



Department of Science and Technology



Annual Report 2003/2004

Our vision

To create a prosperous society that derives enduring and equitable benefits from science and technology

Our mission

To develop, coordinate and manage a national system of innovation that will bring about maximum human capital, sustainable economic growth and improved quality of life for all



Department of Science and Technology Annual Report 2003/2004



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Foreword by Minister

Mosibudi Mangena

Minister of Science and Technology

South Africa has much to celebrate in its tenth year of democracy. But much work remains to be done. One of the pressing challenges facing South Africa is to modernise both our economy and society. Key to meeting this challenge is integrating science and technology into our national growth plans.

This annual report captures the important process of restructuring and reconfiguring the programmes of the Department of Science and Technology to address this challenge. The commitment to bolster this challenge was given the highest priority by President Thabo Mbeki when he announced a separate Ministry for Science and Technology in April 2004. With this announcement, South Africa joined a growing band of countries, including Brazil and the Peoples Republic of China, that have acknowledged the importance of science and technology in economic progress and global competitiveness.

The Department of Science and Technology, or the DST, has a pivotal role to play in social and economic development. Science and technology are highly cross-cutting activities. The application of new technologies and the knowledge derived from leading-edge research contributes to increased export earnings when breakthroughs are made, for example, in the fields of minerals extraction or agro-processing. When a more effective tuberculosis vaccine or magnetic resonance imaging machine is developed, this has immense benefits for human health and improved quality of life.

The DST is the catalyst behind these potential developments. It provides the foundations supporting the delivery that ultimately take place in different sectors.

However, to get science and technology working in South Africa, we need to address a legacy issue dating back over ten years. Between 1991 and 1993, total expenditure on research and

development fell from a relatively low 1,04% of gross domestic product to 0,75%. Compare this to an average of 2,15% for OECD countries, and Sweden, which is the highest in the world at 3,58% – and the enormity of the task becomes clear. The new government, which faced the new challenges of motivating our scientists towards new missions of national competitiveness and quality of life, and producing a cohort of young scientists that is more representative of South Africa's people, inherited a science system that had its key drivers removed.

This remains a challenge and priority for the DST. We must raise the profile of science and technology in our country to attract people who will make the sector representative. We need to systematically target black youngsters and women with ability and provide them with career guidance and inspiration. We have to grow science knowledge workers at a robust pace to breathe new life into the sector, and to continue the work of our present scientists.

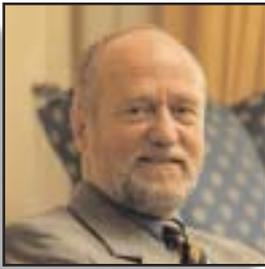
Through the New Partnership for Africa's Development (Nepad), our country is playing an important role in the development, integration and unification of Africa. Science and technology is a critical element in this endeavour. As chair of the African Ministers Council for Science and Technology for the next two years, South Africa has a unique opportunity of raising the profile of these important disciplines that contribute so much to improving the quality of life for millions of people. And this is an opportunity the DST is determined to capitalise on to its fullest.

Much progress is being made on many fronts, but we need to do more.

Mosibudi Mangena

Minister of Science and Technology





Foreword by Deputy Minister

Derek Hanekom

Deputy Minister of Science and Technology

In ensuring a real and sustainable improvement in the quality of lives of all South Africans, the DST is an important conduit. While its own projects and programmes are important in helping South Africa reach its growth and development goals, it is by optimising synergies that the DST plays such a key role in the totality of government programmes. Cooperation between government departments, parastatals, the private sector and international bodies provides the critical mass that will underpin success in the pursuit of knowledge on a global scale.

Technology is key. By providing technological support and expertise to a broad range of sectors, the DST facilitates competitiveness which, in turn, promotes economic growth. The DST also facilitates South Africa's contribution to world knowledge and scientific endeavours.

The DST is responsible for putting frameworks in place that encourage people to develop excellent solutions with global applications. It is responsible for promoting research and development and the effective application of science and technology in meeting local challenges. It is responsible for adding value to projects run by other sector-specific departments and to achieve better results by applying the best technology and innovation.

This is an exciting mandate and we are making good progress in many areas, although the road ahead is long. Key highlights for our work in 2002/03 include the following:

- *The best optical and gamma ray observatories of their kind in the world are*

located in South Africa and Namibia, and South Africa is hopeful of securing the bid for the \$1 billion Square Kilometre Array radio telescope.

- *Our Medical Research Council won the bid to host the European Developing Countries Clinical Trials partnership programme – a €700 million programme of which a significant portion will flow in our medical research programmes. This will significantly boost our medical research capacity and assist in the development of treatments for a range of infectious diseases, including tuberculosis, malaria and HIV/Aids.*
- *Technology-driven poverty reduction programmes are already making a difference to thousands of people.*
- *The launch of the Centres of Excellence programme will underpin excellence in human resource development at the cutting edge of global science and popularise science in South Africa and across the African continent.*

Passion permeates the DST and extends to the people we work with. Through the efforts of the entire science and technology community, we are poised to do our people and our continent proud, and to position ourselves as a truly winning nation.

Derek Hanekom

Deputy Minister of Science and Technology





Introduction

Dr Rob Adam

Director-General

The 12 months to 31 March 2004 were an auspicious period in the DST's history. From being declared a separate department in 2002 to becoming a fully-fledged ministry in April 2004, the DST's growing impact reflects the emphasis government is placing on the role of science and technology in enhancing national competitiveness.

Accordingly, much activity during the review period was focused on recruitment as the DST staffed up to meet its expanded mandate. Most key positions have been filled, appropriate systems and procedures put in place, internal communication and management processes improved. Now the focus will shift to communicating the vision and direction of the DST and raising awareness of the role of science and technology as catalysts for economic growth in the 21st century.

There were many achievements and highlights in the review period, on macro and micro levels, including:

- The incorporation of the research component of the South African National Antarctic Programme into the DST was a signal event and positions the DST to spearhead South Africa's contribution to global knowledge on atmospheric physics and climate change.*
- The genesis of the DST centres of excellence that harness existing capacity and resources for maximum economies of scale and impact.*
- The significant progress being made in transferring technology to small technology-based businesses through the Godisa and Tshumisano trusts.*
- Increasing international recognition of science and technology as a key development area, reflected in the €51 million European Union (EU) grant for African, Caribbean and Pacific research projects and the European*

Developing Countries Clinical Trials Partnership programme.

- The material increase in the budget allocated to DST, placing science and technology firmly into South Africa's growth path.*
- The growing importance of research and development in the country's micro-economic strategy, particularly in new technology areas such as biotechnology and nanotechnology.*
- The rising curve in the acceptance and affirmation of science and technology in making South Africa more than a resource-based economy.*
- The gradual increase in spending on research and development as a percentage of gross domestic product. While aiming for the target of 1%, we are ever mindful that some countries spend almost four times this amount, a fact reflected in their substantially higher ranking in global competitiveness.*

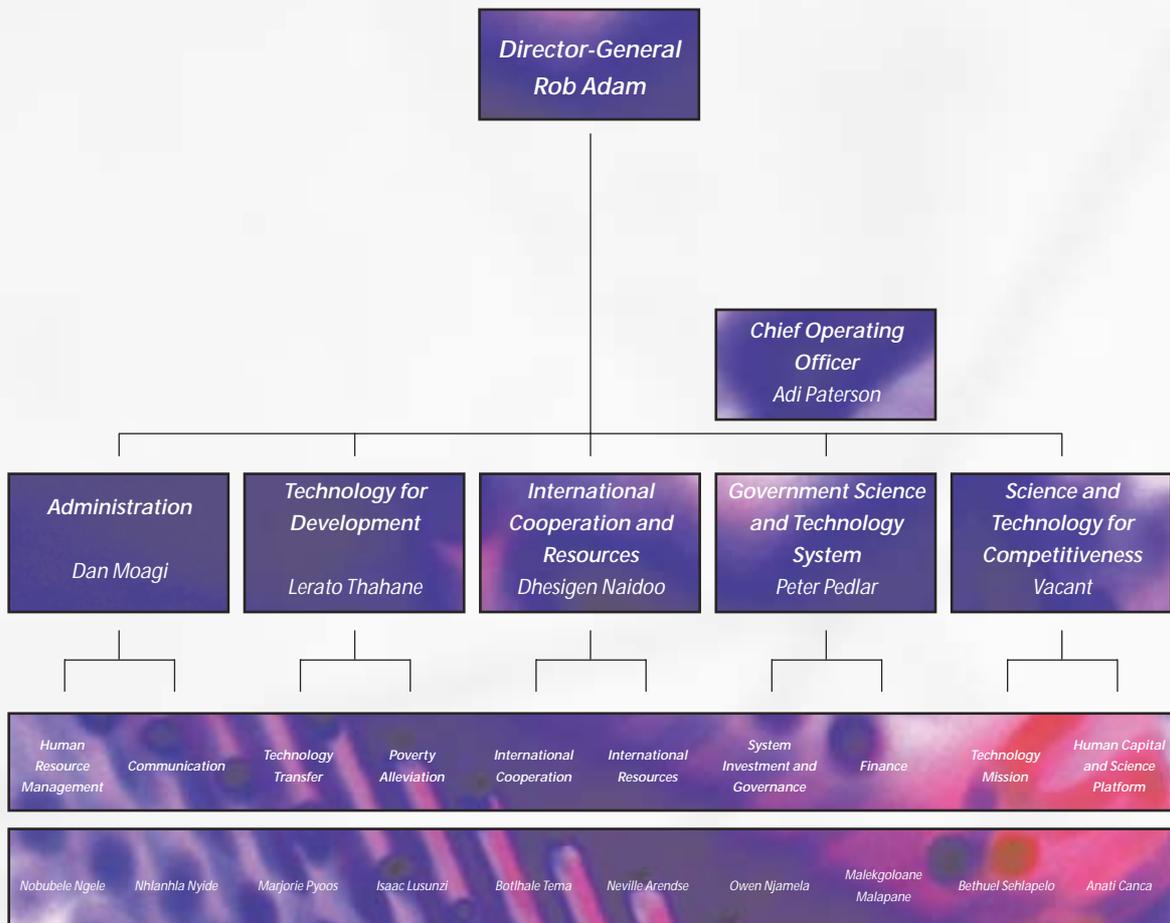
On behalf of the DST, I thank our former minister, Dr Ben Ngubane, for his valued contribution in building the science and technology portfolio and wish him well in his new posting in Japan. Since their appointments in May, Minister Mosibudi Mangena and Deputy Minister, Derek Hanekom, have clearly demonstrated their commitment to the DST and its vision.

I am heartened and excited about the creation of a separate Ministry for Science and Technology. This vindicates the work done and foundations laid in the past and guides our passion for the future.

Dr Rob Adam
Director-General



Organisational structure





Administration

Daniel Moagi

General Manager for Administration

This programme provides policy leadership and advice, integrative functions across the DST and the broader science and technology system, and ministerial services focused on the implementation of the national R&D strategy. Core support services is responsible for communications, human resource management, legal services and internal auditing. Policy support services funds the National Advisory Council on Innovation and coordinates interactions of key policy issues between the ministry, the DST and the council.

Communications

Operating in line with the Government Communication and Information System, this unit communicates and promotes the science and technology portfolio to fuel South Africa's economic development and enhance the quality of life of its people.

The communications unit promotes:

- The achievement of DST's strategic objectives through the media;
- The principles of Batho Pele – accurate information, transparency, redress, consultation, access, courtesy and value for money;
- Internal communication through regular liaison with all programmes;
- Communication activities and opportunities in people-centred initiatives by the state; and
- Communication linked to cabinet and research institutions.

The media liaison unit manages the DST's interaction with the public through all forms of media. Various activities including breakfast and information sharing sessions with the media were undertaken. An informative website is regularly updated to maximise the DST's ability to reach the public with essential, accessible documents and web materials that inform on the DST's services and programmes and its contribution

to improving the quality of life of numerous communities through science and technology.

The DST's communication strategy was recommended by the director-general and approved by the minister in April 2003.

Key events and communication projects were undertaken in the review period include:

- The launch of the DST's quarterly magazine, *Innovation*, which features an interesting mix of information about the science and technology sector and is widely distributed.
- Former Deputy Minister Sonjica launched the 2003 Science Week in KwaZulu-Natal.
- The budget vote event was organised and managed by the communication unit.
- The first Nepad ministerial conference on science and technology was held in November in Johannesburg.
- Technology imbizos in all nine provinces.

Human resources

Following the DST's establishment in August 2002, the review period was characterised by the implementation of structures and systems to build a leading organisation, focused on optimising the return on human capital. Key strategic positions were filled and the transition into a fully-fledged ministry seamlessly managed with organised labour. A climate survey conducted during the year, the first by a government department, was mostly positive and areas to improve in creating a healthy working environment are being addressed.

The corporate human resources strategy was developed on schedule and approved. The DST's employment equity ratios are very good. Progressive remuneration practices, based on performance, are in place and a formal performance management system was implemented during the year.



An employee assistance programme introduced in the prior year is being well supported and the DST has a formal, comprehensive HIV/Aids programme

The DST emphasises human resource development and appropriate policies were developed during the year, with 51% of the 190 strong workforce receiving training across a broad spectrum.

An employee assistance programme introduced in the prior year is being well supported and the DST has a formal, comprehensive HIV/Aids programme.

Legal services

The unit became fully operational during the year and is now appropriately staffed.

Office of the director-general

This unit provides strategic direction for the DST and plays a critical role in implementing the national R&D strategy. It also raises the profile of the DST locally and internationally. A solid team with a common purpose has been built and strong relationships exist with government and the private sector.

Information technology

The year was dominated by the implementation of the new IT infrastructure for the DST. The separation of the IT systems from the Department of Arts and Culture was well managed, with a seamless transition to the DST's own IT and telecommunications systems. The implementation of the electronic document management system was well received. Among other benefits of the system, officials can now access departmental data remotely irrespective of their locations. The first phase of managing documents using the system was fulfilled, with the second phase of the project, implementing the routing process, under way.

The departmental IT plan was developed and is currently awaiting the approval of the director-general. A management information system was

implemented for all senior managers, enabling direct access to transversal information and improving the decision-making process.

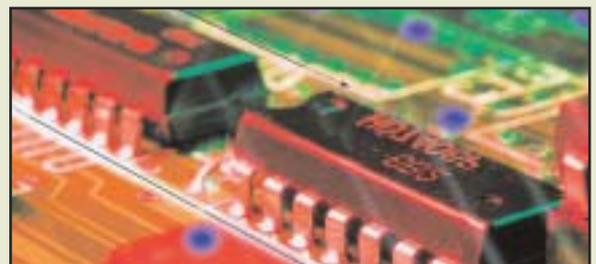
National Advisory Council on Innovation

The National Advisory Council on Innovation (NACI) is a statutory council that advises the Minister of Science and Technology on innovation. The secretariat of NACI forms part of the staff complement of DST who also finances the programme of NACI.

The report year, 2003/2004, proved to be a productive one for NACI. The following represent some of its successes.

- The Advanced Manufacturing and Technology Strategy (AMTS), researched by the CSIR for NACI, was approved early in the year and officially launched by the Minister on 29 September 2003.*
- NACI completed a comprehensive study into the utilisation of research findings; its recommendations, if successfully applied, should improve the return on R&D investment. A successful national conference on the challenge of utilisation of research findings was hosted by NACI on 9 and 10 October 2003 as a means of disseminating the findings, soliciting feedback on the report and sharing institutional utilisation policies and strategies in different sectors of the NSI.*
- In the course of the year, NACI also approved the following reports that would form the bases of recommendations to government: "Innovation facts and figures, mobility of research workers and a profile of postgraduate higher education and the academic research community".*

The final meeting of the first council took place on 26 February 2004 and the new council was approved by Cabinet in March 2004.





Technology for Development

Lerato Thahane

Group Executive for Technology for Development

This programme aims to improve quality of life through access to technology, by creating capacity and skills for innovation, and the use of indigenous knowledge. It focuses on using science and technology to reduce poverty and improve quality of life, increasing access to information technology and improving government procurement procedures for innovative products and services.

Technology transfer

Smart partnerships for the development SMEs

Godisa, a Tswana word meaning growth through nurturing, defines a development programme through which new (0 – 3 years) SMEs are supported in developing a competitive position. The Godisa Programme helps SMEs to develop technology based businesses, thereby increasing profitability and growth, minimising the likelihood of business failure.

The Godisa Programme receives support from the DST, Department of Trade and Industry and the European Union. Progress over the past year saw approval from the National Treasury and DPSA for the formation of Godisa as a trust, with the mandate of a public entity. With the recognition of the value Godisa is adding to SMEs, agreement has been reached to integrate four other members into the Godisa, these centres are:

- *The Middleburg Stainless Steel Indaba*
- *The National Fiber, Textiles and Clothing Centre*

- *The Downstream Aluminum Centre*
- *The Furniture Technology Centre*

To date Godisa has supported 1 280 SMEs

Tshumisano is the Venda and Northern Sotho word for partnership. The Tshumisano Technology Station is a partnership programme between DST, the German Agency for Technical Cooperation and the Committee of Technikon Principals (CTP). The technikons are now recognised as universities of technology.

Tshumisano provides technology services to SMEs with the view to enhance competitiveness, while exposing students to practical training in South African business. 67 students last year gained practical exposure to real industry challenges. The trust aims to address the product and process technology of SMEs in the sectors that depend on technology innovation and transfer. Some of the highlights for the period under review include:

- *The design and manufacturing of an advanced tow bar*
- *The development of a paint applicator for a children's drawing aid manufacture*
- *The development of an exhaust component, Vibol an exhaust vibrating balancer for an SME in the automotive industry*
- *An international workshop on friction stir welding*



DST has invested over R100 million in transferring technology to communities by developing small and micro-enterprises where skills and technology transfer has taken place

Indigenous knowledge systems

Indigenous knowledge differentiates the knowledge developed by a particular community from the international knowledge system generated through universities, government research centres and private industry.

A policy document and draft legislative framework for dealing with indigenous knowledge systems have been developed and are expected to be presented to cabinet in the third quarter of 2004.

The indigenous knowledge unit provided support for further research and identified key areas, working with the National Research Foundation. By June 2003, some 250 grants had been allocated.

The unit funded the partnership between institutions, knowledge holders and the industry trust. Three conferences and five workshops were held during the year, spanning South Africa.

An interdepartmental committee on indigenous knowledge systems reflects the input of different government departments and provides the opportunity to share information.

At the end of the year, the funding strategy for indigenous knowledge systems was reviewed to ensure research supports the government's aims in developing indigenous knowledge systems and the budget for the new financial year was accordingly increased.

