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THEME COMMITTEE 6.2: SARB & FFC DEFERRED ✓

MEETING: 01/08/95

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THEME COMMITTEE 6.2

SARB & FFC DEFERRED

1 AUGUST 1995

THEME COMMITTEE 6.2

SARB & FFC DEFERRED - 1/8/95

TAPE 1 - SIDE A

CHAIRPERSON

Colleagues, I think we should begin our meeting. First of all, may I as Chair welcome you all back recess. I hope that you had a productive if not restful recess. We have got an agenda before us, but before we actually deal with the agenda, its necessary for me to ask members of the Committee if we can agree to a change in the Agenda, because arising from the resolution which was adopted at our last meeting, the Core Group of Theme Committee 6 met yesterday and we have with us a delegation from the Core Group - Dr Sam de Beer, Mr Jordaan and Beleka K..... and with your permission I would like to hand over this part of the meeting to this delegation to conduct this few minutes of the meeting. So if that is agreeable I will hand over to one of them. I am not sure who it is going to be. Dr De Beer.

DR DE BEER

Thank you Dr Davies, colleagues, thank you for the opportunity To be with you this morning. You as a committee will remember that there was a resolution which was dealt with by the Core Group yesterday and the whole matter came forth from the debate about the Reserve Bank. The Core Group dealt with the matter and after discussing the matter in depth, the Core Group decided to ask Miss G....., Mr Jordaan and myself to meet the two gentlemen late yesterday afternoon. Dr

Davies and Dr Jacobs. Colleagues, apparently there was interalia a perception amongst the ANC colleagues, that a personal vendetta was launched against Dr Davies and we discussed this matter in depth. It was also to me and my colleagues, quite apparent that due to circumstances, a gap in communication came about which led to a sequence of events which were unfortunate. I think that in the discussion, that my colleagues and I had with Dr Jacobs and Dr Davies, we were able to come to an understanding in this regard and I think it will be appropriate to give Dr Jacobs an opportunity and Dr Davies an opportunity to say something about that and then I really hope, colleagues, that we can conclude this matter so that this very important sub-committee and very important work they are attending to at the moment can continue. Dr Jacobs, can I give you an opportunity?

DR JACOBS

Thank you Mr Chairman. I don't have really very much to say. Because we had the opportunity of going into this matter in quite a lot of depth yesterday and not only that, a lot has been said and written about the whole subject. I would just like to make the following statement. That is that I would like to re....in this meeting, that it was not my intention to cause inflections on the integrity of Dr Rob Davies. The problem arose because of an understanding that I should be notified by certain developments which could have been completely a misunderstanding. I except the fact that Dr Davies did not notify me, it could have been the result of many factors which has nothing to do with integrity as well. Therefore I want to re....it was not my intention to cast inflections on his integrity but probably the whole problem could have arisen, I say could

have arisen, as a result of misunderstanding and as far as I am concerned, Mr Chairman, I would like the matter rest there.

CHAIRPERSON

Thank you Dr Jacobs. Dr Davies

DR DAVIES

Chairperson, I think in the interest of allowing this committee to continue with its important work, I too am prepared to let the matter rest there. I would just simply say, that on my side, as far as I am concerned, I think I endeavour, to carry out in the best of my ability under the circumstances the mandate which is given to me by the committee in regard to the debate on the Reserve Bank. I would prefer to leave the matter at this point as well.

CHAIRPERSON

Thank you very much Dr Davies. Colleagues, I think with that, we have dealt with this matter. I want to thank the two colleagues, for whom I personally have a very high regard for their approach in this matter. I want to thank my colleague Beleka G..... and Kobus Jordaan for their invaluable inputs and the way they made contributions in this regard. I think the way that this matter has been dealt with is a compliment to Parliament and I want to thank all the colleagues involved in this regard. I hope Dr Davies, with this, we can conclude this matter and your sub-committee can continue with your work.

DR DAVIES

Thank you Dr De Beer, I think the Chair is now returned to me. It just remains to thank the members of the Core Group for coming here and playing this role this morning and I think that

we can excuse them now and carry on with our agenda.

CHAIRPERSON

Colleagues, if we can now begin. You have an agenda before you, as a result we have just had - item 4.2 falls away. The remainder of the agenda is there. Is the agenda agreed to as it stands?

UNKNOWN

I would like to put, Mr Chairman, under 7 any other business that we try and plan our fortnight that we have available please.

CHAIRPERSON

That is in fact item 5 - Work plans for the sub-committee. I think we should add in there the Reserve Bank. Because now as a result of what is happening, we also have to deal with that - go back to the issue of the Reserve Bank.

