

INDEX

List of Members of the National Assembly	1
---	----------

15 February 2011

Announcement:

HON SPEAKER	6
-------------------	---

Welcoming Address:

HON SPEAKER	6
-------------------	---

Opening Address:

HIS EXCELLENCY, PRESIDENT POHAMBA	7
---	---

Vote of Thanks:

HON CHAIRMAN OF THE NATIONAL COUNCIL	15
--	----

22 February 2011

Tabling of Reports:

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL	19
HON MINISTER OF HEALTH AND SOCIAL SERVICES	20
HON DEPUTY MINISTER OF REGIONAL AND LOCAL GOVERNMENT, HOUSING AND RURAL DEVELOPMENT	20

Notice of Questions:

(Question 1) HON RIRUAKO	20
(Question 2) HON KAURA	21
(Question 3) HON ULENGA	22
(Question 4) HON ULENGA	22
(Question 5) HON MOONGO	23
(Question 6) HON TJIHUIKO	24
(Question 7) HON TJIHUIKO	24

Notice of Motions:

HON SHIXWAMENI	25
HON MOONGO	26
HON ULENGA	26

23 February 2011

Tabling of Reports:

HON DEPUTY MINISTER OF FINANCE	28
--------------------------------------	----

Notice of Questions:

(Question 8) HON MOONGO	28
-------------------------------	----

Notice of Motions:

HON MINISTER OF FINANCE.....	29
HON MOONGO	31
HON SHIXWAMENI.....	32

Ministerial Statement:

HON MINISTER OF FOREIGN AFFAIRS	33
---------------------------------------	----

24 February 2011

Tabling of Reports:

HON MINISTER OF MINES AND ENERGY	38
HON MINISTER OF SAFETY AND SECURITY	38

Notice of Motions:

HON MOONGO	39
------------------	----

Introduction and First Reading - *Inspection of Financial Institutions Amendment Bill:*

HON MINISTER OF FINANCE.....	39
------------------------------	----

Second Reading - *Inspection of Financial Institutions Amendment Bill:*

HON MINISTER OF FINANCE.....	40
------------------------------	----

Introduction and First Reading – *Pension Funds Amendment Bill:*

HON MINISTER OF FINANCE.....	41
------------------------------	----

Second Reading - *Pension Funds Amendment Bill:*

HON MINISTER OF FINANCE.....	42
HON MOONGO	43
HON ULENGA.....	43

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL	44
RT HON PRIME MINISTER.....	44
HON KAURA	45
 Introduction and First Reading – <i>Unit Trust Control Amendment Bill</i> :	
HON MINISTER OF FINANCE.....	45
 Second Reading - <i>Unit Trust Control Amendment Bill</i> :	
HON MINISTER OF FINANCE.....	46
HON ULENGA.....	46
 Introduction and First Reading – <i>Income Tax Amendment Bill</i> :	
HON MINISTER OF FINANCE.....	47
 Second Reading – <i>Income Tax Amendment Bill</i> :	
HON MINISTER OF FINANCE.....	47
HON ULENGA.....	48
 Introduction and First Reading – <i>Long-term Insurance Amendment Bill</i> :	
HON MINISTER OF FINANCE.....	48
 Second Reading – <i>Long-term Insurance Amendment Bill</i> :	
HON MINISTER OF FINANCE.....	48
HON KAURA.....	49
 01 March 2011	
Announcement:	
HON SPEAKER	51
 Tabling of Reports:	
HON MINISTER OF WORKS AND TRANSPORT.....	51
HON MINISTER OF DEFENCE	52
HON DEPUTY MINISTER OF FINANCE	52
 Notice of Motions:	
HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL	53

Resumption of Debate on Second Reading - *Pension Funds Amendment Bill*:

HON MOONGO	53
RT HON PRIME MINISTER	55
HON MINISTER OF FINANCE	56
HON BEZUIDENHOUDT	61
HON DEPUTY MINISTER OF FOREIGN AFFAIRS	61
HON MINISTER OF FINANCE	62

Resumption of Debate on Second Reading – *Long-term Insurance Amendment Bill*:

HON KAURA	63
HON DEPUTY MINISTER OF JUSTICE	63
HON MINISTER OF YOUTH, NATIONAL SERVICE AND CULTURE	64
HON MINISTER OF FOREIGN AFFAIRS	65
HON MINISTER OF FISHERIES AND MARINE RESOURCES	66
RT HON PRIME MINISTER	66
HON DEPUTY MINISTER OF AGRICULTURE, WATER AND FORESTRY	67
HON MINISTER OF FINANCE	68

Motion on Traffic Fines:

HON MOONGO	72
HON DEPUTY MINISTER OF FOREIGN AFFAIRS	76
HON MINISTER OF JUSTICE	80
HON MINISTER OF YOUTH, NATIONAL SERVICE AND CULTURE	80
HON MAAMBERUA	85

02 March 2011

Tabling of Reports:

HON MINISTER OF JUSTICE	86
-------------------------------	----

Notice of Questions:

(Question 9) HON MOONGO	86
-------------------------------	----

Ministerial Statement:

HON MINISTER OF LABOUR AND SOCIAL WELFARE	87
---	----

Introduction and First Reading – *Statistic Bill*:

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL	93
--	----

Second Reading – *Statistic Bill*:

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL	94
--	----

Committee Stage – *Pension Funds Amendment Bill*:

HON MINISTER OF FINANCE.....	99
HON MAAMBERUA.....	101
HON MINISTER OF FINANCE.....	101
RT HON PRIME MINISTER.....	102
HON MINISTER OF FINANCE.....	103

Third Reading: *Pension Funds Amendment Bill*:

HON MINISTER OF FINANCE.....	105
------------------------------	-----

Committee Stage: *Long-term Insurance Amendment Bill*:

HON MINISTER OF FINANCE.....	106
------------------------------	-----

Third Reading: *Long-term Insurance Amendment Bill*:

HON MINISTER OF FINANCE.....	107
------------------------------	-----

Resumption of Debate on Second Reading: *Inspection of Financial Institutions
Amendment Bill*:

HON KAURA.....	107
HON DEPUTY MINISTER OF AGRICULTURE, WATER AND FORESTRY	108
RT HON PRIME MINISTER.....	108
HON MINISTER OF YOUTH, NATIONAL SERVICE AND CULTURE	109
HON MINISTER OF MINES AND ENERGY.....	109
HON DEPUTY MINISTER OF JUSTICE.....	110
HON DEPUTY MINISTER OF YOUTH, NATIONAL SERVICE AND CULTURE	110
HON DINGARA.....	111
HON MAAMBERUA.....	111
HON MINISTER OF FINANCE.....	112

Resumption of Debate on Second Reading: *Income Tax Amendment Bill*:

RT HON PRIME MINISTER.....	116
HON MOONGO	117
HON DEPUTY MINISTER OF FINANCE.....	117
HON MINISTER OF FINANCE.....	117

03 March 2011

Tabling of Reports:

HON MAKGONE..... 120

Response to Questions:

Question 2 (HON KAURA)

RT HON PRIME MINISTER..... 121

Question 5 (HON MOONGO)

HON MINISTER OF DEFENCE 123

Question 6 (HON TJIHUIKO)

HON MINISTER OF FINANCE..... 125

Question 7 (HON TJIHUIKO)

HON LANDS AND RESETTLEMENT 127

Question 8 (HON MOONGO)

HON LANDS AND RESETTLEMENT 131

Oral Question (HON MOONGO)

RT HON PRIME MINISTER..... 131

Committee Stage: *Inspection of Financial Institutions Amendment Bill:*

HON MINISTER OF FINANCE..... 132

Third Reading: *Inspection of Financial Institutions Amendment Bill:*

HON MINISTER OF FINANCE..... 133

Committee Stage: *Income Tax Amendment Bill:*

HON MINISTER OF FINANCE..... 134

Third Reading: *Income Tax Amendment Bill:*

HON MINISTER OF FINANCE..... 135

Resumption of Debate on Second Reading: <i>Unit Trust Control Amendment Bill:</i>	
HON MINISTER OF FINANCE.....	136
08 March 2011	
Motion of Condolence:	
HON SPEAKER	137
Announcements:	
HON SPEAKER	137
Bills Considered by National Council:	
HON SPEAKER	138
Tabling of Reports:	
HON VAN DER WALT	138
HON !NAWASES-TAEYELE	139
HON DR AMWEELO	139
HON VAN DER WALT	140
Notice of Questions:	
(Question 10) HON MOONGO	141
Oral Question: (HON MAAMBERUA)	141
Response to Oral Question:	
HON MINISTER OF VETERANS AFFAIRS.....	142
Notice of Motions:	
HON MINISTER OF FINANCE.....	143
HON MOONGO	143
Ministerial Statement:	
HON MINISTER OF WORKS AND TRANSPORT.....	144
Committee Stage: <i>Unit Trust Control Amendment Bill:</i>	
HON MINISTER OF FINANCE.....	149
Third Reading: <i>Unit Trust Control Amendment Bill:</i>	

HON MINISTER OF FINANCE.....	150
Resumption of Debate on Second Reading: <i>Statistics Bill</i> :	
HON SHIXWAMENI.....	151
HON DEPUTY MINISTER OF FOREIGN AFFAIRS.....	154
HON PROF KATJAVIVI.....	159
HON DEPUTY MINISTER OF AGRICULTURE, WATER AND FORESTRY	164
HON BEZUIDENHOUDT	166
HON MINISTER OF YOUTH, NATIONAL SERVICE, SPORT AND CULTURE	167
HON DEPUTY MINISTER OF WORKS AND TRANSPORT.....	170
HON DINGARA.....	173
HON MINISTER OF JUSTICE.....	174
HON DEPUTY MINISTER OF TRADE AND INDUSTRY	176
HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL	178
Consideration of Report on the Deputy Speaker’s Outreach to Erongo Region:	
HON MAKGONE.....	179
HON DEPUTY MINISTER OF SAFETY AND SECURITY	183
09 March 2011	
Announcement:	
HON SPEAKER	185
Tabling of Reports:	
HON PROF KATJAVIVI.....	185
HON MINISTER OF FISHERIES AND MARINE RESOURCES.....	186
Notice of Questions:	
(Question 11) HON VON WIETERSHEIM.....	186
Introduction and First Reading: <i>Appropriation Bill</i> :	
HON MINISTER OF FINANCE.....	187
Second Reading: <i>Appropriation Bill</i> :	
HON MINISTER OF FINANCE.....	187
HON NYAMU	216

10 March 2011

Tabling of Reports:

HON DR AMWEELO217

Response to Questions:

Question 8 (HON MOONGO)

HON MINISTER OF REGIONAL AND LOCAL
GOVERNMENT, HOUSING AND RURAL DEVELOPMENT218

Question 9 (HON MOONGO)

HON MINISTER OF HEALTH AND SOCIAL SERVICES220

Question 3 (HON ULENGA)

HON MINISTER OF HEALTH AND SOCIAL SERVICES222

Question 6 (HON ULENGA)

HON MINISTER OF MINES AND ENERGY226

Question 1 (HON RIRUAKO)

HON DEPUTY MINISTER OF FOREIGN AFFAIRS.....230

Resumption of Debate on Second Reading: *Statistics Bill*:

HON MINISTER OF PRESIDENTIAL AFFAIRS AND
ATTORNEY-GENERAL233

Consideration of Report on the Deputy Speaker's Outreach to Erongo Region:

HON DEPUTY MINISTER OF SAFETY AND SECURITY237

HON MINISTER OF GENDER EQUALITY AND CHILD
WELFARE239

HON TJIHUIKO240

HON UEITELE.....245

HON DEPUTY MINISTER OF WORKS AND TRANSPORT247

HON DEPUTY MINISTER OF INFORMATION AND
COMMUNICATION TECHNOLOGY.....248

HON MINISTER OF WORKS AND TRANSPORT.....252

15 March 2011

Tabling of Reports:

HON DR AMWEELO	255
HON AMATHILA.....	255
HON DEPUTY MINISTER OF FINANCE	256

Notice of Questions:

(Question 12) HON NYAMU	257
-------------------------------	-----

Notice of Motions:

HON HAMUTENYA	258
---------------------	-----

Committee Stage – *Statistics Bill*:

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL	258
--	-----

Third Reading – *Statistics Bill*:

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL	259
--	-----

Consideration of Report on the Deputy Speaker’s Outreach to Erongo Region:

HON MINISTER OF HEALTH AND SOCIAL SERVICES	261
--	-----

16 March 2011

Tabling of Reports:

HON DEPUTY MINISTER OF FINANCE	262
HON MINISTER OF AGRICULTURE, WATER AND FORESTRY	263

Consideration of Report on the Deputy Speaker’s Outreach to Erongo Region:

HON DEPUTY MINISTER OF LABOUR AND SOCIAL WELFARE..	264
HON MINISTER OF YOUTH, NATIONAL SERVICE, SPORT AND CULTURE	266
HON RIRUAKO	270
HON BEZUIDENTHOUDT.....	273
RT HON PRIME MINISTER.....	273
HON MINISTER OF MINES AND ENERGY	274

Consideration of Report on 123rd Assembly Inter-Parliamentary Union:

HON DR AMWEELO	274
----------------------	-----

HON SPEAKER	278
Motion on Stiff Traffic Fines:	
HON UEITELE.....	278
HON DR AMWEELO	281
HON MINISTER OF JUSTICE.....	285
HON MINISTER OF MINES AND ENERGY	291
17 March 2011	
Tabling of Reports:	
HON DEPUTY MINISTER OF FINANCE	297
HON MINISTER OF LABOUR AND SOCIAL WELFARE.....	297
Oath/Affirmation by New Member:	
HON SPEAKER	298
Response to Questions:	
Question 10 (HON MOONGO)	
HON MINISTER OF AGRICULTURE, WATER AND FORESTRY	299
Question 11 (HON VON WIETERSHEIM)	
RT HON PRIME MINISTER	300
Resumption of Debate on Second Reading – <i>Appropriation Bill</i> :	
HON NYAMU	303
HON MAAMBERUA.....	317
HON DR AMWEELO	332
23 March 2011	
Information Sharing:	
HON SPEAKER	334
Tabling of Reports:	
HON DEPUTY MINISTER OF FINANCE	336
Ministerial Statement:	
HON MINISTER OF MINES AND ENERGY	336

Resumption of Debate on Second Reading – *Appropriation Bill*:

HON DR AMWEELO	337
HON DEPUTY MINISTER OF FOREIGN AFFAIRS.....	344
HON //GAROËB.....	354
HON DEPUTY MINISTER OF TRADE AND INDUSTRY	359
HON VON WIETERSHEIM.....	365
ADJOURNMNET.....	374

**LIST OF MEMBERS OF THE
NATIONAL ASSEMBLY**

SPEAKER

Dr T-B Gurirab (Mr)

**DEPUTY SPEAKER AND CHAIRPERSON OF THE
WHOLE HOUSE COMMITTEE**

Ms Loide Kasingo

THE CABINET

MINISTERS

(21 March 2010 – Elected in terms of Article 133 of the Constitution)

Mr N Angula	<i>(Prime Minister)</i>
Mr M Hausiku	<i>(Deputy Prime Minister)</i>
Dr G H Geingob (Mr)	<i>(Trade and Industry)</i>
Ms P Iivula-Ithana	<i>(Justice)</i>
Mr N Mbumba	<i>(Safety and Security)</i>
Dr A Kawana (Mr)	<i>(Presidential Affairs & Attorney- General)</i>
Ms S Kuugongelwa-Amadhila	<i>(Finance)</i>
Mr J Ekandjo	<i>(Regional and Local Government, Housing and Rural Development)</i>
Mr U Nujoma	<i>(Foreign Affairs)</i>
Mr E Nghimtina	<i>(Works and Transport)</i>
Dr A Iyambo (Mr)	<i>(Education)</i>
Ms D Sioka	<i>(Gender Equality and Child Welfare)</i>
Mr J Mutorwa	<i>(Agriculture, Water & Forestry)</i>
Mr J Kaapanda	<i>(Information & Communication Technology)</i>
Ms N Nandi-Ndaitwah	<i>(Environment and Tourism)</i>
Dr N Iyambo (Mr)	<i>(Veterans Affairs)</i>
Mr I Ngatjizeko	<i>(Labour & Social Welfare)</i>
Mr A !Naruseb	<i>(Lands & Resettlement)</i>
Dr R Kamwi (Mr)	<i>(Health and Social Services)</i>
Ms R Nghidinwa	<i>(Home Affairs and Immigration)</i>

Mr C Namoloh *(Defence)*
Mr B Esau *(Fisheries and Marine resources)*
Mr I Katali *(Mines and Energy)*
Mr K Kazenambo *(Youth, National Service, Sport and Culture)*

DEPUTY MINISTERS

(21 March 2010 – Elected in terms of Article 133 of the Constitution)

Ms P Haingura *(Health and Social Services)*
Ms A Muharukua *(Gender Equality and Child Welfare)*
Mr A Muheua *(Labour and Social Welfare)*
Ms L Lucas *(Defence)*
Mr P Iilonga *(Agriculture, Water & Forestry)*
Mr E Utoni *(Safety and Security)*
Mr T Nambahu *(Justice)*
Mr T Tweya *(Trade and Industry)*
Dr S C Ankama Mr *(Works and Transport)*
Mr P Mushelenga *(Foreign Affairs)*
Mr P Shifeta *(Youth, National Service, Sport & Culture)*

Mr W Isaacks *(Mines and Energy)*
Mr S Simataa *(Information and Communication Technology)*

Mr E Kaiyamo *(Home Affairs and Immigration)*
Ms P Beukes *(Regional and Local Government, Housing and Rural Development)*

Mr U Herunga *(Environment and Tourism)*
Mr C Schlettwein *(Finance)*
Dr. D Namwandi (Mr) *(Education)*

SECRETARY

Mr. J Jacobs

DEPUTY SECRETARY

Mr F S Harker

LIST OF MEMBERS AND PARTIES WHICH THEY REPRESENT

ALL PEOPLE'S PARTY (APP)

Mr I Shixwameni *(Chief Whip and Party Leader)*

CONGRESS OF DEMOCRATS (COD)

Mr B Ulanga *(Chief Whip and Party Leader)*

DTA OF NAMIBIA

Mr K Kaura *(Party Leader)*

Mr P Moongo *(Chief Whip)*

NATIONAL UNITY DEMOCRATIC ORGANISATION OF NAMIBIA (NUDO)

Mr K Riruako *(Party Leader)*

Mr A Tjihuike *(Chief Whip)*

RALLY FOR DEMOCRACY AND PROGRESS (RDP)

Mr S Bezuidenhout

Mr Hidipo Hamutenya *(Party Leader)*

Ms A Limbo

Mr H Lucks

Mr P Naholo

Mr K Nehova

Mr J Nyamu

Mr A von Wietersheim

REPUBLICAN PARTY

Ms C Gowases

SWANU

Mr U Maamberua *(Chief Whip and Party Leader)*

SWAPO OF NAMIBIA

Mr B Amathila	
Dr M Amweelo (Mr)	<i>(Assistant Whip)</i>
Mr N Angula	<i>(Prime Minister)</i>
Dr S C Ankama (Mr)	<i>(Deputy Minister)</i>
Ms P Beukes	<i>(Deputy Minister)</i>
Mr E Dingara	
Mr J Ekandjo	<i>(Minister)</i>
Mr B Esau	<i>(Minister)</i>
Dr H Geingob (Mr)	<i>(Minister)</i>
Dr T-B Gurirab (Mr)	<i>(Speaker)</i>
Ms P Haingura	<i>(Deputy Minister)</i>
Mr M Hausiku	<i>(Deputy Prime Minister)</i>
Mr U Herunga	
Mr P Iilonga	<i>(Deputy Minister)</i>
Mr W Isaacks	
Ms P Iivula-Ithana	<i>(Minister)</i>
Dr A Iyambo (Mr)	<i>(Minister)</i>
Dr N Iyambo (Mr)	<i>(Minister)</i>
Mr J Kaapanda	<i>(Minister)</i>
Mr E Kaiyamo	<i>(Deputy Minister)</i>
Dr R Kamwi (Mr)	<i>(Minister)</i>
Mr P I Kapia	
Ms L Kasingo	<i>(Deputy Speaker)</i>
Mr I Katali	<i>(Minister)</i>
Ms J Kavetuna	
Dr A Kawana (Mr)	<i>(Minister)</i>
Mr K Kazenambo	<i>(Minister)</i>
Ms S Kuugongelwa – Amadhila	<i>(Minister)</i>
Ms L Lucas	<i>(Deputy Minister)</i>
Ms S Makgone	
Ms A Manombe-Ncube	
Mr N Mbumba	<i>(Minister)</i>
Ms A Muharukua	<i>(Deputy Minister)</i>
Mr A Muheaua	<i>(Deputy Minister)</i>
Mr P Mushelenga	<i>(Deputy Minister)</i>
Mr J Mutorwa	<i>(Minister)</i>
Mr B Mwaningange	
Mr T Nambahu	<i>(Deputy Minister)</i>

Mr C Namoloh	<i>(Minister)</i>
Dr D Namwandi (Mr)	<i>(Deputy Minister)</i>
Mr A !Naruseb	<i>(Minister)</i>
Ms E !Nawases-Taeyele	
Mr I Ngatjizeko	<i>(Minister)</i>
Ms N Nandi-Ndaitwah	<i>(Minister)</i>
Ms R Nghidinwa	<i>(Minister)</i>
Mr E Nghimtina	<i>(Minister)</i>
Mr U Nujoma	<i>(Minister)</i>
Mr P Shifeta	<i>(Deputy Minister)</i>
Ms D Sioka	<i>(Minister)</i>
Mr T Tweya	<i>(Deputy Minister)</i>
Mr F Ueitele	
Mr E Uutoni	<i>(Deputy Minister)</i>
Mr P van der Walt	
Ms L Witbooi	

UNITED DEMOCRATIC FRONT (UDF)

Mr J //Garoëb	<i>(Party Leader)</i>
Mr S Tjongarero	<i>(Chief Whip)</i>

APPOINTED BY THE PRESIDENT IN TERMS OF ARTICLE 32(5)(c) OF THE CONSTITUTION

Ms M Jankowski	
Prof. P Katjavivi (Mr)	<i>(Chief Whip and Deputy Chairperson of the Whole House Committee)</i>
Mr C Schleittwein	<i>(Deputy Minister)</i>
Mr S Simataa	<i>(Deputy Minister)</i>
Ms S Swartz	
Ms A Tjongarero	

**NATIONAL ASSEMBLY
ASSEMBLY CHAMBER
WINDHOEK
15 FEBRUARY 2011**

The Assembly met pursuant to the adjournment.

HON DEPUTY SPEAKER took the Chair and read Prayers and the Affirmation.

ANNOUNCEMENT

HON DEPUTY SPEAKER: I wish to announce that today, the 15th of February 2011, the President of the Republic of Namibia, President Hifikepunye Pohamba, will officially open the Third Session of the Fifth Parliament of the Republic of Namibia. Honourable Members, I will now suspend the business of the House and ask leave to go and invite His Excellency the President of the Republic of Namibia to the Chamber. Please remain standing until His Excellency the President's procession enters the Chamber.

WELCOMING ADDRESS

HON SPEAKER: Honourable Members and Distinguished Guests, the Constitution, read with the Standing Rules and Orders, provides for the President of the Republic to address Parliament at the first Session of the year and officially open the business of the House. We are delighted and appreciate the reunion. With that, I warmly welcome His Excellency the President, Hifikepunye Pohamba, to the Joint Session of Parliament and give him the opportunity to deliver his statement. His Excellency.

OPENING ADDRESS

15 February 2011

OPENING ADDRESS
HIS EXCELLENCY, PRESIDENT POHAMBAMBA

HIS EXCELLENCY, PRESIDENT HIFIKEPUNYE POHAMBAMBA:

Honourable Dr Theo-Ben Gurirab, Speaker of the National Assembly,
Honourable Asser Kapere, Chairperson of the National Council,
Right Honourable Nahas Angula, Prime Minister,
Your Honour Chief Justice Peter Shivute,
Honourable Marco Hausiku, Deputy Prime Minister,
Honourable Dr Hage Geingob, First Prime Minister of the Republic of
Namibia,
Honourable Members of Parliament,
Distinguished Service Chiefs,
Your Excellencies, Members of the Diplomatic Corps,
Honourable Samuel Nuuyoma, Governor of the Khomas Region,
Distinguished Invited Guests,
Ladies and Gentlemen,

I am grateful to the Honourable Speaker for his kind words of welcome. At the same time, I wish to express the profound sense of honour and privilege that I feel to stand before this Joint Session to open the Third Session of the Fifth Parliament of the Republic of Namibia officially.

As customary, the three Organs of the State are represented at this occasion, demonstrating the strength of our democracy and the enduring principles of the separation of powers to ensure accountability. Since the attainment of our nationhood in 1990, our Nation has continued to grow from strength to strength, entrenching democracy and consolidating our institutional frameworks for governance. This in turn, consolidated socio-political peace and stability and facilitated the delivery of public services to our people.

Honourable Speaker, Honourable Chairperson, in the history of Nations our democracy is still relatively young. After all, we will celebrate our Nation's 21st Independence Anniversary only this year. Despite this relative youth, we are all proud of the achievements that we have recorded and the milestones that we have achieved over the years. We are also cognisant of the many challenges that our Nation faces in the process of nation building and in shaping the destiny of our Motherland.

15 February 2011

**OPENING ADDRESS
HIS EXCELLENCY, PRESIDENT POHAMBAMBA**

On an occasion such as this one, our Nation should pause to reflect and ponder about our common future. We must ask ourselves the critical questions regarding the direction in which our Nation is going; the goals and objectives that we aim to achieve; the strategies that we have adopted to achieve our goals as well as the pace at which we are advancing towards our chosen destiny. This constant introspection is necessary for us to stay focused and remain on the right track, to sharpen our approaches, and to ensure that the tools that we use are indeed effective to achieve the required outcomes. Compatriots, it is essential to ensure that we always aim at and, indeed, hit the right targets. This is what the noble task of nation building demands from all Namibians and particularly from those of us in leadership positions in the Executive, Legislative and the Judiciary branches of the State.

We have an obligation and a duty to serve the Nation to the best of our individual and collective abilities at all times. After all, we have taken oaths of office to do just that. As servants of the people, we are accountable to them in all that we do. We have no other choice but to ensure that the policies that we put in place, the laws that we enact and all the decisions that we take in our respective areas of responsibility are aimed at enhancing the well-being of our Nation.

While the doctrine of the separation of powers between the Executive, the Legislature and the Judiciary is constitutionally ordained, the three branches must continue to work together for effective implementation of policies, the enactment of responsive laws and an efficient administration of justice.

We must also within our areas of responsibility and competence, do everything in our powers to combat unemployment, poverty, under-development, the HIV/AIDS pandemic, crime, and corruption and to address other socio-economic issues that require the urgent attention of the Government.

Honourable Speaker, Honourable Chairperson, Parliament is the central pillar of our democracy, hence the need for it to live up to the noble expectation as the embodiment of the will of our people which is

15 February 2011

**OPENING ADDRESS
HIS EXCELLENCY, PRESIDENT POHAMBA**

practically expressed through the enactment of responsive laws that are aimed at improving the living conditions of all our people.

All branches of Government should build on the existing momentum to bring about better and faster public service delivery. We should plan better, act faster and most importantly, provide innovative solutions to deliver quality education, health care, housing, land reform, electricity, potable water and, indeed, other public services and social amenities.

We have noted the good work of this Parliament over the years. Thus, I commend our lawmakers for working hard and with admirable dedication during the last Session. Records from Parliament indicate that twelve substantive pieces of legislation were tabled covering a wide spectrum of issues. The same number of Motions was also tabled, dealing with current and topical issues of concern to the Nation. This is in addition to activities such as outreach activities, Ministerial Papers, etcetera.

Moreover, in keeping with its oversight and accountability functions, Parliament received and dealt with more than 120 Auditor-General's Reports on the financial activities of various public bodies. Financial Reports of various State-Owned Enterprises, statutory and regulatory bodies were also tabled and considered by both the National Assembly and the National Council.

In addition, Parliament continued to popularise its work among the members of the broader public. I am informed that these outreach initiatives, including the Children's Parliament, will be expanded during this Session. The Children's Parliament will take place during the month of May and not less than four schoolchildren from each of the 13 administrative Regions of the country will attend this Session. I commend our Parliament for exposing our children, the future leaders of this country, to the workings of our Parliament at a tender age.

I believe that the initiative has an added advantage of expanding civic awareness and responsibility among our young people, while moulding them for leadership positions in the future. I encourage the Honourable Speaker, the Honourable Chairperson of the National Council and indeed

15 February 2011

**OPENING ADDRESS
HIS EXCELLENCY, PRESIDENT POHAMBA**

all Members of Parliament to continue with these noble endeavours.

May I also request you, Honourable Members, to identify other innovative and practical ways in which Parliament and its work can be further popularised among the masses of our people? This is necessary to create a well-informed Nation where citizens are equipped with the right information and are empowered to make informed decisions on matters that affect their lives.

Parliament should also consider suggestions and inputs from citizens to enrich the legislative process. This can be achieved through public hearings and consultations before laws are enacted.

In the final analysis, our Parliament should not be seen as a distant institution, which is far removed from the daily struggles of ordinary Namibians. Rather, it should always be positioned as a relevant and visible reality in the lives of the people. This is the essence of democracy and it should be deepened to make our Parliamentary democracy more meaningful to the Nation.

Honourable Speaker, Honourable Chairperson, the task of addressing the socio-economic challenges that we face rests on all our shoulders. It requires the contribution of every one of us, including this Honourable House.

At this juncture, I wish to recognise the ongoing positive contributions of our Parliament to the socio-economic development of our Nation, as evidenced, among other things, by the forward-looking Bills tabled for debate. For this Session, the Bills slated to be tabled include:

- Appropriation Bill for the 2011/2012 Financial Year;
- Seed and Seed Varieties Bill;
- Plant Breeders and Farmers' Rights Bill;
- Flexible Land Tenure Bill;

15 February 2011

**OPENING ADDRESS
HIS EXCELLENCY, PRESIDENT POHAMBA**

- Earth Sciences Bill;
- Pension Funds Amendment Bill;
- Long-Term Insurance Amendment Bill;
- Unit Trusts Control Amendment Bill;
- Inspection of Financial Institutions Amendment Bill;
- Income Tax Amendment Bill;
- Statistics Bill and others.

These Bills are designed to have a positive impact on the lives of our people and the socio-economic development of our Nation once enacted. To begin with, the Appropriation Bill, which is tabled before the commencement of each Financial Year, is one of the most important tools in the hands of Government for purposes of planning, service delivery and governance. It outlines the public investment priorities of the Government for each Financial Year.

I will say more on the public spending and investment priorities of Government for the 2011/2012 Financial Year during the State of the Nation Address, after the Debate on the Appropriation Bill by the National Assembly.

I will as the Constitution dictates, use that occasion to report to this august House, and through you, to the Nation about the activities of Government during the current Financial Year as well as our planned activities during the ensuing Financial Year.

Honourable Speaker, Honourable Chairperson, this occasion is taking place at a time when our Nation is looking to Government with great anticipation to provide answers to the pressing issues of the day. These include the question of unemployment; the needed improvements in the provision of quality education, health care, housing, access to land and other social amenities. I assure the Nation that our Government is actively

15 February 2011

**OPENING ADDRESS
HIS EXCELLENCY, PRESIDENT POHAMBA**

attending to these concerns and other preoccupations of the Nation.

We will have to do more in the coming Financial Year to bring about tangible improvements to the current situation. I should say that I am confident that this ship called Namibia remains on course and that together we will weather the storm.

I have directed the Honourable Minister of Finance to ensure that the reform of the public procurement system is finalised soonest so that this sector can play its role of boosting economic performance.

Similarly, I would like to see the completion of the review and modernisation of the Foreign Investment Act of 1990. This crucial legislation is critical to improve our country's competitiveness as an attractive location for foreign investments. The inflow of investments into our country will in turn contribute to the transfer of skills, creation of wealth and creation of new employment opportunities. This is what Namibia needs.

I call upon all Namibians, in all our respective capacities, to employ all the means at our disposal and to harness the available technical, financial and natural resources in order to effectively fight and defeat the problem of unemployment. This is one of the greatest challenges facing our country today. Let us all rise to the occasion and overcome this challenge.

I would like to make a special call to the Private Sector to engage more meaningfully in efforts to create sustainable employment opportunities by expanding their operations and investing in value addition ventures.

There are many investment opportunities in sectors such as food production and agro-processing and other areas. Local investors should, therefore, venture into these areas and take advantage of these opportunities.

Our farmers should also work harder and take advantage of the good rains received so far to produce more food. Compatriots, as it currently stands, the unemployment rate in this country is unacceptable. It must be tackled

15 February 2011

**OPENING ADDRESS
HIS EXCELLENCY, PRESIDENT POHAMBA**

from all angles.

Honourable Speaker, Honourable Chairperson, other proposed Bills that will be tabled this Session will also change our society for the better. For instance, the Seed and Seed Varieties Bill will boost our efforts towards improved agricultural productivity. Similarly, the Plant Breeders' and Farmers' Rights Bill will address the concerns of our people as they relate to benefits that can be derived from local biological and genetic diversity.

Equally important, the Flexible Land Tenure Bill will enable our people, especially those in urban and peri-urban areas, to gain more secure rights to land.

The other Bills that I have mentioned, especially those in the Financial Sector, would lead to greater protection of Namibian consumers and strengthen the regulatory hand of the State, through the relevant regulatory institutions.

I urge the Honourable Members to debate these Bills vigorously and comprehensively so that the final products could serve the best interest of the Nation.

Honourable Speaker, Honourable Chairperson, the success of one arm of Government reflects positively on the entire Nation. I would, therefore like to congratulate our Parliament for the recognition it continues to enjoy both regionally and internationally. As the home of the SADC Parliamentary Forum, Namibia is working actively towards the transformation of the Forum into the SADC Parliament, in line with the Windhoek Declaration of 1992.

The international profile of our Parliament has also been elevated through the sterling work of our Speaker, Dr Theo-Ben Gurirab, who has been at the helm as President of the Inter-Parliamentary Union, IPU, since 2008. We are proud that under your able leadership, the IPU has truly become a home to many National Parliaments worldwide. Dr Gurirab, we commend you, on this achievement. You have indeed proven yourself as an effective international Public Servant. Namibia is proud of you.