Once the indigenous knowledge systems policy is approved, infrastructure can be developed and

appropriately staffed to ensure greater protection for knowledge holders, mostly rural communities.

Given that indigenous knowledge systems are cross-cultural and cross-border, the DST will hold discussions with SADC countries.

Poverty reduction

In line with its commitment to alleviating poverty, the DST has a poverty relief programme that focuses on agro-processing to achieve a sustainable reduction in poverty in rural and peri-urban areas. Over the past three years, in partnership with science councils, tertiary institutions and communities, the DST has invested over R100 million in transferring technology to communities by developing small and micro-enterprises where skills and technology transfer has taken place. Beneficiaries of some 3 000 job opportunities are mostly women, the disabled and the youth. Implementing agents use a holistic approach to addressing poverty, focusing on technology as one component that contributes to the economic empowerment of marginalised groups and communities.

The poverty relief programme, now a dedicated sub-programme of the DST, is focused on job creation through viable technology-based SMMEs. Major successes to date include the development of immune-modulators from indigenous medicinal plants to address the HIV/Aids pandemic and the establishment of IndiZaFoods as a section 21 community-owned company that manufactures indigenous foods for retail in supermarkets. This



Technology for Development

Continued

community enterprise has successfully published a recipe book of indigenous foods. The Beekeeping Technologies programme has registered a trademark, Inyosi Honey®, and is establishing a community-owned enterprise.

Projects started in the review period include:

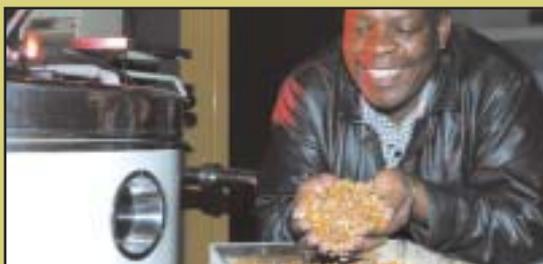
- Cashew apple propagation and processing – currently a discard of the cashew nut production process. The project is located in an impoverished area of KwaZulu-Natal and is already benefiting eight people.
- Devil's claw processing – a weedy, perennial plant used in traditional remedies. Transfer propagation and post-harvesting primary processing technologies have been provided to seven communities in North West, with 42 people receiving business training and 150 temporary job opportunities created for harvest and propagation time.
- Glass beads manufacture – to counter growing unemployment in Namaqualand, Northern Cape, glass bead manufacturing technology has been transferred to a group of women, who are already selling at a market in Cape Town.
- Hydroponics technologies – expanding an existing pilot project in Beaufort West focused on organic fresh herbs and essential oils propagation and extraction. This is creating jobs and business opportunities for this section 21 company.

- Medicinal plant propagation and processing – transfer of medicinal plants propagation technologies to local communities in Northern Cape, North West, Eastern Cape, Mpumalanga and Limpopo in partnership with the Medical Research Council and Department of Health.
- Traditional beverage production – combining indigenous fermenting and modern brewing technologies to produce fermented beverages for household and retail use in KwaZulu-Natal. Eighty people have benefited so far.

In the new financial year, the poverty relief programme will concentrate on turning more of its projects into section 21 companies, and implementing some 15 projects in the pipeline, including a renewable energy project that aims to reduce paraffin-related accidents. A benchmarking assessment will be conducted and project performance monitored. A comprehensive manual is being developed to reach more communities.

National technology transfer strategy

Technology transfer bridges the gap between industrialised and developing nations. Accordingly, the DST has been mandated to produce a national technology transfer strategy, aimed at strengthening existing initiatives with proven records, leveraging existing infrastructure to benefit from a stronger technology transfer



The DST has worked with the Manufacturing Sector's Education and Training Authority (MERSETA), CSIR and the South African Tooling Industry Support Initiative (SATISI) in establishing learnerships in the tooling sector

focus and ensure effective communication with all stakeholders within an appropriately supportive environment. This is well advanced and expected to be presented to cabinet in the new financial year.

Highlights of technology transfer during the year include:

- The biodiesel/bioethanol initiative to provide opportunities to enhance the value chain at farming level for economic empowerment*
- Two new incubators for an emerging contractors' development programme*
- Two downstream empowerment mining projects*
- An empowerment initiative in the transport sector.*

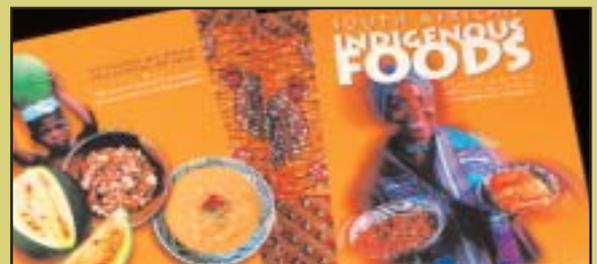
Tooling learnership

The DST has worked with the Manufacturing Sector's Education and Training Authority (MERSETA), CSIR and the South African Tooling Industry Support Initiative (SATISI) in establishing learnerships in the tooling sector. An agreement has been reached with India in the Indo-German Tool Room Programme to train learners qualified in mechanical engineering for tool design and manufacture, a scarce skill identified by SATISI. In order to start addressing the scarcity, a group of learners departed from South Africa on the 19 June 2004 for a period of a year. Among them was one female student. The learners will acquire

expertise in various aspects of tool design and manufacture, covering a range of tooling, including injection moulding tooling, die casting tooling and press tooling, and a range of activities including computer aided design, CNC machining, quality inspection and heat treatment. It is envisaged that a second group of 20 learners will follow in 2005 to further build capacity and grow the knowledge in the South African tooling industry.

The National Information Society Learnership (NISL) Programme: Ecological Informatics and E-records.

With the objective of promoting an 'Information of Society', DST identified four "information intensive" focal areas under the National Information Society Learnership (NISL) programme namely Ecological Informatics, e-Records for the Criminal Justice, Logistics and Disaster Management. The strategic focus is to develop human capital, using the latest information technology (IT) software for mining and analysing large volumes of raw data found in various government departments. Due to limited financial resources only 20 learners have been recruited in this first phase for both Ecological Informatics and e-Records Ecological Informatics. The CSIR have been drawn in as mentors and two universities (one being the University of Western Cape) are positioned to implement the academic component of the learnerships.





International Cooperation and Resources

Dhesigen Naidoo

Group Executive for International Cooperation and Resources

This programme is responsible for the development of bilateral and multilateral cooperation in science and technology to strengthen the National System of Innovation and provides a strategic, integrated programme for accessing international development assistance and other international resources for science and technology in South Africa and on the African continent.

International cooperation

Bilateral relations

The bilateral cooperation unit, through its bilateral joint projects under the auspices of science and technology cooperation agreements, contributes towards implementing key aspects of the R&D strategy with international partnerships.

Several significant bilateral science and technology agreements were signed during the year: Spain, Japan, Brazil, Republic of Korea and a memorandum of understanding with Malaysia. Notably, the agreements with Japan and Republic of Korea are the first in Africa. A programme of cooperation was signed with Belarus in November 2003 to promote the implementation of the agreement signed in 2002.

A significant step was taken with the formation of a trilateral consortium between India, Brazil and South Africa by the foreign ministers of these

countries in June 2003. This was followed by the establishment of the science and technology component in New Delhi in March 2004. South Africa, through the DST, will host the first trilateral working group meeting on science and technology in August 2004 to develop concrete areas of cooperation and finalise the memorandum of understanding.

The programme has increased levels of activity in the Middle East, Eastern Europe and Asia.

In line with the multi-country approach, the bilateral unit initiated a four-country biotechnology workshop between South Africa, Finland, Hungary and Poland. Following this interaction, a strategy is being developed to implement the outcomes.

The DST also participated in the UK/SA Solidarity Conference in London in October 2003, where government, private sector, researchers and academics were represented. The conference explored the achievements of the past decade between the countries and looked at future challenges.

Finally, in celebrating ten years of democracy, approval was granted to host an international innovation science and technology fair, which will take place in November 2004. The fair will serve as a platform for innovation, scientific expertise and



African ministers expressed solidarity with South Africa's bid to host the Square Kilometre Array telescope and adopted a resolution to that effect

encourage research cooperation, business opportunities and science and technology interaction between various countries.

Africa

The African cooperation unit was established in July 2003. Several highlights were recorded between July and December 2003.

Thirty-seven countries attended the inaugural Nepad ministerial conference on science and technology in Johannesburg in November 2003. The key outcome of the conference was the adoption of an African plan of action for science and technology, which outlines the priorities for the continent in coming years. The core of the plan is 12 flagship programmes in key areas. African ministers expressed solidarity with South Africa's bid to host the Square Kilometre Array telescope and adopted a resolution to that effect.

To demonstrate the commitment to tangible co-operative programmes, the African Laser Centre, a virtual network of research centres across Africa, was launched during the conference.

The conference concluded with the inauguration of the Nepad ministerial council, comprising all ministers responsible for science and technology, and the steering committee on science and technology, which consists of two representatives

from each of the continent's five regions. South Africa was nominated as the chair of both the council and committee.

South Africa played a leading role in finalising the science and technology component of the regional indicative strategic development plan of SADC. The plan outlines the strategies and measures with time frames that will position systems of innovation in the region to drive socio-economic development.

The unit was active in Africa, visiting Algeria to pursue bilateral cooperation on a range of fields as outlined in the programme of cooperation concluded by the two countries. The unit also participated in the fifth Nigeria/South Africa binational commission in Lagos. Technical delegations from Sudan, Kenya and Namibia visited South Africa to explore areas of cooperation in science and technology. Agreements on cooperation with Algeria and Nigeria are in place while those with Kenya and Namibia are expected to be signed soon.

The first cohort of students, from 14 African countries, began their courses in the African Institute for Mathematical Sciences during the year.

Multilateral relations

During the year, South Africa became a member of the International Centre for Genetic Engineering



International Cooperation and Resources

Continued

and Biotechnology. Benefits for the country include participating in the centre's policy making, participating in its training and student exchange programmes, accessing grant funding and research equipment, and opportunities to host and attend advanced courses in genetic engineering and biotechnology.

South Africa was admitted as a Global Biodiversity Information Facility member with full voting rights at the sixth governing board meeting in April 2003, in Denmark. Much groundwork has been laid by the DST in forming the South African node, reflected in the successful technical workshop held in September 2003, the commissioning of CSIR Environmentek to establish a technically functional South African biodiversity information fund as a node of the international facility. South Africa hosted the Africa technical training workshop in March 2004, which aimed at capacitating local and African participants from sub-Saharan countries.

Following the World Summit on Sustainable Development in 2002, the DST led a process that resulted in a declaration on science and technology and sustainable development being adopted by OECD ministers of science and technology in January 2004, unique for an observer member. The OECD is now developing a work plan on sustainable development as a key component of its science and technology programme in its various

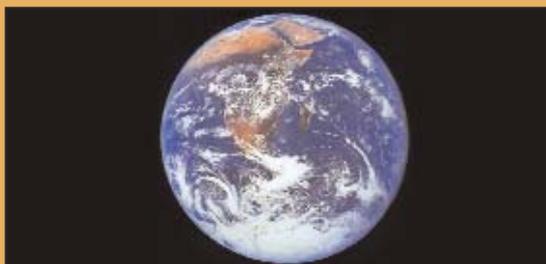
committees. South Africa is an active participant in the development of the plan.

South Africa was active in various United Nations forums mobilising the inclusion of science and technology in the work plans of various multilateral organisations like the United Nations Commission on Sustainable Development and UN Commission on Trade and Development. The DST participated in the 32nd general conference of UNESCO to endorse the work plan and in the World Summit of Information Society in developing its plan of action. The minister also gave an address at the science and technology forum on the role of these disciplines in the information society. South Africa participated in the UN Industrial Development Organisation biotechnology forum, where opportunities and challenges for developing biotechnology for the developing world were examined.

Strategic partnerships

Strategic partnerships facilitate attracting international resources to the country and to South Africans in the science and technology field. During the year, 385 projects were awarded to South Africa, reflecting the DST's ability to market science and technology.

South Africa was elected co-chair of the Group on Earth Observations, which is an international Type II initiative, during the year.



During the year, 385 projects were awarded to South Africa, reflecting the DST's ability to market science and technology

The country successfully participated in the EU's sixth framework programme, ranking only behind the Russian Federation in terms of participation by non-EU countries in the first calls.

South Africa's Medical Research Council was selected to host the Africa office of the secretariat of the European Developing Countries Clinical Trials Partnership, out of 18 African countries shortlisted.

The OECD ministerial declaration on science and technology for sustainable development was prepared during the review period.

The DST successfully brokered the creation of the Africa/Caribbean/Pacific/EU technology fund, with seed funding of €50 million.

International resources

International technology information

During the year, technological information capacity was established. The DST is participating in the development of an international technology information platform which will be expanded to include institutional and international directories for optimal structure, knowledge management, security, access and dissemination.

Several desktop studies were conducted on policy and innovation trends to support the identification of new opportunities and enhance

the competitive advantage for the National Strategy on Innovation.

The unit actively collaborated with international institutions involved in science and technology knowledge management to support the DST's efforts in this field.

Official development assistance

During the year, the broad framework for mobilising donor resources was identified and a priority list developed. A donor forum was successfully established and communication with donor communities initiated.

The unit has proactively engaged with the European Commission on the establishment of sector budget support for science and technology.

Strategic interfaces with bilateral partners and other divisions of the DST are supporting human capital transformation of the science system, in particular securing funding for disadvantaged communities pursuing engineering courses at tertiary level up to PhD and post-doctoral level.





Government Science and Technology System

Peter Pedlar

Group Executive for Government Science and Technology System

This programme provides strategic direction, funding and support for the development and growth of the state's science and technology institutions. Subprogrammes develop and implement frameworks for coordinating the allocation of grant funding for science, engineering and technology activities and for public research institutions. They also facilitate the development of medium term research and development plans with line departments and relevant institutions. The internal governance subprogramme is responsible for compliance by funded organisations with good corporate governance practices and alignment with the strategic focus of the National System of Innovation.

A highlight of the year was the level of spending, with almost 100% of the budget deployed, indicating a level of maturity in the DST and effective leadership.

The Natural Scientific Professions Act, 2003

The Natural Scientific Professions Bill was approved by the national assembly during its second reading on 16 April 2003 after wide consultations with all relevant South African organisations. The NCOP approved the bill on 26 August 2003 and the national assembly approved it finally on 2 September 2003. It was

assented to by the President on 25 November 2003 at which stage it became known as the Natural Scientific Professions Act, 2003 (Act 27 of 2003). The act commenced on 16 February 2004.

The review of the 2001/2002 key performance indicator reports and annual reports of public science, engineering and technology institutions

As indicated in the previous annual report, a review of the current reporting system was undertaken with the aim of identifying weaknesses and improving the current performance reporting framework. The review was completed and the report presented to science, engineering and technology institutions on 20 June 2003. These institutions are already implementing the review's findings during the current round of performance reporting.

The transfer of multi-sectoral institutions to the DST

The process for the transfer of the Council for Scientific and Industrial Research (CSIR) from the Department of Trade and Industry (the dti) to the DST continued according to the institutional alignment arrangements, outlined in the national research and development strategy, during the year under review. To ensure that the dti and the DST optimally give effect to the management



The 2003 reviews sought to establish, in all the science councils reviewed, their relevance and performance in line with their core functions and examine their relationship with the state

of the reporting function of the CSIR, they have entered into a memorandum of agreement detailing their separate and mutual responsibilities for the CSIR.

The National Zoological Gardens was transferred from the Department of Arts and Culture to the DST during this financial year. The National Zoological Gardens was incorporated as a national facility of the National Research Foundation on 1 April 2004.

Cabinet decided on 2 April 2003 to transfer the scientific research functions of the South African National Antarctic Programme (SANAP) from the Department of Environmental Affairs and Tourism to the DST. The transfer of assets took place on 1 October 2003 and transfer of the budget on 1 April 2004. These steps should strengthen the funding of SANAP's scientific research functions and enhance the programme's ability to do excellent research in the global arena.

New governance framework

During this financial year, we have been engaged in providing research and support to the process for the development and approval of a new governance framework for the science and technology system.

Establishing new councils/boards

We were also involved in the process of putting in place a new council for the Africa Institute of South Africa (AISA). We are also finalising the reconstitution of a new council for the Human Sciences Research Council (HSRC).

Institutional reviews

As a follow up to the recommendations arising from the 1997 reviews of the science, engineering and technology institutions, the unit successfully facilitated another round of reviews in the following science councils this year: the CSIR and HSRC. The 2003 reviews sought to establish, in all the science councils reviewed, their relevance and performance in line with their core functions and examine their relationship with the state.

The Council for Scientific and Industrial Research (CSIR)

The review panel found that its technology base has weakened since the 1997 review. However, it noted that in comparative terms, the CSIR continues to stand out as a world-class institution with good management practices. To avert the weakened technology base, the panel recommended a new business model that would seek to retain and improve on progress made, and concentrate on generating increased external income. Issues of improved human resources and output are raised in the report.



Government Science and Technology System

Continued

The review report makes a number of recommendations based on the current status of the council and the changing environment in which it is operating.

The Human Sciences Research Council (HSRC)

The review panel concluded that the HSRC is now a much better organisation in many respects than the HSRC of 1997. The review noted the fact that the post-1997 HSRC has also seen a systematic rebuilding that positions it as a robust council with improved representativity and an orientation towards its critical research function. The need for a new act for the HSRC is emphasised in the report. A comprehensive review report is available on www.hsrc.ac.za/reports.

Promoting good governance in the science councils

As part of the DST's commitment to ensuring improved governance of science councils, the unit paid special visits to meet individual council members of the Africa Institute of South Africa (AISA). The meetings covered the relationships between AISA, other science councils and the DST. This initiative was one of many undertaken by the DST to ensure that there are councils or boards in place in the science councils to provide strategic direction to the institutions.

The meetings have indeed yielded positive results and have enhanced the smooth working relations

between the DST and the council. It is expected that several other visits to other councils will be undertaken in the future.

The KPI review report

The review report of the 2001/2002 key performance indicator (KPI) reports and annual reports of public science, engineering and technology institutions has been published during the year under review. The report marks one of a number of initiatives by the DST as part of its mandate to review and reform the governance and management structures of government-funded science and technology performing institutions to meet broad national goals of economic growth and wealth creation. The report demonstrates efficiency, accountability and alignment with the present policies and structures in the public research system and paves the way forward for science councils to attain excellence and increase the rate and quality of innovation in South Africa.

