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PROVINCIAL NOTICES • PROVINSIALE KENNISGEWINGS

PROVINCIAL NOTICE 215 OF 2019



**THE GAUTENG PROVINCIAL LEGISLATURE INTENDS TO INTRODUCE THE
GAUTENG PROVINCIAL LEGISLATURE MONEY BILLS AMENDMENT
PROCEEDURE AND RELATED MATTERS BILL**

The above-mentioned Bill is hereby published in English in the Gauteng Provincial Extraordinary Gazette No...62...dated 28 February 2019 for public comments and general information.

The Bill seeks to provide for a procedure to amend money Bills before the Gauteng provincial legislature.

People, who wish to comment on the Bill, may send their written comments to:

Office of the Secretary
Senior Committee Coordinator (Mr. John Ntsane/ Ms Mompoti Gaonnwe)
Gauteng Provincial Legislature
Private Bag X52
Johannesburg
2000

Tel: (011) 498 5553
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Comments must reach the above office on or before 22 March 2019.

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GAUTENG PROVINCIAL LEGISLATURE

**GAUTENG PROVINCIAL
LEGISLATURE MONEY BILLS
AMENDMENT PROCEDURE
AND RELATED MATTERS
BILL**

(As proposed to by the Adhoc Committee on Money Bills Amendment
procedure and related matters bill)
(the English text is the official text of the Bill)

(Adhoc Committee)

BILL

**To provide for a procedure to amend money Bills before the Gauteng
Provincial Legislature.**

Preamble

WHEREAS the Constitution requires that all spheres of government must not

assume any power or function except those conferred on them in terms of the Constitution;

WHEREAS the Constitution provides that only the Member of the Executive Council responsible for financial matters in the Province may introduce a money Bill;

WHEREAS the Constitution provides that legislative authority of a Province is vested in its Provincial Legislature;

WHEREAS the Constitution provides that a Provincial Act must provide for a procedure to amend money Bills before the Provincial Legislature;

AND WHEREAS the purpose of amending money Bills, is to ensure that the Provincial Budget is responsive to the needs of the people of Gauteng.

BE IT THEREFORE ENACTED by the Gauteng Provincial Legislature, as follows:-

1 Definitions

In this Act, unless the context indicates otherwise—

,

'Budget Committee' means a committee established in terms of this Act responsible for amendments proposed on money Bills, matters of expenditure and other related matters.

'Committee' means a committee of the Legislature established in terms of the Gauteng Provincial Legislature Standing Rules or any other Act.

'Constitution' means the Constitution of the Republic of South Africa, 1996.

'Day' means any day other than a Saturday, Sunday, public holiday or day on which the Legislature is on recess.

'Department' means a national or provincial department or a national or provincial government component.

'Division of Revenue Act' means the Act of Parliament which must annually be enacted in terms of section 214 (1) of the Constitution;

'Financial year' means a year ending 31 March.

'Financial statements' means statements consisting of at least—

- (a) a balance sheet;
- (b) an income statement;

- (c) a cash-flow statement;
- (d) any other statements that may be prescribed; and
- (e) any notes to these statements.

'Fiscal Framework' means the framework for a specific financial year that gives effect to the Provincial Executive's macro-economic policy and includes:

- (a) estimates of all revenue, budgetary and extra-budgetary specified separately, expected to be raised during that financial year;
- (b) estimates of all expenditure, budgetary and extra-budgetary specified separately, for that financial year;
- (c) estimates of the borrowing of a financial year;
- (d) estimates of interest and debt servicing charges; and
- (e) an indication of the contingency reserve necessary for an appropriate response to emergencies or other temporary needs, and other factors based on similar objective criteria.

'House' means the Legislature meeting in plenary.

'Legislature' means the Gauteng Provincial Legislature.

'Medium term budget policy statement' is a provincial policy that sets out funding priorities, it reveals the intended spending plans of government for three years and it sets out the provincial policy framework for the next coming financial year.

'MEC' means the Member of the Executive Council responsible for Provincial financial matters.

'Member' means a member of the Legislature including the Members of the Executive Council.