15 February 2011

**OPENING ADDRESS
HIS EXCELLENCY, PRESIDENT POHAMBA**

Honourable Speaker, Honourable Chairperson, the good rain received so far has been a welcome blessing, indeed. However, it has also caused destruction to physical infrastructure such as roads and railways. Private properties and public buildings, such as houses, schools and businesses, have also been damaged by heavy thunderstorms and winds. I am concerned that levels of our perennial rivers have risen in recent weeks and the floods are threatening. In this context, all necessary measures must be taken to protect human lives. I urge the communities in flood-prone areas to cooperate with Emergency Management Officials and relocate to higher ground. Government will provide the necessary assistance to affected households to ensure smooth and safe relocation.

I call upon the Nation to stand together in the face of the damages caused by flooding and heavy rains. Where destruction has occurred, we must rebuild the infrastructure so that normal social and economic activities can continue.

Honourable Speaker, Honourable Chairperson, yesterday, the High Court delivered Judgment in the election application case, in which Opposition Political Parties challenged the outcome of the National Assembly Elections held in November 2009. The case has demonstrated the resilience and independence of our judicial system as provided for in our Constitution.

It demonstrated that Namibians can agree to disagree within the parameters of the Rule of Law and that aggrieved parties can seek the adjudication of disputes, of whatever nature, through the Courts of Law. This is a defining feature of the Rule of Law. It is an important tenet of multi-party democracy, which is our chosen system of governance.

Let me once again express the profound sense of honour and privilege that I feel to stand before this august House, to open the Third Session of the Fifth Parliament officially.

I am confident that all our lawmakers will do their best to ensure a productive and successful Session. The Nation is looking up to you, with justified expectations, to find effective solutions to the problems that we

15 February 2011

**VOTE OF THANKS
HON KAPERRE**

face. I urge you to live up to these expectations and to do your best at all times to serve the Nation. You have a duty not to fail them.

Honourable Speaker, Honourable Chairperson, our Parliament should harness its collective wisdom to legislate in the best interests of the Nation. Yes, the challenges are many and varied, however, when you, as lawmakers, work together for a common goal and with a shared sense of purpose, no challenge will be too great and no obstacle will be insurmountable. I take this opportunity to wish our Legislature all success in your legislative activities and Debates during this Session and beyond.

I now have the pleasure to declare the Third Session of the Fifth Parliament of the Republic of Namibia officially open. I thank you.

HON SPEAKER: The President has strongly and clearly reiterated Parliament's mandate and other responsibilities, individually and collectively, as lawmakers and guardians of the people's interest. We must act and make a difference moving forward. I now invite Honourable Asser Kapere, Chairman of the National Council to deliver the Vote of Thanks.

VOTE OF THANKS

HON CHAIRMAN OF THE NATIONAL COUNCIL: His Excellency Hifikepunye Pohamba, President of the Republic of Namibia and First Lady, Comrade Penxupifo Pohamba,
Honourable Dr Theo-Ben Gurirab, Speaker of the National Assembly and Madam Joan Guriras,
Right Honourable Nahas Angula, Prime Minister of Namibia,
Right Honourable Marco Hausiku, Deputy Prime Minister of Namibia,
Your Lordship, Chief Justice Peter Shivute,
Your Lordship, Judge President Petrus Damaseb,
Right Honourable Dr Hage Geingob, First Prime Minister of the Republic,

15 February 2011

**VOTE OF THANKS
HON KAPERRE**

Honourable Members of Parliament,
Honourable Samuel Nuuyoma, Governor of the Khomas Region,
Honourable Governors of other Regions present here,
Your Worship Elaine Trepper, Mayor of the City of Windhoek,
Distinguished Service Chiefs,
Your Excellencies, Members of the Diplomatic Corps,
My lifelong companion, Comrade Reverend Maria Kapere,
Distinguished Guests,
Members of the Media,
Ladies and Gentlemen,
Comrades and Friends.

It is with great humility and sense of duty that I take the Floor to extend a Vote of Thanks to His Excellency, Comrade Hifikepunye Pohamba, President of the Republic of Namibia, as well as to all our distinguished guests.

Honourable Speaker, allow me to make a few congratulatory remarks before I proceed with my duty this afternoon. As this is the first time Comrade Hifikepunye Pohamba, President of Namibia, is officiating at the opening of the Fifth Parliament since his re-election to the Presidency of our country, I therefore on behalf of Parliament, the people of Namibia and, indeed, on my own behalf take this opportunity once more to congratulate Your Excellency on resumption of your second term of office as President of our beloved Republic.

Further, Your Excellency, Comrade President, I congratulate you for having taken the leadership mantle of SADC in August last year. As Members of Parliament, we are aware of your efforts to strengthen the regional integration process in SADC. In this regard, I implore the Honourable Members of Parliament to support legislation geared towards the consolidation of regional integration initiatives as outlined in various SADC protocols.

Moreover, Comrade President, Parliament would also like to congratulate you on your recent ranking as Africa's fifth best-performing Head of State by an international magazine published in Kenya, called *The East African*.

15 February 2011

**VOTE OF THANKS
HON KAPERRE**

This achievement does truly recognise the excellent manner in which you handle the issues related to the use of State power, investment in food security and infrastructure, as well as investment in nation building, as acknowledged by this international magazine.

Having said that, Comrade Speaker, allow me to commend His Excellency for having reaffirmed his support for both the National Assembly and the National Council in respect of the role they play in our democratic Republic.

Comrade President, I am pleased that not only was your speech enlightening and insightful, but it also addressed the socio-economic plights of the Namibian people. Comrade President, rest assured that Parliament will within its constitutional mandate, pass laws that add impetus to Government's efforts that address the livelihood of our people. In this regard, I am happy to announce that the National Council will later this month consider the Employment Service Bill which the National Assembly passed last year and referred to the National Council for review.

Your Excellency, Comrade President, I welcome your recent appointment of Regional Governors because it is convincing that their appointment in accordance with the Special Advisors and Regional Governors Appointment Amendment Act of 2010 enhances opportunities of service delivery and the implementation of your administration's manifesto.

Your Excellency, it is clear from your address, that Government fully comprehends the social and economic conditions of our people of whom the vast majority are unemployed and poor. Therefore, I once more appeal to the Honourable Members of the Fifth Parliament to work hard in order to make laws that mitigate unemployment, reduce poverty and deliver quality education and healthcare, to mention but a few.

Comrade President, I am sure your address will encourage the Honourable Members of this august gathering to remain committed to its fundamental role of strengthening democratic values and their infusion in all institutions of the State and Society in general. Your Excellency, I wish you all the best for the New Year and I salute you.

15 February 2011

**VOTE OF THANKS
HON KAPERRE**

Honourable Speaker, Your Excellencies, Ladies and Gentlemen, today we are joined also by His Lordship Peter Shivute, Chief Justice of the Republic of Namibia and Members of the Judiciary, to whom I would like to extend my gratitude and appreciation for their continuous support and efforts that ensure the three branches of the State collaborate, to give life and meaning to our Constitution.

Similarly, I wish to thank you, Your Excellencies Ambassadors, High Commissioners and Members of the Diplomatic Corps for gracing this occasion with your presence and making our day a success.

Last, but not least, I may like to express my sincere thanks to the members of our protocol and security services, cultural groups, learners and our Parliamentary staff for the superb service they have rendered today.

It is now my distinct honour and privilege to invite all the invited guests to a reception in the Parliament Restaurant as soon as the President and his entourage leave the Chamber.

I thank you and may God bless you.

HON SPEAKER: Thank you, Colleague. Before I call on the Right Honourable Prime Minister to adjourn the Assembly, may I once again stress that we come back after the adjournment for hard work and rebuild the image of the National Assembly. I call upon the Right Honourable Prime Minister to adjourn the House.

RT HON PRIME MINISTER: Honourable Speaker, let me join you and other Members of Parliament to welcome you back and to join them in celebrating the eminent presence here of our Head of State and Government and also our Chief Justice and his team.

On that note, I propose that we adjourn now and return to the House next Tuesday, the 22nd of February at 14:30.

HOUSE ADJOURNS AT 15:26 UNTIL 2011.02.22 AT 14:30

**NATIONAL ASSEMBLY
ASSEMBLY CHAMBERS
WINDHOEK
22 FEBRUARY 2011**

The Assembly met pursuant to the adjournment.

HON SPEAKER took the Chair and read Prayers and the Affirmation.

HON SPEAKER: Any petitions? Any Reports of Standing or Select Committees? Other Reports and Papers? Dr Kawana.

**TABLING: ANNUAL REPORT OF THE
MCA NAMIBIA**

**HON MINISTER OF PRESIDENTIAL AFFAIRS AND
ATTORNEY-GENERAL:** Honourable Speaker, I lay upon the Table, Annual Report of the MCA Namibia for the year 2010.

**TABLING: ANNUAL REPORT OF THE
OFFICE OF THE PRESIDENT**

**HON MINISTER OF PRESIDENTIAL AFFAIRS AND
ATTORNEY-GENERAL:** Honourable Speaker, I lay upon the Table, Annual Report of the Office of the President for the year April 2009 to March 2010.

HON SPEAKER: Any further Reports and Papers? Honourable Kamwi.

**TABLING: ANNUAL REPORT OF THE
ATOMIC ENERGY BOARD OF NAMIBIA**

22 February 2011

**TABLING OF REPORTS
HON DR KAMWI**

HON MINISTER OF HEALTH AND SOCIAL SERVICES:

Honourable Speaker, Honourable Members, I lay upon the Table, Annual Report of the Atomic Energy Board of Namibia for the year 2009-2010.

HON SPEAKER: Will the Honourable Minister please Table the Report? Honourable Beukes.

**TABLING: ANNUAL REPORTS OF THE MINISTRY OF
REGIONAL AND LOCAL GOVERNMENT, HOUSING
AND RURAL DEVELOPMENT**

**HON DEPUTY MINISTER OF REGIONAL AND LOCAL
GOVERNMENT, HOUSING AND RURAL DEVELOPMENT:**

Honourable Speaker, I lay upon the Table, Annual Report of the Ministry of Regional and Local Government, Housing and Rural Development for 2008/2009 as well as 2009/2010.

HON SPEAKER: Will the Honourable Deputy Minister table the Report? Any further Reports and Papers? None. Any Notice of Questions?

NOTICE OF QUESTIONS

QUESTION 1:

HON RIRUAKO: I give Notice that on Thursday, the 4th of March 2011, I shall ask the Honourable Minister of Foreign Affairs:

What practical steps has our Government taken to give effect to the Motion that we have adopted on the Genocide and reparation that I have tabled in this august House, which was adopted on the 9th of September

22 February 2011

**NOTICE OF QUESTIONS
HON KAURA**

2008, and I believe that four years were enough for the two Governments to have done something to give effect to this Motion. I would like to know what kind of submission was made to the German Government by our own Government in this regard.

Only last year on the 26th of August 2010 the Government organised a huge commemoration and burial of the remains of what it guessed were of our people who died in the war of 1904-1908.

It is against this background that I ask the Minister of Foreign Affairs to tell the august House what steps our Government has taken to give effect to the Motion that we have adopted.

HON SPEAKER: Will the Honourable Member table the Question?
Honourable Kaura.

QUESTION 2:

HON KAURA: Honourable Speaker, I give Notice that on the 3rd of March 2011, I shall ask the Right Honourable Prime Minister the following:

1. What is the reason why the electricity is shut down at Government offices at Rundu for three weeks due to non-payment of electricity bills? Is the Government bankrupt or completely irresponsible?
 2. Are you aware of the two lives that were lost at the Windhoek Central Hospital Intensive Care Unit when there was an electricity blackout due to the inefficiency of emergency generators?
 3. Is there any consideration to improve the efficiency of the generators to prevent any loss of life if there is another blackout?
-

22 February 2011

**NOTICE OF QUESTIONS
HON ULENGA**

HON SPEAKER: Will the Honourable Member table the Question?
Honourable Ulenga.

QUESTION 3:

HON ULENGA: Thank you, Honourable Speaker. I give Notice that on Thursday, the 3rd of March 2011, I shall ask the Minister of Health and Social Services, Honourable Richard Kamwi, the following questions:

1. Honourable Minister, are community counsellors working amongst the community, counselling people living with HIV/AIDS, registered Government employees or not?
 2. The money they are paid at the end of every month, is it a wage, a salary, an allowance or a tip?
 3. Mr Minister, why have those people, who sit with a heavy social burden of looking after our patients physically and spiritually been neglected by Government and your Ministry?
 4. When can the community counsellors and the field promoters who do TB counselling and follow-ups expect a better salary and better conditions of employment, including a bonus every Christmas or year end?
-

QUESTION 4:

HON ULENGA: I give Notice that on Thursday, the 3rd of March 2011, I shall ask the Minister of Mines and Energy, Honourable Isak Katali, the following questions:

1. Is it true that petroleum exploration Companies drilling near Maltahöhe, in recent years found evidence of the presence of petroleum in that area of Namibia?

22 February 2011

**NOTICE OF QUESTIONS
HON MOONGO**

2. If it is true, can the Minister reveal the identity of Companies involved and how much petroleum have they found?
3. What are the implications of these findings in terms of employment creation and the economy?
4. Can the Honourable Minister summarise to this House the results of petroleum exploration in Namibia so far?

HON SPEAKER: Will the Honourable Member table the Questions?
Honourable Moongo.

QUESTION 5:

HON MOONGO: Honourable Speaker, I give Notice that on Thursday, 24 February 2011, I shall ask the Minister of Defence the following:

1. Is the Minister aware that it is now more than ten years that many Committees of Parliament informed the Minister of the health hazards in all military camps in Namibia?
2. How many new modern military camps were built so far in Namibia after Independence?
3. How many old South African military camps were demolished and if not, when are they going to be demolished?
4. What is the good reason that Sector 10 and other old South African military installations in Oshakati are still not demolished?
5. Explain as to why there are stinky smells of sewerage water and strange smells throughout the camps to the public street, causing a health hazard in the whole of Oshakati? What action is the Minister going to take and if so, when?

22 February 2011

**NOTICE OF QUESTIONS
HON TJIHUIKO**

HON SPEAKER: Will the Honourable Member table the Questions?
Honourable Tjihuiiko.

QUESTION 6:

HON TJIHUIKO: Honourable Speaker, I give Notice that on the 3rd of March 2010, I shall ask the Honourable Minister of Finance the following two questions:

1. It has been reported in the print media that apparently, the Chinese business people in Namibia do not pay tax; neither do they bank their money in Namibian banks. Would you positively confirm that statement?
 2. If the answer is negative, Chinese retailers in Namibia do not issue valid receipts, how do you assess income or what special method do you use to determine their income tax?
-

QUESTION 7:

HON TJIHUIKO: I give Notice that on the 3rd of March 2011, I shall ask the Minister of Lands and Resettlement the following questions:

Honourable Minister, you know as much as I do that there is serious confusion on the registration for the 20 hectares in communal areas.

1. What is the real benefit for a person in communal areas to register for 20 hectares of land?
2. What will happen to the people who may not be able to be registered at that specific village due to scarcity of land?
3. In the event where a person successfully applies and registers for 20 hectares in his or her name, will this person still qualify to apply and benefit from the Government resettlement programme?

22 February 2011

**NOTICE OF MOTIONS
HON SHIXWAMENI**

HON SPEAKER: Will the Honourable Member table the Questions?
Any Notice of Motions? Honourable Shixwameni.

NOTICE OF MOTIONS

HON SHIXWAMENI: I give Notice that on Tuesday, the 15th of March 2011, I shall Move –

That this Assembly –

Debates the need for the creation of a National Reserve Fund for Future Generations and adopts a resolution for the State to do research on and create such a Fund.

HON SHIXWAMENI: I give Notice that on Thursday, the 17th of March 2011, I shall Move:

That this Assembly –

Debates the need for and adopts a resolution for the State to implement a Basic Poor Household Income Grant as a measure to eliminate extreme poverty in the country.

HON SHIXWAMENI: I give Notice that on Tuesday, 29th of March 2011, I shall Move:

That this Assembly –

Debates the need for key Namibian development Non-Governmental Organisations to be funded by the State in order to eliminate their dependency on foreign Governments, donors and Non-Governmental Organisations.

22 February 2011

**NOTICE OF MOTIONS
HON MOONGO / HON ULENGA**

HON SPEAKER: Will the Honourable Member table the Motions?
Honourable Moongo.

HON MOONGO: Honourable Speaker, I give Notice that tomorrow, the
23rd of February 2011, I shall Move –

That this august House –

Discusses and comes up with acceptable fines and measures to the stiffer
fines that were recently introduced to punish road users who commit
traffic offences, the majority of them being the struggling poor in the
transport industry who would not be able to afford the high fines. I so
Move, Honourable Speaker.

RT HON PRIME MINISTER: On a Point of Order. The Honourable
Moongo tabled a Motion questioning a law passed by this House. If he
wants the law to be changed, he should table Amendments to that law, not
a Motion.

HON SPEAKER: You are correct. I do not have the written text in
front of me. I will come back tomorrow and advise the House
accordingly, but I take the point of the Prime Minister. Honourable
Ulunga.

HON ULENGA: Honourable Speaker, I give Notice that on Tuesday, the
8th of March 2011, I shall Move –

That this Assembly –

Given the extremely high levels of unemployment and widespread poverty
in the country, debates the nature and state of the Namibian economy
within the context of effectively addressing the needs of ordinary

22 February 2011

**NOTICE OF MOTIONS
HON ULENGA**

Namibians and delivering social and economic development to the Nation.

HON SPEAKER: I ask the Right Honourable Prime Minister to adjourn the House.

RT HON PRIME MINISTER: Thank you Honourable Speaker. I Move that we adjourn and return here tomorrow at 14:30.

HON SPEAKER: Any objection? Agreed to. The House stands adjourned until tomorrow.

HOUSE ADJOURNS AT 15:10 UNTIL 2011.02.23 AT 14:30

**NATIONAL ASSEMBLY
ASSEMBLY CHAMBERS
WINDHOEK
23 FEBRUARY 2011**

The Assembly met pursuant to the adjournment.

HON SPEAKER took the Chair and read Prayers and the Affirmation.

HON SPEAKER: Any petitions? Any Reports of Standing or Select Committees? Other Reports and Papers? Honourable Deputy Minister of Finance.

**TABLING: ANNUAL REPORT OF THE
MOTOR VEHICLE ACCIDENT FUND**

HON DEPUTY MINISTER OF FINANCE: Honourable Speaker, I lay upon the Table, the Annual Report of the Motor Vehicle Accident Fund for the year 2009. I so Move Honourable Speaker.

HON SPEAKER: Will the Honourable Minister table the Report? Any further Reports and Papers? Any Notice of Questions? Honourable Moongo.

NOTICE OF QUESTIONS

QUESTION 8:

HON MOONGO: Honourable Speaker, I give Notice that on Thursday, the 3rd of March 2011, I shall ask the Minister of Regional and Local Government, Housing and Rural Development the following:

23 February 2011

**NOTICE OF MOTIONS
HON KUUGONGELWA-AMADHILA**

1. Is the Minister aware that the road from Ongwediva to Oshakati is so narrow that there are no differences between pedestrians and those driving, because they arrive at the same time?
2. Is the Minister aware that the road is twenty years downgraded?
3. When will the Minister allocate more money in order for the Municipalities to construct modern three-lane roads from Ondangwa, Ongwediva and Oshakati?
4. When is the Minister going to allocate money so that towns such as Opuwo and Ruacana can be provided with proper streets?

HON SPEAKER: Will the Honourable Member table the Questions? Any further Notice of Questions? Any Notice of Motions? Minister of Finance.

NOTICE OF MOTIONS

HON MINISTER OF FINANCE: Honourable Speaker, I give Notice that tomorrow, the 24th of February 2011, I shall Move –

That leave be given to introduce a Bill to amend the Inspection of Financial Institution Act to empower the Registrar to inspect a person, partnership or company not registered as a financial institution upon reasonable suspicion to establish whether or not the business of a financial institution is being carried on and to provide for incidental matters.

HON MINISTER OF FINANCE: I give Notice that tomorrow, the 24th of February 2011, I shall Move –

That leave be given to introduce a Bill to amend the Pension Funds Act of 1956 to empower the Minister to make regulations prescribing the

23 February 2011

**NOTICE OF MOTIONS
HON KUUGONGELWA-AMADHILA**

minimum and maximum amounts or both the minimum and maximum amounts which a pension fund may invest in or outside Namibia; authorising the Registrar to grant conditional exemption from certain provisions and prescribing administrative penalties for contravention or failure to comply with certain regulations; and to provide for incidental matters.

HON MINISTER OF FINANCE: I further give Notice that tomorrow, the 24th of February 2011, I shall Move –

That leave be given to introduce a Bill to amend the Unit Trust Control Act of 1981 so as to improve the regulation and supervision regarding the establishment, carrying on and management of Unit Trust schemes; to empower the Registrar to approve the change of name of the management company and the change of shareholding of Directors and certain appointments; to direct removal from office of certain persons; to make determinations regarding securities and other assets that may be included in or excluded from a unit portfolio of a Unit Trust scheme and minimum and maximum restrictions and conditions thereof and the method for determining the value for unlisted assets; to increase certain penalties and to provide for incidental matters.

HON MINISTER OF FINANCE: I also give Notice that tomorrow, the 24th of February 2011, I shall Move –

That leave be given to introduce a Bill to amend the Long-Term Insurance Act of 1998, so as to empower the Minister to make regulations prescribing the minimum or maximum amount or both the minimum and maximum amounts which a registered insurer or re-insurer may invest in or outside Namibia; authorising the Registrar to grant exemption from certain conditions and to provide for incidental matters.

HON MINISTER OF FINANCE: I give Notice that tomorrow, the 24th of February 2011, I shall Move –

23 February 2011

**NOTICE OF MOTIONS
HON KUUGONGELWA-AMADHILA**

That leave be given to introduce a Bill to amend the Income Tax Act of 1981, to provide for the registration of a Retirement Annuity Fund under the Pension Funds Act as a further requirement for approval of such Fund by the Minister in respect of any year of assessment and to provide for incidental matters.

HON SPEAKER: Will the Minister table the Motions? Any further Notice of Motions? Honourable Moongo.

HON MOONGO: Honourable Speaker, I Move without Notice, that the Motion I tabled yesterday, the 22nd of February 2011, to discuss the fines that were recently introduced to punish road users who commit traffic offences be withdrawn forthwith. I so Move, Honourable Speaker.

HON SPEAKER: I had deferred my views on the Motion yesterday and now that the Honourable Member has so kindly agreed to withdraw the Motion after consultations, I want to clarify what the consultations were all about.

The Honourable Member tabled the Motion yesterday in which he requested this august House to discuss and review the traffic fines introduced recently. The review of the fines is not in the jurisdiction of the National Assembly as the Assembly only passes laws for the good governance of the State and the traffic fines, in terms of the Road Traffic and Transport Act (Act 22 of 1999) shall be prescribed by the Minister of Works and Transport in regulations and published in the Government Gazette. Although, this is a public concern and we as the representatives of the people need to hear when there are concerns like this, the Motion by Honourable Moongo in its current form requests this House to abdicate the power of the Minister, which we as the Legislative Branch cannot do. That the Honourable Member understood and accordingly he has kindly agreed to withdraw the Motion.

23 February 2011

**NOTICE OF MOTIONS
HON SHIXWAMENI**

However, the subject matter itself is of great interest to this House and, indeed, to the public at large. Therefore, the subject can be discussed in an appropriate form, whether in Standing Committees or through some other procedures that are open to the Honourable Members.

HON SPEAKER: Any further Notice of Motions? Honourable Shixwameni.

HON SHIXWAMENI: I give Notice that on Tuesday, the 22nd of March 2011, I shall Move –

That this Assembly –

Debates and resolves that the President be requested, in the best interest of the public, to release the following reports on the GIPF Development Portfolio Investments:

1. The findings from the NAMFISA investigation that was already concluded shortly after the commencement of his first term of office as Head of State; and
2. The Report of the recently concluded forensic audit by the Auditor-General done by the BDO Spencer.

HON SHIXWAMENI: I give Notice that on the 24th of March I shall Move –

That this House –

Debates and resolves that a national moratorium be put on the further licensing of new Shebeens countrywide and strict regulations put on the operations of existing shebeens, bottle stores and other outlets that sell alcohol.

23 February 2011

**MINISTERIAL STATEMENT
HON NUJOMA**

HON SPEAKER: Will the Honourable Member table the Motions? Any further Notice of Motions? None. Ministerial Statements? Minister of Foreign Affairs.

**MINISTERIAL STATEMENT: CURRENT
STATE OF INTERNATIONAL AFFAIRS**

HON MINISTER OF FOREIGN AFFAIRS: Comrade Speaker, Comrade Deputy Speaker, Right Honourable Prime Minister, Honourable Members of Parliament, I am grateful for this opportunity to address this august House and share with you Namibia's position on various international developments which have a bearing on our foreign policy. Today we live in a global village, developments in one part of the village invariably affects people in another part of this village to some extent.

News is replete with information on various crises on the African Continent, the Middle-East, and indeed, in the rest of the world. Namibia has remained true to the constitutional mandate provided through Article 96 of its Constitution. This is evident from the Government's engagements within the regional, continental and international contexts. His Excellency the President has renewed this resolve, more so since his assumption of the SADC Chairmanship and the country's membership of the AU Peace and Security Council.

Comrade Speaker, Honourable Members, it is within this context that I wish to brief this august House on some of the pertinent developments.

With regard to Zimbabwe, the political situation in Zimbabwe is encouraging, given the ongoing implementation of the Global Peace Agreement (GPA). We believe the coalition Government is making progress, though perhaps not at the speed one would have liked, towards the implementation of the provisions of the GPA. Namibia will continue to support the Government and the people of Zimbabwe in their efforts to bring back their country to international stardom, as it was before.

23 February 2011

**MINISTERIAL STATEMENT
HON NUJOMA**

The economic situation is equally encouraging with the reported recovery due to favourable economic reforms and improved investment climate. This recovery, if sustained, will undoubtedly go a long way in fostering economic growth and thereby improving the living standards of the Zimbabwean people.

I, therefore, reiterate Namibia's call for the lifting of sanctions, which are affecting not only the people of Zimbabwe but the whole SADC Region, as those directly affected try to find means of survival elsewhere in the Region.

Comrade Speaker, with regard to Madagascar, we remain deeply concerned over the continuing political stalemate in Madagascar. The Government of Namibia is, nevertheless, hopeful that the first and second Maputo Agreements and the Additional Act of Addis Ababa will be fully implemented.

His Excellency Joachim Chissano is working tirelessly as the SADC Mediator on this matter and we wish to reiterate our support for his efforts. We equally wish to express appreciation for the United Nations and the AU Commission efforts to ensuring that the SADC Mediator has tools to execute his mandate effectively.

Comrade Speaker, with regard to the situation in Cote d'Ivoire, we have followed the developments in Cote d'Ivoire following the conclusion of elections, which were held in November 2010. The Government of Namibia is deeply concerned about the political impasse and security situation in that sisterly country. We believe that this conflict must be solved through dialogue. We, therefore, support the efforts of the ECOWAS, the AU and the International Community at large, which are aimed at bringing about durable peace in Cote d'Ivoire. The Government of Namibia, therefore, welcomes the UN Security Council Resolution 1962, which renewed the mandate of the UN Peacekeeping Mission in Cote d'Ivoire.

We also welcome and support the establishment of the AU High Level Panel of Five African Heads of State and Government during the AU

23 February 2011

**MINISTERIAL STATEMENT
HON NUJOMA**

Summit in Addis Ababa in January 2011. We are confident that this Panel will evaluate the situation in Cote d'Ivoire and formulate an overall political solution based on the relevant decisions of the AU, ECOWAS and, indeed the parties to the Ivorian conflict. Just a few days ago, this Panel was already in Cote d'Ivoire, they are assessing the situation, and perhaps they will come forward with a new formula as to how we will be able to resolve this critical situation in Cote d'Ivoire.

Comrade Speaker, with regard to North Africa and the Middle East, North Africa and large parts of the Middle East are experiencing mass-political protests as citizens continue to call for leaders to step down. The protest actions, as we came to see them on the global media, started in Tunisia, ultimately forcing the former President, His Excellency Zine El Abidine Ben Ali to flee the country. The President of Egypt, His Excellency Hosni Mubarak, has now become the second victim of this upsurge. He is now said to have found refuge in Saudi Arabia according to the media.

Developments in Tunisia had a contagious effect on more of the countries in North Africa and the Middle East, spreading to Egypt, Algeria, Yemen, Syria, Bahrain and Jordan, while some reports also mention Libya as one of those countries that have been affected. While in Tunisia and Egypt, Governments have been brought down, other Governments seem to be holding up through interventions to address some of the concerns and grievances being raised throughout the protest actions.

Comrade Speaker, I wish to pause at the developments in the sisterly Country of Egypt. Namibia and Egypt have excellent longstanding bilateral relations that can be traced back to the days of our Liberation Struggle. SWAPO, as a liberation movement, has received material and moral support from the people of Egypt. The developments are, therefore, alarming but remain an internal affair of that country.

The Namibian Government is confident that the people of Egypt will restore their country to normalcy under the leadership and guidance of the Army Supreme Council. We will remain seized with the situation in this sisterly country and wish them success in the execution of planned programmes towards a new legitimate and widely acceptable Government.

23 February 2011

**MINISTERIAL STATEMENT
HON NUJOMA**

Comrade Speaker, the Ministry acted in a way to ensure maximum safety and security of all Namibian nationals in Egypt and repatriated non-essential staff and their families from Cairo. We will continue to monitor the situation with a view to returning them on a date to be decided upon in the nearby future when the situation returns to normal.

Comrade Speaker, Honourable Members, with regard to Southern Sudan, Southern Sudan is at the dawn of becoming a new Nation. The AU Observer Mission, which was led by Dr Victor Tonchi, surmised that: *“The Referendum was organised and conducted in accordance with the Comprehensive Peace Agreement (CPA) and the South-Sudan Referendum Commission (SSRC) guidelines. The Referendum was also consistent with the AU Guidelines on Standards for the Conduct of Democratic Elections in Africa. The Referendum was free, fair and credible and that it was indeed a true reflection of democratically expressed will of the people of Southern Sudan.”*

The South Sudan Referendum Commission announced on 7 February 2011 that over 98% of the voters voted for the separation of South Sudan. We, therefore, congratulate the people of Sudan for the peaceful and orderly conduct of the referendum.

The Government also congratulates the leaders of Sudan for their leadership and commitment to implementation of the Comprehensive Peace Agreement and the actual conduct of the referendum. We trust that the other provisions of the Comprehensive Peace Agreement will continue to be implemented to bring to fruition the ultimate objective of this Pact. Namibia will patiently await the final pronouncements on the referendum and the eventual declaration of Independence.

As I stated in my introductory remarks, we are guided by the provisions of Article 96 of the Namibian Constitution in our Foreign Policy engagements. We will continue to conduct our policy on this basis and as such seek peaceful, secure and mutually beneficial coexistence with our neighbours and beyond. We will work to make the global village a place where people of the world can live together in peace and harmony. We will continue to make our contributions towards these ends within SADC,

23 February 2011

ADJOURNMENT

the Non-Aligned Movements, the AU, the United Nations and, indeed, in any bilateral or multilateral forum. I thank you, Comrade Speaker.

HON SPEAKER: I thank the Minister for his informative statement, keeping us up to date about the global developments affecting our continent as well. I would have liked the Minister to mention the elections in Uganda, but maybe not all the facts are in yet.

President Pohamba will inaugurate the Namibia Institute of Public Administration and Management on Friday, the 25th of February 2011 at 10:00 at premises in Olympia and all the Members are invited to attend that event.

With that I ask the Prime Minister to adjourn the House until tomorrow.

RT HON PRIME MINISTER: I Move that we adjourn now and return here tomorrow at 14:30. I so Move.

HON SPEAKER: Any objection? The House stands adjourned until tomorrow.

HOUSE ADJOURNS AT 15:00 UNTIL 2011.02.24 AT 14:30

**NATIONAL ASSEMBLY
ASSEMBLY CHAMBERS
WINDHOEK
24 FEBRUARY 2011**

The Assembly met pursuant to the adjournment.

HON SPEAKER: took the Chair and read Prayers and the Affirmation.

HON SPEAKER: Any petitions? Any Reports of Standing or Select Committees? Other Reports and Papers? Honourable Katali.

**TABLING: ANNUAL REPORT OF
MINISTRY OF MINES AND ENERGY**

HON MINISTER OF MINES AND ENERGY: Honourable Speaker, I lay upon the Table, the 2009/2010 Annual Report of the Ministry of Mines and Energy.

HON SPEAKER: Will the Honourable Minister table the Report? Honourable Minister of Safety and Security.

**TABLING: ANNUAL REPORT OF THE
MINISTRY OF SAFETY AND SECURITY**

HON MINISTER OF SAFETY AND SECURITY: Honourable Speaker, I lay upon the Table, the 2007/2008 Annual Report of the Ministry of Safety and Security – Namibian Prison Services.

HON SPEAKER: Will the Honourable Minister table the Report? Any further Reports and Papers? Any Notice of Questions? Notice of Motions? Honourable Moongo.

24 February 2011

**NOTICE OF MOTION
HON MOONGO**

NOTICE OF MOTION

HON MOONGO: Honourable Speaker, I give Notice that on Tuesday, the 8th of March 2011, I shall Move –

That this Assembly –

Debates the prevailing reasons for the current outcry that has led to the public transport operators staging a protest in January 2011, which ultimately resulted in a clash with the law enforcement agencies.

Expresses itself on the socio-economic impact this might have on those low-income earners.

That this Motion be referred to the Standing Committee on Economics, Natural Resources and Public Administration for public consultations and report back to this august House. I so Move, Honourable Speaker.

HON SPEAKER: Will the Honourable Member please table the Motion? Any further Notice of Motions? Any Ministerial Statements? The first Notice of Motion is the one of the Honourable Minister of Finance. Does the Honourable Minister move that the Bill be now introduced?

**INTRODUCTION AND FIRST READING
INSPECTION OF FINANCIAL INSTITUTIONS
AMENDMENT BILL**

HON MINISTER OF FINANCE: I Move the Motion.