Review of legislation administered by the DST

We are reviewing all legislation currently being administered by the DST. The aim of this process was to harmonise legislation in line with more recent policy developments as well as to draft amendments and new legislation in particular instances. The identified amendments and new bill will be taken through the parliamentary processes in the new financial year.



The Department of Science and Technology is constantly paving the way forward for science councils to attain excellence and increase the rate and quality of innovation in South Africa





Science and Technology for Competitiveness

Dr Adi Paterson

*COO and Acting Group Executive for Science and Technology
for Competitiveness*

This programme develops technology missions, human capital programmes and national science activities to support the National System of Innovation. It deploys its resources through strategically directed transfer payments to give effect, inter alia the national biotechnology strategy, the programmes of the Innovation Fund and the core functions of the National Research Foundation.

Technology missions

Biotechnology

During the year, the process of institutionalising the national biotechnology strategy was completed and funding strategic funds innovation and platform portfolios strengthened. This strategy forms an important component of the national R&D strategy and addresses new developments in biotechnology and the economic benefits of South Africa's better utilisation of biodiversity and biotechnological advances. The programme launched a major project to increase public awareness of biotechnology. (www.pub.ac.za)

The BRICS (Biotechnology Regional Innovation Centres – established for the implementation of the biotechnology strategy) have established strategic biotechnology innovation portfolios. These instruments have established regional long-term plans for the implementation of the national biotechnology strategy.

A new innovation centre, the PlantBio, was established to focus on plant biotechnology

innovations. This centre will operate nationally and focuses on biotechnology for food security and developments in economically-important crops and agricultural products.

The establishment of the national bio-informatics network was completed, with nodes located in several regions of the country at tertiary institutions, and active research programmes initiated.

Manufacturing technology

The Advanced Manufacturing Technology Strategy was completed and approved by cabinet during the year. This enabled funds to be prioritised for the new financial year.

Institutional arrangements for the implementation of the strategy have been finalised and selected industry sectors identified for prioritisation in the implementation process. Capacity for the implementation of the strategy is being built by a dedicated implementation unit located at the CSIR. A website (www.amts.co.za) was also established.

A national nanotechnology strategy has been developed and implementation model options are being evaluated for execution in 2004/2005.

Interaction with provincial structures has been initiated and a joint project established with Western Cape. Other provinces will follow during the 2004/2005 financial year.



The DST participated in the finalisation of the detailed implementation plan of the African Advanced Institute for Information Technology

Information and communications technology (including space science and technology)

In October 2003, the DST partnered with other departments to participate in World Space Week for the first time. An inter-governmental working group of space science and technology is operational, chaired by DST. An increasingly integrated approach to space matters of a non-regulatory nature has been developed and specific proposals are being developed to further strengthen this capacity in government in the coming year.

The DST participated in the finalisation of the detailed implementation plan of the African Advanced Institute for Information Technology. It is anticipated that dedicated financing will be allocated for the new financial year. This was a partnership between the DST and departments of communication, education, and trade and industry.

To facilitate interventions, an open-source initiative, Meraka Open Source software and computer Centre, financed by DST and situated at the CSIR, was launched during the year.

Planning for technology roadmaps in selected information and communications technology thematic areas was completed for implementation in financial year 2004/2005.

The ICT mission has also embarked on the development of an ICT research and development strategy with planning for a baseline study and

the development of the strategy in place for execution in the new financial year 2004/2005.

Resource-based industries

Financing was obtained for the new National Energy Research Institute and its governance model accepted by cabinet. The DST and Department of Minerals and Energy are establishing the institute.

DST stimulated and supported the formation of the Advanced Metals Initiatives (AMI) a joint venture between the CSIR, Mintek and the National Energy Corporation of South Africa. A strategic plan and governance model for the initiative are in place 2004/2005.

DST supported the Mintek study of resource-based economies which found that, to succeed, resource-based industrialisation strategies need to be flexible, well-structured and focused, emphasise clustering, networking, entrepreneurship and collaboration, include all people and economic sectors, and reflect a deep sense of commitment and the economic vision of all participants in the economy to furthering growth and development.

An extensive investigation of lateral technology migration in the energy capital goods sector was completed. A comprehensive review of the hydrogen economy is leading to specific initiatives to support this from a technology and innovation standpoint, including the domain of fuel cells. Ongoing collaboration with the Department of



Science and Technology for Competitiveness

Continued

Environmental Affairs and Tourism will yield specific initiatives in the area of aquaculture in the new financial year.

Innovation Fund

The Innovation Fund was significantly restructured during the period to be more responsive to innovation initiatives by students, academics and SMMEs through an open call system. The fund's commercialisation office was launched to facilitate patenting, licensing and commercialisation of research findings. The ongoing development of the Innovation Fund was reviewed and this will lead to specific recommendations on further institutional development over the next period.

The Innovation Fund has now operated for six years. During this time, significant contributions have been made in the sectors of health, safety, agriculture, tourism and the environment, and others, using key technologies such as information and communication technology, biotechnology and advances in new materials.

For example in June 2003, the commercial products from the wild (CPWild) project were launched. This marked a number of important successes for the research team and the creation of jobs for some 90 people. Major outputs include the development of 46 new medicinal, fruit and fibre products and the creation of four commercial craft and fibre craft enterprises, with one large fibre craft co-operative. Through these black-owned and operated ventures, people are employed and much-needed income is being generated. The

success of CPWild has secured funding from the WK Kellogg and Ford foundations to expand operations into SADC countries.

Human capital and science missions Centres of Excellence

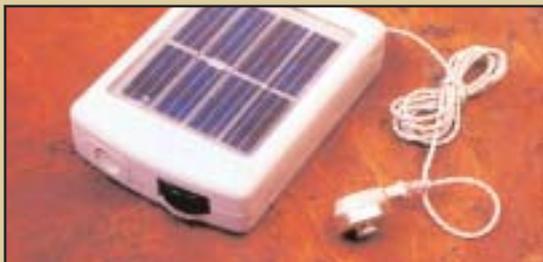
A highlight of the year was the launch of the DST centres of excellence in June 2004, funded and managed by the National Research Foundation.

The first six centres of excellence focus on:

- *Birds as keys to biodiversity conservation*
- *Invasion biology*
- *Strong materials*
- *Catalysis*
- *Biomedical tuberculosis research*
- *Tree health biotechnology.*

Centres of Excellence are physical or virtual centres of research which concentrate existing capacity and resources to enable researchers to collaborate, across disciplines and institutions, on long-term projects that are locally relevant and internationally competitive to enhance the pursuit of research excellence and capacity development. Each centre provides research facilities, education and training for students, information brokerage, networking partnerships and service rendering to government, business and civil society.

In January 2004, the international committee of the Square Kilometre Array radiotelescope project visited South Africa to evaluate the quality of our country's submission. Their findings were very positive. The DST will co-fund the South African demonstrator radio telescope to maximise industry participation and intellectual capital



The South African Coelacanth Conservation and Genome Resource Programme, supported by the DST, continues to produce excellent results and more specimens of this fossil fish were discovered during the year

development in support of the SKA bid. (www.nrf.ac.za).

The South African Large Telescope, the largest optical telescope in the southern hemisphere, is located at Sutherland in the Northern Cape and supported by the DST. Construction will be completed by December 2004. The High Energy Stereoscopic System, a partnership between Germany, Namibia and South Africa (DST), is expected to be operational by September 2004.

Science platforms

During the year, the DST assumed responsibility for the research component of the South African National Antarctic Programme, previously under the Department of Environmental Affairs and Tourism. A new strategy for the programme was completed and funding for Antarctic research increased to intensify the focus on marine resources, global climate change, space weather and human physiology under extreme conditions. The Antarctic Treaty Consultative Meeting (ATCM) is a closed geopolitical meeting, which takes place annually around the world. South Africa hosted the 27th meeting in May/June 2004 and the next meeting will be held in Stockholm, Sweden, from 6 – 17 June 2005. The DST participated for the first time at a recent ATCM hosted by South Africa in Cape Town. The draft Antarctic Research Strategy of South Africa (ARESSA), which was initiated through the Science Platforms Unit, was circulated as an Information Paper at the Cape Town ATCM. The South African Coelacanth Conservation

and Genome Resource Programme, supported by the DST, continues to produce excellent results and more specimens of this fossil fish were discovered during the year. This research project, a partnership with the Max Planck Institutes of the Federal Republic of Germany, is important for its focus on biodiversity conservation, evolutionary biology, capacity building and public understanding of science and technology. It uses the coelacanth as an icon for marine biophysical sciences to build national and international friendships and add an element of excitement to South African science.

The DST has launched strategic processes in palaeontology through the Palaeontology Anthropological Society Trust, focusing on human genetics and fossils of African origin. Funding from the National Research Foundation to the trust has been significantly increased to expand research activities.

Science and youth

To promote science literacy and increase youth participation in science, engineering and technology, the science and youth unit implemented the fourth National Science and Technology Week which took place from 10 – 15 May 2004, with preparations beginning over six months earlier. This event, undertaken with the support of provincial education departments, is aimed at increasing interest by learners in



Science and Technology for Competitiveness

Continued

mathematics and science for ultimate careers in science, engineering and technology. Activities during the week included about 1 000 interactive exhibitions, about 1 000 interactive learner-educator workshops and about 1 000 career exhibitions. In the 2004 National SET Week, over 70 000 people visited exhibitions around the country. The national science week has since its launch in 2000 reached 464 032 people in the country. This number corresponds with the total number of those (514 000) who visit all the science centres in South Africa in one year. The encouraging phenomenon has been increased girl learner participation in the National Science Week activities as well as participation that reflected the demographics of provinces.

In February 2004, the DST commissioned a feasibility study on a network of science centres. The process involved visits to science centres in the country and six continents, the gathering of input from key stakeholders and role-players through the ten workshops conducted in the nine provinces and the suggested norms and standards by the national conference. The data gathered will be used to finalise a policy framework for a network of science centres in South Africa.

In 2004, the DST supported the publication of a directory on careers in science, engineering and technology. This has been distributed widely to schools, organisations and individuals to provide them with quality information about

careers in science, technology, engineering and mathematics.

In order to realise the goals of the National Strategy for Mathematics, Science and Technology Education, Cabinet approved in January 2004 the "strengthening of the co-operation between the departments of Science and Technology, and Education in delivering the objectives of the Strategy for Mathematics, Science and Technology Education". Since then, the Departments of Science and Technology, and Education has worked together to draft a collaboration agreement and plan.

The DST finalised the first phase study of supplementary tuition programmes in South Africa and will commence with the second phase of the study by the end of the 2004/2005 financial year. Results of this study will be used to establish a supplementary tuition programme which will form an important vehicle to support delivery of, especially, new science, mathematics and technology curricula.

Science, gender and disability

Important research about the status of women in the science councils and higher education institutions was commissioned by the DST during the previous financial year, culminating in March 2004. Several important findings emerged out of the research. These will be published during the third quarter of 2004.



These awards have been created to address representation and emphasise the important role of women in science, engineering and technology and to celebrate their achievements

During April 2003, human capital development workshops were held with the relevant executives of science councils, or their representatives, mandated to commit their science council to a way forward on gender and disability equity issues. The workshops were well received and culminated in the development and acceptance of key performance indicators on which science councils will report annually and the creation of a community of human resource managers that could be used to address common challenges encountered in ensuring equity.

As of the 2004/2005 financial year, all science councils are required to follow the new gender and disability responsive KPI reporting framework.

2003 witnessed the birth of a pivotal gender empowerment initiative of the DST, the annual South African Women in Science Awards. These awards have been created to address representation and emphasise the important role of women in science, engineering and technology and to celebrate their achievements. The awards were presented for the first time at the celebratory launch of the South African Reference Group on women in science and technology on 12 September 2003.

DST also supported the three-year girls in science and technology project in the Dinaledi Schools programme. It is intended to bring a special focus on the development of girls within the Dinaledi schools,

to encourage more girls to study mathematics and science. The schools selected for this project are Dlangezwa High School and Tholokuhle Secondary School in KwaZulu-Natal and Atlantis Senior Secondary School in Western Cape.

In the disability arena, the DST has embarked on two significant projects aimed at improving the quality of life and wealth-creation opportunities for the disabled.

In response to the various difficulties faced by wheelchair users in South Africa, DST has commissioned the CSIR to conduct a feasibility study to determine the viability of South Africa establishing wheelchair manufacturing facilities for the mass production of low-cost, low-maintenance, durable, light-weight and environmentally-suitable wheelchairs.

Information and communications technology is one of the easiest methods of achieving independence and improving the quality of life and wealth-creation opportunities for people with disabilities. In light of this the DST has commissioned the CSIR to undertake a pilot computer-aided design for the disabled project in Philadelphia Secondary School, Soshanguve. The pilot project is aimed at physically disabled scholars whilst a second initiative is earmarked for roll-out in a school for the hearing impaired, after appropriate modifications have been made to the programme.



Public Entities

The key public entities

The key public entities that report to the Minister of Science and Technology are listed here and a short report on their performance during the 2003/2004 financial year is provided. These entities separately produce full annual reports.

- *The Africa Institute of South Africa (AISA)*
- *The Academy of Science of South Africa (ASSAF)*
- *The National Research Foundation (NRF)*
- *The Human Sciences Research Council (HSRC)*
- *Godisa*
- *Tshumisano*

Africa Institute of South Africa

The Africa Institute of South Africa (AISA) is a statutory council that carries out in-depth analysis of Africa's current affairs, gathers intelligence on issues related to the future of the continent, the African Union and Nepad, and change in general. Although the institute has been in existence for more than 40 years, it is now a recognised science council, with the full support of DST, and the mandate to perform research into issues affecting the rest of Africa. The recent strong increase in funding is based on the revised mandate to develop research capabilities.

AISA's vision is to become the independent authoritative centre of excellence for the

production of knowledge on Africa and to promote awareness as well as the importance of unity, peace, prosperity and democracy on the African continent. AISA is dedicated to knowledge production, education, training and the promotion of awareness on Africa, for Africans and the international community. This is achieved through independent policy analysis, the collection, processing and interpretation, and dissemination of information.

In 2003, AISA gained a new council to take its work forward. AISA believes it can fulfil its vision of becoming the first port of call on African current events, making a difference to the direction of African policy, development and unification efforts.

AISA received R12,7 million in government grants during the year, with further income of R7,4 million from other sources. Expenses totalled just over R20 million. Net unspent income for the year was R108 000.

Academy of Science of South Africa

The Academy of Science of South Africa Act (67 of 2001) provides for the statutory recognition of the Academy (ASSAF) established in 1996.

ASSAF is recognised internationally as South Africa's unitary national science academy, and is a



Science outreach by the National Research Facilities and their flagship projects provides an excellent opportunity for generating a sense of excitement about science in young people

member of the InterAcademy Panel (IAP), and an elected member of the InterAcademy Council (IAC) of 15 countries drawn from the 90 members of the IAP. ASSAF contributed significantly to the first report purchased by the IAC, entitled "Inventing a better future: a strategy for building worldwide capacities in science and technology".

ASSAF awarded its two "Science for Society" gold medals in 2003 to Professor Brian Warner and Prof Hoosen M Coovadia.

The academy has sharpened its strategic focus on "science for policy" studies conducted at the request of government or of its own accord, on the development of a well-functioning science academy system in Africa, and on publications that show-cases national scientific endeavours, both at the formal scholarly level (the South African Journal of Science) and in terms of an improved public understanding of science (a new science magazine for South Africa).

ASSAF received R2,125 million in government grants during the year, with further income of R150 thousand from other sources. Expenses totalled R1,430 million. Net unspent income for the year was R0,845 million.

National Research Foundation

During 2003/2004 the NRF board continuously monitored the alignment of the activities of the foundation with its mandate as stipulated in the National Research Foundation Act, No 23 of 1998.

The NRF core missions and strategic priorities are based on the mandate and informed by the R&D strategy. The rationale for adopting the core mission and strategic priorities was based amongst others the Human Resource Development Strategy (2001), the National Plan for Higher Education, the R&D strategy (2002); the information in the NACI report of 2002. After the release of the national R&D survey in 2004, alignment with the strategy was also ensured.

During the 2003/04 financial year the NRF successfully addressed many of the R&D strategy imperatives and a few highlights are listed below:

Science awareness and outreach

- Programmes and initiatives run by SAASTA aim at establishing a new generation of scientists through education, science awareness and science communication.*
- Science outreach by the National Research Facilities and their flagship projects provides an excellent opportunity for generating a sense of excitement about science in young people.*



Public Entities

Continued

The National Research Facilities recorded the following:

- 341 schools participated in outreach activities, of which 302 were disadvantaged schools;
- 1 706 educators were reached through various programmes;
- 16 community projects were run, 13 of which in disadvantaged communities; and
- 25 305 visitors were received by the facilities.

Student support

- The amount spent on student support increased by more than R10 million to R72,9 million which constitutes 37% of the entire core grant spending;
- Increase in total number of students supported through the core grant to 4 567;
- Number of black students supported increased by 6% to 2 664; 58% of all students supported;
- Number of women students supported increased by 7,75% to 2 210; 48,3% of all students supported;
- Support in 2003/04 for more than 1 000 doctoral students, highest number per annum to date;
- Number of black doctoral students increased by 18% to 514 in 2003/04; and
- No. of post-doctoral grants increased by 34% to 172.

- The National Astrophysics and Space Science Programme (NASSP) draws students from everywhere in Africa to be taught by top South African scientists. The programme is an initiative of SAAO, HartRAO and HMO in collaboration with local universities, and supported by the Ford Foundation.

Scarce Skills Development Fund

- 866 students supported;
- Black students increased to 74,4% of total;
- Women students increased to 46% of total; and
- Virtual doubling of number of bursaries in biotechnology, chemistry and engineering

Support for researchers

- 1 327 researchers supported;
- Increase in number of grantholders in development programmes (494), where focus is on renewal of S&T human resources;
- Number of black grantholders increased by 10% to 339 and constitute 26% of all grantholders;
- Number of women grantholders increased by 21% to 402 and constitute 30% of all grantholders;
- Increase in average grant size to grantholders of 7% to R88 000; and
- Increase of 8,4% in grant amounts claimed by grantholders.



It seeks to support development in South Africa, the region, and the rest of Africa through “social science that makes a difference”; ie that is predominantly user-driven, collaborative, policy-relevant, public-sector oriented and often large-scale

Development of staff at higher education institutions

- 28 staff members completed their degrees, 16 at Master's level and 12 at doctoral level, with NRF support.

