

**CONTRIBUTION TO THE BUDGET DISCUSSION
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NATIONAL ASSEMBLY
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Honourable Speaker
Honourable Members
Fellow Namibians

At the heart of our responsibilities as elected representatives is to safeguard the welfare of the Namibian people. This has become increasingly crucial in a time that is characterised by growing uncertainty and perceived gloom. It is therefore our responsibility to re-assure the citizens that there is hope – that not everything is lost. It is during these times when we need to remind ourselves that our recent past has proven beyond doubt that we are a country that is capable of achieving great things.

As many of us are aware, our economy is currently facing some challenges. However, instead of looking at our economic challenges as too great to be overcome, let us regard our challenges as an opportunity to do better - to rededicate our efforts in ensuring that the available financial resources are used prudently and effectively.

Often when presented with a challenge, one has two choices how to respond. Either you succumb or you resist and face the challenge head-on. This budget as presented by Honourable Calle Schilletwein chose to do the latter. This budget seeks to respond effectively to the current economic headwinds we are experiencing. It seeks to manage the challenges we face - and doing so without jeopardising future economic growth.

As a Nation we are being called upon to support and embrace the fiscal measures being taken by the Government to protect the future health of our economy. We are being asked to accept the tough choices being made because they are necessary. I am well aware that some of the measures being proposed – like the reduction of the Government

expenditure – are rather painful. But - and as painful as they are - those are the measures that will secure us a better future.

We cannot underestimate the challenging economic backdrop under which this budget was drafted. Economic growth is considerably lower than what was initially projected. While much of the causes can be ascribed to external factors, we should also start to reflect on some of the internal constraints and weaknesses in our economy. Growth is expected to slow down to 1.3% in 2016, from the 5.3% recorded in 2015 and 6.3% in 2014. This projected growth rate falls short of the rate we need in order for us to create jobs and reduce poverty and inequality.

The projected budget deficit of 6.3% of GDP in 2016 significantly reduced our fiscal space. Equally the projected debt-to-GDP ratio of 42% poses a significant risk to macroeconomic stability. Our balance of payments have also come under pressure, with the current account widening further to almost 12% of GDP. These ratios highlight the difficulties that the budget had to navigate.

Going forward there are two things that we need to pay particular attention to. The first one is to always be more selective with regard to what we spend on or invest our limited financial resources. This will mean that we need to prioritize our investment in those areas where we can have a maximum impact on our socio-economic development. It should not be about what is urgent; or what is cheap or expensive. But it should be all about what will accelerate our development agenda; it should be about what matters most.

The second issue that we need to pay attention to is to emphasise the concept of value for money where the motto should always be to do more with less. As we rededicate ourselves to our development agenda, we must build a relationship of trust with the citizens by ensuring that government resources are used for their intended purposes.

There has been a number of occasions where some of our citizens have disagreed with us on the need to invest in some of the critical public economic infrastructure – such as the upgrading of our international

airport. This opposition is rather baffling given the economic benefits that can be derived from such an investment. It is, however, my conclusion, Hon Speaker, that the objection is simply based on the suspicion that public funds is being used to further private interests rather than to promote public interests. In this respect, it is important for us to do everything possible to continue promoting accountability and transparency – especially as pertaining to the State procurement function. The new State Procurement Act that we have passed in this august House last year will go a long way in doing just that. His Excellency President Hage Geingob has told us - on many occasions - that accountability plus transparency always equals trust.

When introducing the budget, the Honourable Calle Schlettwein urged us not to dance with the rattlesnake but to remove it from the dancing floor. I recently also learned that when a rattlesnake is cornered, it gets so angry such that it will bite itself to death. Therefore not only must we remove the rattlesnake from the dancing floor, but let all of us corner it.

The National Planning Commission will continue to strengthen our capability in the implementation of our development plans – thereby ensuring that public resources are effectively utilised. It is important - now more than ever - to have in place far-reaching measures to curb wasteful expenditure, while making sure not to compromise on the core functioning of government and service delivery.

Honourable Speaker, allow me to say a word or two about our role as lawmakers. As members of Parliament we are being referred to as Honourables – a title indicating eminence, distinction or high respect. I would therefore like to urge all of us to engage each other in our debate in this august House in an honourable manner. This will require us to be able to see flaws in our positions – when so pointed out – and to also see merit in others' positions when such is called for. It is certainly not an honourable thing to indulge ourselves in righteous indignation that is more likely to divide the Nation as opposed to uniting it.

I would like to end my remarks by reminding ourselves that no challenge – and that is regardless of how extreme it might appear - is permanent.

Let us also accept that our road to prosperity will be paved with many obstacles – but let us not allow those obstacles to steer us off course. Instead of us allowing those obstacles to wear us down, let us find ways to overcome them. Because it is through those obstacles that we learn to grow in strength and wisdom.

As we celebrate 27 years of our independence, let us draw inspiration from what we as a country can achieve when we are united in a common goal – that of being a peaceful and prosperous Nation. As Robert Schuller once said “Tough Times Never Last, But Tough People Do.” I certainly believe that over the last 27 years, we have proven ourselves to be tough people.

I thank you.

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