



Annual Report 2011/2012

VOTE 35



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FRONT COVER PICTURE: Tourism House, Department of Tourism - Pretoria



Foreword by the Director-General



"This report complies with all statutory reporting requirements for the National Department of Tourism."

AMBASSADOR LM MAKHUBELA
DIRECTOR-GENERAL

In terms of section 40 (1) (d) of the Public Finance Management Act (PFMA), 1999 and the Treasury Regulations paragraph 18.2.1 the accounting authority of a department must submit an annual report with audited financial statements and the Auditor-General's report, to the relevant executive authority, for tabling in Parliament.

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

In my capacity as the accounting officer of the National Department of Tourism, I hereby formally submit to you as the Executive Authority, the NDT's annual report with audited financial statements and the Auditor-General's report for the 2011/2012 financial year for tabling in Parliament.

A handwritten signature in black ink, appearing to read 'LM Makhubela', written over a white background.

AMBASSADOR LM MAKHUBELA
DIRECTOR-GENERAL
DEPARTMENT OF TOURISM
DATE: 31 JULY 2012

Statement by the Minister



"Tourism is poised to play a greater role than ever before on the global stage and in the lives of South Africans. I therefore extend a call to all South Africans to take part and contribute in their unique way to our successful industry."

MARTHINUS van SCHALKWYK, MP
MINISTER OF TOURISM

It gives me pleasure to present the National Department of Tourism's Annual Report, which gives a detailed account of our achievements for the 2011/12 financial year. I do so with confidence that the department continued to demonstrate that it is on track to deliver on its mandate and the broader mandate of government. Following the identification of tourism as one of the sectors in which growth and employment opportunities could be leveraged in the outcome approach to service delivery, our contribution has been to the realisation of Outcome 4: "Decent Employment through Inclusive Economic Growth", Outcome 7: "Vibrant, equitable and sustainable rural communities and food security for all" and Outcome 11, through the implementation of the tourism marketing strategy to attract volume and value and thereby increase tourism's contribution to South Africa's Growth Domestic Product (GDP).

Our vision for the department is to be a catalyst for tourism growth and development in South Africa in order to crystallise the tourism mandate as entrenched in our National Tourism Sector Strategy (NTSS), which we adopted in 2011. Furthermore, the draft Tourism Bill has also been developed as a legal framework. Public and stakeholder participation has been concluded, and the draft Bill will be introduced into Parliament during the third quarter of 2012.

Having finalised the development of the National Tourism Sector Strategy (NTSS), we focused on its implementation in 2011/12. The National Tourism Stakeholder Forum was established as a delivery mechanism for the NTSS. Importantly, this forum has enhanced stakeholder and intergovernmental relations. Stakeholders have begun incorporating the NTSS into their action plans. The implementation of the NTSS was supported by the development and launching of a number of policy frameworks and strategies.

The National Minimum Standards for Responsible Tourism and the National Tourism Service Excellence Requirements were launched to support all our efforts to improve the sustainability and competitiveness of the South African tourism sector.

The past financial year has seen the department delivering on a number of key objectives relating to product development, namely the development of the Heritage and Cultural Tourism Strategy as well as the Rural Tourism Strategy. The former aims to mainstream heritage and cultural resources into the ambit of tourism, thereby enhancing the country's competitive edge as a tourist destination. The Rural Tourism Strategy will in turn focus on ensuring a more even geographic spread of tourism, with more emphasis on supporting

tourism growth in rural areas. Through this strategy, the department will provide support with tourism infrastructure development, particularly where community-led initiatives emerge. The department will further support the tourism skills base and will assist with market access in support of sustainable, community-led economies and labour absorption into the market.

The department continued with the implementation of Social Responsibility Implementation projects as part of the Expanded Public Works Programme (EPWP), focussing on the implementation of labour intensive tourism infrastructure projects and skills development targeting the unemployed, youth, women and people living with disability.

Tourism Enterprise Partnership (TEP) continued to yield positive results on enterprise development and small, medium and micro enterprises (SMME) support focusing on small rural enterprises and Historically Disadvantaged Enterprises (HDE). The growth of such enterprises was supported through, amongst other initiatives, skills development training and market access.

We have launched the Domestic Tourism Growth Strategy to assert the role of domestic tourism as an anchor for tourism growth in South Africa. The main objective is to promote local travel, motivate for the provision of affordable tourism products and packages that encourage low to medium income earners to take more holidays. The strategy aims to increase domestic tourism revenue, expand domestic tourism volume, enhance efforts to address seasonality and equitable geographic spread of domestic travel, and entrench a culture of tourism among South Africans.

As a department we continued maximising the value of our participation in a number of international and regional tourism platforms. Our cooperation with African partners continued in order to contribute to the economic prosperity of our continent through tourism. We participated at multilateral tourism forums such as the United Nations World

Tourism Organisation (UNWTO) and T20 as part of our contribution in building a better Africa and a better world.

In May 2011, President Jacob Zuma signed the United Nations World Tourism Organisation's "Golden Book" on the sidelines of the World Economic Forum on Africa, which was attended by more than 900 participants from 60 countries. This initiative is aimed at mobilising recognition and support for the tourism sector from world leaders by demonstrating travel and tourism's crucial role in economic growth, job creation and development. The signing of the "Golden Book" took promotion of the growing South African tourism industry to new heights.

Interaction and cooperation with our neighbouring countries continue to yield positive results for both parties as we learn from and support each other in implementing our respective programmes. During the period under review we had mutual beneficial engagements with Lesotho, Mozambique, Swaziland and Zimbabwe.

I would like to thank the department's management and its entire staff for these achievements. The significant role that is played by all our partners in the tourism sector is much appreciated. Tourism is poised to play a greater role than ever before on the global stage and in the lives of South Africans. I therefore extend a call to all South Africans to take part and contribute in their unique way to our successful industry. As we have always said, achievement of the National Tourism Sector Strategy (NTSS) targets is only possible through a collaborative effort by all tourism stakeholders. We have to take hands to leverage the strength and depth of our industry.



MARTHINUS van SCHALKWYK
MINISTER OF TOURISM
REPUBLIC OF SOUTH AFRICA

Statement by the Deputy Minister



"The report affords the department an opportunity to reflect on the work done in realising our objectives and goals, to learn from our experiences and also to improve our performance."

TOKOZILE XASA, MP
DEPUTY MINISTER OF TOURISM

This Annual Report presents an account of the implementation of the department's Annual Performance Plan for the year under review, with a clear indication of achievements and reasons for variance where necessary. The report affords the department an opportunity to reflect on the work done in realising our objectives and goals, to learn from our experiences and also to improve our performance.

On the basis that Tourism is one of the key priority sectors identified in driving economic growth and job creation, the National Department of Tourism (NDT) played an important role in coordinating the participation of both the private and public sectors to contribute to the development of an inclusive and transformed economy. The department's achievements were possible through collaboration with a wide range of role players in the tourism sector, as well as the dedication and hard work of the NDT's management and staff.

As a labour-intensive sector with a potential to create jobs, tourism is participating in the Expanded Public Works Programme (EPWP). Through this programme, the department has created 5 036 Full Time Equivalent jobs. The department, together with all relevant

stakeholders, will continue to accelerate efforts to increase job and entrepreneurial opportunities in the tourism sector.

In recognition of the long-term goal of establishing South Africa as the world's destination of choice in terms of excellent customer service, the National Tourism Service Excellence Requirements were developed and launched. The aim of these Requirements is to set national standards, which will create a platform for service providers to deliver and maintain quality service, and create an experience that equals or surpasses world standards for tourists.

The National Tourism Sector Strategy (NTSS) requires us to promote responsible tourism best practice. In response to this, the National Responsible Tourism Strategy and the Universal Accessibility Action Plan were developed and successfully launched. Furthermore, systems have been put in place to support the sector to be Universal Access (UA) compliant. The UA grading has been integrated to form part of the standard of the Tourism Grading Council of South Africa (TGCSA). These will enhance South Africa's global competitiveness as a UA destination.

The department, in partnership with the sector, education and training authority has implemented various training interventions targeted at improving skills in the tourism sector with the aim of creating a competitive skills base. In recognition of this, the department hosted the National Tourism Careers Expo (NTCE), which is an annual event where young people from high schools, Further Education Training (FET) colleges and universities are exposed to existing professional and career opportunities within the tourism industry. The event also exposes the tourism industry to the skills of our young people, skills that the industry could harness and benefit from.

The department also implemented the National Youth Chefs Training Programme (NYCTP) in partnership with the South African Chefs Association (SACA). A total of 818 youth were enrolled into the programme and 536 graduated from the programme. In addition, 422 unemployed young people were trained and placed in the various hospitality fields, 1 221 were enrolled and 1 170 placed for experiential learning as Tourist Buddies.

As a result of the department's programme to encourage public sector organisations to report on levers they use to drive transformation, 44 reports were received. The system for monitoring compliance with BEE rating was piloted and is now operational. In addition, the department conducted nationwide workshops for Supply Chain Management officials, as well as public and private sector tourism associations on the implementation of the aligned BBBEE and Preferential Procurement Policy Framework Act (PPPFA) policies.

To support the participation and growth of Small Medium and Micro Enterprises, the department initiated a mentorship programme in which two black owned tourism enterprises were mentored as a pilot project. Twenty SMMEs were subsequently recruited into the programme. These enterprises will be mentored by retired business executives,

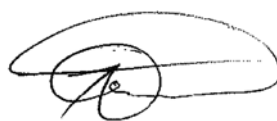
facilitated by African Management Services Corporation (AMSCO).

The Rural Tourism Strategy and Heritage and Cultural Tourism Strategy were developed in order to ensure the geographic spread of tourism to rural areas and the involvement of rural communities. Designated groups and rural enterprises were supported.

In recognising the importance of Local Government participation in the successful implementation of our strategies and in promoting synergy across the three spheres of government, a Local Government Tourism Development and Growth Support Programme were developed in consultation with a Working Group structure. The department also hosted National Stakeholder Forums to improve integration and alignment.

The department developed communications initiatives to keep in touch with South Africans as well as to reach out and raise awareness of the opportunities in the tourism sector.

In conclusion, the department is looking forward to continue working with our partners and role-players in pursuit of the objectives of the National Tourism Sector Strategy and to enhance our endeavours in making South Africa a global competitive destination.



MS TOKOZILE XASA, MP
DEPUTY MINISTER OF TOURISM

Information on the Ministry

International Schedule: Marthinus van Schalkwyk
MINISTER OF TOURISM: 1 April 2012 - 31 March 2012

DATES	COUNTRY	PURPOSE OF VISIT
2 – 9 April 2011	USA	<p>Tourism-related meetings and World Economic Forum (WEF) meetings</p> <ul style="list-style-type: none"> Minister led meetings with South African Tourism media partners, addressed the National Press Club with Ambassador Rasool and also addressed a Business Tourism dialogue in conjunction with Corporate Council of Africa Attended the 1st Global Risks Meeting in his capacity as Chairperson of the World Economic Forum (WEF) Aviation, Travel & Tourism Committee Minister delivered a keynote address at the Ubuntu Tourism Awards ceremony
12 – 14 April 2011	Switzerland	<p>World Tourism Forum</p> <ul style="list-style-type: none"> Minister addressed this Forum on challenges to remain successful in tourism
17 – 23 May 2011	USA and UK	<p>11th World Travel & Tourism Council (WTTC) Annual Global Travel & Tourism Summit and Tourism related meetings</p> <ul style="list-style-type: none"> Minister delivered a keynote address during the 11th Annual Global Travel & Tourism Summit The 2011 Summit theme was “Powering Global Growth” and resulted in a real-world Travel & Tourism manifesto for economic recovery, through the industry’s potential to generate exports, stimulate investment and create jobs Minister hosted a meeting and led a delegation of like-minded long-haul destinations to a meeting with the Government of the United Kingdom on unilateral discriminatory travel taxes
4 – 8 June 2011	Singapore	<p>International Air Transport Association (IATA): 67th General Meeting and World Air Transport Summit</p> <ul style="list-style-type: none"> President Zuma was invited, due to prior commitments, the President requested Minister to attend on his behalf



Information on the Ministry

DATES	COUNTRY	PURPOSE OF VISIT
15 – 16 August 2011	Mozambique	<p>Official visit to Mozambique</p> <ul style="list-style-type: none"> Held a bilateral meeting with Minister Sumbana, Minister of Tourism of Mozambique. The purpose of the visit was to discuss tourism-related issues and to strengthen bilateral relations
29 August – 1 September 2011	Norway	<p>State Visit</p> <ul style="list-style-type: none"> Accompanied the President on a State Visit to the Kingdom of Norway
14 – 16 September 2011	Spain	<p>United Nations World Tourism Organisation (UNWTO): International Conference on Ethics and Tourism</p> <ul style="list-style-type: none"> Minister addressed the conference The General Secretariat of Tourism and Domestic Trade of Spain and the UNWTO included in their action plans for 2011 the joint organization of the 1st International Congress on Ethics and Tourism
21 – 23 September 2011	France	<p>Top Resa and Ubuntu Awards</p> <ul style="list-style-type: none"> Attended the International French Travel Market (IFTM) Top Resa exhibition This is the tourism industry's leading event for networking, doing business, innovating and keeping abreast of market developments in France Minister officiated at the opening of the SAT stand. Minister addressed a Business Tourism Function which SAT hosted to promote Meetings Africa
6 – 14 October 2011	Republic of Korea	<p>United Nations World Tourism Organisation (UNWTO): 19th Session of the UNWTO General Assembly</p> <ul style="list-style-type: none"> Hosted the 19th Session of its General Assembly The General Assembly takes place every second year. South Africa is a full member and also serves on the Executive Council

Information on the Ministry

DATES	COUNTRY	PURPOSE OF VISIT
23 – 25 October 2011	France	3rd T.20 Tourism Ministers' Meeting <ul style="list-style-type: none"> Attended the 3rd T.20 Ministers' Meeting, France.
7 – 11 November 2011	UK	World Travel Market (WTM) and United Nations World Tourism Organisation (UNWTO) Ministers' Summit <ul style="list-style-type: none"> WTM is one of the leading global events for the travel industry. It is a unique opportunity for the whole global trade to meet, network, negotiate and conduct business Minister led the SA delegation to WTM and also officiated at the Ubuntu Tourism Awards Minister addressed the UNWTO Ministers' Summit
12 – 17 November 2011	United Arab Emirates and Sultanate of Oman	State Visit <ul style="list-style-type: none"> Accompanied President Zuma on a State Visit. Minister met with his counterparts and co-operation between the two countries was discussed
23 – 24 January 2012	France	Organisation for Economic Co-operation and Development (OECD) Round Table on Sustainable Development: "Green Growth and Future of Aviation" <ul style="list-style-type: none"> The Minister addressed the meeting which took a critical look at the future of aviation, interaction with the Tourism economy, in the context of rising jet fuel prices, attempts to reduce carbon emissions in the aviation sector, and the challenges surrounding the potential of biofuels to provide a large part of the solution
29 January – 2 February 2012	India and China	South African Tourism (SAT) India Road show. South African Airways (SAA) inaugural flight to China <ul style="list-style-type: none"> Minister addressed the travel and tourism trade In India Minister participated in the launch of South African Airways (SAA) inaugural non-stop flight to Beijing, China on 31 January 2012

Information on the Ministry

DATES	COUNTRY	PURPOSE OF VISIT
18 – 22 February 2012	Australia	<p>South African Tourism (SAT) campaign launch in Australia and Asia Pacific Incentive and Meeting Expo (AIME)</p> <ul style="list-style-type: none"> Minister visited the Asia Pacific Incentive and Meeting Expo (AIME). This is the largest trade event for Business Tourism in the Asia Pacific region Minister also launched South Africa Tourism's campaign in Australia
5 - 8 March 2012	Germany	<p>Internationale Tourismus Borse (ITB)</p> <ul style="list-style-type: none"> ITB is the World's Leading Trade Show Minister officiated at the opening of the SAT stand and officiated at various other events during ITB. Minister had various bilateral meetings with his counterparts from Brazil, India, Jamaica, Ethiopia Uganda and Zambia
20 – 22 March 2012	Switzerland	<p>Aviation and Environmental Summit - Air Transport Action Group (ATAG) of International Air Transport Association (IATA)</p> <ul style="list-style-type: none"> Minister delivered the keynote address during the opening session of the 6th Aviation & Environment Summit

Information on the Ministry

Official International Visits By Ms Tokozile Xasa

DEPUTY MINISTER OF TOURISM: 1 April 2011 - 31 March 2012

DATES	COUNTRY	PURPOSE OF VISIT
22 – 25 June 2011	Livingstone, Zambia	<ul style="list-style-type: none"> To attend Regional Tourism Organisation of Southern Africa (RETOSA) Meeting for Ministers responsible for Tourism
19 – 27 October 2011	France Bretagne	<ul style="list-style-type: none"> Invited by the SAT France Country Office to take part in the Dournenez Film Festival where South Africa was the focus for the year. The event gave the Deputy Minister the opportunity to address the people of the region and market South Africa as a destination of choice
19 – 27 October 2011	USA New York, Washington DC, Chicago	<ul style="list-style-type: none"> The USA visit was two pronged. The first part was as per invitation from the SAT US Country office to interact with the industry, airlines and address them on the state of tourism in the country The second part was to attend the inaugural US SA Business Women Forum that seeks to create networks between women from both countries
15 – 18 November 2011	Turkey Antalya	<ul style="list-style-type: none"> To attend the International Golf Tourism Market (IGTM) and meet the Turkish Chamber of Business, Antalya Chamber of Commerce, President, Mr Cetin Osman Budak, including a meeting between International Association of Golf Tour Operators (IAGTO) President, Mr Peter Walton and South African Golf Tourism Association (SAGTA) Chairman Thabiso Mogodiello To promote SAGTA and South Africa as a golf destination of choice

Information on the Ministry

DATES	COUNTRY	PURPOSE OF VISIT
24 – 26 February 2012	Geneva, Switzerland	<ul style="list-style-type: none">• To attend meetings with International Marketing Group (IMG) Media. This is an International Body that owns the rights to most sporting activities in the World. IMG brought the VOLVO Golf Champion to South Africa• To lobby the Group Executives to bring more international events to SA thus increasing the number of high earning visitors to SA
21 – 25 March 2012	Mumbai, India	<ul style="list-style-type: none">• Invited by the SAT India Country Office to launch “The Lonely Planet” Campaign with South African Cricketer, Jonty Rhodes, to the Indian Market



Legal and Constitutional Mandate

Picture: Union Buildings - Pretoria, South Africa

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

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



Vision, Mission and Values

Picture: Reception Area of the Department of Tourism

VISION

To be globally celebrated as a leader in tourism excellence.

MISSION

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

VALUES

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

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

Executive Management



Ambassador LM Makhubela
Director-General



Mr. Dirk van Schalkwyk
Chief Operations Officer



Ms. Morongoe Ramphele
**Deputy Director-General
Tourism Development**



Ms. Aneme Malan
**Deputy Director-General
Tourism Growth**



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

Accounting Officer's Overview

I appreciate the opportunity given to present my department's Annual Report for the financial year 2011/12 which gives a detailed account of our achievements to Parliament and to all the people of South Africa. The progress we have made in achieving the departmental goals outlined in the department's Annual Performance Plan 2011/12-2013/2014 is contained in some detail in this Annual Report.