24 February 2011

**SECOND READING
INSPECTION OF FINANCIAL INSTITUTIONS
AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

HON SPEAKER: Any secondment? Objection? Agreed to. Will the Honourable Minister table the Bill? The Secretary will read the Bill a First Time.

**INSPECTION OF FINANCIAL INSTITUTIONS AMENDMENT
BILL**

HON SPEAKER: Does the Honourable Minister of Finance Move that the Bill be now read a Second Time?

HON MINISTER OF FINANCE: I so Move, Honourable Speaker.

HON SPEAKER: Any secondment? Objections? The Minister has the Floor.

**SECOND READING: INSPECTION OF FINANCIAL
INSTITUTIONS AMENDMENT BILL**

HON MINISTER OF FINANCE: Thank you, Honourable Speaker, Honourable Members. The Inspection of Financial Institutions Amendment Bill seeks to amend Section 6 of the Inspection of Financial Institutions Act to provide the Registrar of Long-Term and Short-Term Insurance Companies with the power to inspect the affairs of the person, partnership or any company even when it is not registered with NAMFISA.

This Amendment is necessary in order to ensure that the NAMFISA and the Registrar are in a position to strengthen protection of the public interest, whereas currently the Authority is only empowered to regulate the companies that are registered with it and, therefore, fall under the

24 February 2011

**FIRST READING
PENSION FUNDS AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

ambit of their supervision. This Amendment would make it possible for them if they feel that moneys which are subject to their protection, which are in the hands of people that are not under their regulations are at risk of misappropriation or any form of abuse, they would have the power then to intervene and inspect those entities and deal with whatever the findings are appropriately. I Move so, Honourable Speaker.

HON SPEAKER: Any further discussion? None. Honourable Minister of Finance.

HON MINISTER OF FINANCE: I thank the Honourable Members for their support.

HON SPEAKER: I now put the Question, that the Bill be now read a Second Time. Any objection? Agreed to. The Secretary will now read the Bill a Second Time.

**INSPECTION OF FINANCIAL INSTITUTIONS AMENDMENT
BILL**

HON SPEAKER: The second Notice of Motion is the one of the Honourable Minister of Finance. Does the Honourable Minister Move that the Bill be now introduced?

**INTRODUCTION AND FIRST READING:
PENSION FUNDS AMENDMENT BILL**

HON MINISTER OF FINANCE: I Move so, Honourable Speaker.

24 February 2011

**SECOND READING
PENSION FUNDS AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

HON SPEAKER: Who seconds? Objection? Agreed to. Will the Honourable Minister please table the Bill? The Secretary will read the Bill a First Time.

PENSION FUNDS AMENDMENT BILL

**SECOND READING:
PENSION FUNDS AMENDMENT BILL**

HON SPEAKER: Does the Honourable Minister of Finance Move that the Bill be now read a Second Time?

HON SPEAKER: Any objection? Agreed to. The Honourable Minister has the Floor.

HON MINISTER OF FINANCE: Thank you, Honourable Speaker, Honourable Members. The Pension Funds Amendment Bill seeks to amend the Pension Funds Act to:

- Allow the Minister of Finance to set the minimum and maximum amounts, which a pension fund may invest inside or outside Namibia and in a particular category of assets
- To prescribe the administrative penalties for contravention or failure to comply with certain provisions and that such penalties be payable to the Namibian Financial Institutions Supervisory Authority, (NAMFISA) and to require that penalties due in terms of the Act be regarded as debt owed to NAMFISA.

Currently the Pensions Fund Act only empowers the Minister of Finance to set the maximum amount and not the minimum amount, which pensions fund may invest in particular categories of assets or jurisdictions.

24 February 2011

**SECOND READING
PENSION FUNDS AMENDMENT BILL
HON MOONGO / HON ULENGA**

I will also, Honourable Speaker, Honourable Members, during the Committee Stage of this Bill introduce an Amendment to the Bill to empower the Minister of Finance to issue regulations prescribing the framework for the investment of pension fund assets in unlisted investment. This Amendment is necessary to mitigate the risk of mismanagement and misappropriation of pension fund assets. I Move so, Honourable Speaker.

HON SPEAKER: Any further discussion? Honourable Moongo.

HON MOONGO: I would like to adjourn the Debate until Tuesday so that I study the Bill.

HON SPEAKER: Honourable Ulenga.

HON ULENGA: Thank you, Honourable Speaker, I pressed to stand up because I was a little lost and I wanted the Speaker to speak on a procedural issue, because I am not so sure whether it is procedural for the House to pass a Bill that it has not read, and it looks like we have actually now given up discussing the first Bill. Mr Speaker, can you please speak out on procedure on that issue, because the first Bill we received is item 3 on the Order Paper and we have not received the first item. Can you please explain how we should go about it?

HON SPEAKER: I think the Honourable Member has a point, let us not disagree where we are not disagreeing. Ideally, these Bills should have been distributed to the Members and they should have read them by now before the Minister motivates them. The same would apply to all the remaining Bills. We do not need to fight about that, it is just the procedure. Maybe somebody could just adjourn them, that is one way to do it. I think it is good sense that the Honourable Members should have

24 February 2011

**SECOND READING
PENSION FUNDS AMENDMENT BILL
HON DR KAWANA / RT HON ANGULA**

received these Bills if they are going to decide on them. Minister Kawana.

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL: Honourable Speaker, I concur with the sentiments expressed by the Honourable Member Ulenga, but I do not think we did not follow the procedure with regard to the first Bill, because the procedure is that once the Bill is tabled and has been read a First Time, then the Speaker will invite discussion and there was no discussion. If there is no discussion, then the Second Reading is closed and we go to the Committee Stage, which means we have not passed the Bill. If the Honourable Members would want to reverse the process, they are entitled to do so since they say they have not seen the Bill. However, the Speaker was correct and I wanted to put that on Record.

HON SPEAKER: This is one of those instances when everybody is right. It is rare but it happens. After the Minister has moved and I called for further discussion, I did not see any indication for further discussion and I called for the second Motion to be introduced and I called for any further discussion and it is at that point Honourable Ulenga rose and took us back to the first Bill. He did not indicate that he wanted to make any further discussion. He said his mind was still on the first one when I called the second Motion. The Minister of Presidential Affairs is correct; the real discussion would come when we get to the Committee Stage. Right Honourable Prime Minister.

RT HON PRIME MINISTER: For posterity I think next time we should do things better. Perhaps you give Notice and you table a Bill. The next time you table a Bill and wait until the next time before motivating, so that the Bill is distributed. I think the distributors were a bit slow in distributing the Bill. Once it is tabled and motivated, then you follow that procedure, but the people have not distributed the Bill.

24 February 2011

**FIRST READING
UNIT TRUST AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

HON SPEAKER: The Bills were available; the people who are distributing did not do their work. The only people who are wrong in this case are the distributors. Honourable Kaura.

HON KAURA: Based on that, I adjourn the first Bill to next week, Wednesday, so that we can come back to procedure.

HON SPEAKER: Yes, the first Bill stands adjourned until Wednesday, next week. The second Bill stands adjourned until Tuesday, next week. The third Notice of Motion is the one of the Honourable Minister of Finance. Does the Minister Move that that the Bill be now introduced?

**INTRODUCTION AND FIRST READING:
UNIT TRUST AMENDMENT BILL**

HON MINISTER OF FINANCE: I Move so, Honourable Speaker.

HON SPEAKER: Who seconds? Objection? None. Agreed to. Will the Honourable Minister please table the Bill? The Secretary will read the Bill a First Time.

UNIT TRUST CONTROL AMENDMENT BILL

**SECOND READING:
UNIT TRUST AMENDMENT BILL**

HON SPEAKER: Does the Minister Move that the Bill be now read a Second Time?

24 February 2011

**FIRST READING
INCOME TAX AMENDMENT BILL
HON KUUGONGELWA-AMADHILA / HON ULENGA**

HON MINISTER OF FINANCE: Thank you, Honourable Speaker, Honourable Members. The Amendments to the Unit Trust Control Act seek to require Unit Trust schemes to invest in domestic and in unlisted assets. The Amendment further empowers the Registrar to approve a change of name and the acquisition or transfer of shareholding.

Further, in terms of these Amendments, persons who are to be appointed as Directors and management staff for Management Companies will be required to meet the fit and proper persons' criteria. The Amendment also introduces the broader inclusion of assets other than listed securities in Unit Trust portfolios to broaden the scope for domestic investments.

In terms of this Amendment, the Registrar would further also be empowered to set a valuation method for unlisted investments and the penalties for non-compliance with the provisions of the law and regulations are increased. I Move so, Honourable Speaker.

HON SPEAKER: Any further discussion? Honourable Ulenga?

HON ULENGA: Honourable Speaker, I would like to move that the Debate on the Bill be adjourned until Thursday next week.

HON SPEAKER: Any objection? The consideration of this Bill stands adjourned until Thursday next week. The Fourth Notice of Motion is by the Minister of Finance. Does the Minister Move that the Bill be now introduced?

**INTRODUCTION AND FIRST READING:
INCOME TAX AMENDMENT BILL**

24 February 2011

**SECOND READING
INCOME TAX AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

HON MINISTER OF FINANCE: I Move so, Honourable Speaker.

HON SPEAKER: Who seconds? Any objection? Agreed to. Will the Honourable Minister table the Bill? The Secretary will now read the Bill a First Time.

INCOME TAX AMENDMENT BILL

**SECOND READING:
INCOME TAX AMENDMENT BILL**

HON SPEAKER: Does the Minister Move that the Bill be now read a Second Time?

HON MINISTER OF FINANCE: I Move so.

HON SPEAKER: Any objection? Agreed to. The Minister has the Floor.

HON MINISTER OF FINANCE: Thank you, Honourable Speaker, Honourable Members. The Income Tax Amendment Bill seeks to amend the Income Tax Act in order to require retirement annuity funds to register as funds under the Pensions Act. This will then put them under the regulation ambit of NAMFISA. I Move so, Honourable Speaker.

HON SPEAKER: Any further discussion? Honourable Ulenga.

24 February 2011

FIRST READING
LONG TERM INSURANCE AMENDMENT BILL
HON KUUGONGELWA-AMADHILA

HON ULENGA: Honourable Speaker, I Move that the discussion on the Bill be adjourned until Wednesday next week.

HON SPEAKER: Any objection? The consideration of this Bill stands adjourned until Wednesday, next week. The Fifth Notice of Motion is the one of the Honourable Minister of Finance. Does the Honourable Minister Move that the Bill be now introduced?

INTRODUCTION AND FIRST READING:
LONG-TERM INSURANCE AMENDMENT BILL

HON MINISTER OF FINANCE: I Move so, Honourable Speaker.

HON SPEAKER: Who seconds? Any objection? Agreed to. Will the Honourable Minister table the Bill? The Secretary will now read the Bill a First Time.

LONG-TERM INSURANCE AMENDMENT BILL

HON SPEAKER: Does the Minister Move that the Bill be now read a Second Time?

SECOND READING: LONG-TERM INSURANCE
AMENDMENT BILL

HON MINISTER OF FINANCE: I Move so, Honourable Speaker.

24 February 2011

SECOND READING
LONG TERM INSURANCE AMENDMENT BILL
HON KUUGONGELWA-AMADHILA

HON SPEAKER: Any secondment? Objection? Agreed to. The Minister has the Floor.

HON MINISTER OF FINANCE: Thank you, Honourable Speaker, Honourable Members, The Long-Term Insurance Amendment Bill seeks to amend the Long-Term Insurance Act so as to allow the Minister of Finance to set minimum and maximum amounts which an insurer or reinsurer may invest inside or outside Namibia and in a particular category of assets and to authorise the Registrar to grant conditional exemption from certain provisions of the regulations. Currently the Registrar is not empowered to set conditions when granting exemptions from certain provisions of the regulations and also the powers that are vested in the Minister currently under the Act is only to set maximum amounts which an insurer or reinsurer may invest in specified assets, but it does not empower the Minister to set a minimum amount.

These Amendments, to both the Long-Term Insurance Act, the Unit Trust Act and to the Pension Funds Act would then pave the way for the implementation of the Amendments to Regulations 28 and 15 that were finalised, but we could not proceed with their implementation because we needed to ensure that the Minister is appropriately empowered in terms of the law to do what we are attempting to do under the regulations.

I implore the House to consider these Amendments that I have put on the Table of Parliament and to consider them for speedy passing. Thank you.

HON SPEAKER: Any further discussion? Honourable Kaura.

HON KAURA: Honourable Speaker, I would like to adjourn the Debate until next week Tuesday.

24 February 2011

ADJOURNMENT

HON SPEAKER: Any objection? The Debate on this Bill stands adjourned until next week Tuesday, the 1st of March 2011.

We are more than 20 years into this business of lawmaking and debating. I think the best procedure would be that when Notice is served, the intended Motions and Bills should be distributed. Sometimes we have Bills much thicker documents and that would serve the purpose correctly. I thought that was what we have been doing all along, but apparently not. Let that be a Standing Rule that when notice is served the relevant documents should then be distributed, so that when we get to this stage, everybody would have read and it would serve the purpose of further discussion.

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL: Honourable Speaker, I do not know who are the Members of the Rules Committee, but we might make an exception regarding the Budget. I am thinking in terms of the Appropriation Bill, that it should not be distributed prior to the motivation.

HON SPEAKER: We will cross that bridge when we come to that. I call on the Right Honourable Prime Minister to adjourn the House.

RT HON PRIME MINISTER: I Move that the House be adjourned until Tuesday, the 1st of March 2011 at 14:30.

HON SPEAKER: Any objection? The House stands adjourned until Tuesday, 1st March 2011 at 14:00

HOUSE ADJOURNS AT 15:17 UNTIL 2011.03.01 AT 14:30

**NATIONAL ASSEMBLY
ASSEMBLY CHAMBERS
WINDHOEK
01 MARCH 2011**

The Assembly met pursuant to the adjournment.

HON SPEAKER took the Chair and read Prayers and the Affirmation.

ANNOUNCEMENT

HON SPEAKER: The business of the House shall commence. Honourable Members, on your desk is an invitation by the Governor of the Khomas Region to the 21st Independence Celebrations to take place on 21 March 2011 at the Independence Stadium.

HON SPEAKER: Any petitions? Any Reports of Standing or Select Committees? Other Reports and Papers? Honourable Nghimtina.

**TABLING: ANNUAL REPORT OF
TRANSNAMIB HOLDINGS LTD**

HON MINISTER OF WORKS AND TRANSPORT: Honourable Speaker, I lay upon the Table, the 2008 Annual Report of TransNamib Holdings Ltd.

HON SPEAKER: Will the Honourable Minister please table the Report? Honourable Minister of Defence.

01 March 2011

**TABLING OF REPORTS
HON NAMOLOH / HON SCHLETTWEIN**

**TABLING: MINISTRY OF DEFENCE
SECTORAL HIV/AIDS POLICY**

HON MINISTER OF DEFENCE: I lay upon the Table, Ministry of Defence Sectoral HIV/AIDS Policy.

HON SPEAKER: Will the Honourable Minister table the Report? Any further Reports and Papers? Deputy Minister of Finance.

TABLING: REPORTS OF THE AUDITOR-GENERAL

HON DEPUTY MINISTER OF FINANCE: Honourable Speaker, I lay upon the Table four Reports from the Auditor-General's Office on the accounts of:

1. Municipality of Windhoek for the Financial Year ending 30 June 2007;
 2. Municipality of Walvis Bay for the Financial Year ending 30 June 2009;
 3. Regional Council of the Karas Region for the Financial Year ending 31 March 2008 and 2009, respectively; and
 4. Town Council of Helao Nafidi for the Financial Year ending 30 June 2009.
-

HON SPEAKER: Any further Reports and Papers? Any Notice of Questions? Any Notice of Motions? Dr Kawana.

01 March 2011

**NOTICE OF MOTION
HON DR KAWANA**

NOTICE OF MOTION

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL: Honourable Speaker, I give Notice that tomorrow, the 2nd of March 2011, I shall Move –

That leave be given to introduce a Bill to provide for the development of the National Statistics System and to provide for its components and objectives; to establish the Namibia Statistics Agency and the Board of the Namibia Statistics Agency and provide for their powers and functions; to establish the National Special Data Infrastructure and provide for its objectives; to establish the Committee for Special Data and provide for its functions; and to provide for incidental matters.

HON SPEAKER: Any further Notice of Motions? Ministerial Statements? The Secretary will read the First Order of the Day.

RESUMPTION OF SECOND READING: PENSION FUNDS AMENDMENT BILL

HON SPEAKER: When the Debate on this Motion was adjourned on Thursday, the 24th of February 2011, the Question before the Assembly was a Motion by the Honourable Minister of Finance, that the Bill be read a Second Time. Honourable Moongo had the Floor.

HON MOONGO: Honourable Speaker, Honourable Members of Parliament, I hereby would like to congratulate the Minister of Finance and her staff members who initiated and came up with regulations to control and manage the pension funds. The aim of pension funds is to maintain a healthy

01 March 2011

**SECOND READING
PENSION FUNDS AMENDMENT BILL
HON MOONGO**

living standard of the old-aged so that they may live longer and not live in extreme poverty.

Honourable Speaker, Honourable Members, the Minister took the correct action by introducing regulations prescribing the minimum and maximum funds one may invest in or outside Namibia, because this is the last hope for financial resources of the pensioners.

Honourable Speaker, Honourable Members, the Members of the Boards of pension funds are not supposed to have authority to grant and allow loans for investment on their own. Therefore, it is a good idea for the Minister to allow huge loans to investors only. There must be inspection and investigations into their discipline and potential in financial matters before they are approved.

Mr Speaker, Honourable Members, I have a concern about the investments outside Namibia, because should a war break out like in Iraq, one would be affected financially and lose all or half of the amount.

Mr Speaker, Honourable Members, I propose that there must be a well-disciplined and experienced private financial institution which will produce food, fruit, vegetables and clothing in order to uplift the living standard of State pensioners and pensioners who never worked in their lifetimes. The profits generated from the proposed company should cater for the elderly people's special treatment, such as cancer, heart and kidney diseases, etcetera.

Last, but not least I propose that the said company pays additional allowances to pensioners in order to boost their well-being. With this amount, we will be able to construct new, well-equipped houses for the elderly people in Namibia.

I also propose that half of the pension must be paid out while the pensioners are still alive. Can the Minister explain what happens to the remaining pension money after a pensioner has passed away?

01 March 2011

**SECOND READING
PENSION FUNDS AMENDMENT BILL
RT HON ANGULA**

The amount of N\$650 million must be compensated and brought to book. With this, I support the Amendment Bill and I thank you.

HON SPEAKER: I thank the Honourable Member. Prime Minister.

RT HON PRIME MINISTER: Thank you, Honourable Speaker. I would like to add my voice in commending and congratulating the Minister of Finance for proposing this Amendment to the Pension Funds Act in terms of their investment policies.

I want to concentrate on the word “*maximum*”, because I know that there is already Regulation 28, which provides for the minimum. I know that there are different types of pension funds, some of which are broadly defined as guaranteed and some of them not guaranteed, such as mine.

In the case of a defined benefit fund, the Minister decides on the maximum and in that maximum, there is an element of risk involved. Who is going to share that risk with the insured person if these funds do not generate sufficient return to maintain a pensioner in the future? Is the Government going to share that risk or will the risk just be left to the pensioner? I am just talking in terms of a defined contribution, which I know that all the risk is on the insured person.

If you now decide, the maximum would be 50% and that 50% does not generate sufficient return to maintain the pensioner, who is going to share that risk? Could the Minister just help me to understand this issue properly? Otherwise, I support the Amendment.

HON SPEAKER: Any further discussion? Does the Honourable Minister of Finance wish to reply?

01 March 2011

**SECOND READING
PENSION FUNDS AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

HON MINISTER OF FINANCE: Honourable Speaker, I would like to respond to the questions posed and I would start with the question by the *Right Honourable Prime Minister*, whether the provision to put a maximum on the investments that can be made in certain categories of assets would come with the responsibility to share in the risks for such investments by Government who is regulating the Industry through the regulator. I want to explain by saying a maximum limit is set to cap an exposure of a fund to certain asset categories, it is not a minimum benchmark. In other words, if the law says you would be allowed to invest up to 50% in this Asset Category, it actually means that you can invest zero if you feel that that Asset Category is risky. However, if you should decide to invest in it, you are not allowed to exceed a certain limit for purposes of ensuring that if that asset category turns out to be risky, you would not have concentrated the assets of the fund into only that asset category, so that the sustainability of the fund would now be eroded. It is actually in line with international practices, where you diversify the products into which you invest your assets. If one of them should perform poorly, you will still have an opportunity to recoup part of your investments from the other asset categories that have performed well.

There is a wide range of assets which pension funds are given a discretion to invest in and these limits, which are in line with international practices, are only there to ensure that there is no over-concentration on certain assets which can unnecessarily put the assets of the members of pension funds at risk.

The motivation for the introduction of a minimum is then, as I have indicated, to ensure that the Minister is not only empowered to set a maximum. If we want increased amounts of our savings invested in the country, we would actually not be able to achieve that because we are only to say you put in a maximum of 5%, for example, and you actually have no mechanism to ensure that that happens, because the person has met the requirement, as long as he or she does not exceed the maximum. We can also have a minimum so that we can also really ensure that more of the resources can be invested but not too much into one asset category, yet

01 March 2011

**SECOND READING
PENSION FUNDS AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

with enough flexibility left to pension funds actually to determine which individual assets they would want to invest in.

I have not captured the comments by *Honourable Moongo* very well. I have asked to be given a copy of his statement, but I have not been given a copy yet. However, from what I was able to pick up, it seems as if the Honourable Member was trying to say about what employers should cater for in terms of the needs of their employees, rather than what should be paid out from the pension funds, because I do not want to believe that the Honourable Member is actually saying that if the Members of Parliament do pay pension premiums to a pension fund in order to get pension benefits after retirement, that the returns on the investment of this pension fund should be used to cater for the needs of other persons than the members of the fund. I do not want to believe that this is what he is saying, because if that is what he is saying, it would not be possible for the Minister to instruct pension funds to do that, as that will make them violate the law, because contributions to a pension fund, and the returns on the investments of such premiums vest in the members, in you and me, and no-one has the right to take away these returns and allocate them to other people. If the Minister of Finance attempts to do that, the Minister would be found to be outside the law, unless this Parliament decides to pass another law that vests powers in the Minister to do so. Even in that case I believe the Court would probably say that this law has not considered public interest, because we would be giving away other people's assets.

It is probably a point to be considered under the Labour law if we are saying that the employers must contribute more than what they are currently contributing towards the welfare of their employees. I thank you very much.

HON MOONGO: I had in mind the investment, which was used by the other companies, which did not yield any return and here we have many pensioners who have never worked in their lifetime. The returns should

01 March 2011

**SECOND READING
PENSION FUNDS AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

cater for those who never worked in their lifetime. The investors took the money and there was no return, therefore it will never serve the purpose.

I also wanted to know what happens to pension money, which have not been exhausted by a pensioner after his death? What will happen to that money?

HON SPEAKER: These issues can be discussed during tea break. I am sure the Honourable Member will have an opportunity to explain to the Minister what exactly he has in mind. Honourable Minister.

HON MINISTER OF FINANCE: Honourable Speaker, Honourable Moongo posed a second question on, what happens to the benefits of members of the fund that die before they were pensioned. The pension funds are required to have rules that outline how benefits accrue to members and how they are paid out and these benefits are paid out when a member ceases to be a member that is when they go on retirement or they resign from their position or they die.

In case of death there are clear provisions on what benefits would be paid out and how those benefits are calculated and to whom they would be paid. For example, if you have dependents, your benefits will be paid to your dependents and any other person that you have nominated before you died, because we are all advised to nominate beneficiaries to our pension benefits if we die, and a formula for how much will be paid is indicated in the rules. You are actually able to tell in advance how much could be forthcoming from the fund to your dependents if you should die.

Our pension fund, as is the case with any other pension fund, sends out benefit statements at regular intervals. Every year we each receive statements of what benefits have accrued to us in terms of the pension fund and it would also indicate to us how much will be paid to our dependents if we die.

01 March 2011

**SECOND READING
PENSION FUNDS AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

I think that what the Honourable Member is referring to is what happened at GIPF, but the moneys that were allocated from GIPF, were not allocated as grants, they were allocated as loans and equity financing with the purpose of generating returns for the Fund. Exactly what happened to this money is what the audit undertaken by Government was intended to find out and that audit has been concluded. The Report is on the table and as has been announced by Government, Government is now looking at the conclusions of this investigation and the recommendations in order to ensure that appropriate actions are taken. However, it does not mean that somebody who had access to GIPF funds, did not repay it, that we should now open the floodgates and everybody can now just access other people's money.

RT HON PRIME MINISTER: It is a question just for educational purposes; I want the Minister to educate me. To whom does the actuarial surplus of a pension fund belong?

HON MINISTER OF FINANCE: Honourable Speaker, Honourable Members, this is a grey area which the Amendments to the Financial Sector Acts we are going to introduce in this House, would also try to clarify, but I have said before that you have two types of pension funds. You have defined benefits pension funds, like the GIPF, where the employer actually promises certain benefits to members of the Fund and these benefits would have to be paid out by the Fund whether or not the Fund has the means to pay these benefits. In other words, if the Fund has no ability to pay these benefits fully, the employer is obliged to come in and make good the shortfall. The employer has underwritten that Fund.

Then you have the defined contribution fund wherein the benefits would be determined by how the fund has performed in terms of growth. It means that if the fund has performed poorly, then your benefits would be lower. If the fund goes bankrupt, then you do not get any benefits and our Political Office-Bearers Pension Fund is a defined contribution fund. If that fund should go bust, we will not receive anything.

01 March 2011

**SECOND READING
PENSION FUNDS AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

From this kind of arrangement you can interpret to whom the actuarial surpluses belong, because with a defined benefit fund you have to pay whether or not your fund has the money and you have to deduce whether in that kind of situation, where somebody actually underwrites the fund, you can give away the actuarial surplus to somebody, because if the actuarial surplus belongs to another person, it means it can be distributed. In addition, it can happen that three months after distributing the actuarial surplus, the fund experiences a loss and now you have a situation where the members of the fund have benefited from the distribution of the actuarial surplus, but they will still follow the employer when they have to go on retirement to be paid their benefits, because these benefits have been guaranteed. As I said, it is a grey area, there is no provision in any law that says to whom the actuarial surplus belongs, but different funds have tried to interpret it differently and they have dealt with it differently, but we want to clarify the issue with the Amendments we are going to bring. Thank you.

HON SPEAKER: Honourable Moongo.

HON MOONGO: Honourable Speaker, I want to know why the Government was so slow to intervene in this GIPF saga.

HON MINISTER OF FINANCE: I have already indicated that there has been an investigation, there is a report and I am sure that investigation has dealt with everything that needs to be dealt with in regard to this matter and I really do not think it will be in anybody's interest for us to conduct a parallel inquiry while the outcome of that inquiry is being dealt with. Thank you.

HON SPEAKER: Honourable Bezuidenhout.

01 March 2011

**SECOND READING
PENSION FUNDS AMENDMENT BILL
HON BEZUIDENHOUDT / HON MUSHELENGA**

HON BEZUIDENHOUDT: Honourable Speaker, the topic seems to be interesting, but I would draw the attention of the House to the fact that the topic of the GIPF is scheduled for the 22nd of March. Let us not get over-emotional about it, let us stay factual.

On the proposed Amendments by the Minister on the Pension Funds Act of 1956, my question is not specific to the Pension Fund but it is more the principles that I want the Minister to reconsider. The Amendment will empower the Minister to make regulations for maximum, minimum, etcetera. The Minister is part of an executive body that sets policy and maybe it would be prudent that regulations be set by another body, which the Minister entrusts with making regulations, so that policy stays on the ministerial level, the executive level, and regulations become more of an operational issue. Although there are no prescribed rules to this specific question, it would enhance and improve governance. I just want to hear the Minister's thoughts and reply on a question like that. Thank you, Honourable Speaker.

HON SPEAKER: Honourable Mushelenga.

HON DEPUTY MINISTER OF FOREIGN AFFAIRS: Honourable Speaker, mine is a procedural question, because I thought the Honourable Minister has replied to the Bill and now I see the Debate has been reopened.

HON SPEAKER: You are Out of Order, because the Minister continues to reply. Any further discussion? Does the Honourable Minister wish to wrap up the discussion?

01 March 2011

**SECOND READING
PENSION FUNDS AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

HON MINISTER OF FINANCE: Honourable Speaker, I wish to reply and my thoughts actually would be that it would not be appropriate that regulation setting be left to the operator, because there are policy issues that are dealt with under the regulations and they are put under the regulations simply for purposes of flexibility to enable the Minister to act timeously when it is warranted without having to resort to amending the law. There are important issues that are included in the regulations.

In terms of the Constitution we are all enjoined to execute our powers within the Cabinet, therefore, it would mean that the Minister would be required to go to Cabinet to get Cabinet's endorsement for any changes or additions to be introduced to the regulations and they will be gazetted.

We have also established a tradition of consultation with the industry, so there is always scope for the industry to make its input, but at the end of the day, the Minister and the regulator are obliged to prioritise the protection of public interest rather than the narrow interest of members of the industry. Because of that, we could have a situation of a divergence of views between the Minister and the industry on a regulation that is passed by the Minister.

If we were to have a situation where regulations are to be set by the regulator, you could actually have a situation where the Minister, in order to ensure that he or she is in a position to determine policy, the law would now be concentrating on issues, which could otherwise be dealt with under the regulations. Thank you.

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HON SPEAKER: I now put the Question, that the Bill be read a Second Time. Any objection? Agreed to. The Secretary will read the Bill a Second Time.

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PENSION FUNDS AMENDMENT BILL

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01 March 2011

**SECOND READING
LONG-TERM INSURANCE AMENDMENT BILL
HON KAURA / HON NAMBAHU**

HON SPEAKER: The Secretary will read the Second Order of the Day.

**RESUMPTION OF DEBATE ON SECOND READING:
LONG-TERM INSURANCE AMENDMENT BILL**

HON SPEAKER: When this Debate was adjourned on Thursday, the 24th of February 2011, the Question before the Assembly was a Motion by the Honourable Minister of Finance, that the Bill be read a Second Time. Honourable Kaura adjourned the Debate and I now give him the Floor.

HON KAURA: Thank you, Honourable Speaker. Honourable Speaker, these Bills seem to overlap with one another, they seem to be similar and the body of the Amendment is only the changing of a few words, “*amount*” for “*limit*” and I only have one question. The Bill states, “*To amend the Long-Term Insurance Act, 1998 so as to empower the Minister to make regulations*”. Since this Bill has now been in existence since 1998 for the last twelve to thirteen years, what was the role of the Minister prior to this Amendment? In addition, what necessitated this regulation for the Minister now to play a role to determine the minimum and maximum amounts that must be invested in or outside Namibia? These are the questions running through my mind, Honourable Speaker. I thank you very much.

HON SPEAKER: I thank the Honourable Member. Honourable Nambahu.

HON DEPUTY MINISTER OF JUSTICE: Honourable Speaker, I thank you for the opportunity to add my voice in support of this Amendment. I also think that it is a very good Amendment, save that I have only one or two questions to ask.

01 March 2011

**SECOND READING
LONG-TERM INSURANCE AMENDMENT BILL
HON KAZENAMBO**

The Amendment seeks to empower the Minister to make regulations to authorise the Registrar to grant conditions of exemptions and to address incidental matters. It was not immediate clear to me, which Registrar is being referred to here. For example, if my neighbour here reads the word “Registrar”, he could think of the Registrar of Companies, while on the other side someone might think of the Registrar of the High Court. I think it is essential for us to know which Registrar we are talking about here.

When I did some follow-up, I found that Act 5 of 1998 was also amended by Act 3 of 2001, which actually gave this power to the Registrar being mentioned here, which happens to actually be the Chief Executive Officer of NAMFISA. There is a need for these Registrars to do some public awareness exercises, because if you are not a lawmaker, you might not have all these Acts handy to do the required cross-referencing, which is required for you to reap the benefits from the laws we are making. I am not accusing the Registrars, but I am recommending that they should not be office-bound or distribute pamphlets on what they are doing to try to explain to the public what is it that they do, who they are and all the Amendments and powers that are now conferred upon them, because these are areas which our people have not been very much exposed to. Maybe they could even come up with guidelines that if you are going to this fund, these are your obligations, these are the dos and the don'ts or if you are exposed to this, please do this and that.

These are the only observations I wanted to make, that we recommend that they conduct public awareness campaigns in order to explain to the public what they are, what they do and what are the grey areas that they may encounter. I support the Bill.

HON SPEAKER: Thank you. Honourable Kazenambo.

HON MINISTER OF YOUTH, NATIONAL SERVICE AND CULTURE: Thank you, Honourable Speaker. I rise to support the Bill and I would like to pose a question although I do not know whether it is

01 March 2011

**SECOND READING
LONG-TERM INSURANCE AMENDMENT BILL
HON NUJOMA**

relevant. In the event where you have insured your house or car and then for one or other reason you stop paying your premiums... (Intervention)

HON MOONGO: On a Point of Order. Is this the right time to campaign for the upcoming election in SWAPO?

HON MINISTER OF YOUTH, NATIONAL SERVICE AND CULTURE: Thank you, Honourable Speaker. Politics is not seasonal, it is twenty-four hours around the clock and we campaign twenty-four hours around the clock.

In the event that one loses money to these insurance companies, where do you resort? Some of these insurance companies are good when they approach you, but once you are in trouble or something happens, then you will be shown certain clauses. Where is it regulated because some of them are not really helpful. To whom does one resort to report their actions and activities? I will not say I was detracted, but my other question I will reserve for next time. Thank you and I support the Bill.

HON SPEAKER: Thank you. Minister of Foreign Affairs.

HON MINISTER OF FOREIGN AFFAIRS: I rise to support the Amendment Bill and I only have a simple question. I want to know how the Registrar is going to determine the levy inside Namibia or outside Namibia for those insurance companies, which are not registered inside Namibia? I understand there are some insurance companies, which are operating online or telephonically from South Africa, whereby you insure your vehicle or your house. How is the Minister going to determine where they should invest their money if they are not registered here? How will we get our due returns? How can you force them to invest a certain portion in Namibia and a certain portion outside wherever they are registered? That is my question, Honourable Minister. Thank you.

