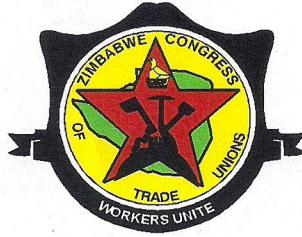


ZIMBABWE CONGRESS OF TRADE UNIONS (ZCTU)

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05 August 2019
For immediate release

PRESS RELEASE

RE: ZCTU STATEMENT ON THE 2019 MID-TERM FISCAL POLICY REVIEW AND SUPPLEMENTARY BUDGET STATEMENT

The Zimbabwe Congress of Trade Unions (ZCTU) is seriously concerned with the negative effect of the 2019 Mid-Term Fiscal Policy Review and Supplementary Budget Statement presented by Finance and Economic Development Minister Mthuli Ncube on 1 August 2019.

The supplementary budget, instead of giving hard pressed Zimbabweans some room to breathe, proposes a host of tariff hikes that will further impoverish Zimbabweans.

In particular, increases such as ZESA tariffs by over 273%; tollgates fees by 500%; Public Service vehicle Operators' licence; Route Authorisation fees and ZINARA Services, will simply mean that these costs would be passed on to the consumers. Already transport fares have shot over the roof as a result of fuel price increases. Basic commodities are also set to further rise steeply in response to the fuel price increment.

Even the "Cash in and cash out" has not been spared as it is now also subject to 2% tax.

The upward review of income tax threshold from \$350 to \$700 is meaningless considering the fact the cost of living is way beyond that.

More shockingly, the Minister directed that Zimstat stop publishing year on year inflation results. This reminds Zimbabweans of the hyperinflation era when the authorities placed a ban on publishing inflation figures to hide the truth from the public.

The ZCTU believes the budget framework is not pro-poor and pro-growth in terms of expenditures and incentives. The ZCTU demands that Members of Parliament critically look at the proposed budget and not just rubber stamp the proposals as is the norm.


Japhet Moyo
SECRETARY GENERAL