CHAIRPERSON

We have two sets of minutes to adopt. One of which is on page 6 and 7. When I was in the chair the other, on page 3 to 5 when Barbara was in the chair. We will start with one on the 14th of June - are there any corrections? I have noticed 1.4.1 right at the end - it should be South African Reserve and not Reserve Bank. Spelling mistake there, but other wise, any other comments on this minutes coming from people who were there? Can we adopt the minutes?

UNKNOWN

I just want to say - I didn't get these documents till I came to the room this morning. So I haven't had a chance to read them. Even though they are short - I would need my notes to cross refer. So, I don't want to hold it up, but I just want to reserve my position in terms of the minutes, they are obviously

quite critical in certain areas. So I would like to make that point that I can't support the adoption at this stage - I am not opposing it, but I haven't had the chance to read them.

CHAIRPERSON

Would you like to suggest that we postpone the adoption of these minutes to the next meeting?

UNKNOWN

If we could.

CHAIRPERSON

Is that agreeable? Ok.

There is an item down here that is called from a matter arising from the minutes, but I think we can deal with it in its own rights. 4.1 A report on the presentation of the Auditor General to the Constitutional Committee. I should just report back what happened. Our report and the draft text as we have discussed it and amended it, was tabled at the Constitutional Committee towards the end of the last session, just before recess. The document was broadly accepted, but I think that I should just convey to members of the Constitutional - members of this Theme Committee that there were certain members of the Constitutional Committee who said it looked like "more like the Auditor General act than a Constitutional Text." There was some question into those as to whether all the provisions as we had structured them, were actually needed. So, I think that we should just alert members to that. There was no discussion taken, it was just a view expressed by some people there. I actually defended the position of the committee responded to that, by arguing that we felt that this was such an important institution that several guarantees were actually warranted -

there was also some comment that I might just say, about the way in which the legal drafter have commented on our insertions. Some members of the Constitutional Committee felt that this was not appropriate that the drafters should not be making comments of this nature, but they should be carrying out the mandate of the committee. Those were essentially the two points that came out of the of the Auditor General text.

UNKNOWN

Mr Chairman, what is the next step then as far as the Auditor General's report is concerned? Have we left the matter now in the hands of the Constitutional Committee and what happens now? Do we have to review anything at all?

CHAIRPERSON

I think that we don't have to as a Committee. From what I understand and there was a Chairperson's meeting yesterday, there are no matters of contention that we have tabled and I think that and the Constitutional Committee, apart from these remarks did not make any substantive points. I think as I understand it, that text which has been prepared, will be referred to meetings of the Constitution Assembly and several meetings - I have a time table, I want to talk about that a bit later on - there are a number of sessions at the Constitutional Assembly that are planned. The first one is on August the 18th. That I think that the idea is that the text that has already been passed through the CC will at some stage be tabled for debate in the Constitutional Assembly. I think as far as this Theme Committee is concerned we are now finished and we are now passed that particular piece of work on to another structure.

CHAIRPERSON

I agree with you on that. I would like to ask through you, whether we could please, I haven't got a copy of what actually went to the Constitutional Committee. Could we be supplied with copies of what the final text that was submitted, please.

UNKNOWN

Could we ask Pat if we could just pass it on as it was contained in the CC documentation.

CHAIRPERSON

If there are no more points on that, I think we need to precede to the item 5, which is Work plans.

UNKNOWN

Before we leave that Mr Chairman, can I just ask on page 5 of this document that we have received, 4.1 - there are two 4.1 as you can see. But this must probably be the 4.2 - 4.1 is on 4. I think this must be 4.2 - it is already - it is 4.1 page 5. The Committee recommended that the law advisors prepare a draft for consideration at the next meeting. What happened to that? Where are we with that assignment that we gave to the law advisor? Where are we standing? What is the situation please? If you can report back.

CHAIRPERSON

Well, I wasn't at this meeting and I don't know what has happened. I have had no report on that. I don't know what draft we are referring to here. I understood - I think we will have to discuss this when we come on discussion what we are going to do about the Reserve Bank. I don't know if anybody who was at the meeting can clarify what was requested here.

UNKNOWN

I think what was requested here was just - I remember we said we just wanted assurance that in present wordings - present

Interim Constitution, the way that it is worded, that it is not exclude the accountability of the Reserve Bank. We just wanted an opinion on that. In other words, we needed to be sure that it wasn't either consultation with or consultation after we wanted just clarification that it ... accountability.