Research outputs

Research funded by the NRF through the focus area and development programmes resulted in 2003/04 the following outputs:

- 2 476 peer-reviewed publications;
- 286 books and chapters in books;
- 1 319 conference proceedings;
- 27 patents awarded; and
- 14 patents filed.

The National Research Facilities produced the following outputs:

- 23 research reports
- 217 journal articles (ISL and other refereed articles)
- 27 full length conference proceedings
- 16 chapters in books
- 1 book
- 182 publications with external authors
- 1 patent awarded

Creation of Centres of Excellence

During 2003/2004 the NRF received 70 applications for Centres of Excellence. Thirteen

of those were short listed and the final six selected were formally announced by the Minister of Science and Technology in June 2004.

Human Sciences Research Council (HSRC)

The HSRC conducts, co-ordinates and fosters research in the field of the social and human sciences, in terms of its statute (the Human Sciences Research Act, No 23 of 1968). It seeks to support development in South Africa, the region, and the rest of Africa through “social science that makes a difference”; ie that is predominantly user-driven, collaborative, policy-relevant, public-sector oriented and often large-scale.

The HSRC has accordingly aligned its research structures and activities to major development priorities. There are currently ten flexible, interdisciplinary and problem-oriented research programmes, each headed by an executive director:

- Assessment Technology and Education Evaluation
- Child, Youth and Family Development
- Democracy and Governance
- Employment and Economic Policy Research
- Human Resources Development
- Integrated Rural and Regional Development
- Knowledge Management



Public Entities

Continued

- *Social Aspects of HIV/Aids and Health*
- *Social Cohesion and Integration*
- *Surveys, Analyses, Modelling and Mapping*

During 2003/2004 these programmes worked on approximately two hundred and fifty projects, in South Africa and thirty other African countries, on themes including poverty reduction, economic growth and diversification, job creation, social safety nets, skills enhancement, educational improvement, effective service delivery, regional integration, the tackling of HIV/Aids, cultural industries, and socio-political attitudes. The HSRC specifically supports the national Research and Development (R&D) Strategy of the Department of Science and Technology, through leading or participating in major studies for two of the key missions – resource-based industries, and technology transfer for poverty reduction – as well as a periodic survey of R&D that generates science and technology indicators.

During 2003/2004, the HSRC attracted external research funding substantially in excess of its Parliamentary grant, by means of tenders for government departments, and grant applications to international and local foundations and development agencies. The amounts are

mentioned below. The number of research staff increased from 130 to 156 during the year, including some 30 research interns working on postgraduate degrees. The HSRC recently appointed a senior gender co-ordinator. More than 90% of permanent research staff have masters or doctoral degrees. There was extensive collaboration with higher education institutions, other science councils, research non-governmental organisations and private sector consultancies.

Research output – over and above the 104 research reports to clients – increased to 247 books, chapters in books and journal articles in 2003/2004. The number of refereed journal articles per average researcher head increased from 0,55 in the previous year to 0,66 in 2003/2004. By the end of the financial year the HSRC staff complement was 60% black, and 54% female. The organisation's electronic infrastructure was extended to serve its five centres countrywide, through a "virtual" journals library and an intranet providing online access for staff to all documentary resources. An HIV/Aids programme was introduced for staff, including voluntary counselling and testing, and provision for anti-retroviral treatment.



Progress over the past year saw approval from the National Treasury and DPSA for the formation of Godisa as a trust, with the mandate of a public entity

The organisation's five-yearly institutional review was conducted in October 2003, by a panel of local and international experts. The preface of the report concluded that "the HSRC of 2003 is a different and much better organisation in important respects than the HSRC of 1997. It has earned the respect given to it by the bulk of its stakeholders and collaborators by the breadth, quality and relevance of its contributions to the study and practice of social development in South Africa." The report was published in print and on the HSRC's website.

Important recommendations by the review for further development include:

- building on the two-thirds of projects involving external collaboration, to extend and institutionalise partnerships with higher education institutions and other social science research organisations in South Africa and beyond;*
- enhanced management support systems to cope with the rapid growth of the HSRC;*
- improving external and internal communications, and sustained relations with users;*
- new legislation, including motivation of the HSRC's mandate in terms of a proposed set of public purposes.*

The HSRC's income was R187,153 million for the 2003/2004 financial year, including a Parliamentary grant of R65,562 million and a further, ring-fenced grant of R5,000 million for a biennial human resources directory and data warehouse. Contract income comprised R100,403 million and other income of R16,188 million. Overall expenditure was R187,363 million, resulting in a small net deficit of R0,210 million for the year.

Godisa Trust

Godisa, a Tswana word meaning growth through nurturing, defines a development programme through which new (0 – 3 years) SMEs are supported in developing a competitive position. The Godisa Programme helps SMEs to develop technology based businesses, thereby increasing profitability and growth, minimising the likelihood of business failure.

The Godisa Programme receives support from the DST, Department of Trade and Industry and the European Union. Progress over the past year saw approval from the National Treasury and DPSA for the formation of Godisa as a trust, with the mandate of a public entity. With the recognition of the value Godisa is adding to SMEs, agreement has



Public Entities

Continued

been reached to integrate four other members into the Godisa, these centres are:

- The Middleburg Stainless Steel Indaba
- The National Fiber, Textiles and Clothing Centre
- The Downstream Aluminum Centre
- The Furniture Technology Centre

To date Godisa has supported 1 280 SMEs

Tshumisano Trust

Tshumisano is the Venda and Northern Sotho word for partnership. The Tshumisano Technology Station is a partnership programme between DST, the German Agency for Technical Cooperation and the Committee of Technikon Principals (CTP). The technikons are now recognised as universities of technology.

Tshumisano provides technology services to SMEs with the view to enhance competitiveness, while exposing students to practical training in South African business. 67 students last year gained practical exposure to real industry challenges. The trust aims to address the product and process technology of SMEs in the sectors that depend on technology innovation and transfer. Some of the highlights for the period under review include:

- The design and manufacturing of an advanced tow bar

- The development of a paint applicator for a children's drawing aid manufacture
- The development of an exhaust component, Vibol an exhaust vibrating balancer for an SME in the automotive industry
- An international workshop on friction stir welding



Tshumisano provides technology services to SMEs with the view to enhance competitiveness, while exposing students to practical training in South African business





REPORT OF THE AUDITOR-GENERAL



REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE FINANCIAL STATEMENTS OF VOTE 18 – DEPARTMENT OF SCIENCE AND TECHNOLOGY FOR THE YEAR ENDED 31 MARCH 2004

1. Audit assignment

The financial statements as set out on pages 38 to 69, for the year ended 31 March 2004, 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 3 and 5 of the Auditor-General Act, 1995 (Act No. 12 of 1995). These financial statements, the maintenance of effective control measures and compliance with relevant laws and regulations are the responsibility of the accounting officer. My responsibility is to express an opinion on these financial statements, based on the audit.

2. Nature and scope

The audit was conducted in accordance with Statements of South African Auditing Standards. 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:

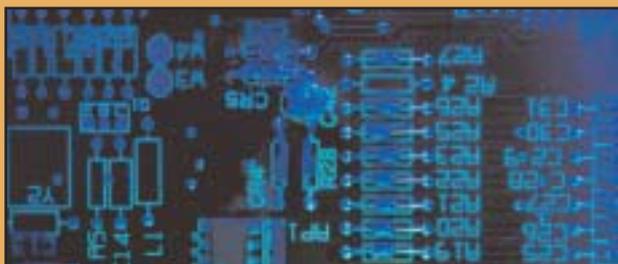
- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation.

Furthermore, an audit includes an examination, on a test basis, of evidence supporting compliance in all material respects with the relevant laws and regulations, which came to my attention and are applicable to financial matters.

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

3. Audit opinion

In my opinion, the financial statements fairly present, in all material respects, the financial position of the Department of Science and Technology at 31 March 2004 and the results of its operations and cash flows for the period then ended, in accordance with prescribed accounting practice.



REPORT OF THE AUDITOR-GENERAL *Continued*

for the year ended 31 March 2004

4. *Emphasis of matter*

Without qualifying the audit opinion expressed above, attention is drawn to the following matter:

4.1 *Quarterly reports*

In terms of section 26 of the Treasury Regulations, public entities are required to submit quarterly reports to the department within 30 days after the end of a quarter, dealing with the following matters:

- actual revenue and expenditure up to the end of that quarter;*
- a projection of expected revenue and expenditure for the remainder of the current financial year;*
- a report on the extent of compliance with the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA); and*
- a report on the progress in terms of the corporate plan of the institution.*

As at 31 March 2004, the required information was not submitted for the entire year by the entities to the department and this regulation, was not monitored by the Corporate Governance unit at the department.

The Department is measuring the performance of the transfer funds on a yearly basis.

5. *Appreciation*

The assistance rendered by the staff of the Department of Science and Technology during the audit is sincerely appreciated.

SA Fakie
Auditor-General

PRETORIA
21 July 2004

AUDIT COMMITTEE'S REPORT

for the year ended 31 March 2004

Report of the Audit Committee

We are pleased to present our report for the financial year ended 31 March 2004.

Audit Committee members and attendance:

The Audit Committee consists of the members listed hereunder and meets at least two times per annum as per its approved terms of reference. During the current year three meetings were held.

Name of member	Number of meetings attended
Mr SAH Kajee (Chairperson)	3
Dr RM Adam (Accounting Officer)	3
Dr JM Stewart	3
Mr M Gantsho	2
Prof D Fourie	1

Audit Committee responsibility

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

The effectiveness of internal control

The report of the Auditor-General read together with the management letter, has raised certain internal control deficiencies. This committee will monitor management's efforts to rectify these. However, the committee is satisfied that systems of internal control over the major financial risks are effective.

The quality of in-year management and monthly reports submitted in terms of the Act

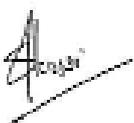
The committee has noted the content and quality of monthly and quarterly reports prepared and issued by the Accounting Officer and the department during the year under review.

Evaluation of financial statements

The Audit committee has:

- reviewed the audited annual financial statements to be included in the annual report;
- reviewed the Auditor-General's management letter and management response; and
- reviewed the report of the Auditor-General.

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



SAH Kajee
Chairperson of the Audit Committee
20 July 2004

APPROPRIATION STATEMENT

for the year ended 31 March 2004

			Programme			Expenditure as % of revised allocation	2002/03	
	Adjusted appropriation R'000	Virement R'000	2003/04 Revised allocation R'000	Actual expenditure R'000	Savings/ (under-spend) (excess) R'000		Revised allocation R'000	Actual expenditure R'000
1. Programme 1: Administration								
Current	30 510	21 178	51 688	51 593	95	99,82	28 491	28 134
Capital	293	1 297	1 590	1 590	-	100,00	1 972	1 928
2. Programme 2: Technology for Development								
Current	204 660	(4 387)	200 273	200 222	51	99,97	85 677	82 178
Capital	124	150	274	275	(1)	100,36	786	667
3. Programme 3: International Cooperation and Resources								
Current	43 812	(3 685)	40 127	40 099	28	99,93	25 224	23 845
Capital	130	278	408	409	(1)	100,25	786	667
4. Programme 4: Government Science and Technology System								
Current	14 498	(1 093)	13 405	13 388	17	99,87	8 173	7 455
Capital	650	12	662	662	-	100,00	548	372
5. Programme 5: Science and Technology for Competitiveness								
Current	742 358	(14 225)	728 133	727 574	559	99,92	350 619	347 271
Capital	760	475	1 235	246	989	19,92	21 786	21 667
Total	1 037 795	-	1 037 795	1 036 058	1 737	99,83	524 062	514 184
Reconciliation with Income Statement								
Less: Investments acquired and capitalised during the current financial year – expensed for appropriation purposes								
Add: Local and foreign aid assistance (including RDP funds)			3 000	1 016			14 320	16 091
Add: Other Receipts			270	-			10	-
Less: Fruitless and wasteful expenditure								
Actual amounts per Income Statement			1 041 065	1 037 074			538 392	530 275

APPROPRIATION STATEMENT *Continued*

for the year ended 31 March 2004

	Adjusted appropriation R'000	Virement R'000	2003/04 Revised allocation R'000	Actual expenditure R'000	Savings (excess) R'000	Expenditure as % of revised allocation	2002/03 Revised allocation R'000	Actual expenditure R'000
Direct charge against the National Revenue Fund								
Science and technology	1 037 795	-	1 037 795	1 036 058	1 737	99,83	524 060	514 184
Total	1 037 795	-	1 037 795	1 036 058	1 737	99,83	524 060	514 184
Economic classification								
Current								
Personnel	49 162	(3 379)	45 783	45 710	73	99,84	23 123	22 640
Transfer payments	956 842	(26 142)	930 700	929 198	1 502	99,84	443 794	436 022
Other	29 834	27 309	57 143	57 968	(825)	101,44	31 266	30 221
Capital								
Transfer payments	-	-	-	-	-		21 000	21 000
Acquisition of capital assets	1 957	2 212	4 169	3 182	987	76,33	4 879	4 301
Total 1	1 037 795	-	1 037 795	1 036 058	1 737	99,83	524 062	514 184
Standard item classification								
Personnel	49 162	(3 379)	45 783	45 710	73	99,84	23 123	22 640
Administrative	13 379	16 542	29 921	29 902	19	99,94	17 109	16 979
Inventories	487	2 072	2 559	2 551	8	99,69	2 185	2 031
Equipment	2 082	6 414	8 496	8 496	-	100,00	4 879	4 301
Land and buildings	-	-	-	-	-		-	-
Professional and special services	15 843	3 732	19 575	19 457	118	99,40	11 835	11 177
Transfer payments	956 842	(26 142)	930 700	929 198	1 502	99,84	464 794	457 022
Miscellaneous	-	479	479	462	17	96,45	130	27
Special functions	-	282	282	282	-		7	7
Total 1	1 037 795	-	1 037 795	1 036 058	1 737	99,83	524 062	514 184

APPROPRIATION STATEMENT *Continued*

for the year ended 31 March 2004

DETAIL PER PROGRAMME 1: ADMINISTRATION

Programme per subprogramme	Adjusted appropriation		2003/04		Savings (excess)	Expenditure as % of revised allocation	2002/03	
	R'000	Virement R'000	Revised allocation R'000	Actual expenditure R'000			Revised allocation R'000	Actual expenditure R'000
1.1 Minister								
Current	746	21	767	792	(25)	103,26	402	404
Capital	-	-	-	-	-		-	-
1.2 Deputy Minister								
Current	607	12	619	616	3	99,52	399	399
Capital	-	-	-	-	-		-	-
1.3 Management								
Current	3 748	1 923	5 671	5 750	(79)	101,39	4 096	4 096
Capital	60	97	157	157	-	100,00	-	-
1.4 Core Support Services								
Current	19 178	19 981	39 159	38 977	182	99,54	17 115	16 758
Capital	208	1 225	1 433	1 433	-	100,00	1 309	1 265
1.5 Policy Support Services								
Current	6 231	(759)	5 472	5 458	14	99,74	6 477	6 477
Capital	25	(25)	-	-	-		663	663
Total	30 803	22 475	53 278	53 183	95	99,82	30 461	30 062
Economic classification								
Current								
Personnel	21 651	224	21 875	21 845	30	99,86	11 382	11 213
Transfer payments	-	-	-	-	-		-	-
Other	8 859	20 954	29 813	29 748	65	99,78	17 109	16 921
Capital								
Transfer payments	-	-	-	-	-		-	-
Acquisition of capital assets	293	1 297	1 590	1 590	-	100,00	1 972	1 928
Total	30 803	22 475	53 278	53 183	95	99,82	30 463	30 062
Standard item classification								
Personnel	21 651	224	21 875	21 845	30	99,86	11 382	11 213
Administration	2 570	13 143	15 713	15 705	8	99,95	9 003	8 954
Inventories	170	887	1 057	1 047	10	99,05	1 083	955
Equipment	342	4 743	5 085	5 085	-	100,00	1 972	1 928
Land and buildings	-	-	-	-	-		-	-
Professional and special services	6 070	3 199	9 269	9 239	30	99,68	7 005	6 994
Transfer payments	-	-	-	-	-	0,00	-	-
Miscellaneous	-	22	22	5	17	22,73	11	11
Special functions	-	257	257	257	-		7	7
Total	30 803	22 475	53 278	53 183	95	99,82	30 463	30 062

APPROPRIATION STATEMENT *Continued*

for the year ended 31 March 2004

DETAIL PER PROGRAMME 2: TECHNOLOGY FOR DEVELOPMENT

	Adjusted appropriation		2003/04		Savings (excess)	Expenditure as % of revised allocation	2002/03	
	R'000	Virement R'000	Revised allocation R'000	Actual expenditure R'000			Revised allocation R'000	Actual expenditure R'000
Programme per subprogramme								
2.1 Subprogramme: Technology Transfer								
<i>Current</i>	97 251	976	98 227	95 408	2 819	97,13	27 975	24 477
<i>Capital</i>	88	87	175	175	–	100,00	453	333
2.2 Subprogramme: Poverty Reduction								
<i>Current</i>	107 409	(5 363)	102 046	104 814	(2 768)	102,71	57 702	57 702
<i>Capital</i>	36	63	99	100	(1)	101,01	333	333
Total	204 784	(4 237)	200 547	200 497	50	99,98	86 463	82 845
Economic classification								
<i>Current</i>								
<i>Personnel</i>	8 811	(4 081)	4 730	4 715	15	99,68	2 748	2 676
<i>Transfer payments</i>	193 877	(3 865)	190 012	190 011	1	100,00	79 355	76 008
<i>Other</i>	1 972	3 559	5 531	5 496	35	99,37	3 573	3 494
<i>Capital</i>								
<i>Transfer payments</i>	–	–	–	–	–	–	–	–
<i>Acquisition of capital assets</i>	124	150	274	275	(1)	100,36	787	667
Total	204 784	(4 237)	200 547	200 497	50	99,98	86 463	82 845
Standard item classification								
<i>Personnel</i>	8 811	(4 081)	4 730	4 715	15	99,68	2 748	2 676
<i>Administrative</i>	1 046	1 412	2 458	2 458	–	100,00	2 433	2 414
<i>Inventories</i>	69	147	216	216	–	100,00	124	118
<i>Equipment</i>	139	605	744	725	19	97,45	787	667
<i>Land and buildings</i>	–	–	–	–	–	–	–	–
<i>Professional and special services</i>	842	1 529	2 371	2 356	15	99,37	977	958
<i>Transfer payments</i>	193 877	(3 865)	190 012	190 011	1	100,00	79 355	76 008
<i>Miscellaneous</i>	–	16	16	16	–	100,00	39	4
<i>Special functions</i>	–	–	–	–	–	–	–	–
Total	204 784	(4 237)	200 547	200 497	50	99,98	86 463	82 845

