

**Statement by Honourable Erastus A. Uutoni during the 2014/15
National Budget Debate**

Honourable Speaker

Honourable members

First and for most allow me to also join the other Honorable members who contributed before to thank the minister of Finance **Hon. Saara Kuugongelwa-Amadhila** and her entire staff for a well-crafted budget.

Hon. Speaker, my intervention today will only concentrate on three issues as follows:

1. The Namibian dollar is link to the South African economy and the rand as a legal tender to the Namibian Economy.
2. Social Safety Nets
3. Income Tax Relieve

To start with the first issue regarding the Namibian Dollar link to the South African economy, Cde, Minister in your budget statement of 2014/15 and 2015, page 5, you informed the nation that Namibia has made considerable progress in many spheres, due to the proactive socio-economic development policies that were implemented. As a result of that our economy has expanded by two and a half time since

1990. Further Namibia is positioned as the dream destination for Local, Regional and International tourism and financial stability ect.

Also quoting from the fiscal policy framework document for 2014/15 to 2016/17 page 25 on Economic Sector and reads as follows and I quote:

“Economic Sector: Namibia has enjoyed sound macroeconomic stability which has been re-affirmed by successive international credit worthiness ratings. Both Fitch Credit Rating and Moody’s Investor Services, Namibia’s two international crediting rating agencies, have reaffirmed the country’s macroeconomy soundness and long term credit worthiness. Moody has awarded Namibia a Baa3 long-term currency credit worthiness rating since 20011 and Fitch Credit Ratings has reaffirmed a stable BBB-rating alongside rating peers such as India, Indonesia, Croatia, Iceland and Morocco. The positive ratings reflect the government’s track record of responsible public finance management and an investor-friendly policy and legislative

Cde. Minister, Honourable Members, this tells me that our economy is doing well and again if you add what we are doing with regard to the crop production, strong investment activities in the mineral and manufacturing. Namibia I believe is doing very well but still our currency is linked to the South African Economy. ~~is it all right or should I inquire by linking the dollar as the~~
~~to the regional integration~~
remain Cde Minister? To my understanding the problem in the current situation is whenever the **South African Rand** become weaker against the **US Dollar**, we are affected. I would prefer us to be on our own then whenever the US Dollar become stronger it won't affect Namibia as such.

Secondly, On the issue of Safety Nets **Cde. Speaker.** This program as most of us know has been expanded to cater for the Veterans of the Liberation struggle. To me this is a good effort by the SWAPO Party Government to improve the livelihoods of our people. The purpose of this program I believe not only was meant to sustain the targeted groups but also allowing them to contribute to national development, state revenue and economic growth of our country.

Having followed the progress of project by the comrades, I have come to realize that many of these projects are faced with challenges that made it difficult to manage successfully.