CHAIRPERSON

That is quite correct. The point that we have after we have the evidence here by Dr De Swart, indicated to us what sort of consultation takes place between the Reserve Bank and the Minister of Finance. The feeling was at that stage then, we should be absolutely sure from a legal advisors point of view, that the accountability aspect that Barbara had referred to now, is also covered efficiently into that.

CHAIRPERSON

So it is not a draft, it is an opinion. A legal opinion. Can we ask, when we come to arranging our schedule and when we decide when we are going to discuss the Reserve Bank, in our schedule, can we ask Pat to make sure that the law advisors have that opinion ready for us at that times. So we can discuss it at that time.

UNKNOWN

Chairman, that is why I asked, because it was also the opinion that I have got. It was the opinion that we want - can we ask why we are not adopting today this minutes that Pat goes back and rephrase that 4.2 for us for recommendation for us for tomorrow when we accept it, because as it is here, it is wrong. We did not ask that, we did ask an opinion. Please then we can adopt the minutes in future and then this specific 4.2 is not for 1. 4.2 is then correct.

CHAIRPERSON

OK. That is agreed to. Can we move now to item 5 - Work plans. I think this is what I think should be the main thrust of today's meeting. Colleagues, I think that we need - I need to make a couple of points which have cropped up in Chairpersons meetings and so. Basically the intention is that the work of all Theme Committees, this stage of the Constitution process should be finished by the end of the Parliamentary session on September the 15th. We have two weeks now dedicated CA activity and then we have the regular Monday's and so on along the way when Parliament actually starts up in a couple of weeks time. Now, I think it should be perhaps stated that there are several other committees that are further advised than us, but I think that we have a manageable block of work which we have to deal with and I think that basically the items that we have to deal with are the Reserve Bank - we have to finalize our deliberations on that. We have to deal with the financing fiscal commission. With the National Revenue Fund and any other matters. I think the state of play, with regard to all of those is that as far as the Reserve Bank is concerned, we have to receive this opinion. We have to deliberate once again on the draft text and we have to see where we are at after having gone through all the various processes of discussion and with the help of our Technical expert. We have to see where we are at in that process. I would say we probably have one day session that we need to devote to the Reserve Bank and then I think as far as this Committee is concerned, we will be finished with the Reserve Bank. The FFC - colleagues will recall that we took a decision, that we were going to work together with 3 and basically what this meant was that we would be deployed to

3 to work on the broader question of Inter Governmental Fiscal relations. Now the work plan of 3 does in visage dealing with this matter fairly soon. Certainly during these two weeks. What I would propose and this arises from what we decided at the end of last session, we decided, if you recall that parties would make their submissions covering both Inter Governmental fiscal relations and the FFC. Now this Committee is supposed to deal with the FFC. I would propose that we deal with this matter in parallel. That we begin a series of deliberations based on submissions which we have in this document. We ask our, we have a session of clarification, we ask our Technical advisor to begin to prepare the kind of report on the FFC submissions which he has prepared on the other items under discussion and that during this two weeks in parallel to what is going on the, in 3 - we begin to deal with the FFC. Similarly, the National Revenue Fund, you will recall that Cyrus have already prepared one of his tables on the National Revenue Fund, also this includes any other proposals on Financial Institutions and Public Enterprises. So this is the kind of catch all category as well. You will recall as well that we had nearly finished that and we could have gone through the discussion on this, however, there was a view that this should be held pending further discussions and deliberations on the Inter Governmental Fiscal relations. I feel that if we were to wait until the matter is completely finalized in 3, I think we are going to have a problem. What I think is, I think that all the parties, at least as I read it, most of the parties have considered the two matters together and I think that the parties views on these matters are now at a more solid stage and I would propose that we work

through a time table of working in parallel with 3 rather than waiting for 3 to complete its work on this and then we meet, because otherwise I think we are going to be, I don't think we will find the time - is going to allow for this.

UNKNOWN

Chairperson, just a - some information which may be helpful in your planning, because the Core Group of TC3 met yesterday. First of all there is a first draft report on Inter Governmental fiscal relations which has been prepared by the Technical advisors of TC3 with Prof Dennis Davis during the primary work on that particular report, so there is such a report which has been considered by nobody yet. There is a document. I left the Core Group in slight higheryesterday afternoon, I had to go off. In essence on Monday, this coming Monday, the intention is to consider the report, because there are 3 reports that TC3 still have to deal with. Local Government, Inter Governmental relations in a general sense and Inter Governmental Fiscal relations. The intention is to discuss those on this coming Monday with looking at the report by the Technical Advisors and in essence parties saying "yes" our position is correctly reflected or "no" our position is not correctly reflected in the report. So, just for your information, that's the specific position present in respect of TC3.

