disposals R'000	Total movement R'000
<b>Machinery and equipment</b>	<b>19 770</b>	<b>-</b>	<b>19 770</b>
Other machinery and equipment	19 770	-	19 770
<b>Total capital assets</b>	<b>19 770</b>	<b>-</b>	<b>19 770</b>

Annexure 4: Capital intangible asset cost movement schedule for the year ended 31 March 2006

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Computer software	9 641	6 794	-	16 435
<b>Total</b>	<b>9 641</b>	<b>6 794</b>	<b>-</b>	<b>16 435</b>

Annexure 4.1: Additions movement schedule for the year ended 31 March 2006

	Cash R'000	In kind R'000	Total R'000
Computer software	6 794	-	6 794
<b>Total</b>	<b>6 794</b>	<b>-</b>	<b>6 794</b>

Annexure 4.2: Capital intangible asset movement schedule for the year ended 31 March 2005

	Additions R'000	Disposals R'000	Total movement R'000
Computer software	1 074	-	1 074
<b>Total</b>	<b>1 074</b>	<b>-</b>	<b>1 074</b>

Annexure 5: Inter-governmental receivables

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2006 R'000	31/03/2005 R'000	31/03/2006 R'000	31/03/2005 R'000	31/03/2006 R'000	31/03/2005 R'000
<b>Department</b>						
Department of Labour	-	-	-	162	-	162
Department of Public Works	-	-	-	22	-	22
Department of Social Development	-	-	-	19	-	19
Department of Justice	14	-	-	-	14	-
Gauteng Shared Services	25	-	-	-	25	-
Department of Land Affairs	3	-	-	-	3	-
National Treasury	9	-	-	-	9	-
South African Revenue Service	-	-	-	7 718	-	7 718
Workmen's Compensation Fund	-	-	3	-	3	-
<b>Total</b>	<b>51</b>	<b>-</b>	<b>3</b>	<b>7 921</b>	<b>54</b>	<b>7 921</b>

Annexure 6: Inter-departmental payables – current

	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2006 R'000	31/03/2005 R'000	31/03/2006 R'000	31/03/2005 R'000	31/03/2006 R'000	31/03/2005 R'000
<b>Government entity</b>						
Department of Transport	-	-	8	-	8	-
Department of Health	-	-	9	-	9	-
Department of Housing	-	-	17	-	17	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>34</b>	<b>-</b>	<b>34</b>	<b>-</b>
<b>Other government entity</b>						
<b>Current</b>						
Regional Services Councils	-	1	-	-	-	1
Income tax - SARS	116	617	-	-	116	617
Pension fund	2	157	-	-	2	157
Bargaining councils	1	-	-	-	1	-
<b>Subtotal</b>	<b>119</b>	<b>775</b>	<b>-</b>	<b>-</b>	<b>119</b>	<b>775</b>
<b>Total</b>	<b>119</b>	<b>775</b>	<b>34</b>	<b>-</b>	<b>153</b>	<b>775</b>