'Money Bill' is the Bill referred to in section 120 of the Constitution, or part of such a Bill.

'PFMA' means the Public Finance Management Act, 1999 (Act No.1 of 1999) as amended.

'Portfolio Committee' means a committee of the Legislature established in established in terms of Rule 139(1)(i) of the Gauteng Provincial Legislature Standing Rules.

'Provincial Adjustments Appropriation Bill' means the Bill that provides for the adjustments to appropriation necessary to give effect to the Provincial adjustments budget.

'Provincial Appropriation Bill' means a Bill that annually appropriates money for the Province for a particular financial year.

'Provincial Adjustments Budget' means the Provincial adjustments budget referred to in section 31 of the Public Finance Management Act.

'Provincial Annual Budget' means the Provincial annual budget referred to in section 27 (2) of the Public Finance Management Act.

'Secretary to the Legislature' means the Secretary to the Legislature or person designated to act as Secretary.

'Speaker' means Speaker of the Legislature or the person designated to act as Speaker.

'Standing Rules' means the rules and orders of the Legislature.

'This Act' includes any regulations made in terms of this Act.

'Vote' means one of the main segments into which an appropriation Act is divided and which:

- a) specifies the total amount which is usually appropriated per department in an appropriation Act; and
- b) is separately approved by the Legislature, as may be appropriate, before it approves the relevant draft appropriation Act as such.

2 Objects of this Act

- (1) The objects of this Act are to—
 - (a) give effect to section 120(3) of the Constitution;
 - (b) enhance the exercise of oversight over the Provincial Executive on the Provincial budget; and
 - (c) enhance public participation on amendments of money Bills.

3 Application of this Act

This Act applies to all proposed amendments to money Bills before the Legislature.

4 Establishment and Composition of the Budget Committee for consideration of Money Bills

- (1) The Act hereby establishes a Budget Committee in the Legislature.
- (2) The Budget Committee must consist of Chairpersons of various portfolio Committees which are ex-officio Members and permanent Members proportional to their representation in the Legislature.
- (3) The Speaker must appoint the Chairperson of the Committee.
- (4) The Budget Committee has the powers and functions conferred on it by this Act.

5 Functions

- (1) The Budget Committee examines the draft budget policy statement presented to the House, evaluate budget estimates, economic and budgetary policies and programmes with direct outlays.
- (2) The functions of the Budget Committee includes considering and reporting on—
 - (a) the Provincial macro-economic and fiscal policy;
 - (b) amendment of the Provincial Appropriation Bill;
 - (c) actual expenditure published by the Provincial Treasury;
 - (d) actual revenue published by the Provincial Treasury;
 - (e) recommendations of the Financial and Fiscal Commission, including those referred to in the Intergovernmental Fiscal Relations Act, 1997 (Act No. 97 of 1997); and
 - (f) any other related matter set out in this Act.
- (3) The Budget Committee must receive reports on budget from committees -
 - (a) consider total aggregates of the budget;

- (b) invite members of portfolio committees to attend the Budget Committee meetings when issues relating to their sector are being considered; and
 - (c) make recommendations to the House on the overall budget allocation.
- (4) In consideration of 3 the committee may engage other organs of states and relevant bodies

6 Powers

1. The Budget Committee may determine its own—
 - (a) procedures; and
 - (b) annual programmes in accordance with the Standing Rules of the Legislature.
2. The Budget Committee must—
 - (a) consider Money Bills referred to it;
 - (b) investigate and report on issues that are referred to it or on its own initiative;
 - (c) call any person to provide evidence; summons persons to appear before it and require people to produce any documents it requires;
 - (d) hold public hearings, receive comments from the public; and
 - (e) exercise any powers granted to it by this Act, any other relevant legislation and Standing Rules.