CHAIRPERSON

I should just say that the ANC has gone through a process of further reflection on our submission. We have made, I would call them developments or clarifications of some of our things that are rather cryptic in the initial thing and that submission will come along which will affect both 3 and 6.2, but it is much more relevant in respect to the process in 3. What I, I wonder

whether, I think we will have to basically use all the time that the CA has provided for us, which is essentially that we have a time table which looks something like this - today we meet in the morning, tomorrow we meet in the afternoon. Thursday we meet in the afternoon. Monday we meet in the afternoon. Tuesday we meet in the morning and so on. I think we are going to need to use the time - it is basically structured in such a way that there is not a clash with 3, so we can participate in the processes as it is going on in 3. I would propose that what we do is that we schedule a session. I don't know when people want to deal with the Reserve Bank. We can either deal with the Reserve Bank tomorrow or we can leave a day and if we leave a day, I would suggest that tomorrow we deal with the question of, we look through and we discuss with our Technical expert the positions on the FFC as they reflected in the party submissions. We ask our Technical expert to give us some kind of guidance as to when he can produce a kind of report equivalent to the Dennis Davis report on Inter Governmental relations, which hopefully we could be dealing with perhaps fairly soon after, maybe on Tuesday next week or something like that if 3 are going to be dealing with Fiscal relations, Inter Governmental Fiscal Relations. Maybe we could deal with the draft report that comes from Cyrus, sometime like Tuesday next week. Then next week, perhaps, maybe it will take one or two days to deal with that, we could then start also discussing the National Revenue fund and other matters towards the end of next week. I suspect that what is going to happen, is we will have the same process as what we are going to have with the other items - after we have submitted the report of the areas of agreement, areas of

contention, so on and so forth, we are going to receive a text - we will have to go through text. I would suspect that what we should then be using in the remaining 4 weeks doing the - when Parliament resumes, the Mondays, we should be devoting that time to text. So, I would suggest that we set as a target that we get to the point where we finish all the business before text. Before the discussion of text. Before Parliament resumes. Is that, does that sound reasonable to people? OK.

UNKNOWN

I think it is generally reasonable. I think you might want through the committee of Chairs or whatever these elevated bodies are - as I understand it, the 15th of September the CA meets and therefore the CC - the Constitutional Committee, will have wanted to consider our reports in time for them to be at the CA on the 15th of September which might mean that we are actually looking at making sure that we finish our work 10 days or even 2 weeks earlier. Now, I don't know the precise position, but I just suggest in the planning you might need to check that out, because I don't think the intention is that if we sat on the 14th of September and agreed a number of things, I think in terms of the process that would be seemed to be too late, because it would not then be able to go through to the CC and the CA.

CHAIRPERSON

I can just clarify that on the basis of something which I received yesterday. By that time you will be aware that Parliament will be sitting and the last meeting that is scheduled for Theme Committees is on Monday the 11th of September. In fact, by the Monday would be the last meeting and the 15th

is the Constitutional Assembly Committee. But I think we should aim to finish everything the discussion of the legal text and possibly if the legal text is ready before, lets be doing it before hand, so I think what we need to do is just to work out - would people think it would be reasonable to discuss the Reserve Bank tomorrow? Since we were prepared to discuss that towards the end of the last session.

UNKNOWN

Lets do it on Thursday please, because it will give us a little bit more and we also wait now for that 4.1 or the so called 4.1. I would like to see that opinion. If we can just get hold of it today so that we can just discuss it during, with my colleagues and other people with their colleagues tomorrow and if we can deal with that on Thursday I will appreciate it Mr Chairman. The main issue is to get hold of that opinion.

UNKNOWN

I am just not sure if I am aware of it. Do we have a schedule of all these meetings you are talking about that has been circulated, because I would want to suggest that we try not to, if necessary, if we expand the work in these two weeks rather go into the month where Parliament is sitting, because what we are also getting is a lot of indications of what we will have to do in that month and now you mentioning that Fridays are going to be CA days as well as Monday. I am not quite sure whether they are not asking the impossible of people in that one month, because if you are sitting Mondays and Fridays with CA and you have got the amount of Legislation that people are talking about, it is not sort of formalized. I am just not sure we are going to cope with the realities of that. I would ask whether we can't look at the schedule of these two weeks

and see if necessary to expand the time in these two weeks that we tackle the issues, so that we are not looking at going into that Parliamentary month where we going to end up in a situation, I know for myself on the 11th I am not here and I am sure quite a lot of other people are going to be affected similarly on quite a number of things, because of other commitments.