APPROPRIATION STATEMENT *Continued*

for the year ended 31 March 2004

DETAIL PER PROGRAMME 3: INTERNATIONAL COOPERATION AND RESOURCES

	Adjusted appropriation		2003/04		Savings (excess)	Expenditure as % of revised allocation	2002/03	
	R'000	Virement R'000	Revised allocation R'000	Actual expenditure R'000			Revised allocation R'000	Actual expenditure R'000
Programme per subprogramme								
3.1 Subprogramme: International Cooperation								
<i>Current</i>	40 650	(5 980)	34 670	35 345	(675)	101,95	22 139	20 760
<i>Capital</i>	76	222	298	299	(1)	100,34	453	334
3.2 Subprogramme: International Resources								
<i>Current</i>	3 162	2 295	5 457	4 754	703	87,12	3 085	3 085
<i>Capital</i>	54	56	110	110	-	100,00	333	333
Total	43 942	(3 407)	40 535	40 508	27	99,93	26 010	24 512
Economic classification								
<i>Current</i>								
<i>Personnel</i>	5 886	2 023	7 909	7 899	10	99,87	2 748	2 677
<i>Transfer payments</i>	32 941	(13 327)	19 614	19 614	-	100,00	18 902	17 674
<i>Other</i>	4 985	7 619	12 604	12 586	18	99,86	3 574	3 494
<i>Capital</i>								
<i>Transfer payments</i>	-	-	-	-	-			
<i>Acquisition of capital assets</i>	130	278	408	409	(1)	100,25	786	667
Total	43 942	(3 407)	40 535	40 508	27	99,93	26 010	24 512
Standard item classification								
<i>Personnel</i>	5 886	2 023	7 909	7 899	10	99,87	2 748	2 677
<i>Administrative</i>	4 055	3 198	7 253	7 255	(2)	100,03	2 433	2 414
<i>Inventories</i>	70	328	398	399	(1)	100,25	125	118
<i>Equipment</i>	140	896	1 036	1 036	-	100,00	786	667
<i>Land and buildings</i>	-	-	-	-	-			
<i>Professional and special services</i>	850	3 365	4 215	4 195	20	99,53	978	958
<i>Transfer payments</i>	32 941	(13 327)	19 614	19 614	-	100,00	18 902	17 674
<i>Miscellaneous</i>	-	110	110	110	-	100,00	38	4
<i>Special functions</i>	-	-	-	-	-			
Total	43 942	(3 407)	40 535	40 508	27	99,93	26 010	24 512

APPROPRIATION STATEMENT *Continued*

for the year ended 31 March 2004

DETAIL PER PROGRAMME 4: GOVERNMENT SCIENCE AND TECHNOLOGY SYSTEM

	Adjusted appropriation		2003/04		Savings (excess)	Expenditure as % of revised allocation	2002/03	
	R'000	Virement R'000	Revised allocation R'000	Actual expenditure R'000			Revised allocation R'000	Actual expenditure R'000
Programme per subprogramme								
4.1 Subprogramme: Funding of Public Research Institutions								
<i>Current</i>	8 033	(1 305)	6 728	6 699	29	99,57	4 202	3 485
<i>Capital</i>	250	(235)	15	15	–	100,00	–	–
4.2 Subprogramme: Internal Governance								
<i>Current</i>	6 465	212	6 677	6 689	(12)	100,18	3 970	3 970
<i>Capital</i>	400	247	647	647	–	100,00	549	372
Total	15 148	(1 081)	14 067	14 050	17	99,88	8 721	7 827
Economic classification								
<i>Current</i>								
<i>Personnel</i>	6 386	(215)	6 171	6 163	8	99,87	3 497	3 397
<i>Transfer payments</i>	2 290	–	2 290	2 290	–	100,00	1 350	1 350
<i>Other</i>	5 822	(878)	4 944	4 935	9	99,82	3 326	2 708
<i>Capital</i>								
<i>Transfer payments</i>	–	–	–	–	–	–	–	–
<i>Acquisition of capital assets</i>	650	12	662	662	–	100,00	548	372
Total	15 148	(1 081)	14 067	14 050	17	399,69	8 721	7 827
Standard item classification								
<i>Personnel</i>	6 386	(215)	6 171	6 163	8	99,87	3 497	3 397
<i>Administrative</i>	4 233	(2 365)	1 868	1 853	15	99,20	809	785
<i>Inventories</i>	81	636	717	717	–	100,00	728	722
<i>Equipment</i>	665	467	1 132	1 132	–	100,00	548	372
<i>Land and buildings</i>	–	–	–	–	–	–	–	–
<i>Professional and special services</i>	1 493	369	1 862	1 868	(6)	100,32	1 782	1 194
<i>Transfer payments</i>	2 290	–	2 290	2 290	–	100,00	1 350	1 350
<i>Miscellaneous</i>	–	2	2	2	–	100,00	7	7
<i>Special functions</i>	–	25	25	25	–	100,00	–	–
Total	15 148	(1 081)	14 067	14 050	17	99,88	8 721	7 827

APPROPRIATION STATEMENT *Continued*

for the year ended 31 March 2004

DETAIL PER PROGRAMME 5: SCIENCE AND TECHNOLOGY FOR COMPETITIVENESS

	Adjusted appropriation		2003/04		Savings (excess)	Expenditure as % of revised allocation	2002/03	
	R'000	Virement R'000	Revised allocation R'000	Actual expenditure R'000			Revised allocation R'000	Actual expenditure R'000
Programme per subprogramme								
5.1 Subprogramme: Technology Missions								
<i>Current</i>	307 263	2 587	309 850	309 871	(21)	100,01	148 549	145 247
<i>Capital</i>	102	(20)	82	82	-	100,00	10 452	10 333
5.2 Subprogramme: Science Missions and Human Capital								
<i>Current</i>	435 095	(16 812)	418 283	417 703	580	99,86	202 070	202 024
<i>Capital</i>	658	495	1 153	164	989	14,22	11 334	11 334
Total	743 118	(13 750)	729 368	727 820	1 548	99,79	372 405	368 938
Economic classification								
<i>Current</i>								
<i>Personnel</i>	6 428	(1 330)	5 098	5 088	10	99,80	2 748	2 677
<i>Transfer payments</i>	727 734	(8 950)	718 784	717 283	1 501	99,79	344 187	340 990
<i>Other</i>	8 196	(3 945)	4 251	5 203	(952)	122,39	3 684	3 604
<i>Capital</i>								
<i>Transfer payments</i>	-	-	-	-	-		21 000	21 000
<i>Acquisition of capital assets</i>	760	475	1 235	246	989	19,92	786	667
Total	743 118	(13 750)	729 368	727 820	1 548	99,79	372 405	368 938
Standard item classification								
<i>Personnel</i>	6 428	(1 330)	5 098	5 088	10	99,80	2 748	2 677
<i>Administrative</i>	1 475	1 154	2 629	2 631	(2)	100,08	2 431	2 412
<i>Inventories</i>	97	74	171	172	(1)	100,58	125	118
<i>Equipment</i>	796	(297)	499	518	(19)	103,81	786	667
<i>Land and buildings</i>	-	-	-	-	-		-	-
<i>Professional and special services</i>	6 588	(4 730)	1 858	1 799	59	96,82	1 093	1 073
<i>Transfer payments</i>	727 734	(8 950)	718 784	717 283	1 501	99,79	365 187	361 990
<i>Miscellaneous</i>	-	329	329	329	-	100,00	35	1
<i>Special functions</i>	-	-	-	-	-		-	-
Total	743 118	(13 750)	729 368	727 820	1 548	99,79	372 405	368 938

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2004

1. Detail of current and capital transfers as per Appropriation Act (after Virement)

Detail of these transactions can be viewed in note 10 (Transfer payments) and Annexure 1 to the annual financial statements.

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

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the annual financial statements.

3. Detail of special functions (theft and losses)

Detail of these transactions per programme can be viewed in note 12.5 (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:

Programme 5: Science and Technology for Competitiveness

The saving of R1,5 million realised under the amount budgeted for centres of excellence due to the fact that the assessment of proposals for the centres of excellence could not be finalised by 31 March 2004. The process could not be finalised as the assessment process was done by an international panel. The process was only completed in April 2004 and a request for a roll-over of funds was submitted to the National Treasury.

4.2 Per standard item:

Transfer payments: R1,5 million

5. Reconciliation of appropriation statement to income statement

	2003/04 R'000	2002/03 R'000
Total expenditure per Appropriation Statement	1 036 058	514 184
Add: Local and foreign aid assistance (including RDP funds)	1 016	16 091
Actual expenditure per Income Statement	1 037 074	530 275

MANAGEMENT REPORT VOTE 18

for the year ended 31 March 2004

REPORT BY THE ACCOUNTING OFFICER TO THE EXECUTIVE AUTHORITY AND PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA

1. General review of the state of financial affairs

The aim of the Department of Science and Technology is to realise the full potential of science and technology in social and economic development, through the development of human resources, research and innovation.

The Department has two major foci from the budget and resource allocation point of view. The resource allocation entails the management of the Science Vote process leading to the science councils reporting to the Department as well as those reporting to other departments. The second is the Department's own operational budget which is deployed in programmes tailored to address "market failures" in the National System of Innovation.

Changes to key objectives/programmes

The Department has experienced nothing, but positive changes since its establishment beginning 1 August 2002. The structural changes that the Department of Science and Technology has undergone are in line with meeting its objectives as delineated in the National Research and Development Strategy which represents the way forward for publicly financed science and technology as well as the National System of Innovation as a whole.

With the increased responsibility of poverty reduction bestowed upon most national departments by the National Treasury, the subprogramme: Poverty Reduction under Technology for Development has been awarded additional funds for the MTEF to tackle this added responsibility in a robust manner.

Composition of programmes

The activities of the Department are organised in the following programmes and these programmes' objectives and targets are outlined in detail in the programme performance section:

- Programme 1: Administration
- Programme 2: Technology for Development
- Programme 3: International Cooperation and Resources
- Programme 4: Government Science and Technology System
- Programme 5: Science and Technology for Competitiveness

Expenditure trends

The Department's expenditure of voted funds was 99,8% of the approved budget of (R1 037 795 000), in comparison with expenditure of 98,2% in the previous year. Expenditure on transfer payments increased from R693 208 million in 2002/2003 to R929 198 million in 2003/2004. The table below gives a summary of the expenditures by budget reconciliation as well as the economic classification.

MANAGEMENT REPORT VOTE 18 *Continued*

for the year ended 31 March 2004

	2003/04 R'000
Budget reconciliation	
Amount voted	1 037 795
Actual expenditure	1 036 058
Surplus	1 737
Economic classification	
Current expenditure	237
Transfer payments (current)	
Ad hoc transfer payments	1 500
Capital expenditure	
Total	1 737

Spending on transfer payments (90%) dominated the Department's Vote.

2. **Service rendered by the Department**

The Department does not provide any services to any institutions or persons on a recoverable basis.

3. **Capacity constraints**

The separation from the Department of Arts and Culture and the creation of the distinct portfolio of the Department of Science and Technology, effective 1 April 2002 resulted in added responsibilities thereby necessitating a formation and approval of a new establishment. During this financial year, a robust recruitment drive proved successful in that both critical and strategic posts have been filled and fewer programmes are still looking to fill their vacant posts.

4. **Public entities**

The following public entities were funded by the Department during the 2003/2004 financial year including the amounts appropriated to them:

Human Sciences Research Council (R70 030)

The Human Sciences Research Council (HSRC) promotes research and knowledge in the field of the human sciences in terms of the Human Sciences Research Act (23 of 1968). The HSRC has recently made a fundamental shift in its strategic orientation and programmes, which has resulted in strong growth and further projected growth in contract and consortium earnings. The Council is sensitive to the need to reach disadvantaged communities which cannot afford market rates for services. Focal areas include human resource development, the social aspects of HIV/Aids and health, an integrated approach to development, and the labour market and job creation.

National Research Foundation (R377 263)

The National Research Foundation (NRF) promotes research (both basic and applied) knowledge in science, technology and indigenous technology, in terms of the National Research Foundation Act (23 of 1998). It operates national facilities that undertake public research, train students and develop key competencies in the national interest. The Hermanus Magnetic Observatory was transferred to the NRF from the Centre for Scientific and Industrial Research during 2001 and will finalise its repositioning in 2002.

MANAGEMENT REPORT VOTE 18 *Continued*

for the year ended 31 March 2004

Africa Institute of South Africa (R11 713)

The Africa Institute of South Africa is a statutory council that carries out in-depth analysis of Africa's current affairs, gathers intelligence on issues related to the future of the continent, the African Union and Nepad, and change in general. The strong increase in funding is based on the revised mandate to develop research capabilities.

National Laser Centre (R11 540)

The National Laser Centre manages laser equipment and expertise used for research and development. The current focus is mainly on developing laser-based technology to improve the competitiveness of the South African industry, and on the transfer of knowledge and technology to the industry. The Centre provides universities and technikons with access to laser equipment and expertise to stimulate the development of a laser-based research culture.

Academy of Science of South Africa (R2 290)

The Academy of Science of South Africa Act (67 of 2001) provides for the establishment of the Academy (ASSAF). ASSAF's roles include publishing scientific reports, promoting excellence in scientific and technical practices, investigating matters of public interest concerning science and managing South African research journals.

Trusts reporting under the Science Ministry

Godisa Trust (R26 275)

Godisa operates the innovation and technology demonstration activities and an incubator programme, initiated with European Union's (EU's) financing and now co-financed with funding streams from the Department of Trade and Industry, the Department of Science and Technology and the EU. The Trust operates these initiatives under a management agreement with the Department of Trade and Industry and the Department of Science and Technology.

Tshumisano Trust (R18 966)

Tshumisano operates the technology stations programme with funding from the Department of Science and Technology and GTZ (Gesellschaft für Technische Zusammenarbeit) (technical assistance and capacity building). Technology stations are developed at technikons and service SMMEs, and build market responsiveness in the programmes of the technikons.

5. *Other organisations to which transfer payments were made*

The Department supports and promotes projects that aim to promote science and technology as well as addressing "market failure" in the National System of Innovation. To accomplish this, the Department makes grant-in-aid payments to institutions, boards, communities or other public bodies. Various programme managers in their respective units, evaluate project proposals received from various role players and enter into an agreement with the parties by signing a memorandum of agreement once the decision has been made to fund a particular project.

MANAGEMENT REPORT VOTE 18 *Continued*

for the year ended 31 March 2004

The following are programmes and organisations that were funded by the Department and the purpose for the funding are explained in detail in the section – programme performance as they form part thereof:

<i>Programme</i>	<i>Division/Project</i>	<i>Amount R'000</i>
Programme 2: Technology for Development		
National Public Assets		30 000
Indigenous Knowledge System (IKS)		5 701
Technology Transfer and Diffusion		7 775
Technology for Poverty Alleviation		9 263
Poverty Relief Programmes		22 001
Total		74 740
Programme 3: International Cooperation and Resources		
LEAD Programme		4 646
SADC Programme		125
Global Science		3 130
Total		7 901
Programme 5: Science and Technology for Competitiveness		
Biotechnology Strategy		116 001
Information and Communication Technology (ICT)		4 856
Natural Resources		650
Advanced Manufacturing		2 750
Innovation Fund		161 450
Indicators		4 500
Public Science and Youth		7 294
Centres of Excellence		11 070
Science Themes		10 484
Grant-in-aid		9 425
Total		328 480

6. **Corporate Governance Arrangements**

Resolution of the past financial year matter of emphasis

The Department has outsourced internal audit to SizweNtsaluba VSP through a tender process. The review of the departmental risk assessment and integration of the Fraud Prevention Plan has taken place. In addition to this, monitoring and a strategy of the top ten risks was developed by the Departmental Risk Management Team, comprising the Director-General, Programme Managers and the CFO.

Furthermore, during the year 2003/2004, the Department contracted Combined Systems Group, a PricewaterhouseCooper's subsidiary, to barcode the Department's assets thereby putting together an asset register. Of most importance is that the same company was used by the Auditor-General for the same purpose. Compared to the previous financial year, a stock take for consumable was done before the end of March 2004.

MANAGEMENT REPORT VOTE 18 *Continued*

for the year ended 31 March 2004

Management processes to minimise conflict of interest

To minimise conflict of interest, all Senior Managers (aka SMS members) are required on an annual basis to declare their financial interest in terms of partnerships, directorships, etc. The above is coupled with the completion of a disclosure of information for all newly recruited staff.

Audit Committee

In order to comply with the Public Finance Management Act, 1999, (PFMA) and Treasury Regulations (TRs), the Department established an Audit Committee which is comprised of five members with Mr S Kajee, a Director at KPMG as the chairperson. Ms S LeHane resigned end of April 2004. The remaining members to this date are:

Member	Institution	Position
Dr RB Adam	Department of Science and Technology	Director-General
Prof D Fourie	University of Pretoria: Public Administration	Professor
Mr M Gantsho	Gaming for Future	Executive Chairman
Mr JM Stewart	JM Stewart Consulting	Director

Compliance with Section 63(2) of the PFMA

In terms of the above section, the Minister is obligated to oversee public entities reporting to the Department. A unit within Programme 4: Government Science and Technology System was established to monitor corporate governance. Governance of the public institutions is done by applying certain benchmarking tools, ie KPIs and the Balanced Scorecard.

7. Progress with financial management improvements

The implementation of the PFMA and Treasury Regulations issued in terms of Section 76 and 77 of the Act has been given the highest priority in the Department. Delegations in this respect are approved and implemented.

Accurate financial reporting as required by the PFMA was submitted on time to relevant stakeholders. In addition to statutory requirements, the Department has an effective in-house report and cash flow management system. The small saving that we had in the current financial year attests to the continual improvement in financial management.

To create a conducive and supportive environment in managing the Department's finances, employees attended PFMA workshops throughout the year.

8. Performance information

The Department has implemented the following accountability frameworks in order to monitor progress and achieve the desired targets:

The top management is chaired by the Accounting Officer on a weekly basis whereby strategic and governance issues are discussed. The monthly management meetings include the CFO, the Manager: Management Accountant as well as the Programme Manager of a respective programme and her/his staff. Feedback and performance review aimed at monitoring programme progress is conducted.

In addition to the above, the Department conducts performance reviews against the performance agreement for all Senior Managers twice a year.

