



APPROPRIATION BILL 2018/2019

BY THE

VICE-PRESIDENT OF UNITED DEMOCRATIC FRONT OF NAMIBIA (UDF)

HON TD MURORUA (MP)

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CONTRIBUTION BY HON TD MURORUA

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Hon Speaker Hon members

Allow me to make my contribution to the 2018/2019 budget debate on behalf of the UDF of Namibia.

Hon Speaker the same issues that the Minister of Finance has raised makes me wonder whether we will really be able to make good economic progress.

Hon Speaker, Hon Members, the first thing that the finance minister himself is mentioning are the public wages which is consuming 50% of the total revenue, we are earning as nation. But the structural reforms mentioned to address this situation is not spelled out to provide peace of mind for all of us as leaders in government.

The second aspect is the perpetual bailing out of some commercial public Enterprises. The fact that the Hon Minister is referring to this as “perpetual” is indeed my greatest concern. I really don’t understand why, if the entire cabinet knows that this bailing outs are perpetual and not sustainable, consideration to outsource such enterprises are not being considered.

The third one is our spending in non-core areas, which only hightens expenditure eg the purchasing of Farms by the defence ministry while

they are sending off 30% of their own staff due to shortages experienced at already existing army bases.

I am very grateful to the minister of Finance for reminding us that for us to have a sustainable growth trajectory it needs to be underpinned by robust growth engines. But the big question is who owns these robust growth engines which in my opinion are mostly the mines.

1. Namdeb: De Beers 50% - GRN 50%
2. Langer Heinrich Mine: LangerHeinrich (PTY) Ltd 100% - GRN 0%
3. Rossing Mine: Rio Tinto 69% - GRN 3%, Iran 15%, SA 10%, other 3%
4. Tsumeb Smelter: Dundee Precious Metals 100% - GRN 0%
5. Navachab Gold Mine: QKR 92.5% - GRN 7, 5%
6. Oskikoto Gold Mine: B2Gold 90% - GRN 10%
7. Skorpion Zinc Mine: Vendata 100% - GRN 0%
8. Husab Mine: SWAKOP Uranium 90% - GRN 10%
9. Etango Mine: Bannermann Resources 100% - GRN 0%
10. Trekkopje Mine: Areva 100% - GRN 0%
11. Norosa Uranium: Forsys Metals 100% - GRN 0%
12. Rosh Pinah Zinc: Glencore 80% - GRN 0%, others 20%
13. Otjihase, Tschidi, Matchless Coper Mine: Weatherley International 95, 8% - GRN 2, 6%, other 1, 6%

This illustrates that our resources and therefore our economy is not owned by us as Namibians.

Hon Speaker, Hon Members the above is therefore a small picture of our stake in the growth engines, the mines in our own country. One wonders when this situation will change for the better. Worst of all no value addition to these raw materials are done in our own country except for diamonds which are done in our own country and we never also hear of any negotiations to improve on the ownership stakes as well as value additions to create the so much needed additional employment opportunities for our people.

Hon Speaker Hon Members, under the key Policy Priorities of the budget in bullet no 4, one would expect the minister to also address under the affordable alternative forms of financing, the term of homeloan financing which are very long and creates a situation where homeowners are losing their houses closer to the end of the financing term mainly because it is very long compared to vehicle financing and other loans which are more or less in the same price category.

Hon Speaker, Hon Members, the other concern raised by the Hon Minister of Finance is the dollar costs of internal inefficiencies in Offices/Ministries and Agencies. The strange occurrence here is that all OMA's are lead by accounting officers and the auditor General is always giving us his opinion on how these accounting officers are spending these public monies which are in most cases disclaimer audit opinions or adverse audit opinions, I fail to understand why we don't act on these audit opinions but continue to employ the very same accounting officers

in the very same positions. Or do we as executive leaders of our government have no regard for the office of the Auditor General. Or is it an issue of us as government not having our priorities right that would help us to secure a sustainable economic growth if I may borrow the finance minister's own words.

Hon Speaker Hon Member, the moratorium on non-productive capital projects, such as construction of office blocks have been implemented and remain critical for the fiscal consolidation measures to free up monies for reallocation to best productive alternative uses, as stated by the minister but one is tempted to start wondering whether the completion of these office blocks would not have been a better option if you learn from this budget that government is to pay nearly 400 million N\$ for rent of such office blocks. I need to mention that I see a big problem in the allocation for capital projects for the ongoing of large capital projects while the moratorium on non-productive capital projects such as the construction of office blocks has been implemented.

Hon Speaker Hon Members having listened to the complaints made by Hon Deputy Minister of Disability affairs, under the office of ^{The Vice President} Hon Manombe Ncube on the allocations made to the different ministries, one also start to wonder what the involvement of the ministers are in the budget planning and allocation processes.

Hon Speaker Hon Members, we have already been informed in this August House that the police within the ministry of Safety and Security

could for the passed financial year not take up new recruits, but it did not just stay at that level, the allocation was so poor that basic operations of Nampol were hamstrung by these acts. As for the ministry of Defence which also could not take up new recruits for 2017/2018 financial year, I am really numbed whether the message of reducing spending on non-core activities ^{is} ~~are~~ well received. Looking at their expenditure on non-core activities while laying off staff temporarily.

Hon Speaker Hon Member, the social sector allocation and specifically the allocation to the Namibia Student Financial Assistance Fund needs to be addressed in how it is being administered. As we speak now, the graduation ceremony of students is due, but because of non-payments by NSFAF, many of the student are in a limbo as to whether they are to graduate or is to sit for another academic year. Many of these students might qualify for graduation, but due to ineffective administration of funds by NSFAF they now have to suffer. The basic rule to my knowledge, is that all OMA^s can get $\frac{1}{3}$ of their allocation ^{before the final approval of the budget} to run their various administrative offices in a normal fashion and it is very puzzling why this is not done. I am saying this because the Minister of Finance himself is stating that investing in education sector is more than just an expense, it is a contribution towards prosperity for the youth. So the opposite of this which ^{is} the postponement of investing in education is to deny the youth and our country their well-deserved and well planned prosperity.

With those few words I congratulate the Hon Minister of Finance Hon
Calle Schlettwein and support the 2018/2019 Appropriation Bill.

I thank you