CHAIRPERSON

I have the advantage of having the schedule, maybe I should just explain a little bit how it looks. I think maybe what we should do, ask Pat to schedule it. There are meetings which are scheduled and if you remember, we are in 3 and 6 as well. I think we have to bear that in mind.

END OF THIS SIDE

THEME COMMITTEE 6.2

SARB & FFC DEFERRED - 1.8.95

TAPE 2 - SIDE A

Then, after Parliament resumes the Friday, the first Friday is

constitutional committee. That is the 25th of August. It is Constitutional Committees, not Constitutional Assembly. The next time Constitutional Assembly is down, as a possibility, is the 1st of September, but it could also be Constitutional Committees the way it is written down here. Friday the 8th of September is the same. It could be either Constitutional Committee or Constitutional Assembly. And similarly Friday the 15th is written in the same way. So only one thing is written down definitively as Constitutional Assembly.

BARBARA

Following what you are saying, I would say we should make a big push in these two weeks that we has the freedom to actually get this work behind us. I know that we are, what I want clarification firstly, we obviously have to wait a day or so for the opinion on the Reserve Bank so we can't kick off with that immediately. But the finance of the fiscal commission just looking at the submissions that has been made - I don't see major differences. I am making a premature opinion. For me it will just be a question of just putting together of what people is saying. I think we should move as fast as possible, probably get the Finance and Fiscal commission finished this week if possible. It would be good if we have it finished in preparation for the Monday meeting on the Finance and fiscal relations, because then we can immediately see the implications of whatever gets decided there for what we have decided here. So, that we are not going backwards and forwards with a parallel process. Where we actually completed it. So, I mean, if we could get the report on the Finance and Fiscal commission now, I know that Mr is fairly overlaiden, but have Dennis Davis done a comparative

thing on the FFC as well or is it just on Finance and fiscal relations?

CHAIRPERSON

I spoke to him. I can clarify it. I think he has overlapped a bit. I think we should get that. I spoke to Cyrus before hand and kind of alerted him. I think what we need from Cyrus, we need some indication as to how quickly he can move, because I think I am taking that to be the spirit of the meeting - that we should try to deal with as much as we can before the end of these two weeks and I think we can do it. As I say, I think that what we can do, we should make sure absolutely, that we get to the point where we write our reports and identify the issues by the end of this two weeks and if we have got anything to do at all in the remaining 4 weeks, it must be the discussion Constitutional Text which I am sure we will take a bit of time after we submit our reports. So, could we ask Cyrus to tell us how he feels.

CYRUS

Chairperson, I am quite happy to work full steam on this, but I don't know just how much contention and I just don't know how much paper there is on the FFC's specifically. I am quite prepared to try and get something done by Friday but I think there will then be a problem that whatever is done, people won't have a chance to read by the time they meet later this week. The other thing that I was going to commit myself to, is that is by Tuesday next week I can do sort of those chart type summary things on the FFC and Inter Governmental fiscal relations, based on the submissions that have come so far, but again it will only be available after the weekend. I don't know how much time people will have had then to read it.

CHAIRPERSON

May I propose the following, in that light, could I suggest that we meet tomorrow from 2 o'clock till 6 o'clock hypothetically. Tomorrow we go back to the chart that Cyrus did on the National Revenue Fund. Would that be acceptable? We go back some time ago, we will have to go back in our notes and so on. Cyrus drafted one of those charts on the National Revenue Fund. The submissions of the parties. Could we go through that and see in the light of where we are at at the moment, what the parties want to change, whether this is actually an adequate reflection of our current understanding. Could we do the National Revenue Fund and other matters? OK.

UNKNOWN

The only problem I will have with that, I am quite happy and ready to do the National Revenue, I am quite happy and ready to do any of them, but is simply that you will recall, at that time there was a misunderstanding - that the DP at least and maybe others, I can't speak for others. I think at least one or other of the parties also held the view, was that, was under the impression we were only required to comment on Public Enterprises and not on National Revenue Funds. That was a few months ago in sort of March and April. That report, therefore, did not naturally include any of the positions that, for example, the DP has on National Revenue Fund. We have subsequently during June made our submission on that subject and in fact others have made further submissions on that subject. Maybe a preliminary discussion maybe useful. On the other hand, I think one must accept that the chart one is looking for is going to be substantially deficient simply because the information wasn't available when that chart was

drawn up. So, if we bear that in mind, I have no objection in discussing National Revenue Fund tomorrow, but I think one must accept in the sense that it is not going to be a minor modification of the chart, because major chunks are not going to be there.