MANAGEMENT REPORT VOTE 18 *Continued*

for the year ended 31 March 2004

9. Reports after reporting date

Since its inception, the Department of Science and Technology has been paired with Arts and Culture, sharing one Ministry. After the National Election, 27 April 2004, the President announced the separation of the above departments which resulted in the Department of Science and Technology having its own Minister and Deputy Minister.

This initiative signals the President's and the Government of South Africa's focus and dedication to science and technology. Additionally, this strengthens the belief by the South African Government in scientific research and technological innovation as the pillars of robust economic development that will tremendously result in the improvement of the lives of South Africans. To this end, the spending of 0,76% of GDP in 2002 for science and technology will be exceeded without doubt and South Africa will soon reach the 1% of GDP budget spending mark.

Approval

The annual financial statements set out on pages 38 to 69 have been approved by the Accounting Officer.



Dr Rob Adam
Accounting Officer

INCOME STATEMENT (STATEMENT OF FINANCIAL PERFORMANCE)

for the year ended 31 March 2004

	Note	2003/04 R'000	2002/03 R'000
REVENUE			
<i>Voted funds</i>			
		1 037 795	524 062
Annual appropriation	1	1 037 795	524 062
Other revenue to be surrendered to the Revenue Fund	2	270	10
Local and foreign aid assistance (including RDP funds)	3	3 000	14 320
TOTAL REVENUE		1 041 065	538 392
EXPENDITURE			
<i>Current</i>			
Personnel	4	45 710	22 640
Administrative		29 902	16 979
Inventories	5	2 551	2 031
Machinery and equipment	6	5 314	-
Professional and special services	7	19 457	11 177
Transfer payments	8	929 198	436 022
Miscellaneous	9	462	27
Special functions: authorised losses	10	282	7
Local and foreign aid assistance (including RDP funds)	3	1 016	16 091
TOTAL CURRENT EXPENDITURE	A	1 033 892	504 974
<i>Capital</i>			
Machinery and Equipment	7	3 182	4 301
Transfer payments	9	-	21 000
TOTAL CAPITAL EXPENDITURE	B	3 182	25 301
TOTAL EXPENDITURE	A + B	1 037 074	530 275
NET SURPLUS/(DEFICIT)		3 991	8 117
NET SURPLUS/(DEFICIT) FOR THE YEAR		3 991	8 117
<i>Reconciliation of net surplus/(deficit) for the year</i>			
Voted Funds to be surrendered to the Revenue Fund	13	1 737	9 878
Other Revenue to be surrendered to the Revenue Fund	14	270	(1 761)
Local and foreign aid assistance (including RDP Funds) rolled over	3	1 984	-
NET SURPLUS/(DEFICIT) FOR THE YEAR		3 991	8 117

BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)

at 31 March 2004

	Note	2003/04 R'000	2002/03 R'000
ASSETS			
Current assets		2 052	173 910
Cash and cash equivalents	11	1 256	170 900
Receivables	12	796	1 239
Local and foreign aid assistance (including RDP funds) receivable from the RDP fund/donors	3	–	1 771
TOTAL ASSETS	A	2 052	173 910
LIABILITIES			
Current liabilities		1 834	173 898
Voted funds to be surrendered to the Revenue Fund	13	1 737	9 878
Other Revenue funds to be surrendered to the Revenue Fund	14	81	10
Payables	15	16	164 010
Local and foreign aid assistance (including RDP funds) repayable to the RDP fund/donors	3	–	–
TOTAL LIABILITIES	B	1 834	173 898
NET ASSETS/LIABILITIES	A – B	218	12
Represented by		218	12
Capitalisation reserve		–	–
Recoverable revenue		5	12
Local and foreign aid assistance (including RDP funds) rolled over	3	213	–
TOTAL		218	12

CASH FLOW STATEMENT

for the year ended 31 March 2004

	Note	2003/04 R'000	2002/03 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash flow generated by operating activities	16	7 173	35 178
Cash generated/(utilised) to (increase)/decrease working capital	17	(163 558)	162 793
Voted funds and revenue funds surrendered	18	(10 077)	-
Local and foreign aid assistance (including RDP funds)	3	-	(1 771)
Net cash flow available from operating activities		(166 462)	196 200
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(3 182)	(25 300)
Net cash flows from operating and investing activities		(169 644)	170 900
Net increase/(decrease) in cash and cash equivalents		(169 644)	170 900
Cash and cash equivalents at beginning of period		170 900	-
Cash and cash equivalents at end of period	11	1 256	170 900

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2004

	Note	2003/04 R'000	2002/03 R'000
Capitalisation reserve			
Opening balance		-	-
Transfers		-	-
Closing balance		-	-
Recoverable revenue			
Opening balance		12	-
Transfer to Revenue Fund	15	7	4
Debts written off	12.4	-	16
Debts raised		-	-
Closing balance		5	12
Local and foreign aid assistance (including RDP funds) remaining			
Opening balance	4	(1 771)	-
Transfers	4	1 771	-
Transfer to/from other reserves	4	-	-
Closing balance		-	-
TOTAL		5	12

STATEMENT OF ACCOUNTING POLICIES AND RELATED MATTERS

for the year ended 31 March 2004

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material respects, 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), the Treasury Regulations for Departments and Constitutional Institutions issued in terms of the Act and the Division of Revenue Act, Act 7 of 2003.

1. **Basis of preparation**

The financial statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosures. The reporting entity is in transition from reporting on a cash basis of accounting to reporting on an accrual basis of accounting. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid. Under the accrual basis of accounting transactions and other events are recognised when incurred and not when cash is received or paid.

2. **Revenue**

Voted funds are the amounts appropriated to a department in accordance with the final budget known as the Adjusted Estimates of National/Provincial Expenditure. Unexpended voted funds are annually surrendered to the National/Provincial Revenue Fund.

Interest and dividends received are recognised upon receipt of the funds, and no accrual is made for interest or dividends receivable from the last receipt date to the end of the reporting period. They are recognised as revenue in the financial statements of the department and then transferred annually to the National/Provincial Revenue Fund.

3. **Donor aid**

Donor aid is recognised in the income statement in accordance with the cash basis of accounting.

4. **Current expenditure**

Current expenditure is recognised in the income statement when the payment is made.

5. **Unauthorised, irregular, fruitless and wasteful expenditure**

Unauthorised expenditure means:

- the overspending of a vote or a main division within a vote, or
- expenditure that was not made in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

Unauthorised expenditure is treated as a current asset in the balance sheet until such expenditure is recovered from a third party or funded from future voted funds.

Irregular expenditure means expenditure, other than unauthorised expenditure, incurred in contravention of or not in accordance with a requirement of any applicable legislation, including:

- the Public Finance Management Act,
- the State Tender Board Act, or any regulations made in terms of this act, or
- any provincial legislation providing for procurement procedures in that provincial government.

Irregular expenditure is treated as expenditure in the income statement.

Fruitless and wasteful expenditure means expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful must be recovered from a responsible official (a debtor account should be raised), or the vote if responsibility cannot be determined. It is treated as a current asset in the balance sheet until such expenditure is recovered from the responsible official or funded from future voted funds.

STATEMENT OF ACCOUNTING POLICIES AND RELATED MATTERS *Continued*

for the year ended 31 March 2004

6. **Debts written off**

Debts are written off when identified as irrecoverable. No provision is made for irrecoverable amounts.

7. **Capital expenditure**

Expenditure for physical items on hand on 31 March 2003 to be consumed in the following financial year, is written off in full when they are received and are accounted for as expenditure in the income statement.

8. **Investments**

Non-current investments excluding marketable securities are shown at cost and adjustments are made only where in the opinion of the directors, the investment is impaired. Where an investment has been impaired, it is recognised as an expense in the period in which the impairment is identified.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the income statement.

9. **Investments in controlled entities**

Investments in controlled entities are those entities where the reporting entity has the ability to exercise any of the following powers to govern the financial and operating policies of the entity in order to obtain benefits from its activities:

- To appoint or remove all, or the majority of, the members of that entity's board of directors or equivalent governing body;
- To appoint or remove the entity's chief executive officer;
- To cast all, or the majority of, the votes at meetings of that board of directors or equivalent governing body; or
- To control all, or the majority of, the voting rights at a general meeting of that entity.

Investments in controlled entities are shown at cost.

10. **Receivables**

Receivables are not normally recognised under the cash basis of accounting. However, receivables included in the balance sheet arise from cash payments that are recoverable from another party.

Receivables for services delivered are not recognised in the balance sheet as a current asset or as income in the income statement, as the financial statements are prepared on a cash basis of accounting, but are disclosed separately as part of the disclosure notes to enhance the usefulness of the financial statements.

11. **Payables**

Payables are not normally recognised under the cash basis of accounting. However, payables included in the balance sheet arise from cash receipts that are due to the Provincial/National Revenue Fund or another party.

12. **Provisions**

A provision is a liability of uncertain timing or amount. Provisions are not normally recognised under the cash basis of accounting, but are disclosed separately as part of the disclosure notes to enhance the usefulness of the financial statements.

13. **Lease commitments**

Lease commitments for the period remaining from the accounting date until the end of the lease contract are disclosed as part of the disclosure note to the financial statements. These commitments are not recognised in the balance sheet as a liability or as expenditure in the income statement as the financial statements are prepared on the cash basis of accounting.

STATEMENT OF ACCOUNTING POLICIES AND RELATED MATTERS *Continued*

for the year ended 31 March 2004

14. **Accruals**

This amount represents goods/services that have been delivered, but no invoice has been received from the supplier at year end, OR an invoice has been received but remains unpaid at year end. These amounts are not recognised in the balance sheet as a liability or as expenditure in the income statement as the financial statements are prepared on a cash basis of accounting, but are however disclosed as part of the disclosure notes.

15. **Employee benefits**

Short-term employee benefits

The cost of short-term employee benefits is expensed in the income statement in the reporting period when the payment is made. Short-term employee benefits, that give rise to a present legal or constructive obligation, are deferred until they can be reliably measured and then expensed. Details of these benefits and the potential liabilities are disclosed as a disclosure note to the financial statements and are not recognised in the income statement.

Termination benefits

Termination benefits are recognised and expensed only when the payment is made.

Retirement benefits

The Department provides retirement benefits for 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 money is paid to the fund. 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/Provincial Revenue Fund and not in the financial statements of the employer department.

Medical benefits

The Department provides medical benefits for (certain/all) its employees through defined benefit plans. These benefits are funded by employer and/or employee contributions. Employer contributions to the fund are expensed when money is paid to the fund. No provision is made for medical benefits in the financial statements of the Department.

Retirement medical benefits for retired members are expensed when the payment is made to the fund.

16. **Capitalisation reserve**

The capitalisation reserve represents an amount equal to the value of the investments and/or loans capitalised for the first time in the previous financial year. On disposal, repayment or recovery, such amounts are transferable to the Revenue Fund.

17. **Recoverable revenue**

Recoverable revenue represents payments made and recognised in the income statement as an expense in previous years due to non-performance in accordance with an agreement, which have now become recoverable from a debtor. Repayments are transferred to the Revenue Fund as and when the repayment is received.

18. **Comparative figures**

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year. The comparative figures shown in these financial statements are limited to the figures shown in the previous year's audited financial statements and such other comparative figures that the Department may reasonably have available for reporting.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2004

1. Annual appropriation

Included are funds appropriated in terms of the Appropriation Act for National Departments (voted funds) and Provincial Departments (equitable share):

Programmes	Total appropriation 2003/04	Actual	Variance over/(under)	Total appropriation 2002/03 R'000
Programme 1: Administration	53 278	53 278	–	30 463
Programme 2: Technology for Development	200 547	200 547	–	86 463
Programme 3: International Cooperation and Resources	40 535	40 535	–	26 010
Programme 4: Government Science and Technology System	14 067	14 067	–	8 721
Programme 5: Science and Technology for Competitiveness	729 368	729 368	–	372 405
TOTAL	1 037 795	1 037 795	–	524 062

See note No 4 of the notes to the appropriation statement for explanation of material variances.

	2003/04 R'000	2002/03 R'000
2. Other revenue to be surrendered to the Revenue Fund		
<i>Description</i>		
Cheques written back/stale cheques	1	(1)
Interest plus capital received	20	5
Interest received (other)	3	–
Other	246	6
	270	10

	Opening balance	Revenue	Expenditure current	Capital	Closing balance
3. Local and foreign aid assistance (including RDP funds)					
3.1 Assistance received in cash					
<i>Name of donor and purpose</i>					
European donor funded projects (GODISA Programme)	(1 771)	3 000	1 016	–	213
	(1 771)	3 000	1 016	–	213
<i>Analysis of balance</i>					
Amounts owing by the RDP fund/donors				–	1 771
Amounts owing to the RDP fund/donors				213	–
<i>Balance remaining</i>				213	1 771

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *Continued*

for the year ended 31 March 2004

	Note	2003/04 R'000	2002/03 R'000
4. Personnel			
4.1 Current expenditure			
Basic salary costs		37 389	17 361
Pension contributions		3 453	1 767
Medical aid contributions		1 271	721
Other salary related costs		3 597	2 791
Total personnel costs		45 710	22 640
Average number of employees		158	122
5. Inventories			
5.1 Current expenditure			
Inventories purchased during the year			
Repairs and maintenance of assets		15	14
Supplies expended			
Books/magazines/publications		456	272
Departmental printing		470	297
Stationery		1 278	1 080
Other		332	368
		2 551	2 031
6. Machinery and equipment			
Current (Rentals, maintenance and sundry)		5 314	–
Capital	7.1	3 182	4 301
Total current and capital expenditure		8 496	4 301
6.1 Capital machinery and equipment analysed as follows:			
Computer equipment		1 930	2 689
Furniture and office equipment		1 165	1 277
Other machinery and equipment		87	335
		3 182	4 301
7. Professional and special services			
7.1 Current expenditure			
Auditors' remuneration			
Regulatory		659	536
Performance		–	–
Other audits		–	–
Contractors		775	609
Consultants and advisory services		751	760
Commissions and committees		–	–
Computer services		2 830	647
Other (specify material amounts separately)		14 442	8 625
		19 457	11 177

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *Continued*

for the year ended 31 March 2004

	Note	2003/04 R'000	2002/03 R'000
8. Transfer payments			
Transfers to public entities and institutions	Annexure 1A	461 296	252 181
Other transfers	Annexure 1B	467 902	204 842
		929 198	457 023
Analysis of transfer payments			
Capital		–	21 000
Current		929 198	436 022
		929 198	457 022
9. Miscellaneous			
9.1 Current expenditure			
Gifts, donations and sponsorships	9.2	462	25
Other		–	2
Total miscellaneous expenditure		462	27
9.2 Gifts, donations and sponsorships paid in cash by the Department (items expensed during the current year)			
Nature of gifts, donations and sponsorships			
Current			
Sponsorship: National Science and Technology Forum		225	–
Sponsorship: Science Week – Working Solutions International		11	–
Women in Science Awards		50	–
Sponsorship: Expo for young scientists		35	–
Awards, gifts and donations		141	25
		462	25
10. Special functions: Authorised losses			
Other material losses written off in income statement	10.1	169	7
Debts written off	10.2	113	–
		282	7
10.1 Other material losses written off in income statement			
Nature of losses			
Damages to hired vehicles		169	7
		169	7
10.2 Debts written off			
Nature of debts written off			
Unauthorised expenditure: Mrs NW Madikizela-Mandela		113	–
		113	–
10.3 Details of special functions (theft and losses)			
Per programme			
Programme 1: Administration		257	7
Programme 4: Government Science and Technology System		25	–
		282	7

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *Continued*

for the year ended 31 March 2004

	Note	2003/04 R'000	2002/03 R'000
11. Cash and cash equivalents			
Paymaster General Account		1 221	170 865
Cash on hand		35	35
		1 256	170 900
12. Receivables – current			
Amounts owing by other departments	Annexure 6	–	–
Staff debtors	12.2	150	328
Other debtors	12.3	625	890
Advances	12.4	21	21
		796	1 239
12.1 Age analysis – receivables current			
Less than one year		550	1 239
One to two years (List material amounts)		246	
More than two years (List material amounts)			
		796	1 239
12.2 Staff debtors			
Travel and subsistence		134	299
Bursary debts		2	9
Other		14	20
		150	328
12.3 Other debtors			
Claims recoverable: Departments/Institutions		147	238
Claims recoverable: Theft and losses		144	–
Disallowance miscellaneous		–	5
South African Revenue Services			478
Persal salaries and stoppages		7	–
Claims receivable: Travel and subsistence		327	169
		625	890
12.4 Advances			
Nature of advances			
Salary advances		21	21
		21	21
13. Voted funds to be surrendered to the Revenue Fund			
Opening balance		9 878	9 878
Transfer from income statement		1 737	–
Voted funds not requested/not received		–	–
Paid during the year		(9 878)	–
Closing balance		1 737	9 878

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *Continued*

for the year ended 31 March 2004

	Note	2003/04 R'000	2002/03 R'000
14. Other revenue funds to be surrendered to the Revenue Fund			
Opening balance		(1 761)	10
Transfer from income statement for revenue to be surrendered		270	-
Transfer from local and foreign aid assistance (including RDP funds)		1 771	(1 771)
Paid during the year		(199)	
Closing balance		81	(1 761)
15. Payables – current			
Description			
Other payables	15.1	16	164 010
		16	164 010
15.1 Other payables			
South African Revenue Services		16	-
Persal salaries and stoppages		-	-
Outstanding payments		-	21 637
Dishonoured cheques		-	10
Salary deduction disallowed		-	25
Salary reversal control		-	5
Conversion account		-	142 051
Conversion account – debt		-	282
		16	164 010
16. Net cash flow generated by operating activities			
Net surplus as per income statement		3 991	9 878
Adjusted for items separately disclosed		3 182	25 300
Capital expenditure		3 182	25 300
Voted funds not requested/not received			
Adjusted for non-cash items			
Proceeds on sale of financial assets		-	-
Net cash flow generated by operating activities		7 173	35 178
17. Cash generated/(utilised) to (increase)/decrease working capital			
(Increase)/decrease in receivables – current			
(Increase)/decrease in receivables – non-current		442	(1 218)
(Increase)/decrease in prepayments and advances		-	(21)
Increase/(decrease) in payables – current		(164 000)	164 032
Increase/(decrease) in payables – non-current			
		(163 558)	162 793
18. Voted funds and revenue funds surrendered			
Voted funds surrendered		9 878	-
Revenue funds surrendered		199	-
		10 077	-

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2004

These amounts are not recognised in the financial statements, and are 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), the Treasury Regulations for Departments and Constitutional Institutions issued in terms of the Act and the Division of Revenue Act, Act 7 of 2003.

