

Annual report 2007/08



**Statistics
South Africa**

Preferred supplier of quality statistics



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Submission of the report to the executing authority

Minister TA Manuel

It is my pleasure to submit the 2007/08 annual report of Statistics South Africa for the period 1 April 2007 to 31 March 2008, in compliance with section 7(2)(c) of the Statistics Act, 1999 (Act No. 6 of 1999), section 40(1)(d)(i) of the Public Finance Management Act, 1999 (Act No. 1 of 1999), and in accordance with section 18 of the Treasury Regulations.

A handwritten signature in black ink, appearing to read 'PJ Lehohla', with a stylized, flowing script.

PJ Lehohla
Statistician-General



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Section 1: General information

Foreword by the Minister of Finance

As Minister responsible for Statistics South Africa, I can confirm that Stats SA has grown and now shows signs of maturity and confidence in the manner in which they conduct their business. The organisation has improved the range and quality of its products, and the methodologies employed from data collection to dissemination, thereby enabling it to gain credibility amongst peers and in the society of data users in South Africa and abroad.

Whilst their communication is still wanting in formulating well-crafted statistical messages in a social, economic and political environment that may not necessarily be amenable to absorbing dry statistics, the organisation has, however, improved drastically from where they were in 1996 when I was tasked with the responsibility of being their minister. This report provides evidence of these improvements in the outputs of social, population and economic statistics. Price statistics, in particular the Consumer Price Index (CPI), is a far cry from our experience of the difficult and embarrassing debacle in 2003.

Amongst its recent achievements, the organisation concluded the Community Survey of 2007, and I trust users continue to apply these results in their planning. The report suggests that plans put in place in earlier years under very trying and difficult conditions are beginning to pay off. The report confirms that the organisation has grown and has developed better competencies in understanding its users.

Whilst these developments are encouraging and pleasing, I remain concerned about the dwelling frame and the integrated business register which have not delivered planned results, and I expect to see results from the remedial actions taken in this regard.

The report further suggests that the organisation has remained tenacious and steadfast and has prominently led a pan-African crusade for statistical development. In this regard change has been visible and steady, and holds the prospect and hope for an informed Africa and an Africa that relies on evidence for its planning. However, the task ahead remains onerous and will require courage, setting realistic goals, and better planning and collaboration.

Governance was the biggest weakness of this organisation in the past. This report is the fourth that confirms improvements in the governance of the organisation. Although funds returned to the fiscus are close to the accepted margin, I however, remain concerned about the level of spending. My challenge to the organisation is to see operational effectiveness and efficiency and continuous improvements in their methods of work in the years ahead.

I believe the leadership and management of the organisation will continue to lead successfully and improve the calibre and competence of its staff. I wish to thank the Statistics Council and the Audit Committee for dispensing their fiduciary responsibilities diligently. Finally I thank the leadership and staff of Stats SA for continuously striving to improve their deliverables.

Trevor A Manuel



Foreword by the Chairperson of the Statistics Council

This Annual Report shows the significant progress Stats SA has made over the past year to implement its five-year strategic plan. During this year several important data sets were released, which will make an important contribution to our understanding of the South African society and economy. Some of these releases are the results of the Community Survey, the Income and Expenditure Survey and a large volume of statistical releases on a comprehensive set of topics to give us a complete picture of the progress (or otherwise) we are making towards building democracy and to address the development challenges in our country.

The Statistics Council is a statutory advisory council, advising both the Minister and the Statistician-General, and its core mandate is to promote and safeguard official statistics. In a democratic society committed to evidence-based policy-making, official statistics are a critical foundation on which we must build the public discourse.

Building public trust in official statistics remains one of the major challenges we must address. Key to building trust in official statistics is ensuring that the statistics produced is of high integrity.

Democracy depends on high-quality data that are reliable, accurate and relevant. Also, official statistics play a major role in:

- the development of government and public policy, as well as the evaluation of the policies;
- the management of public services delivered by the government;
- promoting and informing public debate, including the ability of interest groups or citizens to determine the performance of government; and
- decision-making in the private sector, as official statistics are essential for the effective functioning of markets and the economy in general.

If the objective of official statistics is to be of 'high integrity', the central question is 'what will enhance the integrity of official statistics?'

There are two broad elements that will enhance the integrity of official statistics – the actual and perceived quality of official statistics, and the actual and perceived objectivity of official statistics.

Quality is obtained by adhering to scientific methodologies, in accordance with national and international standards, that underpin all the work of the statistical agency. The scientific methodologies employed must be transparent and should be published with the results of surveys conducted by the national statistical agency. In addition, metadata should be published to further reinforce the methodologies employed by the statistical agency. Scientific methodology is the foundation for accurate and reliable official statistics.

A significant number of statistical agencies have adopted quality assurance measures. In South Africa, the South African Statistical Quality Assessment Framework (SASQAF) provides the basis for assessing the quality of official statistics.



In dealing with perceptions of quality it is advisable that the statistical agency engages in a thorough consultation process with the users of official statistics. Over the past year, Stats SA has engaged with a broad spectrum of users to discuss several issues in relation to the methodologies of a large number of surveys which include the QLFS, the CPI and the IES.

To achieve the second element of integrity, namely objectivity, the statistical agency must not only be free from political interference, but must also be perceived to be free from such interference. Statistical releases must be published on an impartial basis. In keeping with good practice, the Minister does not have any pre-sight of the statistical releases produced by Stats SA.

In conclusion, over the past three years Stats SA has made a major investment in its administrative procedures and in building management capacity within the organisation. This is the second consecutive year that Stats SA has produced an annual report with an unqualified audit opinion.

On behalf of the Statistics Council I wish to express our sincere appreciation to the Statistician-General and his management team, as well as the members of the Audit Committee for a job well done. We also appreciate the transparent and professional manner in which the Statistician-General and his team have interacted with us during the year under review.

Finally, Minister Trevor Manuel has been an inspiration to the Council and me for the manner in which he leads the statistical community. We thank him for his support over the year.

Howard Gabriels

Introduction by the Statistician-General

This report to the minister, parliament and the people of South Africa is the last to be tabled before tenure of the current parliament ends. It further corresponds with the end of tenure of the current Statistics Council which guided this organisation in the last three years. In a number of respects this report is therefore special. It is the seventh since I was assigned the responsibility of leading this dynamic organisation. In this leadership role, I have learned and benefited immensely from the tough and often uncomfortable support from the Minister of Finance, Mr Trevor Manuel, who is completing his eleventh year as minister responsible for Stats SA. I have also enjoyed critical guidance from the Chairperson of the Statistics Council, Mr Howard Gabriels and his fellow Council members during their tenure of three years.

The leadership, management and staff of Stats SA have earned the confidence of society through continuous improvements of the products they relentlessly churn out and disseminate to the arms of the state and people of South Africa. Without the public and business, the role of Stats SA cannot be envisaged. From the millions of South Africans and their businesses, Stats SA has been assured of a continuous flow of information about the economic, social and living conditions of the people of South Africa and communities, and the state of the economy and conditions of business in South Africa.

This report informs the people of South Africa about what Stats SA has achieved in the past year and how the organisation has deployed the resources parliament put at its disposal for delivery as enshrined in the Statistics Act, 1999 (Act No. 6 of 1999). It also draws attention to failures and limitations in the organisation, reasons for these shortcomings and remedial actions being taken to address current and future performance and delivery.

In this report I am pleased to confirm that Stats SA has successfully concluded one of the critical phases of its continuous improvement project that started in 2003. Amongst the highlights, Stats SA measured and reported on the living conditions of South Africans through the Community Survey and as a consequence of the successful conclusion of this operation, the organisation is in good stead to tackle the enormously challenging task of Census 2011.

Stats SA has improved the quality of measurement of the labour market. The re-engineered Quarterly Labour Force Survey (QLFS) was launched in January 2008. Results of the first and second quarters of 2008 will be released in August 2008. Thereafter, results from the new Quarterly Labour Force Survey will be released one month after the previous quarter. This will enable policy to remain informed at the shortest interval possible on employment levels and trends.

Stats SA successfully concluded the second phase of improvements in price statistics and will continue to work on improvements in the Consumer Price Index (CPI) and Producer Price Index (PPI) in 2008/09.



On the international front, Stats SA has made it possible for the Statistician-General to be elected as Chairperson of the United Nations Statistics Commission for two years, as well as to be the inaugural Chairperson of the Statistics Commission for Africa initiated in 2008. Stats SA, through the Statistician-General as Chairperson of the African Symposia for Statistical Development (ASSD), has continued to lead in statistical developments on the continent and was in part responsible for the successful hosting of the 3rd ASSD in Accra, Ghana in December, 2007. The 4th ASSD will be hosted in Angola in 2009.

Finally, preparations are underway for the 57th Session of the International Statistics Institute (ISI) to be hosted in Durban in 2009. At the 56th session held in Portugal in August 2007, South Africa was officially handed the mantle to host this prestigious event. In its capacity as Chairperson of these entities, Stats SA has provided advice in the successful implementation of the historic population census of Sudan which is a constitutional requirement for the Comprehensive Peace Agreement signed by the North and South. Stats SA will remain engaged in the census and statistical development in the Sudan, as well as post-conflict countries on the continent – a resolution consistent with the need for statistical development on the continent.

On the downside two important deliverables were delayed in the year under review, namely the dwelling frame and the integrated business register. The organisation is hard at work to address the fundamental methodological issues and deployment tactics on these two important and central projects.

The Stats SA of 2007 is drastically different from the Stats SA of 2003. It is more confident, has greater prominence domestically and internationally, and staff that are alert, responsive and competent.

The success of Stats SA is attributed to the unwavering support from the Minister and Deputy Minister of Finance, the Chairperson and members of the Statistics Council, the Audit Committee, the people of South Africa who are the suppliers and users of the information, and the aspirational members of staff who conduct themselves professionally and continuously strive to improve work methods and interactions.

Pali Lehohla

Vision and mission

Stats SA is South Africa's national statistical organisation, with its role defined in terms of the Statistics Act, 1999 (Act No. 6 of 1999). The vision of Stats SA is to be *'the preferred supplier of quality statistics'*.

The mission of Stats SA is *'to provide a relevant and accurate body of statistics to inform users on the dynamics in the economy and society through the application of internationally acclaimed practices'*.

Our core values

Our values are the key to achieving high performance levels and are based on Batho Pele principles. We are striving towards creating an organisation that will foster the following ethos:

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

Legislative mandate

Stats SA is a national government department accountable to the Minister of Finance. The activities of the Department are regulated by the Statistics Act, which ensures independence from political interference in the production and dissemination of official statistics.

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

Stats SA is also mandated to:

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

The Statistician-General

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

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

In executing his responsibilities, the Statistician-General is assisted by an executive management team (Exco) consisting of Deputy Directors-General and support staff.

The South African Statistics Council

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

The following meetings were held during the 2007/08 financial year:

Forum	Number of meetings	Item
Full Council	5	Results of the IES and CS and the reweighting of the CPI
Economic Statistics Committee	3	Results of the IES in preparation for the launch and the reweighting of the CPI
Population Statistics Committee	7	Results and launch of the CS
Poverty and Inequality Committee	3	Design of the new Living Conditions Survey and the establishment of a poverty line index
Strategy Committee	2	<ul style="list-style-type: none">Stats SA's work programme ;Capacity building; andHosting of the 57th ISI 2009 Conference



Dr R Cassim
Deputy Director-General:
Economic Statistics



Ms K Masiteng
Deputy Director-General:
Population and Social Statistics



Dr J Arrow
Deputy Director-General:
Quality and Integration

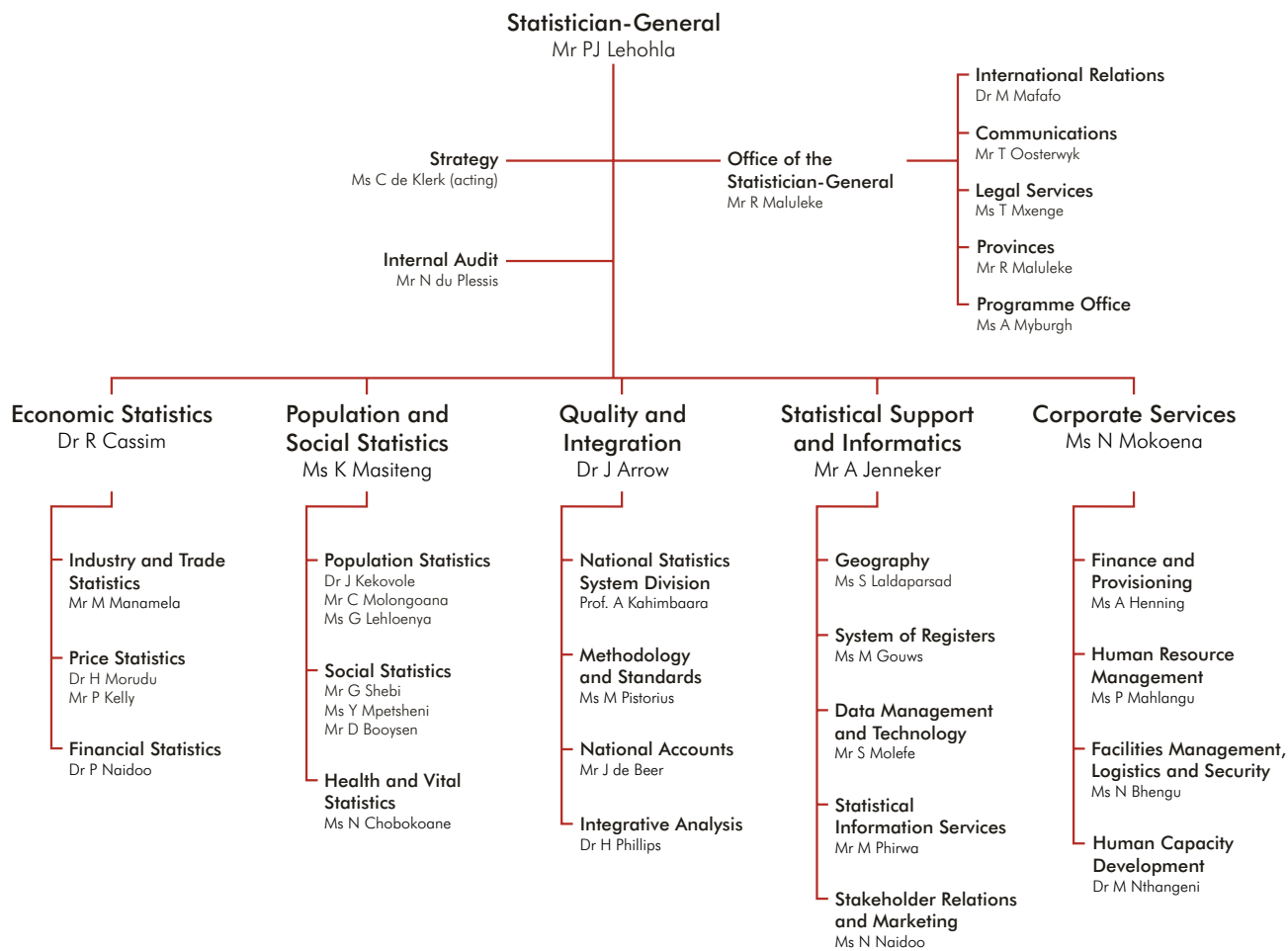


Mr A Jenneker
Deputy Director-General:
Statistical Support and
Informatics



Ms N Mokoena
Deputy Director-General:
Corporate Services

The organisational structure





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



Ms C de Klerk
Acting Executive
Manager: Strategic
Planning



Mr T Oosterwyk
Manager:
Communications



Ms A Myburgh
Executive Manager:
Programme Office



Mr M Manamela
Executive Manager:
Industry and Trade
Statistics



Mr P Kelly
Executive Manager: CPI



Dr H Morudu
Executive Manager:
Price Statistics



Dr P Naidoo
Executive Manager:
Financial Statistics



Mr D Booysen
Project Manager:
Income and Expenditure
Survey



Ms G Lehloenya
Executive Manager:
Survey Coordination,
Monitoring and
Evaluation



Dr J Kekovole
Executive Manager:
Population Census



Mr C Molongoana
Project Manager:
Community Survey



Ms Y Mpetsheni
Project Manager:
Labour Force Survey Re-
engineering



Mr G Shebi
Executive Manager:
Social Statistics



Ms N Chobokoane
Executive Manager:
Health and Vital
Statistics



Mr A Fanoe
Executive Manager:
Project Finance



Dr H Phillips
Executive Manager:
Integrative Analysis



Prof. A Kahimbaara
Executive Manager:
National Statistics
System



Ms M Pistorius
Executive Manager:
Methodology and
Standards



Mr J de Beer
Executive Manager:
National Accounts



Ms M Gouws
Executive Manager:
System of Registers



Ms S Laldaparsad
Executive Manager:
Geography



Mr M Phirwa
Executive Manager:
Statistical Information
Services



Ms N Naidoo
Executive Manager:
Stakeholder Relations
and Marketing



Mr S Molefe
Executive Manager:
Data Management and
Technology



Ms A Henning
Chief Financial Officer



Ms A Mphahlele
Office Manager: Office
of the DDG: Corporate
Services



Ms P Mahlangu
Executive Manager:
Human Resource
Management



Dr M Nthangeni
Executive Manager:
Human Capacity
Development



Mr H Dolley
Project Manager:
Relocation Project



Ms N Bhengu
Executive Manager:
Facilities Management,
Logistics and Security



Mr N du Plessis
Executive Manager:
Internal Audit



Mr Z Nkosiwane
Provincial Manager:
Eastern Cape



Mr M Cronjé
Provincial Manager:
Western Cape



Mr N Mukwevho
Provincial Manager:
Limpopo



Mr H Thema
Provincial Manager:
Mpumalanga



Ms N Makhatha
Provincial Manager:
KwaZulu-Natal



Mr I Magwaba
Provincial Manager:
Free State



Dr M Mohale
Provincial Manager:
Gauteng



Dr V Dlamini
Provincial Manager:
Northern Cape

Absent:

Mr P Lesame
Provincial Manager: North West



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Section 2: Organisational performance

Voted funds

Appropriation	Main appropriation	Adjusted appropriation	Actual amount spent	Over/under-expenditure
Vote 12	1 100 289 000	1 157 286 000	1 056 998 145	100 287 855

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

Aim of the Vote

The aim of Statistics South Africa is to provide a relevant and accurate body of statistics on the dynamics in the economy and society through the application of internationally acclaimed practices.

Purpose and measurable objective of each programme

Programme 1: Administration

Purpose: Provide sound infrastructure, support and strategic direction to enable Stats SA to achieve its mandate.

Measurable objective: Provide strategic leadership, management and corporate support services to all activities to ensure optimal performance of the organisation.

Programme 2: Economic Statistics

Purpose: Produce economic statistics to meet user requirements.

Measurable objective: Inform economic decision-making by providing accurate, relevant and timely economic statistical information through the application of internationally acclaimed practices.

Programme 3: Population and Social Statistics

Purpose: Produce population, demographic, labour market and social statistics to meet user needs.

Measurable objective: Inform policy and planning processes by providing relevant and accurate population and social statistics using ethical and internally acclaimed methodologies.

Programme 4: Quality and Integration

Purpose: Provide expertise on quality and methodology for official statistics, build the National Statistics System, compile national accounts and analyse statistical data.

Measurable objective: Provide integrated social, economic and demographic information according to acclaimed best practice, to improve the quality and usage of national statistics.

Programme 5: Statistical Support and Informatics

Purpose: Optimise the use of technology in the production and use of official statistics, to promote and provide better access to official statistics, and to develop provincial capacity to support the production and use of official statistics.

Measurable objective: Improve service delivery and increase accessibility through supporting the entire statistical production cycle with best practice information management infrastructure.

Overview of the service delivery environment for 2007/08

Stats SA's core business is to provide relevant and accurate statistical information to inform government and the public at large about the economic, demographic and social situation in the country. To this end, Stats SA has achieved the following:

Statistical releases were published as scheduled and in line with international Special Data Dissemination Standards (SDDS).

Stats SA conducted a survey on the income and expenditure patterns of South African households from September 2005 to August 2006. The Income and Expenditure Survey (IES) which was based on the internationally recommended diary method was the first of its kind to be conducted by Stats SA. The main purpose of the survey was to update the basket of goods and services required for the compilation of the Consumer Price Index (CPI). Results of the survey were released in March 2008.

The re-engineering of the Labour Force Survey gained momentum with the listing of the new master sample, testing and piloting of data processing systems and the implementation of a Real Time Management System (RTMS). The new Quarterly Labour Force Survey was launched in January 2008 and the first published data will be available in August 2008.

A Community Survey was conducted in 2007. Results of the survey were released in October 2007. Key *municipal data* was published in March 2008.

Measuring the extent of poverty by reference to an explicit and consistent standard has a long historical legacy. Stats SA, in collaboration with National Treasury, is developing a poverty line to assist in measuring the extent of household poverty and monitor progress in poverty reduction. The process of designing and testing a statistical instrument that will provide high-quality and comprehensive data on most aspects of household welfare has commenced. Information on poverty will be collected through a Living Conditions Survey during 2008/09.

The critical shortage of statistical skills remains a challenge for Stats SA. The organisation manages a successful internship programme that is intended to address the skills shortage in the organisation, especially in the core areas of statistical production. Thirty-three new interns were appointed for 2008. The Maths4stats initiative aimed at improving the skills of mathematics teachers in the country has commenced and is proving to be a success. The process of establishing a statistical training institute has started. A curriculum was developed in collaboration with the SADC Statistical Training Project.

Explanations/reasons for additions or virements between main and appropriated allocations

The Department's original budget for 2007/08 was R1 100,289 million – an increase of 2,4% from the allocation of R1 074,483 million for the 2006/07 financial year. This increase is attributed to additional funding provided for capacity building, the re-engineering of the Labour Force Survey, service delivery and population dynamics, infrastructure, and salary adjustments.

Additional funds of R56,997 million were approved as rollovers from the 2006/07 financial year to the 2007/08 financial year. These funds were approved to pay for goods and services that the Department had ordered but which could not be paid before the year end. No additional funding was provided. The final appropriation for the year is therefore R1 157,286 million.

Programmes	Voted for 2007/08 R'000	Rollovers and adjustments R'000	Virements R'000	Total voted R'000
1. Administration	292,828	18,877	(6,993)	304,712
2. Economic Statistics	145,904	(3,289)	5,239	147,854
3. Population and Social Statistics	415,688	(18,284)	14,298	411,702
4. Quality and Integration	58,296	(2,177)	(4,489)	51,630
5. Statistical Support and Informatics	187,573	61,870	(8,055)	241,388
Total	1,100,289	56,997	-	1,157,286

Funds were shifted during the Adjustment Budget to ensure that areas of priority received additional funds. Programme 1 required funds for Human Capacity Development which consisted of E-learning, internships, learnerships, the Maths4stats campaign and a skills audit. Funding was also required for additional Head Office accommodation and parking. Funds were identified from savings in personnel expenditure in other programmes and these funds were subsequently shifted to Programme 1.

Virements were applied at the end of the financial year to prevent overspending on programmes. Programme 1: Administration decreased by R6,993 million, Programme 4: Quality and Integration decreased by R4,489 million while Programme 5: Statistical Support and Informatics decreased by R8,055 million. Programme 2: Economic Statistics increased by R5,239 million and Programme 3: Population and Social Statistics increased by R14,298 million. The net change of these virements is zero.

Programme 5 provides geographical support to household-based surveys. The programme provides updated geographical information such as physical addresses, types of building (e.g. dwelling unit, office block or place of business) and identifying rural and urban areas for the surveys. Funds were provided in the Adjusted Estimates to build capacity for direct digital capture for the dwelling frame, geo-frame maintenance for the Census 2011 pilot, computer equipment, and back-up data storage for a geography database. Additional funds were sourced from savings on personnel expenditure within Programme 3.

Report on rollovers from the previous financial year

The Department's approved rollovers amount to R56,997 million which represents 5,3% of the 2006/07 allocation of R1 074,483 million. The approved rollovers resulted in an adjusted budget of R1 157,286 million for the current financial year.

An amount of R16,470 million was rolled over for the Community Survey. Included in this amount is R1,891 million for the payment of a recruitment agency to facilitate the recruitment of field staff, and R14,579 million for the payment of car rental for cars hired in February and March 2008.

An amount of R40,527 million was rolled over to Geography. This amount is made up of R12,487 million for aerial photography, R21,540 million for the development of a Statistical Data Management Facility, and R6,5 million for Geographic Positioning Systems (GPS) devices for the development of the Dwelling Frame.

Overview of the organisational environment

Stats SA has reviewed its organisational structure to ensure alignment with shifting priorities.

Provincial and district offices provide fieldwork capacity for household surveys and censuses. The increasing need for information at local level, the complexities of increased fieldwork operations and the urgency to develop and implement a National Statistics System have led to the appointment of nine Executive Managers to manage provincial offices.

Fragmented fieldwork operations have resulted in the inefficient use of resources in the provinces. Stats SA has identified the need to integrate and coordinate fieldwork operations across surveys. Permanent fieldworkers were appointed for the CPI and Quarterly Labour Force Survey in 2006 and 2007 respectively. Benefits of appointing permanent fieldworkers include building and retaining skills which will have a positive impact on the quality of data collection for all household surveys, and developing skills in preparation for Census 2011. An integrated fieldwork strategy will be rolled out over the next three years.

Fragmented data processing operations have resulted in the inefficient use of resources across surveys. Stats SA is in the process of establishing a Corporate Data Processing Centre. The new approach will streamline data processing in the organisation through the standardisation of key processes and technology, scheduling projects and surveys and thereby ensuring optimum utilisation of resources. Permanent staff will be recruited and trained. This will add value to the quality of data processing.

A new cluster is in the process of being established. The cluster will be responsible for provincial survey support, international relations, and stakeholder management.

Donor project

During 2004 a Memorandum of Understanding (MoU) for institutional support was signed between the governments of South Africa, Sweden, Canada and the United Kingdom with the main aim of developing statistical capacity in South Africa. During 2007/08, donor funds were utilised to obtain technical expertise locally and internationally for:

- Providing analytical and methodological support to the Income and Expenditure Survey;
- Providing methodological and survey design support to the Living Conditions Survey; and
- Providing statistical training and development on methodology and survey design.

Departmental revenue, expenditure, and other specific topics

Collection of departmental revenue

	2004/05 actual R'000	2005/06 actual R'000	2006/07 actual R'000	2007/08 target R'000	2007/08 actual R'000	% deviation from target
Tax revenue						
None	-	-	-	-	-	-
Non-tax revenue						
Sale of goods and services	915	804	672	1 028	988	-4%
Sale of scrap waste	-	2	52	19	86	353%
Interest received	49	56	262	87	88	1%
Sale of capital assets						
Sale of capital assets	-	-	-	-	-	-
Financial transactions	263	8,067	559	296	16,548	5 491%
Total	1,227	8,929	1,545	1,430	17,710	1 138%

Actual non-tax revenue exceeded the target for the 2007/08 financial year. This is because the sale of goods and services, scrap waste and revenue from financial transactions exceeded the target. Further revenue in respect of recovery of the previous financial year's expenditure increased the financial transactions income category.

Departmental expenditure

The Department's actual spending for the financial year end amounted to R1 056,998 million which represents 91,3% of the total voted budget.

Programme 1: Administration spent 96,4% of its allocation. The underspending was mostly due to savings on vacancies in the provinces which are still in the process of establishing district offices.

Programme 2: Economic Statistics spent 97,6% of the budget which included an Internal Diary Evaluation Survey conducted to confirm the results of the 2005/06 Income and Expenditure Survey.

Programme 3: Population and Social Statistics comprises 35,6% of the Department's total budget with funding for the Community Survey and Census 2011 being the major contributing factor. Spending for this programme was 93,2% of the final allocated budget. The underspending was mainly by the subprogramme Census 2011. There are numerous vacancies for Census Core and Census 2011 within the Programme. These posts could not be filled because the Department had

not been successful in recruiting persons with the relevant skills as there is generally a skills shortage in the statistical areas. There was also a delay in the demarcation of enumerator areas for Census 2011 due to the delays in finalising appropriate methodologies. These contributed to the lower than anticipated spending. Savings on personnel expenditure have been shifted to other priority areas during the Adjusted Estimates.

Programme 4: Quality and Integration spent 87% of its budget. This is due to the fact that some of the planned activities (signing of Memorandums of Understanding and consultations with relevant stakeholders on developing Statistical Master Plans) associated with developing the National Statistics System have been delayed. There are also savings on personnel expenditure as the Department could not find suitably qualified staff for this unit. Savings on this programme were shifted to other programmes during the Adjusted Estimates.

Programme 5: Statistical Support and Informatics spent 78,8% of the budget. Savings resulted from tenders that could not be finalised by the end of the financial year for the procurement of a total solutions package and GPS devices for the Dwelling Frame. Savings were also incurred on training which can only take place once the GPS devices have been delivered. Rollover was requested for this funding to the 2008/09 financial year.