CHAIRPERSON

I accept that. I agree with, I think that is right. What I think we need to do, I think we need to ask Pat, I think it is probably only going to be possible that she can bring it to the meeting tomorrow. If Pat could compile a document which includes the original chart on the National Revenue Fund, the submissions that went along with that and additional submissions. Then I think we can begin to see tomorrow what the work looks like. Lets start of then, tomorrow we are discussing the National Revenue Fund. On Thursday, we are discussing the Reserve Bank.

UNKNOWN

Mr Chair, can I ask you a favour? Always say this time and that time - we haven't got that. Just say when.

CHAIRPERSON

OK, Thursday is also 2 o'clock to 6 o'clock. I think we can meet in this room all the time. It is Wednesday afternoon. Sorry, today is Tuesday. Tomorrow is Wednesday. So, tomorrow is Wednesday afternoon, National Revenue Fund. Thursday afternoon, Reserve Bank.

UNKNOWN

May we assume both those meetings at 2 o'clock and unless we here the contrary, they are both here.

CHAIRPERSON

I think we can assume that. Monday afternoon, again, is our

slot. Monday morning we will have had the discussion in 3 of the Dennis Davis report. Monday afternoon we would ask Cyrus if he could lead us in the initial discussion on the FFC. For Cyrus's information, this document which we have for today is a compilation of all the party submissions plus, including all other submissions that were previously submitted, so it is not just the latest ones. It is also some of the earlier ones. That is what we have got here. I hope that the ANC has revised modification will also be ready by that time as well, so that Cyrus can have that at hand as well. So we will begin the FFC process. I think perhaps if we could say that the rest of the work schedule, Tuesday onwards let us deal with when we see what has happened as a result of those meetings. Wednesday next week is a holiday.

UNKNOWN

I wonder if I could ask, that we try to start the meeting on Monday slightly later than 2. I have a meeting in Pretoria which ends at 10.30 on Monday morning

CHAIRPERSON

So, what time would you suggest?

Three o' clock

CHAIRPERSON

So, on Monday it is 3 o'clock.

I think, let us see what remains outstanding from the first three days, in other words, let us say at the end of Monday, let us review at where we are at. What needs further discussion. In principle we have got 4 hours for each of those meetings and I think we should try to use up as much time as we actually

need to get the work done.

JILL

Just give us the other time slots that are available so that we try and keep that free, because otherwise - is it morning or afternoon on Tuesday and Thursday?

CHAIRPERSON

It is morning on Tuesday 8.30 to 1.00 as a matter of fact, on Thursday we are not given a slot. Because there are party caucuses and the other batch meets on, in the afternoon at 3. I think we will have to find that out and it depends on what 3 is doing. Ken, you are involved in the rest of 3 in Fiscal relations.

BARBARA

I would imagine that the bulk of our discussion is going to be around Finance and Fiscal relations in 3 and we will probably be leading the discussion there anyway and we not going to get that completed in one afternoon, so I would say that if there is nothing else scheduled besides that Thursday afternoon, we might have to take another slot to finish off the Finance and Fiscal relations. I would agree with you, lets wait and see how things came out before we plan next week.

CHAIRPERSON

I just noticed from the time table, I didn't actually realized this as well, that it seems like Parliament is resuming on a Wednesday from this, because the Monday the 14th of August and Tuesday the 15th of August are also down for Theme Committee.

BARBARA

The 15th of August we are resuming as far as I've been told.

UNKNOWN

That was always intended, the Tuesday, but I agree with you. I have seen that schedule. We are talking about. That is the first time I ever saw that the CA activities were scheduled right through that Tuesday. On what basis that is, I don't know. Monday and the Tuesday.

CHAIRPERSON

We have got that Monday as well.

BARBARA

Just for the information then, we have already scheduled work for the standing committee on finance for the Tuesday.

CHAIRPERSON

We will work on the assumption that the last slot in this two weeks is the 14th, the Monday. Which is a normal CA day. So, we will leave that outstanding. We will see if we can find some other, if we need some other - we also have the Fridays as well. There is a CC, but it may be that there is reports going to the CC from time to time which I will have to go there. It may also be that we can use some of that time.

UNKNOWN

Chairman, still, Barbara's point of next Tuesday. Today a week. 8.30 to 1.00 is still open and she asked about the FFC to carry on from the Monday to the Tuesday. Can we do it? Just for our own, it is not to say that we will stick to the rules of if we decide to take, but lets keep it as FFC day. On I don't know what the date is. Let me have a look.

CHAIRPERSON

I suspect that will be the case, but you know, there is also the remainder of the National Revenue Fund to deal with as well, so it may be that it is one of the other. It probably will be at least some FFC, but it maybe the FFC combined with the rest

of National Revenue.