In 2011/12 the department reduced the vacancy rate from 21.6% in March 2011 to 9.42% in March 2012. We implemented human resource programmes to attract, develop and retain a skilled and capable workforce and also address employment equity within the department. We focused on providing physical and technical resources to facilitate efficient service delivery. To streamline our business processes we implemented the Master Systems Plan and began a project to model our business processes. We implemented a Communication Strategy to increase access to tourism information by our stakeholders. We concluded the public and stakeholder participation process for the new Tourism Draft Bill which will provide a legal framework for the growth and development of sustainable tourism in South Africa.

To support job creation, we implemented the department's Social Responsibility Implementation (SRI) programme which is the department's contribution to government's Expanded Public Works Programme. The programme implements labour intensive projects to support tourism development. In addition the Tourism Enterprise Partnership has managed to support and coach rural enterprises, and provide linkages that gave market access opportunities to tourism enterprises. The SRI programme is currently

receiving our attention to improve governance of the programme and to ensure increased value for money in what we fund.

To implement the findings of the Tourism Sector Skills Audit which identified Chefs as a critical and scarce skill in the sector, we implemented the Young Chef's Training Programme which saw over 536 young people graduate as chefs.

The department has focused on developing policy frameworks and strategies that support the achievement of the tourism sector priorities. We identified and mapped rural tourism projects/nodes and developed tourism Product Development Master Plan Framework, the Cultural and Heritage Strategy, the Draft Domestic Tourism Strategy, the National Visitors Information Centres and Gateways Framework and Brand, the Tourism Crisis Management Strategy, the Intergovernmental and Stakeholder Engagement framework and the Events Strategy. We finalised the National Minimum Standards for Responsible Tourism and the National Tourism Service Excellence Requirements which both provide a consistent yardstick for the tourism sector.

Eight hundred and eighteen (818) unemployed youth beneficiaries participated in the pilot training project during this reporting period. Successful learners are trained and placed nationwide for work experience at local establishments. The National Tourism Careers' Expo was held on the 23rd-25th September 2011 at Moses Mabhida Stadium and was attended by some 20 000 people including learners, unemployed graduates and educators.

We continued to work with Provincial and Local government spheres to encourage the alignment of tourism initiatives at all levels

with the National Tourism Sector Strategy. We also developed a model to estimate direct and indirect jobs created. We partnered with Universities, both previously disadvantaged and established ones, to develop intellectual property and to undertake research on behalf of the department that would support the development of tourism. The 2009/10 state of tourism report was developed.

During 2011/12 audit, it was encouraging to see progress made by the department on matters raised by the Auditor-General in 2010/11. Amongst others, these relate to payment of suppliers (within an average of 8 days in 2011/12), improvements in leave records management (reduced from 30 to 15 days) and the rating of the department on leadership provided to improve internal controls in financial management and compliance with laws and regulations. Management as a collective in the department is committed to implementing further improvements that address the matters that have been raised by the Auditor-General.

I would like to express my sincere appreciation of the excellent work and wonderful commitment of the staff in the department and trust that we can rely on this continuing in 2012 and beyond. Detailed progress is outlined in this Annual Report.



Ambassador LM Makhubela
Director-General

Public Entity

Reporting to the Minister of Tourism

The following Public Entity reports to the Minister:

South African Tourism

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

Some of the key achievements of South African Tourism during the 2011/12 financial year include:

- Contributing to an all-time high of 8 339 354 international tourist arrivals in 2011 (an increase of 3,3% on the 2010 tourism figures). International arrivals to South Africa grew by 7,5 % from 11,4 million in the 2010 calendar year to 12 225 155 million in the 2011 calendar year.
- Contributing to 26.4 million domestic trips in 2011, with travel for the primary purpose of holidaying increasing to 15%.
- Reaching over 1.2 billion consumers in the 2011/12 financial year through a combination of brand and channel-specific commercials and online and programme sponsorships.
- South African Tourism generated over R7 billion worth of media coverage for the destination in the 2011/12 financial year.
- South African Tourism's e-Marketing division delivered a 7,1% growth in online traffic to its website, www.southafrica.net, with partnerships with the likes of Wayn.com, TripAdvisor.com, and Expedia.com collectively delivering more than 254 176 690 page impressions on its web platforms.
- South African Tourism's search engine marketing and paid search campaigns globally delivered more than 427 815 208 search results for the destination.
- Meetings Africa, South African Tourism's premier business tourism trade platform attracted almost 3 000 attendees.
- INDABA 2011 was the biggest event on the African tourism calendar, attracting 1 813 exhibitors in 2011.
- With the new grading criteria, the Tourism Grading Council of South Africa reported 4 886 graded establishments for the 2011/12 financial year.



Programme Performance Report

Picture: Department of Tourism - Reception Area

Programme Performance Report

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

Programme 1: Administration

Programme 2: Tourism Development

Programme 3: Tourism Growth

Programme 4: Policy, Research, Monitoring and Evaluation

Programme 1: Administration

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

Strategic Outcome Oriented Goal: Achieve good corporate and cooperative governance					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
Effective organisational performance management system	1. Percentage of compliance with provisions of government's performance and risk management prescripts	100%	100%	100%	None
	2. Intergovernmental policy integration and implementation support system developed and implemented	Coordination with Cabinet, Cluster through FOSAD and Cabinet Secretariat and Provinces through MINMEC	Development and 100% implementation	Internal protocol was developed and 100% implemented	None
Capable and skilled workforce	3. Percentage of vacancy rate	19%	Reduce funded vacancy rate to 10%	9.42%	Positive measures were implemented in order to fast track recruitment

Programme Performance Report

Strategic Outcome Oriented Goal: Achieve good corporate and cooperative governance					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	4. Percentage implementation of Workplace Skills Plan (WSP)	100%	100% implementation	118%	Two more induction sessions were held due to high number of appointees and the ad-hoc training requirements
	5. Percentage implementation of Performance Management Development System (PMDS)	98%	100%	100%	None
	6. Number of interventions on HIV/ AIDS and Employee Health Wellness (EHW) conducted	81%	4 interventions	4	None
	7. Percentage representation of designated groups	53%	50% women	54%	The target was set to comply with employment equity targets. However, during the period under review, the most suitable applicants for the advertised posts were women

Programme Performance Report

Strategic Outcome Oriented Goal: Achieve good corporate and cooperative governance					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
		2%	2% disability	2.97%	The Department ring fenced various posts for persons with disabilities
		91%	Maintain minimum 82% black representation	93%	The department did not receive applications from other groups and had to continue with the appointment to ensure service delivery
Efficient service delivery	8. Percentage of implementation of Master Systems Plan (MSP)	None	Review NDT MSP	NDT Master Systems Plan was reviewed	None
			Implementation of Phase 1	100% of Phase 1 was implemented	None
	9. Business Process Modelling and structures	None	Audit of all NDT business processes	All NDT business processes were audited	None
			Modelling 40% of business processes	45% of processes were modelled	Additional processes were identified than originally targeted

Programme Performance Report

Strategic Outcome Oriented Goal: Achieve good corporate and cooperative governance					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	10. Uptime of network and services availability	100%.	97% uptime	99%	Scheduled downtime less than expected due to fewer patch releases from Software vendors
Positive image of the department	11. Percentage implementation of the annual implementation plan of the Communication Strategy	None	100%	92%	Challenges in terms of capacity and logistical implications of the delayed activation of the Call and Information Centre due to the move of the Department to Tourism House
	12. Percentage increase in the share of own voice in the media	70%	55%	61%	There were more statements attributed to the department, due to the high activity from the department in engaging with the media through an increased number of events that took place

Programme Performance Report

Strategic Outcome Oriented Goal: Achieve good corporate and cooperative governance					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	13. Number of high-level media interventions that will lead to media coverage	None	8	13	Other opportunities occurred and were exploited to communicate the tourism agenda
Effective Internal Audit services	14. Percentage of completion of approved rolling three (3) year strategic and one (1) year operational plan	None	100% implementation	100%	None
Effective international cooperation and integration	15. Tourism international relations strategy developed and implemented	None	Development of strategy	Tourism International Relations Strategy was developed	None
			100% of approved programme for the year implemented	Programme for the year was not implemented	The programme was delayed because the strategy which would have informed the programme was not developed within the set timeframes

Programme Performance Report

Strategic Outcome Oriented Goal: Achieve good corporate and cooperative governance					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
Corporate legal support	16. Percentage compliance with case management requirements	None	100%	100%	None
	17. Percentage compliance with agreed service delivery standards	None	100%	100%	None
Economic, efficient and effective use of departmental resources	18. Percentage compliance with regulatory requirements	90%	100%	100%	None
	19. Percentage of expenditure on procurement from BBBEE and BEE enterprises	59%	59%	59%	None

Programme Performance Report

Programme 2: Tourism Development

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

Strategic Outcome Oriented Goal: Improve the impact of tourism on the economy of South Africa					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
Create employment opportunities by implementing tourism projects targeted at the unemployed	1. Number of Full Time Equivalent (FTEs) jobs created	8 090	5 270	5 036	The department's targets were finalised before the finalisation of EPWP targets with the Department of Public Works. During the finalisation of EPWP targets with the Department of Public Works, the target was revised to 4 531
	2. Number of Full Time equivalent jobs created from MTEF baseline budget (TEP)	51	5 000	5 093	More projects were approved for funding
To contribute to skills and people development within the Tourism sector	3. Number of unemployed youth and graduates trained as chefs and placed for experiential learning	None	800	818 youth were enrolled in the programme, and 536 graduated	There were dropouts during the implementation of the programme due to various reasons that were beyond the department's control
	4. Number of unemployed youth trained in the hospitality fields and placed for experiential learning	None	300	422 youth were trained and placed	The programme was designed to allow for intakes when space became available due to drop outs due to various reasons

Programme Performance Report

Strategic Outcome Oriented Goal: Improve the impact of tourism on the economy of South Africa					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	5. Number of people trained as Tourist Buddies and placed for experiential learning	None	975	<ul style="list-style-type: none"> A total of 1 221 were enrolled and 1 170 placed for experiential learning 913 were assessed and found competent and should receive certificates 	More learners enrolled in the projects
Facilitate and support economic empowerment through product and enterprise development	6. Number of products in rural and less visited provinces supported	None	Rural Tourism Development Strategy finalised	The Rural Tourism Strategy was developed and finalised	None
			2 products supported	4 products were supported: <ul style="list-style-type: none"> Maloti Drakensberg Route Dinosaur Project Bushbuck Ridge Community Project aMahlube Community Event 	Funding was available to support the 4 projects as well as feasibility studies completed

Programme Performance Report

Strategic Outcome Oriented Goal: Improve the impact of tourism on the economy of South Africa					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	7. Number of tourism projects funded through the EPWP funding	None	45	76	More projects were commissioned and started employing people and reporting on the numbers
	8. Number of interventions implemented to facilitate, guide and support product development	None	1 Tourism Development Master Plan developed	1 Tourism Development Master Plan was developed and products were mapped	None
	9. Number of Investment promotion activities.	None	4 Investment promotion activities	4 investment promotion initiatives were conducted	None
	10. Cultural Heritage Tourism Strategy	None	Refine draft Cultural Heritage Tourism Strategy	The Heritage and Cultural Tourism Strategy was finalised and launched	None
	11. Events Strategy	None	1 Events Strategy	1 Event Strategy was finalised	None
	12. Niche Tourism Strategy	None	1 Niche product identified, approved and developed	1 niche product was identified, approved and Niche Tourism Strategy developed	None

Programme Performance Report

Strategic Outcome Oriented Goal: Improve the impact of tourism on the economy of South Africa					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	13. Number of interventions in support of Social Tourism Development	Social Tourism concept document finalised	1 Research conducted	1 research was conducted	None
	14. Number of small rural tourism enterprises supported	24	530	981	2012 was the first year in which rural enterprises were supported. The 530 was an estimate at the beginning of the year

Programme Performance Report

Strategic Outcome Oriented Goal: Improve the impact of tourism on the economy of South Africa					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	15. Number of enterprises supported to grow (5% revenue and/or 5% jobs)	19	25 (5 rural)	99	All mentorships are now being included in enterprises supported to grow
	16. Number of businesses supported with market access	None	170	186	Additional businesses applied to the TEP for assistance
	17. Number of members of designated groups supported	None	3 351	2 253 enterprises were supported	TEP had been counting individuals previously and NDT has requested them to count enterprises rather than individuals
Enable and drive transformation in the sector as informed by the gazetted Tourism BEE Charter and the NTSS	18. Number of MoUs with action plans signed with strategic partners	None	12	14 MoUs were signed with strategic partners (Five with public sector and nine with private sector)	Due to the success of the BBE focal points, 2 additional MoUs were signed
	19. System for monitoring compliance with BEE rating by tourism enterprises developed and implemented	None	System piloted	System was piloted and is operational. 136 tourism enterprises have registered	None

Programme Performance Report

Strategic Outcome Oriented Goal: Improve the impact of tourism on the economy of South Africa					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	20. Number of organs of state who report on levers they use to drive transformation in the sector	None	25	30 organs of state submitted reports on levers they used to drive transformation in the sector	Additional request received from Municipalities to workshop the BBBEE codes were received, leading to additional reports being submitted
	21. National mentorship programme established to support the development of Black SMMEs	None	20	22 SMMEs were accepted into the AMSCO programme	2 SMMEs were initially piloted and based on the success of that 20 SMMEs were recruited to undergo the mentorship
	22. Number of black graduates participating in the accelerated tourism graduate apprenticeship	None	50	37 black graduates participating in the accelerated tourism graduate apprenticeship	Delays in the negotiations with relevant institutions to host graduates
	23. Annual report published on the impact of public sector partner spend on empowered tourism goods and services	None	1	A final report was compiled	None

Programme Performance Report

Strategic Outcome Oriented Goal: Strengthen collaboration and partnership within the tourism sector					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
Key stakeholder engagement through strategic events platforms	24. Number of events successfully executed informed by the departmental mandate and objectives	1	5	5 events were executed: <ul style="list-style-type: none"> • Tourism Indaba • World Tourism Day Celebrations. • Woman in Tourism – Mangaung • Hlabisa Crafts Woman Outreach • NDT Woman Empowerment High Tea 	None

Programme Performance Report

Programme 3: Tourism Growth

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

Strategic Outcome Oriented Goal: To improve competitiveness, growth and sustainability of the tourism industry					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
To provide excellent people development within the tourism sector targeting young people	1. Revised skills audit report 2011 & implemented	Report on the implementation of scarce and critical skills by THETA is in place	Revised skills audit report for 2012	MoU between NDT and CATHSSETA is available and was signed by both parties	During the implementation of the plan NDT learnt that CATHSSETA also had a plan to review skills audit in all the sectors they serve, and NDT's view was not to duplicate what is already done by another government entity. NDT decided to collaborate with CATHSSETA to get better extensive and detailed results, and amended the targets accordingly to refocus on having a MoU with CATHSSETA
	2. Number of unemployed Matriculants and tourism graduates trained and placed for experiential learning per year in the hospitality industry	None	Recruitment, training and placement of 70 unemployed matriculants and tourism graduates facilitated	249 unemployed matriculants and tourism graduates recruited, trained and placed for experiential learning in the hospitality industry	More funding was allocated to this initiative from the EPWP funding

Programme Performance Report

Strategic Outcome Oriented Goal: To improve competitiveness, growth and sustainability of the tourism industry					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	3. Number of young people trained and placed as chefs per year in the hospitality industry	176 youth trained as Chefs	Recruitment, training and placement of 800 young people facilitated	818 candidates were selected and enrolled for the 1st phase pilot programme	None
	4. Number of tourism educator support programmes facilitated in the provinces	None	9 tourism educator programmes facilitated	27 educator programmes were facilitated in all nine Provinces	There was a huge demand from all 9 Provinces
	5. Tourism Leadership Dialogues held	None	4	4	None
	6. National Tourism Careers Expo 2011 held	None	1 Expo held	1 National Tourism Careers Expo (NTCE) 2011 was successfully held in Durban on 23-25 September 2011	None

Programme Performance Report

Strategic Outcome Oriented Goal: To improve competitiveness, growth and sustainability of the tourism industry					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	7. Number of higher education institutions engaged to provide professional training for scarce and critical skills for tourism	None	Discussion document on areas of co-operation developed	The discussion document on areas of co-operation was developed	None
			Report on institutional engagements	A consolidated report on the outcomes of engagements is in place	None
Create conducive environment and contribution to economic growth through decent work	8. Framework on decent work for the sector developed & implemented	Draft report containing proposed elements of the framework	Draft Decent Work Framework for the tourism sector	<ul style="list-style-type: none"> Situational analysis report was done. A draft framework for Decent Work is available 	Framework for Decent Work is in place i.e. Sectoral Determination Act for Hospitality Sector and it is driven by Department of Labour. NDT's role is skills development

Programme Performance Report

Strategic Outcome Oriented Goal: To improve competitiveness, growth and sustainability of the tourism industry					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
To improve service levels in the tourism industry	9. Tourism Generic Service Excellence Standards and Norms implemented	None	Tourism Generic Service Excellence Standards and Norms facilitated	Tourism Generic Service Excellence Requirements developed and are in place	The terminology from norms and standards to service excellence requirements was changed so as to be in line with SABS terminology
	10. Service Excellence Strategy implemented	None	<ul style="list-style-type: none"> • Implementation of phase one based on the recommendations of the strategy • Launch and national campaign 	<ul style="list-style-type: none"> • Implementation of phase one based on the recommendations of the strategy • Service excellence requirements and the national service excellence welcome campaign were launched 	None

Programme Performance Report

Strategic Outcome Oriented Goal: To improve competitiveness, growth and sustainability of the tourism industry					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
To professionalise tourist guiding services	11. Implementation of the professionalisation of the tourist guiding strategy	None	9 Workshops and awareness programmes conducted on the implementation plan for the tourist guiding strategy	11 Workshops were held on the implementation plan for the tourist guiding strategy	Additional 2 workshops were held due to the demand from KZN and Limpopo Provinces
		None	4 SADC countries consulted on harmonising guiding standards	All SADC Countries consulted through engagement with SADCSTAN Secretariat	None
			Draft framework for harmonising guiding standards developed	Draft framework for harmonising guiding standards was developed	None
		None	Monitoring and reporting on provincial tourist guides registration	Monitoring of provincial tourist guides registration was done and a report was produced in this regard	None

Programme Performance Report

Strategic Outcome Oriented Goal: To improve competitiveness, growth and sustainability of the tourism industry					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
To improve service levels in the tourism industry	12. A Consumer Satisfaction Framework for tourism developed	None	Consumer Satisfaction Framework developed and communicated to the industry and spheres of government	Consumer Satisfaction Framework was developed and communicated to the industry and spheres of government	None
To promote responsible tourism best practice	13. Establish & monitor Accreditation System and Accreditation of Certification Agencies for National Minimum Standards for Responsible Tourism (NMSRT)	None	SANAS approved Accreditation System in place	SANAS approved Accreditation System is in place	None
	14. Universal Access in Tourism Action Plan developed and implemented	None	UA Action Plan finalised with annual action plan	<ul style="list-style-type: none"> • Universal Access Action Plan and Sector Declaration with the annual action plans were adopted by stakeholders • 18 workshops conducted and 4 400 brochures were distributed 	None

Programme Performance Report

Strategic Outcome Oriented Goal: To improve competitiveness, growth and sustainability of the tourism industry					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	15. National Climate Change and Tourism Response Programme formulated	None	National Climate Change and Tourism Action Plan developed	<ul style="list-style-type: none"> National Climate Change and Tourism Action plan was developed 18 Workshops conducted and 5 000 brochures were distributed 	None
	16. National Responsible Tourism Strategy developed and implemented	None	National Responsible Tourism Strategy developed including annual action plan	National Responsible Tourism Strategy including annual action plan was developed	None

Programme Performance Report

Changes to planned targets

The department conducted a mid-term review of its Strategic Plan and Annual Performance Plan for 2011/2012 financial year with the emphasis on its annual targets on 18-20 October 2011. During the review, the department considered emerging issues such as departmental priorities, targets and resource allocation for the next bi-annual of the 2011/12 financial year. The following amendments were accordingly approved by the Director-General:

Strategic Objective	Programme Performance Indicators	Original target	Approved Amendments	Reason
To provide excellent people development within the tourism sector targeting young people	Revised skills audit report 2011 and implemented	Q3: Field work and collection of data	Q3: Draft MoU between NDT and CATHSSETA	During the implementation of the plan NDT learnt that CATHSSETA also had a plan to review skills audit in all the sectors they serve, and NDT's view was not to duplicate what is already done by another government entity. NDT to collaborate with CATHSSETA to get better extensive and detailed results, and amended the targets accordingly to refocus on having a MoU with CATHSSETA
		Q4: Report write up and approval of 1st draft report	Q4: Signed MoU between NDT and CATHSSETA	
Create conducive environment and contribution to economic growth with decent work	Framework on decent work for the sector developed and implemented	Annual target: Draft Decent Work Framework for the tourism sector	The Department has discontinued the KPI as per decision by Top Management	Framework for Decent Work is in place i.e. Sectoral Determination Act for Hospitality Sector and it is driven by the Department of Labour

Programme Performance Report

Programme 4: Policy, Research, Monitoring and Evaluation

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

Strategic Outcome Oriented Goal: Improve impact of tourism on the economy of South Africa						
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance	
			Target	Actual		
Monitoring and evaluation of tourism sector performance, strategies and policies	1. Frequency of the state of tourism reports	Proposal to develop the state of tourism developed and data sourcing commenced.	1		2009/2010 State of Tourism report was finalised and printed	None.
	2. Number of impact evaluation reports for the tourism sector and NDT initiative.	1	2		<ul style="list-style-type: none"> 1 report (SRI evaluation survey) was done. Impact survey to evaluate the second report (TEP) is in the process of being developed. Data has been collected, coded, captured and cleaned. 	<ul style="list-style-type: none"> There were challenges with database received from TEP which had inconsistent information. There was also a challenge with the response rate.