Transfer payments

Transfer payments of R50 000 and R75 000 were made to the South African Statistical Association (SASA) and the Population Association of South Africa (PASA) respectively.

Capital investment, maintenance and asset management plan

No capital and infrastructure projects were undertaken for the period under review, thus there are no associated maintenance costs. Maintenance costs for partitioning of new offices, refurbishments and the general upkeep of the building environment were incurred for the current leased buildings.

Asset Management Plan

The Department does not have any fixed immovable assets – only fixed movable assets which include computer equipment, office furniture and office equipment. For the period under review, the Department acquired capital assets to the value of R51,527 million while assets to the value of R1,101 million were disposed of.

An asset register is maintained on the Baud Asset Management System. The register is updated continuously and reconciliations are performed on a monthly basis.



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Section 3: Programme performance

3.1 Introduction

The strategic direction of Stats SA is informed by its vision, which is to be 'the preferred supplier of quality statistics', by providing stakeholders and the public with high-quality statistical information. Stats SA aims to contribute towards the development goals of South Africa by producing statistical information about the economic, demographic, social and environmental situation in the country to inform public policy, programme implementation and evaluation.

Stats SA has identified five strategic themes to guide it in achieving its vision and mission, and has aligned its activities and projects to the strategic themes to achieve the objectives of the organisation. The strategic themes underpin the key areas that the organisation should excel at, in order to become 'the preferred supplier of quality statistics'. These strategic themes are:

- a) Providing relevant statistical information to meet user needs;
- b) Enhancing the quality of products and services;
- c) Developing and promoting statistical coordination and partnerships;
- d) Building human capacity; and
- e) Governance and accountability.

3.2 Implementing the work programme

3.2.1 Providing relevant statistical information to meet user needs

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

Stats SA's key priority is to improve measurements in the following areas:

- **Economic growth** – Improving the measurement of the GDP;
- **Price stability** – Improving the measurement of price changes;
- **Employment and job creation** – Improving labour market statistics;
- **Life circumstances and service delivery** – Producing service delivery information and measuring poverty; and
- **Demographic profile and population dynamics** – Conducting the Population Census 2011 and producing mid-year population estimates.

These activities are executed through the Economic and Population and Social Statistics clusters. The following was achieved in these areas:

a) Economic growth

Measuring the services sector adequately remains a key challenge in South Africa and other countries. Stats SA is addressing this challenge by incrementally introducing various surveys that will contribute systematically towards improved measurement of services.

Key initiatives and developments to improve the measurement of economic growth

Agriculture: The agricultural sector is one of the key components in measuring economic growth in the country. Stats SA conducts both an annual Survey of Large Scale Agriculture as well as a Census of Commercial Agriculture.

In preparation for the Census of Commercial Agriculture, four questionnaires focusing on farming, forestry, marine and agricultural services were designed. A total of 93 000 questionnaires were dispatched at the end of September 2007. The survey is in progress and is expected to be completed in July 2008. Financial results are scheduled for publication in December 2008.

Construction: The construction industry experienced rapid growth between 2004 and early 2007. In line with infrastructure development and preparations for the 2010 Soccer World Cup, further growth is expected. Currently the Quarterly Financial Statistics (QFS) and the Annual Financial Statistics (AFS) surveys measure the construction industry on a quarterly and annual basis respectively. However, in order to measure and monitor short-term movements in this industry, the viability of a construction survey was investigated. An initial scoping exercise was done towards the end of 2007 which led to the focus of the investigation changing from a purely civil engineering survey, as was initially envisaged, to the establishment of a construction index. A construction index will ensure that most of the related construction activities are accounted for in the measurement of short-term movements and it is also a recommended methodology internationally. Research will continue in 2008/09.

Transport: The new transport survey is intended to replace the previous Land Freight Transport Survey that was suspended as a result of inadequate coverage. The new survey will provide monthly indicators for input into the quarterly GDP. Research was undertaken on how transport surveys are conducted internationally, and a report on the viability of the survey was compiled. Samples were drawn from the different subsectors. Land freight and passenger transport was identified as a priority survey followed by surveys on water, sea and support services activities. A questionnaire was sent out in August 2007 with a sample of 700 enterprises. The collection of the survey data has commenced and it is expected that the first results will be available in the first quarter of 2009.

Communication: The contribution of the communication industry is estimated to have grown from 3,7% of GDP in 2000 to 3,9% of GDP in 2006. However, the rapid changes and growth in this industry have brought about the need for a short-term indicator to allow changes to be identified early. The proposed survey on the communication industry will enable Stats SA to produce more up-to-date and accurate data. An observational study and research was conducted. A report is currently being compiled with guidance from the recommendations of the United Nations manual on services sectors. It is expected to be completed by September 2008.

Business services: The proposed new business services survey will cover the real estate and business services sector of the economy, which accounts for approximately 12% of GDP. Information on the sector is available from the Quarterly Financial Statistics survey, but the proposed survey would provide a more detailed breakdown. Research has commenced and has identified a need to initially concentrate on real estate activities. A report is currently being compiled with guidance from the recommendations of the UN manual on services sectors. It is expected to be completed by October 2008.

Financial information: Stats SA is in the process of implementing the 2001 Government Financial Statistics (GFS) framework in line with International Monetary Fund guidelines. This will be rolled out over the next three years. These new developments are intended to improve and promote the financial accountability and financial transparency of government. The following releases were published during 2007/08, incorporating the new format of the 2001 GFS, and comparative figures for the 2004/05 and 2005/06 financial years.

- Financial statistics of national government for 2005/06;
- Financial statistics of extra-budgetary accounts and funds for 2005/06;
- Financial statistics of provincial government for 2005/06;
- Financial statistics of higher education institutions for 2006; and
- Financial statistics of consolidated general government for 2005/06.

Lower-digit information per industry and information on small, medium and large enterprises are published in the *Annual Financial Statistics* release, which is available on Stats SA's website.

The following table outlines the achievements against set targets for measuring economic growth:

Economic Growth

Output: Information about the level of economic activity

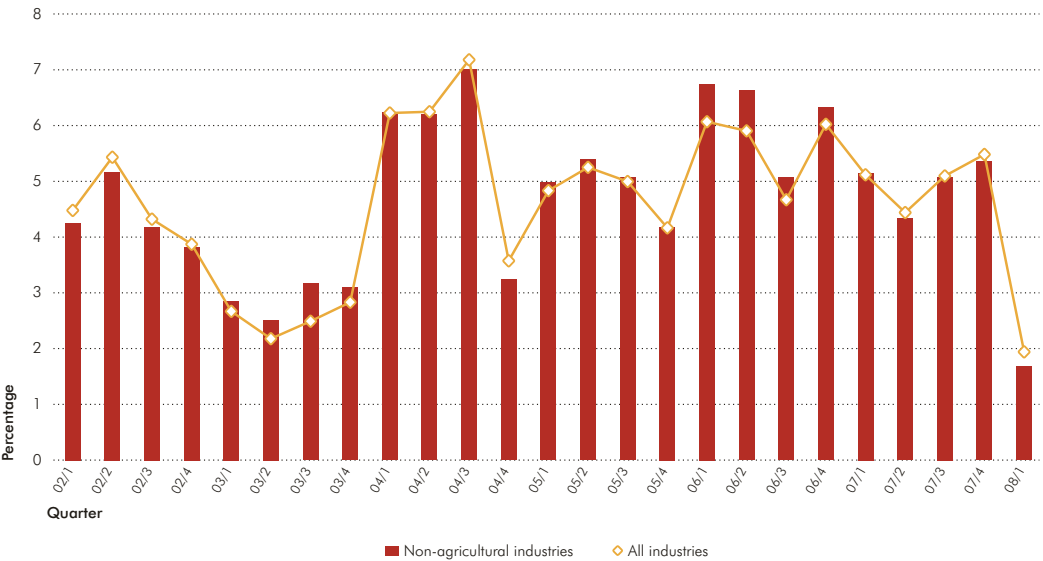
Indicator: Frequency and number of sectors reported on

Target: Quarterly, periodic and annual information on the performance of 10 economic sectors

Actual output: Published quarterly, periodic and annual information on the performance of economic sectors

Output	Indicator	Target	Actual output
GDP and GDPR estimates	Frequency and number of sectors reported on	<p>Publish quarterly statistical release</p> <p>Publish annual statistical release by November 2007 (GDP estimates)</p> <p>Publish annual statistical release by November 2007 (GDPR estimates)</p>	<p>The GDP figures for all quarters were released as scheduled, reporting on 10 sectors in the economy</p> <p>The annual GDP estimates were released as scheduled, reporting on 34 sectors in the economy</p> <p>The annual GDPR estimates were released as scheduled, reporting on 10 sectors in the economy</p>

Annualised growth rate in the seasonally adjusted real value added at basic prices



Economic growth: Industry and trade statistics

Output: Statistical information on the primary, secondary and tertiary sectors of the economy

Indicator: Number of economic sectors reported on, frequency, accuracy and timeliness of releases

Target: Eight economic sectors

Actual output: Reported on eight sectors of the economy as outlined below

Output	Indicator	Target	Actual output
Agriculture, hunting, forestry and fishing			
2007 Census of Agriculture conducted	Frequency, accuracy and timeliness of statistical releases	Conduct 2007 Census of Agriculture	The survey has commenced and data collection is expected to be completed in July 2008
2006 Agriculture Large Sample Survey (LSS)		Statistical release on the 2006 Agriculture Large Sample Survey (LSS) by December 2007	The release was published in October 2007
		Report on the 2006 Agriculture Large Sample Survey (LSS) by March 2008	The report was not released due to the sample being non-representative of the population
Mining and quarrying			
Mining: Production and sales	Frequency, accuracy and timeliness of statistical releases	Monthly release on mining – production and sales	Published 12 statistical releases as scheduled
Manufacturing			
Manufacturing: Production and sales	Frequency, accuracy and timeliness of statistical releases	Monthly release on manufacturing – production and sales with a response rate of 80%, 6 weeks after reference month	Published 12 statistical releases as scheduled with an average response rate of 87%
		<ul style="list-style-type: none">New group weights (based on value-added results of 2005 LSS on manufacturing) introduced by November 2007	The new group weights were not completed as planned due to delays in the completion of the LSS data. The exercise will be completed by November 2008
		<ul style="list-style-type: none">Indices on 2005=100 rebased by November 2007	Indices will be rebased with the new weights in November 2008

Economic growth: Industry and trade statistics (continued)

Output	Indicator	Target	Actual output
Manufacturing			
Manufacturing: Utilisation of production capacity by large enterprises	Frequency, accuracy and timeliness of statistical releases	Quarterly release on manufacturing – utilisation of production capacity by large enterprises with a response rate of 80%, 12 weeks after reference month	Published 4 statistical releases as scheduled with an average response rate of 83%
LSS on Manufacturing, wholesale trade and retail trade		1 report each on the LSS on manufacturing, wholesale trade and retail trade by July 2007	The report on the LSS on retail trade sales was published in March 2008 and the report on manufacturing and wholesale trade sales will be published in June 2008. The delay is due to cross-referencing between different surveys before publication
LSS on Manufacturing: Products		2 reports on the LSS on manufacturing – products by March 2008 (from 2006/07)	2 reports were finalised and will be published in June 2008
Electricity, gas and water supply			
Generation and consumption of electricity	Frequency, accuracy and timeliness of statistical releases	Monthly release on generation and consumption of electricity with a response rate of 80%, 5 weeks after the reference month	Published 12 statistical releases as scheduled with an average response rate of 99%
LSS on electricity, gas and water supply (periodic survey)		Statistical release on the LSS on electricity, gas and water supply by September 2007	The release was delayed due to human resource constraints. It is scheduled for release in June 2008
Construction			
Building plans passed and completed	Frequency, accuracy and timeliness of statistical releases	Monthly release on building plans passed and completed with a response rate of 80%, 7 weeks after reference month	Published 12 statistical releases as scheduled with an average response rate of 95%

Economic growth: Industry and trade statistics (continued)

Output	Indicator	Target	Actual output
Construction			
Selected building plans passed and completed – annual release	Frequency, accuracy and timeliness of statistical releases	Annual release on selected building plans passed and completed (2006), with a response rate of 80%, 7 weeks after reference month	Published annual statistical release as scheduled with a response rate of 95%
Buildings completed per annum for 2004 and 2005		2 reports on buildings completed per annum by November 2007	2 reports were published as scheduled
LSS on construction		Conduct LSS on construction by September 2007	The survey has commenced, and data collection is expected to be finalised in July 2008
Wholesale and retail trade; repair of motor vehicles, motor cycles and personal and household goods; hotels and restaurants			
Retail trade sales	Frequency, accuracy and timeliness of statistical releases	Monthly release on retail trade sales with a response rate of 80%, 7 weeks after reference month	Published 12 statistical releases as scheduled with an average response rate of 81%
		LSS on retail trade sales by October 2007	The report is scheduled for publication in June 2008
Motor trade sales		Monthly release on motor trade sales with a response rate of 80%, 7 weeks after reference month	Published 12 statistical releases as scheduled with an average response rate of 80%
		LSS on motor trade sales by October 2007	The survey was conducted as scheduled. The statistical release will be published in August 2008
Wholesale trade sales		Monthly release on wholesale trade sales with a response rate of 80%, 7 weeks after reference month	Published 12 statistical releases as scheduled with an average response rate of 87%
		LSS on wholesale trade sales by October 2007	The survey was conducted and the release was published in April 2008

Economic growth: Industry and trade statistics (continued)

Output	Indicator	Target	Actual output
<i>Wholesale and retail trade; repair of motor vehicles, motor cycles and personal and household goods; hotels and restaurants</i>			
Food and beverages	Frequency, accuracy and timeliness of statistical releases	Quarterly release on food and beverages with a response rate of 75%, 10 weeks after reference month	Published 4 statistical releases as scheduled with an average response rate of 82%
Tourist accommodation		LSS on food and beverages by October 2007	The survey has commenced and collection is expected to be finalised by July 2008
LSS on accommodation		Quarterly release on tourist accommodation with a response rate of 75%, 8 weeks after reference month	Published 4 statistical releases as scheduled with an average response rate of 81%
		LSS on accommodation by July 2007	The survey has commenced and collection will be completed by July 2008. Publication of the financial information is planned for November 2008
<i>Transport, storage and communication</i>			
Transport	Frequency, accuracy and timeliness of statistical releases	1 release on the LSS on transport by September 2007	The release was published in November 2007
		Research report finalised and recommendations implemented for a monthly transport survey	The report was finalised and data collection for a monthly survey is in progress
Post and telecommunications		1 release on the LSS on post and telecommunications by September 2007	The release was published in November 2007

Economic growth: Industry and trade statistics (concluded)

Output	Indicator	Target	Actual output
<i>Financial intermediation, insurance, real estate and business services</i>			
Liquidations and insolvencies	Frequency, accuracy and timeliness of statistical releases	Monthly release on liquidations and insolvencies, 8 weeks after reference month	Published 12 statistical releases as scheduled
Civil cases for debt		Monthly release on civil cases for debt with a response rate of 80%, 7 weeks after reference month	Published 12 statistical releases as scheduled with an average response rate of 89%
		1 report on the feasibility of conducting a census instead of a sample for the civil cases for debt releases, by July 2007	The research was temporarily suspended due to human resource constraints. It will be undertaken in 2009
LSS on business services (periodic survey)		1 release on the LSS on business services by October 2007	The release was published in November 2007

Economic growth: Financial statistics

Output: Annual and quarterly financial information on forestry and fishing; mining; manufacturing; electricity; construction; trade; transport; business services; community, personal services and government

Indicator: Number of economic sectors reported on, frequency, accuracy and timeliness of statistical releases

Target: Nine economic sectors (QFS for private sector covers eight sectors – excludes the forestry and fishing sector)

Actual output: Reported on nine sectors (eight sectors for QFS private sector) of the economy

Output	Indicator	Target	Actual output
Private sector			
Annual financial statistics of the private sector	Frequency, accuracy and timeliness of statistical releases	Annual release on financial statistics of the private sector for 2006 with a response rate of 80% by October 2007	Published an annual statistical release as scheduled with a response rate of 80%
Quarterly financial statistics of the private sector		Quarterly financial statistics of the private sector with a response rate of 80% with a quarterly time-lag	Published 4 quarterly statistical releases as scheduled with an average response rate of 80%
Government statistics			
Financial census of municipalities for 2006	Frequency, accuracy and timeliness of statistical releases	Annual release on the financial census of municipalities for 2006 with a response rate of 100% by October 2007	Published an annual statistical release in June 2007 with a response rate of 99%
Quarterly financial statistics of municipalities		Quarterly financial statistics of municipalities with a response rate of 80% with a quarterly time-lag	Published 4 quarterly discussion documents as scheduled with an average response rate of 82%

Economic growth: Financial statistics (concluded)

Output	Indicator	Target	Actual output
Government statistics			
Capital expenditure of the public sector 2006	Frequency, accuracy and timeliness of statistical releases	Annual release of the capital expenditure of the public sector for 2006 with a response rate of 95% by July 2007	Published an annual statistical release as scheduled with a response rate of 100%
Financial statistics of extra-budgetary accounts and funds 2005/06		Annual release on the financial statistics of extra-budgetary accounts and funds for 2005/06 with audited data by August 2007	Published an annual statistical release as scheduled
Financial statistics of provincial government 2005/06		Annual release on the financial statistics of provincial government for 2005/06 with audited data by September 2007	Published an annual statistical release as scheduled
Financial statistics of national government 2005/06		Annual release on the financial statistics of national government with audited data for 2005/06 by June 2007	Published an annual statistical release as scheduled
Financial statistics of higher education institutions 2006		Annual release on the financial statistics of higher education institutions for 2006 with audited data by October 2007	Published an annual statistical release as scheduled
Financial statistics of consolidated general government 2005/06		Annual release on the financial statistics of consolidated government for 2005/06 by November 2007	Published an annual statistical release as scheduled

Economic growth: National Accounts

Output: Statistical information on National Accounts

Indicator: Number of reports

Target: Six reports

Actual output: Six reports were compiled

Output	Indicator	Target	Actual output
National Accounts			
Social Accounting Matrix (SAM)	Number of reports produced	Position paper: 'Linking the Social Accounting Matrix to existing government strategies for South Africa' by March 2008	A discussion document was published in January 2008
Tourism Satellite Accounts (TSA)		1 document on updated TSAs for South Africa by March 2008	The 'TSA for SA, 2005' was compiled and sent to the TSA working team as scheduled
		Discussion document: 'Linking Government Strategies and the Tourism Satellite Account in South Africa' by March 2008	The document was published as scheduled
Tourism Survey		Questionnaire developed by June 2007	The questionnaire was finalised in September 2007
		Pilot Tourism Survey (household) conducted by August 2007	The pilot survey was conducted in November 2007
Natural Resource Accounts (NRA)		1 document on research and development of Environmental Economic Accounts (EEAs) for South Africa by March 2008	An updated document on energy and mineral resource accounts was compiled as scheduled
Supply and Use Tables		2 sets of Supply and Use Tables by November 2007 and February 2008	2 sets of Supply and Use Tables were published as scheduled

b) Price stability

Price stability is the primary objective of South Africa's monetary policy. Inflation targeting, for which CPIX is the principal measure, is the foremost tool in achieving price stability. Inflation targeting aims to anchor public perceptions of inflation, assists economic planning, influences wage determinations, and reduces the negative effects of inflation.

Key initiatives and developments to improve the measurement of price stability

The Consumer Price Index (CPI) and Producer Price Index (PPI) are the key economic indicators informing price stability. Stats SA has introduced new collection methodologies both for the CPI and the Income and Expenditure Survey (IES).

Consumer Price Index: The CPI is a general measure of price change of consumer goods and services bought by typical households in SA. The CPI is a measure of pure price change; hence it excludes the effect of changes in quality or quantity of goods and services. The objective is to measure price change of an identical basket of goods and services each month. The CPI measures changes in transaction prices, i.e. prices actually paid when purchasing goods or services.

During the financial year, research on best practice methodology was conducted on recreation, insurance, health, hotels, gambling, domestic maintenance, and home owners' costs. The results of this research will inform the changes in the compilation of the CPI, when the CPI is reweighted and rebased in January 2009.

Annual percentage change in the CPI and CPIX

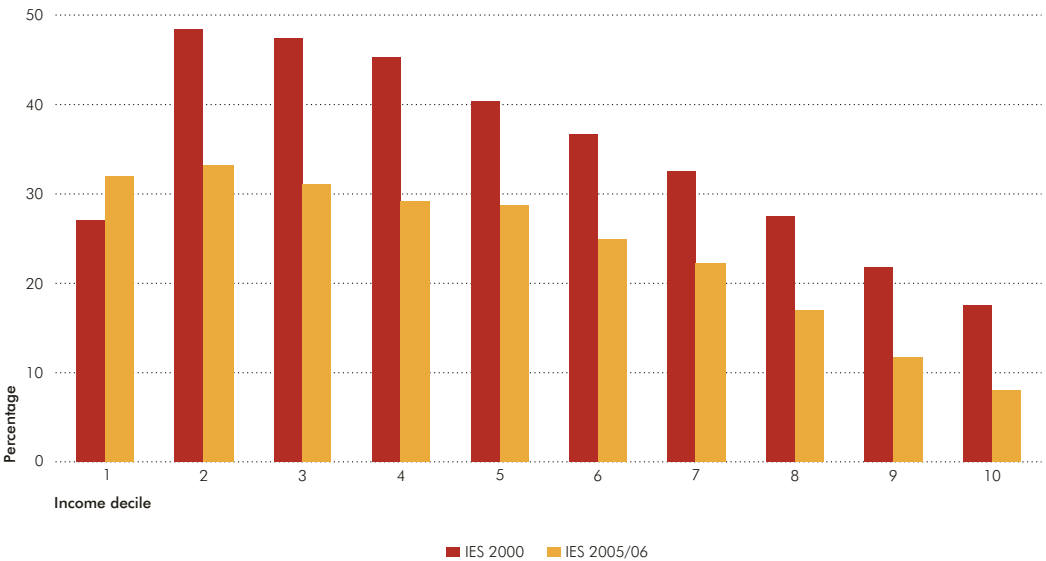


Income and Expenditure Survey (IES): Stats SA conducted an Income and Expenditure Survey of South African households from September 2005 to August 2006. The main purpose of the survey was to update the basket of goods and services for the CPI. In addition, the survey was to provide an independent source of information required to estimate the final private consumption expenditure component of national accounts. A comprehensive analysis of the IES data was done, including comparisons with other sources, and examining the implications for the CPI weights. The items for the proposed new CPI basket were identified and parallel price collection was implemented in January 2008.

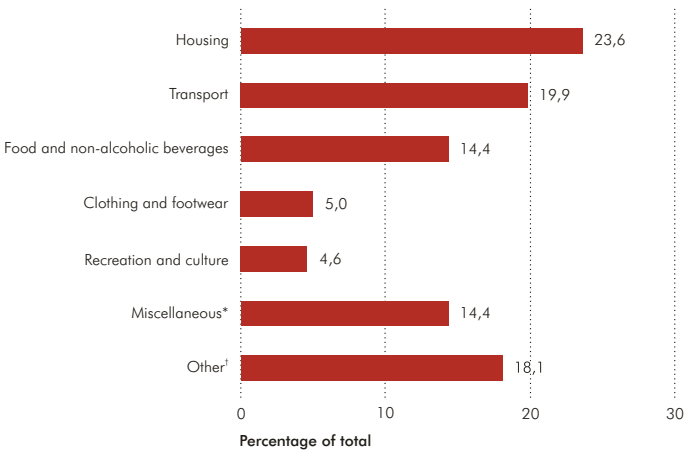
An Income and Expenditure control survey was conducted within Stats SA to evaluate aspects of the diary method used in the 2005/06 Income and Expenditure Survey. The Diary Evaluation Survey (DES) was conducted in August 2007 using the same instruments that were used for the Income and Expenditure Survey.

An IES Post-enumeration Survey (IES PES) was also conducted. Data from the IES, DES and IES PES were analysed and compared. Results of the IES were released in March 2007.

Food as a percentage of household consumption expenditure excluding mortgage and imputed rent



Household consumption expenditure as a percentage



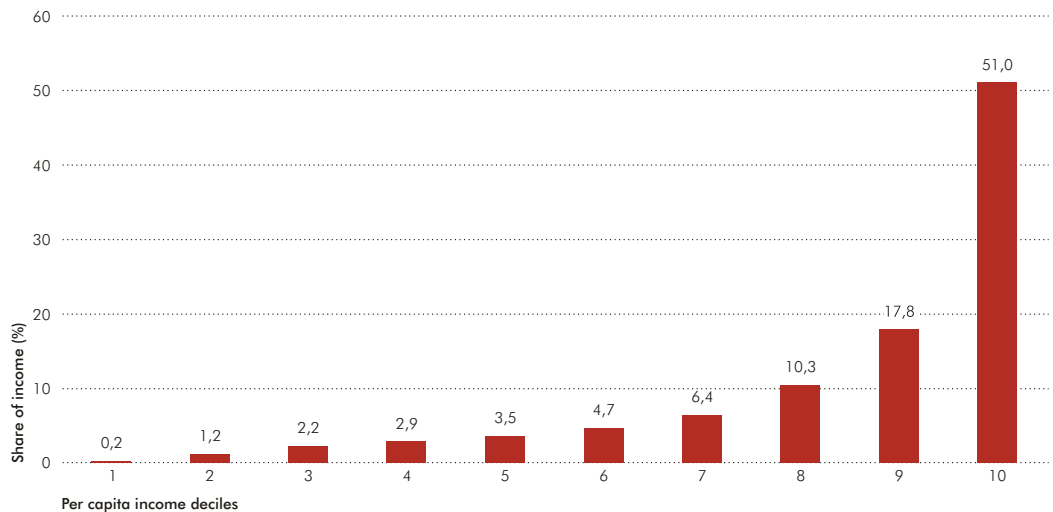
*e.g. insurance, financial services, personal care, etc.

†e.g. furniture, health, communication, education, etc.

Household consumption expenditure as a percentage excluding mortgage and imputed rent (selected provinces)

	Low income		Middle income	High income	
	Limpopo	Eastern Cape	KwaZulu-Natal	Gauteng	Western Cape
	%	%	%	%	%
Food and non-alcoholic beverages	24,8	20,0	19,1	14,0	15,3
Clothing and footwear	7,5	6,4	6,3	5,4	4,2
Transport	16,4	21,5	20,8	24,0	26,1
Recreation and culture	4,0	3,8	5,2	5,7	6,5
Other	47,3	48,3	48,6	50,9	47,9
Total consumption expenditure	100,0	100,0	100,0	100,0	100,0

Distribution of income (work and social grants)



Producer Price Index: The Producer Price Index indicates changes in producer prices over time in the primary and secondary sectors of the economy. The PPI also indicates changes in prices of imports and exports over time. The PPI is used as a deflator in the national accounts, and is also used by South African producers as a deflator in the formulation of long-term contracts.

The reweighting of the PPI was done during the financial year. Price information on agriculture, forestry, fishing, mining, manufacturing and electricity was gathered. Data cleaning, editing, frame development and the new weighting pattern have been completed. A technical paper was compiled explaining the changes to users.

The PPI for January 2008 was based on an updated set of weights. The new weights are based on updated information and methodological improvements. These methodological changes are consistent with international best practice and achieve a greater degree of consistency between the PPI and the system of National Accounts than before. The reweighted PPI (January data) was published in March 2008. The overhaul of the index resulted in various unexpected problems, most of which have been resolved.

The following table outlines the achievements against set targets for measuring price stability:

Price stability

Output: Statistical information on price changes

Indicator: Number of commodities’ price movements collected, frequency, accuracy and timeliness of releases

Target: 1 100 consumer products

Actual output: Covered 1 100 consumer products (CPI)

Target: 1 700 producer products

Actual output: Covered 1 700 producer products (PPI)

Output	Indicator	Target	Actual output
Consumer Price Index (CPI)	Frequency, accuracy and timeliness of statistical releases	Monthly CPI releases covering approximately 1 100 consumer products with a response rate of 100%, on the last Wednesday of every month	Published 12 statistical releases as scheduled with a response rate of 100% covering 1 100 consumer products
		New CPI basket and weights developed by July 2007	The basket was finalised in November 2007 and parallel price collection was implemented in January 2008
Producer Price Index (PPI)		Monthly PPI release covering approximately 1 700 producer products with a response rate of 90%, 4 weeks after the reference month	Published 11 statistical releases as scheduled
		Reweighted PPI published by February 2008	The reweighted PPI (January 2008 data) was published in March 2008

Statistical information on the spending patterns of South African households

Income and Expenditure Survey (IES)	Number of statistical releases by November 2007	Dataset and 10 statistical releases published by November 2007	The IES results were released in March 2008, with the national data and the data for the nine provinces combined in a single statistical release. In addition the ‘Analysis of results’ was published to assist users in understanding the survey
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c) Employment and job creation

Stats SA is required to provide accurate and reliable statistical information on labour market trends.