UNKNOWN

Because the Thursday is out in any case. The Friday, I don't know - CC the 14th of August will that then be most possibly a FFC day?

CHAIRPERSON

I think what we said initially, I think we should just stick to that. We have one day each for the three Themes and then the remainder of the days are for what's left of what have to be done.

UNKNOWN

Can I just ask - what is the 14th. A morning or an afternoon session?

It is the afternoon

BARBARA

I appreciate this sort of time to manipulate with other committees but I really do feel that we need to look at - if this is the time availability, some kind of evaluation early one - whether we are going to complete in this time allocations and if not, if we do not negotiate, what else we do. I would really hate us to be going into the weeks after that with these matters and I am not saying we have to take a decision now, but perhaps in terms of once we are getting some indication from Cyrus and from ourselves, about the documentation, the work, what time scope we actually need to complete it, and then see whether we don't allocate additional time or ask for additional time or see what else we do. Because otherwise I am hesitant that we are going to be scrabbling around between all kinds of things and this thing drags on and in fact I think we can

complete it in this two weeks.

CHAIRPERSON

I am a bit unhappy as there is nothing on the Thursday, the Thursday the 10th. I think we should perhaps, early next week, depending on how we go - I actually think in some ways we can finish without the Thursday, but if we do need additional time, lets make that the time we try and negotiate that for.

UNKNOWN

Because the Thursday was always open, I would like to back you Mr Chairman, we keep it open because we arranged other meetings for that Thursday. Party meetings, that is my problem. We are sitting on our side. Because we have heard that the Thursday was for Caucus and other meetings. I just would like - I know we are pressed for time. Rather let we say, if it is possible, I don't know - if it is possible that we come back Monday the 7th of August the morning and afternoon session or something like that. The Tuesday the 8th, the morning and afternoon session.

BARBARA

I think, Pat can possibly find out after this meeting, but I think we should try and find out how many full day sessions we can have. Because if we can get it over and done with, lets get it done fast. I think it would be only one or two of us who would have other commitments then.

CHAIRPERSON

We can't have a full day session, because there is the other block, that is 3.

BARBARA

On every day?

CHAIRPERSON

On every day. We are, the thing is arranged the following way - Theme Committee 4, 5 and 6 are together and 1, 2 and 3 are together. That was the sort of clash parties had and people like Ken are in 3. When we are given an afternoon slot, the morning is devoted to 3.

BARBARA

Is that every day?

CHAIRPERSON

It is every day organized. If we have the afternoon slot, 3 is in the morning and if we have the morning slot, 3 is in the afternoon.

BARBARA

I think that, what I think I am trying to suggest and others are as well, is that we look at the Fridays, let us look at the evenings, let us look at different timing. Because I think, that this is going on and on and on and you are finding it is incomplete and you get busy with other things. If we can't look at, none of our time looks at Fridays. What our possibility is of using a Friday and I mean, I think if necessary we go in to 7 or 8 or 9 o'clock and lets try and get something finished.

CHAIRPERSON

I agree with that. Lets certainly use the 4 hours and not just have an hours meeting during the slot. Let us consider, there is a possibility. Let us see when we come to the National Revenue Fund, the Reserve Bank, if we need to jump over to Friday this week. We can't use the Friday for the FFC, because Cyrus has told us that the report will be ready on Monday, after the weekend. We could, I suppose, we could begin an initial - I actually think, my judgement to this is that we can deal with it in the time that we have got. That is my

judgement. I don't know if people share that. I am looking at the submissions on the FFC - I don't actually think, I think there is some quite big differences and problems and Inter Governmental Fiscal relations. I don't think on the FFC there is a lot of huge matters. I actually think that we can deal with it fairly expeditiously. The other things I think similarly. But, let us see after tomorrow and after Thursday whether we need to use Friday. Would that be acceptable to you?

UNKNOWN

Chairperson, I have actually have a very big problem this Friday. I have party meetings all day this Friday.

CHAIRPERSON

Do we agree that we will, when we devote a session to a particular matter, that if need be, we will sort of carry on after the of 16.00 and 18.00 hours. We will finish the matter? Like for example, I think on Thursday the 3rd of August, we will finish the Reserve Bank and we will not come back and discuss the Reserve Bank again. Is that agreeable?

YES

CHAIRPERSON

That is our target. Right.

