

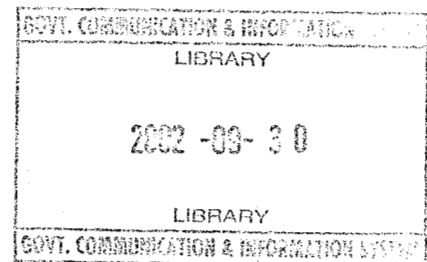
REPUBLIC OF SOUTH AFRICA

FINANCE BILL

(As introduced in the National Assembly as a money Bill)
(The English text is the official text of the Bill)

(MINISTER OF FINANCE)

[B 48—2002]



REPUBLIEK VAN SUID-AFRIKA

FINANSIEWETSONTWERP

(Soos ingedien by die Nasionale Vergadering as 'n Geldwetsontwerp)
(Die Afrikaanse teks is die amptelike vertaling van die Wetsontwerp)

(MINISTER VAN FINANSIES)

[W 48—2002]

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BILL

To charge the National Revenue Fund with certain unauthorised expenditure and to authorise other expenditure; and to provide for matters connected therewith.

BE IT ENACTED by the Parliament of the Republic of South Africa, as follows:—

Defraying of unauthorised expenditure from National Revenue Fund

1. (1) The unauthorised expenditure of R409 566 535,70 referred to in Schedule 1 which— 5
- (a) the Standing Committee on Public Accounts recommended for authorisation by Parliament; and
 - (b) is more fully described in the Reports of the Auditor-General listed in column 5 of that Schedule,
- is hereby authorised. 10
- (2) The amount referred to in subsection (1) is a direct charge against the National Revenue Fund.

Defraying of unauthorised expenditure from National Revenue Fund

2. (1) The unauthorised expenditure of R250 355 933,15 referred to in Schedule 2 which— 15
- (a) the Standing Committee on Public Accounts recommended for authorisation by Parliament; and
 - (b) is more fully described in the Reports of the Auditor-General listed in column 5 of that Schedule,
- is hereby authorised. 20
- (2) The amount referred to in subsection (1) is a direct charge against the National Revenue Fund.

Authorising of expenditure

3. The unauthorised expenditure of R3 874 543,34 referred to in Schedule 3 which—
- (a) the Standing Committee on Public Accounts recommended for authorisation by Parliament; and 25
 - (b) is more fully described in the Reports of the Auditor-General listed in column 5 of that Schedule,
- is hereby authorised.

Actions of recovery of money to continue 30

4. Nothing in this Act may, in any way, be construed as affecting any action to recover unauthorised expenditure.

Short title

5. This Act is called the Finance Act, 2002.

SCHEDULE 1

Amount unauthorised R	Report reference	Resolution reference	Financial year	RP. No.	Vote
Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
	SCOPA 1999				
10 698 108,53	4th	3	1997/1998	198-1998	Public Works
545 725,68	4th	3	1998/1999	198-1998	Public Works
2 558 115,68	5th	3	1996/1997	160-1997	Labour
7 194 285,24	5th	3	1997/1998	192-1998	Labour
46 619 700,00	6th	3	1997/1998	181-1998	Correctional Services
154 584,45	8th	1	1996/1997	171-1997	Sport and Recreation
13 452,00	8th	1	1997/1998	204-1998	Sport and Recreation
66 226,64	10th	2	1997/1998	174-1998	President
8 778,00	12th	2	1997/1998	188-1998	Housing
137 990,63	13th	2	1997/1998	194-1998	Minerals and Energy
92 638,00	14th	2	1997/1998	199-1998	South African Communication Service
8 626 108,00	16th	1	1996/1997	151-1997	Education
25 965 268,00	16th	1	1997/1998	182-1998	Education
808 228,00	17th	1	1994/1995	184-1998	Finance
39 933 088,00	17th	1	1995/1996	184-1998	Finance
34 118 701,00	17th	1	1996/1997	184-1998	Finance
29 244 600,00	17th	1	1997/1998	184-1998	Finance
85 153,00	17th	2	1997/1998	184-1998	Finance
2 278 833,78	19th	1	1997/1998	206-1998	Trade and Industry
	SCOPA 2000				
6 357 710,00	2nd	1	1997/1998	203-1998	South African Revenue Services
65 578,50	2nd	2	1997/1998	203-1998	South African Revenue Services
1 600 000,00	4th	1	1997/1998	187-1998	Home Affairs
36 602,80	5th	1	1998/1999	155-1999	Sport and Recreation
850 000,00	6th	1	1998/1999	135-1999	Education
1 199 022,16	12th	3	1997/1998	206-1998	Trade and Industry
3 725,00	12th	3	1996/1997	158-1999	Trade and Industry
1 266 233,50	12th	3	1997/1998	158-1999	Trade and Industry
3 114 963,59	12th	3	1998/1999	158-1999	Trade and Industry
	SCOPA 2001				
58 889,05	3rd	B1	1999/2000	123-2000	Government Communication and Information System
200 130,00	3rd	B2	1999/2000	123-2000	Government Communication and Information System
217 215,05	5th	B	1996/1997	149-1997	Constitutional Development
6 211 000,00	7th	7	1999/2000	—	South African Revenue Services
22 175,52	8th	D1	1997/1998	202-1998	South African Police Service
102 994,62	10th	A1	1997/1998	141-1999	Home Affairs
705 758,38	10th	A1	1998/1999	141-1999	Home Affairs
5 364 600,08	10th	A2	1999/2000	145-2000	Home Affairs
173 551,50	12th	A1	1998/1999	161-1999	Welfare
223 969,00	12th	A2	1999/2000	145-2000	Welfare
102 633 298,84	13th	G1(b)	1997/1998	191-1998	Justice
29 568 550,43	13th	G1(c)	1997/1998	191-1998	Justice