01 March 2011

SECOND READING
LONG-TERM INSURANCE AMENDMENT BILL
HON ESAU / RT HON ANGULA

HON SPEAKER: Thank you. Honourable Esau.

HON MINISTER OF FISHERIES AND MARINE RESOURCES:
Thank you, Comrade Speaker. I also want to join the previous speakers who took the Floor in support of the Long-Term Insurance Amendment Bill.

Insurance Companies by nature collect premiums from members and these premiums are put into saving accounts. There was a time that we said 25% must be ceded to a reinsurance company. Is that still in place, or does it mean that that will also be taken into account with the envisaged Amendment of Section 72 of the Act?

The second question pertains to the premiums. These premiums are normally being invested down south or somewhere else in the world. Is there no way that we can strengthen our regulations to invest more than 35% in our local economy in order to create the necessary jobs and get the economy ticking again? Comrade Speaker, these are the two questions I wanted to ask. I thank you.

RT HON PRIME MINISTER: I rise to support the Long-Term Insurance Amendment Bill and I want to amplify on what Honourable Kazenambo was alluding to.

We have a situation in Namibia where you subscribe to an insurance company, pay your premiums for five, ten or a hundred years and if you decide to change from that insurer to another one, this insurer will not even pay back your capital which you have put in there. My experience in America was that when you change companies, they pay back your capital, but in this case, they just keep your capital. I want to understand from the Minister why this is the case.

On the question of investing in Namibia, I think this is a good idea, however I am not quite sure whether we have enough products in which

01 March 2011

**SECOND READING
LONG-TERM INSURANCE AMENDMENT BILL
HON IILONGA**

these insurers can invest so that they earn something for the people who are insured. Could the Minister also just enlighten us on this issue? Are you thinking about Green Fields or are you thinking about List companies or what are you thinking about? Thank you.

**HOUSE ADJOURNS AT 15:40
HOUSE RESUMES AT 16:16 PURSUANT TO ADJOURNMENT**

HON SPEAKER: We shall resume the business of the House. I give the Floor to Honourable Iilonga.

HON DEPUTY MINISTER OF AGRICULTURE, WATER AND FORESTRY: Thank you, Comrade Speaker. I rise to support the Long-Term Insurance Amendment Bill. The Prime Minister touched on the issue of capital and we have this issue that a person can contribute premiums on a house or a car until retirement and then when you are not working, you lose everything, they do not even give you something and I think we need to look into this.

On the issue of minimum or maximum invested inside or outside Namibia, I think I would prefer the maximum to remain in the country. We always meet people at international forums who say our market is too small, but it is too small because we do not invest in the Namibian economy to develop it. Singapore, which is a hub of the international economy, is even smaller than Windhoek, but because of the strategies they adopted they control the world economy. I suggest that when the Registrar, with the assistance of the Minister, introduce the regulations, they indicate that the maximum remains in the country.

On the other hand, history has taught us that you can invest a lot of money and if anything happens, these imperialists will freeze everything. We should be warned that we should invest inside Namibia because if we commit some or other crime, our money can be frozen. We are too

01 March 2011

SECOND READING
LONG-TERM INSURANCE AMENDMENT BILL
HON KUUGONGELWA-AMADHILA

inclined to invest in foreign countries and we end up being the losers. That is my advice, Comrade Speaker, and I support the Amendment.

HON SPEAKER: Thank you. Any further contributions? Minister, you have the Floor.

HON MINISTER OF FINANCE: Thank you, Honourable Speaker. I thank the Members for their interest in this Amendment Bill. Before I go to the details of the individual questions posed, I must clarify that the Amendments which we are introducing at this point in time are only aimed at empowering the Minister to be able to also set minimum limits in addition to maximum limits in order that we can put into force the Amendments to the regulations for insurance companies and pension funds. We will later on deal with the other Amendments that may be required, and I have already advised the Members that we do have a range of Amendment Bills that are being finalised by our legal drafters. We are amending about thirteen Acts administered by NAMFISA and once the legal drafting is finalised, these Bills would come to Parliament and we would have the opportunity to raise all the concerns that we have. However, for now I would plead that we maybe focus our interventions on the specific issues that we are attempting to address with these Amendments.

I would now proceed to the specific comments and questions that were raised.

Honourable Kaura wanted to know why the Minister is only now trying to make a provision for him or her to be able to set limits and what has been the situation up until now. As I indicated in my motivation, the situation is that the Minister was only empowered in terms of the current laws to set maximum limits, but not minimum limits, but there have been regulations drafted where the Minister will set minimum limits, which can then only be operationalised if the Amendments are approved.

01 March 2011

**SECOND READING
LONG-TERM INSURANCE AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

As I have said, we wanted to set minimum limits, because we realised that when you set a maximum of 10%, it can also mean 1 percent, because 1 percent is under 10% and we realised that there are certain people who just do not want to change. Then we said that we should change the law, so that the Minister can actually say a minimum of 5% and a maximum of 10%. Therefore, it can be a maximum of 10 percent, but it should be at least a minimum of 5%. We are currently not able to do that because the law does not give the Minister that power and those who were resisting this change were threatening to sue the Minister if she attempted to set a minimum. Therefore, we are now addressing the shortcomings of the law through these Amendments.

The Registrar referred to in this Amendment Bill, in terms of the Long-Term Amendment Bill is the Registrar for long-term and short-term insurance companies, who is currently the CEO of NAMFISA.

I agree that there is a need for public education and the upcoming Amendments will try to strengthen the provisions in the law, to require the regulator to actually go out there and educate the public as well as the individual members of the industry to educate the public.

Honourable Kazenambo wanted to know where complaints against non-banking financial institutions, specifically insurance companies, could be lodged. They could be lodged with NAMFISA, but this is only in case of derogation, a deviation by an industry member from the obligations in terms of a contract. If it should happen that one did not fully understand the terms of the contract and one signs the contract, it would not be possible for NAMFISA to force that institution to meet your expectations if these expectations were not catered for in the contract. NAMFISA would only be able to assist if you go with a complaint that says under this contract the insurance company was supposed to pay out and now this situation has arisen and the insurance company is refusing to pay out. In that case, NAMFISA can assist.

Honourable Nujoma wanted to know how we control the insurance companies that come from outside to collect premiums here without being

01 March 2011

SECOND READING
LONG-TERM INSURANCE AMENDMENT BILL
HON KUUGONGELWA-AMADHILA

registered. In fact, it is a statutory requirement that every insurance company be registered here before they conduct insurance business. Anyone who conducts business without being registered is in contravention of the law and can be penalised in terms of the law.

The use of technology may pose challenges not only for the financial industry but also for the rest of the economy, because in a situation of insurances made via the internet, it would be difficult for one to say that this company is coming here to collect here, because if there is a company in the UK and it is inviting people via the internet to participate in a certain business and people participate via Internet, it would be difficult to say that that Company came to Namibia to do that here. They can also argue that the people went to them, so there is probably a need for a law that regulates this kind of contacts, using technology. However, since technology is developing and evolving very fast, it would require that we are proactive.

Honourable Esau wanted to know whether there is still a requirement for insurance companies to reinsure a portion of their businesses in Namibia. Yes, indeed, there is a gazette issued by the Minister of Finance that actually says what portion of business these companies would be required to reinsure with the national reinsurer, but these are short-term insurance companies and long-term insurance companies are not obliged to do that. It is also important to highlight that while it is important to ensure that there is local reinsurance for insurance businesses here, there is also a risk that comes with that to the reinsurer. The reinsurer actually has to develop capacity to be able to manage the risks they take on by reinsuring some of these businesses and to ensure that the sustainability is not eroded because of risks that are not properly managed.

The Honourable Member wanted to find out why we should not require insurance companies and other non-banking financial institutions to reinvest their income here. I want to say that in terms of the current regulations, pension funds and insurance companies are required to invest a minimum of 35% of their income in Namibia. It means that it can actually be more and the latest information that we got from GIPF, for

01 March 2011

SECOND READING
LONG-TERM INSURANCE AMENDMENT BILL
HON KUUGONGELWA-AMADHILA

example, is that they are investing more than 35% of their income here. How much more, I think that is an open question and as to whether they can invest more than what they are currently investing, is something we can discuss.

There was a complaint that there is no refund to members of the public when they terminate a contract with an insurance company. As far as I know, the insurance contracts for long-term insurance would generally make provision for a refund in a situation of termination of a contract before it matures, but how much that refund is depends on the business policy of that company and that is why it is important to shop around, because this is not uniform across the whole industry. Every business would have their package that is aimed at capturing a sizeable portion of the market. However, for short-term insurance companies, there is generally no refund when there is a termination of contract and this is generally attributed to the nature of business in this regard, because the insurance company has to cross-subsidise amongst those who have bought the insurance policies. Further, as I have indicated, usually businesses are prompted to improve their products only by competition. If they feel that somebody else would grab the market share from them, then they will be motivated to improve on their offers.

The *Right Honourable Prime Minister* wanted to know where we intend investing this money that we are trying to retain in the country through these Amendments. It is actually to invest both in Green Fields projects and in listed investments. As I have indicated, there is a requirement that 35% is to be invested locally, but we have gone further to prescribe that a portion of that 35% should be invested in unlisted investments. This is with the aim to make sure that the Green Fields projects that have potential for high returns and for growing the economy can also benefit from these retained local savings.

Honourable Ilonga was also calling for maximum investment in Namibia and I will agree with him. Actually, I believe that these prescriptions by Government for these industries to invest a portion of their income in Namibia are aimed at encouraging them to venture to tap

01 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON MOONGO**

into the opportunities that exist in our economy. This will bring the expectation that once they have gone out there and they have realised that there are real benefits to be derived from investing in Namibia, they would not even require regulation anymore. If they still require that and we find that as we gradually reinvest this money into the economy, we are really in a position to absorb these savings, then we can gradually also increase the minimum amounts. What we are trying to do is only to phase in these Amendments, so that there is no shock to the economy and a risk that the public funds that are invested with pension funds and the insurance companies are put into risky investments.

With this, Honourable Speaker, I hope that I have been able to convince the Members to consider the Amendments that we have tabled in a positive way. Thank you.

HON SPEAKER: I now put the Question, that the Bill be read a Second Time. Any objection? Agreed to. The Secretary will now read the Bill a Second Time.

LONG-TERM INSURANCE AMENDMENT BILL

HON SPEAKER: The Notice of Motion is one by Honourable Moongo. Does the Honourable Member Move the Motion?

**MOTION ON PREVAILING REASONS FOR THE CURRENT
OUTCRY THAT HAS LED TO THE PUBLIC TRANSPORT
OPERATORS STAGING A PROTEST IN JANUARY 2011, WHICH
ULTIMATELY RESULTED IN A CLASH WITH THE LAW
ENFORCEMENT AGENCIES**

HON MOONGO: I Move the Motion.

01 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON MOONGO**

HON SPEAKER: Who seconds? Any objection? Agreed to. The Honourable Member has the Floor.

HON MOONGO: Thank you, Honourable Speaker, Honourable Members. I move to discuss the Motion on the stiffer fines introduced recently for drivers in Namibia. In the early history, our ancestors used to travel on land with typical African means, such as on horseback, on donkeys, on foot, on ox wagons and on the humps of camels. In these modern times, people have turned to the use of vehicles to get to their destination in the shortest time in safety and comfort.

Honourable Speaker, Honourable Members, it is a fact that the laws and regulations must address pressing problems, such as minimising road accidents caused by drivers, drunken driving and speeding that happens on Namibian roads on a daily basis. I agree we cannot allow that lives should be lost this way.

Mr Speaker, Honourable Members, my understanding is that stiffer fines are not the solution. The best would be to educate the taxi drivers and road users. Some did not obtain their licences with the good understanding to become responsible citizens and how to obey traffic rules in order to be able to avoid accidents that may lead to unnecessary loss of lives. Instead, some of the taxi drivers often obtain their driving licences only with the intention of getting into the transportation industry in order to earn quick money to alleviate unemployment, misery and poverty in Namibia.

Mr Speaker, Honourable Members, the stiffer fines are only meant for officers to earn higher salaries without thinking of the ordinary person who is struggling to make ends meet. These stiffer fines must be done away with or reviewed. Let us not suppress the majority of our people who are already struggling to feed their families. The best way is to review and amend the regulations and that the stiffer fines are changed as agreed upon by all stakeholders in the transport industry. The law is made to protect and not to impoverish people economically. The stiffer fines

01 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON MOONGO**

are serving one side of the economic sector. It hurts the struggling poor and enriches a certain sector only. At the same time, it creates anger in the hearts of the taxi drivers and bitterness against the Government that is supposed to protect people against exploitation and to improve their well-being.

The taxi industry will collapse, the taxi fees will be increased, and the passengers will be the ones most affected, to the point that they would not be able to afford taxi fees. In the end, we are going to end up with a situation whereby the people of Namibia are going to revolt against the Government. Who has ever thought or dreamt that the people of Tunisia, Egypt and Libya would ever revolt against their Governments and demand that enough is enough? The taxi industry will collapse, the unemployment rate will increase, and the hardship will be visible on the faces of ordinary Namibians.

No, you are here to listen to the cries of the people and not to enforce suppressing laws on the already poor people, because most of the people who are in the taxi industry and those who are using their services are the struggling working class people.

Honourable Speaker, Honourable Members, to illustrate the point, it is a fact that Namibia has a skew society where a few people are rich and own big companies, while the majority are unemployed and live in widespread poverty, with a few of them earning a living in the taxi industry through self-employment because Government is unable to provide them with jobs.

Therefore, it is unfair to implement uniformity in the fines to be paid for offences, taking into account that we have an unequal society in terms of socio-economic development, a point that also has to be acknowledged in the Municipal Legislation Fines List and in the Uniform Traffic Fines List of Namibia, both of 2011 that these tentative fines cannot be fit to be used in all Magistrates' districts, because some are very poor while others are too rich.

01 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON MOONGO**

Mr Speaker, my above statement is stated from the uniform traffic fines list Namibia, Sections 54, 56, 72 and 76(5), as listed in the Criminal Procedure Act of 1977.

Mr Speaker, I am not saying that drivers should not be fined for traffic offences, but what I am saying is that the fines should be affordable to the ordinary person, such as taxi drivers. Had it been the Government of DTA we would have created a special fund to assist the taxi industry to have modern taxis to transport people in the Land of the Brave with high respect. We would have built modern taxi ranks with shelter against rain and sun, toilets and even small kiosks to serve the passengers.

Mr Speaker, Honourable Members, the idea of implementing higher fines is actually aimed at killing the taxi industry to reinforce the use of Municipal buses, thereby giving the Municipality a monopoly in the transport industry, because we know that most people prefer to travel by taxi rather than by bus. I am sure this is what they planned, but I say no to it.

I would hereby like to propose to the Line Ministry that it should come with an Amendment so that the fines could be reviewed with a clear mind for the goodwill of all our people, for example that this House introduces minimum fines from N\$400 and the maximum not exceeding N\$1 000 after three to four warnings. This type of Amendment should also be applied to stock theft, as we know people are sentenced to twenty years for theft of a goat, while the value of a goat is N\$400. In this case, the minimum should also be N\$400 and after three to four warnings, the maximum fine could be applied.

Mr Speaker, Honourable Members, the law must serve the interests of the people, the law must not be selective and biased and the law must not be draconian. I hope that I will have the support of the House. Thank you.

HON SPEAKER: I thank the Honourable Member for his motivation.
Honourable Mushelenga.

01 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON MUSHELENGA**

HON DEPUTY MINISTER OF FOREIGN AFFAIRS: Thank you very much, Honourable Speaker. I was listening attentively to Honourable Moongo's motivation of the Motion and I saw something dangerous he is trying to bring here. Firstly, he wants to create a wrong impression as if Government does not care. Only recently, when there was a demonstration by the taxi drivers, they put up a committee of taxi drivers to negotiate with the relevant authority.

Honourable Moongo went on to make some serious allegations, statements that amount to allegations. He claims these fines were introduced for officers to earn high salaries, implying the officers who are actually apprehending the offenders. The impression he wants to create is that traffic officers are paid commission, which is not true. The payment of the fines has nothing to do with the salaries of the officers. When officers apprehend offenders, they simply do their work, just as Honourable Moongo comes to perform his work here or at the DTA Head Office.

Secondly, it must be understood that these fines are not imposed on taxi drivers only; they are imposed on all drivers, including Honourable Moongo. The only difference is that the taxi drivers make their living out of driving, unlike the Honourable Member and we should differentiate between the two. He clearly said the taxi industry is going to collapse if these fines are imposed. At the same time, the Honourable Member wants to say taxi drivers should be encouraged to violate the laws. That is what he is saying, because by that statement he is implying they should be allowed to do that. That is a very dangerous statement, Honourable Member, and no wonder even his president did not clap hands after he motivated his Motion.

The Honourable Member went on and made some insinuations about public revolt as it happened elsewhere. The Honourable Member is trying to make jokes out of serious situations. Perhaps he thinks if violence erupts, he will be spared. He might be surprised that he will be the first casualty. (Intervention)

01 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON MUSHELENGA**

HON MOONGO: On a Point of Order. I do not think it is allowed for words to be put in the mouth of another Member, because I only asked for reasonable fines, which are affordable to the poor people. A taxi driver cannot afford to pay N\$4 000.

HON DEPUTY MINISTER OF FOREIGN AFFAIRS: The Honourable Member cannot out of fear try to underplay what I was trying to tell him, namely that when violence erupts, he might be the first casualty, because it sometimes comes in a very indiscriminate form.

When we start discussing bread and butter issues, let us discuss them bearing in mind that we are lawmakers and we are leaders who have to provide guidance and leadership to those they lead. If your leadership promotes or advocates anarchy and lawlessness, that is a different thing. If the Honourable Member wants to have a country, as is stated in our Constitution, based on the Rule of Law, we need to have some laws; we need to have some regulations in place.

As I said, when the taxi owners demonstrated, Government went to meet their committee in order to go and discuss matters, not to come and put up a show in Parliament as if one cares more than others do. We have a responsibility to provide guidance and leadership to those that we lead.

The Honourable Member went on talking about draconian laws and I think he forgot about the Standing Rules and Orders. He, being an Honourable Member of this House, cannot go about derogating the laws that this very same House passed.

Honourable Speaker, I somehow had sympathy with the Honourable Member when I saw the way he was motivating. In the absence of previous Honourable Members of his Party that I do not see here, one could really sympathise with the Honourable Member that he took the line of argument that he took. My appeal to the Honourable Member is that let us not subject a serious bread-and-butter issue to cheap politics and politicking.

01 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON KAURA**

With these words, Honourable Speaker, I put my case to rest.

HON SPEAKER: Thank you. Honourable Kaura.

HON KAURA: Thank you, Honourable Speaker. If one drives through a red light, the punishment is N\$3,000. If you are caught speaking on a cell phone, the punishment is N\$2,000. If you go through a stop sign, the punishment is N\$1,500. Somebody who has committed murder goes out on bail of N\$1,000. I want to ask the Honourable Members, how do you look at that balance of justice? Going through a red light is N\$3,000, but somebody who has committed murder goes out on bail of N\$1,000 and even somebody who has killed his wife did not even go to jail, he had to pay a fine for killing his wife. You find that is the balance of justice in this country.

We have travelled the world, go to New York, downtown Manhattan, there are yellow taxis that will pick you up anywhere on the street. They are not limited to certain parking areas for taxis where you must go to get a taxi. Downtown Manhattan, 42nd Street, Fifth Avenue, First Avenue, in front of the United Nations you can take a taxi there, but in Namibia you can take a taxi anywhere in Katutura, but downtown in Windhoek in Independence Avenue you cannot take a taxi. What is the apartheid between downtown Windhoek and Katutura? (Intervention)

HON DEPUTY MINISTER OF GENDER EQUALITY AND CHILD WELFARE: May I ask the Honourable President of the DTA a question? Honourable Kaura, I heard that the Government has met with a committee of the taxi drivers, but the DTA wants to take this case out of the hands of the Government. Do you want to bring this case to your Party or where do you want to take this case?

HON KAURA: There is a Parliament in Namibia and this Parliament is at liberty to interrogate any issue. Downtown Windhoek in Independence

01 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON KAURA**

Avenue you cannot take a taxi. There is a difference here, just as it was before. Taxis of black people must not come to Independence Avenue, they must pick up black people going to Katutura at the outskirts of downtown Windhoek in an Independent Namibia, but in New York, you can take a yellow taxi anywhere. Are you aware of that fact that these remnants of apartheid South Africa are still prevailing here in Namibia and mind you, before the end of the month you would find speed traps in Independence Avenue, going to Katutura, not in Ludwigsdorf, not in Pioneers Park, not in Olympia, but on Independence Avenue going to Katutura. Why target the people going to Katutura? Why that selective justice in an independent Namibia? And who are people targeted? It is the taxi drivers. Is that fair?

Honourable Speaker, during the festive season it was highly commendable that on our B.1 roads there were these roadblocks to serve as a deterrent, for people to know the traffic people are out in full force. In the United States, there are highway patrols that are on the highways twenty-four hours a day and they serve as a deterrent. You know if you drive very fast, you would run into a highway patrol, but in Namibia, except for the festive season, you do not see any highway patrol vehicles at all, therefore people become used to driving as they feel like and then during the festive season, there are speed traps and people receive heavy fines.

Personally I have a problem with the balance of justice where a person who has committed murder goes out on bail of N\$1, 000, but somebody who went through a red light is fined N\$3 000. This is what is happening and the fact that up to now Katutura and downtown Windhoek are treated differently. Maybe it is because Katutura is a black location. We must look at this because it is a perpetuation of injustice in Namibia. Thank you very much.

HON SPEAKER: Somebody said bad laws must be obeyed as long as they stand. Until they are changed we must obey them, but things like this really do not sound right to my ears and I must confess I did not know. We have to find a way to look at these kinds of things. It is our laws that we pass here that make the situation sound so bad, but since they are there,

01 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON IIVULA ITHANA / HON KAZENAMBO**

we must obey them. I think we should try to find a way to change them and there are ways to do that. Honourable Minister of Justice, do justice to this.

HON MINISTER OF JUSTICE: Thank you, Comrade Speaker. Comrade Speaker, this issue is of national importance and, therefore, to do justice to it I would like to postpone the Debate until the 10th of March 2011, that is Thursday next week.

HON SPEAKER: I will keep that in abeyance for now. Honourable Kazenambo.

HON MINISTER OF YOUTH, NATIONAL SERVICE AND CULTURE: Thank you, Honourable Speaker. Firstly, I would like to state categorically that I will not buy into the political undertones, which have been brought into this important issue of national interest by Honourable Moongo in his motivation speech. However, I will make my contribution based on experience, based on my observations and I would like to also, primarily appreciate the sober and progressive way in which the Government is approaching the taxi owners through their representative committee that was mentioned here to see how Government would arrive at an amicable solution to this subject.

As a law-abiding citizen, as a person who drives on the roads of Namibia I do experience some of the issues that were mentioned by Honourable Kaura in his intervention and sometimes I wonder why they are happening, I cannot deny that, but really, sometimes we do not need to accuse one another. We do not need to personalise issues, we do not need to deny realities, as I do not think that is helpful. However, I appreciate Government's approach and open-door policy. The Minister has been vocal on this matter, has been applying an open door to see how the situation could be resolved amicably. That should be the approach, rather than some presenting themselves as if they are the ones sympathising

01 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON KAZENAMBO**

while others are condemning. No, as lawmakers we need to tackle issues, not tackle personalities.

Therefore, in that spirit one would not deny experiences that taxis are not allowed in Independence Avenue. However, taxis are driving there although they are not supposed to, but in London and New York, you can get a taxi anywhere. It is a question of educating ourselves as a society and as a Nation. Twenty years of Independence is not enough to say that all our laws are embracive, all our laws are good, and all our laws are in the best interest of society.

We should tackle them with openness without attacking or blackmailing one another. Instead of personalising or politicising, some of the issues need to be tackled. I appreciate the spirit in which the Ministry is approaching it and while that, the reality and factual issues cannot be denied.

Maybe the penalties need to be reconsidered, informed by a number of issues, such as socio-economic considerations. It needs to be revisited, as to what measures were used in arriving at these penalties.

However, to be honest, even the two Honourable Members who have spoken cannot deny the reality that sometimes some of our taxi drivers – and I am not generalising – are really a menace on the roads. That one cannot be denied. It is a fact. One even wonders how some of them acquired their driver's licences, whether they have acquired them in the normal way. Some of them have no respect even for their customers. It is not a question only of behaving on the road and being friendly to other road-users, but even their customers sometimes are at the mercy of these taxi drivers. The same is applicable to other road-users. (Intervention)

HON DEPUTY MINISTER OF JUSTICE: May I ask a question? Now that you are talking about safety, education and respect, I am sure that you have travelled the world and you have as Honourable Kaura, used a taxi in New York or elsewhere. Have you experienced the situation where, when you are in a taxi in New York or wherever, that the taxi

01 March 2011

MOTION ON STIFF TRAFFIC FINES
HON KAZENAMBO

driver opens the door for you to get out? Have you experienced anything of the sort in any of our mini buses or public transport that the door is opened for you to get out or the only concern is to get money from you and not your safety?

HON MINISTER OF YOUTH, NATIONAL SERVICE AND CULTURE: It takes two to tango, Honourable Nambahu. Education is very critical and important and whether we want it or not, twenty years of Independence is not enough for comparisons. Unfortunately, we will keep comparing ourselves to nations that were liberated two hundred, five hundred years ago. It is not only with regard to taxis, it is also the way you are treated when boarding a plane or at the reception. The situation you have mentioned in other capitals is an established norm. Practice becomes the norm over years because of level of education, level of civility. (Intervention)

HON KAURA: May I ask a question? Based on our experiences, with the exception of the black London taxis, have you ever seen any difference in the psychology of taxi drivers the world over, whether in Berlin, Rome, Johannesburg, New York or Namibia? Have you seen any difference in the psychology in taxi drivers with the exception of the London taxis?

HON MINISTER OF YOUTH, NATIONAL SERVICE AND CULTURE: The Singapore taxi drivers are exceptional and their customer care is exceptional. What we are sometimes expecting from the taxi drivers is what we are not offering to the taxi drivers, because I will keep saying that it takes two to tango. You approach a taxi driver, he is uneducated, poor, you are just rushing him, “just drive man”, and he will respond accordingly. Some of them are really gentle and they are trying their best.

However, what I am saying is that we must deal with the environment. The psychology is the same to a certain extent, with a few exceptions, in

01 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON KAZENAMBO**

taxi drivers, security guards, whether in New York or London. That is why I will keep on saying that I appreciate the approach of the Ministry of Works to handle this issue. We should not aggravate it, but we should help them, because sometimes it is we ourselves who force them to *drive fast* and our language is abusive. Pressure is exerted on this poor person by this powerful so-called educated person who is really insulting and humiliating this person. We should appreciate the fact that driving a taxi should be considered the same as the work I am doing in Parliament. Give them respect, give them decency and that is where the issue of justice comes in. Really, if this poor taxi driver is penalised N\$2 000, these are the questions that need to be applied.

With regard to what Honourable Kaura has said, sometimes we do not need to hide behind politics. I am sure many of the Members of Parliament who are here live in the east of the town. Many, not all of them – I never generalise – live east of central Windhoek. They do not live west. The speed traps there are a reality. Let us not deny it. You will not see them in Ludwigsdorf, in Auasblick, but you will see them on Hosea Kutako northwards. It goes northwards throughout, all the way to Oshikango, to Katima Mulilo, northwards they are there and it is a reality. However, if you go eastwards to Avis, Klein Windhoek and so on, they are there but not in the same numbers. That is why I say, it needs a holistic and open approach. (Intervention)

HON MINISTER OF MINES AND ENERGY: May I ask Honourable Kazenambo a question? Honourable Kazenambo, you are on the right track, the issue is very important and it should not be personalised or politicised. I have a question because you are saying the concentration of law enforcement is at certain points. Could it not probably be that those are the red areas, because they cannot be where they are not needed? If you take the road from Lüderitz up to Windhoek and you recall how many buses had accidents on that road, it would be maybe two or three in a month, meaning that the people in Lüderitz and Keetmanshoop are better drivers and therefore, you may not find many traffic officers there because they are not needed. However, take the road to Oshikango, how many lives have been lost in those areas? That may warrant that the law

01 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON KAZENAMBO**

enforcement is concentrated on those roads. How many accidents are reported in the City of Windhoek and in what areas did those accidents take place? We must not protect the people if they are not abiding to the laws. If they are endangering themselves and others, it needs to be looked at.

HON MINISTER OF YOUTH, NATIONAL SERVICE AND CULTURE: In conclusion, my belief is that we have to look at it holistically and consider various factors. The example of the road northwards, from Brakwater to Oshikango to Katima Mulilo, the more you go there the number increases, it is densely populated and unfortunately the further you go north, because of the historical background of this country, the more poverty becomes pronounced. It is a reality. Okondjatu and Okotjituo, there is poverty.

That is why I am saying that when you are making these laws and in no way am I saying that our people should be given a blank cheque to violate the laws of this country, but if I can probe further and be honest, and I said I will avoid this, if you look at the so-called consultants who come up with these laws, we know who they are. One would not like to say so, but we know them.

With due respect, let us have a human face, let us not violate the laws because circumstances also dictate.

My brother, the people who live east of Windhoek drive cars based on their affordability. I am not saying our people who are living northwards should drive cars without lights, but sometimes they are forced by circumstances and I am not saying that they should be spared, but let us have justice in this issue, education and appreciate where we are coming from.

HON SPEAKER: Thank you. Honourable Maamberua.

01 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON MAAMBERUA**

HON MAAMBERUA: Thank you, Comrade Speaker, I want to adjourn the Debate until next Thursday.

HON SPEAKER: The Debate on this Motion will continue come Thursday, the 10th of March.

RT HON PRIME MINISTER: Honourable Speaker, I would like to Move that we adjourn until tomorrow, 14:30.

HON SPEAKER: Any objection? The House stands adjourned until tomorrow afternoon.

HOUSE ADJOURNS AT 17:30 UNTIL 2011.03.02 AT 14:30

**NATIONAL ASSEMBLY
ASSEMBLY CHAMBERS
WINDHOEK
02 MARCH 2011**

The Assembly met pursuant to the adjournment.

HON SPEAKER took the Chair and read Prayers and the Affirmation.

HON SPEAKER: Any petitions? Any Reports of Standing or Select Committees? Other Reports and Papers? Honourable Minister of Justice.

**TABLING: FIRST REPORT ON PROMOTING ACCESS TO
JUSTICE IN THE HIGH COURT OF NAMIBIA**

HON MINISTER OF JUSTICE: Honourable Speaker, I lay upon the Table, the First Report on Promoting Access to Justice in the High Court of Namibia.

HON SPEAKER: Will the Honourable Minister table the Report? Any further Reports or Papers? Any Notice of Questions? Honourable Moongo.

NOTICE OF QUESTIONS

QUESTION 9:

HON MOONGO: I give Notice that on Thursday, the 10th of March 2011, I shall ask the Minister of Health and Social Services the following:

1. Can the Minister confirm or deny that State doctors are deliberately denied their right to treat their private patients after official duty?

02 March 2011

**MINISTERIAL STATEMENT
HON NGATJIZEKO**

2. If it is true that there are harsh and biased regulations preventing State doctors to treat their private patients after duty and during the weekends, when is the Minister going to amend or revoke those draconian regulations which is against the Labour Act and the Bill of Rights which promotes uniformity in labour law?

HON SPEAKER: Will the Honourable Member table the Questions? Any further Notice of Questions? Any Notice of Motions? Any Ministerial Statements? Minister of Labour.

MINISTERIAL STATEMENT

HON MINISTER OF LABOUR AND SOCIAL WELFARE: Thank you very much, Honourable Speaker, Honourable Members of the National Assembly. I rise to brief my Honourable Colleagues and the public on an important development that introduces certain new labour standards in the hospitality and tourism industry. Last Thursday, the 24th of February, my notice declaring the variation of certain basic conditions of employment applicable to that industry was published in the Government Gazette.

The Labour Act (Act 11 of 2007) provides in Chapter 3 for the Basic Conditions of Employment, which constitute the minimum conditions of employment for every employee in Namibia. These basic conditions are part of the contract of employment of every employee unless conditions that are more favourable have been agreed upon between the employee and the employer. The basic conditions provide, among other things, for maximum daily and weekly working hours, a meal break, a guaranteed weekly rest period and notice of termination of employment.

During the discussions between the Ministry and stakeholders preceding the adoption of the Labour Act, 2007, employer representatives complained that the statutory basic conditions of employment were not appropriate in all cases for every employer or every industry. The

02 March 2011

**MINISTERIAL STATEMENT
HON NGATJIZEKO**

common complaint was that “*one size does not fit all.*” In response to this concern, the Ministry made provision for greater flexibility in respect of the basic conditions of employment by introducing Section 139(8) of the Labour Act, which authorises the Minister, after consulting the Labour Advisory Council, to vary almost any provision of the Basic Conditions of Employment in respect of any employer or class of employers. A variation is not an exemption from compliance with a statutory basic condition of employment, but a substitute basic condition of employment to accord with the needs of a particular employer or industry.

The variation that was announced for the hospitality and tourism industry last week is the first variation granted in terms of the Labour Act of 2007 that affects a class of employers in Namibia. Because this is a landmark on the path to achieving decent working conditions in this important industry, I would like to present briefly how this came about and then to inform you of the actual variations.

The Labour Act, 2007, came into operation on the 1st of November 2008. Before the effective date, representatives of the Federation of Namibian Accommodation and Tourism Associations (FENATA) and the Hospitality Association of Namibia (HAN), which has previously been, but was no longer a member of FENATA, approached the Ministry of Labour and Social Welfare separately to discuss compliance with the Labour Act and the possibility of varying certain conditions of employment in view of the nature of hospitality and tourism establishments. Many of these establishments often operate on a 24/7 or round-the-clock basis and are located in remote rural areas. I met with each association at the early and late stages of this process, but numerous technical meetings were held throughout the process.