7 Procedure prior to introduction of the Provincial budget

- (1) The Legislature, through its committees, must annually assess the performance of each Provincial Department, with reference to the following:
 - (a) the medium-term estimates of expenditure of each Provincial Department, its strategic priorities and

- measurable objectives, as tabled in the Legislature with the Provincial budget;
- (b) annual performance plans;
 - (c) the expenditure report relating to each Department published by the Provincial Treasury;
 - (d) the financial statements and annual report of each Department;
 - (e) the reports of the Auditor General relating to each Department;
 - (f) the reports of the Committee on Public Accounts relating to each Department; and
 - (g) any other information requested by or presented to the Legislature.
- (2) Committees must annually submit budgetary review and recommendation reports for tabling in the Legislature for each Department.
- (3) A budgetary review and recommendation report-
- (a) must provide for an assessment of the Department's service delivery performance;
 - (b) must provide for an assessment on the effectiveness and efficiency of the Department's use of available resources; and
 - (c) may include recommendations on the advance use of resources.
- (4) Any budgetary review and recommendation report must prior to the adoption of the reports on the Medium-Term Budget Policy Statement-
- (a) be submitted to the MEC responsible for provincial financial matters and MEC responsible for the vote to which the report applies after its adoption by the Provincial Legislature.
- (5) Additional budgetary and recommendation reports may be submitted at the discretion of the Committee.

8 Medium Term Budget Policy Statement

- (1) At least four months prior to the introduction of the Provincial budget, the MEC responsible for financial matters must submit to the Legislature a medium term budget policy statement.
- (2) The Medium-Term Budget Policy Statement must include-
 - (a) an explanation of the economic and fiscal policy position, the economic projections and the assumptions underpinning the fiscal framework;
 - (b) the spending priorities of provincial government for the next three years;
 - (c) the conditional grant allocations to Departments, if any; and
 - (d) a review of actual spending by each Department between 1 April and 30 September of the current fiscal year.
- (3) The Speaker must refer matters referred to in subsections (2) to the Committee and each portfolio committee of the Legislature immediately after the submission of the Medium-Term Budget Policy Statement by the MEC responsible for financial matters.
- (5) Each Portfolio Committee shall—
 - (a) consider, discuss and review the Medium-Term Budget Policy Statement served upon it under subsection (3) specifically on matters of its concern and jurisdiction; and
 - (b) submit its report to the Committee within 30 days after receipt of the Medium-Term Budget Policy Statement from the Speaker.
- (6) The Budget Committee must—
 - (a) scrutinize the allocations and the reports of the Portfolio committees; and
 - (b) within 30 days after receiving reports from portfolio committees submit its recommendations to the House.
- (6) The Speaker must immediately send the House resolutions to the MEC

9 Introduction of the Provincial Annual Budget

- (1) The MEC must table the Provincial Annual Budget in the Legislature as set out in terms of section 27(2) of the PFMA.

- (2) In addition to tabling the Provincial Annual Budget as stipulated in subsection (1) the MEC must table the following—
- (a) the proposed fiscal framework for the financial year and subsequent two years;
 - (b) the key economic assumptions underlying the fiscal framework over the medium term expenditure framework;
 - (c) key fiscal ratios for the financial year and subsequent two years, including revenue, expenditure and the primary and overall balance at the end of the financial year as a percentage of gross domestic product;
 - (d) tax and other revenue proposals, including the contribution of the different revenue categories to Provincial revenue for the financial year and subsequent two years;
 - (e) cyclical factors taken into account in the formulation of the fiscal framework for the financial year and subsequent two years;
 - (f) an estimate and breakdown of contingent liabilities for the financial year and subsequent two years; and
 - (g) any other relevant information and information so requested by the House from time to time.

10 Passing the Provincial Appropriation Bill

- (1) The MEC must introduce the Appropriation Bill in the House and table the proposals setting out the following—
- (a) strategic priorities;
 - (b) measurable objectives;
 - (c) other performance information for each Department, public entity or institution against its expected revenue and proposed expenditure by programme, sub-programme; and
 - (d) economic items of expenditure.
- (2) The Members of the Executive Council must table the updated annual performance plans for their respective Departments, public entity/s or any other institutions, which must be referred to the relevant committee for consideration and reporting.
- (3) The Provincial Appropriation Bill must be referred to the Committee.

