PARLIAMENT OF ZIMBABWE

SECOND REPORT

OF THE PORTFOLIO COMMITTEE ON EDUCATION, SPORT AND CULTURE ON THE HALF-YEAR BUDGET PERFORMANCE REPORT FOR THE MINISTRY OF HIGHER AND TERTIARY EDUCATION

SECOND SESSION, SIXTH PARLIAMENT

Presented to Parliament – November, 2006

[S. C. 35, 2006]

ORDERED IN TERMS OF S. O. NO. 151:

(1) At the commencement of every session, there shall be as many select committees to be designated according to government portfolios to examine expenditure, administration and policy of government departments and other matters falling under their jurisdictions as the House may by resolution determine and whose members shall be nominated by the Standing Rules and Orders Committee. Such nominations shall take into account the expressed interests, experience or expertise of the members and the political and gender composition of the House.

(2) Each select committee shall be known by the portfolio determined for it by the House.

TERMS OF REFERENCE S.O. NO. 152:

Subject to these Standing Orders, a portfolio committee shall –

(a) consider and deal with bills and statutory instruments or other matters which are referred to it by or under a resolution of the House or by the Speaker;

(b) consider or deal with an appropriation or money bill or any aspect of an appropriation or money bill referred to it by these Standing Orders or by resolution of the House; and

(c) monitor, investigate, enquire into and make recommendations relating to any aspect of the legislative, budget, policy or any other matter it may consider relevant to the government department falling within the category of affairs assigned to it, and may for that purpose consult and liaise with such department;

(d) consider or deal with all international treaties, conventions and agreements relevant to it, which are from time to time negotiated, entered into or agreed upon.

ANNOUNCED: Tuesday, 19th of July, 2005

That the Committee consists of the following:

Hon. J. Madubeko, Hon T. H. Maluleke, Hon. E. Maziriri, Hon. N. Mguni, Hon F. G. Mhashu, Hon. L. Moyo, Hon Prof. J.N. Moyo, Hon. L. Mupukuta, Hon. W. Mutomba, Hon. G. Mutsekwa, Hon. C. Pote and Hon Chief N. Z. J. Shana.

Hon. F. G. Mhashu to be Chairman

ANNOUNCED: Thursday, 23rd February 2006

That the Committee consists of the following Senators:

Hon Senator A. Chimbudzi, Hon Senator J. J. Chindanya, Hon Senator S Mkusha and Hon Senator Chief Sengwe.

1. **Introduction**

1.1 The Portfolio Committee on Education, Sport and Culture undertook a review of the 2006 half-year budget performance for the Ministry of Higher and Tertiary Education. The purpose of the review was to ensure accountability in the use of public funds, identify any challenges faced by the Ministry and make recommendations for improvement. The monitoring of the budget performance is in line with the budget process and it also enhances the representative role of the Members of Parliament

2. **Methodology**

2.1 The Committee received the half-year budget performance report from the Ministry of Higher and Tertiary Education. The report was analysed before the Committee invited the Ministry officials to shed light on some of the issues raised in the half-year budget performance report and apprise the Committee on the impact of the Supplementary budget on the Ministry's finances. The interaction with the Ministry officials gave the Committee an insight into some of the challenges faced by the Ministry and assisted in the effective monitoring of the Ministry's half-year budget performance. The Committee appreciates the cooperation it received from the Ministry officials and hopes that the cooperation will result in a participatory, transparent budget making and monitoring process.

3. **Major objectives for 2006**

The Ministry of Higher and Tertiary Education informed the Committee that its major objectives for 2006 were as follows:

- To promote and develop committed and patriotic Zimbabweans through education and training.
- To promote and develop innovation and entrepreneurship through higher and tertiary education.
- To spearhead the systematic development of University Education in Zimbabwe.

- To initiate and develop policy and provide advice, coordination and facilitate the participation of Zimbabwe nationals in UNESCO activities, projects and programmes.
- To enhance the resource base and management of tertiary education and training.
- To review labour market trends and project the manpower needs of the country and,
- To strengthen life skills education including HIV and AIDS.

The Ministry received a budget allocation of $ 7.183 billion (re-valued) in order to achieve the above objectives and it is against the above allocation and objectives that the Committee monitored the budget performance of the Ministry of Higher and Tertiary Education.

4. Overview of Half Year Budget Performance

4.1 The Secretary for Higher and Tertiary Education informed the Committee that the volatile macro-economic environment during the first six months of 2006 had adversely affected the implementation of the targeted activities and programmes. The Committee was also informed that budget allocations for most line items fell far short of the required funds and the Ministry ended up overspending on line items such as rentals and hire expenses. The Ministry had to embark on innovative solutions in order to augment funds from the fiscus. The Committee noted with concern that by June, about 75% of the 2006 budget allocation had been spent, which was above the 50% target for the first six months. The expenditure patterns for the various line items are highlighted below.

4.2 Administration and General

The Committee was informed that the allocation given in respect of administration was inadequate hence the Ministry could not purchase items such as bond paper, photocopier toners and basic stationery. By

June, the Ministry had spent $75.4 million out of the $81 million allocation for the whole year and this translates to 93%. In respect of domestic travel, the Ministry spent the entire allocation of $3 million within the first five months of the financial year. For rental and hire expenses, the Ministry received an allocation of $1.1 million but ended up spending $11 million.