In the initial discussions the Ministry learned that many, but by no means all, of the employers in the accommodation and tourism industry had ignored the basic conditions of employment contained in the first Labour Act, that is Act 6 of 1992, but now, with the momentum and public awareness campaigns leading to the enactment of the new Labour Act, 2007, FENATA and HAN wished to bring their industries into full compliance with the Labour Act. It should be noted that there were a few

02 March 2011

**MINISTERIAL STATEMENT
HON NGATJIZEKO**

changes in the Basic Conditions of Employment from the Labour Act 1992 to the Labour Act of 2007, but perhaps one of the changes, relating to the termination of employment of employees, required to live at the place of employment, may have motivated FENATA and HAN to approach the Ministry. I had informed the associations that an application for variation could be lodged once the Labour Act came into effect, but I urged both FENATA and HAN to work together and to present a unified proposal for their industry. They eventually agreed to do so.

Although the Minister is entitled to act on an application for a variation on the basis of the written application alone, we decided that it was desirable to first enter into consultations with a view to achieving a consensus among the relevant stakeholders, that is the Government, represented by the Ministry of Labour and Social Welfare, the employers and the employees.

Section 139 of the Labour Act provides that the Minister may grant an exemption in terms of a subsection only if the employer or employers' organisation representing the employers satisfies the Minister that they have consulted with the employees affected by the exemption or their Trade Unions. In the instant case, the situation was complicated by the fact that most of the employees in the industry, particularly among the members of FENATA, are not represented by trade unions, although some of the members of the two organisations have recognition agreements with a Trade Union.

Officials of the Ministry held a number of meetings with FENATA and HAN representatives in order to clarify and refine the proposed variations, but we impressed upon them that the Minister cannot act on an application for variation without the employers conducting consultations with their employees. This led to an extraordinary achievement: virtually all of the members of the two associations conducted meetings with their employees and reported the results to the Ministry. Meetings were also held between the two associations and the Trade Unions that represent the employees of some of the members. The proposed variations were also submitted to the tripartite Labour Advisory Council, which recommended granting the variations after a lengthy period of deliberations. This was a learning

02 March 2011

**MINISTERIAL STATEMENT
HON NGATJIZEKO**

process for all of us and it took a lengthy period and numerous meetings to achieve the successful conclusion that I am reporting to this Honourable House today. I can say that we achieved a consensus on the variations, although there will always be some who do not agree.

The variations of conditions of employment for the accommodation and tourism industry may be summarised as follows:

Definitions

Section 8(1) is varied to include definitions of “*hotel*”, “*operator*” and “*regulated business*” that confirmed to definitions contained in statutes and regulations covering the accommodation and Tourism Industry.

A definition of “*hospitality or tourism employee*” is also included that refers to certain employees employed by a hotel or operator who work outside of Municipalities, towns, villages or settlements proclaimed in terms of applicable statutes. This definition ensures that certain of the variations are limited to conditions of employment in remote areas, since the variations, for example, of working hours are not necessary in more developed areas.

There is a variation of Section 18 concerning meal breaks. Whereas the Labour Act, 2007, requires that employees be remunerated for any period of a meal break beyond 90 minutes, the variation extends this period to 180 minutes. This variation is only applicable if the affected employee or employees agree to the variation. The intention is to accommodate the needs particularly of game lodges and safari operators to have extended midday rest periods or breaks, especially during hot weather.

In the variation of Section 20 concerning maximum spread-over and minimum weekly rest periods, “*Spread-over*” is the length of time spanning the commencement and completion of employment on a given day, including breaks. The maximum spread-over has been extended from 12 hours to 16 hours, keeping in mind the nature of the work involved. This variation is only applicable if the employee gives written consent.

02 March 2011

**MINISTERIAL STATEMENT
HON NGATJIZEKO**

The minimum weekly rest period required by the Labour Act is 36 hours per week. This requirement is often incompatible with accommodation and tourism operations, particularly safaris and tours. In the case of remote lodges, employees may find it difficult or impossible to travel home for such a short rest period, while employers may find it difficult to make short-term alternate arrangements for coverage. To accommodate these needs, a variation has been granted with the following features:

- An employer may reduce or eliminate the 36-hour weekly rest period for a maximum period of four continuous weeks upon the written consent of the employees;
- The number of hours reduced or eliminated must be accumulated and an equivalent continuous rest period must be granted to the employee after the end period of continuous work.
- An employee who works three or four hours continuously without a 36-hour weekly rest period must be paid an additional amount of equal to one or two normal working days' basic wage, respectively.

The variation of Section 21(2)(b) concerning work on Sundays permits employers carrying on the business of a hotel, or an operator, as defined, to employ employees on Sundays.

The variation of Section 22(2)(b) concerning work on public holidays permits employers carrying on the business of a hotel or an operator, as defined, to employ employees on public holidays.

Section 28(4) of the Labour Act requires employers of employees required to live at their place of employment to give three months' notice of termination to employees residing on agricultural land and one month's notice in all other cases. The variation of Section 28(4) provides as follows:

- In the case of hospitality and tourism employees residing on agricultural land, the employer must give three months' notice to

02 March 2011

**MINISTERIAL STATEMENT
HON NGATJIZEKO**

vacate or the parties may agree in writing that the employer may pay the employee three months' remuneration *in lieu* of notice;

- In the case of all other hospitality and tourism employees, the employer must give one month's notice to vacate or the parties may agree in writing that the employer may pay the employee one month's remuneration *in lieu* of notice;
- An agreement for remuneration *in lieu* of notice does not preclude an employee from lodging a complaint of unfair dismissal at the office of the Labour Commissioner or obtaining a remedy of reinstatement and back pay as a result of an unfair dismissal;
- Where the parties have agreed to remuneration *in lieu* of notice:
 - the employer must transport the employee and the employee's family, if they reside on the employer's premises, to a location in Namibia designated by the employee;
 - in the case of an employee employed on agricultural land, the employer must afford the employee the full period of notice to remove the livestock from the employer's premises or negotiate with the employee the conditions under which the employee will remove livestock prior to the expiration of the notice period.

I note that the variations do not exempt the employers from obligations under the Labour Act to pay employees statutory premiums for overtime, night work or work on Sundays or public holidays.

The aforementioned variations will remain in effect for a period of one year. This will give the parties a chance to evaluate their appropriateness and effectiveness in practice. The variations can be renewed or modified at the expiry of that period.

Honourable Speaker, Honourable Members of the House, the variations of conditions of employment that I have just enumerated strike a balance between the needs of the accommodation and tourism industry to meet the

02 March 2011

**FIRST READING: STATISTICS BILL
HON DR KAWANA**

needs of clients and customers and to develop their businesses and the needs of the employees to work under decent working conditions. I want to thank the representatives of FENATA and HAN for their commitment to these objectives and to the objective of bringing their industry into compliance with the Labour Act.

I also want to thank the Trade Unions and employees who participated in the process that produced the variations of conditions of employment for their industry. I encourage FENATA, HAN and the media to make these variations known throughout Namibia so that we can achieve 100% compliance with the Labour Act. I thank you.

HON SPEAKER: I thank the Minister for his very comprehensive statement. The Notice of a Motion is the one by the Honourable Minister of Presidential Affairs and Attorney-General. Does the Minister Move that the Bill be now introduced?

**INTRODUCTION AND FIRST READING:
STATISTICS BILL**

**HON MINISTER OF PRESIDENTIAL AFFAIRS AND
ATTORNEY-GENERAL:** I so Move, Honourable Speaker.

HON SPEAKER: Who seconds? Objection? Agreed to. Will the Minister please table the Bill? The Secretary will now read the Bill a First Time.

STATISTICS BILL

HON SPEAKER: Does the Minister Move that the Bill be now read a Second Time?

02 March 2011

**SECOND READING: STATISTICS BILL
HON DR KAWANA**

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL: I so Move, Honourable Speaker.

HON SPEAKER: Objection? Secondment? Agreed to. The Minister has the Floor.

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL: Thank you, Honourable Speaker. Honourable Speaker, I rise to motivate the Statistics Bill. It is a given fact that reliable national statistics is like a compass or a global positioning system. It can guide policy-makers so that they become aware of whether they are meeting their targets on social and economic issues.

Statistics at the level of national education can assist policy-makers to chart the right course of our education system. Equally, reliable statistics on health provision will inform policy-makers to adopt a reasonable target regarding the provision of health services.

Statistics can also inform policy-makers and the Nation regarding the level of poverty in the country. This will assist policy-makers to adopt effective measures aimed at addressing poverty. Against this background, statistics should be regarded as a useful tool in addressing socio-economic issues.

The current Statistics Act of 1976 is obsolete. It has not kept pace with the developments in comparison to the SADC Region, the broader African Union and internationally. Namibia as a member of the international community is required to accede to; protocols of these bodies dealing, *inter alia*, with statistics. In the same vein, developments in the area of information and communication technology also add a special dimension to the process. In particular, there is a notable integration between information and communication technology and the spatial data that the Bill before this august House has to address as a matter of urgency. In today's 21st century, some statistics can only be kept more efficiently in electronic format.

02 March 2011

**SECOND READING: STATISTICS BILL
HON DR KAWANA**

Honourable Speaker, the national statistical system in its present form is unable to meet current and future user information needs sufficiently. In addition, it is unable to monitor implementation of major national development policies and frameworks, including Vision 2030, the Third National Development Plan, the National Poverty Reduction Strategy and Action Plan, the Millennium Development Goals and various other national and sectoral policy frameworks and initiatives.

It is against this background that the Statistics Bill before this august House was prepared. This Bill has gone through a series of consultative inputs from stakeholders at national, regional and international levels. In particular, the Statistics Bill has attempted to incorporate the United Nations Fundamental Principles on Organisation and Operation of Statistical Agencies, as outlined in the United Nations Handbook on Statistics.

In addition, the aim of the Bill is to enhance service delivery within the national statistics system and to address bureaucratic bottlenecks, which prevent effectiveness and efficiency in the collection, production and dissemination of statistics.

Honourable Speaker, it is common knowledge that a decentralised statistics system applies in Namibia. This is the case because the establishment of statistical units in Offices, Ministries and Agencies has effectively introduced a decentralised statistics system. In order to achieve harmonisation and economies-of-scale, the objective contained in the Bill aims at accomplishing better coordination and cohesion in the national statistics system.

During the drafting of the Bill, policy-makers had to decide whether it was appropriate to maintain the statistics function within the Public Service or creating an independent statistics body outside the Public Service. The latter model has been preferred; therefore, the Bill before you, Honourable Members, reflects this position.

Statistics operations require significant financial and human resources to execute. It is for this reason that external inputs from development

02 March 2011

**SECOND READING: STATISTICS BILL
HON DR KAWANA**

cooperating partners have always been crucial in this regard. The development of the Statistics Bill is seen as crucial by development cooperating partners, including international organisations. Statistics is regarded not only as Government's commitment to enhance the development of statistics, but also as an opportunity for better data quality processes, resulting in accurate and dependable statistics.

Against this background, the aim is to produce a piece of legislation that will safeguard the institutional independence of the National Statistics Service in order to ensure the credibility of the statistics to be produced. To this end, clear provisions are contained in the Bill, regulating the manner in which statistics collection is to be coordinated. This will ensure the prevention of present overlap of functions and wastage of resources in the National Statistics System.

As pointed out earlier, the current system prevents effectiveness and efficiency in service delivery. In addition, the Bill provides a tripartite functional balance between the Director-General of the National Planning Commission, the Board of the National Statistics Agency and the Agency itself. The mandates and roles of these stakeholders are unambiguously defined in the Bill.

It should further be pointed out that official statistics is as much a technical matter as it is a governance issue. There is, therefore, a need to establish and maintain good balance between the various role-players to ensure objectivity and credibility of statistics and promote service delivery. From a statistics point of view, credible and objective statistics provide knowledge and objective benchmark information on which to base development plans and programmes.

It further provides a basis for the monitoring and evaluation of development plans and programmes dedicated to achieve set goals. All these issues are addressed in the Bill before this august House.

The Bill also provides for a national spatial data infrastructure and a committee for spatial data. Production custody and ownership of spatial data has become an increasingly important aspect of modern statistics

02 March 2011

**SECOND READING: STATISTICS BILL
HON DR KAWANA**

collection and directly impacts on good governance, especially in the field of planning and socio-economic development.

I should also point out that spatial data plays an increasingly important role in Government and other agencies' response to disaster and national emergencies. The recent floods in the north, northeast and southern parts of Namibia, immediately springs to mind. Correct spatial data could ensure that emergency responses are targeted and specific to the size and impact of the disaster concerned.

Honourable Speaker, allow me to address the specific aspects of the Bill. I will only highlight those parts, which I feel are worth discussing. The rest of the Bill will be considered during the Committee Stage where Honourable Members will have an opportunity to discuss its details.

The Bill is divided into ten parts. Part 1 consists of preliminary provisions, particularly definitions. Part 2 establishes the National Statistics System with its various components, including statistics producers, users of statistics, respondents, research institutions and training institutions. Furthermore, the objectives of the National Statistics System as well as the principles of statistics are stipulated in Part 2 of the Bill. The purpose of the National Statistics System is the collection, production and dissemination of official and other statistics to assist Government bodies, the private business sector, civil society and other organisations in planning, decision-making and monitoring, assessment of policies, decision-making or other actions. Of particular importance is the National Statistics System, which must ensure a coordinated system of statistics with confidentiality, safeguards and minimum overlaps.

Part 3 of the Bill is concerned with the establishment of the National Statistics Agency with legal personality. The Agency is responsible for a centralised system of statistical collection, compilation, custody, analysis, publication and dissemination. The Statistician-General, appointed by the Board of the Agency, is responsible for its management and control, while the Director-General of the National Planning Commission is politically accountable.

02 March 2011

**SECOND READING: STATISTICS BILL
HON DR KAWANA**

Part 4 establishes the Board of Namibia Statistics Agency, responsible for general control and management of the Agency. The Board is enjoined to enter into governance and performance agreements with the Director-General of the National Planning Commission.

Part 5 is concerned with the funds necessary for the operations of the National Statistics System and provides that the Agency would be funded mainly by moneys appropriated by Parliament for that purpose. The Board must produce an annual report, detailing the operations and financial activities of the Agency.

Part 6 sets out the manner in which the National Statistics System should be coordinated. In particular, the Statistician-General must issue a code of practice harmonising the requirements for the collection, production and dissemination of statistics and determine ethical requirements in this regard. Provision is also made that the Statistician-General must issue standards on the operational requirements for the statistical and spatial data collections.

Part 7 makes provision for the imposition of administrative penalties should a person without good reason fail to comply with a notice issued or refuse or fail to complete a document or provide information required for the purposes of statistical collection.

Part 8 deals with aspects regarding confidentiality. In particular it states that no document, information or record provided to the Agency may be disclosed to a third party, admitted into evidence in legal proceedings except for purposes of criminal proceedings.

Part 9 establishes the National Spatial Data Infrastructure to facilitate the capture of spatial data through cooperation between Government bodies.

Part 10 deals with miscellaneous provisions, including the determination of criminal offences and penalties for interfering with persons who are authorised to obtain statistical information. Provision is also made for the Director-General to make regulations.

02 March 2011

**COMMITTEE STAGE: PENSION FUNDS
AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

Finally, Schedule 1 deals with matters on which statistics may be collected, produced or disseminated, while Schedule 2 deals with oaths of office and secrecy.

In conclusion, Honourable Speaker, I humbly request this august House to support the Bill. There is no doubt that once passed into law, it will go a long way in guiding policy-makers to make informed decisions in the area of, *inter alia*, education, health, poverty reduction and food production. Credible statistics will play a crucial role in this regard. I so Move and I thank you.

HON SPEAKER: I thank the Minister for the very informative motivation. Any further discussion? Honourable Shixwameni.

HON SHIXWAMENI: I Move that the Debate be adjourned until Tuesday, next week.

HON SPEAKER: The further consideration of this Motion stands adjourned until Tuesday. The Secretary will read the First Order of the Day.

**COMMITTEE STAGE: PENSION FUNDS
AMENDMENT BILL**

HON SPEAKER: Does the Minister of Finance Move that the Assembly now goes into Committee?

HON MINISTER OF FINANCE: I so Move, Honourable Speaker.

02 March 2011

**COMMITTEE STAGE: PENSION FUNDS
AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

HON SPEAKER: Any objection? Agreed to. The Chairperson of the Whole House Committee will take the Chair.

ASSEMBLY IN COMMITTEE:

CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: The Whole House Committee is called to order. The Committee has to consider the Pension Funds Amendment Bill.

Clause 1 put.

HON MINISTER OF FINANCE: Honourable Chairperson, I wish to introduce an Amendment to Clause 1 of the Bill as follows:

In the Bill, insert the following Clauses before Clause 1 of the Bill and renumber the rest of the Clauses:

Amendment of Section 1 of Act 24 of 1956:

1. Section 1 of the Pension Funds Act, 1956 (Act 24 of 1956) referred to in this Act as the principal Act is amended by the insertion after the definition of "*Union*" of the following definition:

"unlisted investment means an investment that takes, perform of prescribed equity or dead capital in a company incorporated in Namibia and not listed on any stock exchange."

Amendment of Section 19 of Act 24 of 1956:

2. Section 19 of the principal Act is amended by the addition after Sub-section (8) of the following Sub-section:

02 March 2011

**COMMITTEE STAGE: PENSION FUNDS
AMENDMENT BILL**

HON MAAMBERUA / HON KUUGONGELWA-AMADHILA

“(9) A pension fund may not invest in unlisted investments otherwise than in the manner and upon such conditions prescribed by the Minister.”

I Move so, Honourable Chairperson.

CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: Please table the Amendment. Any discussions on the Amendment as moved by the Honourable Minister? Honourable Maamberua.

HON MAAMBERUA: Thank you, Honourable Chairperson. The definition given for unlisted investment is clearly spelled out as being in equity and debt. However, the Amendment that empowers the Minister to prescribe to a pension fund as to the manner and conditions in which the pension fund must actually invest in unlisted investments is problematic to me, unless we are informed as to what is that manner going to be and what are those conditions going to be. A second dimension to that is whether this Amendment has been tested with industry. If so, what is the view of industry in terms of this Amendment? Have any consultations taken place with the industry or not? I think it could be problematic if the manner and conditions are not clearly spelled out here because they are vague. That is my submission for now.

CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: Any further discussions on the Amendment? Honourable Minister, can you respond to the concern raised?

HON MINISTER OF FINANCE: Thank you, Honourable Chairperson. The intention is for the Minister to issue regulations that would govern the investments in unlisted investments by pension funds, because we consider that unlisted investments could actually turn out risky. While we would want that projects in this area could also benefit from the national

02 March 2011

**COMMITTEE STAGE: PENSION FUNDS
AMENDMENT BILL
RT HON ANGULA**

savings, as they can contribute to growth and can create opportunities for employment, there is a need for the regulator to define the rules of the game. In line with tradition that would be done through gazetted regulations by the Minister that would provide for consultations in setting these regulations with the Industry.

Yes, industry was consulted; the view of industry actually was that these conditions should maybe be specified in the law, which I think defeats the whole purpose of having a law and regulations. Obviously there is no need for anybody to be apprehensive or distrustful that Government would want to discharge of these powers in an irresponsible manner, because we definitely would not want to jeopardise the sustainability of the industry, but we want to be able to exercise custodianship upon the funds that are invested with these pension funds, because that responsibility is entrusted to us in terms of the law. We do not want to say they can invest in anything and leave them to determine how to invest. However, to allay your concerns, it is not intended that the Minister would prescribe which projects to fund. It is not intended to do that, they will still have discretion to fund the sectors in which these projects would come from, but the rules of the game would have to be determined by the Minister in the gazetted regulations.

CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: Any further discussion? Right Honourable Prime Minister.

RT HON PRIME MINISTER: Chairperson of the Whole House Committee, in my view this is a very important Amendment. There must be some standards set at least to establish the *bona fides* of people who are investing and also to make sure that things like due diligence have been done. If we do not do this, the GIPF saga is going to repeat itself. Therefore, I think this is a very, very important Amendment. Thank you.

02 March 2011

**COMMITTEE STAGE: PENSION FUNDS
AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: Any objection? Agreed to.

Clause 2 put.

HON MINISTER OF FINANCE: Honourable Chairperson, I wish to introduce further Amendments to Clause 2 as follows:

In the Bill, substitute the following Clause for Clause 1 of the Bill:

Section 36 of the principal Act is amended:

(a) by the substitution for paragraph (bb) of the following paragraph:

“(bb) limiting the amount which, and extent to which” is replaced by “prescribing the minimum or maximum or both the minimum and maximum amounts which a fund may invest in or outside Namibia, in particular assets or in particular kinds or categories of assets whether in Namibia or elsewhere, prescribing the basis on which the amount shall be determined and defining the kinds or categories of assets to which the amount applies” and

(b) by the insertion after paragraph (bc) of the following paragraphs:

“(bd) prescribing administrative penalties for contravention of or failure to comply with any regulation to which penalty Subsections (3), (4) and (5) of Section 37 apply, with the necessary changes; and

(be) prescribing the framework for investment of pension fund assets in unlimited investments.”

I Move so.

02 March 2011

**COMMITTEE STAGE: PENSION FUNDS
AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: Please table the Amendments. Any discussions on the Amendments as tabled? Any objection? Agreed to.

Clause 3 put and agreed to.

Title put.

HON MINISTER OF FINANCE: Thank you, Honourable Chairperson. I wish to introduce an Amendment to the long title of the Bill in order to streamline it with the provisions, following the Amendments that were introduced and agreed to now and I propose that:

In the Bill, substitute the following long title for the long title of the Bill:

“To amend the Pension Funds Act of 1956 so as to empower the Minister to make regulations prescribing the minimum or maximum amount or both the minimum and maximum amounts which a pension fund may invest in or outside Namibia or in particular assets or in particular kinds or categories of assets, whether in Namibia or elsewhere; prescribing a framework for the investment of pension fund assets in unlisted investments; authorising the Registrar to grant conditional exemption from certain provisions and prescribing administrative penalties for contravention or failure to comply with certain regulations; and to provide for incidental matters.”

I Move so.

CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: Please table the Amendment. Any discussions on the Amendment? Agreed to. I shall report the Bill with Amendments.

ASSEMBLY RESUMED:

02 March 2011

**THIRD READING: PENSION FUNDS
AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

Bill reported with Amendments.

**HOUSE ADJOURNS AT 15:45
HOUSE RESUMES AT 16:22 PURSUANT TO ADJOURNMENT**

HON SPEAKER: Does the Minister Move that the Bill be now read a Third Time?

**THIRD READING:
PENSION FUNDS AMENDMENT BILL**

HON MINISTER OF FINANCE: I move so, Honourable Speaker.

HON SPEAKER: Objections? Agreed to. Any further discussion? Honourable Minister.

HON MINISTER OF FINANCE : Honourable Speaker, I would just like to thank the Honourable Members for their understanding and support.

HON SPEAKER: The Secretary will read the Bill a Third Time.

PENSION FUNDS AMENDMENT BILL

HON SPEAKER: The Secretary will read the Second Order of the Day.

02 March 2011

**COMMITTEE STAGE
LONG-TERM INSURANCE AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

**COMMITTEE STAGE: LONG-TERM INSURANCE
AMENDMENT BILL**

HON SPEAKER: Does the Minister of Finance Move that the Assembly now goes into Committee?

HON MINISTER OF FINANCE: I so Move, Honourable Speaker.

HON SPEAKER: Any objection? The Chairperson of the Whole House Committee will take the Chair.

ASSEMBLY IN COMMITTEE:

CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: The Whole House Committee is called to order. The Committee has to consider the Long-Term Insurance Amendment Bill.

Clauses and the Title put and agreed to.

ASSEMBLY RESUMED:

Bill reported without Amendment.

**THIRD READING: LONG-TERM INSURANCE
AMENDMENT BILL**

HON SPEAKER: Does the Honourable Minister Move that the Bill be now read a Third Time?

02 March 2011

**SECOND READING
INSPECTION OF FINANCIAL INSTITUTIONS
AMENDMENT BILL
HON KAURA**

HON MINISTER OF FINANCE: I Move so.

HON SPEAKER: Any objection? Who seconds? Any further discussion? Honourable Minister.

HON MINISTER OF FINANCE: I wish to thank the Honourable Members.

HON SPEAKER: The Secretary will read the Bill a Third Time.

LONG-TERM INSURANCE AMENDMENT BILL

HON SPEAKER: The Secretary will read the Third Order of the Day.

**RESUMPTION OF SECOND READING: INSPECTION OF
FINANCIAL INSTITUTIONS AMENDMENT BILL**

HON SPEAKER: When this Debate was adjourned on Thursday, the 24th of February 2011, the Question before the Assembly was a Motion by the Honourable Minister of Finance, that the Bill be read a Second Time. Honourable Kaura adjourned the Debate and he now has the Floor.

HON KAURA: Thank you, Honourable Speaker. It appears to be a very straightforward Amendment and it is important for the inspections to take place to make sure that no one would run a business in Namibia that is unregistered, because we need every business to be registered so that people can pay tax. With that, I would support this straightforward Amendment and I think it is correct. Inspections must take place.

02 March 2011

**SECOND READING
INSPECTION OF FINANCIAL INSTITUTIONS
AMENDMENT BILL
HON IILONGA / RT HON ANGULA**

HON SPEAKER: Thank you. Honourable Iilonga.

HON DEPUTY MINISTER OF AGRICULTURE, WATER AND FORESTRY: Thank you, Comrade Speaker. I rise to support this very important Amendment. It seems the Act of 1984 did not have the teeth to inspect those institutions who then declared themselves bankrupt. If the intention of this Amendment Bill is to enforce inspections, then I am very happy with it.

Another issue that we are expecting the AU to pronounce themselves on the issue of Libya. Whether there is a problem or not, we cannot allow the Western countries to declare war on Libya while we as Africans just keep quiet. We are not a colony any longer. I support the Amendment Bill.

HON SPEAKER: Any further discussion? Right Honourable Prime Minister.

RT HON PRIME MINISTER: Thank you. Perhaps our Rules should be amended so that Deputy Ministers can make statements on these types of situations.

I have a question to the Minister on the Inspection of Financial Institutions Amendment Bill. I want to understand the relationship between this Amendment Bill and the actual Companies Act, which does not allow somebody to run a business when you know that it is insolvent. I just want to know whether there is a relation between this Amendment Bill and the Companies Act. Thank you.

HON SPEAKER: I thank you. Honourable Kazenambo.

02 March 2011

**SECOND READING
INSPECTION OF FINANCIAL INSTITUTIONS
AMENDMENT BILL
HON KAZENAMBO / HON KATALI**

HON MINISTER OF YOUTH, NATIONAL SERVICE AND CULTURE: Thank you, Honourable Speaker. I would like to find out from the Minister what procedures and mechanisms do they have in place in an event where I am blacklisted as a person. Please bear with my ignorance; maybe this Bill does not address that, but when you talk about financial institutions, what comes to mind is your own personal experience.

There are thousands of people in Katutura and elsewhere who are referred to ICT and when they want to carry on certain activities, then a whole Pandora's box are opened, that you are indebted, you have taken money and therefore you do not qualify. How are these institutions inspected to see how the names of persons are cleared who have paid off their debts – and I am one of those who are heavily indebted and that is why I am concerned about this one. How you cleared? In addition, what does this inspection mean? Is it registration of companies or is it also the financial activities? Who inspects these institutions and their activities?

HON SPEAKER: Thank you. Honourable Katali.

HON MINISTER OF MINES AND ENERGY: Thank you, Honourable Speaker. I support the Amendment Bill, but I have one or two questions to the Honourable Minister.

It is good that we hunt out these people who do not register themselves formally, but my question is, once they have been detected, what is going to happen? Is it covered somewhere in the legislation? Maybe the Honourable Minister can shed light on that.

I would also like to ask a question related to businesses, which do not issue receipts when you purchase from their businesses, whether there is also a mechanism to investigate those instances so that everybody is

02 March 2011

**SECOND READING
INSPECTION OF FINANCIAL INSTITUTIONS
AMENDMENT BILL
HON NAMBAHU / HON SHIFETA**

brought in line with the provisions of the law. Otherwise, Honourable Speaker, I support the Amendment Bill.

HON SPEAKER: I thank the Honourable Minister. Honourable Nambahu.

HON DEPUTY MINISTER OF JUSTICE: I also want to support this Amendment Bill wholeheartedly and I only have one concern. Honourable Katali mentioned businesses that do not issue receipts when you purchase from them and I can take it a bit further.

We know of some businesses where you do get a receipt, but there is no provision for VAT on that receipt and one wonders what Namibia is actually benefiting from this kind of business. We have said that the CEO of NAMFISA is the Registrar, but what capacity do they have to carry out these kinds of inspections and implement all these laws? I do not want to sound like a prophet of doom, but when you come up with laws while you do not have the capacity to implement them, what will be done to capacitate them to be able to carry out all these inspections? Honourable Minister, I wholeheartedly support the effort, but I am doubtful about the capacity, unless I am being told what is being done to create that capacity for them to be able to carry out what you are saying they must do.

HON SPEAKER: Thank you. Honourable Shifeta.

HON DEPUTY MINISTER OF YOUTH, NATIONAL SERVICE AND CULTURE: Thank you very much, Comrade Speaker, I have only two questions.

I think maybe it future in would be good if Parliament could be availed with the principal Acts when they are being amended, because some of

02 March 2011

**SECOND READING
INSPECTION OF FINANCIAL INSTITUTIONS
AMENDMENT BILL
HON DINGARA / MAAMBERUA**

them were enacted in the sixties or forties and it is difficult to get hold of copies. Secondly, I would like to ask the Finance Minister whether they are contemplating the consolidation of these Acts, because when one compares this one to the Companies Act, some of the regulations are substantially the same. Sometimes it is confusing to have so many pieces of legislation and I am just asking whether they are contemplating the consolidation of some of these pieces of legislation and whether it is possible to do so.

HON SPEAKER: Thank you. Honourable Dingara.

HON DINGARA: Thank you very much, Honourable Speaker. I also rise to support this very important Amendment Bill and I have a question to the Honourable Minister. Some Members mentioned other businesses while this Amendment Bill concentrates on financial institutions. Is this Amendment Bill only concentrating on financial institutions because we have others covering other businesses? Maybe it would be advisable for the Minister in her response to cover the difference between financial institutions and other companies so that we can understand the difference between the two. Thank you.

HON SPEAKER: Honourable Maamberua.

HON MAAMBERUA: Thank you, Honourable Speaker. I think this is a very important Amendment Bill, however one would like to get the assurance from the Honourable Minister whether what is mentioned here, namely that the Registrar would inspect a person, partnership or company, would cover the whole spectrum of institutions that could act illegally as financial institutions. For example, there might be close corporations, which may not be inspected because they would not be a partnership, a company or a person. Would micro-lenders also be covered or is the

02 March 2011

**SECOND READING
INSPECTION OF FINANCIAL INSTITUTIONS
AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

intention here only to cover those three categories or is the assumption that everything else is covered under this Amendment Bill? Thank you.

HON SPEAKER: Any further discussion? Does the Minister wish to reply?

HON MINISTER OF FINANCE: Thank you, Honourable Speaker. I realise that there is a range of issues that the Honourable Members would want clarity on. Unfortunately some of the issues that were raised do not resort under the ambit of the finance sector and, therefore, the responsibility of the Minister of Finance and they are subsequently not covered under this Bill or any other law that is administered by the Ministry of Finance, but they would be covered under other laws that are administered by other Ministers and to the extent that they are not, it is probably better if they are addressed to the relevant Ministers. In the event that a Member is not sure under which Ministry an issue resorts, it would probably be better to raise it in the general Budget Debate.

I will now go to the specific comments and questions that were raised.

Honourable Kaura generally supported the Amendment, I am grateful for that, and he indicated that it is appropriate that these institutions must be registered for tax purposes. I want to indicate that besides that, this Bill is actually aimed at empowering the Registrar to inspect those companies that are not registered as financial institutions with NAMFISA, but about which there is a suspicion that they may be carrying out financial dealings. The challenge that we face now is that the law empowers NAMFISA to inspect financial institutions that are registered with them. That means that if somebody who is not registered as a financial institution decides to carry out financial business under the table and this business is supposed to be regulated by NAMFISA, NAMFISA will not be able to come in and inspect such business. NAMFISA will only be able to close the company down and even if NAMFISA take the company to Court, they will only

02 March 2011

**SECOND READING
INSPECTION OF FINANCIAL INSTITUTIONS
AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

take such company to Court for illegally conducting a financial business without being appropriately registered. Even then, their case will be weak, because they will struggle to compile evidence because they cannot inspect the business to collect that evidence, they do not have that power.

Apart from conducting business without being registered, a company may actually be misappropriating and abusing public funds and NAMFISA cannot drag such company before the Court because they will not be able to investigate and collect evidence to support their case. Therefore, inspection becomes important in order to provide evidence to NAMFISA to ensure that the wrongdoers are brought to book.

However, this Amendment Bill only concentrates on financial institutions and non-financial institutions that carry out financial transactions without being properly licensed. Other companies that carry out illegal activities that are not of a financial nature would have to be dealt with under the appropriate laws by the appropriate offices. That is with regard to that comment.

With regard to the relationship between this Amendment Bill and the Companies Act, I think there is a relationship to the extent that the law would empower the regulator to ensure compliance of a business entity with the national laws. However, as I have indicated, this law only covers the financial institutions and those who may not be financial institutions that venture into financial business without being appropriately licensed, but it does not overlap with the responsibilities, powers and functions that are granted under the Companies Act. For example, if it is a requirement of the Companies Act that you cannot trade while you are insolvent, you can only be apprehended under that Companies Act. It cannot be that because there was an inspection by NAMFISA, the responsibility would now be with NAMFISA to bring the offenders into compliance. The appropriate provisions in the Companies Act would have to be invoked in order to address that situation.

02 March 2011

**SECOND READING
INSPECTION OF FINANCIAL INSTITUTIONS
AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

On the question of blacklisting - financial institutions will be inspected, to determine whether they are conducting their financial business in line with the financial laws, but it cannot be expected that as part of the inspection, the Registrar would now try to verify the correctness the blacklisting, for example, whether it is really true that this person has not paid. That is something that the individuals affected would have to take up themselves.

