

**AFRICAN NATIONAL CONGRESS SUBMISSION
ON PROPOSED TERMS OF REFERENCE FOR
THE T.E.C. SUB-COUNCIL ON FINANCE**

FUNCTIONS

- 1 The TEC Sub-Council on Finance (the SCF) will, notwithstanding any other law:-
 - 1.1 acquaint itself with recent economic developments, economic policy objectives and targets for the medium term and more particularly, for the ensuing 1994/1995 fiscal year;
 - 1.2 be entitled to representation on all function and budgeting committees with a view to ensuring that funds are not applied in a manner favouring any political grouping participating in the election of a democratic government and, if warranted, report its finding to the Transitional Executive Council;
 - 1.3 receive reports indicating detailed departmental and regional costed expenditure as well as reports regarding expenditures against budgeted amounts;
 - 1.4 be required to approve any measures designed to rationalise treasury functions in the process of realignment of government structures during transition;
 - 1.5 make recommendations to the Transitional Executive Council and to the relevant departments concerning the privatisation or tendering out of functions currently performed by relevant departments of state;
 - 1.6 direct the auditor-general to investigate allegations of general or specific

corruption and inefficiency, and will direct the auditor-general to report back to the sub-council upon completion of such investigation;

1.7 be entitled to recommend the disciplinary measures including suspension and/or dismissal of public servants who fail to perform their tasks within the necessary guidelines relating to financial discipline and unauthorised or improper expenditure;

1.8 in regard to the 1994/1995 fiscal year be required to approve :-

1.8.1 the overall level of state expenditure;

1.8.2 the composition of expenditure - security, social, economic and general government broken down into capital and recurrent expenditure;

1.8.3 the level and composition of any taxes to be collected;

1.8.4 the financing of the budget deficit;

1.8.5 the contingent liabilities of government.

1.9 make recommendations regarding the overall efficiency of state expenditure.

2 In the execution of its terms of reference the SCF shall:-

2.1 have access to all relevant information available from departments of state, the South African Reserve Bank, the Central Economic Advisory Service, the Tax Advisory Committee and the National Economic Forum;

- 2.2 shall be entitled to research or otherwise acquire for the account of the political parties represented on the SCF such other information not available from the sources mentioned in paragraph 2.1 above;
 - 2.3 shall have access to information regarding disbursements made from the secret funds operated by the government in order to determine whether a particular political party is being favoured.
- 3 The SCF will be required to approve:-
- 3.1 any new appointment in the public service of a person to the level of director or above;
 - 3.2 any new international financial agreements with any foreign government or international agency;
 - 3.3 all fiscal transfers to the tiers of governments, central departments, national states and self-governing states.