

# BILL WATCH 42/2019

[4th August 2019]

## Presentation of 2019 Mid-Year Budget Review & Supplementary Budget Both Houses will Sit Again on Tuesday 6th August

On Thursday 2nd August the Minister of Finance and Economic Development, Hon Mthuli Ncube, presented his 2019 Mid-Year Budget Review and Supplementary Budget to the National Assembly. President Mnangagwa attended the presentation. Opposition MDC-A MPs did not *[see below]*.

### Budget debate to continue on Tuesday 6th August

There was no debate after the Minister's presentation. Debate will continue on Tuesday next week, 6th August, on his motion seeking the leave of the House to bring a Bill to make provision for the revenues and public funds of Zimbabwe and ancillary and incidental matters. MPs, therefore, have four intervening days to digest the Minister's speech and Budget documents, and prepare for the debate.

### Budget Documents available from Veritas

The following documents are available on the Veritas website using the hyperlinks specified:

Minister's Budget Speech [\[link\]](#)

2019 Mid-Year Budget Review and Supplementary Budget [\[link\]](#)

Budget Highlights [document prepared by the Ministry of Finance and Economic Development] [\[link\]](#)

Departmental Draft of the Finance (No. 2) Bill [a Bill to give effect to the taxation measures proposed in the Supplementary Budget that need to be approved by Act of Parliament] [\[link\]](#).

The Blue Book [Supplementary Estimates of Expenditure for 2019] showing the proposed revised vote appropriations for Ministries and other entities – a 129-page book – is not yet available in soft copy. Page 5 of the Budget Highlights document [\[link\]](#), however, contains a handy list of the revised vote appropriations for the Office of the President and Cabinet, Parliament, Ministries, Commissions and other State entities.

### Exclusion of MDC-A MPs from 1st August proceedings

When, before the Budget presentation, Hon Chinotimba raised as a matter of privilege the boycotting of the Budget proceedings by MDC-A MPs because the President would be present, the Speaker made a ruling:

**THE HON. SPEAKER:** *“It is unfortunate that the Hon. Members of the main opposition party here in Parliament have decided to boycott this session in which His Excellency the President will be in attendance. There are two issues that we need to put on record. The first one is that His Excellency the President is Head of State and Government and Commander-In-Chief of the Defence Forces.*

*Now, there is some lack of understanding when we say the President is Head of State. The President is Head of State because he is an embodiment of the*

*sovereignty of the people of Zimbabwe without any exclusion or discrimination. His uncontested position as Head of State has been recognised by the United Nations and the International Community, let alone the African Union. We have not heard of any country under the sun that has not recognised His Excellency President Mnangagwa. So therefore, there is misdirection in terms of the opposition in their unwarranted behaviour.*

*Secondly, in terms of section 116 of the Constitution of Zimbabwe which I shall quote, the Legislature of Zimbabwe consists of Parliament and the President acting in accordance with the Constitution, which means His Excellency the President institutionally is part of this august House and that position has got to be respected and cannot be contested.*

*Accordingly, as head of this institution, I rule that the Hon. Members from the opposition shall not be allowed to attend Parliament today, including after his Excellency has gone – [HON. MEMBERS: Hear, hear.] – Relatedly, their allowances for today shall not be paid accordingly, so I have ruled”.*

Two MDC-A MPs who entered and took their seats after the President's departure were duly requested to leave the House, and did so.

### **NSSA Forensic Audit Report Tabled on 1st August**

The Minister of Public Service, Labour and Social Welfare tabled this report [\[link\]](#) after the Budget presentation. She said copies were being printed and would be provided to MPs. The Speaker requested MPs to study the report so as to be able to make constructive contributions on the way forward for NSSA.

### **Update on Bills**

In the brief sitting that ensued after the Budget presentation there were the following developments on Bills:

#### **Education Amendment Bill** [\[link\]](#)

The Parliamentary Legal Committee [PLC]'s adverse report on the amended Education Amendment Bill was announced. The details of the report and which of the amendments the PLC found problems with may become apparent when the report is formally presented by or on behalf of the PLC chairperson.

#### **Maintenance of Peace and Order Bill** [\[link\]](#)

Hon Mataranyika, on behalf of the PLC chairperson, withdrew the Adverse Report on this Bill announced on 24th July and discussed in Bill Watch /2019 [\[link\]](#). He explained why in the following terms:

*"The Committee met on the 1st of August and considered the notice of amendments signed by the Minister of Justice, Legal and Parliamentary Affairs and resolved to withdraw the adverse report previously issued as the notice of amendments addresses the Committee's concerns."*

The Minister's amendments have not yet been included on the Order Paper for next week.

#### **Zimbabwe Investment and Development Agency Bill** [\[link\]](#)

The Minister of Industry and Commerce asked for the Committee Stage to be stood down until 6th August.

**Reserve Bank of Zimbabwe Amendment Bill** [\[link\]](#)

As observed earlier in this bulletin, this Bill [gazetted on 23rd July] and Part V of the draft Finance (No. 2) Bill, released in the Budget presentation on 1st August overlap. This situation will need to be resolved.

**Government Gazettes 1st and 2nd August****Gazette Extraordinary of 1st August No. 64****Budget - Excise duty changes with effect from 2nd August 2019**

In the Budget speech these measures were described as striving to achieve an optimal policy mix between specific and *ad valorem* excise taxes:

- on alcoholic beverages – SI 160/2019 [this review of the excise duty structure, the Minister said, maintains the existing support framework for local industry]
- on petrol and diesel – SI 161/2019 [effect – price increases]

**Regular Gazette of Friday 2nd August No. 65****Customs duty rebate on motor vehicles imported by Health Service workers**

SI 163/2019 corrects anomalies in the existing rebate provision.

**Income tax – deductions connected with farming operations**

SI 164/2019 is a retroactive declaration of epidemic-stricken farms for a five-month period in 2017. The beneficiary is Irvines Zimbabwe (Pvt) Ltd..

**Local authority by-laws – Masvingo Rural District Council**

SI 162/2019 is the council's Traffic, Clamping and Tow-away By-laws.

**Gazette Extraordinary of 2nd August No. 66**

This was solely to announce the appointments of ambassadors to (1) the Republic of the Sudan and (2) the United Arab Emirates.

*Veritas makes every effort to ensure reliable information, but cannot take legal responsibility for information supplied.*

*If you want to contact Veritas, have any questions or wish to subscribe or unsubscribe please email [veritas@mango.zw](mailto:veritas@mango.zw)*

*If you are looking for legislation please look for it on [www.veritaszim.net](http://www.veritaszim.net)*

Follow us on     (+263 71 893 3633)



*This work is licensed under a [Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License](https://creativecommons.org/licenses/by-nc-sa/4.0/).*