As I have indicated earlier, the Amendments that we are currently introducing to the range of financial laws would also provide for the establishment of a financial Ombuds Office. If you have been blacklisted and you have paid your debt and now you cannot access finances, you may go to the Ombuds Office, but the Registrar would not really go out to fish for this information through an inspection.

The Honourable Member wanted to know what happens if an inspection reveals that somebody is contravening the law. If you are conducting a financial business without being appropriately licensed and registered, you will be closed down and the Registrar can file charges against that person and company in the Court.

The issuance of receipts is not under the ambit of this law, because that deals with shops and they are not supervised by NAMFISA. The same applies to VAT, which is also not covered under this law and the VAT Act is not administered by NAMFISA. As the VAT law is administered by the Minister of Finance, I would want to respond to say that in order for one to charge tax they have to be registered with Inland Revenue and there is a law that says in order for you to be registered, you have to meet a certain threshold. There is a minimum threshold that you must meet before you can be registered and if you meet that threshold, you will be registered and you can then charge VAT and you must pay that VAT to the tax authorities. It does not mean that anybody who sells anything must just charge VAT. If they were registered, then they would be required to charge and pay to the Ministry of Finance. If they meet the threshold for mandatory registration, they will be required to register and collect. If

02 March 2011

**SECOND READING
INSPECTION OF FINANCIAL INSTITUTIONS
AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

they have not met that threshold and they have only met the voluntary one, then they can register voluntarily or they may choose not to register.

Whether NAMFISA has, the capacity is an issue that is relevant for any institution. I however, have the assurance that the institution is undertaking assessment of its capacity-building needs in order to come up with capacity-building measures.

I do not think it will be possible to have a principal Act, which consolidates the financial laws with the Companies Act. Related matters can be consolidated under one law, but I cannot foresee a situation where you take financial industry supervision laws and consolidate them with the Companies Act as that would create difficulties in administration.

The question was asked why the Amendment Bill only relates to financial institutions and not others. This is because the Financial Sector is my preoccupation; I am only required to initiate laws for the Financial Sector because I am only required to exercise oversight over the Financial Sector, expecting that of course the rest of the Comrades would also identify the needs and address those needs for legislation in their own sectors.

Micro-lenders naturally resort under the Financial Sector. As for close corporations, every financial institution that falls under the ambit of this regulatory authority would be covered by this legislation. Every Company, whether it is a Close Corporation or otherwise that is not a financial institution and is not conducting financial business would not be covered by this.

This law would only reach them if they are not a financial institution and attempt to venture into financial business. That is when the law would apply for the Registrar to go in and confirm any violation so that that can be stopped. Thank you.

02 March 2011

**SECOND READING
INCOME TAX AMENDMENT BILL
RT HON ANGULA**

HON SPEAKER: I thank the Minister for her comprehensive reply. I now put the Question, that the Bill be read a Second Time. Any objection? Agreed to. The Secretary will now read the Bill a Second Time.

FINANCIAL INSTITUTIONS AMENDMENT BILL

HON SPEAKER: The Secretary will read the Fourth Order of the Day.

**RESUMPTION OF DEBATE ON SECOND READING:
INCOME TAX AMENDMENT BILL**

HON SPEAKER: When this Debate was adjourned on Thursday, the 24th of February 2011, the Question before the Assembly was a Motion by the Honourable Minister of Finance, that the Bill be now read a Second Time. Honourable Mushelenga adjourned the Debate. Any further discussion?

RT HON PRIME MINISTER: Thank you. I rise to support the Amendment Bill and I only have a tiny question to Honourable Kuugongelwa-Amadhila.

If I understood the Amendment well, you are saying that no Retirement Annuity fund should conduct business in Namibia if it is not registered. As a Namibian citizen, I want to take an annuity with Merrill Lynch in New York I want to conduct business with a foreign company. Now that foreign company would be conducting business with me, I might also recruit others to join me in that. As a Namibian citizen, I have the fundamental right under Article 21(j) of the Constitution to practise trade or any business. Now I am conducting business with Merrill Lynch, which is not registered in Namibia. What would be the situation?

02 March 2011

**SECOND READING
INCOME TAX AMENDMENT BILL
HON MOONGO / HON SCHLETTWEIN**

HON SPEAKER: An interesting question. Honourable Moongo.

HON MOONGO: Honourable Speaker, we all know that small business people do not have the necessary skills to run business and to keep proper books. When will the Ministry initiate a programme to train small business people in the necessary skills? I support the Bill.

HON SPEAKER: Any further discussion? Deputy Minister of Finance.

HON DEPUTY MINISTER OF FINANCE: I thank you for the Floor, Honourable Speaker. I just rise to give some clarity on the VAT issue that was questioned, just for purposes of being very clear. VAT is a tax that is levied on final consumption of goods and services. Every trader, whether registered or not, must include VAT in the final price. When the Minister mentioned the traders that are registered for VAT, registration has a threshold of N\$200,000 turnover and that registration allows them to claim back VAT in cases where they were not the final consumer, where they passed on the final consumption of VAT. I thought I needed to give that clarification. I support the Income Tax Amendment Bill.

HON SPEAKER: Any further discussion? Does the Minister wish to reply?

HON MINISTER OF FINANCE: Thank you, Honourable Speaker and I thank the Deputy Minister for that clarification. I want to clarify that this Amendment Bill is intended to empower the Minister to require that any retirement fund that would want to seek certain benefits under the Income Tax Act should be registered with NAMFISA as a requirement. That is for that purpose primarily.

02 March 2011

**SECOND READING
INCOME TAX AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

Secondly, with regard to whether or not a transaction with a foreign entity would require that there is registration the foreign entity in Namibia, I would say that it would depend on where the transaction is taking place. If a company is in a foreign country and you access the services of that company in that country, it would be difficult to require that that company should be registered here, but if that company extends its business activities to Namibia, then it would be subject to the national laws.

Honourable Moongo wanted to know whether the Ministry renders support to small and medium enterprises on bookkeeping and other things. Government has a programme for support to Small and Medium Enterprises, which is integrated, and I expect that that support is not going to limit itself to issues of one sector, so that every sector must come in with their separate programme. Personally, I do not see any difficulty. If the coordinating Ministry would require that, the Ministry of Finance participate in the current programme in order to support that kind of capacity building, I think we can provide support. However, we do have a public awareness programme where we educate the public about their obligations under the tax laws and how to meet those obligations. Thank you.

HON SPEAKER: I was reading Article 21(j). Is it allowed what the Prime Minister was asking?

HON MINISTER OF FINANCE: Honourable Speaker, I explained and said that, first, the specific Amendments that we are introducing are not to prescribe that a company must be registered under these conditions. Those are already covered under the law as it is. What this Bill aims to achieve is to empower the Minister of Finance to require that any annuity fund that would want to seek to benefit from concessions that are provided under the Income Tax Act for annuity funds, should be registered with NAMFISA. Before you can claim these benefits, you must first be registered with NAMFISA.

02 March 2011

**SECOND READING
INCOME TAX AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

Then I went on to say that if a Namibian has business dealings with a foreign company, if that foreign company comes here to conduct business transactions and it is a financial institution that is covered under this law, then they would be required to comply with the requirements for registration or licensing, as the case may be. However, if a Namibian went to where that company is to access the business services of that company, then it would be difficult for the Namibian authorities to say any foreign business that transacts with Namibians, even outside our jurisdiction, should subject itself to the jurisdiction of the Namibian laws. That is what I said. Thank you.

HON SPEAKER: I now put the Question, that the Bill be read a Second Time. Any objection? Agreed to. The Secretary will read the Bill a Second Time.

INCOME TAX AMENDMENT BILL

HON SPEAKER: That brings us to the end of today's business. Right Honourable Prime Minister.

RT HON PRIME MINISTER: Honourable Speaker, I Move that we adjourn now until tomorrow, 14:30.

HOUSE ADJOURNS AT 17:10 UNTIL 2011.03.03 AT 14:30

**NATIONAL ASSEMBLY
ASSEMBLY CHAMBERS
WINDHOEK
03 MARCH 2011**

The Assembly met pursuant to the adjournment.

HON SPEAKER took the Chair and read Prayers and the Affirmation.

HON SPEAKER: Any Petitions? Any Reports of Standing or Select Committees? Other Reports and Papers? Honourable Makgone

**TABLING: REPORT ON DEPUTY SPEAKER'S OUTREACH
TO THE ERONGO REGION**

HON MAKGONE: Honourable Speaker, I lay upon the Table of this august House for consideration, the Report on the Deputy Speaker's Outreach to the Erongo Region from 15 to 21 August 2010. I request the Secretariat to place this Report on the Order Paper of Tuesday, the 8th of March.

HON SPEAKER: Will the Honourable Member table the Report? Any further Reports and Papers? Any Notice of Questions? Notice of Motions? Ministerial Statements? The first Notice of a Question is by Honourable Riruako, addressed to the Minister of Foreign Affairs.

I said it before, the Ministers take trouble and if they are not ready on the day indicated on the Question Paper, they inform me accordingly, but when they are ready after they have done research, after they have consulted, they come and give their very best and, of course, they open themselves to be taken to task after they have replied in follow-up questions. Equally, if Honourable Members feel compelled to put questions through the procedures established and the date is fixed, they should be here to put the question and if the Honourable Member in whose name the question stands is not present, I am going to ignore that. The business of asking another Member to put the question on behalf of

03 March 2011

**RESPONSE TO QUESTIONS BY HON KAURA
RT HON ANGULA**

the absent Member, I think we should dispense with that. If the Honourable Members are serious to put questions, they must be here and if they know that they are not going to be here, they must not put the questions.

Question No. 2 is by Honourable Kaura. Does the Honourable Member put the Question?

RESPONSE TO QUESTIONS

QUESTION 2:

HON KAURA: I put the Question.

RT HON PRIME MINISTER: Thank you, Honourable Speaker. Honourable Kaura, thank you for asking this very pertinent question on the power failure at the Windhoek Central Hospital which took place on the 12th to the 15th of February 2011.

It is acknowledged that there were eight patients in the Intensive Care Unit when the power failure struck the area in which the Windhoek Central Hospital is located. The power failure was in that area, it was not just about the Windhoek Central Hospital.

The hospital's backup power generator was activated, as it was meant to do, but unfortunately, a power fluctuation spike occurred, which affected the gas-generated system, in short called GGS. Patients who were on ventilators were resuscitated with what is called Ambo bags. The hospital management and staff, including the Medical Superintendent, assessed the magnitude of the problem and arranged for the transfer of patients to Rhino Park Hospital.

However, two patients could not be transferred to Rhino Park Hospital. The first was Ms Magreth Somaes, 19 years of age, who had been in the intensive care for sixty-six days due to post-partum cardiomyopathy and

03 March 2011

**RESPONSES TO QUESTIONS BY HON KAURA
RT HON ANGULA**

acute renal failure. The report of the nurses confirms that before the fateful event, the deceased was very restless and she was sweating a lot. The report further confirmed that she was anxious and she had high blood pressure and pulse and saturation levels dropped. The patient, therefore, was pronounced dead by a doctor at 21:00 that day. May her soul rest in peace.

Similarly, Mr Godwin Jones, 40 years old, was admitted to Windhoek Central Hospital on the 5th of February 2011. He underwent above-knee amputation of the left leg, post a previous bi-femoral bypass because of acute myocardial infarction in gangrenous right leg. It is reported that since admission the late Mr Jones' condition remained critical, unstable with poor blood circulation to the lower limbs, that is to the extremities. The patient had dry gangrene on the right foot and right lower leg. The late patient, Mr Godwin Jones, had a very poor prognoses and he could not be resuscitated on that fateful night of 22 February 2011. May his soul also rest in peace.

On November the 11th, the World Health Organisation submitted its final report on the assessment of the medical gas system in State hospitals in Namibia. The Ministry of Health and Social Services has studied the report and its findings and recommendations. A task team appointed by the Permanent Secretary of the Ministry has come up with draft measures, immediate, short term and long term, to address and rehabilitate the shortcomings in the system. Once finally put in place, there will be comprehensive plans that will short-circuit the current challenges.

It must be acknowledged that the Windhoek Central Hospital is a very old hospital. The system that it carries is equally old, that is the water pipe system, the electrical cabling system, etcetera. All need a complete overhaul. This cannot be overhauled in one go, as the hospital houses patients, some critically ill. Thus, improving efficiency will have to be done in phases, which may lead to a very long time to complete. I hope this information satisfies Honourable Kaura and the public at large. Thank you.

03 March 2011 **RESPONSES TO QUESTIONS BY HON MOONGO
HON NAMOLOH**

HON SPEAKER: Question 5 is by Honourable Moongo. Does the Honourable Member put the Question?

QUESTION 5:

HON MOONGO: I put the Question.

HON MINISTER OF DEFENCE: Thank you very much, Comrade Speaker. I would like to thank Honourable Moongo for asking these very pertinent questions on issues of national concern, but I do not know which calendar the Honourable Member is using to say that I have been here for more than ten years, which is not the case. Maybe he is using the Buddhist or Muslim calendar, but I will nevertheless give information.

Honourable Moongo mentioned risk and health hazards in all military camps in Namibia. It is not true that there are health hazards in all military camps in Namibia. There are those camps and bases, which are very old, and, therefore, those constructed during the colonial time are very old. Those bases were not constructed as permanent structures but with prefabricated materials. Therefore, the Ministry is already addressing this challenge because we cannot afford to expose our soldiers to health risks permanently. We are already on the right track to address these issues.

In the second question, he is asking how many modern military camps were built in Namibia after Independence. Honourable Member, construction of military bases is a very expensive undertaking and is entirely dependent on the construction procedures and the availability of financial resources, which should be shared with other competing national priorities.

The Ministry is ensuring that our soldiers should be housed decently and so far we have constructed new military bases at Osona, which is the Military School, Otjiwarongo, Naval Base, Walvis Bay, Keetmanshoop and Karibib and we are starting this year with construction at Eluno and

03 March 2011 **RESPONSES TO QUESTIONS BY HON MOONGO**
HON NAMOLOH

Gobabis Military Bases. Where the facilities are becoming uninhabitable, efforts are being made to put up prefabricated accommodation facilities at various old bases. We will continue to renovate other barracks where possible through a rehabilitation programme, which we have adopted in the Ministry of Defence.

As I have earlier said, we have what we call the Engineer Regiment, which is situated at Otavi and we use their expertise to renovate some of our ageing military basis.

The third question by Honourable Moongo is whether old military bases were demolished and if not, when they will be demolished.

Honourable Moongo, we were demolishing these military bases when we were fighting, now we have to maintain and rehabilitate them. We do not need to demolish them anymore.

Honourable Moongo, as I said earlier on, we are constructing new bases and, therefore, some of the old bases will then be demolished. You will remember that one or two years ago, we mentioned in this House that we want to demolish one of the former schools in Okahandja. We are demolishing that one to put up a new Defence Academy. It is being demolished now.

It is not easy with the financial constraints we have to build all accommodation simultaneously. We have a three-year rolling Budget and we have to budget for three years. We have to budget for the demolishing and the feasibility study and construction, but we are on the right track.

In his last question, Honourable Moongo wanted to know the good reason for keeping the former Sector 10 at Oshakati. The Honourable Member also asked about the smelly sewerage water in the base, running in public streets and causing a health hazard in the whole of Oshakati. We are going to leave Oshakati and these soldiers will be deployed at Eluno. As soon as Eluno has been constructed, Oshakati is done as far as we are concerned. It is very difficult to maintain the base at Oshakati and we are

03 March 2011 **RESPONSES TO QUESTIONS BY HON TJIHUIKO
HON KUUGONGELWA-AMADHILA**

accelerating the construction of Eluno base so that those who are in Oshakati move to Eluno.

The sewerage system is not the responsibility of Defence, but that of the municipality. Of course, many of our members are already in Eluno, only some are still in Oshakati. Of course, the head office accommodation is in Oshakati, but the majority of them are already in Eluno.

I trust that when our Budget is presented before this august House, the Honourable Member will be one of those who support it wholeheartedly so that we can solve these problems. We are not denying that we experience problems with the old bases at Oshakati and Otavi, which were built with prefabricated materials.

Honourable Member, I think I have done justice to your questions. I thank you.

HON MOONGO: I would like to thank the Minister for the spirit in which he answered the questions. This is a good example to be followed by other Ministers.

HON SPEAKER: Question 6 is by Honourable Tjihuike. Does the Honourable Member put the Question?

QUESTION 6:

HON TJIHUIKO: I put the Question.

HON MINISTER OF FINANCE: Thank you, Honourable Speaker. No, it is not correct that the Chinese businesses do not pay taxes in Namibia, because the Namibian tax laws require of all those who are liable to pay tax in terms of the law to do so and there are no exceptions given to any businesses because of their nationalities and if there are

03 March 2011 **RESPONSES TO QUESTIONS BY HON TJIHUIKO
HON KUUGONGELWA-AMADHILA**

incidences where businesses owned by Chinese nationals are not paying taxes, they are, like any other business, upon being audited and found not to be paying taxes, required to pay and appropriate penalties are imposed on them. If there are those who are known to any citizen of Namibia not to be complying, that have not been found out by the Inland Revenue office. I therefore wish to invite those Namibians to approach any official at the Inland Revenue office or myself with such information so that we can ensure that those individuals are brought into compliance with the law.

The second question was “If the answer is negative, the Chinese retailers in Namibia do not issue valid receipts, how do you assess income or what special method do you use to determine their income?”

In terms of the tax laws, businesses are required to keep financial records, of which of course receipts are an important part. If a business is found not to have kept records in accordance to the law, there are provisions in the law that empower the tax authorities to impose penalties, for the main part financial penalties against such businesses. I have however been made aware that certain people seem to prefer these penalties to complying. We are therefore contemplating to strengthen our laws, to ensure that we achieved better compliance in this regard. However, to the extent that a person has been found not to keep records, as is required for a period of five years, they are penalised.

The challenge is that an audit is not done every year on every taxpayer. You may therefore have a situation where one year or another a person who has not complied has managed to get away with it, but eventually when they are audited and they are found not to be in compliance, they are penalised appropriately. Thank you.

HON TJIHUIKO: Let me thank the Honourable Minister for a good try, but I just want to advise the Honourable Minister that we definitely need to look at the way those Colleagues are doing things and she does not have to go very far, she can just go here at China Town, the evidence is there. Thank you very much.

03 March 2011 **RESPONSES TO QUESTIONS BY HON TJIHUIKO
HON !NARUSEB**

HON SPEAKER: Could that not be a rumour, Honourable Tjihuiko?

HON TJIHUIKO: No, I am always buying there and I can even go there and bring the receipt that they are issuing tomorrow.

HON SPEAKER: Question 7 is by the same Honourable Member Tjihuiko.

QUESTION 7:

HON TJIHUIKO: I put the Question.

HON MINISTER OF LANDS AND RESETTLEMENT: Thank you, Honourable Speaker. I want to thank the Honourable Member for the question he asked and I, right from the onset, want to mention that there is absolutely no confusion from the Ministry of Lands and Resettlement as far as it concerns the administering of this particular Act of Parliament. If there is confusion, then it is probably created somewhere else, but we are very clear in terms of what we want to do in terms of the Act of Parliament.

Honourable Speaker, Honourable Members of this august House, I rise to address the question raised under the administration of communal land by Honourable Tjihuiko on the 22nd of February 2011. The questions raised pertain to the administration of communal land under the ambit of the Communal Land Reform Act 5 of 2002. Therefore, Honourable Members, if you allow me I will clarify the issues raised by referring to the provisions of the abovementioned enabling legislation.

Section 28 of the said legislation stipulates that any person who before the commencement of the Act had a right in respect of the occupation or use of communal land, which was granted or acquired by such person in terms of any law or otherwise, shall continue to hold such rights. The rights

03 March 2011 **RESPONSES TO QUESTIONS BY HON TJIHUIKO
HON !NARUSEB**

under Section 28 may be a right to a residential unit and/or a right to a farming unit. However, the legal occupation or use of that land is subject to lodging an application with the relevant Communal Land Board for recognition and registration of the claim to the land by such person.

The Communal Land Board, in considering an application for an existing customary land right will take the following into consideration:

- (a) the date and manner in which the applicant acquired the right;
- (b) whether any other person claims a right to the same land;
- (c) whether the area conforms to the prescribed prices; and
- (d) the position of the boundaries of the land.

Honourable Speaker, Honourable Members, the concerned Communal Land Board, once satisfied with the validity of the applicant's claim to the right, that board must recognise and register the applicant's right to the land and subsequently issue a certificate of registration of the right in the applicant's name. The certificate of registration issued ensures the applicant's legal right over the land for the natural life of the person and provides security of land tenure.

If you allow me, Honourable Speaker, let me now answer the specific questions asked by Honourable Tjihuiko.

Once someone's land right is properly registered and a certificate of registration is issued, this certificate of registration gives security of tenure to the occupier of land. Grazing rights and/or farming practices are properly regulated by the chiefs or traditional authorities, which may result in sustainable utilisation of natural resources, such as water.

Widows will have a preferential right of inheriting land rights when their spouses pass on. Equally, no widow will be evicted or asked to pay for the land when the husband dies and I assume, vice versa. Orphans will also not be easily evicted or asked to pay for the land where they lived with their deceased parents.

03 March 2011 **RESPONSES TO QUESTIONS BY HON TJIHUIKO
HON !NARUSEB**

In a nutshell, Honourable Members, the benefit of registration of customary land rights is to give security of tenure over a piece of land in a given community. Namibia now has a database called the Namibia Communal Land Administration System, which records all land rights registered. The database keeps all land records for future references and for easy retrieval by both the traditional authorities and Communal Land Boards.

The database further provides updated information for future planning on land management and administration. The Ministry is currently busy with a project called Registration of Existing Communal Land Rights in which all those who claim to have land rights on communal land are expected by law passed by this Parliament to apply to relevant Communal Land Boards for recognition and registration thereof. Under the Act the registration process has a deadline of up to February 2012, unless extended, in which all the existing land rights by then should be registered and issued with certificates of registration.

Honourable Speaker, Honourable Members, on the issue of 20 hectares size, which seems to be the bone of contention of Honourable Tjihiuko, the 20 hectares are the maximum prescribed size that the traditional authority may allocate to an individual under the Act. However, the law does not dictate that every person must be allocated 20 hectares of land. The availability of land must direct concerned authorities on how much land to be allocated in that given area. What the law says is that the traditional authorities must not allocate portions of land exceeding 20 hectares without consulting the concerned Communal Land Board and the line Minister.

Taking the above into account, the law does not imply that individuals must be allocated 20 hectares. Individuals and communities shall be allocated the size of land they have at the time of application, depending on the use and availability of land in that specific area of traditional community.

Question 2: I assume that the Honourable Member wants to ask and I beg your indulgence if I am assuming wrongly, what will happen if someone

03 March 2011 **RESPONSES TO QUESTIONS BY HON TJIHUIKO
HON !NARUSEB**

cannot find land in his or her community. Assuming I am right, on what the Member's question is, I would like to inform Honourable Tjihuiiko and this august House that every Namibian citizen is free to live in any part of Namibia, thus those who could not be allocated land in their traditional communities can approach any other traditional authority and apply for land rights in that particular traditional community area.

Honourable Members, the traditional authorities, Communal Land Boards and the Ministry shall ensure, in line with the provisions of the law, to regulate the allocation of land rights in order for every individual to have a portion of land to reside on, despite the likely scarcity of land in our communities.

Question 3: Honourable Speaker, people who are farming in overcrowded communal areas can still apply for resettlement under our Government's resettlement programmes. However, should they become successful under the resettlement programme; they will be requested and would be expected to relinquish their grazing rights in the communal areas. However, they may still keep their residential rights on communal land, but not grazing rights. I thank you.

HON TJIHUIKO: Honourable Speaker, let me thank the Honourable Minister for very informative answers that he has given, but there are still two loose ends that need to be clarified, but I will take that up later on. Thank you very much.

HON SPEAKER: Question 8 is by Honourable Moongo. Does the Honourable Member put the Question?

QUESTION 8:

HON MOONGO: I put the Question.

03 March 2011 **RESPONSES TO QUESTIONS BY HON MOONGO**
HON !NARUSEB

HON MINISTER OF LANDS AND RESETTLEMENT: Honourable Speaker, may I beg the indulgence of the Honourable Moongo and the august House that this question stands over until Thursday, next week as we are still doing research.

ORAL QUESTION

HON MOONGO: Honourable Speaker, I would like to ask an oral question to the Prime Minister in terms of Rule 82(b).

The benefits of Civil Servants and Political Office-Bearers were improved some years back when WASCOM was introduced those years. When does the Prime Minister intend to improve benefits, such as medical, housing allowance, entertainment, as they are outdated in the current economy.

RT HON PRIME MINISTER: The conditions of service of the Civil Servants are negotiated by the recognised trade unions with the Government. Every other two years, there are negotiations and the Civil Servants are being taken care of.

We created a Commission here, which looks into the conditions of Political Office-Bearers. That Commission has made certain recommendations to the Executive and wait for the Budget to come.

HON MOONGO: Just an additional question. Prime Minister, I thought when there are disputes one needs an intermediary to solve the problem, but here we have a peaceful situation and the bureaucrats of the Government are only prolonging and causing more suffering.

HON SPEAKER: The Honourable Member invoked Rule 82(b) and that is allowed, but it says that oral questions will be without notice, but they are expected to be short and to the point and answered immediately. The

03 March 2011

**COMMITTEE STAGE: INSPECTION OF
FINANCIAL INSTITUTIONS AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

Prime Minister has done that, but now you are debating and I am not going to allow that.

The Secretary will read the First Order of the Day.

**COMMITTEE STAGE: INSPECTION OF FINANCIAL
INSTITUTIONS AMENDMENT BILL**

HON SPEAKER: Does the Honourable Minister of Finance Move that the Assembly now goes into Committee?

HON MINISTER OF FINANCE: I Move so, Honourable Speaker.

HON SPEAKER: Any objection? Agreed to. The Chairperson of the Whole House Committee will take the Chair.

ASSEMBLY IN COMMITTEE:

CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: We will adjourn for tea-break and come back.

HOUSE ADJOURNS AT 15:40

HOUSE RESUMES AT 16:12 PURSUANT TO ADJOURNMENT

CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: Since there is no quorum the bells will ring for two minutes. I will now ask the Deputy Chairperson to take the Chair and continue with the Committee Stage.

03 March 2011

**THIRD READING: INSPECTION OF
FINANCIAL INSTITUTIONS AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

**DEPUTY CHAIRPERSON OF THE WHOLE HOUSE
COMMITTEE:** The Committee has to consider the Inspection of
Financial Institutions Amendment Bill.

Clauses and the Title put and agreed to.

ASSEMBLY RESUMED:

Bill reported without Amendment.

**THIRD READING: INSPECTION OF FINANCIAL
INSTITUTIONS AMENDMENT BILL**

HON DEPUTY SPEAKER: Does the Honourable Minister of Finance
Move that the Bill be now read a Third Time?

HON MINISTER OF FINANCE: I Move so.

HON DEPUTY SPEAKER: Any objection? Who seconds? Agreed to.
Any further discussion? Does the Honourable Minister of Finance wish to
reply?

HON MINISTER OF FINANCE: Honourable Deputy Speaker, I thank
all the Members for their support.

HON DEPUTY SPEAKER: I now Put the Question that the Bill be
now read a Third Time. Any objection? Agreed to. The Secretary will
read the Bill a Third Time.

03 March 2011

**COMMITTEE STAGE: INCOME TAX
AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

**INSPECTION OF FINANCIAL INSTITUTIONS AMENDMENT
BILL**

HON DEPUTY SPEAKER: The Secretary will read the Second Order of the Day.

**COMMITTEE STAGE: INCOME TAX
AMENDMENT BILL**

HON DEPUTY SPEAKER: Does the Honourable Minister of Finance Move that the Assembly now goes into Committee Stage?

HON MINISTER OF FINANCE: I Move so, Honourable Speaker.

HON DEPUTY SPEAKER: It is moved that I leave the Chair. Objection? Who seconds? Agreed to. I call on the Deputy Chairperson to take the Chair.

ASSEMBLY IN COMMITTEE:

**DEPUTY CHAIRPERSON OF THE WHOLE HOUSE
COMMITTEE:** The Committee has to consider the Income Tax Amendment Bill.

Clauses and the Title put and agreed to.

ASSEMBLY RESUMED:

Bill reported without Amendment.

03 March 2011

**THIRD READING: INCOME TAX
AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

**THIRD READING: INCOME TAX
AMENDMENT BILL**

HON DEPUTY SPEAKER: Does the Honourable Minister of Finance Move that the Bill be now read a Third Time?

HON MINISTER OF FINANCE: I Move so.

HON DEPUTY SPEAKER: Any objection? Who seconds? Agreed to. Any further discussions? Does the Honourable Minister of Finance wish to reply?

HON MINISTER OF FINANCE: Honourable Deputy Speaker, I once again thank the Honourable Members for their support.

HON DEPUTY SPEAKER: I now Put the Question, that the Bill be now read a Third Time. Any objection? Agreed to. The Secretary will read the Bill a Third Time.

INCOME TAX AMENDMENT BILL

HON DEPUTY SPEAKER: The Secretary will now read the Third Order of the Day.

**RESUMPTION OF DEBATE ON SECOND READING:
UNIT TRUST CONTROL AMENDMENT BILL**

03 March 2011

SECOND READING
UNIT TRUST CONTROL AMENDMENT BILL
HON KUUGONGELWA-AMADHILA

HON DEPUTY SPEAKER: When this Debate was adjourned on Thursday, the 24th of February 2011, the Question before the Assembly was a Motion by the Honourable Minister of Finance, that the Bill be read a Second Time. Honourable Ulenga adjourned the Debate. Any further discussion? Does the Honourable Minister wish to reply?

HON MINISTER OF FINANCE: I thank all the Honourable Members that this Bill too would be able to go through immediately. Thank you.

HON DEPUTY SPEAKER: I now Put the Question, that the Bill be read a Second Time. Any objection? Agreed to. The Secretary will read the Bill a Second Time.

UNIT TRUST CONTROL AMENDMENT BILL

HON DEPUTY SPEAKER: That is the end of the business of today. I request the Right Honourable Prime Minister to adjourn the House until next Tuesday, 14:30.

RT HON PRIME MINISTER: Thank you, Honourable Deputy Speaker. I want to thank the Members who are here for the quorum and to urge those who disappeared unceremoniously not to do so next time. I now Move that we adjourn until Tuesday, the 8th of March 2011.

HOUSE ADJOURNS AT 16:45 UNTIL 2011.03.08 AT 14:30

**NATIONAL ASSEMBLY
ASSEMBLY CHAMBERS
WINDHOEK
08 MARCH 2011**

The Assembly met pursuant to the adjournment.

HON SPEAKER took the Chair and read Prayers and the Affirmation.

MOTION OF CONDOLENCE

HON SPEAKER: I have three announcements to make. One is a sad one. A dear Colleague and Comrade, a senior Member of this House, Moses Katjiuongua, has passed on. We remember him for many things. He is one of the founders of this Chamber, one of the Members of the Drafting Committee of the Constitution. The Chairman of that Committee and some of us remember moments when we were almost walking out on one another, but there are parts of the Constitution for which we will remember him. He comes from a generation that got sick and tired of being sick and tired and went abroad to better himself. Like all of us, he made mistakes, but at the end of the day, he remained a patriot of this country. I will therefore ask you to rise to observe a minute of silence in his memory.

THE HOUSE OBSERVES A MINUTE OF SILENCE

INTERNATIONAL DAY OF WOMEN

HON SPEAKER: The second announcement: Today is the International Day of Women. It is a day on which we honour them, it is a day on which we as Namibians try to make our best efforts to make those parts of the Constitution a living commitment of the Nation and as Parliamentarians that we fulfil our duties to contribute towards making women to realise their ideals, exercise their rights and become effective members of nation-building and development of our country. For those things we are doing right as Parliamentarians, for those things that we do right as men, for

08 March 2011

**ANNOUNCEMENTS
HON SPEAKER**

those things that we together as partners continue to live up to, the vows that we have taken as Members of Parliament, let us congratulate one another, and to do more until women are able globally and certainly here in Namibia to exercise their rights fully as the Constitution expects us to commit towards that end.

BILLS CONSIDERED BY NATIONAL COUNCIL

HON SPEAKER: The last announcement: I have been informed by the Chairman of the National Council that Council, in terms of Article 75(2) of the Constitution, considered and confirmed the following Bill without Amendments: *Animal Health Bill* [B.20-2010].

I shall now, in terms of Article 75(3), refer the Bill to His Excellency the President to deal with it under Articles 56 and 64 of our Constitution.

I have also been informed by the Chairman that the Council, in terms of Article 75(2) of the Constitution, considered and confirmed the following Bill with Amendments: *Employment Service Bill* [B.156-2010]. This Bill will be placed on the Order Paper for Reconsideration by this Assembly as soon as possible.

HON SPEAKER: Any petitions? Any Reports of Standing or Select Committees? Honourable Van Der Walt.

**TABLING: REPORT ON ACP-EU JOINT
PARLIAMENTARY SESSION**

HON VAN DER WALT: Honourable Speaker, I lay upon the Table, the Report on the 21st Session of the Parliamentary Assembly on the 20th

08 March 2011

TABLING OF REPORTS
HON !NAWASES-TAEYELE / HON DR AMWEELO

ACP-EU Joint Parliamentary Session held in Kinshasa, DRC, from the 27th of November to the 4th of December 2010.

HON SPEAKER: Please table the Report. Honourable !Nawases-Taeyele.

HON !NAWASES-TAEYELE: Honourable Speaker, I lay upon the Table for consideration and adoption by this august House the following Reports by the Parliamentary Standing Committee on Constitutional and Legal Affairs:

- The 6th Consultative Assembly of Parliamentarians to Global Action for the Rome Statute of the International Criminal Court and the Rule of Law, held in Kampala, Uganda, from 27 to 28 May 2010;
 - Review Conference on the Rome Statute of the International Criminal Court held in Kampala, Uganda from 30 May to 11 June 2010;
 - Ninth Session of the International Criminal Court of the Rome Statute held in New York, USA from 6 to 10 November 2010.
-

HON SPEAKER: Will the Honourable Member table the Reports? Honourable Amweelo.