Programme Performance Report

Strategic Outcome Oriented Goal: Improve impact of tourism on the economy of South Africa					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	3. M & E Framework for NTSS developed and number of progress reports	<ul style="list-style-type: none"> Draft M&E Framework for NTSS. National Tourism Sector Strategy 	Monitoring and Evaluation Framework for NTSS finalised	Monitoring and Evaluation Framework for NTSS was finalised	None
	4. Number of progress reports on tourism indicators for presidential outcomes	<ul style="list-style-type: none"> Agreements on Outcome 4, 7 and 11 Quarterly reports as per presidential timeframe 	Quarterly reports based on presidential timeframes	All quarterly reports were done as per requests received	None
	5. Number of tourism forecasting models customized/ adapted	None	1	1 model to estimate number of direct and indirect jobs created was developed	None
	6. M&E framework for Departmental entities developed and implemented	Agreements with TEP and SAT	M&E framework developed for entities	Monitoring and Evaluation Framework for Tourism Enterprise Partnerships (TEP) was developed	The Draft South African Tourism (SAT) M&E Framework was being consulted on internally and with SAT before finalisation

Programme Performance Report

Strategic Outcome Oriented Goal: Tourism priorities integrated within other sector departments, provincial and local government's planning					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
Create an enabling policy environment and improve intergovernmental coordination	7. Number of tourism-related policies/ strategies/ framework reviewed and/ or developed	2	5 (draft Domestic Tourism Strategy, approved Crisis Management Framework, approved Intergovernmental and Stakeholder Engagement Framework, Development of Sector Budget Structure and Report on the review of national policies' implications to tourism development and growth)	5 <ul style="list-style-type: none"> • Draft Domestic Tourism Strategy was developed • Crisis Management framework was developed • Intergovernmental and stakeholder Engagement framework was developed • Sector Budget structure was developed • Two policy papers on transport review and compendium of legislation with impact on tourism developed 	None
	8. Number of Districts Municipalities supported to implement tourism development and growth initiatives	All districts in 3 provinces (Limpopo, Eastern Cape and Free State) supported on the use of the Local Government tourism toolkit and draft NTSS implications	Draft local government tourism development and growth programme	Local Government Tourism Development and Growth Support Programme were developed	None
			Programme initiated in 2 District Municipalities	2 District Municipalities supported to implement tourism growth and development programmes	None

Programme Performance Report

Strategic Outcome Oriented Goal: Tourism priorities integrated within other sectors departments, provincial and local government's planning.					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	9. Number of reports on the integration and alignment of tourism initiatives with the NTSS at provincial government level	9 PGDSs integrate tourism priorities	Report on the alignment of the provincial growth and development strategies (PGDS) with NTSS	Report on the alignment of the provincial growth and development strategies (PGDS) with NTSS was done	None
	10. Number of District Municipalities influenced to align tourism initiatives with the NTSS	70% of 67 municipal IDPs analysed integrate tourism priorities	15 District Municipalities	19 District Municipalities were influenced to align tourism initiatives with the NTSS	Over and above the planned target of 15 District Municipalities, the Department had to replan based on the already planned provincial visits by the Department. More District Municipalities turned up on the provincial visits of the Department and were covered

Programme Performance Report

Strategic Outcome Oriented Goal: Tourism priorities integrated within other sectors departments, provincial and local government's planning

Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	11. Number of platforms facilitated to secure additional aviation frequencies in key tourism portfolio markets	Report on the implementation of the Airlift strategy against the portfolio markets	2	5 platforms were facilitated to secure additional frequencies in key tourism portfolio markets (Botswana, Singapore, China, Swaziland and Hong Kong)	National Department of Transport engaged in more bilateral Air Services negotiations with more than 2 countries (Portfolio Markets) which resulted in more facilitated than planned
	12. Number of initiatives & platforms aimed at improving integration & alignment created	Draft Intergovernmental Relations Stakeholder Engagement Framework	2	2 National Stakeholder Forums were hosted to improve integration and alignment	None

Programme Performance Report

Strategic Outcome Oriented Goal: Improved Tourism Sector Research, Information and Knowledge Management					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
Provide Knowledge Management for Tourism Sector	13. Number of new information and knowledge systems and services developed (e-library, tourist guides register, events calendar etc.)	4	1	1 new information and knowledge system and service was developed & prototype available i.e. Tourism Knowledge Portal http://10.121.224.217:8401/SitePages/Home.aspx	None
	14. National Visitors Information Framework (NVIF) developed, approved and implemented in 4 Phases	NVIF consulted with provinces	NVIF brand developed	National Visitors Information Centres Framework and brand was developed	None
	15. Number of National Tourism information Gateways (NTIG) operational	None	Framework for National Tourism Information Gateways developed	National Tourism Information Gateways Framework and brand was developed	None

Programme Performance Report

Strategic Outcome Oriented Goal: Improved Tourism Sector Research, Information and Knowledge Management					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
	16. Standardised Knowledge Management Framework for the tourism sector developed and implemented	Draft Knowledge Management Framework	Approved Knowledge Management Framework and commence with implementation	<ul style="list-style-type: none"> Knowledge Management Framework was approved Implementation report for Knowledge Management Framework is available 	None
	17. Number of information dissemination platforms developed	None	1	Social Media Approach for the Social Media Strategy was developed	The department decided to first conceptualise the Social Media Strategy and develop Social Media Approach for Tourism Sector
	18. Percentage of District Municipalities whose events are captured in the National Events Calendar	1 event in 9 provinces available on the NDT calendar (112 events in total)	50%	78% (35 out of 45) of the District Municipalities have their events captured in the National Events Calendar	A stakeholder consultation held in June 2011 motivated the District Municipalities to participate in the data sourcing for the events calendar

Programme Performance Report

Strategic Outcome Oriented Goal: Improve Tourism Sector Research, Information and Knowledge Management					
Strategic Objective	Measure / Indicator	Baseline	Actual Performance against Target		Reason for Variance
			Target	Actual	
Manage and conduct tourism research to inform tourism growth and development	19. Number of research studies conducted to inform niche tourism product development	Cruise Tourism Research	2	2	None
	20. Number of research studies conducted to inform the development of new markets	None	2 initiated	1 of the 2 reports was completed	2 research reports were initiated and 1 was completed (Economic case to develop local Tourism) and the other one is in the process of being completed (Skills Review Research)
	21. Number of research studies conducted on tourism indicators identified in the NTSS without baselines	NTSS	3	3	None
	22. Standardised Research Framework for the tourism sector developed and implemented	<ul style="list-style-type: none"> • Draft National and Provincial indicators • Draft Research Framework 	Approved Research Framework	National Research Framework was approved	None
Commence with implementation			Implementation of the framework commenced with research agenda compiled	None	



Annual Financial Statements

for the Department of Tourism

Picture: Tourism House - Pretoria

Annual Financial Statements

for the year ended 31 March 2012

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Report of the Audit Committee

for the year ended 31 March 2012

We are pleased to present our report for the financial year ended 31 March 2012.

Audit Committee members and attendance

The Audit Committee consists of the members listed hereunder and meets at least four times per annum as per its approved terms of reference.

During the year under review four meetings were held.

Name of member	Number of meetings attended
Prof H de Jager (Chairperson) (external)	4
Mr J Rapoo (external)	4
Mr T Bouwer (external)	4
Mr R Rajcoomar (external)	4
Ms KT Rapoo (external)	4

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

Audit Committee responsibility

The Audit Committee reports that it has complied with its responsibilities arising from sections 38(1) (a) of the PFMA and Treasury Regulations 3.1.

The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The effectiveness of internal control

The department's system of internal control is designed to provide reasonable assurance, inter alia, that assets are safeguarded and that liabilities and working capital are efficiently managed. Based on the approved annual internal audit plan setting out the scope, control objectives and risks, for the period covered, various reports were submitted by the internal auditors.

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

Report of the Audit Committee

for the year ended 31 March 2012

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

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

Evaluation of financial statements

The Audit Committee has:

- reviewed and discussed the audited annual financial statements to be included in the annual report with the AGSA and management;
- reviewed the AGSA management report and management's response thereto;
- reviewed the department's compliance with legal and regulatory provisions based on the findings of the AGSA and internal audit; and
- noted that there were no adjustments resulting from the audit.

The Audit Committee concurs and accepts the Auditor-General's conclusion on the annual financial statements, and is of the opinion that the audited annual financial statements be accepted and read together with the report of the AGSA.

The Audit Committee would like to impress upon management to give attention to the matter raised under non compliance with laws and regulations, to ensure that appropriate corrective action is taken to prevent a reoccurrence in the future.

The Committee believes that the adoption of the going concern concept assertion in the preparation of the Annual Financial Statements is appropriate.

Management is commended that the Audit Report is unqualified and for their attitude to take corrective actions.

Internal audit

The Internal Audit Unit conducts its affairs in terms of an approved Internal Audit Charter. The charter is reviewed on an annual basis. The Internal Audit Unit follows a risk-based audit approach, whereby the department's Risk Strategy and the Internal Audit Unit's assessment of the risks drivers are taken into account.

The Internal Audit Plan was formally adopted and approved by the Audit Committee.

Progress on the execution of the plan was monitored and reported on at each Audit Committee meeting. Variations and amendments to the plan were justified and subsequently approved by the Audit Committee. The Audit Committee is therefore satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the department in its Audit Plan.

Report of the Audit Committee

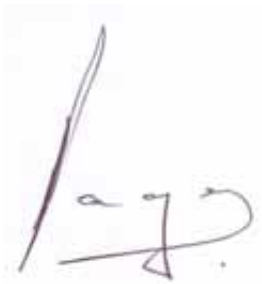
for the year ended 31 March 2012

Risk strategy

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

Auditor-General South Africa

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



Chairperson of the Audit Committee

Date: 30 July 2012

Report of the Accounting Officer

for the year ended 31 March 2012

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

Policy decisions and strategic issues facing the department

The core mandate of the Department of Tourism is to create conditions for the sustainable growth and development of tourism in South Africa. In terms of the Constitution, tourism is a functional area of concurrent national and provincial legislative competence.

The Tourism Act (1993) provides for the promotion of tourism to and in South Africa, and for the regulation and rationalisation of the tourism industry. This includes measures aimed at enhancing and maintaining the standards of facilities and services used by tourists; and the coordination and rationalisation of the activities of those who are active in the tourism industry.

The 1996 White Paper on the Development and Promotion of Tourism in South Africa provides a framework and guidelines for the development and promotion of tourism in South Africa. Its vision is to develop the tourism sector as a national political and economic priority to maximise its contribution to improving the quality of life of all South Africans.

The Industrial Policy Action Plan (IPAP2) identifies tourism as an important driver of both domestic consumer spending and foreign exchange earnings, underpinned by a sustainable resource base and relatively low barriers to entry for entrepreneurs.

Tourism is named in the New Growth Path (NGP) as one of six key sectors for economic growth in South Africa. It is labour intensive, with the potential to stimulate economic growth and create jobs. To enhance tourism's contribution to economic growth and job creation the new growth path defines the following measures: expand tourism infrastructure and services; promote targeted marketing campaigns, manage costs, provide quality assurance and logistics; improve training; identify employment and entrepreneurial opportunities for the youth; enhance support measures to encourage diversification and develop a comprehensive programme to support cultural industries. The New Growth Path commits the sector to the creation of 225 000 jobs by 2020. The national tourism sector strategy fosters coordination of all role players to achieve these objectives.

In the outcomes approach to service delivery, tourism contributes to the realisation of outcome 4 (decent employment through inclusive economic growth), and outcome 7 (vibrant, equitable and sustainable rural communities and food security for all). It is anticipated that, in conjunction with other departments, the department will make a major contribution to achieving the growth and employment targets set for outcome 4, through activities involving skills development, continuous improvement in the quality of tourism products and services, support for small, medium and micro enterprises (SMMEs), and other measures.

The department's contribution to outcome 7 will be to lead the building of a dynamic tourism sector, in the context of South Africa's socioeconomic development. With its entity, South African Tourism, the department is also committed to creating a better South Africa and contributing to a better and

Report of the Accounting Officer

for the year ended 31 March 2012

safer Africa and world (outcome 11) by implementing a tourism marketing strategy that attracts volume and value, thereby increasing tourism's contribution to South Africa's GDP.

Significant events that have taken place during the year

National Tourism Sector Strategy (NTSS)

The development of the NTSS has succeeded in getting all role-players from the private and the public sector to rally around the development of tourism. Its main goal is to drive the tourism economy, enhance visitor experience, position South Africa as a destination of choice and sustain good governance of the sector. The NTSS was compiled through a comprehensive consultative process including stakeholder contributions from the ministerial road shows undertaken in July and August 2009 and specific strategy stakeholder workshops held in every province in July, August and September 2009. To guide the development of the NTSS, a panel of 32 experts from across all major stakeholder groups was appointed by the Minister.

The NTSS implementation has guided the consolidation of the tourism sector efforts to increase tourism's contribution to job creation and economic growth, in line with the NGP, are being coordinated through the NTSS. It identified and prioritised actions by all role players that would support the NGP targets. Implementation of the strategy is well underway. The National Tourism Stakeholder Forum was established as a delivery mechanism for the NTSS. Importantly this forum has enhanced stakeholder and intergovernmental relations and stakeholders have begun incorporating the NTSS in their action plans. Provisions in the NTSS provide for development of a rural, culture, heritage, crisis management and domestic tourism strategy through which tourism performance is gradually getting enhanced.

A number of policy frameworks have already been developed and launched. The Tourism Marketing Strategy by South African Tourism (SAT) is implemented to generate tourist arrivals that bring targeting volume and value, and creates a culture of tourism in South Africa. Service Excellence requirements and a quality assurance system are being implemented. Domestic tourism is receiving due attention as the backbone for a sustainable tourism sector. Regional tourism has received additional funding to grow the African Market. Business and events tourism is being supported by the newly established National Conventions Bureau. The department continues to enjoy the support and cooperation of other enabling departments and public sectors agencies to implement the NTSS.

Tourism Draft Bill

To crystallise the tourism mandate, the Tourism Draft Bill has been developed as a legal framework for the development and promotion of sustainable tourism for the social, economic and environmental benefit of South African citizens and for the enjoyment of all its residents and foreign visitors. Public and stakeholder participation has been concluded and the Draft Bill will be introduced into Parliament during the third quarter of this year.

Report of the Accounting Officer

for the year ended 31 March 2012

Policy Frameworks

The department has focused on developing policy frameworks and strategies that support the achievement of the tourism sector priorities. These include:

- Rural Tourism Strategy
- Heritage Tourism Strategy
- Domestic Tourism Strategy
- Product Development Master Plan
- Niche Tourism Framework and Avitourism Strategy
- Events Strategy
- Human Resource Development Strategy
- Service Excellence strategy

Domestic Tourism

Domestic tourism is now receiving the attention that supports its stature as the backbone for a sustainable tourism sector in South Africa. The Domestic Tourism Strategy is its final stages of development. It is supported by additional allocation of resources for the domestic tourism marketing strategy by South African Tourism (SAT).

Marketing Strategy and Arrivals

South Africa's tourism sector has managed to build on the momentum achieved during a record-breaking 2010, by attracting 12 255 155 international arrivals in 2011.

The Tourism Marketing Strategy is implemented by SAT. With the levels of resources available for marketing Destination SA, the marketing strategy is informed by a process of portfolio review that identifies selected markets to invest in. The African market has received additional funding from the 2012/13 financial year to unlock the potential and grow arrivals and spend from these countries. SAT will implement a marketing strategy in Africa to achieve this.

Perceptions of stakeholders

The tourism industry continues to engage robustly with government on the issue of tourism growth. We continue to receive positive feedback from industry on government's decision to create a stand-alone Department of Tourism. The Tourism Ministry and Department maintain regular interactions with the private sector to enable government to keep in touch with the knowledge base within the sector to improve sector performance.

Report of the Accounting Officer

for the year ended 31 March 2012

Spending trends

Programme	Adjustment Appropriations R'000	Virement R'000	Final Appropriations R'000	Expenditure R'000	Over/(Under) Expenditure R'000
Administration	195 872	1 965	197 837	196 513	(1 324)
Tourism Development	348 140	(1 965)	346 175	338 577	(7 598)
Tourism Growth	694 074	-	694 074	689 756	(4 318)
Policy, Research, Monitoring and Evaluation	26 899	-	26 899	25 400	(1 499)
Total	1 264 985	-	1 264 985	1 250 246	(14 739)

Virement

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

An amount of R1,965 million (0,56%) was shifted from Programme 2: Tourism Development to Programme 1: Administration for current expenditure within Programme 1: Administration related to refurbishment.

Under spending

Compensation of Employees – R3,620 million.

The under spending on compensation of employees relates to the 9.42% vacancy rate.

Goods and Services – R9,295 million.

The under spending on goods and services is due to the following:

- Tourism Product and Enterprise Development's heritage DVD project (tender cancelled)
- Membership fee payable to International Airport Transport Association (IATA)
- Tourism Sector Transformation's learnership support programme with Further Education and Training Colleges (FETs)

Transfer payments – R1,053 million.

The under spending on transfer payments is due to the following:

- Memorandum of Understanding (MoU) with Tourism Business Council not finalised.
- Exchange rate saving on the contribution to the United Nation's World Tourism Organisation (UNWTO).

