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PORTFOLIO COMMITTEE ON FINANCE, ECONOMIC DEVELOPMENT & TOURISM

Ref 16.6.2.3.8

Hon DG Mahlangu
Chairperson: Select Committee on Appropriations

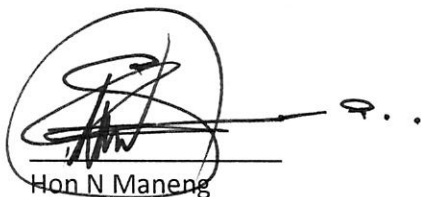
NEGOTIATING MANDATE

Name of the Bill: Division of Revenue Amendment Bill

Number of the Bill: [B15-2019]

Date of deliberation: 22 November 2019

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

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Hon N Maneng

Chairperson: Portfolio Committee on Finance, Economic Development & Tourism

2019 -11- 22



PORTFOLIO COMMITTEE ON FINANCE, ECONOMIC DEVELOPMENT & TOURISM

NEGOTIATING MANDATE ON THE DIVISION OF REVENUE AMENDMENT BILL [B15-2019]

1. INTRODUCTION

The Chairperson of the Portfolio Committee on Finance, Economic Development & Tourism Hon N Maneng tables the Committee's draft Report on the Division of Revenue Amendment Bill [B15-2019], as adopted by the Portfolio Committee on the 22nd November 2019.

2. PROCESS FOLLOWED

- 2.1 The Speaker of the Northern Cape Provincial Legislature has on receipt of the Bill referred the *Division of Revenue Amendment Bill, 2019* to the Portfolio Committee on Finance, Economic Development & Tourism.
- 2.2 On the 21st November 2019, the Portfolio Committee received a briefing on the Bill done by Mr. E Pillay and Mr K Molukanele from the National Treasury, as well as the provincial Permanent Delegate, Hon W Aucamp.
- 2.3 The Portfolio Committee engaged in a public hearing in one region of the Province; in the Frances Baard region, in the city of Kimberley on 21st November 2019.

3. INPUTS FROM THE STAKEHOLDERS

- No inputs were received from outside stakeholders, as there were no members of the public who attended the public hearing.

4. WRITTEN INPUTS ON THE BILL

None were received.

5. COMMITTEE INPUTS ON THE BILL

The Committee inputs:

- The Committee observes with dismay the huge amount of R74m that is lost by the Province.
- Money allocated to the Northern Cape is not enough to deliver services in the Province, (the equitable share formula not fair to the province). The rural nature and the vast distances travelled needs to be taken into consideration.
- The Province of the Northern Cape is one of the hardest hit by drought and yet there is no relief for the farmers.
- In the review of the equitable share cognisance should be taken of the peculiarities of the Northern Cape, and how expensive it is to deliver services.
- The national and provincial treasuries must advise and assist municipalities on how to spend allocated funds as well as conditional grants for their intended purposes.

After due deliberation, 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 N Maneng.

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 N Maneng