Key initiatives and developments to improve the measurement of employment and job creation

Stats SA needs to measure the dynamics of South Africa's labour market more accurately in order to provide a suite of indicators which both promote international comparison and serve to highlight national dynamics. The Labour Force Survey is used as the primary instrument to measure unemployment in South Africa. Stats SA has received funding over the medium term to re-engineer the Labour Force Survey.

Re-engineering the Labour Force Survey: In March 2005, consultants from the International Monetary Fund (IMF) reviewed and evaluated all aspects of the current biannual Labour Force Survey, from conceptualisation to dissemination of the results. Stats SA sought international assistance to take the recommendations of the report forward. Key milestones achieved during 2007/08 include listing of the new master sample, testing and piloting of data processing systems, automated coding processes and the implementation of a Real Time Management System (RTMS). Questionnaires were translated into ten official languages and a permanent fieldwork force was appointed. Stats SA launched the new QLFS in January 2008, and the first published data will be available in August 2008.

Quarterly Employment Statistics: A major review of the Quarterly Employment Statistics (QES) survey is being carried out. One of the key challenges is to ensure that the business register provides a good basis for providing more robust estimates of levels and changes in the economy. During 2007/08, data collection was completed and data analysis is currently in progress.

The following table outlines the achievements against set targets for measuring employment and job creation:

Employment and job creation

Output: Statistical information on employment and earnings

Indicator: Number of industries on which labour market trends are reported, frequency, accuracy and timeliness of releases

Target: Quarterly releases on eight industries

Actual output: Published quarterly statistical releases reporting on eight industries

Output	Indicator	Target	Actual output
Employment and earnings and average monthly earnings	Frequency, accuracy and timeliness of statistical releases	Quarterly release on employment and earnings and average monthly earnings with a response rate of 80%, 12 weeks after reference month Improved QES coverage from the 2004 sample to the 2006 sample	Published 4 statistical releases as scheduled with an average response rate of 89% Data collection was completed and data analysis is currently in progress

Employment and job creation (concluded)

Output: Statistical information on labour market dynamics

Indicator: Number and frequency of reports produced

Target: Biannual release

Actual output: Published two statistical releases as scheduled

Output	Indicator	Target	Actual output
Statistical information on the labour market (Labour Force Survey)	Number of releases and reports produced	Biannual release on labour market information with a response rate of at least 85%, 6 months after the reference month	Published 2 statistical releases as scheduled – LFS 15 in September 2007 with a response rate of 85% and LFS 16 in March 2008 with a response rate of 81,4%
Re-engineering of the Labour Force Survey	Quality of LFS	Listing of the new master sample Primary Sampling Units (PSUs) (3 000) finalised	The listing of the new master sample PSUs (3 080) was finalised as scheduled
		Supplementary questionnaire design	Topics for the supplementary questionnaire were decided upon. The questionnaire will be designed by December 2008
		Dress rehearsal of all systems and phasing in of new master sample for 2008 September LFS from July to September 2007	The dress rehearsal of all systems and phasing in of the new master sample was completed in September 2007. Another dress rehearsal was done between October and December 2007
		Methodology on rotation, relisting and sampling finalised	The methodology on rotation, relisting and sampling was finalised
		New sample finalised	The new sample was finalised as scheduled
		Redesigned QLFS introduced by January 2008	The new QLFS was launched in January 2008 and the first published data will be available in August 2008

d) Life circumstances and service delivery

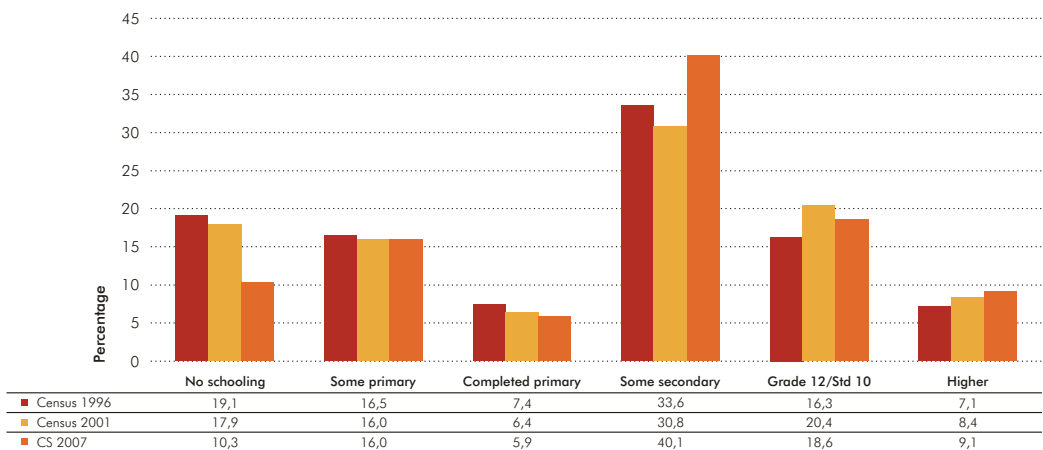
Severe social and development challenges remain to be addressed. Investment in people needs to be accelerated, health and social development services improved, crime prevention reinforced and job creation and community development bolstered. Increased allocations to the provincial equitable share take into account the need for quality improvements in social services as well as broadening access.

Key initiatives and developments to improve the measurement of life circumstances and service delivery

Community Survey: Stats SA has undertaken two population censuses since the first democratic elections in 1994 in accordance with the Statistics Act, 1999 (Act No. 6 of 1999). This momentous endeavour has generated diverse demographic and socio-economic information, which has enhanced policy and decision-making as well as insights into the performance of government policies and programmes. Cabinet took a decision to conduct a census every ten years with a large-scale household survey being undertaken in 2006. Data collection for the Community Survey was conducted during February 2007. Processing of data commenced in March 2007 and the results were released in October 2007. *Key municipal data* was published in March 2008.

Poverty line: Stats SA, in collaboration with National Treasury, is developing a poverty line to assist in measuring the extent of household poverty and monitoring progress in poverty reduction. The money matrix poverty line is one of several poverty measurements that will be used to develop a better understanding of poverty and to begin to eradicate it in all its dimensions.

Highest level of education attained amongst the population aged 20 years and older



Living Conditions Survey (Poverty Survey): The Living Conditions Survey was piloted during October and November 2007. Data processing has been completed. Editing is scheduled to be completed by April 2008. The results of the pilot survey will be used as key input into the refinement and finalisation of the survey instruments for the main survey. A workshop with external stakeholders to provide an opportunity for them to give feedback on the content of the instruments will be scheduled during May 2008, once sufficient inputs have been obtained from internal stakeholders.

The following table outlines the achievements against set targets for measuring life circumstances and service delivery:

Life circumstances and service delivery

Output: Statistical information on living conditions in South Africa

Indicator: Number of releases and reports produced

Target: One annual report

Actual output: The report was published in July 2007

Output	Indicator	Target	Actual output
General Household Survey (GHS)	Number of releases and reports produced	Annual report on the living conditions of South Africans with a response rate of at least 85%, 9 months after the reference month by May 2007	The report was published in July 2007, with a response rate of 86%
		Quality and relevance of the GHS improved by investigating alternative methods of data dissemination and improved turnover time of publications to ensure relevance and reliability	Additional staff is in the process of being appointed. The research will be done in 2008/09
Non-financial census data of municipalities for 2006		Annual release on non-financial census data of municipalities for 2006 with a response rate of 95% by December 2007	Published an annual statistical release in September 2007 with a response rate of 100%

Life circumstances and service delivery (concluded)

Output	Indicator	Target	Actual output
Statistical information on poverty			
Living Conditions Survey (Poverty Survey)	Number of releases and reports produced	Targeted user consultations during May and November 2007	User consultations were held in preparation for the pilot survey
		Pilot survey conducted by July 2007	The first phase of the pilot survey was conducted during October and November 2007, and the second phase during March 2008
		Results of pilot survey by November 2007	Data processing was completed. Editing was done in April 2008
		Main survey conducted from February 2008 to January 2009 (multicycle)	The main survey has been rescheduled to run from September 2008 to August 2009
Community Survey			
Community Survey	Number of releases and reports produced	Data captured, edited and analysed by July 2007	The survey was conducted in February 2007. The first edits, weighting and tabulation were concluded as scheduled
		Final results published by November 2007	Results of the Community Survey were published in October 2007. 'Key municipal data' was published in March 2008

e) Demographic profile and population dynamics

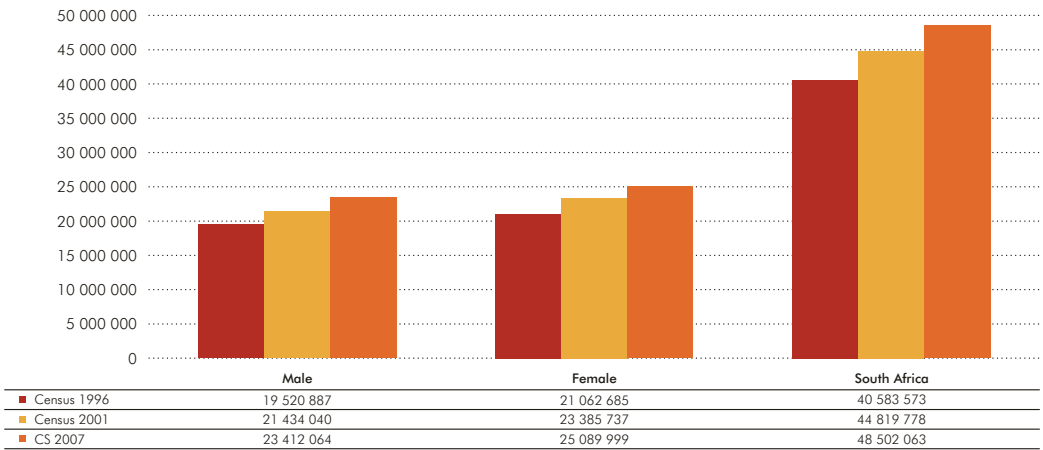
The demographic profile and population dynamics of a country are used for a variety of purposes across national priorities and programmes. These include resource allocation; monitoring social and demographical changes; underpinning policy development; supporting the statistical infrastructure of the country; and aiding investment decisions. The changing patterns of migration, increasing mortality and declining fertility are key questions.

Key initiatives and developments to provide information on the demographic profile and population dynamics of South Africa

Population Census 2011: Population and housing censuses are the most extensive statistical collections that a statistical office can undertake. Any gap in the planning can lead to costly inefficiencies in operations and compromise the validity of the results. Hence all measures are taken to ensure the achievement of maximum effectiveness when conducting the various operations.

Planning for Census 2011 has been ongoing. The strategic plan has been finalised. The plan has taken cognisance of the lessons learnt during the last two censuses and international best practice, in particular the United Nations recommendations for Population and Housing Censuses, experiences from other countries, and input from stakeholders.

Population of South Africa by sex



Research to inform the development of content and methodologies has continued to provide useful insights into the improvements that must be made to realise the achievement of the ultimate goal of delivering a census. The focus during 2007/08 has been on finalisation of operational plans, validation of death registration data as part of the mortality study, provincial workshops to share the contents of the draft strategic plan and seek inputs from stakeholders, and focus group discussions on the mortality schedule. A report on the findings emerging from the focus group discussions on the mortality schedule was compiled. Lessons learnt from the Community Survey were incorporated into the planning process.

The following table outlines the achievements against set targets for measuring the demographic profile and population dynamics:

Demographic profile and population dynamics

Output: Statistical information to reflect the changing profile of the population in relation to births, deaths, marriages and divorces, and tourism and migration

Indicator: Number of releases and reports produced

Target: 12 monthly and 6 annual releases published

Actual output: 12 monthly releases and 6 annual releases were published

Output	Indicator	Target	Actual output
Demographic profile, population projections and estimates			
Report on unnatural mortality	Number of reports produced	Report on unnatural mortality by October 2007	The report on unnatural mortality was completed as scheduled
Social trends		Concept brief and planning – social trends by September 2007	The concept brief and planning on social trends was completed as scheduled
Mid-year population estimates		Annual report on projected population estimates by July 2007	The mid-year population estimates were released as scheduled

Demographic profile and population dynamics (continued)

Output	Indicator	Target	Actual output
<i>Health and vital statistics</i>			
Mortality and causes of death	Number of releases and reports produced	Annual release on 2005 mortality and causes of death by May 2007	The release was published in June 2007
Marriages and divorces		Annual release and report on 2006 marriages and divorces by July 2007	The report on marriages and divorces was published in December 2007
Recorded live births		Annual release on recorded live births for 2006, by June 2007	Due to a shortage of skilled staff, the release on recorded live births was published in November 2007
Tourism and migration		Monthly release on tourism and migration	Published 12 statistical releases as scheduled
		Annual report on tourism and migration (2006) by April 2007	The report included tourism and migration information from 2004 to 2006, and was published in March 2008
Thematic report on morbidity		Thematic report on morbidity by December 2007	Due to the availability of new information (from the General Household Survey 2007 and Causes of Death 2006), the report will be released in October 2008

Demographic profile and population dynamics (continued)

Output: Comprehensive demographic information on population dynamics at all levels of society to inform social and economic development

Indicator: Number of reports produced

Target: Four census planning documents compiled by March 2008

Actual output: Four census planning documents were compiled

Output	Indicator	Target	Actual output
Population Census 2011			
Tactical plans	Number of reports produced	Tactical census plans developed by March 2008	Tactical plans for core work streams were developed. An integrated document is scheduled for completion by July 2008
Mortality schedule – research		Research on mortality schedule conducted by March 2008	Research was conducted. A series of focus group discussions was held and a report on the findings was compiled
Census resource management plans		Census resource management plans compiled by March 2008	Resource management plans were not compiled as scheduled due to a need to review resource requirements from core work streams after the Community Survey. The plans will be finalised by June 2008

Demographic profile and population dynamics (concluded)

Output	Indicator	Target	Actual output
Population Census 2011			
Census communication plan	Number of reports produced	Census communication plan developed by March 2008	A draft communication plan was compiled. 17 provincial workshops were conducted to get stakeholder input on the strategic plan. The plan will be finalised by September 2008
Monitoring and evaluation framework		Monitoring and evaluation framework finalised by July 2007	A paper on 'Best practice in Monitoring and Evaluation' was compiled. Research on monitoring and evaluation systems available is in progress. The framework will be finalised by December 2008
Census data items		Census data items developed by December 2007	A draft document on core data items and questions was compiled. User consultation workshops were initiated The delay was caused by the need to incorporate lessons learned from the Community Survey
Enumeration area (EA) demarcation	% EA demarcation	50% EA demarcation by March 2008	The demarcation was not done as scheduled due to scope changes in the project

3.2.2 Enhancing the quality of products and services

Comprehensive sampling frames, sound methodological practices and good administrative data are strategic enablers for the production of statistics and underpin the quality of statistics. The organisation will focus on the following initiatives to improve the quality of its statistics and mitigate the strategic risks confronting its ability to provide relevant and up-to-date statistical information:

- Managing stakeholder relations;
- Improving the business register;
- Maintaining and updating the household sampling frame; and
- Providing methodological support.

a) Managing stakeholder relations

Managing relations with Stats SA's stakeholders (respondents, providers of administrative information and users of statistical information) is vital to being 'the preferred supplier of quality statistics'. Partnerships and effective communication are important for obtaining quality data inputs in terms of completeness, accuracy and timeliness of responses, as well as high response rates. At the end of the statistical value chain, the outputs of surveys need to be communicated in a way that is well understood by users and that meets their information needs. In September 2007, a division was established to focus on stakeholder relations and marketing. This division will manage and maintain relationships with data users, producers and suppliers.

The following table outlines the achievements against set targets for managing stakeholder relations:

Managing stakeholder relations

Output	Indicator	Target	Actual output
<i>Stakeholder management system</i>			
Stakeholder management strategy and plan	Stakeholder management system (SMS) developed	<p>SMS for key indicators by June 2007 (CPI, CPIX, PPI, GDP, unemployment rate, population figures)</p> <p>Stakeholder Relationship Management (SRM) system tested and rolled out by March 2008</p>	<p>The SMS system for key indicators was not rolled out as planned due to IT infrastructure constraints</p> <p>The development of an SRM system was delayed due to slow progress with the tender procedure. The tender has been awarded and the system will be developed during 2008. Roll-out will commence in January 2009</p>

Managing stakeholder relations (continued)

Output	Indicator	Target	Actual output
<i>Stakeholder relations</i>			
Increased stakeholder interactions	Number of departments	10 key government departments identified by March 2008 Key accounts managers trained by March 2008	These deliverables are dependent on the SRM system and will be rolled out during 2009/10 These deliverables are dependent on the SRM system and will be rolled out during 2009/10
<i>User satisfaction</i>			
User satisfaction assessed	% increase in user satisfaction	User satisfaction survey conducted by March 2008	The overall rating of the user satisfaction survey was 71,4% for 2007/08 compared to 73,2% in 2006/07
<i>StatsOnline</i>			
Increased accessibility and usage of statistical products	% increase in website visitor sessions Number of publications downloaded	10% increase in website visitor sessions (2 million visitor sessions) 800 000 publications downloaded	6 082 555 visitor sessions for the year. 204% increase in visitor sessions 644 575 publications were downloaded. Downloads have decreased because Stats SA no longer allows 'spiders' from other search engines on the website as they were depleting bandwidth
<i>Marketing</i>			
Marketing strategy and plan implemented	Stakeholder perception (user satisfaction survey)	5 statistical literacy workshops conducted	4 statistical literacy workshops were conducted (Gauteng, Western Cape, KwaZulu-Natal, and Northern Cape) A media statistical literacy workshop was held in Gauteng to share economic and social trends and events on the statistical calendar

Managing stakeholder relations (concluded)

Output	Indicator	Target	Actual output
Marketing			
Marketing strategy and plan implemented	Stakeholder perception (user satisfaction survey)	9 Africa Statistics Day workshops conducted Exhibitions and promotions: <ul style="list-style-type: none">• ISI 2007 Portugal• South African Statistical Association (SASA) Conference• Southern African Development Community (SADC) events	9 Africa Statistics Day workshops were conducted (1 in each province) A total of 547 visitors to the Stats SA exhibition at the ISI 2007 Various publications and promotional material were distributed at the SASA conference. About 300 people visited the Stats SA stand Stats SA and the first ISibalo Capacity Building Programme was promoted to SADC member states in May/June 2007

b) Improving the business register

The business register was established in 2000 and forms the sampling frame for all business surveys. The sampling frame is compiled from various tax registers of the South African Revenue Services (SARS). Businesses are classified according to economic activity and turnover size. The correct classification of businesses is essential to avoid duplication and gaps in the compilation of national accounts. The sampling frame must be updated regularly so that it can reflect as much as possible the real-world status of economic entities.

During 2006/07 a strategic review of the business register was conducted. The implementation of recommendations from the strategic review commenced during 2007/08, focusing on optimising the use of administrative data, revision of the conceptual framework, assessment of the computer systems, re-engineering of survey frames, and improving manuals and procedures. Implementation of recommendations will continue in 2008/09 with the development of guidelines and procedures aimed at improving the quality of information of the sampling frame. The lack of human resources was addressed through the job evaluation process which resulted in a successful round of recruitment towards the end of 2007/08. This effort will continue during the next financial year.

Stats SA, in conjunction with SARS and DTI, is currently investigating the possibility of reforming business registration in South Africa.

The following table outlines the achievements against set targets for the maintenance and improvement of the business register:

Improving the business register

Output: Sample frame for the collection of economic statistics

Indicator: Subannual collections, annual collections and periodic collections

Target: One snapshot (final sample frame) in April 2007

Actual output: The snapshot was provided in April 2007

Output	Indicator	Target	Actual output
<i>Business register maintenance</i>			
Sample frame for the collection of economic statistics	Subannual collections: Retail and wholesale trade sales; manufacturing – production and sales	Survey of large businesses based on economic statistics analysis by March 2008	90% of investigations submitted were completed
	Annual collections: Economic annual survey	Quarterly reports on the survey of large and complex businesses	A total of 2 300 enterprises were identified for profiling for the year. 2 067 (89%) were updated on the Business Sampling Frame (BSF)
	Periodic collections: Large Sample Survey (LSS)		Piloted 1 complex set of businesses for centralised collection
		Quarterly reports on the survey of large businesses based on business register analysis	The survey was conducted as scheduled with a response rate of 92% and information on the business register was updated accordingly
		Quarterly reports on the survey of large businesses based on administrative sources	76% of VAT investigations conducted were concluded. The scope of the survey was redefined to exclude insignificant enterprises
		Preliminary snapshot of the Business Sampling Frame (BSF) provided to Economic Statistics by January 2008	The preliminary snapshot was provided as scheduled
		Final snapshot of the BSF provided to Economic Statistics by March 2008	The final snapshot was provided as scheduled

c) Maintaining and updating the household sampling frame

A georeferenced dwelling frame is a complete, up-to-date database of all dwellings and other structures in the country. The location of each dwelling is determined, and the associated data relevant for statistical processes, such as required for household surveys, are recorded in a standardised manner.

Fundamental for the collection of accurate statistics is an accurate sampling frame, which is complete and updated in order to be used confidently for surveys and censuses. The vision for the georeferenced dwelling frame is that it will become the sampling frame for household surveys and the frame for conducting population and housing censuses in South Africa, similar to the business frame supporting economic surveys and censuses.

A quality census starts with knowledge of the location of all dwellings in the country, which enables every household to be visited, thus ensuring that every person in the country is counted. The South African georeferenced dwelling frame will provide the exact locations of all dwellings and will be used for the delineation of enumeration areas (EAs), for the list of dwellings against which census data are collected, and for matching and cross-checking processed census records in the census post-enumeration survey.

The Place Name and EA Demarcation projects were influenced by three key aspects:

- Scope change of the Dwelling Frame project (the Place Name and EA Demarcation projects are dependent on the Dwelling Frame project deliverables);
- Inability to recruit suitably qualified staff; and
- The development of systems.

The critical shortage of geographical skills in the country has had a negative impact on the Dwelling Frame project. Stats SA will continue with training and recruiting through the internship programme and will be sourcing expertise from the private sector.

The following table outlines the achievements against set targets for maintaining and updating the household sampling frame:

Maintaining and updating the household sampling frame

Output	Indicator	Target	Actual output
Geographic database maintenance			
Sample frame for the collection of household surveys	Percentage coverage and completeness of the geographic frame		The geographic frame is 80% complete
		Aerial photography, satellite imagery and spatial data from the dwelling frame integrated into the GIS	Completed as scheduled
		Cadastral and address spatial datasets from private sector data custodians integrated into the GIS	Completed as scheduled
		Spatial datasets from national government departments integrated into the GIS	Completed as scheduled
Geographic frame maintenance			
Sample frame for the collection of household surveys	Percentage coverage and completeness of the geographic frame	100% updated EA links to changed provincial, district council and municipal boundaries	100% updated links according to the December 2005 version from the Municipal Demarcation Board
	Percentage of place names updated	75% of place names	15,2% (39 municipalities) due to the scope change of the georeferenced Dwelling Frame project
	Percentage of 2011 census enumerator areas demarcated	50% of country	5,9% (15 municipalities) due to the scope change of the georeferenced Dwelling Frame project
		6% enumerator area field data collection for demarcation and verification	0% due to the scope change of the georeferenced Dwelling Frame project

Maintaining and updating the household sampling frame (concluded)

Output	Indicator	Target	Actual output
<i>Georeferenced dwelling frame</i>			
Sample frame for the collection of household surveys	Percentage coverage and completeness of the geographic frame	56% of frame Georeferenced dwelling frame for metropolitan councils maintained	0%. The scope of the project had changed Assessment and report completed for City of Cape Town Metropolitan Municipality
<i>Master sample and household survey support</i>			
Sample frame for the collection of household surveys	Percentage coverage and completeness of the geographic frame	Map production and training Georeference new master sample	Map production and training was done on an ongoing basis 80% of the new master sample was georeferenced
<i>National integrated georeferenced dwelling frame</i>			
Sample frame for the collection of household surveys	Percentage coverage and completeness of the geographic frame	Maintenance of georeferenced dwelling frame created for municipalities from 2005/06 to 2006/07 Dwelling frame fieldwork team expanded	Office maintenance was conducted using the latest aerial and satellite imagery and a report was generated Recruitment is ongoing and is severely hampered by a high staff turnover

d) Providing methodological support

The credibility of data products rests on the confidence that users have in the quality and objectivity of the data. This requires that the data are perceived to be professionally produced in accordance with appropriate statistical standards, and that policies and practices are transparent. Credibility is determined in part by the integrity of the production process. Stats SA aims to implement internationally acclaimed practices in relation to the methodologies and procedures for the collection, processing, storage and presentation of statistical data.

Sound methodology is the basis for quality statistical outputs. The Methodology and Standards unit provides statistical quality assurance and methodological and technical support in the following survey areas through:

- Developing survey guidelines, frameworks and standards;
- Reporting on methodological compliance in the survey areas;
- Drawing of survey samples;
- Developing systems and solutions; and
- Researching current and international best practice.

Current best practices of methodologies, standards, technology and a holistic and structured approach to systems development and implementation ensured improved systems and data quality, accessibility, and improved turnaround time in the collection, capturing, processing, analysis and presentation of data. Part of the quality improvement cycle is that processes and systems should be well documented which has resulted in enhanced maintenance and improved business processes which ensures business continuity in the organisation.

The following table outlines the achievements against set targets for providing methodological support to surveys:

Providing methodological support

Output	Indicator	Target	Actual output
Methodological and systems support to economic surveys			
Statistical quality and methodological support services to producers of statistics	Number of technical reports on methodological and systems applications	4 reports	<p>The following reports were compiled:</p> <ul style="list-style-type: none">• 1 audit report on the snapshot based on the Business Sampling Frame (BSF)• Review of the CS weights and the possibility of benchmarking the CS to the marginal totals• A report on the evaluation of the Community Survey• A report on the follow-up study done on the CS publicity survey• Review of the imputation method used for the QLFS project• Measure of reliability of the social grants data from the IES 2005/06 <p>The following technical support was provided:</p> <ul style="list-style-type: none">• 7 user requirement, 3 technical and 2 testing specification documents were compiled• 3 user manuals• 2 quality checklists• 1 operational level agreement
	Samples drawn for economic and social statistics according to user specifications	Samples drawn annually for all economic surveys based on the sound BSF	15 economic statistics samples and supporting documents were drawn according to user specifications

Providing methodological support (continued)

Output	Indicator	Target	Actual output
<i>Methodological and systems support to economic surveys</i>			
Statistical quality and methodological support services to producers of statistics	Number of technical reports on methodological and systems applications	Current methodological practices and systems reviewed and researched	The following were conducted: <ul style="list-style-type: none">• Review on BSF update processes, VAT rules and quality indicators• Research on methods to improve frame coverage and sampling methodologies with the Quarterly Employment Survey• Implementation of new software technologies
	Samples drawn for economic and social statistics according to user specifications	Monitoring framework developed to ensure continuous improvement to economic and population and social surveys	The following were developed: <ul style="list-style-type: none">• A draft framework for auditing statistical quality• Draft self-assessment checklist for survey managers• Draft manual on guidelines for implementing quality standards within Economic Statistics
<i>Methodological and systems support to population and social surveys</i>			
Statistical quality and methodological support services to producers of statistics	Number of technical reports on methodological and systems applications	Samples drawn annually based on the sound geographic frame	Samples were drawn for the LFS and QLFS
	Samples drawn for economic and social statistics according to user specifications	Current methodological practices and systems reviewed and researched	<ul style="list-style-type: none">• A new data-driven systems and database model was implemented• A new automated coding, editing and imputation methodology was developed for the Quarterly Labour Force Survey

Providing methodological support (concluded)

Output	Indicator	Target	Actual output
<i>Methodological and systems support to population and social surveys</i>			
Statistical quality and methodological support services to producers of statistics	<p>Number of technical reports on methodological and systems applications</p> <p>Samples drawn for economic and social statistics according to user specifications</p>	Methodological support to re-engineering the LFS	<p>The following were developed for the LFSR:</p> <ul style="list-style-type: none">• 5 systems• 6 user requirement specification documents• 5 technical specification documents• 4 testing specification documents• 8 user manuals
<i>Methodological support to the National Statistics System (NSS)</i>			
Statistical quality and methodological support services to producers of statistics	Number of technical reports on methodological and systems applications	Support to NSS partners – questionnaire design and sampling	<p>The following support was provided to NSS partners:</p> <ul style="list-style-type: none">• Methodological support to Wits University Link Centre project• Questionnaire evaluation for the Tshwane Household Survey• Presentation at NEPAD workshop on the survey methodology utilised for the South African Innovation Survey

3.2.3 Developing and promoting statistical coordination and partnerships

The adoption of common concepts, definitions, classifications and standards is the cornerstone of statistical coordination in a National Statistics System (NSS). The provision and availability of data and metadata enhance the accessibility and use of statistical information. Stats SA is also responsible for declaring statistical information as official, according to a set of quality criteria.

The strategic objectives of this area are:

- Implementing common standards, definitions and classifications; and
- Strengthening relations with organs of state.

a) Implementing common standards, definitions and classifications

A key element in improving the quality of and access to reliable statistical information is the application of a common set of standards in the management and storage of data and metadata.