TABLING: REPORT ON 123rd IPU ASSEMBLY

HON DR AMWEELO: Comrade Speaker, I lay upon the Table for consideration and adoption by this august Assembly, a Report by the Namibian Parliamentary Delegation on the 123rd Assembly and related meetings of the Inter-Parliamentary Union (IPU) at Geneva from 4 to 6 October 2010.

08 March 2011

**TABLING OF REPORTS
HON VAN DER WALT**

HON SPEAKER: Will the Honourable Member table the Report?
Honourable Van Der Walt.

**TABLING: REPORT ON 22ND SESSION OF STEERING
COMMITTEE**

HON VAN DER WALT: Honourable Speaker, I lay upon the Table, the
Report on the 22nd Session of the Steering Committee, held in Geneva,
Switzerland on 16 September 2010 for note taking.

HON SPEAKER: Other Reports and Papers? Honourable Van Der
Walt.

**TABLING: REPORT ON WORLD TRADE
ORGANISATION PUBLIC FORUM**

HON VAN DER WALT: Honourable Speaker, I lay upon the Table, the
Report on the World Trade Organisation Public Forum held in Geneva,
Switzerland from the 15th to the 17th of September 2010 for note-taking.

HON SPEAKER: Will the Honourable Member table the Report? Any
further Reports and Papers? Notice of Questions? Honourable Moongo.

NOTICE OF QUESTIONS

08 March 2011

**NOTICE OF QUESTIONS
HON MOONGO**

QUESTION 10:

HON MOONGO: Honourable Speaker, I give Notice that on Thursday, the 10th of March 2011, I will ask the Minister of Agriculture, Water and Forestry the following:

1. Is the Minister aware that the Oshakati water dam is full due to heavy rains?
2. Can the Minister confirm or deny that water of the said dam is overflowing and destroying houses, businesses and is about to kill people in Oneshila Township?
3. Is it also true that this dam is outdated to the extent that it has no sluices to release the water?
4. When will the Minister take drastic action and compensate the victims? It is high time that water dams be constructed a few kilometres from the cities or towns.

HON SPEAKER: Will the Honourable Member please table the Question? Honourable Maamberua.

ORAL QUESTION

HON MAAMBERUA: Thank you, Honourable Speaker, I want to ask a question in terms of Rule 86 of the Standing Rules and Orders. Before us we have this calendar that we have just received on our desks and I want to address a question to the Minister of Veterans Affairs.

In terms of the Veterans Affairs Act, two Parties actually qualify to have their members apply for recognition as veterans, but the calendar that I see here only reflects SWAPO and nothing about SWANU. Why is it that the

08 March 2011

**ORAL QUESTION BY HON MAAMBERUA
HON DR N IYAMBO**

calendar does not reflect the names and events of history to which SWANU has contributed as reflected in the SWAPO history and events?

HON MINISTER OF VETERANS AFFAIRS: Thank you very much, Comrade Speaker. I thank the Honourable Member for posing the question. In fact, if he has read the Veterans Act of 2008 it calls for veterans to form associations and be recognised, but in that respect, only one association can be recognised. What happened is that the two associations, which existed before recognition discussed among them and formed one recognised association.

On the second leg of your question about the SWANU members not being part of the calendar, please supply us with the events, because all veterans are called upon to make available their photos so that we can use them. Please do so, as some SWANU members are also recognised as veterans and there is no reason why they should not be there. It is only that they have not provided the photos and the Honourable Member is a SWANU member. Thank you.

HON MAAMBERUA: The teachers seem to be accidentally included because their names and that of the SWANU members have not been mentioned, whereas the names of the SWAPO members, such as Anton Lubowski and others, have been included. It is important that the Ministry communicate on equal footing between SWANU and SWAPO.

HON SPEAKER: Honourable Tjihuiiko.

HON TJIHUIKO: Honourable Speaker, can I just put a short question? Honourable Speaker, is it not clear that the old South West Africa parties are still living in South West Africa and that is why are sticking to those names? Those are history. Let us move on.

08 March 2011

NOTICE OF MOTIONS
HON KUUGONGELWA-AMADHILA / HON MOONGO

HON SPEAKER: Any further Notice of Questions? Any Notice of Motions?

NOTICE OF MOTIONS

HON MINISTER OF FINANCE: Honourable Speaker, thank you. Firstly, I wish to congratulate the women of Namibia and the women of the world on this special International Day for Women. On this special day for the women of the world this Namibian woman, the Minister of Finance of Namibia, wishes to give Notice that tomorrow, the 9th of March 2011, she will Move –

That leave be given to introduce a Bill to appropriate amounts of money to meet the financial requirements of the State of Namibia during the Financial Year ending March 31st, 2012.

HON SPEAKER: Honourable Moongo.

HON MOONGO: I give Notice that tomorrow on the 9th of March 2011, I shall Move –

That this august House formally acknowledges the fact that the struggle for Namibia's liberation was long and bitter and that in the process many human rights violations have taken place on both sides; and

Further, that this august House recognises the urgent need to close that dark chapter opened by the said struggle finally in the interest of genuine national reconciliation; and

That this Motion be referred to the relevant Standing Committee of the august House for investigation and subsequently report back to the House.

08 March 2011

**MINISTERIAL STATEMENT
HON NGHIMTINA**

HON SPEAKER: Will the Honourable Member please table the Motion? Any further Notice of Motions? Ministerial Statements?

MINISTERIAL STATEMENT

HON MINISTER OF WORKS AND TRANSPORT: Thank you, Honourable Speaker, Honourable Members of the august House. I have the honour to report to the august House on the progress made with the various reforms being undertaken by the Directorate of Civil Aviation in the Ministry of Works and Transport.

As you may know, the Republic of Namibia is among 190 contracting States to the International Civil Aviation Organisation (ICAO) based in Montreal, Canada. In terms of the Convention on International Civil Aviation, the Council of ICAO is required to report to contracting States any infraction of the said Convention as well as any failure to carry out recommendations or determinations of the Council.

Furthermore, the Council is required to report to the International Civil Aviation Assembly any infraction of this Convention where a contracting State has failed to take appropriate action within a reasonable time after notice of the infraction. In order to establish the level of implementation of international standards and the recommended practice at national level, the Assembly adopted a resolution, which required all contracting States to be audited by ICAO expert teams. Because of this, the Republic of Namibia in April 1996 became one of the first few States on the African continent that subjected itself to a voluntary audit by the International Civil Aviation Organisation (ICAO).

One of the critical audit findings was the non-existence of qualified professionals at the Directorate of Civil Aviation to perform the State's safety and security oversight responsibilities effectively in line with its primary objective as contained in the ICAO Convention on International Civil Aviation. This is because it is impossible for any State to comply with its primary objective to ensure that State safety of passengers, crew, ground personnel and the public in all matters related to safeguarding

08 March 2011

**MINISTERIAL STATEMENT
HON NGHIMTINA**

against unlawful interferences with civil aviation without a pool of competently skilled and qualified technical personnel. Hence the development of universally acceptable technical standards and recommended practice as well as comprehensive audit system accorded by ICAO to test the strength of State's safety and security oversight system continuously against eight critical elements. The State's level of compliance or non-compliance is then categorised by the European Aviation Safety Agency or the Federal Aviation Agency based on ICAO audit results into one of three categories.

Category I is a State that is capable of ensuring the implementation of the standards. Category 2 is a State that is found by ICAO auditing being affected by the significant findings, while Category 3 is if a State is not capable of ensuring effective implementation of the standards.

Namibia demonstrated throughout successful ICAO Universal Safety and Security Oversight Programme a consistent pattern of safety and security related deficiencies in five areas of expertise of the eight critical elements. Hence, its categorisation under one and three in five areas of expertise relating to the eight critical elements considered important for the State's safety and security oversight system. Therefore, the European Commission's analysis of ICAO USAOP audit performed between 25 April and May 2006 showed that Namibia's low score in the six highlights critical elements out of the eight demonstrated not only its inability to maintain an acceptable level of safety oversight, but also its inability to attract competently skilled and qualified technical personnel to carry out the State safety and security oversight responsibility in line with the aforementioned primary objective. Hence, the notification from the European Commission that almost banned the national airline carrier, Air Namibia, from flying into European airspace in 2008.

An analysis of Namibia's safety oversight showed its incapability to implement SARPs effectively in four of the eight critical elements. Namibia's total of the forty-eight findings, averaging from major to significant findings, severely impact on its safety oversight capability and therefore, its subsequent referral to the ICAO audit result review board

08 March 2011

**MINISTERIAL STATEMENT
HON NGHIMTINA**

(ARRB). These findings were in the following areas: Licensing, certification, authorisation and approval obligations.

In the area of personnel licensing and certification, the Directorate of Civil Aviation was very deficient and non-compliant and it was their serious opinion that Namibia is not fulfilling its obligation under the ICAO Convention in terms of the continuous safety oversight responsibility. One good example was that the operator certification of Air Namibia, given the complexity of its operations as an international carrier with flights throughout Africa and to Europe and the type of aircraft fleet operated. It was likely that Air Namibia's AOC was not validly issued in terms of the provisions of the ICAO Convention Annexure Part 1.

Legislation: The ICAO finding revealed that the current Civil Aviation Act is outdated and does not meet the standard and recommended practice of ICAO. Therefore, it was recommended that the Act be reviewed and brought in line with international standards. Cabinet authorised the Ministry of Works and Transport to engage ICAO legal experts to assist our national legal experts with the review and Amendment of all legislation and regulations related to civil aviation. Significant strides were made; the Bill will be submitted to Cabinet and Parliament by June this year.

Technical regulations: Some visible progress has been achieved in addressing certain specifics of the ICAO 2006 audit findings. However, it was recommended that the SADC Region use similar model regulations as the foundation for their own civil aviation regulatory development.

Air-worthiness certification: ICAO approved eight critical elements used to measure a State's capability to execute its oversight obligations under the ICAO Convention and gave an overview on the categorisation of findings, namely significant, major or minor. The minor findings were discussed with inspectors during the assessment. These are:

- The primary civil aviation legislation;
- Specific civil aviation regulations;
- State civil aviation system and safety oversight function;

08 March 2011

**MINISTERIAL STATEMENT
HON NGHIMTINA**

- Technical personnel qualifications and training;
- Technical guidance to and response to safety critical information;
- Licensing certification, authorisation and approval obligations.
- State surveillance obligations; and
- Safety resolutions.

Clearly at the time of the audit Namibia did not comply in five areas of the eight critical elements, as I said earlier, considered important under the Chicago Convention. The experts said the main reason for non-compliance with the last five critical elements is insufficient number of inspectors qualified and competent to perform effective oversight of all civil aviation activities in the country.

The number of inspectors: The current two did not correspond to the size of the aviation industry in Namibia, namely 569 registered aircraft, 29 air operators and 32 maintenance organisations.

The Directorate of Civil Aviation currently has only one qualified maintenance inspector with the necessary training. The Directorate of Civil Aviation needs to appoint six more inspectors that are qualified.

Free operations and free maintenance: The training of the inspectors is a time-consuming process. If the inspectors were to be appointed immediately, they will not be able to operate independently for one and a half to two years. Therefore, SADC experts recommended the following: Appoint with immediate effect six qualified and experience inspectors because of the size of their operations, while training young inspectors, which would take up to two years before they would add value to the system. This is considered as a medium to long-term strategy. The Ministry recruited the six ICAO experts and they are hence on the job.

Honourable Members, as you know, such expert services must be paid for. For the past two years, the Ministry spent N\$20 million, which I may say was put to good use. I am, therefore, proud to announce that the name of the Republic of Namibia has been removed from the Audit Result Review Board list on the 2nd of March 2011.

08 March 2011

**MINISTERIAL STATEMENT
HON NGHIMTINA**

The state of affairs within the Airworthiness Subdivision requires immediate corrective action of airworthiness inspector staffing.

The expert concluded that the effectiveness of the State safety system is a major reflection of the number of accidents and eight accidents within less than a year is too much for the size of the aviation industry in Namibia. The expert commented that if the lack of inspector staffing is not addressed immediately, the number of aircraft accidents will continue to increase and that the Government will have to bear the responsibility for that. This is a matter of grave concern and Namibia must act to comply with its international obligations and responsibilities.

Honourable Speaker, Honourable Members of the House, my Ministry engaged six experts from ICAO to train our staff on the various processes involving the issuing of pilot licences, engineer licences, issuance of certificates and authorisation for airline operations, develop manuals, inspector handbooks, procedures, etcetera. In a nutshell, Namibia closed most of the gaps, which were discovered during the audit, such as the recruitment of local staff. There is still some outstanding funding which will be addressed as soon as the new Civil Aviation Bill is enacted in June this year.

Finally, Comrade Speaker, we would like to state it categorically clear that although Namibia was removed from the Audit Results Review Board list, there is no room for complacency. The Directorate of Civil Aviation has been instructed to expedite the establishment of the Namibian Civil Aviation Authority, which will enable us to attract and retain suitable qualified staff. Since there is still a lot to be done, the Ministry of Works and Transport is in the process to extend the contract of the ICAO experts by another year. I thank you for your attention.

HON SPEAKER: I am referring you to Rule 89. It says: “A *Minister who wishes to make a statement on some public matter for which he/she is responsible, shall inform the Speaker of his/her wish before the beginning of the sitting at which he/she wishes to make the statement.*”

08 March 2011

**COMMITTEE STAGE
UNIT TRUSTS CONTROL AMENDMENT BILL
HON KUUGONGELWA-AMADHILA**

The Notice of Motion is one of Honourable Ulenga. Does the Honourable Member Move the Motion?

HON ULENGA: I Move that the introduction of the Motion be adjourned until Thursday.

HON SPEAKER: The introduction of the Motion stands adjourned until Thursday. The Secretary will read the first Order of the Day.

**COMMITTEE STAGE: UNIT TRUSTS CONTROL
AMENDMENT BILL**

HON SPEAKER: Does the Honourable Minister of Finance Move that the Assembly now goes into Committee?

HON MINISTER OF FINANCE: I so Move, Honourable Speaker.

HON SPEAKER: Any objection? Agreed to. The Deputy Chairperson will take the Chair

ASSEMBLY IN COMMITTEE:

**DEPUTY CHAIRPERSON OF THE WHOLE HOUSE
COMMITTEE:** The Committee has to consider the Unit Trusts Control Amendment Bill.

Clauses and the Title put and agreed to.

ASSEMBLY RESUMED:

08 March 2011

THIRD READING
UNIT TRUSTS CONTROL AMENDMENT BILL
HON KUUGONGELWA-AMADHILA

Bill reported without Amendment.

HON SPEAKER: Does the Honourable Minister of Finance Move that the Bill be now read a Third Time?

THIRD READING: UNIT TRUSTS CONTROL
AMENDMENT BILL

HON MINISTER OF FINANCE: I Move so, Honourable Speaker.

HON SPEAKER: Any objection? Any further discussion? None. Does the Honourable Minister of Finance wish to reply?

HON MINISTER OF FINANCE: I thank the Honourable Members.

HON SPEAKER: I now Put the Question, that the Bill be read a Third Time. Any objection? Agreed to. The Secretary will now read the Bill a Third Time.

UNIT TRUSTS CONTROL AMENDMENT BILL

HON SPEAKER: The Secretary will now read the Second Order of the Day.

RESUMPTION OF DEBATE ON SECOND READING:
STATISTICS BILL

08 March 2011

**SECOND READING: STATISTICS BILL
HON SHIXWAMENI**

HON SPEAKER: When this Debate was adjourned Wednesday, 2nd March 2011, the Question before the Assembly was a Motion by the Honourable Minister of Presidential Affairs and Attorney-General that the Bill be read a Second Time. Honourable Shixwameni adjourned the Debate and he may now address the issue. Honourable Shixwameni.

HON SHIXWAMENI: Thank you, Honourable Speaker, I just have a brief statement. I must say, Honourable Speaker, Honourable Members, that this Bill is long overdue. It is a well-known fact that decision-makers, or policy-makers in particular, need correct, up-to-date statistics, and good statistical information to make better decisions.

I must congratulate the Office of the President and the National Planning Commission for coming up with a Bill, which will help our Nation move forward. I must also hasten to say that, indeed, many aspects on good governance of the Agency, by both Board members and staff of the Agency, are well taken care of in a satisfactory and comprehensive manner. I must just indicate that in fact, I looked at two other similar Bills and the governance structures in those Bills do not compare to the ones that are built into this particular Bill. I hope that the Agency will be able to carry out its responsibilities with due diligence and in an honest and transparent manner and work efficiently in rendering excellent service to the nation.

I must as I have done repeatedly, complain regarding the Law Reform Commission's snail pace in dealing with outdated colonial and unconstitutional laws, which are still up-to-date on our statute books. We cannot tolerate this situation anymore. As legislators and as leaders of this Nation we must demand value for money from the Law Reform Commission and they must pull up their socks. It is disheartening to note that there are so many laws that date back to before I was born which are still on the statute books.

I would like to caution the would-be Statistician-General and his or her staff against spin-doctored statistics aimed at pleasing the powers-that-be. There is a need to guard against producing politically correct, but

08 March 2011

**SECOND READING: STATISTICS BILL
HON SHIXWAMENI**

scientifically and methodically flawed statistics. I am sure that if they are adopting and subscribing to the United Nations' Fundamental Principles of Official Statistics as provided for in this Bill, we as a Nation could avoid the pitfalls of other nations. I say this because we all know the temptation sometimes by human beings to please the appointing authority. The normal saying goes, "*do not bite the hand that feeds you*", which is common particularly in most under-developed and developing countries.

Honourable Speaker, Honourable Members, statistics are very important for development planning. Correct and timely statistics must be the food without which politicians, development planners and policy-makers cannot do. Hence, as an important Agency in the life of our Nation, it must be able to produce regular, periodic and credible statistics, not as it happened with the Labour Force Survey Report of 2008, which only was released almost two years after its completion to stakeholders.

I propose that monthly labour surveys must be conducted if we are to keep track of the unemployment situation and employment in our country. I am sure that if it were done in the past, we would not have ended up with the current situation where we have a fifty-plus unemployment rate. Yes, we need to do more and more capacity building to achieve this, but I also know that in this world of new information and communication technology this can indeed be accomplished in our country.

On the Board of Directors: Whilst admitting the fact that we have a shortage of professionals and other skilled persons, I still advocate the principle of one person must not be allowed to serve on too many Boards. We must limit a person to a maximum of not more than two or in rare situations, three Boards only. Let others also be given a chance to serve the Nation.

I welcome the emphasis placed throughout the Bill on professionalism of the Members of the Board and the entire staff component of the Agency. I would like to ask the Agency to recruit the best professionals that our country can offer. The issue of having the right surname, the right political connections, party affiliation, tribe and ethnic origin should not

08 March 2011

**SECOND READING: STATISTICS BILL
HON SHIXWAMENI**

and must not play a role in the recruitment of staff for the Agency or any Government ministry or office.

I call upon Government, particularly the Governing Council for State-Owned Enterprises and Agencies to standardise and harmonise all State-Owned Enterprise Acts to be compliant with standards and principles of the King Reports as regard their practices and procedures in terms of Corporate Governance and bring them in line with the provisions of the Statistics Bill when it comes to good governance.

On the issue of fines for non-disclosure of interest by Board Members, which is outlined on page 16 and pages 34 and 35 of the Bill respectively, which stipulates that a crime against the Agency above two thousand and fifty thousand and twenty thousand or either six months imprisonment, that these fines for white collar crime are really too little. My question is, how are these fines arrived at anyway and who decides on this white collar crime, because what we are doing is to basically let the people that have authority and influence run away with smaller fines, whilst people who commit petty crimes, such as shoplifting and stock theft get heavy fines. (Intervention)

HON MINISTER OF FOREIGN AFFAIRS: May I ask Honourable Shixwameni a question? You mentioned here that the appointments to Boards and Parastatals must not be based on political affiliation or ethnic consideration, as stipulated in our various policy documents and the Constitution. My question is, your Political Party consists of a brother, sister, one tribe. Should we also consider people from organisation like your own to such Boards?

HON SHIXWAMENI: I know that the Honourable Minister is telling an untruth and he knows it very well. You know it deep in your heart that it is untrue that the Party is a Party of brothers. For your own information, we got more than nine thousand votes in the last election and my brother and I are only two. Two people cannot translate into more than nine thousand votes, which is an untruth.

08 March 2011

**SECOND READING: STATISTICS BILL
HON MUSHELENGA**

What we need to emphasise is that State institutions are not personal properties, State institutions are institutions meant to serve all Namibians and they are institutions that must accommodate everyone. They must also accommodate people from my Party. Why should they not be accommodated if they are Namibians? We must ensure that State institutions are opened and the playing field levelled for all Namibians to draw benefits from it.

The issue of timely annual financial statements is an issue of serious concern. As we know from reports tabled in this House, many State-Owned Enterprises and Agencies are late with their statements with two or three years. This needs to and must end immediately in the name of good governance of those institutions and agencies.

The other discrepancy that I have noted in this particular Bill is the auditing of State-Owned Enterprises and Agencies. Some are audited by the Auditor-General; some are audited by Private Companies. I think there is a need for standardisation and uniform regulation to that effect.

As I move to my conclusion, I would like to urge the new Agency to be established that our people should not only be counted during the collection of statistics and during elections. Their opinion must be respected throughout and they must be at the centre of all policy-making every hour day in and day out, night in and night out and all three hundred and sixty-five sunny or stormy days of our sovereign Nation.

Just a small correction, the year in the Short Title should not be 2010 but 2011. With those few remarks, Honourable Speaker, I support this important Bill for our Nation.

HON SPEAKER: I thank the Honourable Member. Honourable Mushelenga.

HON DEPUTY MINISTER OF FOREIGN AFFAIRS: Honourable Speaker, Honourable Members, the Statistics Bill is another milestone in

08 March 2011

**SECOND READING: STATISTICS BILL
HON MUSHELENGA**

the enhancement of policy formulation and implementation by the SWAPO Party led Government. Information is also needed to support policy arguments that assist in formulating properly informed policies. In their publication entitled, “*Statistical Techniques in Business and Economics*”, Robert D Mason, Douglas A Lind and William G Marchal define statistics as, “*the science of collecting, organising, analysing and interpreting data to assist in making more effective decisions*”.

Statistics play a vital role in every field of human activity as it plays an important role in determining the existing position of, for example, *per capita* income, unemployment, population growth rate, housing, schooling, medical facilities and rainfall patterns in a country or society.

Thus, this alludes that the application of statistics is very wide, informing and thus, educative.

Through the development of the statistical system, we can achieve some of the following:

1. Gain a better understanding and exact description of a phenomenon of nature by testing situation, that is (hypothesis testing).
2. Obtain proper and efficient planning of statistical enquiry in any field of study.
3. Have a proper knowledge in collecting appropriate quantitative data.
4. Present a complex data in a suitable form, like tabular, diagrammatic and graphic form for an easy and clear comprehension of such data.
5. Understanding nature and pattern of variability, that is change of phenomenon, through quantitative or numerical observation;
6. Monitor the implementation of Government’s national policies;
7. Draw or arrive at valid conclusions along with a measure of reliability about the population parameters from the sample data.

08 March 2011

**SECOND READING: STATISTICS BILL
HON MUSHELENGA**

With the creation of the Namibia Statistics Agency, we shall develop a national statistics system, the integration of current available data, which are currently kept at various institutions and Ministries, and mostly no uniform publication of such information is availed.

Honourable Speaker, key to statistics is the publication of the data that is collected or compiled. In the publication of statistical data, researchers would attempt to interpret the data and make some meaningful conclusions about such data relatively. When data is interpreted, it is only then, that it is user-friendly make relevant sense.

Publication of, for example, data of school-going children in rural Namibia would be meaningless if only a figure is given without qualifying the quantitative factors behind a given figure. In this vein, I encourage that proper coordination about national statistics be maintained so that uniformity and consensus in data is achieved. Divergent data or differences in produced statistics will confuse the policy-makers and data users.

The national statistics system needs to have a broader mandate as far as national data is concerned. There is a need for interpretation of data collected to provide meaningful conclusions to various users. This aspect of interpretation involves more research and provision of a uniform understanding, and it should not leave figures and data to have unclear meanings. Data with unclear meanings are actually prohibited by Section 4 of the Bill, which urges that data should be accurate, reliable and objective, among others.

It is a known factor that data can be abused and misleading if it is not clearly articulated. For example, when average figures are used, it should be noted that they might not be representative of all data. Further, when crafts and charts are used, they can easily be misunderstood and subsequently be misinterpreted by the reader if they are merely analysed on a face value.

Another key aspect of any statistical data that need to be upheld is the reliability and independence of that data. The above proper characteristics

08 March 2011

**SECOND READING: STATISTICS BILL
HON MUSHELENGA**

strengthen the impartial nature of conclusions that will be drawn from such data. Impartial conclusions will strengthen the position of policy formulation.

The institutional independence of this institution from Public Service will enhance the impartial independence of the data it will create. I should likewise underscore the importance of popularism on the part of statisticians. This is what Section 4 of the Bill desires when it calls for adherence to international standards and classifications.

Statistics is a dynamic area of specialisation, which demands a high degree of professionalism. The Agency should, therefore strive to be a centre of excellence for their service and products to be acceptable. Statisticians should be acquainted with research methodologies of gathering information and be aware of which methodologies to apply in which instances to ensure professionalism. For example, to research techniques is applicable to social science studies as it deals with human behaviours, while the quantitative methodology explains science based on strict rules and thus employs mathematical and statistical techniques. Professor Sotirios Sarantakos of Australia dwells extensively on these methodologies in his publication entitled "*Social Research*".

Statisticians should further be acquainted with data types. An Indian Economist by the name, Damodar Gujarati, in his publication entitled, "*Essentials of Econometrics*", elucidates on the types of data collection, namely time series, cross-sectional and pooled. The time series data is collected over a time and is used to determine data like the unemployment rate and the cross-sectional data are collected occasionally, an example being a census and a full data is a combination of the above.

Honourable Speaker, I support the efforts of various institutions that currently are engaged in research and the periodic publication of their research. Such excellent activities must be complemented by this legislation and a substituting framework must be established to see how their functions should support the National Statistics System without substituting their efforts. I advocate increased collaboration of the Agency with various Government Ministries and other important national

08 March 2011

**SECOND READING: STATISTICS BILL
HON MUSHELENGA**

institutions, as envisaged in Section 51 of the Bill. Through such collaboration, the need for data that need to be collected and used can come to the fore and the Agency can be a meaningful institution to all institutions.

I submit that it is essential that national data should be availed to certain institutions when periodic reports are made. Such should include submission to Cabinet, this august House and to our national and Local Government structures. When information is so disseminated, it will keep our key policy-makers informed and will equip them with the necessary knowledge.

Our educational institutions, especially tertiary institutions, should also be up-to-date with national statistical information.

In conclusion, the importance of statistics cannot be ignored, that they play an important role in economics, which largely depends upon statistics. National income accounts are multi-purpose indicators for the economists and administrators. Statistical methods are used for preparation of these accounts. In economic research, statistical methods are used for collecting and analysing the data and testing hypothesis patterns. The relationship between supply and demand is studied by statistical methods and Honourable Tjihuiko knows that too well. The imports and exports, inflation rate, and the per capita income are the problems, which require good knowledge of statistics. They are essential for a country as different policies of the Government are based on statistics. Statistical data are now widely used in taking all administrative decisions. Suppose if the Government wants to revise the pay scales of employees in view of an increase in the cost of living, statistical methods will be used to determine the rise in the cost of living and preparation of Government Budget mainly depends upon statistics because it helps in estimating the expected expenditure and revenue from different sources. Thus, this Agency can be the eyes of administration of Government.

With these words, Honourable Speaker, I put on record my support for the Bill and I thank you.

08 March 2011

**SECOND READING: STATISTICS BILL
HON PROF KATJAVIVI**

HON SPEAKER: Thank you. Congratulations with the research done. Professor Katjavivi.

HON PROF KATJAVIVI: Thank you, Honourable Speaker, Honourable Members of this august House. I rise to support the Statistics Bill tabled by the Honourable Minister of Presidential Affairs and Attorney-General. I thank the Minister and all those who have assisted in the finalisation of this important Bill to be tabled in this august House.

Allow me first to make a statement on the Bill under discussion before coming to specifics.

Honourable Speaker, the tabling, discussion and eventual passing of this Bill by this august House will mark a very important milestone in Namibia's development endeavours in the area of planning and, in particular, statistics.

Namibia has been using the old South African Statistics Act (Act 66 of 1976) since Independence. This law has been amended several times in South Africa and in 1999 passed a new Statistics Act. I do agree with the Honourable Minister that Statistics Act 66 of 1976 is obsolete and has not kept pace with current realities, hence the tabling of this new Bill is most welcome.

The importance of statistics cannot be over-emphasised, yet very often statistics are pushed in the periphery compared with other developmental issues. However, development is a process and a relative concept. It needs to be managed and driven to a desired outcome. Having the necessary statistics is crucial to this process. As the saying goes, "*if you cannot measure it, you cannot manage it.*"

The United Nations Statistical Commission, at its Special Session of 11 to 15 April 1994, adopted five fundamental principles of the official statistics and in particular Principle 1 emphasises that, "*official statistics provide an indispensable element in the information system of a democratic society,*

08 March 2011

**SECOND READING: STATISTICS BILL
HON PROF KATJAVIVI**

servicing the government, the economy and the public with the data about economic, demographic, social and environmental situation.”

Statistics in a democratic society as ours are increasingly a governance issue. It relates to the distribution of resources to different regions and sectors. They inform us about the inequalities and levels of poverty, unemployment rates among different groups, such as the youth, women, and health issues that must be addressed and our successes or failures in dealing with these issues. Statistics serve as an early warning, they can highlight areas that are overlooked or not dealt with adequately and help Government to avoid undesirable social and economic consequences.

Democracy involves debate and disagreement between contending interests. This is both necessary and healthy. Statistics are often mobilised in support of or in opposition to these contending interests. This too is part of any democratic society where statistics are used as a basis for evaluating and measuring the impact of policy and programme in meeting national priorities.

Honourable Speaker, Namibia proudly celebrates its 21st birthday this month. Over the past 21 years, the country has developed various planning instruments:

1. The National Transitional Plan;
2. The National Development Plans 1, 2 and 3;
3. The Long-Term Perspective Plan (Vision 2030);
4. Poverty Reduction Strategy and Action Plan; and so many other policies that have been adopted by the Government.

You will agree with me that monitoring and evaluation of these various programmes is critical to their success. However, our monitoring and evaluation has to be as effective as it should be.

One of the contributing factors is the lack of reliable statistics. The restructuring of the National Statistical System is, therefore, as important as the formulation of National Development Plans and it is essential to their successful implementation.

08 March 2011

**SECOND READING: STATISTICS BILL
HON PROF KATJAVIVI**

Honourable Speaker, Honourable Members, there are other examples of changes in statistical systems from which we can learn. History shows us that statistical reforms in the OECT countries were driven by the need to improve quality coordination and trust in the official statistics. The motivating factors behind statistical reform in developing countries, such as Ghana and Uganda, were political impetus to improve the performance of the statistical agencies, but reform can also loosen the constraints of an old Civil Service, restructure staff and raise remuneration.

Our statistical system has its own history and resources, its own culture and has to find its own best management and operating practices. In our democratic society, the demand from citizens and Parliamentarians for independent statistics will influence the statistical system. In my view, the development of statistics depends on four pillars, namely, governance, human resources, finance and technology. The production of statistics is resource intensive in terms of staff, equipment and technology. Currently we have a shortage of required skills in the Statistical Sector; hence, we need to develop that profession. It is a public a public good, like roads and hospitals and the development of a statistical system should be supported by public funds. However, this of course comes with accountability.

The application of the policy is vital throughout the statistical value chain, from user needs assessment, planning to collection, processing, analysis and dissemination, and achieving.

Honourable Speaker, Honourable Members, allow me to comment on specific parts of the Bill before us.

Part 1 deals with establishment of a National Statistical System. The approach, as advocated by the United Nations' Handbook on Organisation of Statistical Systems is crucial. What is of utmost importance is to avoid a situation where people in one organisation work in different departments cut off from each other, where one hand does not know what the other hand is doing. The producers of statistics need to coordinate their activities for many reasons.

08 March 2011

**SECOND READING: STATISTICS BILL
HON PROF KATJAVIVI**

1. To avoid floating different figures on the same subject;
2. To avoid duplication and wastage of resources;
3. To increase the coherence of statistics;
4. To apply same methodologies, standards and procedures; and
5. To encapsulate ethics and good practice.

We must not forget that the value of statistics is in their use. Producers of statistics should therefore listen to the needs of users. Training institutions should respond to the needs of the producers of statistics. Researchers and policy-makers should use the statistics to develop evidence-based policies.

Another important aspect to be considered is the development of statistics from their administrative records. This resource of statistical information in our country is not fully utilised. The use of administrative records has many advantages. It is a cheaper way of collecting statistics since the data are generated through a normal administration process, for instance the issuance of birth and death certificates or identity cards. These generate statistics on the number of births and mortality rates and so on.

Statistics from administrative records are also continuous over periods. They can breach the gap in data, which comes from specific surveys and census. This brings me to the importance of data sharing.

Institutions in the National Statistical System should be able to share information to reduce the cost of data collection and allow for maximum usage of statistics for the public good.

Finally, on this part, a National Statistical Plan needs to be developed, based on international best practices, such as national statistical development strategies and processes, which are advocated globally. This is a coordinating tool available for the National Statistical System.

Honourable Speaker, Honourable Members, Part 3 of the Bill deals with the establishment of a National Statistic Agency. The establishment of an autonomous State Agency is a welcome move. However, I have to remind the House that this comes with greater responsibility and accountability.

08 March 2011

**SECOND READING: STATISTICS BILL
HON PROF KATJAVIVI**

There are several arguments for giving the Statistical Authority a degree of technical, financial and managerial independence from Government. First, independent statistical authorities may produce more reliable and trustworthy statistics, because they are less susceptible to outside influence. The integrity of statistics is of utmost importance as they are used for result-based management and to account to citizens.

Secondly, independence assists authorities to deal with human resource constraints under which most developing countries operate. If qualified statisticians are in short supply, then a statistical authority needs more flexibility than a mainstream Government department to recruit, to retain their staff, and to allocate their human resources efficiently. I am convinced that this is the case for Namibia. However, we must be cognisant of the fact that problems of statistical policy cannot be solved by organisation arrangements alone. Their solution also requires capable and inspiring leadership, qualified staff and application of appropriate methods and techniques, common sense and hard work.