Capital Assets – R771 000

The under spending on capital assets is due to the non purchase of computer equipment which is linked to the department's vacancies and also savings accomplished through timeous bulk purchases.

Report of the Accounting Officer

for the year ended 31 March 2012

2. Service rendered by the department

2.1 Services Rendered

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

2.2 Tariff policy

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

2.3 Free services

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

2.4 Inventories

The inventories on hand at the year will be included in Annexure 5 and reported in the annual financial statements. Most of the purchases included in the inventories are direct from the service providers.

3. Capacity constraints

To meet the National Tourism Sector Strategy (NTSS) targets, the department has to focus on supporting the growth of both domestic and international markets; the department requested the Department of Public Service and Administration to approve a new departmental structure to be implemented from 1 April 2012. The structure with 602 posts was approved and will be funded in a phased-in approach over the Medium Term Expenditure Framework (MTEF). 127 posts are currently unfunded.

4. Utilisation of donor funds

The department received no donor funding.

5. Public Entities

The core business of South African Tourism, established in terms of the Tourism Act (1993), is to position and market South Africa as a tourism destination of choice. Key activities include the promotion of tourism by encouraging potential visitors to undertake travels to and in South Africa, and ensuring the highest attainable quality standards of tourism services and facilities. Key objectives include increasing the annual volume of international tourists visiting the country; the average spend per tourist; the international brand awareness of South Africa as a travel destination, and increasing the number of graded accommodation establishments. Funding is primarily used for running marketing offices in targeted countries; promoting local tourism (which helps reduce seasonality in the industry); and facilitating the grading of products and services. The entity engages various marketing initiatives such as media hosting, participating in various exhibitions both domestic and international in order to promote tourism to South Africa. Exhibitions would include Indaba and Meetings Africa held annually which improves trade to South Africa.

Report of the Accounting Officer

for the year ended 31 March 2012

In the period January to September 2011, foreign tourist arrivals grew from 5 944 568 to 6 100 270 compared to the same period in 2010. This represents an increase of 2.6 per cent. Opportunities for further growth in the tourism sector are significant. Awareness of the brand South Africa has remained positive in the past fiscal, and remains positive in the MTEF period, owing much to the 2010 FIFA World Cup.

6. Organisations to whom transfer payments have been made

Organisation	Amount R'000	Reason for Transfer Payment
United Nations World Tourism Organisation	1 447	Membership fee
Strategic Partner in Tourism	20 000	Nonprofit organisation
National Business Initiative	1 200	Nonprofit organisation
Expanded Public Works Programme	252 962	Social responsibility projects
Expanded Public Works Programme -incentive	19 234	Social responsibility projects
South African Tourism	668 613	Public entity
Federated Hospitality Association of South Africa	500	Nonprofit organisation
Bursaries	225	Social responsibility
Ezemvelo KZN Wildlife	500	Projects – Maloti Drakensberg Route
Employee Social Benefits	175	Social responsibility
Universities and Technikons	1 875	Project – skills development
Total	966 731	

The department has a protocol of the Executive Authority for the management of Public Entities in place for transfer payments.

For the transfer payments to nonprofit organisations, Universities and Technikons Memorandums of Understanding are signed.

Transfer payments to the Expanded Public Works Programme projects are managed through signed agreements between the department and implementing agents.

7. Public private partnerships (PPP)

The department has no new or existing public private partnerships.

Report of the Accounting Officer

for the year ended 31 March 2012

8. Corporate governance arrangements

In the 2011/2012 financial year the Audit Committee of the Department was fully functional, executed its duties and responsibilities in accordance with the Public Finance Management Act (PFMA) of 1999, and the Treasury Regulations (regulation 3). The Chairperson of the Audit Committee was Prof. H. de Jager. The other four audit committee members were:

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

In the 2011/2012 financial year internal audits were performed by the in-house internal audit team and KPMG in accordance with the co-source arrangement. A risk assessment was conducted for the period 2011/2012. The Audit Committee met four times during the financial year, 19 May 2011, 27 July 2011, 1 December 2011 and 28 March 2012.

9. Discontinued activities / activities to be discontinued

The department has no discontinued activities or activities to be discontinued. The departmental programme structure has however been amended to be implemented on 1 April 2012. The structure is as follows:

Programme 1 :	Administration
Programme 2 :	Policy and Knowledge Services
Programme 3 :	International Tourism
Programme 4 :	Domestic Tourism

10. New / proposed activities

The department has begun the process of taking over the tourism incentive programme from the Department of Trade and Industry. Cabinet took a decision which is outlined in the Industrial Policy Action Plan 2011/12 to 2013/14 for this tourism function to be transferred.

11. Asset management

The Department of Tourism transferred assets back to the Department of Environmental Affairs, and received assets from the Department of Trade and Industry in accordance with section 42 of the Public Finance Management Act, 1999 as amended. This was based on cabinet decision to centralise tourism functions. During the financial year 2011/2012, the Asset Management Unit, in line with the Department of Tourism Asset Management Policy undertook the disposal of asset and asset verification.

In terms of the Treasury Regulations 16A.7.1 on disposal and letting of state assets, and sub-section 38(1) (b) of the Public Finance Management Act (1 of 1999) as amended, the Accounting Officer of the department is responsible for the efficient, effective, economical and transparent use of the resources of the Department. The assets of the department are accounted for, updated in the asset register and reported in the annual financial statements.

Report of the Accounting Officer

for the year ended 31 March 2012

12. Inventories

The only store items managed by the department are cleaning materials and government printing works forms. All other inventories are direct purchases from the suppliers.

13. Events after the reporting date

In the previous Annual Report it was reported that the Accounting Officer initiated a forensic audit investigation concerning the project implementers for misuse of state funds in respect of projects for the Expanded Public Works Programme. The forensic audit investigation had been completed and criminal cases have been opened and have been handed over to the South African Police Service (SAPS). Irregular expenditure was identified and is included in the Annual Financial Statements. The irregular expenditure relates to the non approval of item shifts and changes to the business plans without approval. This irregular expenditure has been condoned.

14. Information on predetermined objectives

Each Branch within the department must ensure that its predetermined objectives are measurable and are reported on a quarterly basis to the management meetings as well as to the Executive Authority on progress.

15. SCOPA resolutions

The department has no SCOPA resolutions.

16. Prior modifications to audit reports

The department had no qualifications, disclaimer or adverse opinion in the previous financial year. The transfer of funds to Expanded Public Works Programme projects was raised as a non-compliance with laws and regulations. The Office of the Auditor-General South Africa audited 51 projects in the 2011/12 financial year. The department implemented the corrective actions identified and will also institute further forensic investigations into 11 projects. At this stage no expenditure can be regarded as fruitless and wasteful, pending the outcome of these investigations. Irregular expenditure was identified and is included in the Annual Financial Statements.

Report of the Accounting Officer

for the year ended 31 March 2012

17. Exemptions and deviations received from the National Treasury

None

18. Interim Financial Statements

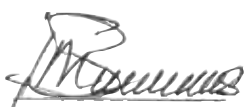
The interim financial statements provided the department the opportunity to assess expenditure control and cash flow management as well as the clearing of suspense accounts during the financial year.

19. Other

No other material facts or circumstances to be reported.

20. Approval

The Annual Financial Statements set out on pages 70 to 121 have been approved by the Accounting Officer.



Ambassador L M Makhubela

Director-General

Date: 31 May 2012

Report of the Auditor-General to Parliament on Vote No. 35: Department of Tourism for the year ended 31 March 2012

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the Department of Tourism set out on pages 70 to 121, which comprise the appropriation statement, the statement of financial position as at 31 March 2012, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

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

Auditor-General's responsibility

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

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Tourism as at 31 March 2012, and its financial performance and cash flows for the year then ended in accordance with The Departmental Financial Reporting Framework prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).

Report of the Auditor-General to Parliament on Vote No. 35: Department of Tourism for the year ended 31 March 2012

Additional matter

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

Financial reporting framework

7. The financial reporting framework prescribed by the National Treasury and applied by the department is a compliance framework. The wording of my opinion on a compliance framework should reflect that the financial statements have been prepared in accordance with this framework. Section 20(2)(a) of the PAA, however, requires me to express an opinion on the fair presentation of the financial statements. The wording of my opinion therefore reflects this requirement.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

8. In accordance with the PAA and the *General Notice* issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

Predetermined objectives

9. I performed procedures to obtain evidence about the usefulness and reliability of the information in the programme performance report as set out on pages 22 to 50 of the annual report.
10. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the *National Treasury Framework for managing programme performance information*.

The reliability of the information in respect of the selected programmes is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).

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

Additional matter

12. I draw attention to the following matter below. My conclusion is not modified in respect of this matter.

Report of the Auditor-General to Parliament on Vote No. 35: Department of Tourism for the year ended 31 March 2012

Material adjustments to the programme performance report

13. Material audit adjustments in the annual performance report were identified during the audit, of which all but two were corrected by management.

Compliance with laws and regulation

14. I performed procedures to obtain evidence that the entity has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key applicable laws and regulations as set out in the *General Notice* issued in terms of the PAA are as follows:

Transfer of funds

15. The accounting officer is still in the process of addressing weaknesses in internal controls relating to the Expanded Public Works Programme as a result non-compliance with TR 8.4.1 is still reportable in the 2011/12 audit report. The audit of these projects revealed the following discrepancies:
- provincial project managers and project implementers did not comply with required regular reporting procedures
 - project implementers did not submit external audit reports
 - provincial project managers did not comply with regular monitoring procedures and did not execute regular inspection visits or review of performance as required by their performance agreement.

INTERNAL CONTROL

16. I considered internal control relevant to my audit of the financial statements, programme performance report and compliance with laws and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the findings on compliance with laws and regulations included in this report.

Leadership

17. The monitoring controls to ensure adherence to contractual requirements and the internal controls over the Expanded Public Works Programme were not sufficient to detect and prevent control deviations and non-compliance with laws and regulations.

Financial and performance management

18. Monthly progress reports from some provincial project managers on progress at Expanded Public Works Programme projects to ensure that expenditure incurred is aligned with actual progress and to ensure that funds are applied for their intended purpose are not always accurate and complete.

Report of the Auditor-General to Parliament on Vote No. 35: Department of Tourism

for the year ended 31 March 2012

19. Non-compliance with laws and regulations could have been prevented had compliance been properly reviewed and monitored in terms of the Expanded Public Works Programme projects. Stricter enforcement of mitigating controls to address non-compliance and internal control deviations is required.

OTHER REPORTS

Investigations

20. Investigations are in progress into the conduct of various service providers acting as implementers on Expanded Public Works Programme projects. The outcome of these investigations cannot be determined at present. Possible irregular, fruitless and wasteful expenditure can only be quantified once the investigations have been finalised.

Auditor-General
Pretoria
30 July 2012



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence



Appropriation Statement

for the year ended 31 March 2012

Picture: South African Parliament in Cape Town

Appropriation Statement

for the year ended 31 March 2012

Appropriation Per Programme

APPROPRIATION STATEMENT	2011/12							2010/11	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration									
Current payment	168,541	6,651	2,240	177,432	177,432	-	100%	151,064	150,978
Transfers and subsidies	2,000	312	-	2,312	1,759	553	76.1%	3,790	3,790
Payment for capital assets	25,331	(6,969)	(275)	18,087	17,316	771	95.7%	34,212	15,046
Payment for financial assets	-	6	-	6	6	-	100%	-	-
2. Tourism Development									
Current payment	53,379	(3)	(3,073)	50,303	42,705	7,598	84.9%	34,049	33,892
Transfers and subsidies	293,896	2	-	293,898	293,898	-	100%	292,543	271,904
Payment for capital assets	865	-	1,108	1,973	1,973	-	100%	1,326	1,070
Payment for financial assets	-	1	-	1	1	-	100%	1	1
3. Tourism Growth									
Current payment	24,051	(87)	23	23,987	20,169	3,818	84.1%	15,803	15,803
Transfers and subsidies	669,613	86	-	669,699	669,199	500	99.9%	637,185	637,149
Payment for capital assets	410	-	(23)	387	387	-	100%	327	327
Payment for financial assets	-	1	-	1	1	-	100%	-	-
4. Policy, Research, Monitoring and Evaluation									
Current payment	26,540	(1,875)	(473)	24,192	22,693	1,499	93.8%	13,195	13,195
Transfers and subsidies	-	1,875	-	1,875	1,875	-	100%	-	-
Payment for capital assets	359	-	473	832	832	-	100%	319	319
Payment for financial assets	-	-	-	-	-	-	-	2	2
TOTAL	1,264,985	-	-	1,264,985	1,250,246	14,739	98.8%	1,183,816	1,143,476
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts				1,893				1,521	
Actual amounts per Statement of Financial Performance (Total revenue)				1,266,878				1,185,337	
Actual amounts per Statement of Financial Performance (Total expenditure)					1,250,246				1,143,476

Appropriation Statement

for the year ended 31 March 2012

Appropriation Per Economic Classification

Economic Classification	2011/12							2010/11	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	144,582	(5,708)	-	138,874	135,254	3,620	97.4%	100,338	100,252
Goods and services	127,675	10,386	(1,285)	136,776	127,481	9,295	93.2%	113,772	113,615
Interest (paid on finance leases)	254	7	-	261	261	-	100%	-	-
Transfers and subsidies									
Departmental agencies and accounts	668,613	-	-	668,613	668,613	-	100%	631,685	631,685
Universities & technikons	-	1,875	-	1,875	1,875	-	100%	-	-
Foreign governments and international organisations	2,000	-	-	2,000	1,447	553	72.4%	3,265	3,265
Non-profit institutions	22,700	-	-	22,700	22,200	500	97.8%	27,700	27,664
Households	272,196	400	-	272,596	272,596	-	100%	270,868	250,229
Payments for capital assets									
Machinery and equipment	26,965	(7,878)	1,255	20,342	19,571	771	96.2%	36,185	16,763
Software and other intangible assets	-	909	30	939	939	-	100%	-	-
Payments for financial assets	-	9	-	9	9	-	100%	3	3
TOTAL	1,264,985	-	-	1,264,985	1,250,246	14,739	98.8%	1,183,816	1,143,476

Appropriation Statement

for the year ended 31 March 2012

Detail Per Programme 1 : Administration

Details Per Sub-Programme	2011/12							2010/11	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Ministry									
Current payment	31,756	(4,081)	-	27,675	27,675	-	100%	29,081	29,033
Payment for capital assets	750	(121)	-	629	629	-	100%	318	318
Payment for financial assets	-	3	-	3	3	-	100%	-	-
1.2 Management									
Current payment	10,611	(1,334)	-	9,277	9,277	-	100%	8,328	8,291
Payment for capital assets	50	31	-	81	81	-	100%	413	413
1.3 Corporate Affairs									
Current payment	104,174	7,168	2,240	113,582	113,582	-	100%	77,261	77,260
Transfers and subsidies	2,000	312	-	2,312	1,759	553	76.1%	3,790	3,790
Payment for capital assets	24,531	(6,879)	(275)	17,377	16,606	771	95.6%	14,315	14,315
Payment for financial assets	-	3	-	3	3	-	100%	-	-
1.4 Office Accommodation									
Current payment	22,000	4,898	-	26,898	26,898	-	100%	36,394	36,394
Payment for capital assets	-	-	-	-	-	-	-	19,166	-
TOTAL	195,872	-	1,965	197,837	196,513	1,324	99.3%	189,066	169,814

Appropriation Statement

for the year ended 31 March 2012

Programme 1 Per Economic Classification

Economic Classification	2011/12							2010/11	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	84,745	(6,282)	-	78,463	78,463	-	100%	58,946	58,860
Goods and services	83,566	12,933	2,240	98,739	98,739	-	100%	92,117	92,117
Interest (paid on finance leases)	230	-	-	230	230	-	100%	-	-
Transfers and subsidies									
Foreign governments and international organisations	2,000	-	-	2,000	1,447	553	72.4%	3,265	3,265
Households	-	312	-	312	312	-	100%	525	525
Payments for capital assets									
Machinery and equipment	25,331	(7,878)	(275)	17,178	16,407	771	95.5%	34,213	15,047
Software and other intangible assets	-	909	-	909	909	-	100%	-	-
Payments for financial assets	-	6	-	6	6	-	100%	-	-
TOTAL	195,872	-	1,965	197,837	196,513	1,324	99.3%	189,066	169,814

Appropriation Statement

for the year ended 31 March 2012

Detail Per Programme 2 : Tourism Development

Details Per Sub-Programme	2011/12							2010/11	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Tourism Development Management									
Current payment	3,694	4	-	3,698	2,620	1,078	70.8%	3,897	3,897
Transfers and subsidies	-	2	-	2	2	-	100%	-	-
Payment for capital assets	-	-	72	72	72	-	100%	30	30
2.2 Product and Enterprise Development									
Current payment	11,536	(14)	(1,872)	9,650	6,611	3,039	68.5	6,200	6,200
Transfers and subsidies	1,700	-	-	1,700	1,700	-	100%	2,200	2,200
Payment for capital assets	-	-	29	29	29	-	100%	123	123
2.3 Social Responsibility Implementation									
Current payment	29,608	7	-	29,615	27,358	2,257	92.4%	19,753	19,596
Transfers and subsidies	272,196	-	-	272,196	272,196	-	100%	270,343	249,704
Payment for capital assets	865	-	950	1,815	1,815	-	100%	1,132	876
Payment for financial assets	-	1	-	1	1	-	100%	-	-
2.4 Sector Transformation									
Current payment	8,541	-	(1,201)	7,340	6,116	1,224	83.3%	4,199	4,199
Payment for capital assets	-	-	57	57	57	-	100%	41	41
Payment for financial assets	-	-	-	-	-	-	-	1	1
2.5 Strategic Partner in Tourism									
Transfers and subsidies	20,000	-	-	20,000	20,000	-	100%	20,000	20,000
TOTAL	348,140	-	(1,965)	346,175	338,577	7,598	97.8%	327,919	306,867

Appropriation Statement

for the year ended 31 March 2012

Programme 2 Per Economic Classification

Economic Classification	2011/12							2010/11	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	27,710	(18)	577	28,269	27,571	698	97.5%	21,511	21,511
Goods and services	25,669	(1)	(3,651)	22,017	15,117	6,900	68.7%	12,538	12,381
Interest (paid on finance leases)	-	15	-	15	15	-	100%	-	-
Transfers and subsidies									
Non-profit institutions	21,700	-	-	21,700	21,700	-	100%	22,200	22,200
Households	272,196	2	-	272,198	272,198	-	100%	270,343	249,704
Payments for capital assets									
Machinery and equipment	865	-	1,109	1,974	1,974	-	100%	1,326	1,070
Payments for financial assets	-	2	-	2	2	-	100%	1	1
TOTAL	348,140	-	(1,965)	346,175	338,577	7,598	97.8%	327,919	306,867

Appropriation Statement

for the year ended 31 March 2012

Detail Per Programme 3 : Tourism Growth

Details Per Sub-Programme	2011/12							2010/11	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Tourism Growth Management									
Current payment	3,409	5	-	3,414	2,143	1,271	62.8%	1,081	1,081
Payment for capital assets	180	-	(79)	101	101	-	100%	85	85
3.2 Marketing, Responsible Tourism and Quality Assurance									
Current payment	9,624	-	-	9,624	7,671	1,953	79.7%	5,187	5,187
Transfers and subsidies	-	86	-	86	86	-	100%	-	-
Payment for capital assets	100	-	(14)	86	86	-	100%	120	120
3.3 Capacity Building									
Current payment	11,018	(92)	23	10,949	10,355	594	94.6%	9,535	9,535
Transfers and subsidies	1,000	-	-	1,000	500	500	50.0%	5,500	5,464
Payment for capital assets	130	-	70	200	200	-	100%	122	122
Payment for financial assets	-	1	-	1	1	-	100%	-	-
3.4 South African Tourism									
Transfers and subsidies	668,613	-	-	668,613	668,613	-	100%	631,685	631,685
TOTAL	694,074	-	-	694,074	689,756	4,318	99.4%	653,315	653,279

