

CONTRIBUTION TO THE BUDGET 2014/2015

1. Introduction

Honorable Speaker and Honorable Members of Parliament I rise to make my fourth budget maiden speech in this august house.

As I said last year in my contribution to the budget discussions, political parties are products of their own experiences and the ideas if not ideological perspectives with which they have been confronted in the past.

This is the demonstration that our struggle was not in vain and therefore our socialists' ideological decision was to benefit Namibians upon attaining independence.

Hence, allow me to urge all our socialists comrades and parties in the House to re-dedicate ourselves to the socialist ideals so that budgets are designed in that context.

Budgets are about people. Figures like inflation rates, deficit rates, GDP, etc are macro-economic indicators therefore they remain vehicles towards easing socio-economic improvements they ^{be} cannot ends in themselves.

Excellent macro-economic indicators that do not translate into enhancement of standards of living of the grass-roots, and reduction in poverty and effective tangible provision of jobs are as good as they are on paper and that's it!

I cannot agree more with the Minister when she says: *"...we have to do things differently ... and to transform the structure of our economy, so that all Namibians can share in the opportunities that our country offers."*

The answer will vindicate SWANU as we have all along advocated for that ideology: *Socialism*.

Now, Honourable Members, which ideology can transform the structure of our economy, so that ALL Namibians can share in the opportunities?

Allow me to pay homage to the victims of the relentless violence. Had they lived to see this budget they could be beneficiaries too. We need to find the causes of this unprecedented violence and not jump at the solutions like “burying the perpetrators alive”. As WB du Boo once said, “*the fault lies not with our stars but within ourselves*”. This violence of killing and also the phenomenon of suicides (being the highest in the world), mostly afflict a strata of society mostly in the 20s / 30s age groups. Therefore, let us interrogate the effectiveness, fairness, equity of our budget policies and allocations for our youth and society at large.

Where has the gender-based budgeting gone? Has TIPEEG derailed our thinking making us forget this very important aspect of budgeting? Even the economic and budget analysts have not pronounced themselves on this issue recently and currently.

Comrade Speaker, allow me to remind ourselves that once the Appropriation Bill is laid upon the table it becomes our bill and no longer that of the Minister or Government. Therefore, we ought to do everything possible and practicable as we as legislators see fit.

Regrettably, however in practical terms this has never happened in this August House. Because of the overwhelming majority of the ruling party in the house and compounded by the dominance of the Executive over the Legislature scrutiny of the Appropriation Bill is tantamount to beating a dead horse.

For example even if some of us, who cherish values of caring, sharing and solidarity, wanted to increase the Old Age Pension allocation, the majority will say NO! and It is a big big NO!!.

As provided for in the Constitution, Article 95(f) The State shall ensure that senior citizens are entitled to and do receive regular pension adequate for the maintenance of a decent standard of living and the enjoyment of social and cultural opportunities.

The basis of the N\$600 is not given anywhere. However, my own scientific calculation to determine an approximation for adequate pension is hereby attached and has the following outcome. For a pensioner in the towns, adequate will amount to N\$1,470.00 and for a rural based pensioner, adequate will amount to N\$1,727.00. This budget does not meet this State requirement.

Yet without exception, we all know what because of the severe drought of last year, the most affected and afflicted strata was the poor amongst which the old age pensioners have suffered through loss of the few livestock and grains that they had.

The vigour, tenacity and patriotism with which SWANU the fights for the rights of the vulnerable groups of our society, we shall stand shoulder to shoulder with the Minister of Finance in her intent to introduce the Environment Tax. Honourable Minister on Environment Tax, you have an unwavering comrade : *SWANU of Namibia*.

Considering the consequential high risks of uranium mining in Namibia and the environmental damage already caused and not to be oblivious of the ever relentless scrambling for the yellow cake. The environment tax belated as it is, must be introduced soonest and be broadened to cover the negative environment and human damaging emissions from the mining sector.