	Note	2003/04 R'000	2002/03 R'000
19. Contingent liabilities			
<i>Liable to</i>	<i>Nature</i>		
Motor vehicle guarantees	Employees	207	168
Housing loan guarantees	Employees	646	507
		853	675
20. Employee benefits			
Leave entitlement		2 690	2 934
Thirteenth cheque		1 048	590
Performance bonus		–	–
		3 738	3 524
	Equipment	2003/04 Total	2002/03 Total
21. Leases			
21.1 Operating leases			
Cellular phone contracts			
Not later than 1 year	141	141	13
Later than 1 year and not later than 3 years	334	334	387
	475	475	400
Photo copier rentals			
Not later than 1 year	–	–	36
Later than 1 year and not later than 3 years	389	389	23
	389	389	59
	864	864	459

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS *Continued*

for the year ended 31 March 2004

21. Leases *Continued*

21.1 Operating leases *Continued*

	Company	Equipment	2003/04 Total	2002/03 Total
Cellular phone contracts				
	<i>Nashua</i>			
<i>Not later than 1 year</i>		51	51	-
<i>Later than 1 year and not later than 3 years</i>		61	61	-
	<i>Smartcom</i>			
<i>Not later than 1 year</i>		9	9	-
<i>Later than 1 year and not later than 3 years</i>		254	254	-
	<i>Supercall</i>			
<i>Not later than 1 year</i>		57	57	-
	<i>Vodacom</i>			
<i>Not later than 1 year</i>		24	24	-
<i>Later than 1 year and not later than 3 years</i>		9	9	-
	<i>MTN</i>			
<i>Later than 1 year and not later than 3 years</i>		10	10	-
		475	475	-
Photo copier rentals				
	<i>Minolco</i>			
<i>Not later than 1 year</i>		-	-	-
<i>Later than 1 year and not later than 3 years</i>		152	152	-
	<i>Nashua Kopano</i>			
<i>Not later than 1 year</i>		-	-	-
<i>Later than 1 year and not later than 3 years</i>		12	12	-
	<i>Naledi Office Automation</i>			
<i>Not later than 1 year</i>		-	-	-
<i>Later than 1 year and not later than 3 years</i>		225	225	-
		389	389	-
		864	389	-

Comparative figures for the previous financial year per company is not available.

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS *Continued*

for the year ended 31 March 2004

22. **Related party transactions**

No related party transactions took place during the period under review, other than transactions that occur within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those which it is reasonable to expect the Department would have adopted if dealing with that individual or entity at arm's length in the same circumstances.

	2003/04 R'000	2002/03 R'000
23. Key management personnel		
23.1 Remuneration		
Remuneration in terms of approved salary structures	4 569	1 847
Minister	880	-
Deputy Minister	669	-
Director-General	866	-
Deputy Directors-General	1 754	-
Chief Financial Officer	400	-
	4 569	1 847
<i>Comparative figures for the previous financial year is not available.</i>		
23.2 Other remuneration and compensation provided to key management and close members of the family of key management personnel		
<i>Key management personnel does not qualify for any other remuneration other than the approved remuneration structures.</i>		
23.3 Loans that are not widely available (and/or widely known) to persons outside the key management		
<i>No loans were granted to key management personnel in the Department.</i>	-	-
	-	-

ANNEXURE 1A

STATEMENT OF TRANSFERS TO PUBLIC ENTITIES AND INSTITUTIONS BY NATIONAL DEPARTMENTS AS AT 31 MARCH 2004

	GRANT ALLOCATION				EXPENDITURE				
	Appropriations Act R'000	Adjustments estimate R'000	Roll-overs R'000	Total available R'000	Actual transfer ⁽¹⁾ R'000	Amount not transferred R'000	% of available transferred R'000	Capital R'000	Current R'000
<i>Human Sciences Research Council</i>	70 030			70 030	70 030	-	100,00		70 030
<i>Africa Institute of South Africa</i>	11 713			11 713	11 713	-	100,00		11 713
<i>Academy of Sciences of South Africa</i>	2 090		200	2 290	2 290	-	100,00		2 290
<i>National Research Foundation</i>	377 263			377 263	377 263	-	100,00		377 263
	461 096	-	200	461 296	461 296	-		-	461 296

ANNEXURE 1B

STATEMENT OF OTHER TRANSFERS BY NATIONAL DEPARTMENTS AS AT 31 MARCH 2004

(List each Transfer by Public Entity/ Institution)	GRANT ALLOCATION				EXPENDITURE				
	Appropriations Act R'000	Adjustments estimate R'000	Roll-overs R'000	Total available R'000	Actual transfer ⁽¹⁾ R'000	Amount not transferred R'000	% of available transferred R'000	Capital R'000	Current R'000
National Advisory Council on Innovation	4 000	(4 000)		-					
Indigenous Knowledge Systems	5 000	1 000	350	6 350	5 701	649	89,78		5 701
Technology Diffusion Programmes	44 000	6 300	2 997	53 297	46 176	7 121	86,64		46 176
Technology for Development Grant-in-aid projects	30 000			30 000	36 840	(6 840)	122,80		36 840
Poverty Alleviation Programmes	15 000	(2 800)		12 200	9 263	2 937	75,93		9 263
Poverty Relief Programmes	22 000			22 000	22 001	(1)	100,00		22 001
Global Science	20 000		1 228	21 228	7 901	13 327	37,22		7 901
Biotechnology Strategy	117 500	(1 000)	2 449	118 949	116 001	2 948	97,52		116 001
Information Communication Technology	5 000			5 000	4 856	144	97,12		4 856
Natural Resources	1 000			1 000	650	350	65,00		650
Advanced Manufacturing	2 000			2 000	2 750	(750)	137,50		2 750
Innovation Fund	161 450			161 450	161 450	0	100,00		161 450
National Laser Centre	11 540			11 540	11 540	0	100,00		11 540
Indicators	2 000			2 000	4 500	(2 500)	225,00		4 500
Science and Technology Grant-in-aid projects	5 486			5 486	9 426	(3 940)	171,82		9 426
Public Science and Youth	8 000		46	8 046	7 294	752	90,65		7 294
Centres of excellence	15 000			15 000	11 070	3 930	73,80		11 070
Science Themes	23 500	(3 500)		20 000	10 483	9 517	52,42		10 483
	492 476	-	7 070	495 546	467 902	27 644			467 902

(1) *Reasons for underspending*

The majority of savings was shifted to administrative and other associated costs in terms of projects/programmes that the Department has undertaken during the financial year as these costs regarding the implementation and execution of the projects/programmes were not known at the time of the submission of the Estimates of National Expenditure (ENE) 2003.

A request for R1,5 million realised under the amount budgeted for centres of excellence was resubmitted to the National Treasury for roll-over funding.

ANNEXURE 2

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2004 DOMESTIC/FOREIGN

Guaranteed institution	Guarantee in respect of	Original guaranteed capital amount R'000	Opening balance 1 April 2003 R'000	Guarantees issued during the year R'000	Guarantees released during the year R'000	Guaranteed interest outstanding as at 31 March 2004 R'000	Closing balance 31 March 2004 R'000	Realised losses in respect of claims paid out R'000
Stannic Corporate	Motor vehicles – SMS	375	168	207	168	–	207	–
Absa Bank	Housing loan	282	282	18	–	–	300	–
Standard Bank	Housing loan	83	83	41	–	–	124	–
First National Bank	Housing loan	91	91	35	–	–	126	–
Nedbank	Housing loan	39	39	26	–	–	65	–
Old Mutual	Housing loan	12	12	–	–	–	12	–
VSB Mutual Bank	Housing loan	–	–	19	–	–	19	–
		882	675	346	168	–	853	–

ANNEXURE 3

PHYSICAL ASSET MOVEMENT SCHEDULE (NOT INCLUDING INVENTORIES)

	Opening balance R'000	Additions R'000	Disposals R'000	Transfers in R'000	Transfers out R'000	Closing balance R'000
PHYSICAL ASSETS ACQUIRED DURING FINANCIAL YEAR 2003/04						
MACHINERY AND EQUIPMENT	8 002	3 182	-	-	-	11 184
Computer equipment	4 378	1 930				6 308
Furniture and office equipment	2 985	1 165				4 150
Other machinery and equipment	639	87				726
	8 002	3 182	-	-	-	11 184
PHYSICAL ASSETS ACQUIRED DURING FINANCIAL YEAR 2002/03						
MACHINERY AND EQUIPMENT	-	4 301	-	3 701	-	8 002
Computer equipment	-	2 689		1 689		4 378
Furniture and office equipment	-	1 277		1 708		2 985
Other machinery and equipment	-	335		304		639
	-	4 301	-	3 701	-	8 002

HUMAN RESOURCE OVERSIGHT REPORT

1. Expenditure

The Department's budget in terms of clearly defined programmes. The following tables summarise final audited expenditure by programme (Table 1.1) and by salary bands (Table 1.2). In particular, it provides an indication of the amount spent on personnel costs in terms of each of the programmes or salary bands within the department.

Table 1.1 – Personnel costs by programme, 2003/04

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services (R'000)	Personnel cost as a % of total expenditure	Average personnel cost per employee (R'000)
1. Administration	53 183	21 845	87	9 239	41,08	280
2. Technology for Development	200 497	4 715	51	2 356	2,35	189
3. International Cooperation and Resources	40 508	7 899	123	4 195	19,50	203
4. Government Science and Technology System	14 050	6 163	59	1 868	43,86	167
5. Science and Technology for Competitiveness	727 820	5 088	16	1 798	0,70	196
Total	1 036 058	45 710	336	19 456	14,51	223

Table 1.2 – Personnel costs by salary bands, 2003/04

Salary bands	Personnel expenditure (R'000)	% of total personnel cost	Average personnel cost per employee (R'000)
Lower skilled (Levels 1 – 2)	200	0,44	50
Skilled (Levels 3 – 5)	2 000	4,38	74
Highly skilled production (Levels 6 – 8)	6 510	14,24	155
Highly skilled supervision (Levels 9 – 12)	18 000	39,38	225
Senior management (Levels 13 – 16)	19 000	41,57	514
Total	45 710	100	223

HUMAN RESOURCE OVERSIGHT REPORT *Continued*

The following tables provide a summary per programme (Table 1.3) and salary bands (Table 1.4), of expenditure incurred as a result of salaries, overtime, homeowners' allowance and medical assistance. In each case, the table provides an indication of the percentage of the personnel budget that was used for these items.

Table 1.3 – Salaries, overtime, homeowners' allowance and medical assistance by programme, 2003/04

Programme	Salaries		Overtime		Homeowners' allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical assistance as a % of personnel cost
1. Administration	13 149	60,19	498	2,28	176	0,81	629	2,88
2. Technology for Development	3 130	66,38	24	0,51	29	0,62	100	2,12
3. International Cooperation and Resources	4 845	61,34	162	2,05	59	0,75	262	3,32
4. Government Science and Technology System	3 990	64,74	254	4,12	52	0,84	201	3,26
5. Science and Technology for Competitiveness	3 448	67,77	32	0,63	26	0,51	122	2,40
Total	28 562	62,49	970	2,12	342	0,75	1 314	2,87

Table 1.4 – Salaries, overtime, homeowners' allowance and medical assistance by salary bands, 2003/04

Salary bands	Salaries		Overtime		Homeowners' allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical assistance as a % of personnel cost
Lower skilled (Levels 1 – 2)	89	0,19	63	0,14	10	0,02	14	0,03
Skilled (Levels 3 – 5)	1 162	2,54	127	0,28	50	0,11	100	0,22
Highly skilled production (Levels 6 – 8)	4 321	9,45	405	0,89	120	0,26	500	1,09
Highly skilled supervision (Levels 9 – 12)	8 991	19,67	375	0,82	162	0,35	700	1,53
Senior management (Levels 13 – 16)	13 999	30,63						
Total	28 562	62,49	970	2,12	342	0,75	1 314	2,87

HUMAN RESOURCE OVERSIGHT REPORT *Continued*

2. Employment and vacancies

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment. This information is presented in terms of three key variables: programme (Table 3.1), salary bands (Table 3.2) and critical occupations (Table 3.3). Departments have identified critical occupations that need to be monitored. Table 3.3 provides establishment and vacancy information for the key critical occupations of the Department.

The vacancy rate reflects the percentage of posts that are not filled.

Table 2.1 – Employment and vacancies by programme, 31 March 2004

Programme	Number of posts	Number of posts filled	Vacancy rate (%)	Number of posts filled additional to the establishment
1. Administration	114	63	44,74	None
2. Technology for Development	49	25	48,98	
3. International Cooperation and Resources	54	39	27,78	
4. Government Science and Technology System	57	37	35,09	
5. Science and Technology for Development	53	26	50,94	
Total	327	190	41,89	

Table 2.2 – Employment and vacancies by salary bands, 31 March 2004

Salary bands	Number of posts	Number of posts filled	Vacancy rate (%)	Number of posts filled additional to the establishment
Lower skilled (Levels 1 – 2)	10	4	60	None
Skilled (Levels 3 – 5)	56	27	51,79	
Highly skilled production (Levels 6 – 8)	67	42	37,31	
Highly skilled supervision (Levels 9 – 12)	141	80	43,26	
Senior management (Levels 13 – 16)	53	37	30,19	
Total	327	190	41,89	

The information in each case reflects the situation as at 31 March 2004. For an indication of changes in staffing patterns over the year under review, please refer to section 4 of this report.

HUMAN RESOURCE OVERSIGHT REPORT *Continued*

Table: 2.3 – Employment and vacancies by critical occupation, 31 March 2004 – None

3. Job evaluation

The Public Service Regulations, 1999 introduced job evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the regulations all vacancies on salary levels nine and higher must be evaluated before they are filled. This was complemented by a decision by the Minister for the Public Service and Administration that all SMS jobs must be evaluated before 31 December 2002.

The following table (Table 3.1) summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.1 – Job evaluation, 1 April 2003 to 31 March 2004

Job evaluation	Number of posts	Number of jobs evaluated	% of posts evaluated by salary bands	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1 – 2)	10	3	30	3	100	0	0
Skilled (Levels 3 – 5)	56	6	10,71	2	33,33	0	0
Highly skilled production (Levels 6 – 8)	67	15	22,39	3	20	0	0
Highly skilled supervision (Levels 9 – 12)	141	47	33,33		2,13	0	0
Senior Management Service Band A	37	4	10,81	0	0	0	0
Senior Management Service Band B	11	0	0	0	0	0	0
Senior Management Service Band C	4	0	0	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
Total	327	75	22,94	8	10,7	0	0

HUMAN RESOURCE OVERSIGHT REPORT *Continued*

The following table provides a summary of the number of employees whose salary positions were upgraded due to their posts being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 3.2 – Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2003 to 31 March 2004

Beneficiaries	African	Asian	Coloured	White	Total
Female	3	0	0	1	4
Male	4	0	0	0	4
Total	7	0	0	1	8
Employees with a disability	None				

Table 3.3 – Employees whose salary level exceed the grade determined by job evaluation, 1 April 2003 to 31 March 2004 (in terms of PSR 1.V.C.3) – None

Table 3.3 – Total number of employees whose salary level exceed the grades determined by job evaluation in 2003/04 – None

4. Employment changes

This section provides information on changes in employment over the financial year.

Turnover rates provide an indication of trends in the employment profile of the Department. The following tables provide a summary of turnover rates by salary bands (Table 4.1) and by critical occupations (Table 4.2).

Table 4.1 – Annual turnover rates by salary bands for the period 1 April 2003 to 31 March 2004

Salary bands	Number of employees per band as on 1 April 2004	Appointments and transfers into the Department 1 April 2003 – 31 March 2004	Terminations and transfers out of the Department 1 April 2003 – 31 March 2004	Turnover rate
Lower skilled (Levels 1 – 2)	5	2	0	0
Skilled (Levels 3 – 5)	34	6	0	0
Highly skilled production (Levels 6 – 8)	23	8	0	0
Highly skilled supervision (Levels 9 – 12)	52	33	4	7,69
Senior Management Service Band A	12	12	1	8,33
Senior Management Service Band B	3	4	0	0
Senior Management Service Band C	1	2	0	0
Senior Management Service Band D	1	0	0	0
Total	131	64	5	3,82

HUMAN RESOURCE OVERSIGHT REPORT *Continued*

Table 4.2 – Annual turnover rates by critical occupation for the period 1 October to 31 March 2003 – None

Table 4.3 identifies the major reasons why staff left the Department.

Table 4.3 – Reasons why staff are leaving the Department

Termination type	Number	% of total
Death	0	0
Resignation	5	100
Expiry of contract	0	
Dismissal – operational changes	0	0
Dismissal – misconduct	0	0
Dismissal – inefficiency	0	0
Discharged due to ill-health	0	0
Retirement	0	0
Transfers to other public service departments	0	0
Other	0	0
Total	5	100
Total number of employees who left as a % of the total employment		3,82

Table 4.4 – Promotions by critical occupation – None

Promotions by salary bands, 1 April 2003 to 31 March 2004

Salary bands	Employees 1 April 2003	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1 – 2)	5	0	0	0	0
Skilled (Levels 3 – 5)	34	0	0	0	0
Highly skilled production (Levels 6 – 8)	23	2	8,70	3	13,04
Highly skilled supervision (Levels 9 – 12)	52	5	9,62	4	7,69
Senior management (Levels 13 – 16)	17	6	35,29	3	17,65
Total	131	13	9,92	10	7,63

HUMAN RESOURCE OVERSIGHT REPORT *Continued*

5. Employment equity

The tables in this section are based on the formats prescribed by the Employment Equity Act, 55 of 1998.