- (4) The Committee must mediate between committees proposing conflicting amendments to the Provincial Appropriation Bill.
- (5) Any amendments to the Appropriation Bill must be consistent with the adopted fiscal framework.
- (6) The Committee must recommend to the House that proposed amendments reported by other committees are rejected where those amendments are inconsistent with the fiscal framework or not motivated adequately in terms of this Act.
- (7) The Committee must give the MEC responsible for financial matters and any other MEC affected by the proposed amendments at least 10 working days to respond to any amendments proposed to the Provincial Appropriation Bill prior to reporting to the House.
- (8) A report of the Committee to the House on Provincial Appropriations that proposes amendments to the main Provincial Appropriation Bill must, in respect of each amendment—
 - (a) indicate the reason for such proposed amendment;
 - (b) demonstrate how the amendment takes into account the strategic priorities and allocations of the relevant budget;
 - (c) demonstrate the implications of each proposed amendment for an affected vote and the main divisions within that vote;
 - (d) demonstrate the impact of any proposed amendment on the balance between transfer payments, capital and recurrent spending in an affected vote;
 - (e) set out the impact of any proposed amendment on service delivery; and
 - (f) set out the manner in which the amendment relates to—
 - (i) prevailing Departmental strategic plans,
 - (ii) reports of the Auditor General,
 - (iii) committee reports adopted by the House,
 - (iv) reports in terms of the Public Finance Management Act,
 - (v) annual reports; and

- (vi) any other relevant information submitted to the House or committee in terms of the Standing Rules or on request.
- (9) A report in terms of subsection (8) must include the responses of the MEC to any proposed amendments.
- (10) Any Committee may advise the Budget Committee that a sub-division of a main division within a vote be appropriated conditionally to ensure that the money requested for the main division will be spent effectively, efficiently and economically, provided that-
- (a) the Committee specifies the condition that needs to be met before the Committee may recommend to the House that the funds be released;
 - (b) the MEC must be given 2 working days to respond to the proposed conditional appropriation;
 - (c) a recommendation to the House that a sub-division of a main division within a vote is appropriated conditionally must be accompanied by the response from the MEC; and
 - (d) the House must consider the recommendation of the Committee to release the funds within 7 working days after the Committee reported to the House.
- (11) The Legislature must pass, with or without amendments, or reject the Provincial Appropriation Bill within 4 months after the start of the financial year to which it relates.

11 Amending Revenue Bills and Revenue Proposals

- (1) In amending revenue Bills and revenue proposals the Legislature through the Budget Committee must:
- (a) ensure that the total amount of revenue raised is consistent with the fiscal framework and the relevant Division of Revenue Act;
 - (b) take into account the principles of equity, efficiency, certainty and ease of collection
 - (c) consider the impact of the proposed change on the composition of tax revenue with reference to the balance between direct and indirect taxes;

- (d) consider regional and international tax trends; and
- (e) consider the impact on development, investment, employment and economic growth.

12 Public Participation

- (1) The Budget Committee, when considering amendments on money bills, should seek representations from the public and other stakeholders.
- (2) The Budget Committee shall take into account such recommendations when making its recommendations to the House.

13 Provincial Adjustments Appropriation Bill

- (1) The MEC for finance must introduce the adjustments to the Provincial Appropriation Bill and table it with the Provincial adjustments budget in the House.
- (2) The Speaker must refer the adjustments to the Provincial Appropriation Bill together with the Provincial adjustments budget to the Committee and to the Portfolio Committees.
- (3) The Budget Committee must report to the House on amendments to the Provincial Adjustments Appropriation Bill.
- (4) Portfolio Committees must consult with the Budget Committee on amendments to transfer payments, recurrent and capital expenditure of a vote or a main division within a vote, taking into consideration the reports by Portfolio Committees on annually budgetary review and recommendations to Departments or any other report adopted by the House.
- (5) The Budget Committee must mediate between Portfolio committees proposing conflicting amendments to the Provincial Adjustments Appropriation Bill.
- (6) The Budget Committee must within 2 weeks after receiving reports from other committees recommend to the House that the proposed amendments are recommended, or rejected

where those amendments are inconsistent with the fiscal framework, or not motivated adequately in terms of this section whichever the case maybe.

