

Heather Sibungo, MP.

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Hon. Speaker, Hon. Members

On the budget before us today, allow me to first and foremost commend the minister of Finance and that of National Planning Commission, the Consultants and their team for drafting this important piece of legislation and for being **innovative in identifying some areas on which policies** are to be made to curb possible threat to our economy.

The consensus among fair and right thinking Namibian is that the 2017-18 budget is a positive proof that many of the **government's key policies were and continues to be successful, and are bearing fruits.**

The budget before us is also a **testimony of our government's commitment to fiscal prudence.** The fiscal consolidation measures and fiscal reforms announced in the budget speech remains critical to ensure prosperity of our nation. Indeed so and despite the emerging challenges due to persistence of some inherited structural deficiencies, **Honourable speaker**, Namibia is measurably better off today than it was 27 years ago. This was made possible because of the targeted fiscal intervention through the various budgets in the past.

As the theme of the budget goes *"making impact where it matters"* Government continues to allocate funds where it's needed most in line with the pressing matters of the day. In this manner, the Minister should be commended for upholding the Governments inclusive growth agenda via this budget speech. At the centre of this budget is a **consolidated pro-growth dimension.** The funding strategies proposed in this budget are the right ingredients that Namibia needs to achieve the optimal recipe that will be able to help government respond to the structural challenges that affects the development potentials.

*Hon speaker*  
Hon. Members

As a Parliament, a **country's most representative institution**, we have a prominent role to play in the budgetary process. It is within our mandate to scrutinise and evaluate budget proposals to ensure that they adequately reflect the government's implementation of its developmental plans contained in the **Vision 2030, NDPs, and Harambee Prosperity Plan (HPP).** To this end, I call all members to critically aim at seeking a deeper appreciation of the policy measures proposed in this Budget. The budget is by far the most important legislative act that any parliament adopts in the course of the year, because it involves the taxation of the people, using the taxpayers' money for the good of the people. It is extremely important, as you all know that the people's elected representatives have an opportunity to debate that and to influence that policy, so that it truly reflects the wishes of all the people.

Honourable Speaker

Hon. Members

The government should be commended for its steadfast focus on **social wellbeing of its citizen**. Since Government declared war on poverty substantial amount of funds have been rightfully allocated to the social sector. This is in recognition of the fact that unless the poor masses are lifted out of poverty, there can never be a **"NAMIBIAN HOUSE"**

**"Poverty is like a punishment for a crime you didn't commit"** so Namibians cannot continue to be punished for the crime they didn't commit and that's why government's efforts to eradicate this social evil must be supported by all peace loving Namibian.

**The government is to be commended also on the achievements it has made on the fight against social inequality in Namibia.** As part of the fight against this evil, I commend government for increasing Old Age Pension by an additional N\$100.00 to N\$1,200.00 per month.

Honourable speaker,

The way forward is clear for us, but we know that it will also be bumpy. Our budget should take into consideration of ~~the ever changing challenges.~~ <sup>dynamic economic trades.</sup>

- i. **Firstly**, stronger economic growth will remain unattainable because global growth continues to be flat arising from a rebalancing of the Chinese economy and the normalization of the US monetary policy, while domestically, Namibia was experiencing drought conditions.
- ii. **Secondly**, Weak growth is expected through to 2017/18. This necessitates a 'growth friendly' fiscal consolidation because sound public finances is a prerequisite for national development and will create a solid foundation for long term development.
- iii. **Thirdly**, structural policy implementation is needed to address human capacity issues, the rapid rate of urbanization and to revive the pace of productivity.
- iv. **Fourthly**, the slower growth and weak currency means that Namibia risks a downgrade by ratings agencies to non-investment grade which would increase the cost of borrowing and trigger a sell off from institutional investors.

### Hon. Members

Before I conclude, allow me to highlight some of the issues that I wish the house should seek clarity and further illumination on;

- i. What would kick start the economy given that the anticipated growth rate would not be achieved?
- ii. What policy issues needed to be addressed to make Namibia a more investor friendly destination because people seems to not feel comfortable to invest here currently?
- iii. Is Namibia able to withstand further economic shocks or had it become complacent and is it competitive enough?
- iv. What is really meant by growth friendly fiscal consolidation?
- v. What measures are in place to address the ballooned civil service and the subsequent unsustainable wage bill?
- vi. Had Ministry of Finance quantified the spending pressures to State Owned Enterprises?

### Hon. Speakers, Members

In conclusion, the budget before us is indeed a true representation of our people's need and must therefore be supported and endorsed as a true reflection of what our people really needs. Nonetheless, going forward, the current budget as a tool for government to communicate its fiscal policy stance, it lacks;

- i. **Clear proposals** aimed at addressing the structural deficit such as infrastructures and capital investments.
- ii. **Alignment of expenditure** with the National Development Plan (NDPs). In this regards, Government should increase capital expenditure to create more jobs rather than spend on consumption expenditure.
- iii. Proposals to curb **unauthorized, irregular and wasteful expenditures**. State resources to SOEs must be closely monitored and corruptive spending must be stopped.

The 2017/18 budget is set, therefore, it's important for us to make sure that the targets are met by aligning the budget to them. I therefore encourage all members to ensure that this particular budget and the budgets ahead continues to place inclusive and sustainable growth, poverty alleviation, safer and better public infrastructure on top of the agenda of Government.

**WITH THIS I SUPPORT THE BILL**

I thank you

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