Stats SA has initiated a Data Management and Information Delivery (DMID) project to achieve this goal. The decision to store and manage data and metadata centrally arose from the need to address the fragmented manner in which individual originating units within Stats SA applied standards and methodologies. This resulted in the provision of data to external users in ways that were possibly inconsistent and incoherent.

The successful implementation of the DMID project involves:

- Developing and implementing an End-to-End Statistical Data Management Facility (ESDMF) consisting of a set of tools for retrieval, analysis and report-generation, in which statistical data are housed in a standard manner;
- Establishing a central metadata repository, where everything required to interpret and understand the data is stored according to standard, uniform and agreed fields and formats;
- Identification, development and adoption of standards (international, national and local) to enable analysis and comparison across different data sets; and
- Approved policies and procedures regulating loading, archiving, updating, deleting, revising and disseminating data.

Phases 1 and 2 of the ESDMF were completed. In phase 1, the Survey Metadata Capture Tool was developed, which streamlines the survey processes for all surveys that Stats SA collects data on. In Phase 2, tools were developed to facilitate the registration of concepts, variables and classifications. The goal of these tools is to address quality improvements within the survey areas.

The following table outlines the achievements against set targets for implementing common standards, definitions and classifications:

Implementing common standards, definitions and classifications

Output	Indicator	Target	Actual output
<i>Data governance</i>			
Statistical data management (a statistical data warehouse with standardised metadata)	Number of policies approved	Workflow policies for data management approved	New policies will be developed as and when required
<i>Data management facility</i>			
A statistical data warehouse with standardised metadata	Percentage roll-out of data management facility	40% of data management facility	32% of the data management facility was completed
<i>Metadata management</i>			
A statistical data warehouse with standardised metadata	% of products with standardised metadata in the data management facility	50% of products	65% of products in the metadata repository have approved standardised metadata 95% of standard metadata associated with products have been captured in the data management facility
	Registration according to ISO 11179	Fully functional registers and registration process	The registration tool was developed according to ISO 11179 and is currently being tested by users
<i>Standards development and implementation</i>			
A statistical data warehouse with standardised metadata	Percentage of standards implemented	25% of priority standards	34% of priority standards were implemented
		Infrastructure in place for standards development	A temporary infrastructure is currently functional. Restructuring in Stats SA will result in a permanent infrastructure as part of the Standards division
		Ongoing review and development of standards	This forms part of the standards development life cycle

Implementing common standards, definitions and classifications (concluded)

Output	Indicator	Target	Actual output
Certification and practice framework			
A statistical data warehouse with standardised metadata	Approved certification document	Certification and practice framework reviewed and updated	The South African Statistical Quality Assessment Framework was approved by Exco
	% of products reporting on data quality	Reporting on quality framework by originating components (50% compliance)	100% compliance. Data quality reports are compiled for all releases as part of the sign-off procedure

b) Strengthening relations with organs of state

Coordination of national statistics: National demand for statistical evidence for sound monitoring of the performance of government programmes, to inform development planning, and for decision-making, greatly outstrips supply. Some of the national statistics that are currently available are of questionable quality and are incoherent as they lack common standards because they are produced by different agencies in an uncoordinated manner. Stats SA is currently implementing a process of integrating national statistics through the National Statistics System (NSS) to overcome these coverage and quality constraints.

The following table outlines the achievements against set targets in strengthening relations with organs of state:

Partnerships with organs of state

Output	Indicator	Target	Actual output
Partnerships with organs of state			
Statistical advocacy and partnerships within the National Statistics System	Number of Memorandums of Understanding (MoUs) and Service Level Agreements (SLAs) signed	MoUs signed with 5 national departments	MoUs were signed with 3 national departments (Transport, Education, and Home Affairs), and 2 provincial governments (Eastern Cape and Western Cape)
		Service Level Agreements (SLAs) on projects signed with 4 national departments	SLAs are followed by MoUs. Due to capacity constraints, no SLAs were developed
Statistical master plan			
Statistical advocacy and partnerships within the National Statistics System	Number of statistical master plans	Statistical master plans compiled for 2 national departments	Draft statistical master plans were compiled for the departments of Trade and Industry, Land Affairs, Transport, and Health. Consultations with these departments will take place in 2008/09

Partnerships with organs of state (continued)

Output	Indicator	Target	Actual output
<i>Capacity audits</i>			
Statistical advocacy and partnerships within the National Statistics System	Number of capacity audits	Audit reports on 3 national departments	A statistical audit report was compiled for the Department of Labour. Due to capacity constraints, consultations are still in progress with the departments of Minerals and Energy, and Environmental Affairs and Tourism
<i>Registers and administrative records</i>			
Statistical advocacy and partnerships within the National Statistics System	Number of registers and administrative records checked	Joint Working Parties (JWPs) established with 3 national departments	<p>JWPs were established in the departments of Education and Home Affairs. Due to capacity constraints, the JWP with the Department of Health is still in progress</p> <p>The following reports on registers and administrative records were compiled:</p> <ul style="list-style-type: none">• Nine provincial reports based on the Department of Education's Management Information System (EMIS) data for the period 1997–2001;• One data quality report on the organisation of EMIS standardised data for the period 2002–2006; and• Report on the Department of Home Affairs Movement Control System on a sample of data provided by the DHA

Partnerships with organs of state (concluded)

Output	Indicator	Target	Actual output
<i>Compendium of indicators</i>			
Statistical advocacy and partnerships within the National Statistics System	Coverage and maintenance of the compendium of indicators	Compendium of indicators integrated	The creation of an integrated compendium has not yet commenced. The Presidential National Commission on Information Society and Development and the Department of Science and Technology's research and development indicators were not ready for integration
<i>Adoption of SASQAF</i>			
Statistical advocacy and partnerships within the National Statistics System	Number of departments that are SASQAF compliant	3 departments trained in the application of SASQAF	The following organisations were trained in the application of SASQAF: <ul style="list-style-type: none">• Departments of Health and Minerals and Energy;• The Greater Sekhukhune District and the Capricorn municipalities;• The Offices of the Premiers in Western Cape, KwaZulu-Natal and Limpopo; and• Southern Africa Labour and Development Research Unit (SALDRU) at UCT (service provider to the Office of the Premier in Western Cape)

3.2.4 Building human capacity

A key challenge facing South Africa today is a shortage of mathematical and statistical skills in the country. Stats SA has developed a strategy to address the lack of statistical skills, not only within the organisation, but also in the broader National Statistics System (NSS), including a programme to nurture a cadre of school mathematics teachers in the country. In so doing, Stats SA has aligned its statistical skills development strategy with the national skills development strategy.

Building our human capacity is aimed at addressing the lack of adequate and appropriate human resources to produce, disseminate and utilise official statistical information, within Stats SA and the country. It is with this challenge in mind that Stats SA developed a comprehensive statistical skills development framework encompassing both the supply and demand side of developing skills to enhance statistical literacy in the country.

Stats SA started an internship programme in 2005/06. The number of interns absorbed by the organisation to date is as follows:

Year	Cluster	Number of interns
2005/06	Social Statistics	3
	Quality and Integration	3
	Economic Statistics	2
	Office of the SG	1
2006/07	Economic Statistics	3
	Social Statistics	4
	Quality and Integration	5
	Statistical Support and Informatics	1
2007/08	Quality and Integration	5
	Economic Statistics	5
	Social Statistics	7
	Statistical Support and Informatics	5
	Corporate Services	1
		45

The following table outlines the achievements against set targets for building human capacity:

Building human capacity

Output	Indicator	Target	Actual output
Increased statistical capacity in Stats SA			
Internship programme	Number of staff recruited and trained through the internship programme	30 new interns appointed	33 new interns were appointed for 2008
		Intern development programme developed by September 2007	A training programme was developed with the assistance of SAMDI
		50 new coaches trained by March 2008	67 coaches were trained by March 2008
Training in Stats SA	Number of staff members attending training courses	Coaches development programme developed by February 2008	A framework was developed with the assistance of SAMDI
		Statistical training and short courses attended (295)	994 staff members attended statistical training courses
		Leadership and management development training attended (50)	96 staff members attended leadership and management training
		Generic training (510)	1 285 staff members attended generic training courses
		IT training	575 staff members attended IT training
		International programme (SADC)	52 participants attended a training workshop in Survey Methodology

Building human capacity (continued)

Output	Indicator	Target	Actual output
<i>Increased statistical capacity in Stats SA</i>			
E-Learning established	% of E-Learning system implemented	<p>Data adapted and imported, and Learner Management System (LMS) tested by October 2007</p> <p>Programme for E-Learning identified and developed by June 2007</p> <p>Modular content for E-Learning developed by June 2007</p>	<p>The data were adapted and imported onto the database</p> <p>The programme for E-Learning was identified and developed by June 2007</p> <p>4 courses are in the process of being developed</p>
Statistical Training Institute established	Statistical Training Institute	<p>Stats SA accredited as a training institute by November 2007</p> <p>Conceptualisation of the institute by June 2007</p> <p>Implementation plan for the institute approved by November 2007</p> <p>Curriculum for the institute identified by November 2007</p>	<p>Stats SA is in the process of appointing a service provider to assist with the accreditation process</p> <p>The conceptualisation was completed as scheduled</p> <p>Consultation is currently in progress</p> <p>The curriculum was developed in collaboration with the SADC Statistical Training Project unit</p>
Enhanced statistical training of educators	Number of Maths4stats workshops hosted	<p>18 workshops conducted</p> <p>Trained educators registered with the Association for Mathematics Education of South Africa (AMESA)</p>	<p>Workshops were conducted in 8 schools and 2 Maths4stats educators' workshops were conducted</p> <p>17 trained Maths4stats educators were registered with AMESA and participated in the AMESA conference in June 2007</p> <p>33 Maths4stats teachers were trained to conduct workshops</p>

Building human capacity (concluded)

Output	Indicator	Target	Actual output
Increased statistical capacity in Stats SA			
Skills gap identified	Timeous submission of Workplace Skills Plan	All managers assessed by June 2007	Phase 1 of the process was completed (HR Connect via DPSA). Awaiting confirmation from DPSA regarding Phase 2 which will complete the process
		Skills audit conducted by June 2007	Consultants were appointed to conduct a management competency assessment
		Annual training plan compiled and implemented by July 2007	The annual training plan was compiled and implemented as scheduled
Stats SA accredited as a service provider	Number of training and development activities aligned with the South African Qualifications Authority requirements	Relationship with the Public Service Sector Education and Training Authority (PSETA) established by April 2007	Relationship with PSETA was established
		Skills programme identified for accreditation by June 2007	The following programmes were identified for accreditation: <ul style="list-style-type: none">• Project Management• Customer Care• Introduction to Demography• Introductory Statistical Analysis• Data Collection• Basic Sampling• Questionnaire Design
		Accreditation committee established by May 2007	The committee was established
A pool of statistical skills established	Number of staff in statistical skills pool	12 learners by April 2007	12 learners were awarded bursaries to study at universities

3.2.5 Governance and accountability

a) Management support services

The execution of Stats SA's goal-based strategy depends on effective leadership and management, a stable infrastructure, and sound administrative and management information systems and processes. Stats SA aims to ensure that good governance arrangements are in place throughout the organisation to support the statistical production processes effectively and comply with regulations. This will provide formal accountability mechanisms for the delivery of the work programme within approved budgets and timeframes, underpin the quality assurance of statistical outputs, and ensure the efficient utilisation of resources.

The following table outlines the achievements against set targets to ensure effective and efficient management support services:

Management support services

Output	Indicator	Target	Actual output
Management support services			
Planning	Number of reports compiled and submitted to stakeholders	Annual work programme approved by May 2007 Business plans per division compiled by March 2008	The annual work programme was presented to parliament in May 2007 All divisions have strategic and business plans outlining quarterly targets for 2008/09 and annual targets for the remaining MTEF period
Monitoring and reporting	Number of reports compiled and submitted to stakeholders	Annual report tabled in parliament by October 2007 Quarterly reports submitted to Minister and Treasury	The 2006/07 Annual report was tabled in parliament, in October 2007 Quarterly reports were submitted to the Minister, Treasury, the Statistics Council and the Audit Committee

Management support services (continued)

Output	Indicator	Target	Actual output
Management support services			
Policy coordination	Number of policies approved and reviewed	Policies reviewed and developed in the following areas: <ul style="list-style-type: none">• HRM• Finance and Procurement• FMLS• IT• Statistical Processes	Policies were reviewed as scheduled
Project management and support	Effective project management	Support provided to 4 projects in accordance with Stats SA's Project Management Framework (PMF)	4 organisational projects were managed
		4 operations supported in operational planning, monitoring and reporting	Project management support was provided to 11 organisational projects
		9 operations at Head Office and 9 provincial offices were supported in operational planning, monitoring and reporting	
		Annual master project plan for 2007/08 compiled	An annual master project plan for 2007/08 was compiled
		Annual operational planning process facilitated across Stats SA	The annual operational planning process was facilitated across Stats SA (93 components were supported)
Management information system (MIS)	Timely management information to support decision-making	20 staff members trained in project management	30 staff members were trained in project management
		6 components of the MIS developed/ improved, implemented and maintained	7 components of the MIS were improved and maintained

Management support services (continued)

Output	Indicator	Target	Actual output
Management support services			
Management information system (MIS)	Timely management information to support decision-making	Monthly management information reports provided	12 monthly management information reports were provided Real time management information was made available on the MIS Progress reports were compiled during the Diary Evaluation Survey and Corporate Data Processing Facility projects
Internal communication	Improved communication interventions	Monthly newsletter to staff	The newsletter 'Pulse' was compiled and distributed
		Biannual staff meeting	Two staff meetings were held in June and December
		Annual communication management interaction plan developed and implemented	An annual communication management interaction plan is in the process of being developed
		Plan for enhancing internal communication channels developed and implemented	Phase 1 of the intranet revamp was completed A new programme was installed on the server for communication via plasma screens in the building
		Communication plans developed to meet business unit needs:	Communication plans were developed for the CS and IES launches
		<ul style="list-style-type: none">• DMID	Communication support was rendered to the DMID change management project
		<ul style="list-style-type: none">• 57th ISI session	Media briefings were held

Management support services (continued)

Output	Indicator	Target	Actual output
Management support services			
Public and media relations	Improved communication interventions	Weekly news article	The Statistician-General's weekly column was published in the <i>Business Day</i>
		Report on media enquiries	Media enquiries on the ISI, CPI, Population Census Strategy and CS were managed
			Media briefings on the CS and IES were held
		Media database developed	A comprehensive database for both print and electronic media is available with a right fax facility and is updated regularly
		Standard operating procedure and policy for dealing with the media approved	A draft policy is currently under review and will be approved in August 2008
		Monthly media coverage report	Monthly detailed analysis is available on the Monitoring SA website
			The process of appointing media monitoring services is underway
		Media skills development plan	An audit of training requirements was conducted
		Annual communication plan compiled and implemented for key statistical releases	A communication plan was compiled for the CS and IES launches

Management support services (continued)

Output	Indicator	Target	Actual output
<i>Management support services</i>			
Corporate image	Improved corporate image	Branding strategy for the organisation developed by June 2007 1 st phase of branding strategy implemented by March 2008 Branding policy and guidelines implementation plan developed	A branding committee was established to develop a branding strategy for Stats SA. Four areas of focus were identified: Internal communications, corporate strategy, publications and stakeholder interactions A branding committee was established to develop a branding strategy for Stats SA. Four areas of focus were identified: Internal communications, corporate strategy, publications and stakeholder interactions
Publicity and advocacy	Informed stakeholders	Publicity and advocacy strategy and plan developed and implemented	Publicity and advocacy strategies and plans were developed for the LFSR, LCS, GHS, and the CS
<i>International participation</i>			
Participation in SADC (sharing, learning and leadership)	Participation in international activities	Millennium statistical capacity development programme in relation to MDG monitoring	The first ISibalo Capacity Building Programme Technical Working Committee meeting was held from 31 May to 1 June 2007. The meeting was attended by SADC member states. The ISibalo document was reviewed and amended. An ISibalo Technical Working Committee report was compiled

Management support services (continued)

Output	Indicator	Target	Actual output
<i>International participation</i>			
Participation in Africa (sharing, learning and leadership)	Participation in international activities	<p>Participation in the 2010 Round of Censuses and Household Surveys</p> <p>Participation in the 2010 Round of Censuses and Household Surveys</p>	<p>The second Round of Population and Housing Censuses 2010 (RPHC) Technical Working Committee meeting was held in South Africa from 2–4 June 2007. The meeting was attended by SADC member states. Previous RPHC 2010 documents were reviewed and updated and an RPHC 2010 Technical Working Committee report was compiled</p> <p>As the Chair of the Friends of the ECA responsible for the Africa programme on the 2010 Round of Population and Housing Censuses, South Africa led the 3rd Africa Symposium on Statistical Development (ASSD) in Accra, Ghana in December 2007</p>
Participation in the world (sharing and learning)		<p>ISI Strategic Plan</p> <p>ISlbaló Programme (Capacity Building Programme)</p>	<p>A project charter was compiled and approved by the Steering Committee</p> <p>The ISI 2009 Media Breakfast Launch was held from 29 July to 1 August 2007, hosted by the Mayor of Durban</p> <p>The ISlbaló Capacity Building Programme was launched from 29 July to 1 August 2007, hosted by the Mayor of Durban, in preparation for the ISI 2009</p> <p>Provincial road shows on the ISlbaló Capacity Building Programme were held in 8 provinces (the Free State road show will be held in 2008/09)</p>

Management support services (continued)

Output	Indicator	Target	Actual output
<i>International participation</i>			
Participation in the world (sharing and learning)	Participation in international activities	<p>ISibalo 2: Statistics and Demography Research programme for young statisticians</p> <p>ISibalo 3: Maths, Stats and the girl child</p> <p>ISibalo 1: African Statistical Research and Analysis Forum</p> <p>ISibalo 4: The Statistical Education Programme</p> <p>ISibalo 5: Women in Statistics</p> <p>ISibane Programme (Social Responsibility Programme)</p>	<p>Preparations are underway for the 1st Africa Conference of Young Statisticians 2008, to be held in Pretoria from 1 to 3 July 2008</p> <p>The 1st International Statistical Literacy Competition was launched in the provinces during March</p> <p>The development of the African Statistical Research and Analysis Forum, the Statistical Education and Women in Statistics programmes are currently in the planning phase. Implementation will commence in 2008/09</p> <p>The ISibane Social Responsibility Programme was launched in preparation for the ISI 2009. 'Our Lady of the Rosary' school from eNdwedwe in KwaZulu-Natal was adopted under the ISibane Programme</p>
<i>Internal Audit Services</i>			
Population and Social Statistics	Number of internal audits conducted	Fieldworker payments	The audit was conducted and a report was issued
		Advisory and consulting services relating to Census 2011 activities	Advisory services were rendered to Census 2011 activities
Provincial and regional offices		9 provincial offices and ±40 district offices audited	The audits were outsourced and are expected to be completed in May 2008

Management support services (continued)

Output	Indicator	Target	Actual output
Internal Audit Services			
Financial management	Number of internal audits conducted	Supply Chain Management (acquisition phase and follow-up)	The audit was conducted and the report was issued
		Payment batches	Due to reprioritisation of audit projects, this audit was combined with the SCM audit
		Asset management	The audit has commenced and is expected to be completed in May 2008
		Transport management system	The audit has commenced and is expected to be completed in June 2008
Internal Audit Services		Bids and bidding process	Internal Audit is involved in the bids and bidding process on an ongoing basis
		Debt management and loss control	The audit was conducted and a report was issued
		Security	The audit was conducted and a report was issued
Human Resource Management and Human Capacity Development		Review of 2007/08 annual financial statements	The review was completed
		Recruitment processes, labour relations, leave register, reconciliations and overtime	The audit was completed and a report was issued
		Job grading process	Due to a shortage of staff, the audit will be completed in June 2008
		HCD coordination of training linked to performance evaluations	The audit was completed and a report was issued

Management support services (concluded)

Output	Indicator	Target	Actual output
Internal Audit Services			
Data management and technology	Number of internal audits conducted	General control review (CobiT phase 3 review of remaining areas)	The audit was conducted and a report was issued
		Follow-up on implementation of previous year's audit recommendations	Follow-up is conducted on an ongoing basis
Governance relating to core business		Evaluation of performance management information and reporting	Due to skills shortages in the area of auditing, the audit was outsourced and will be finalised in June 2008
		Review of Economic Statistics cluster process for compliance	The audit was conducted and a report was issued
		Review of Geography processes	Due to the increased scope of the audit, the report will be issued in June 2008
		Risk management process and advisory services	An advisory service is provided on an ongoing basis
		Policies and procedures (compliance follow-up and advisory services)	An advisory service is provided on an ongoing basis
		Follow-up on implementation of Internal Audit recommendations on the MIS	Follow-up is conducted on an ongoing basis
		Ad hoc projects and investigations	A donor funding audit was conducted and a report was issued

b) Statistical support services

The production of official statistics is underpinned by effective and efficient statistical support services. Stats SA aims to respond to the challenges and opportunities of survey areas through improving data collection activities in the field, establishing closer links with stakeholders to determine their needs, enabling effective usage through readily accessible and available statistical products and services, and improving and streamlining the application of information technology.

The following table outlines the achievements against set targets for the provision of effective and efficient statistical support services:

Statistical support services

Output	Indicator	Target	Actual output
Provincial support services			
Survey operations conducted in the field	Number of completed questionnaires completed for Population and Social Statistics	Biannual Labour Force Survey (30 000)	28 000 questionnaires were collected
		General Household Survey (30 000)	28 380 questionnaires were collected
		Tourism Survey	The pilot Tourism Survey was conducted
		Census Research: Mortality schedule (9 000)	The outcome of the focus group discussions indicated that there was no need for research to be conducted as the questions on mortality were clear
		Population Census: Strategy and communication plan workshops; monitoring and evaluation workshops; and user consultation workshops	Census strategy and communication plan workshops, monitoring and evaluation workshops, and user consultation workshops were held in all provinces
		Geography master sample: Update listings for ±30 000 dwellings	The old master sample was updated during the listing for QLFS. The settlement types were also realigned

Statistical support services (continued)

Output	Indicator	Target	Actual output
<i>Provincial support services</i>			
Survey operations conducted in the field	Number of questionnaires completed for economic statistics	<p>Quarterly financial statistics of municipalities (282)</p> <p>Non-financial statistics of municipalities (282)</p> <p>Financial census of municipalities (282)</p> <p>Capital expenditure of the public sector (615)</p> <p>CPI (1 100 consumer products collected)</p>	<p>235 questionnaires were collected</p> <p>187 questionnaires were collected</p> <p>244 questionnaires were collected</p> <p>442 questionnaires were collected</p> <p>1 100 consumer products were collected on a monthly basis with an overall average error rate for metro and non-metro of 0,4%</p>
District offices	Number of functional district offices	Quarterly reports on established infrastructure in district offices	All 55 district offices were opened. Recruitment and resourcing of offices is in progress
Statistical information services	Accessibility of Stats SA's statistics	<p>225 publications printed and distributed</p> <p>Enhanced printing facilities and improved internet access to statistical information</p>	<p>214 publications were printed and distributed</p> <p>Printing facilities were enhanced with a colour printer and improved binding facilities</p>
<i>Information technology support services</i>			
Information technology support services	Upgraded and refreshed infrastructure	<p>Storage Area Network (SAN) upgraded and stabilised</p> <p>Connectivity of district offices</p>	<p>The SAN was upgraded and stabilised</p> <p>Connectivity to regional offices was not achieved as planned due to technical limitations of SITA and Telkom. The initiative will continue in 2008/09</p>

Statistical support services (concluded)

Output	Indicator	Target	Actual output
Information technology support services			
Information technology support services	Upgraded and refreshed infrastructure	Disaster recovery plan implemented Servers, workstations and mobile technology upgraded	The disaster recovery plan was implemented Servers, workstations and mobile technology are upgraded on an ongoing basis
ICT service desk	Staff satisfaction with IT services	Service Level Agreements with users developed by June 2007	A Compendium of Services indicating service standards was developed
Corporate applications and databases	98% availability of system	Phase 1 of the Electronic Document Management System (EDMS) implemented by August 2007	Phase 1 was not achieved as scheduled due to the changes in the scope of the project. The Electronic Document and Records Management System was piloted for the uploading and scanning of census documents
ICT security	% decrease in loss of computer equipment	Physical security policy implemented	A physical security policy was implemented
	% decrease in loss of data/information	Virtual Local Area Network (VLAN) segmentation implemented	The implementation of the VLAN segmentation has commenced as part of logical security, and will continue in 2008/09

c) Corporate support services

The people within Stats SA are key to the success of the organisation. Stats SA requires highly skilled and experienced people, as well as effective human resource and financial management and administrative systems and processes, to achieve its strategic outcomes and to meet the challenges of a continually changing environment.