- (7) The MEC must be given at least 4 working days to respond to any proposed amendments to the Provincial Adjustments Appropriation Bill by the Committee.
- (8) The Budget Committee must report to the House within 30 working_days after the tabling of the Provincial adjustments budget.

14 Amendments proposed by the MEC

Notwithstanding any provision in this Act, the House or committee may consider an amendment to a money Bill proposed by the MEC in order to make technical corrections to the Bill.

15 Provincial Legislature Budget Office

- (1) The Legislature hereby establishes the Provincial Legislature Budget Office, the main objective of which is to provide non-partisan, high-quality and independent technical analysis, objective and professional advice to the Legislature on matters related to the budget and other money Bills.
- (2) The core function of the Provincial Legislature Budget Office is to support the implementation of this Act by undertaking research and analysis for the committee referred to in section 4, including-
 - (a) annually providing reviews and analysis of the documentation tabled in the Provincial Legislature by the MEC in terms of this Act;
 - (b) monitoring and synthesizing matters and reports tabled and adopted in the House with budgetary implications, with particular emphasis on reports by other committees;
 - (c) keeping abreast of policy debates and developments in key expenditure and revenue areas;
 - (d) monitoring and reporting on potential unfunded mandates arising out of legislative, policy or budgetary proposals and general budget execution;
 - (e) cost the impact of proposed and approved legislative amendments and investigate medium term patterns; and

- (f) undertaking any other work deemed necessary to support the implementation of this Act.
- (3) The Provincial Legislature Budget Office may undertake research on request by the House, other committees or members of Legislature on matters related to the budget and other money Bills, subject to capacity.
- (4) There must be a co-operative working relationship between the Provincial Legislature Budget Office and other research structures within the Legislature.
- (5) The Provincial Legislature Budget Office must annually receive a transfer of funds from Provincial budget to carry out its duties and functions.
- (6) The Provincial Legislature Budget Office must annually submit to the House a rolling three year budget in time for inclusion in the House's budget and a report on the use of funds and the activities of the Provincial Legislatures Budget Office.
- (7) In carrying out the duties and functions of the Provincial Legislature Budget Office, the services of experts or consultants may be procured.

16 Short title

This Act is called the Gauteng Provincial Legislature Money Bills Amendment Procedure and related matters Act, 2019.

MEMORANDUM ON THE MONEY BILLS AMENDMENT PROCEDURE AND RELATED MATTERS BILL, 2012

1. Purpose of the Bill

The purpose of the Bill is to allow the legislature the platform to exercise its constitutional mandate on oversight, law making and public participation on the Provincial Budget. To give effect to section 120(3) of the Constitution which provides that a Provincial Act must provide for a procedure to amend money Bills before the Provincial Legislature. The Bill intends to empower the Legislature to be an active and effective participant in the budget process. Legislative oversight is nowhere important than over the budget.

2. Objects of the Bill

2.1 The Bill comprises of the Preamble and 16 Clauses. The Preamble is mindful of the fact that the Bill intends—

- (a) to give effect to section 120(3) of the Constitution;
- (b) to enhance exercise of oversight over the Provincial Executive on the Provincial budget; and
- (c) to enhance public participation on amendments of money Bills.

2.2 The provisions of the Bill can be summarised as follows:

2.2.1 Clause 1

Deals with various definitions.

2.2.2 Clause 2

Clause 2 deals with the objects of the Act, they have been dealt with in paragraph 2 above.

2.2.3 Clause 3

This Clause deals with the application of the Bill.

2.2.4 **Clause 4**

Clause 4 deals with the establishment and composition of the Committee for consideration of money Bills. It establishes a Budget Committee which will consist of Chairpersons of various portfolio Committees and Members of political parties proportional to their representation in the legislature. The Chairperson of such Committee shall be appointed by the Speaker.

2.2.5 **Clause 5**

This clause deals with the functions of the Budget Committee. The core functions of the Committee will be to examine the draft medium term budget policy statement (economic and budgetary policy) introduced by the Executives in the House. The Committee will evaluate budget estimates and programmes with direct outlays. The Committee will receive reports from the various portfolio Committees in order to consider the total aggregates of the budget and allow the portfolio Committees to deliberate on issues relating to their sector when the Committee consider the budget. The Committee will further report and make recommendations to the House on the overall budget allocation and on amendment of Money Bills.