UNKNOWN

Chairperson, if you finished the section on the programme, may I just ask, I except you are slightly spoon feeding, but the volume of documents and stuff that we have got and particularly on more than one Theme Committee, is somewhat overwhelming. I would be very grateful when we get notices of meetings or agendas from now onwards, if at the bottom we could have a section, document required and a reference to

number 24 and the date and something, simply so that we don't I don't find that I come to a meeting and I have actually brought the wrong document. I have brought draft number 3 instead of draft number 5 or something like that, because I accept it is slightly spoon feeding, but I would be very grateful if we could do that so that one knows that is what one are talking about. For example, although you were asking Pat to compile a composite one, there is a report of many months ago that you want us to discuss under the National Revenue Fund tomorrow. If we can have specific references of the documents required for discussion, I would be grateful.

CHAIRPERSON

I think for tomorrow, its a little unlikely that the marks building (?) Will receive its notice on time. So let us just say for tomorrow what we, what Pat will bring to the meeting, tomorrow, but perhaps what people should do themselves is to go back and find the document, I know what it is like, I have a bigger one like that too. It is over my head. That we should try to get the compilation that Cyrus did of the National Revenue Fund table and then we know there are additional submissions. If we can find them we can find them, otherwise Pat will bring them. Pat just wants us, just once again, just for final clarification, because again the notices may not go out and all of that, tomorrow 2 o'clock we are dealing with the question of the National Revenue Fund. This room unless you hear to the contrary. Thursday, 2 o'clock, this room unless we hear to the contrary, the South African Reserve Bank if need be, we go into the late evening. Monday, 3 o'clock, this room unless you hear to the contrary, the Finance and Fiscal commission. Tuesday the 8th, 8.30 probably the Finance and

Fiscal commission but it is also possible that we decide to refer some matters from the National Revenue Fund to that day and also some matters from FFC. OK. Wednesday the 9th of August, it is a public holiday. Thursday the 10th of August, we would see if there is a possibility, it might require some negotiation with 3, it depends on 3. In fact, we will have to see what the situation there is. We would see if we could negotiate some time with 3 perhaps.

UNKNOWN

Chairperson, may I say in respect of that, I think it is unrealistic to expect Theme Committee 3 to finish its discussions on Inter Governmental Financial Relations together with other things in one morning - this coming Monday and therefore what might be a good idea, is to suggest to Theme Committee 3 that the continuation of that discussion be on Thursday, I have lost count of the dates now, but Thursday the 10th because I am quite sure it will have to be at least a second session of discussion on Inter Governmental Financial Relations and if we request them in advance it means we then insink and we are not wasting that afternoon, because they are doing something which we are not interested. So, that may be a useful way of making sure we utilize our time.

CHAIRPERSON

Yes, OK

UNKNOWN

Mr Chairman, before we leave this point, can we ask our advisor, through you, how Cyrus, to be specific when he draws up his report to us. I think there is a little bit of an overlap and between 3 and 6.2 on the FFC. Would he pinpoint for us exactly what was expected originally of 3 and what is our

assignment in 6.2. Because looking through it yesterday, I think 6.2 was more or less only about the composition and the rules and regulations related to the FFC. That Cyrus, if yes, what you call the chart he is going to draft, specifically says, although we receive because every one, also the parties, we also did it. It is very difficult to divide between the two aspects. We also overlapping our submissions. That this must be addressed by 3. This is for 6.2 and this is an overlap, so that we know exactly where we are going. I think it will speed it up and it will make it easier for us to address the problem.

CHAIRPERSON

OK, we can ask Cyrus, but I think that in actual fact, all the parties have understood what the situation is. Roughly speaking, the clauses paralleling sections 198 to 206 of the Interim Constitution of what we have to deal with. They concern the powers, functions, role of the FFC. The point is that I think everybody felt that its views on those were to some extent, had to be informed by its views of Inter Governmental relations. We are not concerned with the substance of Inter Governmental relations, financial relations in this committee. That is dealt with in 3. You are correct, its the powers and functions of the FFC fundamentally.

BARBARA

I also mentioned to Cyrus that he should get hold of Dennis Davis's document because I think most of the work has been done already in terms of the summary. Dennis has done a summarized stipulation already. But Pat could assist him on that. Secondly, the documentation on the National Revenue Fund, would it be possible at all to get it tomorrow morning or even this afternoon? I don't want to pressurize it. I would

want to work on it tonight if possible. Is that possible, or is it terrible pressures?

CHAIRPERSON

Pat will do her best. I think that is a good idea. I am just trying to say what I think. I don't know about photo copy and all that, but if Pat can do it by this afternoon or tomorrow morning, that will be fine. I think if we could move on colleagues, this will be the last short meeting.

6 on the agenda is just party submissions and other individuals and organization submissions.

7 is any other business. Is there any other business? Then I think for the last time in this two weeks we can end early. Thank you.

End of this tape.