The following table outlines the achievements against set targets for the provision of effective and efficient corporate support services:

Corporate support services

Output	Indicator	Target	Actual output
<i>Risk management</i>			
Effective risk management	Unqualified audit report	Quarterly risk management report to Exco and Audit Committee	Progress on risk management (divisional risks and top organisational risks) was reported to the Audit Committee and Exco. A progress report on the status of implementing control activities to mitigate top organisational risks was presented to the Audit Committee
		Annual risk assessment conducted by March 2008	An annual risk assessment for all divisions was conducted and finalised in April 2008
		Operational risk plans revised	Operational risk plans were revised during the year as part of quarterly progress reporting on risk management by business units

Corporate support services (continued)

Output	Indicator	Target	Actual output
Legal support			
Legal services	Number of quality contracts and opinions	Legal support and advice provided through opinions and contracts	110 contracts were finalised, 26 legal opinions given, and 14 litigation matters were handled
	Relevance of Statistics Act	Legislation relating to information and data to establish contradictions and impediments to the Statistics Act reviewed	This project could not be undertaken due to a lack of funding
		Checklist for compliance compiled	This project could not be undertaken due to a lack of funding
Effective financial management			
MTEF	Timely submission of the MTEF	MTEF compiled reflecting the needs of the department by August 2007 Budgeting template developed and implemented to include demand management, timelines (cash flows), standardised costs, and budgeting per sub-activity by April 2007	The MTEF submission was compiled and submitted to National Treasury as scheduled The template was compiled as scheduled and used to compile the 2008 MTEF submission
Estimates of National Expenditure (ENE)	Timely submission of the ENE	Estimates of National Expenditure compiled to reflect reprioritisation of funds and additional unforeseen expenditure by December 2007	The ENE was submitted to National Treasury as scheduled
		ENE database adjusted by December 2007	The adjusted database was submitted to National Treasury in December 2007

Corporate support services (continued)

Output	Indicator	Target	Actual output
<i>Effective financial management</i>			
Cash flows	Adequate cash flow to fund monthly activities	<p>Drawings approved and revised during the financial year</p> <p>Monthly cash flows informed by business plans to fund monthly expenditure</p>	<p>Revised drawings were approved by National Treasury to include rollovers in August 2007</p> <p>Drawings were revised in December after the Adjusted Estimates were approved</p>
Virements and shifts	Redressed expenditure report	Virements and shifts effected between and within units to avoid possible overspending by March 2008	Funds have been shifted and virements effected in the Adjusted Estimates were submitted to National Treasury
Expenditure reporting	Timely and accurate expenditure reports	Accuracy and timeliness of expenditure and commitment reporting improved	Incorrect allocations are corrected on a monthly basis and reports are submitted before the 15 th of each month
		Monthly monitoring of expenditure and advice on over or under-spending	Reports were compiled and submitted on a monthly basis to budget managers
		Monthly expenditure reports to Exco and Audit Committee	Monthly reports were submitted
		Early Warning System (EWS) and Minister's report	Early Warning System and Minister's report were submitted monthly to the Minister and National Treasury
		Report to the Audit Committee on budget utilisation of the Department	EWS reports, indicating the budget and spending, were submitted to the Audit Committee in August 2007

Corporate support services (continued)

Output	Indicator	Target	Actual output
<i>Effective financial management</i>			
Loss management	Loss suspense account trends	33% of previous financial year's loss cases investigated and written off Use of Loss Management System enhanced by September 2007	53% of the previous financial year's cases were investigated Discussions were held with the database developer and planning for the enhancement has commenced. The system will be implemented in 2008/09
Internal control	Quality financial reporting substantiated by an effective audit trail	Safeguarding, verification and reconciliation of batches Financial inspection conducted at provincial offices	Verification and reconciliation of batches was done on an ongoing basis Financial inspections were conducted in all provincial and regional offices
<i>Effective and efficient supply of goods, services and assets</i>			
Demand management	Best price options in achieving value for money	Guidelines established for demand management by May 2007	A draft demand management and acquisition plan was compiled
Acquisition management	Goods and services available at the right time and place	Acquisition process enhanced in terms of receiving bids and quotes by June 2007 Service provider turnaround times monitored to ensure delivery as and when required Service provider database updated in ensuring that appropriate service providers are attainable to service user requirements	Random visits are conducted to check on capacity and existence prior to issuing an order Monitoring is done on a continuous basis and service providers are graded on the basis of their performance Updating is done on a continuous basis

Corporate support services (continued)

Output	Indicator	Target	Actual output
<i>Effective and efficient supply of goods, services and assets</i>			
Acquisition management	Goods and services available at the right time and place	Service provider database updated and maintained	The updating and maintenance of the database is done on a daily basis
Logistics management	Effective monitoring of orders and commitments	Daily monitoring of orders issued versus the clearing of commitments	Daily monitoring of orders is done
	Effective management and monitoring of store stock levels	Mechanism implemented to effectively monitor and replenish stores stock levels by June 2007	Monitoring of stock levels is done on a daily basis
Credit management	Improved creditors management	Strategy to discuss turnaround time for payment to suppliers implemented	A Creditors Reconciliation unit was set up in July 2007. It is currently being run by seconded and contract staff. It is envisaged that this unit will be fully staffed in the 2008/09 financial year
Supply Chain Management compliance	SCM compliance and performance reporting	Monthly reconciliation of orders, invoices and supplier statements	Creditors reconciliations are performed on an ad hoc basis
		Supply Chain Management Policy developed and implemented	The Supply Chain Management Policy was developed and implemented
		Improved SCM procedures implemented	A review of SCM procedures was done
		SCM framework implemented by December 2007	A demand management plan is being developed
		Format and criteria for reporting established by May 2007	The format and criteria for reporting were established as scheduled

Corporate support services (continued)

Output	Indicator	Target	Actual output
Effective and efficient supply of goods, services and assets			
Decentralisation	Decentralised procurement function to the provinces	Requirements for decentralisation of selected SCM functions analysed and planned	The decentralisation plan was drafted
Contract management	Effective and efficient contract management	Contract management function established	The contract management function was established
		Contracts compiled and monitored	Contracts are compiled and monitored on a continuous basis
Quality accounting information through sound financial administration			
Financial administration	Quality accounting information	Monitor and report on completeness and accuracy of financial batches	Checking of batches for completeness is done continuously
		Document tracking system developed by June 2007	An invoice tracking register is maintained on Access. Plans to enhance the system are underway
		Communication tool developed and implemented to communicate changes to processes	Communication was done through emails and official memoranda throughout the year and was found to be effective
		Concept developed for the establishment of a helpdesk by December 2007	The Client Services Relations unit is in the planning phase
	Compliance with legislative and audit requirements	Financial enhancements implemented via National Treasury	Monthly compliance certificates were submitted to National Treasury and issues on suspense accounts were highlighted accordingly

Corporate support services (continued)

Output	Indicator	Target	Actual output
<i>Quality accounting information through sound financial administration</i>			
Financial administration	Compliance with legislative and audit requirements	Annual financial statements compiled by May 2007	<p>The 2006/07 annual financial statements were submitted as prescribed to National Treasury and the Office of the Auditor-General and a clean audit report was issued</p> <p>The team responsible for the compilation of the 2007/08 financial statements tested the recommended National Treasury template using the trial balance for the month ending December 2007</p>
	Efficient and effective salary administration	Salary administration function reviewed by August 2007	Processes in the Salaries Administration unit are continuously reviewed and adjusted to enhance service delivery. The travel and subsistence claim form was reviewed
	Effective debt management	Debt recovery agency introduced by April 2007	A debt collecting agency was appointed and all out-of-service debts were referred to them for tracing and collecting
		Debt policy and procedure enhanced by June 2007	The debt management policy was revised and procedures developed accordingly
		Continuous evaluation of the causes of debt and implementation of mitigating factors thereto	A register of new debts and causes thereof is maintained. Analysis of causes is done and mitigating plans are put in place to avoid recurrence

Corporate support services (continued)

Output	Indicator	Target	Actual output
<i>Financially compliant provincial and district offices</i>			
Cash management	Effective financial management at provincial and district offices	Transfer of cash floats for projects enhanced by June 2007	Online banking was implemented at Head Office to monitor accounts in the provincial and district offices. The online banking transfer function was successfully piloted in 3 provinces. The transfer function will be rolled out to other provinces and district offices by June 2008
		Cash management policy and procedure implemented by January 2008	A cash management policy and procedure was implemented and will be enhanced on an ongoing basis
		Project needs defined to limit cash usage by December 2007	Airtime is loaded through service providers. Fuel cards are issued for hired vehicles and limited cash is made available where fuel cards are not received on time
Financial compliance in provinces		Payment of fieldworkers coordinated	The coordination of fieldworker payments was successfully implemented for Community Survey 2007. During the Community Survey debriefing it was recommended that a Corporate Service task team address requirements for Census 2011
		Business Internet solutions investigated by June 2007	Online banking was implemented in all provincial offices
		Negotiation with SITA for fieldworker payment solutions by January 2008	Negotiation with SITA has commenced

Corporate support services (continued)

Output	Indicator	Target	Actual output
Effective and efficient financial control of assets			
Asset management	Reconciled assets for the period – Logis, BAS and BAUD	Monthly reconciliations with effective reporting leading to the AFS	Monthly asset reconciliations were done
		BAUD register monitored and updated on a timeous basis	Asset movements are being captured on an asset management system on a daily basis
		Asset acquisition strategy developed by June 2007	Due to human resource constraints this was not achieved. It will be done when the asset manager post is filled in the 2008/09 financial year
	Assets disposal on a biannual basis	Disposal trends monitored	A total of 13 asset items that were damaged by fire were written off. A further 27 items were donated
	Decentralisation of asset function to provincial offices	Provincial capability for the decentralisation of assets evaluated	A pilot for decentralisation of the BAUD asset system to the Gauteng province was completed
		Network requirements and capability established at provincial level to house the asset register	A Virtual Private Network was installed in all provinces. Asset registers can now be housed in all provinces
Effective human resource management			
Recruitment and retention	Decrease in vacancy rate	E-recruitment system developed and piloted (CSAS)	The CSAS electronic system was developed and piloted
		Head-hunting policy for critical strategic positions on senior management level	The head-hunting policy is utilised on an ongoing basis

Corporate support services (continued)

Output	Indicator	Target	Actual output
<i>Effective human resource management</i>			
Performance management	Staff opinion survey	Quarterly performance reviews conducted	Quarterly performance reviews were conducted at divisional level
		Performance contracts compiled for all SMS staff	SMS staff have performance contracts in place
		Performance plans compiled for staff on level 12 and lower	Performance plans were submitted
		Annual performance evaluation conducted	Performance evaluations for 2006/07 were finalised
Employee assistance	HIV/AIDS peer group education programme		30 peer groups were established. Condom distribution is ongoing. Partnerships with scholars aged 12–19 are in progress. AIDS awareness workshops with staff members and their families have commenced
	Counselling and professional support implemented		125 counselling cases were handled during the year. A service provider was appointed to extend counselling to the provincial offices
			A Disability Awareness and Sensitising programme was established
			The number of staff members with disabilities has increased from 12 in 2006/07 to 24 in 2007/08

Corporate support services (continued)

Output	Indicator	Target	Actual output
<i>Effective human resource management</i>			
Benefit administration	Unqualified audit	Leave tracking system developed	The leave tracking system was developed and is currently being piloted
		Provincial and district offices supported and capacitated	Contract appointments and terminations for social surveys have been decentralised to the provincial offices. A draft decentralisation plan was developed and implementation will commence in 2008/09, subject to the availability of funds
		Job grading system improved	The salary band system was phased out in the provinces and a job title system is in the process of being developed
		All staff members, including managers trained	92 staff members which included managers and team leaders were trained. In 2008/09, training will focus on investigators, presiding officers and initiators and will include staff members across all levels in the organisation
		Progressive discipline supported	Disputes, grievances and disciplinary cases were handled on an ongoing basis
Labour relations management	HR strategy and plan	Management of grievances	
		HR turnaround strategy developed	An HR strategy was developed
Human resource plan	HR strategy and plan	Human resource plan compiled by March 2008	A draft human resource plan was compiled

Corporate support services (continued)

Output	Indicator	Target	Actual output
<i>Improved facilities management and logistical management</i>			
Branding of premises	Improved visibility of Stats SA's premises	Signage needs of Stats SA's premises evaluated in all provinces and district offices	Signage was installed in Eastern Cape. The roll-out in the other provinces will be done in 2008/09
Facilities management	Adequate accommodation facilities at Head Office, provinces and districts	PABX facilities installed in all provinces by October 2007	PABX facilities were installed as scheduled
		Video-conferencing equipment installed by July 2007	Video-conferencing equipment was installed in provincial offices
		Interim space needs resolution – work activities rearranged to accommodate recruitment of additional staff by July 2007	Efforts to secure interim accommodation for staff continued. Four additional floors were secured at the Old Mutual Building where refurbishing has been completed and the expected date of occupation is May 2008
		Alternative accommodation identified by July 2007	A new building for Stats SA is in the planning phase
	Improved management of transportation	Procurement of transport needs delegated to provinces by July 2007	A new fleet management strategy was approved. The procurement and consultation processes are being followed to facilitate implementation in 2008/09

Corporate support services (concluded)

Output	Indicator	Target	Actual output
New building for Stats SA			
Relocation of Stats SA	Stats SA relocated to new premises	Staff opinion survey conducted to determine the space needs per cluster and internal design of new building by May 2007	A staff opinion survey was conducted as scheduled. The space planning service provider was appointed and the space planning research work was completed
		Environmental impact assessment on proposed location completed by August 2007	The EIA was not finalised due to the dependency on the town planning process which has been scheduled for completion in December 2008
		Interior design and space planning of new building completed by May 2007	Interior design and space planning will be completed in November 2008
		Information Communication Technology (ICT) and security infrastructure established by June 2007	The ICT and security infrastructure plan will be developed after finalisation of the building design model scheduled for completion in December 2008
		Building construction commenced by October 2007	Construction of the new building is expected to commence in January 2009



our community

Section 4: Human resource information

Service delivery

1.1 Main products and services

Core business

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

- **Economic statistics** on various aspects of the economy derived from information from businesses, enabling the compilation of indices such as the Producer Price Index (PPI) and Consumer Price Index (CPI); trends in employment, production volumes and prices in various sectors; and financial statistics of government and the private sector;
- **Social, employment and population statistics** based on household surveys, a ten-yearly population census and administrative records;
- **National accounts** such as the Gross Domestic Product (GDP), Supply and Use Tables, and Social Accounting Matrix (SAM); and
- **Analyses** of demographic, social and economic data.

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

Stats SA has a wide range of stakeholders from whom it collects information and to whom statistical information is provided.

Actual customers are data users categorised into the following 11 market segments:

- National government
- Provincial government
- Local government
- The public
- The media
- The private sector
- Research and educational institutions
- Parliamentarians
- Non-governmental organisations
- Constitutional institutions and public entities
- International bodies and other statistics agencies

Stats SA's Service Delivery Improvement Plan (SDIP) for 2007/08 focused on improving accessibility to statistics and improving stakeholder management by:

- Defining response times with regard to requests for information and developing a customer complaints mechanism;
- Formalising consultation arrangements with stakeholders;
- Communicating key statistical information through an emailed newsletter;
- Increasing transparency of statistical releases through the implementation of approved quality criteria as described in the South African Statistical Quality Assurance Framework (SASQAF);
- Increasing Stats SA's presence at university exhibitions and open days; and
- Conducting additional stakeholder workshops at provincial level for improved communication with stakeholders.

To this end, a Compendium of Services document that describes the service delivery standards in terms of response times, was compiled and published. The website (StatsOnline) has been designed to make it easy for stakeholders to lodge queries and complaints with Stats SA. These queries and complaints are responded to within the specified time frames.

Key indicators are communicated weekly to over 18 000 subscribers through the StatsOnline newsletter, both nationally and internationally. A concerted effort has been made by Stats SA to ensure that all publications are published with comprehensive metadata, so as to promote transparency, understanding and increased usage of data. Communication with stakeholders is encouraged through consultation and statistical literacy workshops, as well as exhibitions and presentations throughout the country.

1.2 Consultation arrangements

Consultation arrangements with stakeholders during 2007/08:

Questionnaires were posted on StatsOnline and emailed to interested stakeholders to register their interest in Census 2011 and financial statistics, and to participate in a User Satisfaction Survey.

Five statistical literacy workshops were held to share information and answer questions on the role of statistics in the economy and society. The topics covered during these two-day workshops included: Statistics and the economy; poverty, consumption and inflation; statistical concepts; economic indicators and skills development; the Community Survey; an explanation of official statistics; exploring the dynamics of society; interactive tools to access data; and unpacking the tourism sector.

1.3 Service delivery access strategy

Access strategy	Actual achievements
StatsOnline	6 082 555 visitor sessions (204% increase in visitor sessions)
Time series subscribers	23 112
Online newsletter subscribers	19 380
Time series data files downloaded (PX-Web, SuperCross, Gapminder, Nesstar, Data on ASCII and Excel)	36 962
Data in PDF	703 549
Data in HTML	99 359
Electronic dissemination of statistical releases	25 091
Postal dissemination of statistical releases	76 437
Workshops and exhibitions	15 workshops (9 Africa Day, 1 media, 5 statistical literacy)
Head Office and provincial offices (user requests)	7 194 requests (95% responded to within 1 week)

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Expenditure

Table 2.1 – Personnel costs by programme

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services (R'000)	Personnel cost as % of total expenditure	Average personnel cost per employee (R'000)
Programme 1: Administration	293 825	139 079	8 010	9 898	47,3	252
Programme 2: Economic Statistics	144 351	106 006	1 076	327	73,4	121
Programme 3: Population and Social Statistics	383 787	139 279	1 182	19 963	36,3	141
Programme 4: Quality and Integration	44 935	34 905	612	1 958	77,7	242
Programme 5: Statistical Support and Informatics	190 100	52 760	976	5 132	27,8	72
Total	1 056 998	472 029	11 856	37 278	44,7	154

Table 2.2 – Personnel costs by salary band

Salary band	Personnel expenditure (R'000)	% of total personnel cost	Average personnel cost per employee (R)
Levels 3–5 (permanent staff)	40 209	8,5	80 741
Levels 3–5 (temporary staff)	19 113	4,0	47 309
Levels 6–8 (permanent staff)	115 037	24,4	97 737
Levels 6–8 (temporary staff)	50 974	10,8	97 093
Levels 9–12 (permanent staff)	159 829	33,9	135 219
Levels 9–12 (temporary staff)	4 842	1,0	193 680
Levels 13–16 (permanent staff)	77 604	16,4	382 286
Levels 13–16 (temporary staff)	3 382	0,7	676 400
Periodical remuneration	1 039	0,2	28 053
Total	472 029	100,0	143 517

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

Programme	Salaries		Overtime		Home owners allowance		Medical allowance	
	Amount (R'000)	Salaries as % of personnel cost	Amount (R'000)	Overtime as % of personnel cost	Amount (R'000)	Home owners allowance as % of personnel cost	Amount (R'000)	Medical allowance as % of personnel cost
Programme 1: Administration	93 757	67,4	4 344	3,1	2 987	2,1	4 376	3,1
Donor funds	0	0,0	0	0,0	0	0,0	0	0,0
Programme 2: Economic Statistics	77 941	73,5	188	0,2	2 905	2,7	4 243	4,0
Programme 3: Population and Social Statistics	107 003	76,8	1 690	1,2	2 033	1,5	3 023	2,2
Recoverable expenditure	0	0,0	0	0,0	0	0,0	0	0,0
Programme 4: Quality and Integration	23 259	66,6	2	0,0	1 173	3,4	811	2,3
Programme 5: Statistical Support and Informatics	37 315	70,7	357	0,7	1 292	2,4	1 577	3,0
Total	339 275	71,9	6 581	1,4	10 390	2,2	14 030	3,0

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

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

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

Salary band	Salaries		Overtime		Home owners allowance		Medical allowance	
	Amount (R'000)	Salaries as % of personnel cost	Amount (R'000)	Overtime as % of personnel cost	Amount (R'000)	Home owners allowance as % of personnel cost	Amount (R'000)	Medical allowance as % of personnel cost
Levels 3–5 (permanent staff)	28 242	70,2	2 011	5,0	1 513	3,8	2 213	5,5
Levels 3–5 (temporary staff)	17 079	89,4	978	5,1	0	0,0	3	0,0
Levels 6–8 (permanent staff)	83 330	72,4	1 606	1,4	3 368	2,9	5 601	4,9
Levels 6–8 (temporary staff)	46 229	90,7	471	0,9	0	0,0	4	0,0
Levels 9–12 (permanent staff)	113 269	70,9	1 474	0,9	2 374	1,5	4 891	3,1
Levels 9–12 (temporary staff)	3 912	80,8	41	0,8	25	0,5	5	0,1
Levels 13–16 (permanent staff)	45 210	58,3	0	0,0	3 031	3,9	1 291	1,7
Levels 13–16 (temporary staff)	2 004	59,3	0	0,0	79	2,3	22	0,7
Total	339 275	71,9	6 581	1,4	10 390	2,2	14 030	3,0

Employment and vacancies

Table 3.1 – Employment and vacancies by programme, 31 March 2008

Programme	Permanent posts			Contract posts	Number of posts filled additional to establishment
	Number of posts	Number of posts filled	Vacancy rate	Number of contract posts	
Programme 1: Administration	532	372	30	19	0
Programme 2: Economic Statistics	797	604	24	79	0
Programme 3: Population and Social Statistics	896	629	30	91	0
Programme 4: Quality and Integration	141	91	35	3	0
Programme 5: Statistical Support and Informatics	694	408	41	37	0
Total	3 060	2 104	31	229	0

Table 3.2 – Employment and vacancies by salary band, 31 March 2008

Salary band	Permanent posts			Contract posts	Number of posts filled additional to establishment
	Number of posts	Number of posts filled	Vacancy rate	Number of contract posts	
Levels 1–2	0	0		0	0
Levels 3–5	498	435	13	40	0
Levels 6–8	1 177	779	34	168	0
Levels 9–12	1 182	742	37	16	0
Levels 13–16	203	148	27	5	0
Total	3 060	2 104	31	229	0

Table 3.3 – Employment and vacancies by critical occupation, 31 March 2008

Critical occupation	Permanent posts			Contract posts	Number of posts filled additional to establishment
	Number of posts	Number of posts filled	Vacancy rate	Number of contract posts	
IT Specialists	138	82	41	1	0
Economists	40	24	40	0	0
Statisticians and related professionals	188	121	36	1	0
Graphic designers	4	4	0	0	0
Total	370	231	38	2	0

Statisticians and related professionals include Survey Statisticians, Statistical Advisors, Methodologists, GIS Specialists, and Demographers. Clerical staff associated with Statisticians are not included.

Job evaluation

Table 4.1 – Job evaluation, 1 April 2007 to 31 March 2008

Salary band	Number of permanent posts	Number of posts evaluated	% of posts evaluated by salary band	Posts upgraded		Posts downgraded	
				Number of posts upgraded	% of upgraded posts evaluated	Number of posts downgraded	% of downgraded posts evaluate
Levels 3–5	498	2	0,4	16	8,0	0	0,0
Levels 6–8	1 177	22	1,9	6	0,3	0	0,0
Levels 9–12	1 182	21	1,8	95	4,5	0	0,0
SMS Band A	156	11	7,1	0	0,0	0	0,0
SMS Band B	41	0	0,0	0	0,0	0	0,0
SMS Band C	5	0	0,0	0	0,0	0	0,0
SMS Band D	1	0	0,0	0	0,0	0	0,0
Total	3 060	56	1,8	117	2,1	0	0,0

Table 4.2 – Profile of employees whose positions were upgraded due to their posts being upgraded, 1 April 2007 to 31 March 2008

Beneficiaries	African	Asian	Coloured	White	Total
Female	39	3	4	7	53
Male	53	2	5	4	64
Total	92	5	9	11	117
Employees with a disability	0	0	0	0	0

Table 4.3 – Employees whose salary level exceeds the grade determined by job evaluation, 1 April 2007 to 31 March 2008 (in terms of PSR 1.V.C.3)

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Senior Manager	1	13	14	Person already on higher salary level
Senior Manager	2	14	15	Persons already on higher salary level
Total	3			
Total number of employees whose salaries exceeded the level determined by job evaluation in 2007/08				3
Percentage of total employment				0,17

Table 4.4 – Profile of employees whose salary level exceeds the grade determined by job evaluation, 1 April 2007 to 31 March 2008 (in terms of PSR 1.V.C.3)

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	0	1	1
Male	1	0	0	1	2
Total	1	0	0	2	3
Employees with a disability	0	0	0	0	0

Employment changes

Table 5.1 – Annual turnover rates by salary band, 1 April 2007 to 31 March 2008

Salary band	Number of employees per band as at 1 April 2007	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Permanent staff				
Levels 3–5	212	296	9	4,2
Levels 6–8	680	331	61	9,0
Levels 9–12	499	93	66	13,2
SMS Band A	94	7	6	6,4
SMS Band B	27	3	1	3,7
SMS Band C	5	0	1	20,0
SMS Band D	1	0	0	0,0
Total	1 518	730	144	9,5
Temporary staff				
Levels 3–5	404	3 935	4 399	108,9
Levels 6–8	525	1 421	1 755	33,4
Levels 9–12	23	16	24	10,4
SMS Band A	3	2	2	6,7
SMS Band B	2	0	0	0,0
SMS Band C	0	0	0	0,0
Total	957	5 374	6 180	64,6

Table 5.2 – Annual turnover rates by critical occupation, 1 April 2007 to 31 March 2008

Occupation	Number of employees per occupation as at 1 April 2007	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
IT Specialists (permanent staff)	90	18	13	14,4
IT Specialists (temporary staff)	11	0	9	81,8
Economists (permanent staff)	28	2	6	21,4
Statisticians and related professionals (permanent staff)	259	25	18	6,9
Statisticians and related professionals (temporary staff)	49	0	0	0,0
Graphic designers	4	0	0	0,0
Total	441	45	46	10,4

Table 5.3 – Reasons why staff are leaving the Department

Termination type	Number	% of total resignations	% of total employment
Permanent staff			
Death	5	3,5	0,2
Resignations and transfers out of Department	125	86,8	5,6
Discharged due to ill health	0	0,0	0,0
Dismissal – misconduct	3	2,1	0,1
Retirement	11	7,6	0,5
Total	144	100,0	6,4
Temporary staff			
Death	0	0,0	0,0
Resignation	109	1,8	1,7
Discharged due to ill health	0	0,0	0,0
Dismissal – misconduct	1	0,0	0,0
Retirement	0	0,0	0,0
Expiry of contract	6 070	98,2	95,9
Total	6 180	100,0	97,6

Table 5.4 – Promotions by critical occupation

Occupation	Employees as at 1 April 2007	Promotion to another salary level	Salary level promotion as % of employees by occupation	Progression to another notch within salary level	Notch progression as % of employees by occupation
IT Specialists (permanent staff)	90	47	52,2	29	32,2
IT Specialists (temporary staff)	11	0	0,0	7	63,6
Economists (permanent staff)	28	7	25,0	7	25,0
Statisticians and related professionals (permanent staff)	259	60	23,2	73	28,2
Statisticians and related professionals (temporary staff)	49	0	0,0	0	0,0
Graphic designers	4	3	75,0	4	100,0
Total	441	117	26,5	120	27,2

Table 5.5 – Promotions by salary band

Salary band	Employees as at 1 April 2007	Promotion to another salary level	Salary level promotion as % of employees by salary level	Progression to another notch within salary level	Notch progression as % of employees by salary band
Levels 3–5 (permanent staff)	212	9	4,2	113	53,3
Levels 3–5 (temporary staff)	404	0	0,0	32	7,9
Levels 6–8 (permanent staff)	680	135	19,9	319	46,9
Levels 6–8 (temporary staff)	525	0	0,0	81	15,4
Levels 9–12 (permanent staff)	499	315	63,1	234	46,9
Levels 9–12 (temporary staff)	23	0	0,0	16	69,6
SMS levels 13–16 (permanent staff)	127	29	22,8	74	58,3
SMS levels 13–16 (temporary staff)	5	0	0,0	4	80,0
Total	2 475	488	19,7	873	35,3

Employment equity

Table 6.1 – Total number of employees (incl. employees with a disability) per occupational category (SASCO), 31 March 2008

Occupational level	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers (permanent staff)	48	6	11	20	36	2	4	21	148
Legislators, senior officials and managers (temporary staff)	2	0	0	3	0	0	0	0	5
Professionals (permanent staff)	288	13	12	36	211	16	14	63	653
Professionals (temporary staff)	8	0	0	1	3	1	0	2	15
Clerks (permanent staff)	322	24	3	20	379	18	5	90	861
Clerks (temporary staff)	74	3	1	3	79	3	1	5	169
Service workers (permanent staff)	24	1	0	1	5	0	0	0	31
Service workers (temporary staff)	6	0	0	0	0	0	0	0	6
Plant and machine operators and assemblers (permanent staff)	12	0	0	1	3	0	0	1	17
Elementary occupations (permanent staff)	173	18	3	2	177	16	0	5	394
Elementary occupations (temporary staff)	17	0	0	0	16	1	0	0	34
Total	974	65	30	87	909	57	24	187	2 333
Employees with a disability	6	0	0	3	4	0	0	7	20

Table 6.2 – Total number of employees (incl. employees with a disability) per occupational band, 31 March 2008

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management (permanent staff)	2	0	1	0	2	0	0	0	5
Top management (temporary staff)	0	0	0	0	0	0	0	0	0
Senior management (permanent staff)	46	6	10	20	34	2	4	21	143
Senior management (temporary staff)	2	0	0	3	0	0	0	0	5
Professionally qualified and experienced specialists and mid-management (permanent staff)	131	8	11	24	80	7	10	34	305
Professionally qualified and experienced specialists and mid-management (temporary staff)	3	0	0	1	0	1	0	2	7
Skilled technical and academically qualified workers, junior management, supervisors, foremen (permanent staff)	331	22	2	20	332	19	7	73	806
Skilled technical and academically qualified workers, junior management, supervisors, foremen (temporary staff)	27	2	1	0	16	2	1	1	50
Semi-skilled and discretionary decision-making (permanent staff)	357	26	5	16	363	24	2	52	845
Semi-skilled and discretionary decision-making (temporary staff)	75	1	0	3	82	2	0	4	167
Total	974	65	30	87	909	57	24	187	2 333
Employees with a disability	6	0	0	3	4	0	0	7	20

Table 6.3 – Recruitment, 1 April 2007 to 31 March 2008

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management (permanent staff)	0	0	0	0	0	0	0	0	0
Top management (temporary staff)	0	0	0	0	0	0	0	0	0
Senior management (permanent staff)	4	1	0	1	3	0	0	1	10
Senior management (temporary staff)	0	0	0	1	1	0	0	0	2
Professionally qualified and experienced specialists and mid-management (permanent staff)	15	1	3	1	11	0	2	3	36
Professionally qualified and experienced specialists and mid-management (temporary staff)	5	0	0	1	1	2	0	0	9
Skilled technical and academically qualified workers, junior management, supervisors, foremen (permanent staff)	104	19	0	0	75	12	0	12	222
Skilled technical and academically qualified workers, junior management, supervisors, foremen (temporary staff)	282	34	1	5	121	26	2	17	488
Semi-skilled and discretionary decision-making (permanent staff)	194	24	1	4	179	17	4	9	432
Semi-skilled and discretionary decision-making (temporary staff)	1 916	253	5	27	2 287	318	4	65	4 875
Total	2 520	332	10	40	2 678	375	12	107	6 074
Employees with a disability	5	0	0	0	1	0	0	0	6

Table 6.4 – Promotions, 1 April 2007 to 31 March 2008

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management (permanent staff)	0	0	0	0	0	0	0	0	0
Senior management (permanent staff)	11	0	1	2	12	0	1	2	29
Professionally qualified and experienced specialists and mid-management (permanent staff)	65	5	7	12	43	3	8	14	157
Professionally qualified and experienced specialists and mid-management (temporary staff)	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen (permanent staff)	113	5	2	4	111	7	5	25	272
Skilled technical and academically qualified workers, junior management, supervisors, foremen (temporary staff)	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision-making (permanent staff)	10	0	0	1	17	2	0	0	30
Semi-skilled and discretionary decision-making (temporary staff)	0	0	0	0	0	0	0	0	0
Total	199	10	10	19	183	12	14	41	488
Employees with a disability	1	0	0	1	1	0	0	0	3

Table 6.5 – Terminations, 1 April 2007 to 31 March 2008

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management (permanent staff)	0	0	0	0	0	0	0	1	1
Top management (temporary staff)	0	0	0	0	0	0	0	0	0
Senior management (permanent staff)	5	0	0	1	1	0	0	0	7
Senior management (temporary staff)	0	0	0	1	1	0	0	0	2
Professionally qualified and experienced specialists and mid-management (permanent staff)	14	1	2	5	6	0	1	3	32
Professionally qualified and experienced specialists and mid-management (temporary staff)	3	0	1	3	2	1	0	0	10
Skilled technical and academically qualified workers, junior management, supervisors, foremen (permanent staff)	19	3	0	1	38	0	0	8	69
Skilled technical and academically qualified workers, junior management, supervisors, foremen (temporary staff)	342	51	0	7	156	35	1	19	611
Semi-skilled and discretionary decision-making (permanent staff)	10	1	0	4	8	0	1	11	35
Semi-skilled and discretionary decision-making (temporary staff)	2 225	294	7	32	2 564	344	8	83	5 557
Total	2 618	350	10	54	2 776	380	11	125	6 324
Employees with a disability	5	1	0	1	1	0	0	2	10

Table 6.6 – Disciplinary action, 1 April 2007 to 31 March 2008

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Total	15	0	0	2	4	0	0	0	21

Table 6.7 – Skills development, 1 April 2007 to 31 March 2008

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	37	3	6	17	24	2	4	5	98
Professionals	163	6	4	13	74	6	5	25	296
Service and sales workers	15	0	0	1	2	0	0	0	18
Clerks	359	23	3	18	436	12	3	69	923
Machine operators and drivers	17		0	2	2	0	0	1	22
Elementary occupations	2	0	0	0	5	0	0	0	7
Total	593	32	13	51	543	20	12	100	1 364
Employees with a disability	2	0	0	2	1	0	0	1	6

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Performance rewards

Table 7.1 – Performance rewards by race, gender and disability, 1 April 2007 to 31 March 2008

	Number of beneficiaries	Total number of employees in group	% of total in group	Total cost (R'000)	Average cost per employee (R'000)
African, female	274	641	42,7	2 525	4
African, male	259	617	42,0	2 986	5
Asian, female	10	20	50,0	193	10
Asian, male	13	30	43,3	251	8
Coloured, female	8	25	32,0	79	3
Coloured, male	16	29	55,2	265	9
White, female	123	186	66,1	1 827	10
White, male	44	78	56,4	710	9
Employees with a disability	6	12	50,0	100	8
Total	753	1 638	46,0	8 936	5

Table 7.2 – Performance rewards by salary band for personnel below Senior Management Service, 1 April 2007 to 31 March 2008

Salary band	Total number of employees	Number of beneficiaries	% of total	Total cost (R'000)	Average cost per employee (R'000)	Total cost as % of total personnel expenditure
Levels 1–2	0	0	0,0	0	0	0,0
Levels 3–5	237	115	48,5	473	4	6,3
Levels 6–8	668	325	48,7	2 676	8	35,6
Levels 9–12	413	251	60,8	4 360	17	58,1
Total	1 318	691	52,4	7 509	11	100,0

Table 7.3 – Performance rewards by critical occupation, 1 April 2007 to 31 March 2008

Critical occupation	Total number of employees	Number of beneficiaries	% of total	Total cost (R'000)	Average cost per employee (R'000)
Economists	51	30	58,8	455	15
IT Specialists	69	36	52,2	702	20
Statisticians	75	51	68,0	929	18
Graphic designers	4	4	100,0	44	11
Total	199	121	60,8	2 130	18

Table 7.4 – Performance-related rewards (cash bonus) by salary band for Senior Management Service

SMS Band	Number of beneficiaries	Total employment	% of total within band	Total cost (R'000)	Average cost per employee (R'000)
Band A	38	93	40,9	995	26
Band B	8	28	28,6	240	30
Band C	1	5	20,0	69	69
Band D	1	1	100,0	123	123
Total	48	127	37,8	1 427	30

Band B Includes payment for two SMS and seven non-SMS members' evaluation for the period 2005/06. The payout was for the evaluation period 2006/07.