2.2.6 **Clause 6**

This clause deals with the powers of the Committee. The Committee may determine its own procedure and annual programmes, however they should be in accordance with this Act. The Committee must consider Money Bills referred to it, investigate and report on issues that are referred to it or on its own initiative. It may also hear evidence presented to it or call for any person to give evidence. It

must hold public hearings and consider submissions from the public and it must exercise powers granted to it by the Constitution and any other relevant legislation.

2.2.7 Clause 7

This clause deals with the procedure prior to the introduction of the Provincial budget. The Legislature through its Committees it must annually assess the performance of each provincial Department by referring to the strategic plans, measurable objectives, medium term estimates of expenditure of each Department as tabled in the legislature with the Provincial budget. The Legislature must assess annual performance plans, expenditure reporting of each department as published by the Provincial Treasury. The Legislature must assess financial statements, Auditor General 's report, reports by the Committee on Public Account (SCOPA) of each Department and any other information requested by or presented to the Legislature.

The clause further deals with the budgetary review and recommendation report that must report on an assessment of the Department's service delivery performance and the effectiveness and efficiency of the Department's use of available resources.

2.2.8 Clause 8

This clause deals with the Medium Term Budget Policy Statement (MTBPS). The MEC responsible for financial matters must at least 4 months prior to the introduction of the Provincial budget submit the MTBPS to the Legislature which must include an explanation of the economic and fiscal policy position, the economic projections and assumptions underpinning the fiscal framework and other related issues outlined in the Bill.

The Speaker must upon receipt of the MTBPS refer it to the Budget Committee and to the various portfolio Committees. Each portfolio Committee must consider, discuss and review the MTBPS on issues which relate to their portfolio and compile a report which must within 30 days of receipt of the MTBPS be sent to the Budget Committee. The Budget Committee must then scrutinize the allocations and the report from the various portfolio Committees and must within 30 days of receipt of such reports compile its own report and recommendations which must be sent to the House. The Speaker must then send the House resolution on the MTBPS to the MEC responsible for financial matters.

2.2.9 **Clause 9**

This clause deals with the Provincial Annual Budget. It requires the MEC to table a Provincial annual budget as envisaged in section 27(2) of the Public Finance Management Act. The Bill outlines the additional evidence that the MEC must table when tabling the Provincial Annual Budget.

2.2.10 **Clause 10**

This clause deals with the passing of the Provincial Appropriation Bill. The MEC responsible for financial matters must introduce the Provincial Appropriation Bill in the House and table the proposals setting out the strategic priorities, measurable objectives, economic items of expenditure and other related issues. The MEC must also table the updated annual performance plans for each Department and entity which must be referred to the relevant Committee for consideration and reporting.

The Provincial Appropriation Bill must be referred to the Budget Committee which must consider the Bill and mediate between

Committee proposing conflicting amendments to the Provincial Appropriation Bill. Amendments to the Provincial Appropriation Bill must be consistent with the adopted fiscal framework. The Committee must give the MEC 10 working days to respond to the any amendments proposed in the Bill prior to reporting to the House. The Committee must report to the House if reports by Committee do not comply with the adopted fiscal framework or not adequately motivated in terms of the Act.

Amendment proposed to the Provincial Appropriation Bill must comply with the provisions of section 10(8) and the MEC must also be granted an opportunity to respond to the proposed amendments.

Any Committee may advise the Budget Committee on the subdivision of a main division within a vote to be appropriated conditionally to ensure the money requested for the main division will be spent effectively, efficiently and economically and it must comply with the provisions of section 10(10). The Legislature must pass, with or without amendments, or reject the Provincial Appropriation Bill within 4 months after the start of each financial year.

