REPUBLIC OF SOUTH AFRICA

ADDITIONAL POST OFFICE APPROPRIATION BILL

(As introduced in the National Assembly)

(Minister of Finance)

[B 12—98]

REPUBLIEK VAN SUID-AFRIKA

ADDISIONELE POSKANTOORBEGROTINGS-WETSONTWERP

(Soos ingedien in die Nasionale Vergadering)

(Minister van Finansies)

[W 12—98]

BILL

To appropriate additional sums of money for the Universal Service Fund and the Human Resources Fund to be utilised for the purposes prescribed by the Telecommunications Act, 1996, in respect of the financial year ending 31 March 1998.

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

Appropriation of additional money for the Universal Service Fund and Human Resources Fund

1. Subject to the provisions of the Post Office Act, 1958 (Act No. 44 of 1958), and the 5
Telecommunications Act, 1996 (Act No. 103 of 1996), there is hereby appropriated, out of the Post Office Fund, in respect of the financial year ending 31 March 1998, as a charge to the Post Office Account, for the requirements of—
  (a) the Human Resources Fund, an amount of R5 million to be utilised for the purposes prescribed by section 79 of the Telecommunications Act, 1996, in 10 addition to the amount of R3 million appropriated in the Post Office Appropriation Act, 1997 (Act No. 2 of 1997); and
  (b) the Universal Service Fund, an amount of R10 million to be utilised for the purposes prescribed by section 66 of the Telecommunications Act, 1996, in addition to the amount of R3 million appropriated in the Post Office 15 Appropriation Act, 1997.

Short title

2. This Act shall be called the Additional Post Office Appropriation Act, 1998.

MEMORANDUM ON THE OBJECTS OF THE ADDITIONAL POST OFFICE APPROPRIATION BILL

The principal object of the Bill is to provide for an appropriation of R5 million and R10 million, respectively, out of the Post Office Fund, in respect of the financial year ending 31 March 1998.

The Telecommunications Act, 1996 (Act No. 103 of 1996), makes provision for a Universal Service Fund and a Human Resources Fund in chapters VIII and X. Contributions to the Human Resources Fund and the Universal Service Fund should be paid into the National Revenue Fund as prescribed by sections 65 and 78 of that Act. In terms of sections 65(3) and 78(3) of that Act grants and subsidies paid from the Human Resources Fund and Universal Services Fund shall be financed from money appropriated by Parliament for that purpose.

In terms of a Treasury Committee resolution on 14 October 1997 and Cabinet approval thereof on 22 October 1997, Telkom SA Limited will contribute R5 million to the Human Resources Fund, which will be paid into the National Revenue Fund and credited to the Department of Communications as required by section 78 of the Telecommunications Act. This is in addition to R3 million already budgeted for in respect of the Human Resources Fund during the 1997/98 financial year. Due to late submission Cabinet could not approve licensee contributions of R10 million made to the Universal Service Fund. As a result the matter was referred to the Department of State Expenditure which approved the R10 million in terms of Treasury instruction X1.2.1 for appropriation in the Adjustments Estimates during February 1998. This is in addition to a R3 million already budgeted for in respect of the Universal Service Fund during the 1997/98 financial year. The R10 million contribution will also be deposited into the National Revenue Fund.

In order to give effect to the payment of money from the Department of Communications' Post Office account for Human Resources and Universal Service Fund purposes, respectively, the Bill is necessary as provided for in section 12F(2) of the Post Office Act, 1958 (Act No. 44 of 1958).

In the opinion of the Department of Communications and the State Law Advisers this Bill should be dealt with in terms of section 75 of the Constitution of the Republic of South Africa, 1996, as it is a money bill.