Appropriation Statement

for the year ended 31 March 2012

Programme 3 Per Economic classification

Economic Classification	2011/12							2010/11	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	17,537	(144)	23	17,416	14,672	2,744	84.2%	11,210	11,210
Goods and services	6,514	52	(1)	6,565	5,491	1,074	83.6%	4,593	4,593
Interest (paid on finance leases)	-	5	-	5	5	-	100%	-	-
Transfers and subsidies									
Departmental agencies and accounts	668,613	-	-	668,613	668,613	-	100%	631,685	631,685
Non-profit institutions	1,000	-	-	1,000	500	500	50.0%	5,500	5,464
Households	-	86	-	86	86	-	100%	-	-
Payments for capital assets									
Machinery and equipment	410	-	(31)	379	379	-	100%	327	327
Software and other intangible assets	-	-	9	9	9	-	100%	-	-
Payments for financial assets	-	1	-	1	1	-	100%	-	-
TOTAL	694,074	-	-	694,074	689,756	4,318	99.4%	653,315	653,279

Appropriation Statement

for the year ended 31 March 2012

Detail Per Programme 4 : Policy, Research, Monitoring And Evaluation

Details Per Sub-Programme	2011/12							2010/11	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 Policy, Research, Monitoring and Evaluation Management									
Current payment	3,839	371	-	4,210	4,210	-	100%	1,891	1,891
Payment for capital assets	-	-	-	-	-	-	-	40	40
4.2 Policy Development and Evaluation									
Current payment	10,487	(1,052)	862	10,297	9,435	862	91.6%	5,681	5,681
Payment for capital assets	220	-	(50)	170	170	-	100%	70	70
4.3 Research and Knowledge Management									
Current payment	12,214	(1,194)	(1,335)	9,685	9,048	637	93.4%	5,623	5,623
Transfers and subsidies	-	1,875	-	1,875	1,875	-	100%	-	-
Payment for capital assets	139	-	523	662	662	-	100%	209	209
Payment for financial assets	-	-	-	-	-	-	-	2	2
TOTAL	26,899	-	-	26,899	25,400	1,499	94.4%	13,516	13,516

Appropriation Statement

for the year ended 31 March 2012

Programme 4 Per Economic Classification

Economic Classification	2011/12							2010/11	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	14,590	736	(600)	14,726	14,548	178	98.8%	8,671	8,671
Goods and services	11,926	(2,598)	127	9,455	8,134	1,321	86.0%	4,524	4,524
Interest (paid on finance leases)	24	(13)	-	11	11	-	100%	-	-
Transfers and subsidies									
Universities & technikons	-	1,875	-	1,875	1,875	-	100%	-	-
Payments for capital assets									
Machinery and equipment	359	-	452	811	811	-	100%	319	319
Software and other intangible assets	-	-	21	21	21	-	100%	-	-
Payments for financial assets	-	-	-	-	-	-	-	2	2
TOTAL	26,899	-	-	26,899	25,400	1,499	94.4%	13,516	13,516

Notes To The Appropriation Statement

for the year ended 31 March 2012

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

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

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

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

3. Detail on payments for financial assets

Detail of these transactions per programme can be viewed in note 6 on Payments for financial assets to the Annual Financial Statements.

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

4.1 Per Programme:

Programme Name	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Administration	197,837	196,513	1,324	0.67%
Tourism Development	346,175	338,577	7,598	2.19%
Tourism Growth	694,074	689,756	4,318	0.62%
Policy, Research, Monitoring and Evaluation	26,899	25,400	1,499	5.57%

Explanation of variance:

Programme 1: Administration

Transfer payment - R553,000

The under spending on transfers and subsidies emanates from the change in exchange rate on the foreign payment for the membership contribution to United Nations World Tourism Organisation.

Capital assets - R771,000

The under spending on capital assets is due to the non purchase of computer equipment which is linked to the department's vacancies and savings accomplished through timeous purchases made in bulk.

Notes To The Appropriation Statement

for the year ended 31 March 2012

Programme 2: Tourism Development

Compensation of employees - R698,000

The under spending on compensation of employees relates to the 9.42% vacancy rate.

Goods and services - R6,900,000

The under spending is due to Tourism Product and Enterprise Development's heritage DVD project (tender cancelled) and Memorandum of Understanding which were not finalised for the Tourism Sector Transformation's learnership support programme with Further Education and Training Colleges (FET).

Programme 3: Tourism Growth

Compensation of employees - R2,744,000

The under spending on compensation of employees relates to the 9.42% vacancy rate.

Goods and services - R1,074,000

The under spending is due to outstanding invoices for membership fees payable to International Airport Association (IATA).

Transfer payment - R500,000

The under spending on transfer payment is due to the Memorandum of Understanding with Tourism Business Council not finalised during the financial year.

Programme 4: Policy, Research, Monitoring and Evaluation

Compensation of employees - R178,000

The under spending on compensation of employees relates to the 9.42% vacancy rate.

Goods and services - R1,321,000

The Department has a Memorandum of Understanding with the Stellenbosch University to develop a long term tourism scenario that will guide the tactical implementation of the National Tourism Sector Strategy (NTSS).

Notes To The Appropriation Statement

for the year ended 31 March 2012

4.2 Per Economic Classification:

	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Current payment:				
Compensation of employees	138,874	135,254	3,620	2.61%
Goods and services	136,776	127,481	9,295	6.80%
Interest (paid on finance leases)	261	261	-	-
Transfers and subsidies:				
Departmental agencies and accounts	668,613	668,613	-	-
Universities and technikons	1,875	1,875	-	-
Foreign governments and international organisations	2,000	1,447	553	27.65%
Non-profit institutions	22,700	22,200	500	2.20%
Households	272,596	272,596	-	-
Payment for capital assets:				
Machinery and equipment	20,342	19,571	771	3.79%
Software and other intangible assets	939	939	-	-
Payment for financial assets	9	9	-	-

Explanation of variance

Compensation of employees - R3,620 million

The under spending on compensation of employees relates to the 9.42% vacancy rate

Goods and Services - R9,295 million

The under spending on goods and services is due to the following:

- Tourism Product and Enterprise Development's heritage DVD project (tender cancelled).
- Membership fee payable to International Airport Transport Association (IATA).
- Tourism Sector Transformation's learnership support programme with Further Education and Training Colleges (FETs).
- The Department has a Memorandum of Understanding with the Stellenbosch University to develop long term tourism scenario that will guide the tactical implementation of the National Tourism Sector Strategy (NTSS).

Notes To The Appropriation Statement

for the year ended 31 March 2012

Transfer payments - R1,053 million

The under spending on transfer payments is due to the following:

- Memorandum of Understanding with Tourism Business Council not finalised.
- Exchange rate saving on the membership contribution to the United Nation's World Tourism Organisation (UNWTO).

Capital assets - R771,000

The under spending on capital assets is due to the non purchase of computer equipment which is linked to the department's vacancies and savings accomplished through timeous purchases made in bulk.

Statement of Financial Performance

for the year ended 31 March 2012

PERFORMANCE	<i>Note</i>	2011/12 R'000	2010/11 R'000
REVENUE			
Annual appropriation	1	1,264,985	1,183,816
Departmental revenue	2	1,893	1,521
TOTAL REVENUE		1,266,878	1,185,337
EXPENDITURE			
Current expenditure			
Compensation of employees	3	135,254	100,252
Goods and services	4	127,481	113,615
Interest (paid on finance leases)	5	261	-
Total current expenditure		262,996	213,867
Transfers and subsidies	7	966,731	912,843
Expenditure for capital assets			
Machinery and equipment	8	19,571	16,763
Software and other intangible assets	8	939	-
Total expenditure for capital assets		20,510	16,763
Payments for financial assets	6	9	3
TOTAL EXPENDITURE		1,250,246	1,143,476
SURPLUS FOR THE YEAR		16,632	41,861
Reconciliation of Surplus for the year			
Voted Funds		14,739	40,340
Annual appropriation		14,739	40,340
Departmental Revenue to be surrendered to the revenue fund	13	1,893	1,521
SURPLUS FOR THE YEAR		16,632	41,861

Statement of Financial Position

as at 31 March 2012

<i>POSITION</i>	<i>Note</i>	2011/12 R'000	2010/11 R'000
ASSETS			
Current assets		14,872	19,816
Cash and cash equivalents	9	14,224	19,051
Prepayments and advances	10	53	59
Receivables	11	595	706
TOTAL ASSETS		14,872	19,816
LIABILITIES			
Current liabilities		14,767	19,726
Voted funds to be surrendered to the Revenue Fund	12	14,739	19,702
Departmental revenue to be surrendered to the Revenue Fund	13	6	5
Payables	14	22	19
TOTAL LIABILITIES		14,767	19,726
NET ASSETS		105	90
Represented by:			
Recoverable revenue		105	90
TOTAL		105	90

Statement of Changes in Net Assets

for the year ended 31 March 2012

NET ASSETS	2011/12	2010/11
	R'000	R'000
Recoverable revenue		
Opening balance	90	-
Transfers	15	90
Debts recovered (included in departmental receipts)	(27)	-
Debts raised	42	90
Closing balance	<u>105</u>	<u>90</u>
TOTAL	<u>105</u>	<u>90</u>

Cash Flow Statement

for the year ended 31 March 2012

CASH FLOW	<i>Note</i>	2011/12 R'000	2010/11 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		1,266,812	1,164,699
Annual appropriated funds received	1	1,264,985	1,163,178
Departmental revenue received	2	1,827	1,521
Net (increase)/decrease in working capital		120	(746)
Surrendered to Revenue Fund		(21,594)	(1,516)
Current payments		(262,996)	(213,867)
Payment for financial assets		(9)	(3)
Transfers and subsidies paid		(966,731)	(912,843)
Net cash flow available from operating activities	15	15,602	35,724
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(20,510)	(16,763)
Proceeds from sale of capital assets	2.3	66	-
Net cash flows from investing activities		(20,444)	(16,763)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in net assets		15	90
Net cash flows from financing activities		15	90
Net increase/(decrease) in cash and cash equivalents		(4,827)	19,051
Cash and cash equivalents at the beginning of the period		19,051	-
Cash and cash equivalents at end of period	16	14,224	19,051

Accounting Policies

for the year ended 31 March 2012

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

1. PRESENTATION OF THE FINANCIAL STATEMENTS

1.1 Basis of preparation

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

1.2 Presentation currency

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

1.3 Rounding

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

1.4 Comparative figures

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

1.5 Comparative figures - Appropriation Statement

A comparison between actual amounts and final appropriation per major classification of expenditure is included in the Appropriation Statement.

Accounting Policies

for the year ended 31 March 2012

2. REVENUE

2.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the financial records on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

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

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

2.2 Departmental revenue

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

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

No accrual is made for amounts receivable from the last receipt date to the end of the reporting period. These amounts are however disclosed in the disclosure notes to the annual financial statements.

2.3 Direct Exchequer receipts

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

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

2.4 Direct Exchequer payments

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

Accounting Policies

for the year ended 31 March 2012

3. EXPENDITURE

3.1 Compensation of employees

3.1.1 Salaries and wages

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

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

3.1.2 Social contributions

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

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

Employer contributions made by the department for certain of its ex-employees are classified as transfers to households in the statement of financial performance.

3.2 Goods and services

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

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

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

Accounting Policies

for the year ended 31 March 2012

3.3 Interest on finance leases

Interest payments are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount should be recorded under goods and services.

3.4 Payments for financial assets

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but an estimate is included in the disclosure notes to the financial statements amounts.

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

3.5 Transfers and subsidies

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

3.6 Unauthorised expenditure

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

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

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

3.7 Fruitless and wasteful expenditure

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

Accounting Policies

for the year ended 31 March 2012

3.8 Irregular expenditure

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

4. ASSETS

4.1 Cash and cash equivalents

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

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

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

4.2 Other financial assets

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

4.3 Prepayments and advances

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

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

4.4 Receivables

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

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

Accounting Policies

for the year ended 31 March 2012

4.5 Inventory

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

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

4.6 Capital assets

4.6.1 Movable assets

Initial recognition

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

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

Subsequent recognition

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

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

4.6.2 Intangible assets

Initial recognition

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

All intangible assets acquired prior to 1 April 2002 can be included in the asset register at R1.

Accounting Policies

for the year ended 31 March 2012

Subsequent expenditure

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

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

5. LIABILITIES

5.1 Payables

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

5.2 Contingent liabilities

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

5.3 Contingent assets

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

5.4 Commitments

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

5.5 Accruals

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

5.6 Employee benefits

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

Accounting Policies

for the year ended 31 March 2012

5.7 Lease commitments

Finance lease

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

5.8 Impairment

The department tests for impairment where there is an indication that a receivable, loan or investment may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. An estimate is made for doubtful loans and receivables based on a review of all outstanding amounts at year-end. Impairments on investments are calculated as being the difference between the carrying amount and the present value of the expected future cash flows / service potential flowing from the instrument.

6. RECEIVABLES FOR DEPARTMENTAL REVENUE

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

7. NET ASSETS

7.1 Recoverable revenue

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

8. RELATED PARTY TRANSACTIONS

No specific information with regards to related party transactions for the reporting period.

9. KEY MANAGEMENT PERSONNEL

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

Notes to the Annual Financial Statements

for the year ended 31 March 2012

1. Annual Appropriation

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

	2011/12 Final Appropriation	Actual Funds Received	2010/11 Appropriation Received
Programmes	R'000	R'000	R'000
Administration	197,837	197,837	189,066
Tourism Development	346,175	346,175	307,281
Tourism Growth	694,074	694,074	653,315
Policy, Research, Monitoring and Evaluation	26,899	26,899	13,516
Total	1,264,985	1,264,985	1,163,178

2. Departmental revenue

	Note	2011/12 R'000	2010/11 R'000
Sales of goods and services other than capital assets	2.1	100	64
Interest, dividends and rent on land	2.2	23	29
Sales of capital assets	2.3	66	-
Financial transactions in assets and liabilities	2.4	1,704	1,428
Total Departmental revenue collected		1,893	1,521

2.1 Sales of goods and services other than capital assets

	Note	2011/12 R'000	2010/11 R'000
Sales of goods and services produced by the department	2	99	64
Sales by market establishment		59	34
Other sales		40	30
Sales of scrap, waste and other used current goods		1	-
Total		100	64

2.2 Interest, dividends and rent on land and buildings

	Note	2011/12 R'000	2010/11 R'000
Interest	2	23	29
Total		23	29

Notes to the Annual Financial Statements

for the year ended 31 March 2012

2.3 Sales of capital assets

	Note	2011/12	2010/11
		R'000	R'000
Tangible assets	2	66	-
Machinery and equipment	25.2	66	-
Total		66	-

2.4 Financial transactions in assets and liabilities

	Note	2011/12	2010/11
		R'000	R'000
Receivables	2	26	3
Other Receipts including Recoverable Revenue		1,678	1,425
Total		1,704	1,428

3. Compensation of employees

3.1 Salaries and Wages

	Note	2011/12	2010/11
		R'000	R'000
Basic salary	3	91,783	64,565
Performance award		1,384	4,448
Service Based		133	312
Compensative/circumstantial		1,568	1,715
Periodic payments		38	-
Other non-pensionable allowances		24,313	18,211
Total		119,219	89,251

3.2 Social Contributions

	Note	2011/12	2010/11
		R'000	R'000
Employer contributions	3	R'000	R'000
Pension		11,671	7,888
Medical		4,345	3,099
Bargaining council		19	14
Total		16,035	11,001
Total compensation of employees		135,254	100,252

Average number of employees		404	302
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Notes to the Annual Financial Statements

for the year ended 31 March 2012

4. Goods and services

	Note	2011/12 R'000	2010/11 R'000
Administrative fees		430	277
Advertising		2,604	1,974
Assets less than R5,000	4.1	6,587	2,989
Bursaries (employees)		864	360
Catering		507	299
Communication		3,731	3,533
Computer services	4.2	11,039	9,381
Consultants, contractors and agency/outsourced services	4.3	29,449	47,775
Entertainment		100	83
Audit cost -external	4.4	4,013	1,583
Fleet services		1	-
Inventory	4.5	7,145	3,654
Operating leases		18,004	3,550
Property payments	4.6	1,857	1,223
Travel and subsistence	4.7	30,459	30,281
Venues and facilities		4,944	2,687
Training & staff development		2,112	1,105
Other operating expenditure	4.8	3,635	2,861
Total		127,481	113,615

4.1 Assets less than R5,000

	Note	2011/12 R'000	2010/11 R'000
	4	5,984	2,492
Tangible assets		5,984	2,492
Machinery and equipment		5,984	2,492
Intangible assets		603	497
Total		6,587	2,989

4.2 Computer services

	Note	2011/12 R'000	2010/11 R'000
	4	5,864	1,995
SITA computer services		5,864	1,995
External computer service providers		5,175	7,386
Total		11,039	9,381

Notes to the Annual Financial Statements

for the year ended 31 March 2012

4.3 Consultants, contractors and agency/outsourced services

	Note	2011/12	2010/11
	4	R'000	R'000
Business and advisory services		18,847	9,172
Infrastructure and planning		27	-
Legal costs		275	7
Contractors		8,976	38,505
Agency and support/outsourced services		1,324	91
Total		<u>29,449</u>	<u>47,775</u>

4.4 Audit Cost - External

	Note	2011/12	2010/11
	4	R'000	R'000
Regulatory audits		4,013	1,583
Total external audit fees		<u>4,013</u>	<u>1,583</u>

4.5 Inventory

	Note	2011/12	2010/11
	4	R'000	R'000
Food and Food supplies		24	83
Fuel, oil and gas		783	581
Other consumables		1,760	316
Materials and supplies		266	22
Stationery and printing		4,312	2,652
Total Inventory		<u>7,145</u>	<u>3,654</u>

4.6 Property payments

	Note	2011/12	2010/11
	4	R'000	R'000
Municipal services		1,029	554
Property maintenance and repairs		798	170
Other		30	499
Total		<u>1,857</u>	<u>1,223</u>

Notes to the Annual Financial Statements

for the year ended 31 March 2012

4.7 Travel and subsistence

	Note	2011/12	2010/11
		R'000	R'000
Local	4	16,716	15,033
Foreign		13,743	15,248
Total travel and subsistence		30,459	30,281

4.8 Other operating expenditure

	Note	2011/12	2010/11
		R'000	R'000
Professional bodies, membership and subscription fees	4	16	208
Resettlement costs		1,233	542
Gifts		12	-
Other		2,374	2,111
Total		3,635	2,861

5 Interest

		2011/12	2010/11
		R'000	R'000
Interest paid (Finance leases)		261	-
Total		261	-

6 Payments for financial assets

		2011/12	2010/11
	Note	R'000	R'000
Material losses through criminal conduct		-	2
Theft	6.1	-	2
Other material losses written off	6.2	7	1
Debts written off	6.3	2	-
Total		9	3

6.1 Details of theft

	Note	2011/12	2010/11
Nature of theft		R'000	R'000
Official's daily allowance was stolen whilst abroad	6	-	2
Total		-	2