2.2.11 Clause 11

This clause deals with amending Revenue Bills and Revenue proposals. This provision was adopted from the norms and standard enacted by Parliament which it is said should apply to Provincial Legislatures. In terms of section 120(1)(b) the Constitution provides that money Bills also refers to provincial taxes, levies, duties or surcharges, this clause expressly gives Provinces powers to impose taxes. However the current practice has shown that MEC responsible

for financial matters does not often make it a known practice to propose provincial revenue Bills which deals with Provincial taxes.

2.2.12 **Clause 12**

This clause deals with public participation. The clause mandates the Committees of the Legislature to conduct public hearings when amending money Bills and must consider submissions made by the public when making recommendations to the House on the amendment of money Bills.

2.2.13 **Clause 13**

This clause deals with the Provincial Adjustments Appropriation Bill. The adjustment to the Bill must be tabled by the MEC responsible for financial matters together with the Provincial adjustment budget. Any comments or amendments on the Bill must be reported to the House. Other Committees must consult with the Budget Committee on amendment to transfer payments, recurrent and capital expenditure of a vote or a main division within a vote. This must be done by also taking into account the reports by Committee on annually budgetary review and recommendation to Departments or any other report adopted by the House.

The following periods are considered when considering the Provincial Adjustments Appropriation Bill, the committee has 2 weeks to report to the house where there is no-compliance when amending the Bill. The MEC has 4 days to respond to any proposed amendments to the Bill. The Budget Committee must within 30 days after tabling the Bill report to the House on any amendments to the Bill.

2.2.14 **Clause 14**

This clause deals with amendments proposed by the MEC responsible for financial matters on Money Bills and only where there are technical errors on the Bill that warrants an amendment.

2.2.15 **Clause 15**

This clause deals with the establishment of a Provincial Legislature Budget Office within the Legislature. The PBO will assist the Legislature's committees, particularly, the Budget Committee by providing non-partisan, high quality and independent technical analysis on any other issue that relate to the provincial budget. It is advisable to appoint personnel within the PBO that have expertise in areas of economics, finance and statistic to be able to execute the work they are required to do. The PBO needs to be carefully constituted and adequately supported so that it can play a credible supporting role which include:

- (a) annually providing reviews and analysis of the documentation tabled in the Provincial Legislature by the MEC in terms of this Act;
- (b) monitoring and synthesizing matters and reports tabled and adopted in a House with budgetary implications, with particular emphasis on reports by other committees;
- (c) Keeping abreast of policy debates and developments in key expenditure and revenue areas;
- (d) monitoring and reporting on potential unfunded mandates arising out of legislative, policy or budgetary proposals;
- (e) cost the impact of proposed and approved legislative amendments and investigate medium term patterns; and
- (f) undertaking any other work deemed necessary to support the implementation of this Act.

2.2.16 **Clause 16**

This **clause** contains the short title.

3. Legal and Constitutional

This Bill has been drafted in order to fulfil the injunction imposed by section 120(3) of the Constitution that there must be a provincial Act to provide for a procedure by which the province's legislature may amend a money Bill. The procedure for processing this Bill shall be in accordance with the Constitution as well as Chapter 11 of the Gauteng Provincial Legislature Standing Rules.

4. Socio-economic Implications

Timeous inputs will ensure that public comments are incorporated into the budget for that specific financial year. Furthermore, this Bill will enhance public participation thereby instilling public trust. The Bill will further ensure that budget respond to the needs of the people of Gauteng. The Bill will assist the Legislature in ensuring that the Gauteng Provincial Government implement policy priorities of the Province such as Transformation, Modernisation and Re-industrialisation (TMR) and National Development Plan (NDP) effectively. The positive spin-offs of such effective policy implementation would include job creation and economic growth among others.

Whist the constitution imposes on government the responsibilities to ensure that available resources are used towards the realization of socio-economic rights, the implementation of the bill will provide the legislature with an effective oversight role in case of any omission in the budget that may have implications on the realization of socio-economic rights.

5 Financial Implications

The implementation of the Bill will necessitate the Gauteng Provincial Legislature to request more funding from Treasury to cover costs associated with establishing the Legislature Budget Office, the Budget Committee and other related matters that may arise.

6 Implications of the Bill for Local Government

None

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