Amount unauthorised R	Report reference	Resolu- tion reference	Financial year	RP. No.	Vote
Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
458 965,86	13th	G1(d)	1997/1998	191-1998	Justice
21 162 076,18	13th	G2(b)	1998/1999	145-1999	Justice
10 654 131,64	13th	G2(c)	1998/1999	145-1999	Justice
67 450,74	13th	G2(d)	1998/1999	145-1999	Justice
143 851,85	13th	G2(e)	1998/1999	145-1999	Justice
1 176 738,00	13th	G3	1999/2000	129-2000	Justice
6 777 768,78	14th	2	1999/2000	122-2000	Foreign Affairs
409 566 535,70					

SCHEDULE 2

Amount unauthorised R	Report reference	Resolu- tion reference	Financial year	RP. No.	Vote
Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
8 378 896,51	SCOPA 2000 13th	3	1998/1999	138-1999	Foreign Affairs
3 738 148,79	SCOPA 2001 3rd	B1	1999/2000	123-2000	Government Commu- nication and Informa- tion System
116 737 000,00	8th	D1	1996/1997	169-1997	South African Police Service
13 803 863,74	10th	A2	1999/2000	145-2000	Home Affairs
24 754 954,15	13th	G1(a)	1997/1998	191-1998	Justice
47 046 814,09	13th	G2(a)	1998/1999	191-1998	Justice
35 896 255,87	14th	1	1999/2000	122-2000	Foreign Affairs
250 355 933,15					

SCHEDULE 3

Amount unauthorised R	Report reference	Resolu- tion reference	Financial year	RP. No.	Vote
Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
491 210,99	SCOPA 1999 11th	2	1997/1998	57-1999	Deputy President
3 383 332,35	SCOPA 2001 8th	D1	1997/1998	202-1998	South African Police Service
3 874 543,34					

MEMORANDUM ON THE OBJECTS OF THE FINANCE BILL, 2002

1. The object of clauses 1 to 3 is to give effect to certain resolutions of the Standing Committee on Public Accounts (SCOPA), namely that certain unauthorised expenditure be authorised.

2. Since an amount equal to the unauthorised expenditure contemplated in clause 1 (as reflected in Schedule 1) has been paid over to the National Revenue Fund in accordance with the now repealed Treasury Instruction H2.4, these funds will be refunded to the relevant departments as a direct charge against the National Revenue Fund.

3. In clause 2 the unauthorised expenditure is a consequence of overspending of Votes. These cases were considered by the SCOPA and after intense deliberations were recommended for authorisation. If the proposal to authorise is passed by Parliament, the amounts overspent will form direct charges against the National Revenue Fund.

4. Clause 3 proposes the authorisation of unauthorised expenditure for which no refunds will be made. The relevant expenditure was not paid into the National Revenue Fund as was prescribed in Chapter H of the Treasury Instructions.

5. The SCOPA recommended in 1999 that it be stipulated in a validating Act that any legal entitlement regarding the potential recovery of any losses to the State owing to the authorisation of the unauthorised expenditure in question must remain. Although the recommendation referred to a specific batch of unauthorised expenditure, the principle is clear that there should not be any legal uncertainty on this issue. Clause 4 proposes to ensure compliance with this recommendation.

6. FINANCIAL IMPLICATIONS FOR STATE

The amount of R250 355 933,15 in clause 2 will have to be financed from the National Revenue Fund as it must cover the overspending in the Votes concerned. There are no further financial implications as the refunds mentioned in paragraph 2 above came into existence as a result of the prescribed deposits made by departments.

7. CONSTITUTIONAL IMPLICATIONS

None.

8. PARLIAMENTARY PROCEDURE

The State Law Advisers and the National Treasury are of the opinion that this Bill must be dealt with in accordance with the procedure established by section 77 of the Constitution since it contains provisions which propose direct charges against the National Revenue Fund.