Notes to the Annual Financial Statements

for the year ended 31 March 2012

6.2 Other material losses written off

	<i>Note</i>	2011/12	2010/11
Nature of losses	6	R'000	R'000
Other losses – damage due to vehicle accidents		7	1
Total		7	1

6.3 Debts written off

	<i>Note</i>	2011/12	2010/11
Nature of debt written off	6	R'000	R'000
Departmental debts written off		2	-
Total		2	-

7 Transfers and subsidies

	<i>Note</i>	2011/12	2010/11
		R'000	R'000
Departmental agencies and accounts	<i>Annex 1A</i>	668,613	631,685
Universities and technikons	<i>Annex 1B</i>	1,875	-
Foreign governments and international organisations	<i>Annex 1C</i>	1,447	3,265
Non-profit institutions	<i>Annex 1D</i>	22,200	27,664
Households	<i>Annex 1E</i>	272,596	250,229
Total		966,731	912,843

8 Expenditure on capital assets

	<i>Note</i>	2011/12	2010/11
Tangible assets		R'000	R'000
Machinery and equipment	25.1	19,571	16,763
Software and other intangible assets		939	-
Computer software	26.1	939	-
Total		20,510	16,763

Notes to the Annual Financial Statements

for the year ended 31 March 2012

8.1 Analysis of funds utilised to acquire capital assets - 2011/12

	2011/12 Voted Funds R'000	2010/11 Voted Funds R'000
Tangible assets	19,571	16,763
Machinery and equipment	19,571	16,763
Software and other intangible assets	939	-
Computer software	939	-
Total	20,510	16,763
9 Cash and cash equivalents	2011/12 R'000	2010/11 R'000
Consolidated Paymaster General Account	20,659	26,398
Disbursements	(6,485)	(7,388)
Cash on hand	50	40
Cash with commercial banks (Domestic)	-	1
Total	14,224	19,051
10 Prepayments and advances	2011/12 R'000	2010/11 R'000
Travel and subsistence	53	59
Total	53	59

Notes to the Annual Financial Statements

for the year ended 31 March 2012

11 Receivables

				2011/12	2010/11	
	Note	Less than one year	One to three year	Older than three years		
				R'000 Total	R'000 Total	
Claims recoverable	11.1 Annex 3	299	-	-	299	359
Recoverable expenditure	11.2	71	69	-	140	168
Staff debt	11.3	64	92	-	156	175
Other debtors	11.4	-	-	-	-	4
Total		434	161	-	595	706

11.1 Claims recoverable

	Note	2011/12	2010/11
		R'000	R'000
National departments	11	285	269
Provincial departments		14	90
Total		299	359

11.2 Recoverable expenditure (disallowance accounts)

	Note	2011/12	2010/11
		R'000	R'000
Departmental suspense accounts	11	140	168
Total		140	168

11.3 Staff Debtors

	Note	2011/12	2010/11
		R'000	R'000
Debt accounts	11	156	175
Total		156	175

11.4 Other debtors

	Note	2011/12	2010/11
		R'000	R'000
Persal deduction accounts – Sal Medical Aid	11	-	4
Total		-	4

Notes to the Annual Financial Statements

for the year ended 31 March 2012

12 Voted funds to be surrendered to the Revenue Fund

	Note	2011/12 R'000	2010/11 R'000
Opening balance		19,702	-
Transfer from Statement of Financial Performance		14,739	40,340
Voted funds not requested/not received	1	-	(20,638)
Paid during the year		(19,702)	-
Closing balance		14,739	19,702

13 Departmental revenue to be surrendered to the Revenue Fund

		2011/12 R'000	2010/11 R'000
Opening balance		5	-
Transfer from Statement of Financial Performance		1,893	1,521
Paid during the year		(1,892)	(1,516)
Closing balance		6	5

14 Payables – current

	Note	2011/12 R'000	2010/11 R'000
Other payables	14.1	22	19
Total		22	19

14.1 Other payables

	Note	2011/12 R'000	2010/11 R'000
Salary related payables	14	21	19
Control accounts		1	-
Total		22	19

Notes to the Annual Financial Statements

for the year ended 31 March 2012

15 Net cash flow available from operating activities

	2011/12	2010/11
	R'000	R'000
Net surplus as per Statement of Financial Performance	16,632	41,861
Add back non cash/cash movements not deemed operating activities	(1,030)	(6,137)
(Increase)/decrease in receivables – current	111	(706)
(Increase)/decrease in prepayments and advances	6	(59)
Increase in payables – current	3	19
Proceeds from sale of capital assets	(66)	-
Expenditure on capital assets	20,510	16,763
Surrenders to revenue fund	(21,594)	(1,516)
Voted funds not requested/not received	-	(20,638)
Net cash flow generated by operating activities	<u>15,602</u>	<u>35,724</u>

16 Reconciliation of cash and cash equivalents for cash flow purposes

	2011/12	2010/11
	R'000	R'000
Consolidated Paymaster General account	20,659	26,398
Disbursements	(6,485)	(7,388)
Cash on hand	50	40
Cash with commercial banks (Domestic)	-	1
Total	<u>14,224</u>	<u>19,051</u>

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2012

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

17 Contingent liabilities and contingent assets

17.1 Contingent liabilities

Liable to	Nature	<i>Note</i>	2011/12 R'000	2010/11 R'000
Housing loan guarantees	Employees	Annex 2A	58	58
Claims against the department		Annex 2B	4,569	10,290
Other departments (interdepartmental unconfirmed balances)		Annex 4	62	77
Total			<u>4,689</u>	<u>10,425</u>

17.2 Contingent assets

Nature of contingent asset	2011/12 R'000	2010/11 R'000
NTCE Partners/Black Magic – Termination of contract and reimbursement of all the funds paid	1,083	-
Total	<u>1,083</u>	<u>-</u>

18 Commitments

	2011/12 R'000	2010/11 R'000
Current expenditure		
Approved and contracted	2,303	9,914
Approved and not yet contracted	-	18
	<u>2,303</u>	<u>9,932</u>
Capital expenditure		
Approved and contracted	84	3,312
	<u>84</u>	<u>3,312</u>
Total Commitments	<u>2,387</u>	<u>13,244</u>

Note

The amount of R48,000.00 is included above for commitments over a period longer than a year

- Current expenditure R15,000.00
- Capital expenditure R33,000.00

Disclosure Notes To The Annual Financial Statements

for the year ended 31 March 2012

19 Accruals

			2011/12 R'000	2010/11 R'000
Listed by economic classification	30 Days	30+ Days	Total	Total
Goods and services	2,920	-	2,920	3,125
Interest (on finance leases)	20	3	23	-
Capital assets	124	16	140	705
Other	310	-	310	87
Total	3,374	19	3,393	3,917

		2011/12 R'000	2010/11 R'000
Listed by programme level			
Administration		2,591	3,314
Tourism Development		366	333
Tourism Growth		65	101
Policy, Research, Monitoring and Evaluation		61	82
Other (Assets & Liabilities)		310	87
Total		3,393	3,917

Confirmed balances with other departments	Annex 4	186	241
Total		186	241

20 Employee benefits

	2011/12 R'000	2010/11 R'000
Leave entitlement	3,822	3,243
Service bonus (Thirteenth cheque)	3,856	2,921
Performance awards	2,128	2,129
Capped leave commitments	3,113	2,747
Total	12,919	11,040

21 Lease Commitments

21.1 Finance leases expenditure

	2011/12	Machinery and equipment R'000	Total R'000
Not later than 1 year		1,826	1,826
Later than 1 year and not later than 5 years		2,042	2,042
Total present value of lease liabilities		3,868	3,868

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2012

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

22 Irregular expenditure

22.1 Reconciliation of irregular expenditure

	2011/12 R'000	2010/11 R'000
Opening balance	175	-
Add: Irregular expenditure – relating to current year	17,296	208
Less: Amounts recoverable (not condoned)	-	(33)
Less: Amounts condoned	(17,471)	-
Irregular expenditure awaiting condonation	-	175

Analysis of irregular expenditure per age classification

Current	-	175
Total	-	175

22.2 Details of irregular expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2011/12 R'000
Projects for Expanded Public Works programme – The irregular expenditure relates to the non approval of item shifts within the approved business plans	None	17,241
Only one supplier listed on the supplier database	None	10
No tax clearance certificate could be provided for audit	None	45
Total		17,296

Disclosure Notes To The Annual Financial Statements

for the year ended 31 March 2012

22.3 Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	2011/12 R'000
Projects for Expanded Public Works programme – The irregular expenditure relates to the non approval of item shifts within the approved business plans	Accounting Officer	17,241
Only one supplier listed on the supplier database	Accounting Officer	10
No tax clearance certificate could be provided for audit	Accounting Officer	45
Total		17,296

23 Fruitless and wasteful expenditure

23.1 Reconciliation of fruitless and wasteful expenditure

	2011/12 R'000	2010/11 R'000
Opening balance	28	-
Fruitless and wasteful expenditure – relating to current year	203	28
Less: Amounts transferred to receivables for recovery	(231)	-
Fruitless and wasteful expenditure to be recovered	-	28

23.2 Analysis of fruitless and wasteful expenditure per economic classification

Current	-	28
Total	-	28

23.3 Analysis of Current Year's fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	2011/12 R'000
Duplicate Payment	In the process of recovery	14
Unused tickets not recovered	In the process of recovery	188
Late cancellation of accommodation	In the process of recovery	1
Total		203

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2012

24 Key management personnel

	No. of Individuals	2011/12 R'000	2010/11 R'000
Political office bearers	2	3,469	3,303
Officials			
Level 15 to 16	5	4,602	4,018
Level 14	14	12,289	9,455
Total		20,360	16,776

25 Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Opening balance R'000	Current Year Adjustments to		Disposals R'000	Closing Balance R'000
		Opening balance R'000	prior year balances R'000		
MACHINERY AND EQUIPMENT	22,300	1,205	19,620	1,309	41,816
Transport assets	2,165	-	2,282	253	4,194
Computer equipment	13,018	(2,115)	4,253	967	14,189
Furniture and office equipment	2,653	1,205	8,407	80	12,185
Other machinery and equipment	4,464	2,115	4,687	9	11,248
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	22,300	1,205	19,620	1,309	41,816

Disclosure Notes To The Annual Financial Statements

for the year ended 31 March 2012

25.1 ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Cash	Non-cash	(Capital work-in-progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	18,287	49	1,284	-	19,620
Transport assets	1,836	-	446	-	2,282
Computer equipment	4,204	49	-	-	4,253
Furniture and office equipment	8,407	-	-	-	8,407
Other machinery and equipment	3,840	-	838	-	4,678
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	18,287	49	1,284	-	19,620

25.2 DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	353	956	1,309	66
Transport assets	253	-	253	56
Computer equipment	100	867	967	10
Furniture and office equipment	-	80	80	-
Other machinery and equipment	-	9	9	-
TOTAL DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS	353	956	1,309	66

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2012

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

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

Minor assets

25.4 MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Intangible assets	Machinery and equipment R'000	Total R'000
Opening balance	393	93	486
Additions	211	5,322	5,533
Disposals	2	516	518
TOTAL MINOR ASSETS	602	4,899	5,501

	Intangible assets	Machinery and equipment	Total
Number of R1 minor assets	-	64	64
Number of minor assets at cost	367	128	495
TOTAL NUMBER OF MINOR ASSETS	367	192	559

Disclosure Notes To The Annual Financial Statements

for the year ended 31 March 2012

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

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

	Intangible assets	Machinery and equipment	Total
Number of R1 minor assets	-	43	43
Number of minor assets at cost	429	49	478
TOTAL NUMBER OF MINOR ASSETS	429	92	521

26 Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Opening Balance R'000	Current Year Adjustments to prior year balances R'000	Additions R'000	Disposals R'000	Closing Balance R'000
COMPUTER SOFTWARE	-	-	2,120	-	2,120
TOTAL INTANGIBLE CAPITAL ASSETS	-	-	2,120	-	2,120

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2012

26.1 ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Cash	Non-cash	(Development work- in- progress current costs)	Received current, not paid (Paid current year, received prior year	Total
	R'000	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE	939	1,181	-	-	2,120
TOTAL ADDITIONS TO INTANGIBLE ASSETS	939	1,181	-	-	2,120

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

	Opening balance R'000	Current Year Adjustments to prior year balances R'000	Additions R'000	Disposals R'000	Closing Balance R'000
COMPUTER SOFTWARE	-	-	-	-	-
TOTAL INTANGIBLE CAPITAL ASSETS	-	-	-	-	-

Annexures To The Annual Financial Statements

for the year ended 31 March 2012

ANNEXURE 1A

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTS/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2010/11
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
South African Tourism	668,613	-	-	668,613	668,613	100%	631,685
TOTAL	668,613	-	-	668,613	668,613		631,685

ANNEXURE 1B

STATEMENT OF TRANSFERS TO UNIVERSITIES AND TECHNIKONS

UNIVERSITY/TECHNIKON	TRANSFER ALLOCATION				TRANSFER		2010/11
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Cape Peninsula University of Tec	-	-	350	350	350	100%	-
University of Johannesburg	-	-	350	350	350	100%	-
University of Pretoria	-	-	500	500	500	100%	-
University of Venda	-	-	325	325	325	100%	-
University of Zululand	-	-	350	350	350	100%	-
TOTAL	-	-	1,875	1,875	1,875		-

Annexures To The Annual Financial Statements

for the year ended 31 March 2012

ANNEXURE 1C

STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

FOREIGN GOVERNMENT/ INTERNATIONAL ORGANISATION	TRANSFER ALLOCATION				EXPENDITURE		2010/11
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Regional Tourism Organisation of Southern Africa	-	-	-	-	-		1,930
United Nations World Tourism Organisation	2,000	-	-	2,000	1,447	72%	1,335
TOTAL	2,000	-	-	2,000	1,447		3,265

ANNEXURE 1D

STATEMENT OF TRANSFERS/SUBSIDIES TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2010/11
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
National Business Trust	-	-	-	-	-		20,000
National Business Initiative	1,200	-	-	1,200	1,200	100%	2,200
Tourism Business Council of South Africa	500	-	-	500	-	0%	500
Federated Hospitality Association of Southern Africa	500	-	-	500	500	100%	4,964
Ezemvelo KZN Wildlife	500	-	-	500	500	100%	-
Strategic Partner in Tourism	20,000	-	-	20,000	20,000	100%	-
TOTAL	22,700	-	-	22,700	22,200		27,664

Annexures To The Annual Financial Statements

for the year ended 31 March 2012

ANNEXURE 1E

STATEMENT OF TRANSFERS TO HOUSEHOLDS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2010/11
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Expanded Public Works Programme	252,962	-	-	252,962	252,962	100%	238,281
Expanded Public Works Programme - Incentive	19,234	-	-	19,234	19,234	100%	11,423
Bursaries	-	-	225	225	225	100%	525
Employee Social Benefits: Leave Gratuity	-	-	175	175	175	100%	-
TOTAL	272,196	-	400	272,596	272,596		250,229

Annexures To The Annual Financial Statements

for the year ended 31 March 2012

ANNEXURE 2 A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2012 – LOCAL

GUARANTOR INSTITUTION	GUARANTEE IN RESPECT OF HOUSING	Original guaranteed capital amount	Opening balance 1 April 2011	Guarantee draw downs during the year	Guarantee repayments/ cancelled/ reduced/ released during the year	Currency revaluations	Closing balance 31 March 2012	Guaranteed interest for year ended 31 March 2012	Realised losses not recoverable
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Standard Bank		54	11	-	-	-	11	-	-
Nedbank Limited		130	26	-	-	-	26	-	-
NHFC (Masikheni)		104	21	-	-	-	21	-	-
TOTAL		288	58	-	-	-	58	-	-

ANNEXURE 2 B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2012

NATURE OF LIABILITY	Opening balance 1 April 2011	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2012
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
I CAN-ABCOR – Free State training project agreement	10,290	-	6,290	-	4,000
S Nhlumayo - Applicant is claiming for compensation arising from the alleged unfair dismissal by the Department	-	526	-	-	526
D Mabunda - Claiming for damages arising from negligent driving by an official of the department	-	43	-	-	43
TOTAL	10,290	569	6,290	-	4,569

Annexures To The Annual Financial Statements

for the year ended 31 March 2012

ANNEXURE 3

CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2012	31/03/2011	31/03/2012	31/03/2011	31/03/2012	31/03/2011
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Department of Correctional Services	-	19	-	-	-	19
Department of Environmental Affairs	66	-	-	36	66	36
Department of International Relations and Corporations (DIRCO)	-	13	-	-	-	13
Department of Justice and Constitutional Development	-	14	21	-	21	14
Limpopo Department of Agriculture	-	54	-	-	-	54
National Prosecuting Authority	-	33	-	-	-	33
Office of the Premier (KZN)	-	15	-	-	-	15
Gauteng Agriculture Conservation Environment	-	-	-	21	-	21
Independent Complaints Directorate (ICD)	-	-	-	27	-	27
The Presidency	11	-	-	127	11	127
Department of Trade and Industry	150	-	-	-	150	-
Department of Labour	13	-	-	-	13	-
North West: Department of Public Works	-	-	1	-	1	-
North West: Provincial Treasury	-	-	13	-	13	-
Department of Home Affairs	-	-	21	-	21	-
Department of Health	-	-	3	-	3	-
TOTAL	240	148	59	211	299	359

Annexures To The Annual Financial Statements

for the year ended 31 March 2012

ANNEXURE 4

INTER-DEPARTMENTAL PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2012	31/03/2011	31/03/2012	31/03/2011	31/03/2012	31/03/2011
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Current						
Department of Higher Education	-	9	-	-	-	9
Department of Justice & Constitutional Development	87	40	-	55	87	95
Department of Environmental Affairs	2	41	-	-	2	41
Statistic South Africa	-	14	-	-	-	14
The Presidency	22	72	-	-	22	72
Office of the Public Service Commission	-	-	-	1	-	1
Department of Correctional Services	-	-	-	14	-	14
Limpopo Department of Agriculture	-	-	-	2	-	2
Department of Public Works	-	-	-	3	-	3
Department of Trade and Industry	-	-	-	2	-	2
Department of Cooperative Governance & Traditional Affairs	-	65	-	-	-	65
Eastern Cape: Local Gov & Traditional Affairs	-	-	5	-	5	-
Department of Social Development	37	-	-	-	37	-
Dept of Rural Development & Land Reform (Deeds office)	20	-	-	-	20	-
Gauteng Province: Department of Finance	18	-	-	-	18	-
Department of International Relations and Corporations (DIRCO)	-	-	57	-	57	-
TOTAL	186	241	62	77	248	318

