



Budget Motivation

Deputy Minister of Economic Planning

Honourable Lucia Iipumbu

24 March 2017

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At the onset, allow me to thank the Minister of Finance for tabling the 2017/2018 Budget. As announced by the Minister, one of the key objectives of this budget is to realign public expenditure to the key national development priorities. Indeed, focusing on our priorities will ensure that consolidation efforts have a positive impact our distribution of the minimal resources at our disposal during this financial year.

The 2017/18 Budget represents a call on all of us, Namibians to embrace a culture of efficiency. The 2017/18 Budget is a manifestation of our ability to develop this beautiful country of ours, in line with Vision 2030 and our national development plans. That will depend on us realising and appreciating that resources are limited and precious. It is therefore important that at all levels of Government and the economy in general, we strive in all instances to maximise on resources.

In order to achieve the efficiencies required, We also need to pull in the same direction in the spirit of Harambee in cutting all unnecessary wastage. Some efforts as small as they may look, can make an impact, for instance if all of us as MP's sitting here today could switch off our office lights, air conditioning systems and our computers at the office, before we pick up our document and head to parliament, we will surely be saving and making a dent in cutting electricity bills of our various offices.

In his budget statement, the Minister called for consistent fiscal consolidation policy in order for us to reduce the budget deficit, stabilize growth in public debt and rebuild fiscal space. Indeed, a genuine call and I can only reiterate this call while calling on all of us specifically the custodians of public funds to not only exercise an utmost discipline in all our spending and financial management but ensure efficiency of our spending and that we get value for each dollar spend.

The consolidation efforts in this budget, should serve as an important tool that we should have to carry out whenever we deem it necessary. We must from here on maintain fiscal discipline that will ensure that we continue with our development activities with minimal interruptions. The consolidation program has significantly affected the development budget and we must follow through with it, to ensure that we return to normalcy in our development commitment as speedily as possible. It is therefore pleasing to note that we will steadily progress towards that aspiration over the MTEF.

Honourable Speaker, Honourable Members,

I welcome the allocations of the biggest chunk of the budget to the social sectors, such as Education, Health and Poverty Eradication; however, I wish to emphasise that our ability to sustain such programs depends on the growth from the economic sectors. In this regard, I want to emphasise the importance of Vocational Education. We need to ensure that TVET receive the prominence it deserves in all aspects.

In his budget statement, the Minister indicated that government is committed to developing a national framework for entrepreneurship and enterprise development designed to encourage more youth and the unemployed into entrepreneurial activities. This call can only be headed to and for it to succeed, our curriculum of the TVET needs to improve and we have to align it to our national priorities and realities in terms of economic needs and strength.

In order for us to ensure that, our graduates from Vocational Institutions become self-employed, and employers of others, the curriculum needs to recognise and incorporate courses in Entrepreneurship and Business Management. It should further introduce trades that are relevant to our developmental needs and those that are compatible with the job market.

In order to supplement consolidation activities, we must ensure that we grow our tax base and efficiency in our revenue collection. I support the efforts and proposal to grow the tax base and improve tax revenue collection contained in the budget.

I therefore call on all of us to move with speed in ensuring that the establishment of our Revenue Agency takes off as soon as possible. We need to exhaust all possible source of more revenue through introduction of various taxes and levies especially those from our various Natural Resources. We also need to upscale our value addition to such resources in order to create more employment opportunities for our people. A good lesson can be drawn is that of Burkina Faso who reportedly achieved 95.8% of its target tax revenue collection by the 28 January 2017.

Equally, I wish to support the efforts by the Ministry of Public Enterprises to reform our State Owned Enterprises into becoming less reliant on the budget. This will be able to free up budget resources for reallocation to developmental projects.

Honourable Speaker, Honourable Members

I wish to commend the Minister of Finance for ensuring that our debt level remains manageable in this difficult circumstance. It is important to ensure that we do not burden the future generations with debt and that we ensure a favourable environment for the future generation to proper our country to greater heights. In this regard, the 2017/18 Budget demonstrates that the SWAPO led Government is a responsible Government and our debt level, although above our own targets, remains an envy of many countries.

I therefore support the Ministers efforts to return our debt levels to within our set target over the medium term. Indeed if Angola could manage a reduction of approximately 10%, from 71% - 62 % in 2016 on their public debt if we put more efforts in diversifying our revenue sources, invest in sectors that yield positive benefits while growing our economy. Surely we can also succeed on that endeavour.

We further need to direct all our energy to ensuring thorough and faster implementation of government projects. As we travel around this beautiful Republic for different purposes, we must make efforts to monitor and evaluate government projects. Furthermore, inspecting of facilities should be an activity for all of us so as to familiarise ourselves with realities on the ground. This will give us a better understanding and assist us in making appropriate and informed decisions and interventions that will move us towards the achievement of our national development plan, the Harambee Prosperity Plan and Vision 2030.

With these few words, I support the bill.