4.3 Teacher Education

The Teacher Education line item was allocated $753 million and by June $653 million or 86% of the total allocation had been spent. In fact, the Committee was disturbed to learn that owing to a shortage of funds under this line item, Joshua Mqabuko Nkomo Polytechnic went without water supplies for two months after ZINWA disconnected the water due to non-payment of bills.

4.4 National Council for Higher Education

This line item did not receive any funding in the original budget estimates for 2006 and this lack of funding had a negative impact on the operations of the Council whose mandate is to monitor standards in Universities. During the period under review, the Ministry failed to purchase 24 computers, which were required by the Council for the registration of Universities and the creation of audit units for proper quality assurance in Universities. Although the Council subsequently received $50 million in the supplementary budget, the Committee is of the view that the funds are inadequate if the Council is to effectively carry out its mandate.

4.5 UNESCO subscriptions

During the period under review, the Ministry had problems raising funds in respect of subscription fees for UNESCO. However, the Committee was gratified to learn that the subscriptions had since been paid. The importance of paying subscriptions to international organisations like

UNESCO cannot be over-emphasized given the benefits that accrue from such membership. The National Commission for UNESCO was able to mobilise foreign currency amounting to US $986 701 through the sale of UNESCO fuel coupons. The Committee commends the Ministry for mobilising the foreign currency at a time when the country is facing serious foreign currency shortages. The Committee was informed that the foreign currency was used to pay fees for students studying abroad. It is thus incumbent upon the relevant authorities to ensure that adequate funds are made available for the payment of UNESCO subscriptions so as not to jeopardise Zimbabwe's membership.

4.6 **Observation**

From the foregoing outline of the Ministry's financial performance during the period under review, it is clear that the Ministry had serious financial constraints, which affected its operations. The Committee observed that some of the planned activities were not undertaken due to budgetary constraints.

5. **Income-generating projects at Tertiary Institutions**

The Committee was pleased to note that the Ministry had embarked on innovative solutions to address the critical shortage of funds at various Tertiary Institutions. To this end, income-generating projects were introduced at Universities and Polytechnics. Below is a table indicating the production activities at Polytechnics and the amounts generated.

Income-generating projects in Polytechnics

Polytechnic	**Production Activities**	**Amount Raised (revalued)**
Kwekwe	Mechanical engineering projects e.g. dust and moisture extracting cyclone (Sable Chemicals); Flexwell conveyer (Unilever);	**$$615 914**

	Ventilation system (David Whitehead); Electro Hydraulic System (Zim Alloys); Automotive repairs, electrical repairs, adult courses, brick making project	
Bulawayo	Plumbing repairs at Engutsheni and United Bulawayo hospitals, installation of plumbing system at Brethren in Christ, burglar bar fabrication and fitting for computer lab at Mavela Secondary School, construction of basketball and volleyball courts at ETEC school, refurbishment of sports field and electrical installation at SOS High School and building repairs at KG 6 Rehabilitation Centre.	**$4.498 million**
Harare	B Tech Chemical Engineering manufacturing toothpaste, liquid soap, organic fuel, bio diesel; peanut butter making machines, grinding mills, lawn mowers, irrigation equipment, ox drawn water carts, boardroom furniture, house construction under Operation *Garikai/Hlalani Kuhle* in Hatcliffe, hire of facilities electrical repairs and making wedding gowns.	**$33.182 million**
Masvingo	Automotive repairs, electrical repairs, mechanical repairs and fabrication, horticultural activities, construction and repairs, hairdressing and hire of facilities.	**$5 million**
Gweru	Motor vehicle maintenance, computer short courses, steel and metal fabrication and motor vehicle repairs.	**$300 000**
J.M. Nkomo	Production of vegetables and chickens,	**$1.282**

	furniture making, construction of houses, motor vehicle repairs and ICT courses.	**million**
Mutare	Furniture making, construction of Mutasa Post Office, repairs of motor vehicles, refrigerators and farming equipment.	**$22.5 million**

The University of Zimbabwe and NUST realised $85 million and $120 million respectively from their income generating activities. The Midlands State University and NUST raised substantive amounts from their parallel programmes, a concept which was borrowed from East Africa. The parallel programme is also an incentive for lecturers as they earn extra remuneration for the evening courses. The Harare Institute of Technology is also doing well in terms of innovative measures to augment the fiscus. HIT is producing yoghurt and mineral water and all sorts of electrical gadgets. The Chinhoyi University was allocated 160 hectares of land and was able to produce 250 tonnes of seed maize. The Ministry had embarked on the process of acquiring pieces of land for Tertiary institutions to enable them to engage in income generating projects to augment funds from the fiscus. The Committee thus applauds the Ministry for its efforts raise funds to augment its national budget allocation and urges it to ensure that all Tertiary Institutions engage in income-generating projects.

6. Recommendations

6.1 Cognisant of the challenges faced by the Ministry during the first half of the 2006 financial year the Committee makes the following recommendations:

- The Ministry of Finance should ensure that funds allocated to Ministries are released timeously in order to hedge against inflation.
- The Committee commends the income generating projects at various colleges and strongly recommends that this innovative solution to augment funds from the fiscus be introduced at all Tertiary institutions.

- The introduction of parallel programmes at NUST and Midlands State University is highly commendable and the Committee recommends that other Universities introduce parallel programmes in order to generate extra income instead of relying on the fiscus.

7. Conclusion

7.1 The Committee appreciates the cooperation that it received from the Ministry and is hopeful that the Ministry will overcome its challenges and fulfil its mandate.