International corporations in mining activities in Africa, and Namibia is no exception has had it fair share of contribution to the thesis of what Walter Rodney titled : **How Europe Under-developed Africa**.

It has been revealed that there are vast benefits Namibia can derive from mining. However, over the decades the main beneficiaries of the vast mineral resources have been private corporations and other economies other than Namibia. As I have re-emphasised during last years' budget statement, an independent study to

be conducted to determine the optimal contribution mining ought to make to the State Revenue. I make the call once again here. ~~Mineral resources have the potential for social and economic development of Namibia.~~

Further it is said that:

"Communities are often exposed to toxic environmental hazards from mining operations." (Tsumeb and Erongo being the cases in point)

Mining Corporations are not held accountable for many of the costs ~~we know that~~ their operations inflicted on society especially land destruction, those costs are borne by the government and by tax payers.

Ever since I have been here, the most soothing verse in the budget statement regarding the Audit Bill, Procurement Bill, Public Finance Management Bill is:
"...We shall pursue the finalization of the new bill during the course of the year..."

That is a verse that lulls me to sleep and if it is repeated next year, I ~~shall~~ ^{could} faint.

Honourable Members rounded to the nearest tenth million, allocation to the development budget is equal to the allocation for SOEs. Yet, nobody knows how many SOEs are there in Namibia. Worst still, the development budget will use about 90% of that only – and the remainder will be returned to treasury.

On the other hand to determine the prudence, effectiveness, efficiency, economic of the utilization of transfers to SOEs is an uphill battle.

~~Allow~~ me to remind the House about the 5th Parliaments' theme:

"Promoting Oversight Effectiveness Towards Ensuring Transparent National Budget Administration".

I searched for this theme in the budget statement and I even tried under the small print in the statement – NOTHING!!!

Alternatively, ~~conceptualization of~~ a theme ^{of this nature} ~~like that~~ will find meaning, actualization and operationalization in significantly increased allocation to accountability oversight institutions – It did not happen!! Shall we therefore

~~Signature~~
~~I should add.~~

conclude that accountability and oversight is not a top priority? Personally I am convinced that it ought to be a top priority, but the sum – total of the foregoing makes me doubt whether all of us are.

~~After all~~, TIPEEG has created only 15,000 jobs and yet disproportionate millions were spent. Moreso, before the mass-housing projects have started public information has it that millions in super profits are going to be made, but NOBODY has called on the projects to be suspended to kick-in investigations. SWANUs shadow Minister of Finance has advised me that she would re-allocate the budget in as follows:

Defence:

will cut from defence budget and re-allocated to :

- Health to reintroduce casualty services, at the Central Hospital because Katutura is overwhelmed and more medication to be procured.
- To increase Old Age Pension and Orphans and vulnerable children benefits.
- Rand acquisition
— Socialized medical system in Namibia
- write off Namwater legacy debts.

We applaud government for managing the economy to attain moderately high growth, but on the other hand this growth does not seem to be commensurate with the sluggish economic development.

Only 16 years remaining before Vision 2030 is realized or not realized. All indications are that with this development pace in Education, industrialization, informative technology, research capacity, governance all that leave much to be desired, we are unlikely to attain that envisioned level of development.

In this context, the budget statement is spot on, admitting that:

“...we know too well that Namibia is still grappling with glaring social and structural economic challenges. These challenges include, but are not limited to:-

- *a jobless growth trajectory, with a lopsided distribution of income and resources ownership,*

- *substantial skills deficit and a narrow economic base with primary commodities still serving as the engine of exported growth,*
- *low Human Development Index (HDI), which calls for rapid progress in the areas of education and health and,*
- *susceptibility to climate change,*
- *moral decay which manifests itself in, among others, increasing violence vulnerable members of the society.”*

Enough is enough, how many more budgets before we experience tangible, fundamental transformation in Namibia?

Thank you