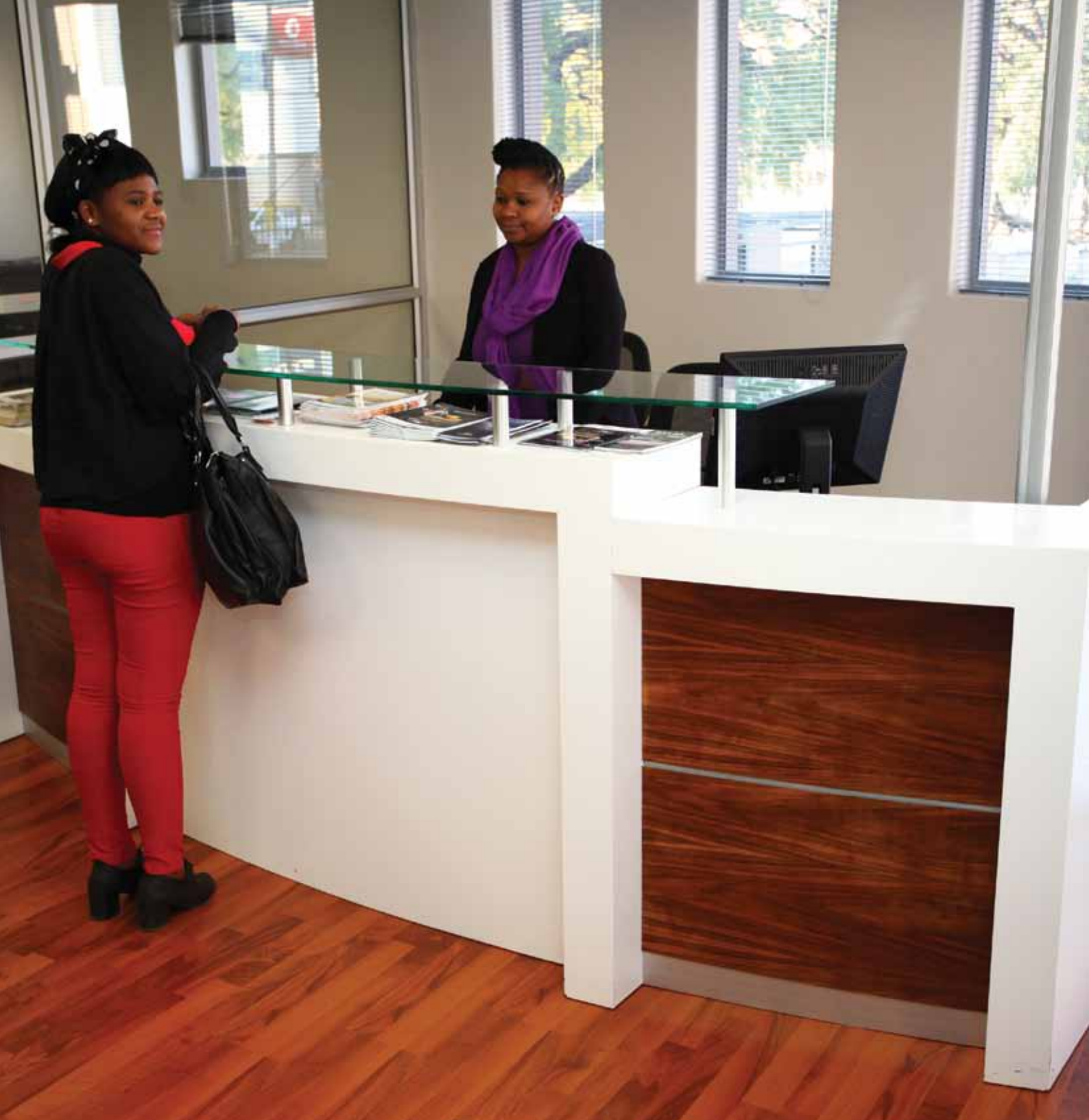
Annexures To The Annual Financial Statements

for the year ended 31 March 2012

ANNEXURE 5

INVENTORY

INVENTORY	Note	Quantity	2011/12	Quantity	2010/11
			R'000		R'000
Opening balance		-	-	-	-
Add: Additions/Purchases - Cash		46,209	5,741	-	-
(Less): Issues		(37,171)	(5,095)	-	-
CLOSING BALANCE		9,038	646	-	-



Human Resources Oversight

April 2011 to March 2012

Picture: Department of Tourism - Information Resource Centre

Human Resources Oversight - April 2011 to March 2012 - Tourism

1. Service Delivery

TABLE 1.1 - Main Service for Service Delivery Improvement and Standards

Main Services	Actual Customers	Potential Customers	Standard of Service	Actual Achievement against Standards
Tourism Service Excellence	Tourism Value Chain, Tourism service providers	Tourism Value Chain, Tourism service providers	Tourism Sector Service Excellence Norms and Standards approved by SABS	Tourism Service Excellence Norms and Standards Requirements approved and adopted by SABS as South African standards
Provision of research information to inform planning and decision making in the sector	Parliament, Public, Tourism Sector, Research community and Tourism stakeholders	Parliament, Public, Tourism Sector, Research community and Tourism stakeholders	Quality research report and publications on the tourism sector	Creation of a platform for research best practices, Establishment of the Research forum by Minister for quality assurance and peer review
				Development of tourism research framework
				Information sharing meetings and workshops

TABLE 1.2 - Consultation Arrangements for Customers

Type of Arrangement	Actual Customer	Potential Customer	Actual Achievements
Provide information on the NDT Strategy, performance information	Parliament. Other Government Departments, Public and Tourism Industry	Parliament. Other Government Departments, Public and Tourism industry	Tabled the 2011/12-2015/16 NDT Strategic Plan, 2011/12 Annual Performance Plan and 2010/11 Annual Report in Parliament Uploaded the 2011/12-15/16 Strategic Plan, 2012/13 APP and 2010/11 Annual Report on the departmental website
Enhanced Web Portal Information Sharing	Public, Tourism stakeholders	Public and Tourism stakeholders	New information knowledge systems and service developed & prototype Tourism Knowledge Portal

Human Resources Oversight - April 2011 to March 2012 - Tourism

TABLE 1.3 - Service Delivery Access Strategy

Access Strategy	Actual Achievements
Strategy and presentations made available to stakeholders in the Tourism sector	Call centers and help desks, websites, e - mail, as well as community radio stations. Presentations done during provincial forums, awareness campaigns and sessions, information shared on the website as well as through discussions on radio stations

TABLE 1.4 - Service Information Tool

Type of Information Tool	Actual Achievements
Tourism website, information available for visits to regional offices	Tourism Development Master Plan was developed and products were mapped Tourism website upgraded
Workshops are key platforms of communicating with stakeholders	Local radio stations and other platforms of communication, including print media were utilised to disseminate information, provincial workshops held with different stakeholders and Tourism Indaba
Road shows, workshops and the use of local radio stations to communicate critical aspects of the grading process in various languages	Websites, exhibitions, tourism meetings, manuals, accommodation guides, workshops, use of local radio stations in various languages to communicate critical aspects of the grading process

TABLE 1.5 - Complaint Mechanism

Complaint Mechanism	Actual Achievements
Complaints to the Minister, Director General and Department of Tourism hotline	Complaints received via hotline and letters to the Minister and DG addressed
Complaints may be addressed to the Minister of Tourism or provincial offices	Assessment was conducted to analyse TOPS implementation in provinces, the findings collated informed the development of the TOPS implementation plan

Human Resources Oversight - April 2011 to March 2012 - Tourism

2. Expenditure

TABLE 2.1 - Personnel costs by Programme

Programme	Total Voted Expenditure (R'000)	Compensation of Employees Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Compensation of Employees as percent of Total Expenditure	Average Compensation of Employees Cost per Employee (R'000)	Employment
Administration	196,513	78,463	1,595	15,017	39.9	194	404
Policy, research, mon & eval	25,401	14,549	261	1,057	57.3	36	404
Tourism development	338,577	27,571	194	2,980	8.1	68	404
Tourism growth	689,755	14,671	62	95	2.1	36	404
Total as on Financial Systems (BAS)	1,250,246	135,254	2,112	19,149	10.8	334	404

TABLE 2.2 - Personnel costs by Salary band

Salary Bands	Compensation of Employees Cost (R'000)	Percentage of Total Personnel Cost for Department	Average Compensation Cost per Employee (R)	Total Personnel Cost for Department including Goods and Transfers (R'000)	Number of Employees
Skilled (Levels 3-5)	2,483	2	91,963	139,003	27
Highly skilled production (Levels 6-8)	29,081	21	185,229	139,003	157
Highly skilled supervision (Levels 9-12)	54,597	39	379,146	139,003	144
Senior management (Levels 13-16)	35,151	25	747,894	139,003	47
Contract (Levels 1-2)	1,497	1	115,154	139,003	13
Contract (Levels 3-5)	580	0	580,000	139,003	1
Contract (Levels 6-8)	473	0	473,000	139,003	1
Contract (Levels 9-12)	2,144	2	428,800	139,003	5
Contract (Levels 13-16)	9,210	7	1,151,250	139,003	8
Periodical Remuneration	38	0	38,000	139,003	1
TOTAL	135,254	97	334,787	139,003	404

Human Resources Oversight - April 2011 to March 2012 - Tourism

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

Programme	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost per Programme (R'000)
Prog 1: Administration	61,107	77.2	306	0.4	1,909	2.4	2,640	3.3	79,126
Prog 2: Tourism Development	25,043	75.3	31	0.1	566	1.7	984	3	33,279
Prog 3: Tourism Growth	9,651	78.3	40	0.3	235	1.9	418	3.4	12,323
Prog 4: Policy, research, monitoring and evaluation	11,135	78	27	0.2	358	2.5	299	2.1	14,275
TOTAL	106,936	76.9	404	0.3	3,068	2.2	4,341	3.1	139,003

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

Salary Bands	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost per Salary Band (R'000)
Skilled (Levels 3-5)	1,745	70.1	10	0.4	173	7	161	6.5	2,489
Highly skilled production (Levels 6-8)	21,384	73.2	203	0.7	1,107	3.8	1,670	5.7	29,206
Highly skilled supervision (Levels 9-12)	42,802	75.5	185	0.3	852	1.5	1,900	3.4	56,697
Senior management (Levels 13-16)	29,217	80.7	0	0	586	1.6	442	1.2	36,188
Contract (Levels 1-2)	1,472	95.5	6	0.4	0	0	0	0	1,542
Contract (Levels 3-5)	553	95.3	0	0	0	0	0	0	580
Contract (Levels 6-8)	406	83.9	0	0	0	0	4	0.8	484
Contract (Levels 9-12)	1,732	79.5	0	0	25	1.1	38	1.7	2,178
Contract (Levels 13-16)	7,625	79.4	0	0	325	3.4	126	1.3	9,601
Periodical Remuneration	0	0	0	0	0	0	0	0	38
TOTAL	106,936	76.9	404	0.3	3,068	2.2	4,341	3.1	139,003

3. Employment

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

Programme	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Prog 1: Administration	276	252	8.7	15
Prog 2: Tourism Development	79	71	10.1	0
Prog 3: Tourism Growth	45	42	6.7	0
Prog 4: Policy research monitoring and evaluation	46	39	15.2	0
TOTAL	446	404	9.4	15

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

Salary Band	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Lower skilled (Levels 1-2), Permanent	0	0	0	0
Skilled (Levels 3-5), Permanent	28	27	3.6	0
Highly skilled production (Levels 6-8), Permanent	180	158	12.2	0
Highly skilled supervision (Levels 9-12), Permanent	165	145	12.1	0
Senior management (Levels 13-16), Permanent	59	45	23.7	0
Contract (Levels 1-2), Permanent	13	13	0	13
Contract (Levels 3-5), Permanent	0	1	0	0
Contract (Levels 6-8), Permanent	1	1	0	0
Contract (Levels 9-12), Permanent	0	4	0	2
Contract (Levels 13-16), Permanent	0	10	0	0
TOTAL	446	404	9.4	15

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

Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Other administrative policy and related officers, Permanent	40	40	0	0
Senior managers, Permanent	59	47	20.3	0
TOTAL	99	87	12.1	0

4. Evaluation

TABLE 4.1 - Job Evaluation

Salary Band	Number of Posts	Number of Jobs Evaluated	% of Posts Evaluated	Number of Posts Upgraded	% of Upgraded Posts Evaluated	Number of Posts Downgraded	% of Downgraded Posts Evaluated
Lower skilled (Levels 1-2)	1	0	0	0	0	0	0
Contract (Levels 1-2)	13	13	100	0	0	0	0
Contract (Levels 3-5)	1	0	0	0	0	0	0
Contract (Levels 6-8)	1	0	0	0	0	0	0
Contract (Levels 9-12)	5	1	20	0	0	0	0
Contract (Band A)	2	0	0	0	0	0	0
Contract (Band C)	5	0	0	0	0	0	0
Contract (Band D)	1	0	0	0	0	0	0
Skilled (Levels 3-5)	28	9	32.1	0	0	0	0
Highly skilled production (Levels 6-8)	191	43	22.5	0	0	0	0
Highly skilled supervision (Levels 9-12)	191	60	31.4	10	16.7	13	21.7
Senior Management Service Band A	42	8	19	0	0	0	0
Senior Management Service Band B	21	7	33.3	0	0	0	0
Senior Management Service Band C	2	2	100	0	0	0	0
Senior Management Service Band D	2	0	0	0	0	0	0
TOTAL	506	143	28.3	10	7	13	9.1

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

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

Human Resources Oversight - April 2011 to March 2012 - Tourism

TABLE 4.3 - Employees whose salary level exceed the grade determined by Job Evaluation [i.t.o PSR 1.V.C.3]

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

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

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

5. Employee Changes

TABLE 5.1 - Annual Turnover Rates by Salary Band

Salary Band	Employment at Beginning of Period (April 2011)	Appointments	Terminations	Turnover Rate
Skilled (Levels 3-5), Permanent	17	5	0	0
Highly skilled production (Levels 6-8), Permanent	105	23	5	4.8
Highly skilled supervision (Levels 9-12), Permanent	112	11	2	1.8
Senior Management Service Band A, Permanent	30	0	2	6.7
Senior Management Service Band B, Permanent	1	0	0	0
Senior Management Service Band D, Permanent	0	0	0	0
Contract (Levels 1-2), Permanent	15	20	12	80
Contract (Levels 3-5), Permanent	1	11	2	200
Contract (Levels 6-8), Permanent	3	2	1	33.3
Contract (Levels 9-12), Permanent	4	0	0	0
Contract (Band A), Permanent	3	1	1	33.3
Contract (Band B), Permanent	13	0	0	0
Contract (Band C), Permanent	3	0	0	0
Contract (Band D), Permanent	3	0	0	0
TOTAL	310	73	25	8.1

TABLE 5.2 - Annual Turnover Rates by Critical Occupation

Occupation	Employment at Beginning of Period (April 2011)	Appointments	Terminations	Turnover Rate
Other administrative policy and related officers, Permanent	33	3	0	0
Senior managers, Permanent	46	1	3	6.5
TOTAL	79	4	3	3.8

Human Resources Oversight - April 2011 to March 2012 - Tourism

TABLE 5.3 - Reasons why staff are leaving the department

Termination Type	Number	Percentage of Total Resignations	Percentage of Total Employment	Total	Total Employment
Death, Permanent	1	4	0.2	25	404
Resignation, Permanent	5	20	1.2	25	404
Expiry of contract, Permanent	16	64	4	25	404
Transfers, Permanent	1	4	0.2	25	404
Retirement, Permanent	2	8	0.5	25	404
TOTAL	25	100	6.2	25	404

TABLE 5.4 - Granting of Employee Initiated Severance Packages

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

TABLE 5.5 - Promotions by Critical Occupation

Occupation	Employment at Beginning of Period (April 2011)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Other administrative policy and related officers	32	8	25	14	43.8
Senior managers	44	7	15.9	24	54.5
TOTAL	76	15	19.7	38	50

Human Resources Oversight - April 2011 to March 2012 - Tourism

TABLE 5.6 - Promotions by Salary Band

Salary Band	Employment at Beginning of Period (April 2011)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Skilled (Levels 3-5), Permanent	16	0	0	13	81.3
Highly skilled production (Levels 6-8), Permanent	110	34	30.9	50	45.5
Highly skilled supervision (Levels 9-12), Permanent	109	24	22	31	28.4
Senior management (Levels 13-16), Permanent	36	8	22.2	17	47.2
Contract (Levels 1-2), Permanent	15	0	0	9	60
Contract (Levels 3-5), Permanent	2	0	0	0	0
Contract (Levels 6-8), Permanent	3	0	0	0	0
Contract (Levels 9-12), Permanent	3	1	33.3	2	66.7
Contract (Levels 13-16), Permanent	16	0	0	8	50
TOTAL	310	67	21.6	130	41.9

6. Employee Equity

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

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Legislators, senior officials and managers, Permanent	16	3	2	21	7	20	2	1	23	4	55
Professionals, Permanent	66	2	3	71	5	60	5	3	68	5	149
Technicians and associate professionals, Permanent	58	1	1	60	0	86	7	2	95	4	159
Clerks, Permanent	13	0	0	13	0	11	1	0	12	0	25
Service and sales workers, Permanent	0	0	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers, Permanent	3	0	0	3	0	0	0	0	0	0	3
Elementary occupations, Permanent	0	0	0	0	0	0	0	0	0	0	0
Other, Permanent	0	0	0	0	0	0	0	0	0	0	0
TOTAL	156	6	6	168	12	177	15	6	198	13	391

	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Employees with disabilities	7	0	1	8	1	3	0	0	3	0	12

Human Resources Oversight - April 2011 to March 2012 - Tourism

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

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Top Management, Permanent	0	0	0	0	0	0	0	0	0	0	0
Senior Management, Permanent	14	3	2	19	4	17	0	1	18	3	44
Professionally qualified and experienced specialists and mid-management, Permanent	58	5	3	66	4	64	2	3	69	5	144
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	58	1	1	60	0	84	7	2	93	4	157
Semi-skilled and discretionary decision making, Permanent	16	0	0	18	0	11	1	0	12	0	28
Unskilled and defined decision making, Permanent	0	0	0	0	0	1	0	0	1	0	1
Contract (Top Management), Permanent	2	0	0	2	3	2	0	0	2	1	8
Contract (Senior Management), Permanent	0	0	0	0	0	1	2	0	3	0	3
Contract (Professionally qualified), Permanent	2	0	0	1	1	1	0	0	1	0	4
Contract (Skilled technical), Permanent	0	0	0	0	0	1	0	0	1	0	1
Contract (Semi-skilled), Permanent	1	0	0	1	0	0	0	0	0	0	1
Contract (Unskilled), Permanent	5	0	0	5	0	8	0	0	8	0	13
TOTAL	156	9	6	172	12	190	12	6	208	13	404

Human Resources Oversight - April 2011 to March 2012 - Tourism

TABLE 6.3 - Recruitment

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Professionally qualified and experienced specialists and mid-management, Permanent	5	0	0	5	0	5	0	1	6	0	11
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	8	0	0	8	0	14	1	0	15	0	23
Semi-skilled and discretionary decision making, Permanent	4	0	0	4	0	1	0	0	1	0	5
Contract (Senior Management), Permanent	0	0	0	0	0	0	0	0	0	1	1
Contract (Skilled technical), Permanent	0	0	0	0	0	2	0	0	2	0	2
Contract (Semi skilled), Permanent	4	0	0	4	0	7	0	0	7	0	11
Contract (Unskilled), Permanent	9	0	0	9	0	11	0	0	11	0	20
TOTAL	30	0	0	30	0	40	1	1	42	1	73

	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Employees with disabilities	2	0	0	2	0	1	0	0	1	0	3

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TABLE 6.4 - Promotions

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Top Management, Permanent	0	0	0	0	0	0	0	0	0	1	1
Senior Management, Permanent	7	2	2	11	3	6	2	0	8	2	24
Professionally qualified and experienced specialists and mid-management, Permanent	24	2	1	27	2	19	3	1	23	3	55
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	25	1	1	27	0	46	6	0	52	6	85
Semi-skilled and discretionary decision making, Permanent	6	0	0	6	0	6	1	0	7	0	13
Contract (Top Management), Permanent	0	0	0	0	1	0	0	0	0	0	1
Contract (Senior Management), Permanent	1	0	0	1	0	5	0	0	5	1	7
Contract (Professionally qualified), Permanent	1	0	0	1	0	1	0	0	1	1	3
Contract (Unskilled), Permanent	6	0	0	6	0	3	0	0	3	0	9
TOTAL	70	5	4	79	6	86	12	1	99	14	198