Foreign workers

Table 8.1 – Foreign workers by salary band, 1 April 2007 to 31 March 2008

Salary band	1 April 2007		31 March 2008		Change	
	Number	% of total	Number	% of total	Number	% changed
Levels 6–8 (permanent staff)	0	0,0	0	0,0	0	0,0
Levels 6–8 (temporary staff)	0	0,0	0	0,0	0	0,0
Levels 9–12 (permanent staff)	2	30,0	2	30,0	2	20,0
Levels 9–12 (temporary staff)	1	15,0	1	15,0	0	0,0
SMS levels 13–16 (permanent staff)	3	40,0	1	40,0	1	10,0
SMS levels 13–16 (temporary staff)	1	15,0	1	15,0	0	0,0
Total	7	100,0	7	100,0	3	30,0

Table 8.2 – Foreign workers by major occupation, 1 April 2007 to 31 March 2008

Major occupation	1 April 2007		31 March 2008		Change	
	Number	% of total	Number	% of total	Number	% changed
Administrative office workers	0	0,0	0	0,0	0	0,0
Information technology personnel	1	20,0	1	20,0	1	10,0
Professionals and managers	6	80,0	6	80,0	2	20,0
Total	7	100,0	7	100,0	3	30,0

Leave utilisation

Table 9.1 – Sick leave, 1 January 2007 to 31 December 2007

Salary band	Total days	% of days with medical certification	Number of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)
Levels 3–5 (permanent staff)	1 461	84,0	196	12,3	7	352
Levels 3–5 (temporary staff)	203	90,6	45	2,8	5	46
Levels 6–8 (permanent staff)	4 615	78,4	604	37,8	8	1 704
Levels 6–8 (temporary staff)	680	80,0	191	12,0	4	240
Levels 9–12 (permanent staff)	3 058	81,1	467	29,3	7	2 354
Levels 9–12 (temporary staff)	31	77,4	8	0,5	4	19
SMS levels 13–16 (permanent staff)	492	83,1	83	5,2	6	967
SMS levels 13–16 (temporary staff)	25	96,0	2	0,1	13	49
Total	10 565	81	1 596	100	7	5 731

Table 9.2 – Disability leave (temporary and permanent), 1 January 2007 to 31 December 2007

Salary band	Total days	% of days with medical certification	Number of employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated cost (R'000)
Levels 1–2	0	0,0	0	0,0	0	0
Levels 3–5	0	0,0	0	0,0	0	0
Levels 6–8	76	29,1	2	4,2	38	87
Levels 9–12	73	28,0	3	4,0	15,3	195
SMS levels 13–16	28	10,7	2	1,5	18,3	333
Total	177	67,8	7	9,7	25,2	616

Table 9.3 – Annual leave, 1 January 2007 to 31 December 2007

Salary band	Total days taken	Average number of days per employee	Number of employees who took leave
Levels 3–5 (permanent staff)	4 955	12	418
Levels 3–5 (temporary staff)	872	6	148
Levels 6–8 (permanent staff)	13 963	16	873
Levels 6–8 (temporary staff)	2 684	6	416
Levels 9–12 (permanent staff)	12 598	18	693
Levels 9–12 (temporary staff)	257	12	21
SMS levels 13–16 (permanent staff)	2 944	20	144
SMS levels 13–16 (temporary staff)	135	19	7
Total	38 408	14	2 720

Table 9.4 – Capped leave, 1 January 2007 to 31 December 2007

Salary band	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2007
Levels 3–5	33	6	22
Levels 6–8	106	7	34
Levels 9–12	121	6	53
SMS levels 13–16	26	13	123
Total	286	6	39

Table 9.5 – Leave payouts, 1 April 2007 to 31 March 2008

	Total amount (R'000)	Number of employees	Average payment per employee (R)
Leave payouts for 2007/08 due to non-utilisation of leave for previous cycle	604	86	7 023
Capped leave payouts on termination of service for 2007/08	3 271	1 066	3 068
Current leave payouts on termination of service for 2007/08	980	274	3 577
Total	4 855	1 426	3 405

HIV/AIDS and health promotion programmes

Table 10.1 – Steps taken to reduce the risk of occupational exposure

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

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

Question	Yes/ No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI(E) of Chapter 1 of the Public Service Regulations, 2001? If so, provide the name and position of the particular SMS member.	YES	Ms Xoli Kunene, Manager: Employee Relations
2. Does the department have a dedicated unit or have you designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	YES	A service provider was appointed to provide a 24-hour counselling service to staff as well as four full-time EAP Professionals. The budget is R3 million.
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	24-hour counselling and professional support, health and wellness programmes, HIV/AIDS programme, stress management programme, retirement plan, and life skills training.
4. Has the department established (a) committee(s) as contemplated in Part VI E.5(e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	YES	There is an HIV/AIDS Committee comprising the following Head Office representatives: Ms R Ramorei, Ms A Setshogoe, Ms B van der Spuy, Mr M Muravha, Ms E Mkhabela, Ms G Makgato, Mr J Masangu, Ms K Xosa, Ms T Maboa, and Mr V Munyangane.
5. Has the department reviewed the employment policies and practices of your department to ensure these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	YES	The bereavement and EAP policies were reviewed and communicated to staff members. The HIV/AIDS policy is in line with the Employment Equity Act.
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	Stats SA has introduced an HIV/AIDS programme. The programme comprises counselling and support, partnership with NGOs, workshops, distribution of HIV/AIDS materials, peer group education programme, condom distribution, special events such as AIDS Day, Candle Light Memorial, TB Month, Condom Month, implementation of the HIV/AIDS policy, and addresses by people living with HIV/AIDS.
7. Does the department encourage its employees to undergo voluntary counselling and testing (VCT)? If so, list the results that you have achieved.	YES	Voluntary counselling sessions on VCT were launched. 60% of staff members attended the workshops. There is partnership with NGOs providing antiretroviral treatment. Referrals are continuously being made to these NGOs.
8. Has the department developed measures/indicators to monitor and evaluate the impact of your health promotion programme? If so, list these measures/indicators.	YES	Quantified targets are set on counselling sessions held, number of referrals to other bodies/experts, cases closed, number of condoms distributed, the response rate to the VCT programme, number of posters distributed, number of candidates attending workshops, and number of referrals from peer group educators and managers.

Labour relations

Table 11.1 – Collective agreements, 1 April 2007 to 31 March 2008

Total collective agreements	None
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Table 11.2 – Misconduct and disciplinary hearings finalised, 1 April 2007 to 31 March 2008

Outcome of disciplinary hearings	Number	% of total
Precautionary suspension	8	30,8
Correctional counselling	5	19,2
Withdrawals	1	3,8
Dismissal	4	15,4
Final written warnings	6	23,1
Written warnings	2	7,7
Total	26	100,0

Table 11.3 – Types of misconduct addressed at disciplinary hearings, 1 April 2007 to 31 March 2008

Type of misconduct	Number	% of total
Theft	1	8,3
Maladministration	3	25,0
Email abuse	1	8,3
Insolent behaviour	2	16,7
Motor vehicle accidents	2	16,7
Unauthorised passengers	1	8,3
Motor vehicle misuse	2	16,7
Total	12	100,0

Table 11.4 – Grievances lodged, 1 April 2007 to 31 March 2008

	Number	% of total
Number of grievances resolved	14	66,7
Number of grievances not resolved	7	33,3
Total number of grievances lodged	21	100,0

Table 11.5 – Disputes lodged with councils, 1 April 2007 to 31 March 2008

	Number	% of total
Disputes upheld	2	7,7
Disputes withdrawn	7	26,9
Disputes dismissed	6	23,1
Cases pending	11	42,3
Total	26	100,0

Table 11.6 – Strike actions, 1 April 2007 to 31 March 2008

Strike actions	Total
Total number of working days lost	88,11
Total cost (R'000) of working days lost	40
Amount (R'000) recovered as a result of no work no pay	40

Table 11.7 – Precautionary suspensions, 1 April 2007 to 31 March 2008

Precautionary suspensions	Total
Number of people suspended	8
Number of people whose suspension exceeded 30 days	5
Total number of days suspended	1 450
Average number of days suspended	397
Total cost of suspensions (R'000)	635

Skills development

Table 12.1 – Training needs identified, 1 April 2007 to 31 March 2008

Training needs identified at start of reporting period						
Occupational category	Gender	Number of employees as at 1 April 2007 (permanent and contract)	Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	60	0	25	10	35
	Male	90	0	45	15	60
Professionals	Female	290	0	105	35	140
	Male	345	0	120	18	138
Clerks	Female	982	0	408	15	423
	Male	802	0	475	28	503
Plant and machine operators and assemblers	Female	3	0	2	0	2
	Male	14	0	6	0	6
Service and sales workers	Female	9	0	4	0	4
	Male	41	0	5	0	5
Elementary occupations	Female	12	0	5	0	5
	Male	12	0	4	0	4
Gender subtotals	Female	1 356	0	549	60	609
	Male	1 304	0	655	61	716
Total		2 660	0	1 204	121	1 325

Table 12.2 – Training provided, 1 April 2007 to 31 March 2008

Occupational category	Gender	Training provided within the reporting period				
		Number of employees as at 1 April 2007 (permanent and contract)	Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	60	0	20	15	35
	Male	90	0	48	15	63
Professionals	Female	290	0	75	35	110
	Male	345	0	157	26	183
Clerks	Female	982	0	488	32	520
	Male	802	0	390	16	406
Plant and machine operators and assemblers	Female	3	0	3	0	3
	Male	14	0	19	0	19
Service and sales workers	Female	9	0	2	0	2
	Male	41	0	16	0	16
Elementary occupations	Female	12	0	5	0	5
	Male	12	0	2	0	2
Gender subtotals	Female	1 356	0	593	82	675
	Male	1 304	0	632	57	689
Total		2 660	0	1 225	139	1 364

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Injury on duty

Table 13.1 – Injury on duty, 1 April 2007 to 31 March 2008

Nature of injury on duty	Number	% of total
Required basic medical attention only	22	100,0
Temporary total disablement	0	0,0
Permanent disablement	0	0,0
Fatal	0	0,0
Total	22	100,0

Utilisation of consultants

Table 14.1 – Report on consultant appointments using appropriated funds

Project Title	Number of companies	Total number of consultants that worked on the project	Contract value R'000	Amount paid R'000
Academic supervision	1	4	1 525	1 525
Analyse data from 2007 Community Survey	1	1	116	89
Technical advice on the final estimation of CS 2007, and provision of training	1	1	16	16
Co-sourcing of internal audit work	1	54	1 642	299
Consumer price index	1	1	4 389	2 589
Development of environmental-economic accounts	1	1	205	103
Health and wellness service provider	1	1	661	165
High-level internal audit for the Department	1	1	727	80
Human Capacity Development Skills Audit	1	5	1 024	154
Implementation of economic statistics strategy	2	2	2 995	355
Implementation of the business register	1	1	1 001	1 001
Leadership training for senior management	1	1	3 000	705
Manage ISI conference	1	1	1 500	21
Qualitative research project to inform the development of mortality schedule for Census 2011	1	1	196	196
Provision of professional nurses for the causes of death projects	1	20	699	120
Physical independent asset verification	1	26	1 598	0
Quarterly Labour Force Survey	1	1	1 076	1 076
Re-engineering of the Labour Force Survey	2	2	2 429	2 429
Review organisational structure	1	1	1 530	901
SADC survey methodology programme	1	4	1 937	1 978
Space planner	1	2	935	464
Spot 5 satellite imagery	1	1	2 506	2 506
Strategic communications	1	1	542	542
Translate IES questionnaire from English to the following Languages: Sesotho, Setswana and Afrikaans	1	27	153	153
Translate LFS questionnaire from English to the following Languages: Sepedi, Xitsonga and Tshivenda	1	36	170	19
Translation of statistical concepts from English to other 10 South African languages	26	26	378	253
Verification of qualifications for Stats SA	1	1	9	9
			32 959	17 748

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

Project Title	% ownership by HDI groups	% management by HDI group	Number of consultants from HDI groups that worked on the project
Co-sourcing of internal audit	75	75	25
Leadership training for senior management	100	100	1
Health and wellness	26	26	1
Human Capacity Development Skills Audit	100	100	1
Nurses for causes of death projects	100	100	20
Review organisational structure	100	100	1
Space planner	80	80	1
Translation of statistical concepts (27 individuals)	100	100	25
Verification of qualifications for Stats SA	20	20	0

Table 14.3 – Report on consultant appointments using donor funds

Project Title	Total number of consultants that worked on the project	Contract value R'000	Amount paid R'000
Income and Expenditure – survey and analysis	7	2 460	2 460
Statistical training	6	1 223	1 223
Living Conditions Survey	2	422	422
		4 105	4 105

There were no consultant appointments using donor funds in terms of HDIs for the period 1 April 2007–31 March 2008.



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Section 5: Audit Committee report

Report of the Audit Committee of Statistics South Africa for the financial year ended 31 March 2008

The Audit Committee of Statistics South Africa is pleased to present our report for the financial year ended 31 March 2008.

Members

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

Name of member	Status	Meetings attended
Mr TR Naidoo CA (SA), HDip (Tax)	Chairperson (to 22 Feb 2008) Non-executive	1
Ms MM Qacha MBA, CA (Lesotho)	Chairperson (from 23 Feb 2008) Member (to 22 Feb 2008) Non-executive	2
Mr SJ Thema BA, LLB	Member Non-executive	3
Ms Z Jones MBA, MIB	Member Non-executive	1
Mr M Dukander CA (SA), CIA, CCSA	Member (From 23 Feb 2008) Non-executive	1
Mr PJ Lehohla Statistician-General	Member Executive	2

Responsibility

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

The effectiveness of internal control

During the year under review internal and external auditors reported several instances of controls that were not fully effective. In their management letter the Auditor-General reported on controls relating to employee costs and expenditure that were not fully effective. The committee notes these issues and looks forward to further improvements.

The Audit Committee recognises and monitors the continuous efforts made by management to actively improve the effectiveness of internal controls and curb the occurrence of unauthorised, irregular and fruitless expenditure.

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

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

Evaluation of the annual financial statements

The Audit Committee has–

- reviewed and discussed the audited annual financial statements to be included in the annual report with the Auditor-General and the Accounting Officer; and
- reviewed the Auditor-General's management letter and management's response thereto.

The Audit Committee notes the reasons advanced by management for the material underspending of allocated funds and the impact that this may have on service delivery and ability to execute their mandates.

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



MM Qacha
Chairperson: Audit Committee
29 July 2008



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Section 6: Annual financial statements

Management report for the year ended 31 March 2008

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

1. General review of the state of affairs

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

Economic statistics

Key initiatives and achievements in the production of economic statistics:

- Stats SA produced industry and trade, price, employment and financial statistics according to set targets in line with the Special Data Dissemination Standard (SDDS) requirements.
- The re-engineering of the PPI commenced during the financial year. Data for agriculture, forestry, fishing, mining, manufacturing and electricity were gathered. The PPI for January 2008 was based on an updated set of weights. The reweighted PPI (January data) was published in March 2008.
- Stats SA conducted an Income and Expenditure Survey on the spending patterns of South African households. The results were published in March 2008.

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Population and social statistics

Key initiatives and achievements in the production of population and social statistics:

- The Community Survey was conducted in February 2007. The key objective of the Community Survey was to provide socio-economic information at lower geographical levels than existing household-based surveys and to build human, management and logistical capabilities for Census 2011. Key results were released in October 2007. Municipal data were published in March 2008.
- The next Population Census will be undertaken in October 2011. Planning has been ongoing and lessons learnt from the Community Survey were incorporated into the strategic and operational plans. Research to inform the development of content and methodologies is ongoing.
- Stats SA reviewed the current Labour Force Survey to address weaknesses in the questionnaire and sample design, estimation, timeliness and frequency of the survey. The new collection methodology was implemented in January 2008. The first results of the new Quarterly Labour Force Survey will be published in August 2008.

Summary of financial performance

The Department's original baseline budget for 2007/08 was R930,189 million and this was increased by R170,1 million, of which R30 million was allocated for capacity building, R95 million for the Labour Force Survey Re-engineering, R40 million for service delivery and population dynamics, R4,1 million for statistical infrastructure, and R1 million for salary adjustments.

A total of R56,997 million has been rolled over from the 2006/07 to 2007/08 financial year.

Actual expenditure up to 31 March 2008 was R1 056,998 million representing 91,3% of the adjusted budget. The expenditure does not include the unauthorised expenditure of R121,937 million which has been approved as authorised expenditure. Savings from the current budget are not required to fund this expenditure since funds have been allocated through the Finance Act, 2007 (Act No. 2 of 2007) for this unauthorised expenditure.

Virement was applied from areas of savings to areas of possible overspending. Amounts of R6,993 million from programme 1; R4,489 million from programme 4; and R8,055 million from programme 5 were shifted to programme 2 (R5,239 million) and programme 3 (R14,298 million).

Savings amounting to R100,288 million were realised for the 2007/08 financial year.

Stats SA's revenue-generating capacity is normally minimal. However, revenue amounting to R15 million in respect of recovery of the previous financial years' expenditure was realised after the cut-off date for surrendering revenue to the Revenue Fund. Total revenue for the 2007/08 financial year amounts to R17,710 million compared to R1,545 million for the 2006/07 financial year. Funds were received for sales of goods and services by Stats SA (R0,988 million), sales of scrap material (R0,086 million), interest earned (R0,088 million) and R16,548 million representing recovery of previous years' expenditure and repayments of contractual departmental debt.

Four sources of income are reflected in the statement of financial performance:

- Appropriations
- General revenue
- Foreign aid assistance
- Contract work (funds received from other agencies and/or departments to fund the projects undertaken by Stats SA on their behalf)

It was decided to report and disclose financial information on contract work under the local and foreign aid assistance section of the annual financial statements as no provision was made in the template provided by National Treasury. Information regarding contract work was disclosed in the same manner as in previous financial years.

2. Services rendered by the Department

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

Industry and Trade Statistics

Industry and Trade Statistics provides information on turnover and volumes in various economic sectors.

Price Statistics

Price Statistics provides information on price indices such as the consumer and producer price indices, and on employment levels in the formal non-agriculture sectors.

Financial Statistics

Financial Statistics tracks public sector spending and the financial performance of private-sector organisations.

Population Statistics

Population Statistics plans, collects, processes, analyses and disseminates population statistics collected through the census and surveys and provides information on a wide range of population and demographic themes on municipal level.

Social Statistics

Social Statistics provides information on labour market trends and living conditions in South Africa through the General Household Survey and Labour Force Survey.

Health and Vital Statistics

Health and Vital Statistics provides statistics on births, deaths, marriages and divorces, and tourism and migration based on administrative records.

National Accounts

National Accounts produces the GDP and other integrative statistical products.

Tariff policy

Stats SA disseminates approximately 98% of its statistics through its website at no cost to users.

Free services

As a general principle, Stats SA does not seek to recover any of the costs of data collected, products developed or standard services provided.

Exceptions are where costs not provided for in the core budget of Stats SA are incurred in servicing user requests. Special requests involving activities not catered for in the core budget are charged for at a rate of R300,00 per hour.

3. Capacity constraints

A key challenge facing South Africa today is a shortage of mathematical and statistical skills. Stats SA has developed an integrated capacity building strategy to address the lack of statistical skills both within the organisation, and in the broader National Statistics System. Stats SA has initiated the following programmes towards building statistical capacity:

- Mathematics for Statistics (Maths4stats) – towards a nation that counts. Stats SA hosted various statistical workshops across the country.
- Internship programme – An intern development programme was developed with the assistance of the South African Management Development Institute (SAMDI). Thirty new interns were recruited and trained during the 2007/08 financial year. Furthermore, a coaches' development programme was also developed and 67 coaches were identified and trained during the 2007/08 financial year.
- International training programme – 52 staff members attended a training workshop in Survey Methodology conducted by Professors Kalton and Cantor from the United States of America.
- Scholarships (foreign studies) – 31 staff and 14 non-staff members received scholarships to continue their studies at statistical training institutes in Tanzania (12 staff and 14 non-staff members) and Uganda (19 staff members).
- E-Learning – Modular content for E-Learning has been developed and 4 courses are currently being developed.

4. Utilisation of donor funds

Institutional Development Programme

The project is a joint venture between the governments of South Africa, Canada and the United Kingdom. The objectives of the project in terms of the Memorandum of Understanding are to provide–

- (i) analytical and methodological support to the Income and Expenditure Survey;
- (ii) methodological and survey design support to the Living Conditions Survey; and
- (iii) statistical training and development on methodology and survey design.

An amount of R1,906 million was brought forward from the previous financial year in respect of the Institutional Development Programme. An additional amount of R5,304 million for this project was received during the 2007/08 financial year.

Expenditure incurred during the year amounted to R4,282 million, leaving a balance of R2,928 million for use in the 2008/09 financial year for ongoing work.

Contract work

Agriculture Large Sample Survey

The project is funded by the Department of Agriculture to support Stats SA to complete the Agriculture Large Sample Survey and Census of Agriculture during the course of the current financial year. A full Census of Agriculture was launched on 1 September 2007. Over 93 000 questionnaires were sent into the field, and fieldworkers were deployed to collect data on commercial farming units.

An amount of R0,025 million was brought forward from 2006/07 in respect of the Agriculture Large Sample Survey. An additional amount of R 7,500 million was received to fund the Census of Agriculture that started in September 2007. The Census of Agriculture is ongoing as data are still being collected. Total expenditure of R3,518 million was incurred during this financial year, leaving a balance of R4,007 million for use in the 2008/09 financial year for ongoing work and to fund the Census of Agriculture.

5. Corporate governance arrangements

A departmental risk management strategy and process was implemented. A risk management framework was approved and operational risk plans for the various areas were compiled. Implementation of the approved strategy is continuous and is overseen by a risk management steering committee, composed of selected executive managers who represent all clusters in the organisation.

The amended fraud prevention plan, including a fraud prevention policy statement has been reviewed by the Audit Committee and approved by the Executive Committee. A fraud hotline instituted by the organisation is monitored on an ongoing basis.

Audit progress meetings are held with the Auditor-General during the audit, and the same forum is used beyond the audit period to keep track of matters raised during the audit. Management is kept informed on progress made on policies, procedures and controls implemented to mitigate possible weaknesses that might arise. The forum is also used to keep track of the recommendations made by the departmental Internal Audit division.

6. New/proposed activities

Several large sample surveys will commence with data collection during 2008/09 including agriculture, manufacturing, and social and personal services. A new monthly transport survey has been introduced and the first results will be published by March 2009. Various research activities will be undertaken to improve the measurement of economic growth.

The direct price collection methodology has been implemented to improve the measurement of price changes. The next significant improvement in the CPI will be the reweighting of the basket of goods to be published in February 2009.

The new Quarterly Labour Force Survey has been introduced and launched in January 2008 to improve the measurement of employment and job creation. The first publication will be released in August 2008.

Stats SA will be introducing a new survey to collect information on living conditions and household welfare in South Africa. The main survey will be conducted during 2008/09 and 2009/10.

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

Stats SA is hosting the 57th Session of the International Statistical Institute (ISI) in Durban in August 2009. This will be the first ISI session to be hosted in Africa in the 122-year-old history of the ISI.

7. Inventories

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

Other consumables	R346 959
Parts and maintenance	R59 429
Domestic consumables	R17 887
Stationery and printing	R697 632

Redundant items

There have been a number of items that are slow moving and /or non-moving items, which are to be presented to the Disposal Committee. The total value of potentially disposable items is R1 11 609.

Approval

The annual financial statements set out on pages 151 to 203 of this report have been approved by the Accounting Officer.



PJ Lehohla
Statistician-General (Accounting Officer)
22 July 2008

Report of the Auditor-General to Parliament on the Financial Statements and Performance Information of Vote No. 12: Statistics South Africa for the year ended 31 March 2008

Report on the financial statements

Introduction

1. I have audited the accompanying financial statements of Statistics South Africa which comprise the appropriation statement, statement of financial position as at 31 March 2008, statement of financial performance and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 151 to 203.

Responsibility of the accounting officer for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1.1 and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA). This responsibility includes:
 - designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
 - selecting and applying appropriate accounting policies
 - making accounting estimates that are reasonable in the circumstances.

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Responsibility of the Auditor-General

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with the International Standards on Auditing and *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance on whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the

financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

6. An audit also includes evaluating the:
 - appropriateness of accounting policies used
 - reasonableness of accounting estimates made by management
 - overall presentation of the financial statements.
7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Basis of accounting

8. The department's policy is to prepare financial statements on the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1.1.

Opinion

9. In my opinion the financial statements present fairly, in all material respects, the financial position of Statistics South Africa as at 31 March 2008 and its financial performance and cash flows for the year then ended, in accordance with the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1.1 and in the manner required by the PFMA.

Other matters

Without qualifying my audit opinion, I draw attention to the following matters that relate to my responsibilities in the audit of the financial statements:

Matters of governance

10. The PFMA tasks the accounting officer with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of certain key governance responsibilities, which I have assessed as follows:

Matter of governance	Yes	No
Audit committee		
• The department had an audit committee in operation throughout the financial year.	✓	
• The audit committee operates in accordance with approved, written terms of reference.	✓	
• The audit committee substantially fulfilled its responsibilities for the year, as set out in section 77 of the PFMA and Treasury Regulation 3.1.10.	✓	
Internal audit		
• The department had an internal audit function in operation throughout the financial year.	✓	
• The internal audit function operates in terms of an approved internal audit plan.	✓	
• The internal audit function substantially fulfilled its responsibilities for the year, as set out in Treasury Regulation 3.2.	✓	
Other matters of governance		
The annual financial statements were submitted for audit as per the legislated deadlines (section 40 of the PFMA).	✓	
The financial statements submitted for audit were not subject to any material amendments resulting from the audit.		✓
No significant difficulties were experienced during the audit concerning delays or the unavailability of expected information and/or the unavailability of senior management.	✓	
The prior year's external audit recommendations have been substantially implemented.	✓	

Other reporting responsibilities

Report on performance information

11. I have reviewed the performance information as set out on pages 27 to 102.

Responsibility of the accounting officer for the performance information

12. The accounting officer has additional responsibilities as required by section 40(3)(a) of the PFMA to ensure that the annual report and audited financial statements fairly present the performance against predetermined objectives of the department.