5.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2004

Occupational categories (SASCO)	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Management (Levels 13 – 16)	15	2	2	5	10	1	2	0	37
Middle management (Levels 9 – 12)	27	1	5	2	32	3	3	7	80
Administrative (Levels 6 – 8)	8	0	0	3	21	3	0	7	42
Clerical (Levels 3 – 5)	7	1	0	0	16	1	0	2	27
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations (Levels 1 – 2)	2	0	0	0	2	0	0	0	4
Total	59	4	7	10	81	8	5	16	190
Employees with disabilities	1	0	0	0	1	0	0	0	2

HUMAN RESOURCE OVERSIGHT REPORT *Continued*

5. *Employment equity* *Continued*

5.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2004

Occupational bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management (Levels 15 – 16)	0	1	1	1	1	0	0	0	4
Senior management (Levels 13 – 14)	15	1	1	4	9	1	2	0	33
Professionally qualified and experienced specialists and mid-management (Levels 9 – 12)	27	1	5	2	32	3	3	7	80
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents (Levels 6 – 8)	8	0	0	3	21	3	0	7	42
Semi-skilled and discretionary decision making (Levels 3 – 5)	7	1	0	0	16	1	0	2	27
Unskilled and defined decision making (Levels 1 – 2)	2	0	0	0	2	0	0	0	4
Total	59	4	7	10	81	8	5	16	190

HUMAN RESOURCE OVERSIGHT REPORT *Continued*

5. Employment equity *Continued*

5.3 Recruitment for the period 1 April 2003 to 31 March 2004

Occupational bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management (Levels 15 – 16)	0	0	1	0	1	0	0	0	2
Senior management (Levels 13 – 14)	10	0	0	1	5	0	0	0	16
Professionally qualified and experienced specialists and mid-management (Levels 9 – 12)	9	1	4	0	14	0	1	2	31
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents (Levels 6 – 8)	1	0	0	0	5	1	0	0	7
Semi-skilled and discretionary decision making (Levels 3 – 5)	1	0	0	0	5	0	0	0	6
Unskilled and defined decision making (Levels 1 – 2)	0	0	0	0	2	0	0	0	2
Total	21	1	5	1	32	1	1	2	64
Employees with disabilities	1	0	0	0	0	0	0	0	1

HUMAN RESOURCE OVERSIGHT REPORT *Continued*

5. Employment equity *Continued*

5.4 Promotions for the period 1 April 2003 to 31 March 2004

Occupational bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management (Levels 15 – 16)	0	0	0	0	0	0	0	0	0
Senior management (Levels 13 – 14)	2	1	0	2	1	0	0	0	6
Professionally qualified and experienced specialists and mid-management (Levels 9 – 12)	3	0	0	0	2	0	0	0	5
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents (Levels 6 – 8)	1	0	0	0	1	0	0	0	2
Semi-skilled and discretionary decision making (Levels 3 – 5)	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making (Levels 1 – 2)	0	0	0	0	0	0	0	0	0
Total	6	1	0	2	4	0	0	0	13
Employees with disabilities	None								

HUMAN RESOURCE OVERSIGHT REPORT *Continued*

5. Employment equity *Continued*

5.5 Terminations for the period 1 April 2003 to 31 March 2004

Occupational bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management (Levels 15 – 16)	0	0	0	0	0	0	0	0	0
Senior management (Levels 13 – 14)	0	0	0	0	1	0	0	0	1
Professionally qualified and experienced specialists and mid-management (Levels 9 – 12)	4	0	0	0	0	0	0	0	4
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents (Levels 6 – 8)	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making (Levels 3 – 5)	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making (Levels 1 – 2)	0	0	0	0	0	0	0	0	0
Total	4	0	0	0	1	0	0	0	5
Employees with disabilities	None								

5.6 Disciplinary action for the period 1 April 2003 to 31 March 2004

	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary action	0	0	0	0	1	0	0	1	2

HUMAN RESOURCE OVERSIGHT REPORT *Continued*

5. Employment equity *Continued*

5.7 Skills development for the period 1 April 2003 to 31 March 2004

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers (Levels 13 – 16)	6	1	1	1	3	0	2	0	14
Professionals (Levels 9 – 12)	17	0	0	1	11	2	0	1	32
Technicians and associate professionals (Levels 6 – 8)	9	0	0	4	15	1	0	3	32
Clerks (Levels 3 – 5)	4	1	0	0	6	1	0	2	14
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations (Levels 1 – 2)	3	0	0	0	2	0	0	0	5
Total	39	2	1	6	37	4	2	6	97
Employees with disabilities	1	0	0	0	1	0	0	0	2

HUMAN RESOURCE OVERSIGHT REPORT *Continued*

6. Performance rewards

To encourage good performance, the Department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, and disability (Table 6.1), salary bands (Table 6.2) and critical occupations (Table 6.3).

Table 6.1 – Performance rewards by race, gender, and disability, 1 April 2003 to 31 March 2004

Race, gender and disability	Beneficiary profile			Cost	
	Number of beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	19	59	32,20	263	14
Female	27	81	33,33	354	13
Asian					
Male	0	7	0	0	0
Female	3	5	60,00	79	26
Coloured					
Male	2	4	50,00	29	15
Female	1	8	12,50	6	6
White					
Male	6	10	60,00	93	16
Female	8	16	50,00	97	12
<i>Employees with a disability</i>					
Total	66	190	34,74	923	14

Table 6.2 – Performance rewards by salary bands for personnel below Senior Management Service, 1 April 2003 to 31 March 2004

Salary bands	Beneficiary profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total cost (R'000)	Average cost per employee	
Lower skilled (Levels 1 – 2)	3	4	75,00	200	12	0,03
Skilled (Levels 3 – 5)	12	27	44,44	2 000	78	0,17
Highly skilled production (Levels 6 – 8)	25	42	59,52	6 510	232	0,51
Highly skilled supervision (Levels 9 – 12)	19	80	23,75	18 000	428	0,94
Total	59	153	38,56	26 710	750	1,64

HUMAN RESOURCE OVERSIGHT REPORT *Continued*

6. Performance rewards *Continued*

Table 6.3 – Performance rewards by critical occupations, 1 April 2003 to 31 March 2004 – None

Table 6.4 – Performance related rewards (cash bonus), by salary bands, for Senior Management Service

Salary bands	Beneficiary profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total cost (R'000)	Average cost per employee	
Band A	7	23	30,43	161	32,20	0,35
Band B	1	10	10	28	28	0,06
Band C	1	3	33,33	27	27	0,06
Band D	0	1	0	0	0	0
Total	9	37	24,32	216	24	0,47

Table 7.1 – Foreign workers, 1 April 2003 to 31 March 2004, by salary bands – None

Table 7.2 – Foreign workers, 1 April 2003 to 31 March 2004, by major occupation – None

8. Leave utilisation for the period 1 January 2003 to 31 December 2003

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave (Table 8.1) and disability leave (Table 8.2). In both cases, the estimated cost of the leave is also provided.

Table 8.1 – Sick leave, 1 January 2003 to 31 December 2003

Sick leave	Total days	% days with medical certification	Number of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)
Lower skilled (Levels 1 – 2)	22	36,36	2	9,09	11	2
Skilled (Levels 3 – 5)	90	61,11	16	17,78	6	19
Highly skilled production (Levels 6 – 8)	215	71,63	29	13,49	7	66
Highly skilled supervision (Levels 9 – 12)	139	85,61	34	24,46	4	84
Senior management (Levels 13 – 16)	75	80,00	31	28,00	4	81
Total	541	73	102	18,85	5	252

HUMAN RESOURCE OVERSIGHT REPORT *Continued*

8. Leave utilisation for the period 1 January 2003 to 31 December 2003 *Continued*
Table 8.2 – Disability leave (temporary and permanent), 1 January 2003 to 31 December 2003 – None

Salary bands	Total days taken	% days with medical certification	Number of employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated cost R'000
Lower skilled (levels 1 – 2)	7	100	1	0,57	7	0,7
Skilled (levels 3 – 5)	11	100	1	0,57	11	2
Highly skilled production (levels 6 – 8)	10	100	2	1,14	5	2
Highly skilled supervision (levels 9 – 12)	9	100	1	0,57	9	4
Senior management (levels 13 – 16)	10	100	1	0,57	10	7
Total	47	100	6	3,43	42	15,7

Table 8.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000, requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 8.3 – Annual leave, 1 January 2003 to 31 December 2003

Salary bands	Total days taken	Average per employee
Lower skilled (Levels 1 – 2)	61	15,25
Skilled (Levels 3 – 5)	589	21,81
Highly skilled production (Levels 6 – 8)	1 201	18,20
Highly skilled supervision (Levels 9 – 12)	1 300	16,25
Senior management (Levels 13 – 16)	302	11,19
Total	34,53	18,17

Table 8.4 – Capped leave, 1 January 2003 to 31 December 2003

Salary bands	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2003
Lower skilled (Levels 1 – 2)	20	10,00	20,80
Skilled (Levels 3 – 5)	34	1,17	9,41
Highly skilled production (Levels 6 – 8)	54	1,10	21,47
Highly skilled supervision (Levels 9 – 12)	31	0,44	14,53
Senior management (Levels 13 – 16)	15	0,56	22,30
Total	154	0,88	17,31

HUMAN RESOURCE OVERSIGHT REPORT *Continued*

8. Leave utilisation for the period 1 January 2003 to 31 December 2003 *Continued*

Table 8.5 – Leave payouts for the period 1 January 2003 to 31 December 2003

The following table summarises payments made to employees as a result of leave that was not taken.

Reason	Total amount (R'000)	Number of employees	Average payment per employee
Leave payouts for 2003 due to non-utilisation of leave for the previous cycle	148	34	4,35
Capped leave payouts on termination of service for 2003	0	0	0,00
Current leave payouts on termination of service for 2003	62	45	1,38
Total	210	79	2,65

9. HIV/Aids and health promotion programmes

Table 9.1 – 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
	Advanced first-aid training
	Treating of open wounds
	Wearing of gloves
	Proper use of syringes
	Use of resuscitator as well as chest drain, valve and needle

Table 9.2 – Details of health promotion and HIV/Aids programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		General Manager: HR
2. Does the Department have a dedicated unit or has it 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.	X		1 Employee (Special Programmes Officer) The HIV/Aids budget forms part of the HR budget
3. Has the Department introduced an employee assistance or health promotion programme for your employees? If so, indicate the key elements/services of this programme.	X		The employee assistance programme has five key areas of focus: HIV/Aids Addiction Loss and trauma Disability Wellness The employee assistance programme provides counselling, voluntary counselling and testing, awareness, education and training

HUMAN RESOURCE OVERSIGHT REPORT *Continued*

9. HIV/Aids and health promotion programmes *Continued*

Table 9.2 – Details of health promotion and HIV/Aids programmes (tick the applicable boxes and provide the required information) *Continued*

Question	Yes	No	Details, if yes
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.	X		<p>Ms Siphwe Mngomezulu Ms Nobubele Ngele Mr Tom Suchanandan Prof Edward Nesamvuni Mr Mmaphuti Semanya Mr Garry Rabeng Ms Thapi Segoati Ms Mpho Makgoba Ms Thuli Letsaola Ms Mirranda Mohapi Ms Mpho Ramosibudi Ms Dorothy Leshaba Ms Loretta Pillay Ms Sheila van Stryp Ms Helle Pretorius Ms Vivienne Gondwe</p>
5. Has the Department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	X		HIV/Aids policy
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.	X		<p>Conducted information and education sessions targeted at manager and employees</p> <p>Distributed awareness material to create an environment of acceptance to employees who are affected and infected</p> <p>Held exhibition on issues related to HIV/Aids</p>
7. Does the Department encourage its employees to undergo voluntary counselling and testing? If so, list the results that you have achieved.	X		<p>Voluntary counselling and testing was promoted through the employee assistance programme</p> <p>There are no statistics collected reflecting the impact of this programme</p>

HUMAN RESOURCE OVERSIGHT REPORT *Continued*

9. HIV/Aids and health promotion programmes *Continued*

Table 9.2 – Details of health promotion and HIV/Aids programmes (tick the applicable boxes and provide the required information) *Continued*

Question	Yes	No	Details, if yes
8. Has the Department developed measures/indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X		The programme is monitored through the Interdepartmental Committee on HIV/Aids based in the Department of Health

10. Labour relations

The following collective agreements were entered into with trade unions within the Department.

Table 10.1 – Collective agreements, 1 April 2003 to 31 March 2004

Total collective agreements	None
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The following table summarises the outcome of disciplinary hearings conducted within the Department for the year under review.

Table 10.2 – Misconduct and disciplinary hearings finalised, 1 April 2003 to 31 March 2004

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	0	0
Final written warning		
Suspended without pay	2	100
Fine	0	0
Demotion	0	0
Dismissal	0	0
Not guilty	0	0
Case withdrawn	0	0
Total	2	100

Table 10.3 – Types of misconduct addressed at disciplinary hearings

Types of misconduct	Number	% of total
Theft	1	50
Fraud	1	50
Total	2	100

HUMAN RESOURCE OVERSIGHT REPORT *Continued*

10. Labour relations *Continued*

Table 10.4 – Grievances lodged for the period 1 April 2003 to 31 March 2004 – None

Table 10.5 – Disputes lodged with councils for the period 1 April 2003 to 31 March 2004 – None

Table 10.6 – Strike actions for the period 1 April 2003 to 31 March 2004 – None

Table 10.7 – Precautionary suspensions for the period 1 April 2003 to 31 March 2004 – None

11. Skills development

This section highlights the efforts of the Department with regard to skills development.

11.1 Training needs identified, 1 April 2003 to 31 March 2004

Occupational categories	Gender	Number of employees as at 1 April 2003 to 31 March 2004	Training needs identified at start of reporting period			Total
			Learnerships	Skills programmes and other short courses	Other forms of training	
Legislators, senior officials and managers (Levels 13 – 16)	Female	13		12		12
	Male	24		17		17
Professionals (Levels 9 – 12)	Female	45		25		25
	Male	35		23		23
Technicians and associate professionals (Levels 6 – 8)	Female	31		16		16
	Male	11		9		9
Clerks (Levels 3 – 5)	Female	19		13		13
	Male	8		5		5
Service and sales workers	Female					
	Male					
Skilled agriculture and fishery workers	Female					
	Male					
Craft and related trades workers	Female					
	Male					
Plant and machine operators and assemblers	Female					
	Male					
Elementary occupations (Levels 1 – 2)	Female	2		5		5
	Male	2		6		6
Subtotal	Female	110		71		71
	Male	80		60		60
Total		190		131		131

HUMAN RESOURCE OVERSIGHT REPORT *Continued*

11. Skills development *Continued*

11.2 Training provided, 1 April 2003 to 31 March 2004

Occupational categories	Gender	Number of employees as at 1 April 2003 to 31 March 2004	Training needs identified at start of reporting period			Total
			Learnerships	Skills programmes and other short courses	Other forms of training	
Legislators, senior officials and managers (Levels 13 – 16)	Female	13		12		12
	Male	24		17		17
Professionals (Levels 9 – 12)	Female	45		25		25
	Male	35		23		23
Technicians and associate professionals (Levels 6 – 8)	Female	31		16		16
	Male	11		9		9
Clerks (Levels 3 – 5)	Female	19		13		13
	Male	8		5		5
Service and sales workers	Female					
	Male					
Skilled agriculture and fishery workers	Female					
	Male					
Craft and related trades workers	Female					
	Male					
Plant and machine operators and assemblers	Female					
	Male					
Elementary occupations (Levels 1 – 2)	Female	2		5		5
	Male	2		6		6
Subtotal	Female	110		71		71
	Male	80		60		60
Total		190		131		131

HUMAN RESOURCE OVERSIGHT REPORT *Continued*

12. Injury on duty

The following tables provide basic information on injury on duty.

Table 12.1 – Injury on duty, 1 April 2003 to 31 March 2004 – None

13. Utilisation of consultants

Table 13.1 – Report on consultant appointments using appropriated funds

Project title	Total number of consultants that worked on the project	Duration: work days	Contract value in Rand
Appointment of a consultant to conduct a review of the public understanding of science, engineering and technology (PUSET) strategies associate programmes	5	100	R471 823
Appointment of internal audit service provider	6	480	R1 215 033
Appointment of a consultant to do a feasibility study (Network of Arts and Science Centres)	3	140	R883 400
Appointment of company (recording and report writing)	5	5	R37 483
Appointment of a consultant to co-facilitate a gender sensitivity workshop on 26 September 2003	1	10	R28 500
Appointment of a service provider to develop a competency profile per job category, competency dictionary and a pro forma for recording employee profiles	4	40	R100 000
Appointment of a consultant to do a baseline study on the state of paleontology in South Africa	7	32	R92 374,20
Appointment of a consultant to do a baseline study on strategic national assets	1	11	R89 900
Appointment of a consultant to do Iqual database capturing	1	40	R12 000
Appointment of a facilitator for the SVB programme	1	1	R17 200

HUMAN RESOURCE OVERSIGHT REPORT *Continued*

13. Utilisation of consultants *Continued*

Table 13.1 – Report on consultant appointments using appropriated funds

Project title	Total number of consultants that worked on the project	Duration: work days	Contract value in Rand
Appointment of a consultant to draft different contracts for the Department	1	40	R75 000
Appointment of a consultant to do a design and layout of the annual report	1	30	R70 520
Appointment of a consultant to do writing and editing of the annual report	1	30	R23 000
Appointment of a consultant to undertake a workplace climate survey	4	40	R107 445
Total number of projects	Total individual consultants	Total duration: work days	Total contract value in Rand
14	41	999	R3 223 678,20

Table 13.2 – Analysis of consultant appointments using appropriated funds, in terms of historically disadvantaged individuals (HDIs)

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Appointment of a consultant to conduct a review of the public understanding of science, engineering and technology (PUSET) strategies associate programmes	100	100	5
Appointment of internal audit service provider	100	100	6
Appointment of a consultant to do a feasibility study (Network of Arts and Science Centres)	0	0	0

HUMAN RESOURCE OVERSIGHT REPORT *Continued*

13. Utilisation of consultants *Continued*

Table 13.2 – Analysis of consultant appointments using appropriated funds, in terms of historically disadvantaged individuals (HDIs) *Continued*

<i>Project title</i>	<i>Percentage ownership by HDI groups</i>	<i>Percentage management by HDI groups</i>	<i>Number of consultants from HDI groups that work on the project</i>
<i>Appointment of company (recording and report writing)</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Appointment of a consultant to co-facilitate a gender sensitivity workshop on 26 September 2003</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Appointment of a service provider to develop a competency profile per job category, competency dictionary and a pro forma for recording employee profiles</i>	<i>100</i>	<i>100</i>	<i>2</i>
<i>Appointment of a consultant to do a baseline study on the state of paleontology in South Africa</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Appointment of a consultant to do a baseline study on strategic national assets</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Appointment of a consultant to do Iqual database capturing</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Appointment of a facilitator for the SVB programme</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Appointment of a consultant to draft different contracts for the Department</i>	<i>100</i>	<i>100</i>	<i>1</i>
<i>Appointment of a consultant to do a design and layout of the annual report</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Appointment of a consultant to do writing and editing of the annual report</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Appointment of a consultant to undertake a workplace climate survey</i>	<i>0</i>	<i>0</i>	<i>1</i>

Table 13.3 – Report on consultant appointments using donor funds – None

Table 13.4 – Analysis of consultant appointments using donor funds, in terms of historically disadvantaged individuals (HDIs) – None

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