



Northern Cape
Provincial Legislature

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PORTFOLIO COMMITTEE ON FINANCE, ECONOMIC DEVELOPMENT & TOURISM

Ref 16.6.2.3.8

Hon C de Beer
Chairperson: Select Committee on Finance

NEGOTIATING MANDATE

Name of the Bill: Division of Revenue Bill 2013

Number of the Bill: [B2-2013]

Date of deliberation: 26 March 2013

Vote of the Legislature: **The Portfolio Committee on Finance, Economic Development & Tourism votes in favour of the Bill**



Hon KD Molusi

Chairperson: Portfolio Committee on Finance, Economic Development & Tourism

2013 -03- 26



PORTFOLIO COMMITTEE ON FINANCE, ECONOMIC DEVELOPMENT & TOURISM

NEGOTIATING MANDATE ON THE DIVISION OF REVENUE BILL [B2- 2013]

1. INTRODUCTION

The Chairperson of the Portfolio Committee on Finance, Economic Development & Tourism Hon KD Molusi hereby tables the Committee Report on the *Division of Revenue Bill [B2-2013]*, as adopted by the Portfolio Committee on the 26th March 2013.

2. PROCESS FOLLOWED

- 2.1 The Speaker of the Northern Cape Provincial Legislature on receipt of the *Bill*, referred the *Division of Revenue Bill, 2013* to the Portfolio Committee on Finance, Economic Development & Tourism.
- 2.2 On the 20th March 2013, the Portfolio Committee received a briefing on the *Bill* by the Northern Cape Permanent Delegate to the NCOP, Hon C De Beer together with Mr. C Adams, Ms M Van der Woude and Mr P Crittenden from the National Treasury.
- 2.3 The Portfolio Committee resolved at its meeting held on the 20th March 2013 to hold a public hearing on the referred Bill at the Legislature in the Ruth First Auditorium, Kimberley, to solicit the views of the stakeholders with regard to the *Division of Revenue Bill, 2013*. Different stakeholders were invited but not all responded to the invite.
- 2.4 The public hearing was held on the 25th March 2013 as per the Committee resolution and both written and oral submissions were called for. The stakeholders engaged with the Members of the Provincial Legislature on their views. Mr Steven Kenyon from the National Treasury was invited to brief the public hearing and responded on the technical questions.

3. INPUTS FROM THE STAKEHOLDERS

- Members of the public prefer that the Infrastructure Skills Development Grant be utilized on all technical graduates from the FET, Universities of Technology and Universities.
- The direct conditional grants, especially the ones to the municipalities, should also be monitored by the Provincial Treasuries.

4. WRITTEN INPUTS ON THE BILL

No written input was received.

5. COMMITTEE INPUTS ON THE BILL

The Committee considered all inputs received during the public hearing, and some will be referred to the relevant sector departments.

The Committee concerns:

- The unfunded mandates by National government which negatively affects the budgets of provincial departments.
- The Equitable Share formula has been reviewed but it still does not address the problem of the budget allocation to the Province, due to its vastness.

After due deliberation and taking note of the public's input, the Portfolio Committee on Finance, Economic Development & Tourism supports the bill.

6. COMMITTEE ADOPTION OF THE BILL

The Committee adopted this negotiating mandate duly signed by the Chairperson of the Committee, Hon KD Molusi.

The Committee recommends to the House to mandate the Permanent Delegates to participate in deliberations at the negotiating stage and to **support** the Bill.



COMMITTEE CHAIRPERSON
HON KD MOLUSI

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