Responsibility of the Auditor-General

13. I conducted my engagement in accordance with section 13 of the PAA read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*.

14. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.

15. I believe that the evidence I have obtained is sufficient and appropriate to report that no significant findings have been identified as a result of my review.

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Appreciation

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

Auditor - General

Pretoria
26 July 2008



AUDITOR-GENERAL

Accounting policies for the year ended 31 March 2007

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, 1999 (Act No. 1 of 1999 as amended by Act No. 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, 2006 (Act No. 2 of 2006).

1. Presentation of the financial statements

1.1 Basis of accounting

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

1.2 Presentation currency

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

1.3 Rounding

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

1.4 Comparative figures

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.

2. Revenue

2.1 Appropriated funds

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

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

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

2.2 Departmental revenue

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

Amounts receivable at the reporting date are disclosed in the disclosure notes to the annual financial statements.

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2.2.1 Tax revenue

Tax revenue consists of all compulsory unrequited amounts collected by the Department in accordance with laws and/or regulations (excluding fines, penalties and forfeits).

Tax receipts are recognised in the statement of financial performance when received.

2.2.2 Sales of goods and services other than capital assets

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

2.2.3 Fines, penalties and forfeits

Fines, penalties and forfeits are compulsory unrequited amounts which were imposed by a court or quasi-judicial body and collected by the Department. Revenue arising from fines, penalties and forfeits is recognised in the statement of financial performance when the cash is received.

2.2.4 Interest, dividends and rent on land

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

2.2.5 Sale of capital assets

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

2.2.6 Financial transactions in assets and liabilities

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the statement of financial performance on receipt of the funds.

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

Forex gains are recognised on payment of funds.

2.2.7 Transfers received (including gifts, donations and sponsorships)

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

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

2.3 Local and foreign aid assistance

Local and foreign aid assistance is recognised as revenue when notification of the assistance is received from the National Treasury or when the Department directly receives the cash from the donor(s).

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

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

Inappropriately expensed amounts using local and foreign aid assistance and any unutilised amounts are recognised as payables in the statement of financial position.

3. Expenditure

3.1 Compensation of employees

3.1.1 Short-term employee benefits

Salaries and wages comprise payments to employees (including leave entitlements, thirteenth cheques and performance bonuses). Salaries and wages are recognised as an expense 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). Capitalised compensation forms part of the expenditure for capital assets in the statement of financial performance¹. All other payments are classified as current expense.

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 position.

3.1.2 Post-retirement benefits

The Department provides retirement benefits (pension benefits) for certain of its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions.

Employer contributions (i.e. social contributions) to the fund are expensed when the final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year). No provision is made for retirement benefits in the financial statements of the Department. Any potential liabilities are disclosed in the financial statements of the National Revenue Fund and not in the financial statements of the employer department.

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

3.1.3 Termination benefits

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

¹ This accounting policy is only relevant where the Department elects to capitalise the compensation paid to employees involved with capital projects.

3.1.4 Other long-term employee benefits

Other long-term employee benefits (such as capped leave) are recognised as an expense in the statement of financial performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Long-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 position.

3.2 Goods and services

Payments made for goods and/or services are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). The expense is classified as capital if the goods and services were used for a capital project or an asset of R5 000 or more is purchased. Assets costing less than R5 000 will also be reflected under goods and services.

3.3 Interest and rent on land

Interest and rental payments are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. 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 Financial transactions in assets and liabilities

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

Forex losses are recognised on payment of funds.

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

3.5 Unauthorised expenditure

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

3.6 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

3.7 Irregular expenditure

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

3.8 Transfers and subsidies

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

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3.9 Expenditure for capital assets

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

4. Assets

4.1 Cash and cash equivalents

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

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

4.2 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.

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.

Receivables outstanding at year-end are carried in the statement of financial position at cost.

4.5 Investments

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

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

4.6 Loans

Loans are recognised in the statement of financial position at the nominal amount when cash is paid to the beneficiary. Loan balances are reduced when cash repayments are received from the beneficiary. Amounts that are potentially irrecoverable are included in the disclosure notes.

Loans that are outstanding at year-end are carried in the statement of financial position at cost.

4.7 Inventory

Inventories purchased during the financial year are disclosed at cost in the notes.

4.8 Capital assets

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

Projects (of construction/development) running over more than one financial year relating to assets, are only capitalised as assets on completion of the project and at the total cost incurred over the duration of the project.

Disclosure notes 28 and 29 reflect the total movement in the asset register for the current financial year.

5. Liabilities

5.1 Voted funds to be surrendered to the Revenue Fund

Unexpended appropriated funds are surrendered to the National/Provincial Revenue Fund. Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the statement of financial position.

5.2 Departmental revenue to be surrendered to the Revenue Fund

Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the statement of financial position at cost.

5.3 Bank overdraft

The bank overdraft is carried in the statement of position at cost.

5.4 Payables

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

5.5 Contingent liabilities

Contingent liabilities are included in the disclosure notes.

5.6 Commitments

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

5.7 Accruals

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

5.8 Employee benefits

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

5.9 Lease commitments

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

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

6. Receivables for departmental revenue

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

7. Net Assets

7.1 Capitalisation reserve

The capitalisation reserve comprises financial assets and/or liabilities originating in a prior reporting period, but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are transferred to the National Revenue Fund on disposal, repayment or recovery of such amounts.

7.2 Recoverable revenue

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

8. Related party transactions

Specific information with regard to related party transactions is included in the disclosure notes.

9. Key management personnel

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

Appropriation Statement for the year ended 31 March 2008

Appropriation per programme

Programme	2007/08							2006/07	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as percentage of final appropriation %	Final appropriation R'000	Actual expenditure R'000
1. Administration									
Current payment	299 850	(526)	(7 574)	291 750	288 684	3 066	98,9	226 232	224 712
Transfers and subsidies	734	-	563	1 297	716	581	55,2	316	307
Expenditure for capital assets	11 121	526	18	11 665	4 425	7 240	37,9	4 382	4 349
2. Economic Statistics									
Current payment	138 530	(393)	5 158	143 295	142 624	671	99,5	163 491	163 465
Transfers and subsidies	402	-	-	402	-	402	0,0	131	108
Expenditure for capital assets	3 683	393	81	4 157	1 727	2 430	41,5	4 945	4 090
3. Population and Social Statistics									
Current payment	388 314	(13 620)	14 084	388 778	367 668	21 110	94,6	588 075	515 746
Transfers and subsidies	85	-	59	144	143	1	99,3	342	280
Expenditure for capital assets	9 005	13 620	155	22 780	15 976	6 804	70,1	23 315	16 140
4. Quality and Integration									
Current payment	53 015	(517)	(4 310)	48 188	42 375	5 813	87,9	46 375	38 502
Transfers and subsidies	28	-	-	28	-	28	0,0	47	20
Expenditure for capital assets	3 076	517	(179)	3 414	2 560	854	75,0	2 541	2 272
5. Statistical Support and Informatics									
Current payment	221 629	(10 269)	(20 458)	190 902	162 359	28 543	85,0	88 242	78 994
Transfers and subsidies	52	-	608	660	620	40	93,9	117	102
Expenditure for capital assets	27 762	10 269	11 795	49 826	27 121	22 705	54,4	13 230	11 383
Total	1 157 286	-	-	1 157 286	1 056 998	100 288	91,3	1 161 781	1 060 470

Reconciliation with the statement of financial performance

Prior year unauthorised expenditure approved with funding	121 937	-
Departmental receipts	17 710	1 545
Local and foreign aid assistance	12 804	2 556
Actual amounts with the statement of financial performance (total revenue)	1 309 737	1 165 882
Local and foreign aid assistance	7 800	11 082
Prior year unauthorised expenditure approved	121 937	36 135
Actual amounts per statement of financial performance expenditure	1 186 735	1 107 687

Appropriation per economic classification

Economic classification	2007/08							2006/07	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as percentage of final appropriation %	Final appropriation R'000	Actual expenditure R'000
Current payments									
Compensation to employees	498 130	(410)	(13 031)	484 689	472 029	12 660	97,4	423 038	414 912
Goods and services	603 208	(24 915)	(22 541)	555 752	509 328	46 424	91,6	689 377	605 356
Financial transactions in assets and liabilities	-	-	22 472	22 472	22 353	119	99,5	-	1 151
Transfers and subsidies									
Provinces and municipalities	-	-	-	-	-	-	0,0	367	293
Non-profit institutions	125	-	121	246	125	121	50,8	52	52
Households	1 176	-	1 109	2 285	1 354	931	59,3	534	472
Payment on capital assets									
Machinery and equipment	45 765	18 011	17 025	80 801	47 194	33 607	58,4	43 893	37 860
Software and other intangible assets	8 882	7 314	(5 155)	11 041	4 615	6 426	41,8	4 520	374
Total	1 157 286	-	-	1 157 286	1 056 998	100 288	91,3	1 161 781	1 060 470

Detail per programme 1 – Administration for the year ended 31 March 2008

Programme per subprogramme	2007/08							2006/07	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as percentage of final appropriation %	Final appropriation R'000	Actual expenditure R'000
Management									
Current payment	49 166	(170)	3 666	52 662	52 367	295	99,4	37 665	38 977
Transfers and subsidies	50	-	136	186	65	121	34,9	67	63
Expenditure for capital assets	797	170	-	967	615	352	63,6	732	731
Corporate Services									
Current payment	126 113	(356)	(1 177)	124 580	122 986	1 594	98,7	90 276	88 875
Transfers and subsidies	675	-	234	909	451	458	49,6	45	44
Expenditure for capital assets	5 341	356	37	5 734	2 420	3 314	42,2	2 342	2 311
Provincial Coordination									
Current payment	80 974	-	(1 644)	79 330	78 573	757	99,0	66 137	66 131
Transfers and subsidies	9	-	193	202	200	2	99,0	198	198
Expenditure for capital assets	4 568	-	-	4 568	1 318	3 250	28,9	1 117	1 117
Programme Office									
Current payment	7 966	-	(1 858)	6 108	5 694	414	93,2	4 023	3 917
Transfers and subsidies	-	-	-	-	-	-	0,0	6	2
Expenditure for capital assets	415	-	(19)	396	72	324	18,2	191	190
Property Management									
Current payment	35 631	-	(6 561)	29 070	29 064	6	100,0	28 131	26 812
Transfers and subsidies	-	-	-	-	-	-	0,0	-	-
Expenditure for capital assets	-	-	-	-	-	-	0,0	-	-
Total	311 705	-	(6 993)	304 712	293 825	10 887	96,4	230 930	229 368

Economic classification	2007/08							2006/07	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as percentage of final appropriation %	Final appropriation R'000	Actual expenditure R'000
Current payments									
Compensation to employees	152 430	-	(11 479)	140 951	139 079	1 872	98,7	112 160	112 143
Goods and services	147 420	(526)	3 287	150 181	148 996	1 185	99,2	114 072	111 418
Financial transactions in assets and liabilities	-	-	618	618	609	9	98,5	-	1 151
Transfers and subsidies									
Provinces and municipalities	-	-	-	-	-	-	0,0	86	83
Non-profit institutions	50	-	121	171	50	121	29,2	52	52
Households	684	-	442	1 126	666	460	59,1	178	172
Payments for capital assets									
Machinery and equipment	11 121	416	18	11 555	4 425	7 130	38,3	4 382	4 349
Software and other intangible assets	-	110	-	110	-	110	0,0	-	-
Total	311 705	-	(6 993)	304 712	293 825	10 887	96,4	230 930	229 368

Detail per programme 2 – Economic Statistics for the year ended 31 March 2008

Programme per subprogramme	2007/08							2006/07	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as percentage of final appropriation %	Final appropriation R'000	Actual expenditure R'000
Management									
Current payment	2 404	-	1 862	4 266	4 194	72	98,3	862	850
Transfers and subsidies	-	-	-	-	-	-	0,0	2	-
Expenditure for capital assets	69	50	-	119	68	51	57,1	229	221
Industry and Trade Statistics									
Current payment	42 464	-	(356)	42 108	41 937	171	99,6	29 121	29 118
Transfers and subsidies	402	-	-	402	-	402	0,0	20	18
Expenditure for capital assets	1 802	-	9	1 811	743	1 068	41,0	1 315	1 085
Employment and Price Statistics									
Current payment	69 096	(343)	3 938	72 691	72 516	175	99,8	111 534	111 555
Transfers and subsidies	-	-	-	-	-	-	0,0	97	78
Expenditure for capital assets	1 410	293	-	1 703	560	1 143	32,9	2 604	2 414
Financial Statistics									
Current payment	24 566	(50)	(286)	24 230	23 977	253	99,0	21 974	21 942
Transfers and subsidies	-	-	-	-	-	-	0,0	12	12
Expenditure for capital assets	402	50	72	524	356	168	67,9	797	370
Total	142 615	-	5 239	147 854	144 351	3 503	97,6	168 567	167 663

Economic classification	2007/08							2006/07	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as percentage of final appropriation %	Final appropriation R'000	Actual expenditure R'000
Current									
Compensation to employees	107 650	-	(1 449)	106 201	106 006	195	99,8	112 624	112 583
Goods and services	30 880	(393)	4 206	34 693	34 222	471	98,6	50 867	50 882
Financial transactions in assets and liabilities	-	-	2 401	2 401	2 396	5	99,8	-	-
Transfers and subsidies									
Provinces and municipalities	-	-	-	-	-	-	0,0	105	102
Households	402	-	-	402	-	402	0,0	26	6
Capital									
Machinery and equipment	3 672	393	81	4 146	1 727	2 419	41,7	4 945	4 090
Software and other intangible assets	11	-	-	11	-	11	0,0	-	-
Total	142 615	-	5 239	147 854	144 351	3 503	97,6	168 567	167 663

Detail per programme 3 – Population and Social Statistics for the year ended 31 March 2008

Programme per subprogramme	2007/08							2006/07	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as percentage of final appropriation %	Final appropriation R'000	Actual expenditure R'000
Management									
Current payment	1 912	709	2 349	4 970	4 943	27	99,5	1 962	1 912
Transfers and subsidies	-	-	-	-	-	-	0,0	2	1
Expenditure for capital assets	-	200	-	200	100	100	50,0	132	131
Population Census and Statistics									
Current payment	194 452	(11 520)	(11 645)	171 287	150 559	20 728	87,9	472 196	400 446
Transfers and subsidies	-	-	7	7	7	-	100,0	98	43
Expenditure for capital assets	8 518	11 520	154	20 192	14 246	5 946	70,6	19 633	14 301
Health and Vital Statistics									
Current payment	9 819	-	2 935	12 754	12 678	76	99,4	10 964	10 502
Transfers and subsidies	75	-	42	117	116	1	99,1	10	4
Expenditure for capital assets	-	-	174	174	169	5	97,1	718	744
Social Statistics									
Current payment	182 131	(2 809)	20 445	199 767	199 488	279	99,9	102 953	102 886
Transfers and subsidies	10	-	10	20	20	-	100,0	232	232
Expenditure for capital assets	487	1 900	(173)	2 214	1 461	753	66,0	2 832	964
Total	397 404	-	14 298	411 702	383 787	27 915	93,2	611 732	532 166

Economic classification	2007/08							2006/07	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as percentage of final appropriation %	Final appropriation R'000	Actual expenditure R'000
Current									
Compensation to employees	142 675	(410)	1 549	143 814	139 279	4 535	96,8	128 545	124 472
Goods and services	245 639	(13 210)	(6 916)	225 513	209 042	16 471	92,7	459 530	391 274
Financial transactions in assets and liabilities	-	-	19 451	19 451	19 347	104	99,5	-	-
Transfers and subsidies									
Provinces and municipalities	-	-	-	-	-	-	0,0	113	62
Non-profit institutions	75	-	-	75	75	-	100,0	-	-
Households	10	-	59	69	68	1	98,6	229	218
Capital									
Machinery and equipment	8 315	8 920	155	17 390	14 678	2 712	84,4	18 876	15 766
Software and other intangible assets	690	4 700	-	5 390	1 298	4 092	24,1	4 439	374
Total	397 404	-	14 298	411 702	383 787	27 915	93,2	611 732	532 166

Detail per programme 4 – Quality and Integration for the year ended 31 March 2008

Programme per subprogramme	2007/08							2006/07	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as percentage of final appropriation %	Final appropriation R'000	Actual expenditure R'000
Management									
Current payment	1 811	-	56	1 867	1 719	148	92,1	1 931	1 712
Transfers and subsidies	-	-	-	-	-	-	0,0	2	1
Expenditure for capital assets	69	-	(40)	29	28	1	96,6	297	126
Methodology and Standards									
Current payment	21 913	-	(45)	21 868	20 885	983	95,5	21 917	17 781
Transfers and subsidies	-	-	-	-	-	-	0,0	14	8
Expenditure for capital assets	1 577	-	(119)	1 458	1 454	4	99,7	1 405	1 384
Integrative Analysis									
Current payment	9 078	(102)	(2 359)	6 617	4 947	1 670	74,8	6 663	5 389
Transfers and subsidies	-	-	-	-	-	-	0,0	12	3
Expenditure for capital assets	394	100	(2)	492	138	354	28,0	335	321
National Accounts									
Current payment	10 325	(439)	158	10 044	8 128	1 916	80,9	9 265	7 818
Transfers and subsidies	-	-	-	-	-	-	0,0	12	4
Expenditure for capital assets	296	441	(18)	719	423	296	58,8	396	334
National Statistics System									
Current payment	9 888	24	(2 120)	7 792	6 696	1 096	85,9	6 599	5 802
Transfers and subsidies	28	-	-	28	-	28	0,0	7	4
Expenditure for capital assets	740	(24)	-	716	517	199	72,2	108	107
Total	56 119	-	(4 489)	51 630	44 935	6 695	87,0	48 963	40 794

Economic classification	2007/08							2006/07	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as percentage of final appropriation %	Final appropriation R'000	Actual expenditure R'000
Current									
Compensation to employees	34 133	-	2 177	36 310	34 905	1 405	96,1	31 521	27 546
Goods and services	18 882	(517)	(6 488)	11 877	7 469	4 408	62,9	14 854	10 956
Financial transactions in assets and liabilities	-	-	1	1	1	-	100,0	-	-
Transfers and subsidies				-					
Provinces and municipalities	-	-	-	-	-	-	0,0	29	20
Households	28	-	-	28	-	28	0,0	18	-
Capital									
Machinery and equipment	2 913	537	(86)	3 364	2 560	804	76,1	2 538	2 272
Software and other intangible assets	163	(20)	(93)	50	-	50	0,0	3	-
Total	56 119	-	(4 489)	51 630	44 935	6 695	87,0	48 963	40 794

Detail per programme 5 – Statistical Support and Informatics for the year ended 31 March 2008

Programme per subprogramme	2007/08							2006/07	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as percentage of final appropriation %	Final appropriation R'000	Actual expenditure R'000
Management									
Current payment	1 867	31	34	1 932	1 841	91	95,3	1 466	1 417
Transfers and subsidies	-	-	-	-	-	-	0,0	2	1
Expenditure for capital assets	45	9	-	54	49	5	90,7	54	48
Geography									
Current payment	109 395	(8 108)	(14 949)	86 338	67 132	19 206	77,8	13 401	13 394
Transfers and subsidies	-	-	-	-	-	-	0,0	12	3
Expenditure for capital assets	10 194	8 100	9 390	27 684	8 347	19 337	30,2	93	55
System of Registers									
Current payment	19 783	(150)	(4 964)	14 669	10 853	3 816	74,0	10 576	10 397
Transfers and subsidies	-	-	-	-	-	-	0,0	86	83
Expenditure for capital assets	1 020	150	-	1 170	464	706	39,7	654	653
Statistical Information Services									
Current payment	26 270	(16)	(4 643)	21 611	18 161	3 450	84,0	16 266	16 038
Transfers and subsidies	48	-	606	654	619	35	94,6	10	8
Expenditure for capital assets	4 176	-	(625)	3 551	1 909	1 642	53,8	496	495
Stats Data Management									
Current payment	64 314	(2 026)	4 064	66 352	64 372	1 980	97,0	46 533	37 748
Transfers and subsidies	4	-	2	6	1	5	16,7	7	7
Expenditure for capital assets	12 327	2 010	3 030	17 367	16 352	1 015	94,2	11 933	10 132
Total	249 443	-	(8 055)	241 388	190 100	51 288	78,8	101 589	90 479

Economic classification	2007/08							2006/07	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as percentage of final appropriation %	Final appropriation R'000	Actual expenditure R'000
Current									
Compensation to employees	61 242	-	(3 829)	57 413	52 760	4 653	91,9	38 188	38 168
Goods and services	160 387	(10 269)	(16 630)	133 488	109 599	23 889	82,1	50 054	40 826
Financial transactions in assets and liabilities	-	-	1	1	-	1	0,0	-	-
Transfers and subsidies									
Provinces and municipalities	-	-	-	-	-	-	0,0	34	26
Households	52	-	608	660	620	40	93,9	83	76
Capital									
Machinery and equipment	19 744	7 745	16 857	44 346	23 804	20 542	53,7	13 152	11 383
Software and other intangible assets	8 018	2 524	(5 062)	5 480	3 317	2 163	60,5	78	-
Total	249 443	-	(8 055)	241 388	190 100	51 288	78,8	101 589	90 479

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

Notes to the appropriation statement for the year ended 31 March 2008

1. Details of transfers and subsidies as per Appropriation Act (after virement):
Details of these transactions can be viewed in note 7 (Transfers and subsidies) and Annexure 1 (A, B, C and F) to the annual financial statements.
2. Details of specifically and exclusively appropriated amounts voted (after virement):
Details of these transactions can be viewed in note 1 (Annual appropriation) to the annual financial statements.
3. Details on financial transactions in assets and liabilities:
Details of these transactions per programme can be viewed in note 6 (Details of special functions (theft and losses)) to the annual financial statements.
4. Explanations of material variances from amounts voted (after virement):

		Final appropriation R'000	Actual expenditure R'000	Variance R'000	Variance as percentage of final appropriation %
4.1	Per programme:				
	Administration				
	The saving on compensation of employees is a result of delays in recruiting appropriate staff. The saving on goods and services is due to the independent asset verification project and the co-sourced internal audit of provincial and district offices which could not be finalised by the financial year end. The saving on capital expenditure is a result of delays in ordering furniture and equipment for provincial and district offices.	304 712	293 825	10 887	4
	Economic Statistics				
	The saving relates to the staff turnover and difficulties in recruiting suitably qualified employees. Expenditure expected to be incurred on capital assets for these vacancies did not take place during the financial year. The saving on compensation of employees was utilised to fund expenditure relating to goods and services.	147 854	144 351	3 503	2

		Final appropriation R'000	Actual expenditure R'000	Variance R'000	Variance as percentage of final appropriation %
4.1	Per programme (cont.):				
	Population and Social Statistics	<p>The saving relates mainly to earmarked funding, namely the Census and Community Survey.</p> <p>Census 2011: Owing to delays in finalising appropriate methodologies, the mapping team was not able to embark on the demarcation of the country into enumeration areas on time. The research on testing the mortality schedule was also delayed due to the team being deployed on the evaluation of the Community Survey.</p> <p>Community Survey: The saving is a result of the delay in the release of municipality data.</p>			
		411 702	383 787	27 915	7
	Quality and Integration	<p>The saving on compensation of employees is a result of delays in recruiting appropriate staff and for goods and services that could not be procured.</p>			
		51 630	44 935	6 695	13
	Statistical Support and Informatics	<p>The saving is a result of the Dwelling Frame project and for the development of a Customer Relations Management system which were not finalised by financial year end. Rollover was requested as the aforementioned projects are scheduled to be completed in 2008/09. An amount of R4,1 million is to be rolled over and transferred to SARS for the Business Registration Reform project.</p>			
		241 388	190 100	51 288	21
4.2	Per economic classification:				
	Current expenditure				
	Compensation of employees	484 689	472 029	12 660	3
	Goods and services	555 752	509 328	46 424	8
	Financial transactions in assets and liabilities	22 472	22 353	119	1
	Transfers and subsidies				
	Non-profit institutions	246	125	121	49
	Households	2 285	1 354	931	41
	Payments for capital assets				
	Machinery and equipment	80 801	47 194	33 607	42
	Software and other intangible assets	11 041	4 615	6 426	58

Statement of financial performance for the year ended 31 March 2008

	Note	2007/08 R'000	2006/07 R'000
Revenue			
Annual appropriation	1	1 157 286	1 161 781
Appropriation for unauthorised expenditure approved	9	121 937	-
Departmental revenue	2	17 710	1 545
Local and foreign aid assistance	3	12 804	2 556
Total revenue		1 309 737	1 165 882
Expenditure			
Current expenditure			
Compensation of employees	4	472 029	414 912
Goods and services	5	509 328	605 356
Financial transactions in assets and liabilities	6	22 353	1 151
Local and foreign aid assistance	3	7 800	11 082
Unauthorised expenditure approved	9	121 937	36 135
Total current expenditure		1 133 447	1 068 636
Transfers and subsidies	7	1 479	817
Expenditure for capital assets			
Machinery and equipment	8	47 194	37 860
Software and other intangible assets	8	4 615	374
Local and foreign aid assistance	3	-	-
Total expenditure for capital assets		51 809	38 234
Total expenditure		1 186 735	1 107 687
Surplus/(deficit)		123 002	58 195
Add back fruitless and wasteful expenditure		2 678	-
Surplus/(deficit) for the year		125 680	58 195
Reconciliation of net surplus/(deficit) for the year			
Voted funds to be surrendered to the Revenue Fund	14	102 966	65 176
Departmental revenue to be surrendered to the Revenue Fund	15	17 710	1 545
Local and foreign aid assistance	3	5 004	(8 526)
Surplus/(deficit) for the year		125 680	58 195

Statement of financial position as at 31 March 2008

	Note	2007/08 R'000	2006/07 R'000
Assets			
Current assets		61 443	149 685
Unauthorised expenditure	9	-	121 937
Fruitless and wasteful expenditure	10	288	2 492
Cash and cash equivalents	11	37 207	11 062
Prepayments and advances	12	193	616
Receivables	13	23 755	13 578
Total assets		61 443	149 685
Liabilities			
Current liabilities		61 443	149 685
Voted funds to be surrendered to the Revenue Fund	14	(28 266)	61 842
Departmental revenue to be surrendered to the Revenue Fund	15	15 357	841
Payables	16	65 791	83 445
Local and foreign aid assistance unutilised	3	8 561	3 557
Total liabilities		61 443	149 685

Cash flow statement for the year ended 31 March 2008

	Note	2007/08 R'000	2006/07 R'000
Cash flows from operating activities			
Receipts		1 178 505	1 162 548
Annual appropriated funds received	1.1	1 026 054	1 158 447
Appropriation for unauthorised expenditure received	9	121 937	-
Departmental revenue received	2	17 710	1 545
Local and foreign aid assistance received	3	12 804	2 556
Net (increase)/decrease in working capital		96 733	83 248
Surrendered to Revenue Fund		(65 036)	(74 028)
Current payments		(1 008 832)	(1 032 501)
Unauthorised expenditure – current payments	9	(121 937)	(36 135)
Transfers and subsidies paid		(1 479)	(817)
Net cash flows available from operating activities	17	77 954	102 315
Cash flows from investing activities			
Payments for capital assets		(51 809)	(38 234)
Net cash flows from investing activities		(51 809)	(38 234)
Cash flows from financing activities			
Increase/(decrease) in non-current payables		-	(10)
Net cash flows from financing activities		-	(10)
Net increase/(decrease) in cash and cash equivalents		26 145	64 071
Cash and cash equivalents at beginning of period		11 062	(53 009)
Cash and cash equivalents at end of period	18	37 207	11 062

Notes to the annual financial statements for the year ended 31 March 2008

1. Annual appropriation

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

Programmes	2007/08			2006/07	
	Final appropriation R'000	Actual funds received R'000	Funds not requested/ not received R'000	Final appropriation R'000	Appropriation received R'000
Administration	304 712	286 913	17 799	159 258	151 110
Economic Statistics	147 854	142 615	5 239	168 567	175 688
Population and Social Statistics	411 702	317 523	94 179	611 732	613 535
Quality and Integration	51 630	51 182	448	48 963	53 206
Statistical Support and Informatics	241 388	227 821	13 567	173 261	164 908
Total	1 157 286	1 026 054	131 232	1 161 781	1 158 447

The Department was required to revise its cash flow projections as the result of delays experienced in various projects mainly in programmes 1, 3 and 5. As a result of this the amount of R131,232 million was not requested as the Department projected that adequate funds were available to defray expenditure incurred.