	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Employees with disabilities	4	0	1	5	1	0	0	0	0	1	7

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TABLE 6.5 - Terminations

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Senior Management, Permanent	1	0	0	1	0	0	0	0	0	1	2
Professionally qualified and experienced specialists and mid-management, Permanent	2	0	0	2	0	0	0	0	0	0	2
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	2	0	0	2	0	2	0	0	2	1	5
Contract (Senior Management), Permanent	0	0	0	0	0	0	0	0	0	1	1
Contract (Skilled technical), Permanent	1	0	0	1	0	0	0	0	0	0	1
Contract (Semi-skilled), Permanent	1	0	0	1	0	1	0	0	1	0	2
Contract (Unskilled), Permanent	7	1	0	8	0	4	0	0	4	0	12
TOTAL	14	1	0	15	0	7	0	0	7	3	25

	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Employees with disabilities	0	0	0	0	0	0	0	0	0	1	1

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TABLE 6.6 - Disciplinary Action

Disciplinary action	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
TOTAL	1	0	0	1	0	0	0	0	0	0	1

TABLE 6.7 - Skills Development

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Legislators, Senior Officials and Managers	8	0	0	8	0	20	0	0	20	2	30
Professionals	29	2	1	32	3	33	0	0	36	1	69
Technicians and Associate Professionals	40	1	4	45	0	37	7	0	44	0	89
Clerks	29	2	1	32	0	112	6	0	118	0	150
Service and Sales Workers	0	0	0	0	0	0	0	0	0	0	0
Skilled Agriculture and Fishery Workers	0	0	0	0	0	0	0	0	0	0	0
Craft and related Trades Workers	0	0	0	0	0	0	0	0	0	0	0
Plant and Machine Operators and Assemblers	0	0	0	0	0	0	0	0	0	0	0
Interns and Bursars	23	0	0	23	0	52	0	0	52	0	75
Elementary Occupations	10	0	0	10	0	15	0	0	15	0	25
TOTAL	139	5	6	150	3	269	13	0	285	3	438
Employees with disabilities	1	0	0	1	0	0	0	0	0	0	1

7. Performance

TABLE 7.1 - Performance Rewards by Race, Gender and Disability

Demographics	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
African, Female	31	125	24.8	470	15,171
African, Male	22	107	20.6	501	22,788
Asian, Female	0	3	0.0	0	0
Asian, Male	2	6	33.3	45	22,688
Coloured, Female	8	12	66.7	91	11,327
Coloured, Male	2	6	33.3	31	15,676
Total Blacks, Female	39	140	27.9	561	14,382
Total Blacks, Male	26	119	21.8	578	22,233
White, Female	10	15	66.7	211	21,116
White, Male	5	9	55.6	177	35,327
Employees with a disability	4	6	66.7	82	20,554
TOTAL	80	283	28.3	1,527	20,112

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

Salary Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Skilled (Levels 3-5)	7	14	50.0	42	5,937
Highly skilled production (Levels 6-8)	33	104	31.7	303	9,191
Highly skilled supervision (Levels 9-12)	23	108	21.3	567	24,656
Contract (Levels 1-2)	0	6	0.0	0	0
Contract (Levels 3-5)	0	1	0.0	0	0
Contract (Levels 6-8)	0	1	0.0	0	0
Contract (Levels 9-12)	1	3	33.3	10	10,349
TOTAL	64	237	27	922	14,411

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TABLE 7.3 - Performance Rewards by Critical Occupation

Critical Occupations	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Other administrative policy and related officers	8	29	27.6	74	9,195
Senior managers	16	52	30.8	687	42,918
TOTAL	24	81	29.6	760	31,677

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

SMS Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)	% of SMS Wage Bill	Personnel Cost SMS (R'000)
Band A	11	32	34.4	373	33,872	1.8	20,275
Band B	4	14	28.6	223	55,732	2.4	9,153
Band C	1	3	33.3	91	91,168	2.4	3,850
Band D	0	3	0	0	0	0	0
TOTAL	16	52	30.8	687	180,772	2.1	33,278

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8. Foreign Workers

TABLE 8.1 - Foreign Workers by Salary Band

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

TABLE 8.2 - Foreign Workers by Major Occupation

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

9. Leave

TABLE 9.1 - Sick Leave for Jan 2011 to Dec 2011

Salary Band	Total Days	% Days with Medical Certification	Number of Employees using Sick Leave	% of Total Employees using Sick Leave	Average Days per Employee	Estimated Cost (R'000)	Total number of Employees using Sick Leave	Total number of days with medical certification
Skilled (Levels 3-5)	61	67.2	12	4.1	5	21	290	41
Highly skilled production (Levels 6-8)	662	74.8	111	38.3	6	381	290	495
Highly skilled supervision (Levels 9-12)	694	80	112	38.6	6	924	290	555
Senior management (Levels 13-16)	229	77.3	33	11.4	7	634	290	177
Contract (Levels 1-2)	30	46.7	13	4.5	2	6	290	14
Contract (Levels 3-5)	1	0	1	0.3	1	0	290	0
Contract (Levels 6-8)	18	77.8	2	0.7	9	7	290	14
Contract (Levels 9-12)	13	100	1	0.3	13	26	290	13
Contract (Levels 13-16)	38	97.4	5	1.7	8	72	290	37
TOTAL	1 746	77.1	290	100	6	2,071	290	1 346

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TABLE 9.2 - Disability Leave (Temporary and Permanent) for Jan 2011 to Dec 2011

Salary Band	Total Days	% Days with Medical Certification	Number of Employees using Disability Leave	% of Total Employees using Disability Leave	Average Days per Employee	Estimated Cost (R'000)	Total number of days with medical certification	Total number of Employees using Disability Leave
Highly skilled production (Levels 6-8)	30	100	2	50	15	16	30	4
Highly skilled supervision (Levels 9-12)	56	100	2	50	28	79	56	4
TOTAL	86	100	4	100	22	95	86	4

TABLE 9.3 - Annual Leave for Jan 2011 to Dec 2011

Salary Band	Total Days Taken	Average days per Employee	Number of Employees who took leave
Skilled (Levels 3-5)	364.0	15	25
Highly skilled production (Levels 6-8)	2 436.4	15	163
Highly skilled supervision (Levels 9-12)	2 453.8	17	145
Senior management (Levels 13-16)	895.0	19	48
Contract (Levels 1-2)	151.0	7	23
Contract (Levels 3-5)	18.0	9	2
Contract (Levels 6-8)	31.0	16	2
Contract (Levels 9-12)	82.0	16	5
Contract (Levels 13-16)	178.0	18	10
TOTAL	6 609.2	16	423

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TABLE 9.4 - Capped Leave for Jan 2011 to Dec 2011

Salary Band	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2011	Number of Employees who took Capped leave	Total number of capped leave available at 31 December 2011	Number of Employees as at 31 December 2011
Skilled (Levels 3-5)	2	2	41	1	284	7
Highly skilled production (Levels 6-8)	5	3	25	2	396	16
Highly skilled supervision (Levels 9-12)	7	2	35	3	912	26
Senior management (Levels 13-16)	4	4	45	1	589	13
TOTAL	18	3	35	7	2 181	62

TABLE 9.5 - Leave Payouts

Reason	Total Amount (R'000)	Number of Employees	Average Payment per Employee (R)
Capped leave payouts on termination of service for 2011/12	82	19	4,316
Current leave payout on termination of service for 2011/12	76	25	3,040
TOTAL	158	44	3,591

10. HIV

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

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
None	None

TABLE 10.2 - Details of Health Promotion and HIV/AIDS Programmes

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position?	Yes		SMS Member: Ms E Mkhavelle - Director: Human Capital Development and Practices
2. Does the department have a dedicated unit or have you designated specific staff members to promote health and well being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose?	Yes		Dedicated Unit: Ms C Steenkamp: Assistant Director -EHW and Mr S V Nkosi: Deputy Director-EHW&Transformation
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme?	Yes		Introduction of the programme: Yes, the Department has introduced this programme to its entire staff and it was championed by the Director General of the Department. Key services/elements: Counselling Services; Health Screening Services in last 3 quarters; Conducted HIV and AIDS Workshops; and Employee Assistance Programme Services
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent?		No	Committee: The Department is in a process of establishing the Organisational Transformation Steering Committee where issues of HIV&AIDS will be discussed in line with the Public Service Regulations, 2001.
5. Has the department reviewed the employment policies and practices of your department to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed?		No	Policy review: The policy review will take place on the third year after approval of the policy. The unit has statistics reports on the implementation of the HIV&AIDS and TB Management 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?	Yes		Measures in place: There is a dedicated Unit which specialises in Employee Health & Wellness including HIV and AIDS and TB in the workplace. This Unit has measures in place to prevent discrimination of HIV-positive employees at work through HIV&TB Management policy, HIV counselling and wellness interventions
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved?	Yes		VCT Services: The Department had three interventions during the financial year 2011/12, where staff was encouraged to go for HIV Test and this was done in collaboration with the Health Screening Program conducted within the Department through GEMS. The average percentage of employees reached was approximately 26% from the entire staff

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8. Has the department developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/indicators?	Yes	Monitoring and evaluation: The unit compiled 4 reports on EHW quarterly intervention to assess the impact of health promotion programme per intervention
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11. Labour Relations

TABLE 11.1 - Collective Agreements

Subject Matter	Date
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TABLE 11.2 - Misconduct and Discipline Hearings Finalised

Outcomes of disciplinary hearings	Number	Percentage of Total	Total
Dismissal	0		
Guilty	1	100	1
TOTAL	1	100	1

TABLE 11.3 - Types of Misconduct Addressed and Disciplinary Hearings

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

TABLE 11.4 - Grievances Lodged

Number of grievances addressed	Number	Percentage of Total	Total
Resolved	4	80	80
	1	20	20
TOTAL	5	100	100

TABLE 11.5 - Disputes Lodged

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

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TABLE 11.6 - Strike Actions

Strike Actions	
Total number of person working days lost	0
Total cost (R'000) of working days lost	R 0,00
Amount (R'000) recovered as a result of no work no pay	R 0,00

TABLE 11.7 - Precautionary Suspensions

Precautionary Suspensions	
Number of people suspended	1
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	53
Cost (R'000) of suspensions	R 63, 092.50

12. Skills Development

TABLE 12.1 - Training Needs identified

Occupational Categories	Gender	Employment	Learnerships - Interns	Skills Programmes & other short courses	Other forms of training (Bursaries)	Total
Legislators, senior officials and managers	Female	25	0	26	3	29
	Male	26	0	13	6	19
Professionals	Female	18	0	24	6	30
	Male	19	0	39	9	48
Technicians and associate professionals	Female	59	0	43	0	43
	Male	60	0	20	0	20
Clerks and Administrative workers	Female	54	0	0	5	5
	Male	27	0	0	3	3
Service and sales workers	Female	1	0	0	0	0
	Male	2	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	1	0	1	0	1
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	1	0	1	0	1

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Elementary occupations	Female	5	0	7	0	7
	Male	5	0	12	3	15
Unemployed youth	Female	0	15	0	16	31
	Male	0	15	0	3	18
Gender sub totals	Female	162	0	100	34	145
	Male	141	0	86	21	125
TOTAL		303	30	186	54	270

TABLE 12.2 - Training Provided

Occupational Categories	Gender	Employment	Learnerships - Interns & External Bursars	Skills Programmes & other short courses	Other forms of training (Internal Bursaries and ABET)	Total
Legislators, senior officials and managers	Male	28	0	5	3	8
	Female	27	0	21	1	22
Professionals	Male	76	0	31	4	35
	Female	73	0	32	2	34
Technicians and associate professionals	Male	60	0	38	7	45
	Female	99	0	40	4	44
Clerks and administrative workers	Male	13	0	28	4	32
	Female	12	0	112	6	118
Service and sales workers	Male	0	0	0	0	0
	Female	0	0	0	0	0
Skilled agriculture and fishery workers	Male	0	0	0	0	0
	Female	0	0	0	0	0
Craft and related trades workers	Male	0	0	0	0	0
	Female	0	0	0	0	0
Plant and machine operators and assemblers	Male	3	0	0	0	0
	Female	0	0	0	0	0
Elementary occupations	Male	0	0	7	3	10
	Female	0	0	12	3	15
Interns/Bursar	Male	15	18	5	0	23
	Female	15	30	22	0	52
Gender sub totals	Male	195	18	114	21	153
	Female	226	30	239	16	285
TOTAL		421	48	353	37	438

13. Injuries

TABLE 13.1 - Injury on Duty

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

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14. Consultants

TABLE 14.1 - 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	Percentage ownership by HDI groups	Management by HDI groups
May"11					
OR-000695-Deploy/ Layout and design of the Database system Sive Infrastructure Services	1	Once off	38, 190.00	100%	Black male owned
OR-00661-Promotion of investment opportunities from the South Tourism Investment Portfolio 2009 catalogue Global Africa Network	Not indicated	10 Months	193, 230.00	55%	
OR-000631-DOT Onsite support(Livelihood Certified Product Specialist Services Datacentix	4	12 Months	1, 497, 652.13	43%	
OR-000632-Maintenance, support and helpdesk function on EDMS Exponent	1	12 Months	2, 324, 022.72	25,10%	0.2%-Black women
June"11					
OR-000763-Maintenance and enhancement on the development of the framework, web portal and applications Moila Business Enterprises	1	12 Months	2, 300, 000.00	100%	Black male owned
OR-000764-Motivational Speaker John Tibani Consulting	1	Once-off	60, 000.00	100%	Black male owned
July"11					
OR-000873-Development and installation of primary building signage Flash Digitals	Not indicated	Once off	248, 596.49	100%	
September"11					
OR-001 127-Motivational speaker John Tibani Consulting	1	Once-off	21, 730.00	100%	Black male owned
November"11					
OR-001409-Development, production and marketing of Bojanala Bembani Sustainability Training	2	Once-off	56, 610.12	100%	Black male owned
January"12					
OR-001461-Personnel Suitability Checks Experian	Not indicated	Once-off	272, 602.50	100%	

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February'12					
OR-001514-Various projects involving technical skills (library software GPS Architects)	Not indicated	Once-off	255, 871.83	0%	
March'12					
OR-001657-Responsible Tourism Technical Think-Tank workshop on the Responsible Tourism Strategy Fair Trade in Tourism SA	Not indicated	Once-off	34, 200.00	100%	Black male owned
OR-001682-Technical Resources for the Electronic Document Management System(EDMS) Exponent	6	4 Months	578, 165.72	25,10%	0.2%-Black women
OR-001693-Development of long-term tourism scenarios University of Stellenbosch	Not indicated	Once-off	413, 378.00	Learning Institution	
TOTAL			8, 294, 249.51		

TABLE 14.2 - Report on consultant appointments using Donor funds

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

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

TABLE 14.3 - Analysis of consultant appointments using Donor funds, i.t.o. HDIs

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

Acronyms and Abbreviations

1. AGSA	Auditor General of South Africa
2. AIME	Asia Pacific Incentive and Meeting Expo
3. AMSCO	African Management Services Corporation
4. ATAG	Air Transport Action Group
5. BBBEE	Broad-Based Black Economic Empowerment
6. BEE	Black Economic Empowerment
7. CATHSSETA	Culture, Arts, Tourism, Hospitality and Sports Sector Education and Training Authority
8. DEA	Department of Environmental Affairs
9. DIRCO	Department of International Relations and Cooperation
10. DRDLR	Department of Rural Development and Land Reform
11. DTI	Department of Trade and Industry
12. EDMS	Electronic Document Management System
13. EHW	Employee Health Wellness
14. EME	Exempt Micro Enterprises
15. EPWP	Extended Public Works Programme
16. ETEYA	Emerging Tourism Entrepreneur of the Year Awards
17. EU	European Union
18. FEDHASA	Federated Hospitality Association of South Africa
19. FET	Further Education and Training
20. FIFA	Federation of International Football Associations
21. FOSAD	Forum of South African Director-General
22. FTE	Full Time Equivalent
23. GDP	Gross Domestic Product
24. GPSSBC	General Public Service Sector Bargaining Council
25. GSP	Growth Support Programme
26. HDE	Historically Disadvantaged Enterprises
27. HRD	Human Resource Development
28. IATA	International Air Transport Association
29. ICD	Independent Complaints Directorate
30. IDPs	Integrated Development Plans
31. IFTM	International French Travel Market
32. IGTM	International Golf Tourism Market
33. IMG	International Marketing Group
34. IPAP	Industrial Policy Action Plan
35. ITB	Internationale Tourismus Borse
36. KPI	Key Performance Indicator
37. KZN	Kwa-Zulu Natal
38. LGTD	Local Government Tourism Development
39. M&E	Monitoring and Evaluation
40. MINMEC	Ministers and Members of Executive Council
41. MoU	Memorandum of Understanding
42. MSP	Master Systems Plan
43. MTEF	Medium – Term Expenditure Framework

Acronyms and Abbreviations

44. NBI	National Business Initiative
45. NBT	National Business Trust
46. NDT	National Department of Tourism
47. NGP	National Growth Path
48. NHFC	National Housing Finance Corporation
49. NMSRT	National Minimum Standards for Responsible Tourism
50. NRF	National Revenue Fund
51. NTCE	National Tourism Careers Expo
52. NTIG	National Tourism Information Gateways
53. NTSS	National Tourism Sector Strategy
54. NVIF	National Visitors Information Framework
55. NYCTP	National Youth Chefs Training Programme
56. OECD	Organisation for Economic Co-operation and Development
57. PAA	Public Audit Act
58. PFMA	Public Finance Management Act
59. PGDSs	Provincial Growth and Development Strategies
60. PMDS	Performance Management Development System
61. PPP	Public Private Partnerships
62. PPPFA	Preferential Procurement Policy Framework Act
63. RETOSA	Regional Tourism Organisation of Southern Africa
64. SAA	South African Airways
65. SABS	South African Bureau of Standards
66. SACA	South African Chefs Association
67. SADC	Southern African Development Community
68. SADCSTAN	Southern African Development Community Standardisation
69. SAGTA	South African Golf Tourism Association
70. SANAS	South African National Standards
71. SAPS	South African Police Services
72. SAT	South African Tourism
73. SCM	Supply Chain Management
74. SCOPA	Standing Committee on Public Accounts
75. SER	Service Excellence Requirements
76. SETA	Sector Education and Training Authority
77. SITA	State Information Technology Agency
78. SMMEs	Small, medium and micro enterprises
79. SRI	Social Responsibility Implementation
80. TBCSA	Tourism Business Council of South Africa
81. TEP	Tourism Enterprise Partnership
82. TGCSA	Tourism Grading Council of South Africa
83. THETA	Tourism, Hospitality and Sport Education Training Authority
84. TOPS	Threatened or protected species
85. TR	Treasury Regulations
86. UA	Universal Access

Acronyms and Abbreviations

87. UNFCCC	United Nations Framework Convention on Climate Change
88. UNWTO	United Nations World Tourism Organisation
89. VIC	Visitor Information Centres
90. WEF	World Economic Forum
91. WSP	Workplace Skills Plan
92. WSSD	World Summit on Sustainable Development
93. WTF	World Tourism Forum
94. WTM	World Travel Market
95. WTTC	World Travel and Tourism Council

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