2. Departmental revenue

	Note	2007/08 R'000	2006/07 R'000
Sales of goods and services other than capital assets	2.1	1 074	724
Interest, dividends and rent on land	2.2	88	262
Financial transactions in assets and liabilities	2.3	16 548	559
Total departmental revenue		17 710	1 545

2.1 Sales of goods and services other than capital assets

	2007/08 R'000	2006/07 R'000
Sales of goods and services produced by the department	988	672
Administrative fees	-	-
Other sales	988	672
Sales of scrap, waste and other used current goods	86	52
Total	1 074	724

2.2 Interest, dividends and rent on land and buildings

	2007/08 R'000	2006/07 R'000
Interest	88	262
Total	88	262

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2.3 Financial transactions in assets and liabilities

	2007/08 R'000	2006/07 R'000
Other receipts including recoverable revenue	16 548	559
Total	16 548	559

Item incorrectly classified in the previous year has been reclassified to facilitate comparison.

3. Local and foreign aid assistance

3.1 Assistance received in cash from RDP

	2007/08 R'000	2006/07 R'000
Foreign		
Opening balance	1 906	4 906
Revenue	5 304	2 302
Expenditure	4 282	5 302
Current	4 282	5 302
Capital	-	-
Closing balance	2 928	1 906

3.2 Assistance received in cash: Other

	2007/08 R'000	2006/07 R'000
Local		
Opening balance	1 651	7 177
Revenue	7 500	254
Expenditure	3 518	5 780
Current	3 518	5 780
Capital	-	-
Closing balance	5 633	1 651
Total		
Opening balance	3 557	12 083
Revenue	12 804	2 556
Expenditure	7 800	11 082
Current	7 800	11 082
Capital	-	-
Closing balance	8 561	3 557
Analysis of balance		
Local and foreign aid unutilised	8 561	3 557
Closing balance	8 561	3 557

4. Compensation of employees

4.1 Salaries and wages

	2007/08 R'000	2006/07 R'000
Basic salary	339 276	313 981
Performance awards	8 936	6 443
Service-based	22 450	21 147
Compensative/circumstantial	2 203	3 351
Periodic payments	745	675
Other non-pensionable allowances	49 001	35 141
Total	422 611	380 738

4.2 Social contributions

	2007/08 R'000	2006/07 R'000
Employer contributions		
Pension	35 307	24 616
Medical	14 030	9 467
UIF	-	1
Bargaining councils	81	90
Total	49 418	34 174
Total compensation of employees	472 029	414 912
Average number of employees	2 403	1 350

5. Goods and services

	Note	2007/08 R'000	2006/07 R'000
Advertising		13 583	12 298
Attendance fees (including registration fees)		538	173
Bank charges and card fees		363	271
Bursaries (employees)		4 487	3 071
Communication		29 321	28 291
Computer services		59 583	35 763
Consultants, contractors and special services		92 902	167 733
Courier and delivery services		3 406	2 656
Entertainment		3 306	343
External audit fees	5.1	3 777	4 535
Equipment less than R5 000		13 715	8 356
Freight services		128	135
Honoraria (voluntary workers)		157	42
Inventory	5.2	20 047	27 599
Legal fees		160	639
Maintenance, repair and running costs		12 047	7 051
Medical services		944	59
Operating leases		34 275	32 043
Personnel agency fees		1 653	776
Photographic services		931	2 777
Plants, flowers and other decorations		320	118
Printing and publications		54	103
Professional bodies and membership fees		2	-
Resettlement costs		1 191	1 048
Subscriptions		862	426
Storage of furniture		4	-
Owned and leasehold property expenditure		9 731	6 713
Translations and transcriptions		327	524
Transport provided as part of the departmental activities		7 908	8 885
Travel and subsistence	5.3	171 135	210 858
Venues and facilities		15 633	37 575
Training and staff development		6 838	4 495
Total goods and services		509 328	605 356

5.1 External audit fees

	2007/08 R'000	2006/07 R'000
Regulatory audits	3 617	4 535
Other audits	160	-
Total	3 777	4 535

5.2 Inventory

	2007/08 R'000	2006/07 R'000
Other inventory	430	-
Domestic consumables	788	2 062
Learning and teaching support material	8	1
Food and food supplies	107	250
Other consumables	167	598
Parts and other maintenance material	258	235
Sport and recreation	7	-
Stationery and printing	18 246	24 405
Medical supplies	36	48
Total	20 047	27 599

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5.3 Travel and subsistence

	2007/08 R'000	2006/07 R'000
Local	162 559	204 027
Foreign	8 576	6 831
Total	171 135	210 858

6. Financial transactions in assets and liabilities

	Note	2007/08 R'000	2006/07 R'000
Other material losses written off	6.1	22 021	447
Debts written off	6.2	332	704
Total financial transaction in assets and liabilities		22 353	1 151

6.1 Other material losses written off

	2007/08 R'000	2006/07 R'000
Damages and losses	1 793	446
Fruitless and wasteful expenditure	4 998	1
Irregular expenditure	15 230	-
Total	22 021	447

The amounts written off are mainly on account of:

- Damages and losses: Damages to government and hired vehicles
- Fruitless and wasteful expenditure: Cancellation of contracts
- Irregular expenditure: Refer to note 24.2

6.2 Debts written off

	2007/08 R'000	2006/07 R'000
Uneconomical/irrecoverable/prescribed debts	332	704
Total	332	704

7. Transfers and subsidies

	Note	2007/08 R'000	2006/07 R'000
Provinces and municipalities	Annexure 1A	-	293
Non-profit institutions	Annexure 1B	125	52
Households – including acts of grace	Annexure 1C & 1F	1 354	472
Total transfers and subsidies		1 479	817

8. Expenditure on capital assets

	Note	2007/08 R'000	2006/07 R'000
Machinery and equipment	28	47 194	37 860
Software and other intangible assets		4 615	374
Computer software	29	4 615	374
Total expenditure on capital assets		51 809	38 234

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9. Unauthorised expenditure

	2007/08 R'000	2006/07 R'000
Opening balance	121 937	158 072
Amounts approved by parliament (with funding)	(121 937)	-
Current expenditure	(121 937)	-
Amounts approved by parliament (without funding)	-	(36 135)
Current expenditure	-	(36 135)
Unauthorised expenditure awaiting authorisation	-	121 937

The amount of R121,937 million relating to Census 2001 was approved with funding and was received from the National Revenue Fund during the financial year.

10. Fruitless and wasteful expenditure

10.1 Reconciliation of fruitless and wasteful expenditure

	2007/08 R'000	2006/07 R'000
Opening balance	2 492	13
Fruitless and wasteful expenditure – current year	2 678	-
Current expenditure	2 678	-
Amounts condoned	-	(1)
Current expenditure	-	(1)
Transfer to receivables for recovery (not condoned)	(4 882)	2 480
Fruitless and wasteful expenditure awaiting condonement	288	2 492

10.2 Analysis of current fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	2007/08 R'000
Services procured and paid for, but not utilised	Under investigation	288
Total		288

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11. Cash and cash equivalents

	2007/08 R'000	2006/07 R'000
Consolidated Paymaster-General account	36 723	10 355
Cash receipts	-	5
Cash on hand	162	148
Cash with commercial banks	322	554
Total cash and cash equivalents	37 207	11 062

12. Prepayments and advances

	2007/08 R'000	2006/07 R'000
Travel and subsistence	193	590
Advances paid to other entities	-	26
Total prepayments and advances	193	616

13. Receivables

	Note	Less than one year R'000	One to three years R'000	Older than three years R'000	2007/08 Total R'000	2006/07 Total R'000
Households and non-profit institutions	13.1	-	-	-	-	966
Private enterprises	13.2	134	810	20	964	3 797
Staff debtors	13.3	1 131	1 143	640	2 914	2 080
Other debtors	13.4	12 105	5 963	746	18 814	6 708
Intergovernmental receivables	Annexure 3	1 063	-	-	1 063	27
Total receivables		14 433	7 916	1 406	23 755	13 578

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13.1 Households and non-profit institutions

	2007/08 R'000	2006/07 R'000
United Nations	-	20
SADC	-	66
African Development Bank	-	880
Total	-	966

The above amounts relate to shared costs of conferences jointly hosted by the Department and other institutions and have since been received.

13.2 Private enterprises

	2007/08 R'000	2006/07 R'000
Debts emanating from suppliers	30	27
Suppliers' disallowances	904	3 740
Insurance companies	30	30
Total	964	3 797

13.3 Staff debtors

	2007/08 R'000	2006/07 R'000
Salary tax debt	15	18
Debt account	2 899	2 062
Total	2 914	2 080

Debt account is inclusive of the following major categories:

- Debts relating to overpayment of remuneration (R0,9 million)
- Debts relating to motor vehicle accidents (R0,6 million)
- Debts relating to former employees (R0,5 million)
- Debts relating to survey employees (R0,3 million)

13.4 Other debtors

	2007/08 R'000	2006/07 R'000
Disallowance: Damages and losses	18 788	6 708
Amounts unpaid by/recalled from banks – not yet received	26	-
Total	18 814	6 708

The majority of the cases under investigation in the Disallowance: Damages and losses account relate to damages to government and hired vehicles.

14. Voted funds to be surrendered to the Revenue Fund

	Note	2007/08 R'000	2006/07 R'000
Opening balance		61 842	73 001
Transfer from statement of financial performance	14.1	102 966	65 176
Voted funds not requested/not received		(131 232)	(3 334)
Paid during the year		(61 842)	(73 001)
Closing balance		(28 266)	61 842

14.1 Analysis of unused funds

	2007/08 R'000	2006/07 R'000
Funds to be rolled over	47 701	56 997
Funds not to be requested	55 265	8 179
	102 966	65 176

Details of request for rollovers:

- Programme 1 (R 4,013 million)
- Programme 3 (R 0,927 million)
- Programme 5 (R42,761 million)

15. Departmental revenue to be surrendered to the Revenue Fund

	2007/08 R'000	2006/07 R'000
Opening balance	841	323
Transfer from statement of financial performance	17 710	1 545
Paid during the year	(3 194)	(1 027)
Closing balance	15 357	841

An amount of R15 million was realised after the cut-off date for surrendering revenue to the Revenue Fund.

16. Payables

	Note	30 days R'000	30+ days R'000	2007/08 Total R'000	2006/07 Total R'000
Amounts owing to other entities	Annexure 4	488	-	488	1 134
Clearing accounts	16.1	64 895	-	64 895	80 971
Other payables	16.2	408	-	408	1 340
Total payables – current		65 791	-	65 791	83 445

16.1 Clearing accounts

	2007/08 R'000	2006/07 R'000
Cheques payable	-	9
Salary Persal EBT control account	1 789	13 515
Outstanding payments	63 105	65 863
Bank adjustment account	1	-
Third party control account	-	1 584
Total	64 895	80 971

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16.2 Other payables

	2007/08 R'000	2006/07 R'000
Debt receivable income	67	258
Debt receivable interest	316	295
Salary reversal control	25	787
Total	408	1 340

17. Net cash flow available from operating activities

	2007/08 R'000	2006/07 R'000
Net surplus/(deficit) as per statement of financial performance	125 680	58 195
Add back non-cash/cash movements not deemed operating activities	(47 726)	44 120
(Increase)/decrease in receivables – current	(10 177)	(8 835)
(Increase)/decrease in prepayments and advances	423	(405)
(Increase)/decrease in other current assets	124 141	33 656
Increase/(decrease) in payables – current	(17 654)	58 832
Expenditure on capital assets	51 809	38 234
Surrenders to Revenue Fund	(65 036)	(74 028)
Voted funds not requested/not received	(131 232)	(3 334)
Net cash flow generated by operating activities	77 954	102 315

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

	2007/08 R'000	2006/07 R'000
Consolidated Paymaster-General account	36 723	10 355
Cash receipts	-	5
Cash on hand	162	148
Cash with commercial banks	322	554
Total	37 207	11 062

Disclosure notes to the annual financial statements for the year ended 31 March 2008

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

19. Contingent liabilities

Liable to	Nature	Note	2007/08 R'000	2006/07 R'000
Housing loan guarantees	Employees	Annexure 2A	1 517	1 857
Claims against the Department		Annexure 2B	2 136	12 224
Other departments	Interdepartmental unconfirmed balances	Annexure 4	4 941	2 209
Other		Annexure 2B	428	271
Total contingent liabilities			9 022	16 561

20. Commitments

	2007/08 R'000	2006/07 R'000
Current expenditure		
Approved and contracted	15 375	67 549
Approved but not yet contracted	25 224	-
	40 599	67 549
Non-current expenditure		
Approved and contracted	8 960	7 713
Approved but not yet contracted	40 020	-
	48 980	7 713
Total commitments	89 579	75 262

21. Accruals

By economic classification	30 days R'000	30+ days R'000	2007/08 Total R'000	2006/07 Total R'000
Goods and services	4 764	7 086	11 850	9 676
Machinery and equipment	598	800	1 398	1 685
Total accruals	5 362	7 886	13 248	11 361

Listed by programme level	2007/08 R'000	2006/07 R'000
Administration	2 781	705
Economic Statistics	469	1 006
Population and Social Statistics	7 339	8 251
Quality and Integration	366	422
Statistical Support and Informatics	2 246	946
Local and foreign aid assistance	47	31
Total accruals	13 248	11 361

	Note	2007/08 R'000	2006/07 R'000
Confirmed balances with departments	Annexure 4	1 864	22
Confirmed balances with other government entities	Annexure 4	488	1 134
Total		2 352	1 156

22. Employee benefit provisions

	2007/08 R'000	2006/07 R'000
Leave entitlement	16 940	18 794
Thirteenth cheque	1 067	9 285
Performance awards	4 650	6 163
Capped leave commitments	14 498	13 438
Total employee benefit provisions	37 155	47 680

23. Lease commitments

23.1 Operating leases

	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	2007/08 Total R'000	2006/07 Total R'000
Not later than one year	-	-	1 300	1 300	2 965
Later than one year and not later than five years	-	-	5 426	5 426	1 885
Total present value of lease liabilities	-	-	6 726	6 726	4 850

24. Irregular expenditure

24.1 Reconciliation of irregular expenditure

	Note	2007/08 R'000	2006/07 R'000
Opening balance		15 109	15 109
Irregular expenditure – current year		121	-
Less: Amounts not condoned		(15 230)	-
Current expenditure	24.2	(15 230)	-
Irregular expenditure awaiting condonement		-	15 109
Analysis of awaiting condonement per classification			
Current expenditure		-	15 109
Total		-	15 109
Analysis of awaiting condonement per age classification			
Current		-	-
Prior years		-	15 109
Total		-	15 109

24.2 Irregular expenditure

Incident	Disciplinary steps taken/criminal proceedings	2007/08 R'000	2006/07 R'000
Accenture	Written off during the financial year	10 346	10 346
Personnel expenditure	Written off during the financial year	4 763	4 763
Donation made without obtaining the required approval	Written off during the financial year Furthermore, a letter of final warning issued to the official that did not adhere to prescripts	121	-
Total		15 230	15 109

25. Related party transactions

Because Stats SA and the following institutions report to the same Minister, they are regarded as related parties:

- National Treasury
- South African Revenue Services

No transactions for the above took place during the financial year.

26. Key management personnel

	No. of individuals	2007/08 R'000	2006/07 R'000
Officials:			
Levels 15 to 16	10	8 079	4 033
Level 14	40	20 965	16 505
Family members of key management personnel		-	-
Total		29 044	20 538

The Chief Financial Officer and some Executive Managers on personal notches (higher than level 14) have been included under level 14.

27. Provisions

	2007/08 R'000	2006/07 R'000
Potential irrecoverable debts		
Staff debtors	757	435
Total	757	435

28. Tangible capital assets

Movement in tangible capital assets per asset register for the year ended 31 March 2008

	Opening balance Cost R'000	Current year adjustments to prior year balances Cost R'000	Additions Cost R'000	Disposals Cost R'000	Closing balance Cost R'000
Machinery and equipment	113 324	(978)	46 857	145	159 058
Computer equipment	91 551	(849)	35 380	98	125 984
Furniture and office equipment	21 773	(129)	11 477	47	33 074
Total tangible assets	113 324	(978)	46 857	145	159 058

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28.1 Additions to tangible capital assets per asset register for the year ended 31 March 2008

	Cash Cost R'000	Non-cash Fair value R'000	(Capital work in progress – current costs) Cost R'000	Received current year, not paid (paid current year, received prior year) Cost R'000	Total Cost R'000
Machinery and equipment	47 194	-	-	(337)	46 857
Computer equipment	35 748	-	-	(368)	35 380
Furniture and office equipment	11 446	-	-	31	11 477
Total capital assets	47 194	-	-	(337)	46 857

28.2 Disposals of tangible capital assets per asset register for the year ended 31 March 2008

	Sold (cash) Cost R'000	Non-cash Fair value R'000	Total Cost R'000	Cash received Actual R'000
Machinery and equipment	-	145	145	-
Computer equipment	-	98	98	-
Furniture and office equipment	-	47	47	-
Total	-	145	145	-

28.3 Capital tangible asset movement schedule for the year ended 31 March 2007

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Machinery and equipment	75 789	37 615	80	113 324
Computer equipment	60 102	31 453	4	91 551
Furniture and office equipment	15 687	6 162	76	21 773
Total tangible assets	75 789	37 615	80	113 324

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29. Intangible capital assets

Movement in intangible capital assets per asset register for the year ended 31 March 2008

	Opening balance Cost R'000	Current year adjustments to prior year balances Cost R'000	Additions Cost R'000	Disposals Cost R'000	Closing balance Cost R'000
Computer software	16 673	-	4 670	956	20 387
Total intangible assets	16 673	-	4 670	956	20 387

29.1 Additions to intangible capital assets per asset register for the year ended 31 March 2008

	Cash Cost R'000	Non-cash Fair value R'000	(Development work in progress – current costs) Cost R'000	Received current year, not paid (paid current year, received prior year) Cost R'000	Total Cost R'000
Computer software	4 615	-	-	55	4 670
Total	4 615	-	-	55	4 670

29.2 Disposals of intangible capital assets per asset register for the year ended 31 March 2008

	Sold (cash) Cost R'000	Non-cash Fair value R'000	Total Cost R'000	Cash received Actual R'000
Computer software	-	956	956	-
	-	956	956	-
Total	-	956	956	-

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29.3 Capital intangible asset movement schedule for the year ended 31 March 2007

	Opening balance Cost R'000	Additions Cost R'000	Disposals Cost R'000	Closing balance Cost R'000
Computer software	16 299	374	-	16 673
Total intangible assets	16 299	374	-	16 673

Annexures to the annual financial statements for the year ended 31 March 2008

Annexure 1A: Statement of unconditional grants and transfers to municipalities for the year ended 31 March 2008

Name of municipality	2007/08			2006/07	
	Amount raised R'000	Actual payment R'000	Percentage of RSC levies paid %	Amount received by municipality R'000	Amount R'000
Motheo District	-	-	0	-	9
Ehlanzeni District	-	-	0	-	8
Frances Baard District	-	-	0	-	8
Capricorn District	-	-	0	-	10
Greater East Rand Metro	-	-	0	-	13
Tshwane Metropolitan	-	-	0	-	198
Cape Metropolitan	-	-	0	-	9
Amatole District	-	-	0	-	13
eThekweni Metropolitan	-	-	0	-	16
Central District	-	-	0	-	9
Total	-	-	0	-	293

The above amounts are in respect of Regional Service Council levies which have since been abolished with effect from 1 July 2006.

Annexure 1B: Statement of transfers/subsidies to non-profit institutions for the year ended 31 March 2008

Non-profit organisation	2007/08				2006/07		
	Transfer allocation				Expenditure		
	Adjusted appropriation R'000	Rollovers R'000	Adjustments R'000	Total available R'000	Actual transfer R'000	Percentage of available funds transferred %	Final appropriation R'000
Transfers							
Sponsorship to SASA for annual conference	50	-	-	50	50	100	50
Sponsorship to PASA for annual conference	75	-	-	75	75	100	-
Sponsorship to the University of KwaZulu-Natal for faculty fun walk	-	-	-	-	-	0	2
Total	125	-	-	125	125	100	52

Annexure 1C: Statement of transfers/subsidies to households for the year ended 31 March 2008

	2007/08				2006/07		
	Transfer allocation				Expenditure		
	Adjusted appropriation R'000	Rollovers R'000	Adjustments R'000	Total available R'000	Actual transfer R'000	Percentage of available funds transferred %	Final appropriation R'000
Households							
Transfers							
Leave gratuity	854	-	-	854	854	100	454
Bursaries to non-employees	466	-	-	466	466	100	-
Claims against the state	14	-	-	14	14	100	-
Total	1 334	-	-	1 334	1 334	100	454

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Annexure 1D: Statement of gifts, donations and sponsorships received for the year ended 31 March 2008

Name of organisation	Nature of gift, donation or sponsorship	2007/08 R'000	2006/07 R'000
Received in kind			
African Census Analysis Project (ACAP)	Contribution towards travel and related costs for external delegates attending the joint ACAP – Stats SA workshop in Durban (July 2006).	-	145
Total		-	145

The contribution received from ACAP towards travel costs was valued as 20,000 US dollars and converted to rand value.

Annexure 1E: Statement of local and foreign aid assistance received for the year ended 31 March 2008

Name of donor	Purpose	Opening balance R'000	Revenue R'000	Expenditure R'000	Surplus funds transferred to revenue R'000	Closing balance R'000
Received in cash						
Local: Other						
Department of Agriculture	To conduct the Agriculture Large Sample Survey, covering approximately 6 000 commercial farming units.	25	7 500	3 518	-	4 007
Department of Agriculture	To procure Spot 5 satellite imagery through an intermediary institution – Council for Scientific and Industrial Research's (CSIR) Satellite Application Centre (SAC).	1 626	-	-	-	1 626
Foreign: RDP						
Institutional Support	To assist in developing capacity for Poverty Research and Analysis, improving the methodology of the Income and Expenditure Survey, improving the reporting on and understanding of the impact of HIV/AIDS and developing capacity for the development of statistical training methods and tools.	1 906	5 304	4 282	-	2 928
Total		3 557	12 804	7 800	-	8 561

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Closing balances are related to long term projects, where activities will be undertaken over more than one financial year.

Annexure 1F: Statement of gifts, donations and sponsorships made and remissions, refunds and payments made as an act of grace for the year ended 31 March 2008

Nature of gift, donation or sponsorship	2007/08 R'000	2006/07 R'000
Paid in cash		
Gifts to a consultant and an employee on retirement	-	1
Subtotal	-	1
Remissions, refunds, and payments made as an act of grace		
Payments made to the next of kin of deceased employees	20	17
Subtotal	20	17
Total	20	18

Annexure 2A: Statement of financial guarantees issued as at 31 March 2008

Guarantor institution	Original guaranteed capital amount R'000	Opening balance 1 April 2007 R'000	Guarantee issued during the year R'000	Guarantee repayments/ cancelled/ reduced/ released during the year R'000	Currency revaluations R'000	Closing balance 31 March 2008 R'000	Guaranteed interest outstanding 31 March 2008 R'000	Realised losses not recoverable, i.e. claims paid out R'000
Housing								
ABSA Bank	499	531	-	95	-	436	-	-
Standard Bank	247	264	-	94	-	170	-	-
First National Bank	312	313	23	50	-	286	-	-
BoE Bank	17	16	-	-	-	16	-	-
Nedcor	996	733	13	137	-	609	-	-
Total	2 071	1 857	36	376	-	1 517	-	-

The amounts indicated against Nedcor are inclusive of amounts previously published individually for Permanent Bank and Old Mutual Bank.

Annexure 2B: Statement of contingent liabilities as at 31 March 2008

Nature of liability	Opening balance 1 April 2007 R'000	Liabilities incurred during the year R'000	Liabilities paid/cancelled/ reduced during the year R'000	Liabilities recoverable R'000	Closing balance 31 March 2008 R'000
Claims against the department					
EAX Consortium	10 200	-	10 200	-	-
Forenco	1 985	151	-	-	2 136
Uniform dispensation	39	-	39	-	-
Subtotal	12 224	151	10 239	-	2 136
Other					
Claims from third parties as a result of (hired) vehicle accidents involving the Department's employees.	271	157	-	-	428
Subtotal	271	157	-	-	428
Total	12 495	308	10 239	-	2 564

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Annexure 3: Intergovernmental receivables

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2008 R'000	31/03/2007 R'000	31/03/2008 R'000	31/03/2007 R'000	31/03/2008 R'000	31/03/2007 R'000
Department						
Department of Communications	-	-	-	8	-	8
Department of Minerals and Energy	-	7	-	-	-	7
Department of Social Development (Free State)	-	-	-	12	-	12
Department of Education (Free State)	19	-	-	-	19	-
Department of Education (Gauteng)	-	-	39	-	39	-
Ministry of Safety and Security	16	-	-	-	16	-
South African Revenue Services	-	-	987	-	987	-
South African Police Service	-	-	2	-	2	-
Total	35	7	1 028	20	1 063	27

Annexure 4: Interdepartmental payables

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2008 R'000	31/03/2007 R'000	31/03/2008 R'000	31/03/2007 R'000	31/03/2008 R'000	31/03/2007 R'000
Departments						
Current						
Department of Provincial and Local Government	-	12	-	-	-	12
Department of Public Works	-	10	360	2 209	360	2 219
Department of Transport (Western Cape)	-	-	2 833	-	2 833	-
Department of Transport (Gauteng)	1 864	-	1 748	-	3 612	-
Total	1 864	22	4 941	2 209	6 805	2 231
Other government entities						
Current						
South African Revenue Services – Employees' tax	487	1 119	-	-	487	1 119
Government Employees Bargaining Councils	1	8	-	-	1	8
	-	7	-	-	-	7
Total	488	1 134	-	-	488	1 134

List of acronyms

AFS	Annual Financial Statistics
AMESA	Association for Mathematics Education of South Africa
AsgiSA	Accelerated and Shared Growth Initiative for South Africa
ASSD	Africa Symposium on Statistical Development
BAS	Basic Accounting System
BSF	Business Sampling Frame
CAPEX	Capital Expenditure
CFO	Chief Financial Officer
CPIX	Consumer Price Index (excluding interest rates on mortgage bonds)
CS	Community Survey
CSAS	Census Survey and Administration System
DES	Diary Evaluation Survey
DHA	Department of Home Affairs
DMID	Data Management and Information Delivery
DPSA	Department of Public Service and Administration
DTI	Department of Trade and Industry
EA	Enumeration area
EAS	Economic Activity Survey
EDMS	Electronic Document Management System
EEAs	Environmental Economic Accounts
EIA	Environmental Impact Assessment
EMIS	Education Management Information System
ENE	Estimates of National Expenditure
ESDMF	End-to-End Statistical Data Management Facility
EWS	Early Warning System
Exco	Executive Committee
FMLS	Facilities Management, Logistics and Security
GDP	Gross Domestic Product

GDPR	Gross Domestic Product (regional)
GFS	Government Financial Statistics
GHS	General Household Survey
GIS	Geographic Information System
HCD	Human Capacity Development
HR	Human Resources
HRM	Human Resources Management
ICT	Information Communication Technology
IES	Income and Expenditure Survey
IMF	International Monetary Fund
ISI	International Statistical Institute
IT	Information Technology
JWPs	Joint Working Parties
KZN	KwaZulu-Natal
LCS	Living Conditions Survey
LFS	Labour Force Survey
LFSR	Labour Force Survey Re-engineering
LMS	Learner Management System
LOGIS	Logistical Information System
LSS	Large Sample Survey
M&E	Monitoring and Evaluation
MDG	Millennium Development Goals
MIS	Management Information System
MoU	Memorandum of Understanding
MTEF	Medium-term Expenditure Framework
NEPAD	New Partnership for Africa's Development
NRA	Natural Resource Accounts
NSS	National Statistics System
PABX	Private Automatic Branch Exchange

PES	Post-enumeration Survey
PIC	Public Investment Corporation
PMF	Project Management Framework
PPI	Producer Price Index
PSETA	Public Service Sector Education and Training Authority
PSUs	Primary Sampling Units
QES	Quarterly Employment Statistics
QFS	Quarterly Financial Statistics
QLFS	Quarterly Labour Force Survey
RPHC	Round of Population and Housing Censuses
RTMS	Real Time Management System
SADC	Southern African Development Community
SALDRU	Southern Africa Labour and Development Research Unit
SAM	Social Accounting Matrix
SAMDI	South African Management Development Institute
SAN	Storage Area Network
SARS	South African Revenue Services
SASA	South African Statistics Association
SASQAF	South African Statistical Quality Assessment Framework
SCM	Supply Chain Management
SG	Statistician-General
SITA	State Information Technology Agency
SLA	Service Level Agreement
SMS	Senior Management Staff
SRM	Stakeholder Relationship Management
Stats SA	Statistics South Africa
TSA	Tourism Satellite Account
UAT	User Acceptance Testing
UCT	University of Cape Town

UNECA	United Nations Economic Commission for Africa
VAT	Value Added Tax
VLAN	Virtual Local Area Network