Honourable Speaker, Honourable Members, Part 4 of the Bill deals with the establishment of the Board. This is in line with the modern practices and with the State-Owned Enterprises Act. However, the pre-determined membership as proposed in Section 11(1) of the Bill will limit the Director-General of the National Planning Commission to appoint capable candidates from other sectors. This might compromise the independence of the Statistical Agency as most members of the Board might be selected from the Government.

Section 23 of Part 4 makes provision for the appointment of the Statistician General by the board. There are questions, which need to be answered honestly here: What is the level of the Statistician-General in Government ranking? Who are his or her peers? I believe that the use of the term Statistician-General, not Government Statistician as is now the case has significance. The Statistician-General would be the head of the Government Statistical Service and be the head of the statistics profession and National Statistical System, which includes both Government and the private sector. Accordingly, to International best practices, he or she would be the principal advisor to Government and to the President and the

08 March 2011

**SECOND READING: STATISTICS BILL
HON IILONGA**

embodiment of the Statistics Service inside and outside Namibia.

Honourable Speaker, the United Nations' Handbook recommends that the head of the Statistics Office occupy the rank equivalent to that of the most senior Civil Servant within our Government system.

Honourable Speaker, Honourable Members, Part 5 of the Bill deals with the financial provisions. I would like to support Section 27(1) because as I stated earlier, statistics are public goods and nowhere in the world can statistical offices raise their own funds. Experience shows that even highly successful organisations such as the Swedish Statistics Service only are able to raise between 10 and 15% of their own resources.

Honourable Speaker, Honourable Members, I would like, through the Minister, to draw the attention of this august House to the African Charter of Statistics. This particular Charter embodies the fundamental principle of official statistics. It is worthy of the consideration of this august House.

With these remarks, I support the Bill.

HON SPEAKER: Very instructive, Professor. We thank you.
Honourable Iilonga.

HON DEPUTY MINISTER OF AGRICULTURE, WATER AND FORESTRY: Thank you, Comrade Speaker, I rise to support the Statistics Bill, which is a very important Bill and I do not really want to make a statement, I only want to refer to certain sections.

Comrade Minister, Section 28 deals with forms for the collection of information and the importance of this is that it will be standardised and simplified to enable anyone being asked to provide information to do so. I see here that the Statistician-General will be the one to prescribe those

standards.

Section 39 deals with the request to provide information and that it should be voluntarily. Yes, it should be voluntary, but statistics is the core for the Country's development. If you know your people, you know the level of the economy. There is a variety of things you want to know in your country, this voluntary might defeat the purpose. I am not a lawyer, but in most cases, we are too democratic, we have democratised everything. We should reach everybody and we can just say request to provide information for statistics as a Namibian, without saying voluntary. If it is voluntary, then I can say no, I do not want to and then what can you do? I think that is an issue we need to look into, because this is not something, which needs to be politicised.

Section 40 deals with the notice to provide information and it is coupled to Section 41, the administration of penalties. The penalties will be prescribed but no minimum has been proposed. I do not know whether that will resort under Section 56, which deals with general offences or where the penalties will be determined.

Section 43(1) says the Statistician-General may impose administrative penalties, prescribed by the Minister, on any person. That is fine, but when it comes to Section 43(4), the Minister must transmit those complaints received from offenders about penalties imposed on him or her by the Statistician General. Why should others have a choice with "*may*" or "*may not*", but the Minister is now forced to respond? Why can we not say the Statistician General must impose so that we are on the same wavelength? If we want to maintain the "*may*", then let it also be applicable to the Minister, because if it is "*must*", it is a command.

Section 45 proposes an oath of office and I think it should be tradition that all our laws contain that clause, even the oath of secrecy. It is very important for a person to declare his or her interest and not to reveal information. This is what has led to the unemployment statistics being quoted as being 51%, because this information has been leaked before the statistics could be scrutinised. The Constitution and the Labour Act are

08 March 2011

**SECOND READING: STATISTICS BILL
HON BEZUIDENHOUDT**

clear that a child of fifteen years old may not be employed in Namibia, but those were included and that caused the percentage to be so high.

Schedules 1 deals with all the sources where information can be collected, including labour statistics, and I want this to be “*must*” so that even a Political Party has to provide the number of their members who were born or died, so that we no longer have this problem. People are dying daily, but we have dead people voting. That is why I want that “*must*”, they must give us the number of their members who died, so that we know. Then they can complain and say, “*we gave this number of our people who are dead, but you are still keeping them on your list of Voters roll.*” Thank you, Comrade Speaker, I support the Bill.

HON SPEAKER: Thank you. Honourable Bezuidenhout.

HON BEZUIDENHOUDT: Honourable Speaker, Members of the National Assembly, I think the Statistics Bill is very welcome. It is timely and it is absolutely something that is needed by this country.

The impact as well the benefits that we envisage in the Bill as a governance and management tool cannot be underestimated and that importance must be stressed. My wish is that it will be an established Agency that will remain the sole source of statistical information and that we do not have two or three versions of the same thing, as was also expressed by Professor Katjavivi.

On a lighter note, I would want to warn to-be established Agency to remember that garbage in produces garbage out and those they should avoid that type labelling, so that we do have quality statistics for this country.

I particularly welcome the provision in the Bill for the access to the relevant information. That is a very good step to say that because it is funded by public money, it must be accessible to the public. If one goes through the various categories of statistics, one can see it touches the lives

08 March 2011

**SECOND READING: STATISTICS BILL
HON KAZENAMBO**

of Namibians as well as important information needed by local, regional and national governments to come to grips with some of the challenges and to understand the challenges through the analysis of statistics.

The Bill will go a long way in cementing a good and solid foundation for the national planning efforts as well as the timely delivery of services to citizens over time and with these few words I would like to give my support for the Statistics Bill in this House.

HON SPEAKER: Thank you. Honourable Kazenambo.

HON MINISTER OF YOUTH, NATIONAL SERVICE AND CULTURE: Thank you, Honourable Speaker. Firstly, I rise to support the Statistics Bill and before I make general comments, I would like to ask a few questions to seek clarity on certain issues.

On page 35 of the Bill it deals with regulations and Section 59 deals with repeal of laws, namely the Statistics Act (Act 66 of 1976) and the Statistics Amendment Proclamation, 1981 (Proclamation 18).

Then Section 60 deals with transitional provisions. It says that: “*An employee of the Agency, who is a member of the Government Institutions Pension Fund at the time he or she is appointed by the Agency, remains a member of that Fund until such a time that the Agency establishes its own pension fund.*” Is the intention to establish a pension fund in future whereby the employees of this Agency will no longer be members of GIPF or what is the meaning of this? Is the savings that are being referred to here the savings of the employees at the GIPF or which savings are being spoken about here?

Section 60(2): “*Nothing in this Act may be construed as granting any automatic transfer to the Agency to any staff member of any division of the National Planning Commission.*” I seek clarity on this because I remember, and I am giving this as an example, that there were employees

08 March 2011

**SECOND READING: STATISTICS BILL
HON KAZENAMBO**

of the Ministry of Environment and Tourism and when Namibia Wildlife Resorts were established, it created many problems for some people, because when Parastatals are established, experience has shown that if the process is not handled in a very smooth way, it causes a lot of disadvantages to the employees. Sometimes the employees who are transferred are subjected to interviews and lot of issues that amount to abuse. I do not know how this translates into practice and what safety measures are put in place so that the statisticians who are working in the National Planning Commission will not be affected negatively by the establishment of the Agency. There are cases where I was personally involved where the transfer of employees really caused problems. Will the transfer be automatic, as it says, or are there measures to make sure that people who would like to go to the Agency, who have worked for years of statisticians, would not be left out because they are seen as deadwood, to guarantee fairness? Will the Minister of Presidential Affairs only have power in the process of facilitating the passing of Bill in Parliament and then once the board is established, they would say, no interference by the Minister. That is a general question, Minister.

Another issue is on page 20, which deals with financial provisions. It says that, *“Apart from moneys that Parliament must appropriate for the purposes of the Agency, the funds of the Agency include moneys accruing to the Agency through the performance of commissioned statistical work; through payments to the Agency for its services or products; by way of any donation and grant or bequest from any other source”*. I want to link this one to the establishment of the National Spatial Data Infrastructure, which is on page 30. The Professor has spoken about the issue of standards and there is an issue of ethics that comes to the fore, because if the statistics are being done informed by pure commercial considerations, that is where issues of ethics and standards should be strict because those who are doing this should really be professional. Statistics can be a tool for development, it can also be a tool, which can be used for abuse if it is not well monitored, because statistics can be cooked based on bias or it can be cooked to deny certain Regions, certain communities or certain areas in a town. If ethics and standards are not strictly adhered to, an area can be portrayed as a crime-ridden area, but maybe those statistics are

08 March 2011

**SECOND READING: STATISTICS BILL
HON KAZENAMBO**

being done for pure commercial purposes, to dramatise the area as if that area is crime-ridden. As it reads here, it sounds as if the Agency can be run on pure commercial basis and that should be treated with high ethical considerations, according to international standards and practices.

The importance of the National Spatial Data Infrastructure is very critical, because some biased statisticians will give a very serious opinion on a very critical economic or health matter while that study has not been done in a highly professional manner. In Africa, we are subjected to this – poverty, as if there is no improvement. A person just arrives in Windhoek, sits in a luxury hotel, has a few interviews, does his computer designs and then this information will be used religiously, implying that this country is like this. We should seriously guard against this and even the computer design mentioned here should be above board. It should be according to international standards and practice, conducted based on high ethics.

The other issue of importance contained in this document is coordination and I think the Bill is very clear on that. Comrade Minister, this is a welcome move because there is a lot of data available. For example, the Tourism Board of Namibia has their own data on the arrival of tourists in the country. The Ministry of Agriculture will have their own data on agricultural development and other issues. The Ministry of Lands will do their surveys, so will Labour and even the Ministry of Youth is busy collating the data of unemployed youth. However, this information should be subjected to ethical statistical procedures and it should be analysed before it is released to any Tom, Dick and Harry, because this information is very critical.

On page 31, it deals with Committee for Spatial Data. It says, “*There is established a committee to be known as the Committee for Spatial Data which must perform its functions in accordance with this Act.*” Then it says: “*The Minister, after consultation with the Minister responsible for Lands, as soon as practicable after the commencement of this Act, must appoint persons as members of the Committee for Spatial Data, as the Minister may determine, having due regard to persons with vested interest in the NSDR.*” No, I got the answer and I rest my case. Thank you.

08 March 2011

**SECOND READING: STATISTICS BILL
HON DR ANKAMA**

HON SPEAKER: Thank you. Honourable Ankama.

HON DEPUTY MINISTER OF WORKS AND TRANSPORT: Thank you very much, Honourable Speaker. I find this topic very interesting in that last year when I spoke about the Motion on Unemployment, which I introduced here, I called for a national statistical unit and I was saying research is a very important tool, because it would only be statistics that would inform us about the number of unemployed by then.

What one like myself wants to appreciate here, is that we have come to terms with establishing a national statistical system, embodied in the Namibia Statistics Agency. That is a good one. You would want this Agency to be decentralised so that professional researchers could have access to the system wherever they are in the country and the young researchers could in fact retrieve information on the system simply by pressing a button. The importance of statistics should be seen as a tool, but before I go to that, I want to underscore the urgency or the necessity for us to create a mechanism that will educate the citizens out there at their level. They do not need to be statisticians, but they have to understand that it is necessary for them to provide information as required.

We know what is happening on the ground. Some researchers are collecting data of their own organisations and Political Parties, but what is important here is to educate the citizens of this country that there is such a thing that we call statistics and we collect data. Data, in a practical, normal way, means information gathered so that at the end of the day, once we quantify these, we come to terms to understand the logic behind our planning. Therefore, statistics should be regarded as a tool to measure levels.

Before I go to a tool to measure levels, I also wanted to say something about current staff component that is employed by the National Planning Commission. These people are probably doing very well, but they are forever on contract. These people have gained substantial experience in the collection and quantifying of data, depending at what level they are working, but they are ever on contract. Perhaps there is a reason why they

08 March 2011

**SECOND READING: STATISTICS BILL
HON DR ANKAMA**

should be on contract, but nobody wants to be on contract on a daily basis, because even if you give them a pension at the end of such a contract, they become unemployed. They collect data on unemployment, for example, yet they themselves become unemployed. I think as we are moulding this very important piece of legislation, we should consider this very seriously.

Statistics is a tool of measurement, measuring levels of our livelihood and it tells us the extent to which the resources of the country are being used or have been used or are about to be used and gives us signs of how people live. It tells us how we can help those who cannot help themselves and it predicts the happenings that may take place in future if we do not do certain things. In a layperson's language, what we should tell the people out there is that the importance of statistics is that they in fact give us the way we should live. We should not live beyond and we should not live over the limits of what we have. It also helps us to predict. When you predict you are likely to be proactive, because you know this is likely to happen and for it not to happen, we should consider measures to curb or to stop or to prevent what is likely to happen.

For example, we have many times talked about floods in this country and sometimes you will hear we are fully prepared, only to hear after two months of floods that people are moving again. These things are going to be very costly to us. This year it will be so much money, after two years it the money we are using this year, will be double. Simply to see a few tents and a few tins of food here and then to say we are fully prepared is uncalled for. It is a serious issue, it is a national issue and this should be dealt with within the statistics that we are talking about here.

We are talking about global warming and yes, it is there to stay unless the world reacts positively toward the restoration of the safety net. Therefore, when we talk about some of these calamities, like floods and hunger, we need to understand the occurrence of such phenomena. We need to understand how it works scientifically, but we also have to understand how we can produce food in times of famine when there is drought or when there are floods. What is it that we can do to prevent floods never to come back? Even if it comes back, we are prepared. The water flow will

08 March 2011

**SECOND READING: STATISTICS BILL
HON DR ANKAMA**

be used, we will make dykes and we will use the water for sport activities, irrigation schemes, etcetera. Statistics are the best aids for our livelihood.

Towards my conclusion I would like to state that our tomorrow, the tomorrow of Namibia ... (Intervention)

HON MINISTER OF MINES AND ENERGY: May I ask Honourable Ankama a question? Honourable Ankama, did I hear you saying that statistics must help us so that we prevent the floods from coming again? Did I hear that correctly?

HON DEPUTY MINISTER OF WORKS AND TRANSPORT: Perhaps correct but also incorrect in that floods will come as long as it wants to come, but we as Namibians, we as responsible citizens, lawmakers, Government agencies, should be prepared. By being prepared, I mean we should create situations that are conducive to save the lives of people during the time of floods. I gave an example of dykes; you make channels to allow the flow of water, because we are building in the way of the water. My Ministry has roads there, I do not want to talk much about that, but I will give that to the statisticians.

We need channels and bridges, leave alone that right now in this country we do not even know how many bridges we need in this country. We have Regions with Constituencies and Development Committees and they should know and the flow of information should work both ways, so that we know we need exactly so many dykes for the floods. If it is a matter of food, we should know how many people we have, what is the birth rate, how many people are we likely to have within three, four years' time. We should understand this from the statistical point of view.

That is why I say our tomorrow, the tomorrow of our children and grandchildren will be based on the statistical understanding we have in this small country, Namibia, that is not expanding in terms of size, which will remain the same, but that needs to expand in terms of provision of food, water, shelter, etcetera.

08 March 2011

SECOND READING: STATISTICS BILL
HON DINGARA

I would like to conclude by saying this is a Bill that needs to be supported and implemented once we have passed it. Thank you very much.

HON SPEAKER: Thank you. Honourable Dingara.

HON DINGARA: Thank you very much, Honourable Speaker. Others have said this Bill is truly overdue and this is true. When I studied the Bill, I failed to capture where my concern could be placed. If we have statistics available on how many Namibians who are working in the Public Service have a degree in Accounting and immediately it appears in front of me and it tells me that there are ten in Agriculture, there are ten in the Ministry of Health, etcetera. I have this concern because I was working as a Human Resource Practitioner in the Government and I tried several times to determine how many people working in a Ministry have degrees, diplomas, even masters degrees, for example in Accounting, but you would find that twenty have degrees in Accounting and only two are dealing with finances. The rest are dealing with other things.

You would find someone with a degree in Economics working at Veterinary Services, but we still need those people. What happens is that because of a lack of employment, people would apply for any position, as long as they can just get employment and a salary at the end of the month. The people who are employing this person are aware that they are just assisting this person to receive a salary at least.

You find people working in Government, private sector and Parastatals, having different qualifications and twenty years experience in a wrong field, their qualifications cannot be recognised, but in the meantime, we need this person somewhere else in the Government.

When I was reading this Bill, I wondered whether that problem would be solved when we have this Agency in place. Will we in a certain period be able to find information on people with Diplomas in Electronic Equipment in order to invite them for interviews, because the statistics may also show that this one is unemployed, this one is employed. This person may

08 March 2011

SECOND READING: STATISTICS BILL
HON NAMBAHU

decide to call only those who are unemployed, interview them and the successful one will be employed. (Intervention)

HON TJIHUIKO: May I ask the Honourable Member two questions, please? I have carefully listened to your presentation; you have mentioned people with qualifications being employed in a different area. Are you trying to tell us that because of the policy of not considering qualifications and experience, but looking at trusted cadre, card-carrying members, it has created a situation where somebody with a degree in Economics is being employed in an engineering department? That is my first question.

The second and last question: Because the Honourable Member is really going around economics and finance, would the Honourable Member agree with me that the reason why we have this crisis in the GIPF is simply because the people who have been appointed as Directors, were appointed simply because they have to be there, but they do not have the necessary expertise and experience to manage the Fund in such a way that we do not lose money?

HON DINGARA: Honourable Speaker, I am serious in making my contribution and I want to ignore the two questions.

Comrade Speaker, when the Attorney-General responds he could perhaps indicate whether the problems I have mentioned will be solved. Thank you.

HON SPEAKER: Honourable Nambahu.

HON DEPUTY MINISTER OF JUSTICE: Thank you, Honourable Speaker. I did not intend taking the Floor, but this being a very important Bill; I think I should add my voice in support of the Bill. I know it has come a long way; many efforts have gone into the creation of an Agency,

08 March 2011

SECOND READING: STATISTICS BILL
HON NAMBAHU

there were many fears and misgivings, but I think we have overcome them to the extent that we now have this draft Bill and I think we really need to pat ourselves on the back as a country, because we know that there are big democracies carrying out census in their countries where they did not know how many people they have or the people in their countries do not have identity documents. I think we should really pat ourselves on the back in the area of statistics.

I also know that the Colleagues who have been working there did not receive proper remuneration and probably this situation is going to help them to attract properly qualified people and to remunerate them at market rates and international standards. I think that is a move in the right direction.

However, there is one point that the Minister must help me to understand and that is on page 10, on the functions and powers of the Agency. “(c) *Acting on its own or in collaboration with a Government body or private sector or international organisation.*” Comrade Minister, the world being as complex as it is now, “*international organisation*” can be anything and I know of a certain country where Amnesty International came up with statistics of their prison population, citing ethnicity of the people in there and that exemplary international organisation was rebuked and rebuffed by that country. A previous speaker alluded to how statistics can be interpreted and as a citizen of this country I may not agree with a certain country somewhere, but I do not have an organisation to allude to and then to go there and actually interpret and misinterpret their statistics. I just need some clarity whether this whole situation was properly looked at and what is the rationale for making that collaboration with an international organisation, as unqualified as it is, and put it in the Bill or are we going to have regulations to take care of this situation?

This is my observation and maybe you will be in a position to clarify and allay whatever fears we have in this connection. All the other aspects have been taken care of by previous speakers and obviously, sometimes we say we are at arm’s length from Government and we start doing things that we want Government to support us. We use taxpayers’ money, but when it comes to directives, we want to be independent. I am not saying

08 March 2011

SECOND READING: STATISTICS BILL
HON TWEYA

we should interfere, but it is just for them to be aware that inasmuch as they are independent, they are part and parcel of the Government set-up. If this is going to be taken care of, I definitely have no reservations other than what I have just said.

Honourable Minister, if you could clarify some of these issues, especially regarding the international organisation.

HON SPEAKER: Thank you. Honourable Deputy Minister of Trade and Industry.

HON DEPUTY MINISTER OF TRADE AND INDUSTRY: Thank you, Honourable Speaker. Let me first give my support to the Bill with the following contribution.

The first one is to congratulate the previous Director-General who actually started the process and I remember the first draft had to be referred back three times, but this is a better version. Congratulations. It is encouraging to see that most of those concerns were addressed and attended to. It is still far from being perfect, but at least it is a good beginning.

The second one is an observation on page 11, just for clarity. On page 11, Clause 7(3), it says that the Agency may accept, commission statistical work and conclude service agreements with any person for that purpose. This “*any person*” is not defined in the Bill. What person is being referred to here? The reason for that question is the concern that I have on Clause 7(5) where it then says that, despite this Act, the person may not interfere with the Statistician-General in connection with, and then they list all these. I am not sure which person is referred to. They agree with this person, but no person must interfere and it is not defined in the Bill which person is being referred to. I would just like clarification on that one.

I notice that in the Schedules it appears that most of the problems and concerns that we have are like a consolidation of the various statistics.

08 March 2011

**SECOND READING: STATISTICS BILL
HON TWEYA**

My brother here was talking about people with qualifications in wrong jobs and one may perhaps in point, 2.5 expand on that one, because it talks about the various training and education. Maybe this particular Bill would help us to address that, that people are employed in the correct jobs, but also that the training required for Vision 2030 is then reflected, because then we can plan and finance for the jobs that we need in order to achieve Vision 2030.

I also have a concern that there could be a policy issue. For example, in the latest Labour Report that we had, ages 15 to 17 were listed as unemployed. I say this is a policy issue. In terms of our policy 16 years is child labour, it is against the law and yet we are recording 15 to 17 years as being unemployed. Have we changed the policy that children of 15 years may now start working? In my view that is compromising the policy because they are not supposed to work and if they work, then it is child labour and it is against our laws. We can easily use the same body to inflate the same policies we have, what this body would be doing. That refers to Section 4.

I have seen that the Schedule may help us to plan better in terms of trading. We are talking of value addition to reduce the imported goods *vis-à-vis* exporting our raw materials. It is my hope that this Agency would help us to then come with proper data per Region, per sector and industry so that we know what is the strength currently of our manufacturing capacity and our competitiveness by looking per Region, per sector, so that we can then plan our economic initiatives much better.

On the issue of employment, if we look at the northern part of our country, there are many informal business people and I am not sure how we are recording those informal business people. Are they unemployed because they are not working for the Government or a Parastatal or any big corporation? There are quite a number of them. As I said, this could also be a policy issue, because there are many self-employed, and I have no concrete evidence, that might be recorded now as unemployed because they are not working for somebody to have a pension or medical aid, but they are creating a lot of employment for others. Therefore, is our

08 March 2011

**SECOND READING: STATISTICS BILL
HON DR KAWANA**

unemployment rate correctly determined to address the issues head-on and not guessing?

I also want to believe that this Agency would not produce volumes of statistics and that they are not accessible to the people who must understand and use them and that this information, as per Schedule 1, would be made available to the decision-makers. Here I have in mind the Councillors in the various constituencies so that they also know what the situation is in each constituency, the Governors, educators, but also the media practitioners so that they can inform the Nation. Sometimes they do not have access to this information and they, therefore, cannot inform the people correctly.

It is, therefore, my belief that with this Agency it would help us to have our National Development Plans properly used, so that we know if we talk of 200 engineers by 2030, that we know we send fifty and how we can plan for the remaining period how to train the other 150 engineers and where to train them, either locally or elsewhere. As of now, we keep guessing and we are not training properly for the real skills that the country needs for us to accomplish Vision 2030. Those proper reviews should inform us through these statistics.

With these many observations, I once again support the Bill. Thank you.

HON SPEAKER: Any further discussion? Does the Minister wish to reply?

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL: Honourable Speaker, may I move that I reply on Thursday, the 10th of March.

HON SPEAKER: The consideration of this Motion stands adjourned until Thursday, 14:30. The Secretary will read the Third Order of the Day.

**CONSIDERATION: REPORT ON THE DEPUTY
SPEAKER'S OUTREACH TO ERONGO REGION**

HON SPEAKER: Does the Honourable Makgone Move that the Report be considered?

HON MAKGONE: I so Move, Honourable Speaker.

HON SPEAKER: The Honourable Member has the Floor.

HON MAKGONE: Honourable Speaker, Honourable Members, it is my distinct honour to rise today to motivate the Report on the Outreach Visit conducted by the Honourable Loide Kasingo, Deputy Speaker of this august House.

Article 45 of the Namibian Constitution states that, "*Members of the National Assembly shall be representative of all the people*". Except for representation, Members are lawmakers and has an oversight function. It is because of these functions that Members of Parliament are mandated to visit their electorates and share their views. This function of Parliament was also acknowledged by the President in his Opening of Parliament Speech when he said, "Our Parliament should not be seen as a distant institution which is far removed from the daily struggles of ordinary Namibians". The Parliament thus has extensive power, explicitly granted to them in the Legislature's Standing Orders and in the Constitution.

The Deputy Speaker adhered to expectations and fulfilment of the law and had an outreach programme to the electorates of the Erongo Region. She was accompanied by three Members of Parliament and visited communities in Henties Bay, Karibib, Omaruru, Otjimbingwe, Swakopmund, Uis, Usakos and Walvis Bay during the period 15 to 21 August 2010.

08 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON MAKGONE

Except for the Members of Parliament, there were also representatives of various Ministries, as mentioned in the Report. The theme for the Outreach was, "*The State, Government Institutions and their Functions*" as the purpose of the Outreach was to introduce various aspects of Parliament to the grassroots.

This Outreach has shown that democracy has different forms and platforms where people's concerns and joys can be shared. The visit also explained how the different arms of the State operate, with special focus on the elected lawmaking arm, which is the Legislature.

Since its inception in 2000, the campaign has proved itself a very useful vehicle for increasing citizens' understanding of the democratic process and has created an additional avenue for the electorate to participate in that process. The ultimate aim is to enable the electorate to realise their role in electing lawmakers and representatives.

Honourable Members, allow me to mention a few observations we made during the Outreach. Even though the Parliamentary delegation explained State formation and separation of powers, the delegation observed that during question time constituents mainly asked questions pertaining to service delivery. There is, therefore, a need for ongoing outreach and a need for all organs of the State to continue educating the citizenry on their distinct but inter-related functions.

Another observation is that having representatives from various Line Ministries was very useful. They were able to answer questions relevant to their Ministries immediately and thereby solved some of the problems people were facing. For example, at Otjimbingwe the community complained about the lack of a library. A representative from the Ministry of Education could inform the community just there that Otjimbingwe is already earmarked for a library and the Ministry was waiting on the Council of Otjimbingwe to identify a suitable plot.

The delegation further discovered that communities are not receiving feedback from the local leadership. Feedback is vital and provides a basis

08 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON MAKGONE

for a development plan and it gives people an opportunity to improve and it also enhances better relations between managers and their teams. The electorate want to see implementation and that is why this House must find a mechanism where decisions made are implemented.

Honourable Members, even though most of the issues rose revolved around service delivery to Constituencies, the parliamentary delegation attempted to respond to some of the questions and explained "*Government policies and processes*". The communities could have been better informed if all Ministries had delegated representatives; something I hope can be remedied in the next outreach.

It is important to inform the House that during the meetings where the electorate shared their challenges they were requested to come up with possible solutions to the problems, hence the requests as set out in the fourth part of the Report. This Report also points out the successes recorded and available strengths that can be used for development in the various Constituencies.

Honourable Members, I wish to mention that some recommendations in the Report have been overtaken by events. At this stage, I wish to congratulate some of the Ministries, which have already addressed some concerns raised in this Report before it was tabled. We have noticed new classrooms being constructed, the hardship allowance has been given, textbooks are distributed, and the National Educational Conference is in the pipeline, etcetera. In addition, the Ministry of Health and Social Services regarding staff shortages of registered nurses. Ministry of Environment, we acknowledge the recent invention of the national vuvazelas to deter elephants to minimise the human-wildlife conflicts. Mines and Energy, we have also noted in the local media that NamPower has decided otherwise regarding the coal power station near the settlement of Kuisebmond in Walvis Bay. Our people are appreciative; it is not that they only request for delivery of service. They acknowledged that what is happening.

The Report is split into four parts. The introduction sketches the background to the visits, while Part 1 summarises the interactions with

08 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON MAKGONE

communities, classified according to the issues they raised. It is important to stress that these are the views of the people.

As Parliament and Government, we can only judge ourselves by what the people are saying and thinking and as such, we should embrace these comments and issues raised by the communities as opportunities to improve and to provide relevant services. Let me again quote the President who said, *"All branches of Government should build on the existing momentum to bring about better and faster public service delivery. We should plan better, act faster and most importantly, provide innovative solutions to deliver quality education, health care, housing, land reform, electricity, potable water and, indeed, other public services and social amenities."* A scrutiny of the Report reveals that these are the issues raised during the consultations with the communities.

Part 2 offers proposed recommendations to the issues raised, while Part 3 presents a conclusion. In Part 4 of the Report, Members will find a full matrix of the issues raised and solutions offered, classified according to each constituency visited. This part will allow the monitoring of the implementation of the suggested solutions.

Honourable Members, I wish to caution that we should guard against Constituency fatigue. Constituencies receive many delegations during the course of the Parliamentary year and this can lead to a national or spiritual fatigue, particularly if no feedback is given to communities. Therefore, it is important for us as the people's Parliament to follow up on recommendations and feed these through to the constituencies, thereby building their trust in the work of elected representatives.

In conclusion, Honourable Speaker, Honourable Members, we should not feel as if we are lost in the maze, we just have to redirect our energy. Michael Angelo was a sculptor and he is often quoted as having said that, *"Inside every block of stone or marble, whatever shape or model, dwells a beautiful statue. One only needs to remove the excess material to reveal the work of art within."* We should then as the Executive and as Parliamentarians and Namibians focus all our energy on chipping away

08 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON UTONI

the stone collectively, getting rid of whatever is in our way to see the universe opportunities and possibilities.

It brings me, Honourable Speaker, Honourable Members, to a Setswana proverb that says, and I think all the other languages have this too: *Kgetse ya tsie e kgonwa ke go tshwaraganelwa* "Unity is strength."

Honourable Speaker, Honourable Members, I now ask this august House to consider the Report and its recommendations. I thank you.

HON SPEAKER: The Report is very instructive; it creates a good image of our Honourable House. Honourable Utoni.

HON DEPUTY MINISTER OF SAFETY AND SECURITY: Thank you much, Honourable Speaker. I want to congratulate the Committee of the Deputy Speaker's Outreach to the Erongo Region and I want to comment on page 8 of this Report. The purpose of this Report is to review and to make some recommendations to various institutions, such as Ministries, for example. On page 8, the Report is talking about the successes of the Namibian Police Force under the Ministry of Safety and Security and I am happy to hear that we have many successes. However, I wanted the Committee to touch on challenges that are facing the same institution. When I went through the Report, I could not see mention of any challenges. It is true that NAMPOL is doing wonderful work by community policing and to mobilise the members of the community, not only in Swakopmund, Walvis Bay and Henties Bay, but countrywide. I think we have just heard about the communities how have decided to put up Police Stations for themselves. Kapps Farm is one and Rosh Pinah is another. In the villages, the Headmen are giving pieces of land to the Namibian Police to put up Police Stations. This is the work of the Namibian Police to mobilise the members of the community.

Maybe you did not end up in the centre of Swakopmund, maybe you went further to the outskirts of town to the villages to hear what the people want. A number of challenges that are facing the Police need to be known

08 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON UTONI

to Members of Parliament and not only by my Minister here and myself. When my Minister and I come to Parliament and say these are the challenges, you do not want to listen. We wanted the Members of Parliament, to know these challenges.

The Report states that the Region is vulnerable to trafficking in highly addictive drugs, like dagga.

HON SPEAKER: The House shall now rise under automatic adjournment until tomorrow afternoon, 14:30.

HOUSE ADJOURNS AT 17:45 UNTIL 2011.03.09 AT 14:30

**NATIONAL ASSEMBLY
ASSEMBLY CHAMBERS
WINDHOEK
09 MARCH 2011**

The Assembly met pursuant to the adjournment.

HON SPEAKER took the Chair and read Prayers and the Affirmation.

ANNOUNCEMENT

HON SPEAKER: Before we get to the business as scheduled for today, I have an important announcement to make:

His Excellency the President Hifikepunye Pohamba, accompanied by Madam Pohamba will join the launch of the National Mother-to-Child Transmission Programme Awareness Campaign at 09:00 in Katutura Hospital tomorrow morning. All Honourable Members are kindly invited to attend that occasion. It will take place in front of the Katutura Hospital.

HON SPEAKER: Any petitions? Any Reports of Standing or Select Committees? Other Reports and Papers? Honourable Professor Katjavivi.

**TABLING: REPORT ON OFFICIAL PARLIAMENTARY
VISIT: CHIEF WHIP OF TANZANIA**

HON PROF KATJAVIVI: Honourable Speaker, I lay upon the Table, Report on the Official Parliamentary Visit of the Chief Whip for the United Republic of Tanzania from the 13th to the 15th of January 2011.

HON SPEAKER: Will Honourable Member table the Report? Any further Reports and Papers? Honourable Esau.

09 March 2011

**TABLING OF REPORTS
HON ESAU**

TABLING: ANNUAL REPORTS

HON MINISTER OF FISHERIES AND MARINE RESOURCES:

Honourable Speaker, I lay upon the Table:

1. The 2008/2009 Annual Report of the Namibian Maritime and Fisheries Institute;
 2. The 2009/2010 Annual Report of the Fisheries Observer Agency.
-

HON SPEAKER: Will the Honourable Member table the Reports? Any further Reports and Papers? Any Notice of Questions? Honourable Von Wietersheim.

NOTICE OF QUESTIONS

QUESTION 11:

HON VON WIETERSHEIM: Honourable Speaker, I give Notice that on Thursday, the 17th of March 2011, I shall ask the Right Honourable Prime Minister the following with regard to the filling of the existing posts of Permanent Secretaries in each Ministry:

1. Where and when were they advertised?
 2. Who applied?
 3. Were interviews carried out in each instance?
 4. Who were the candidates shortlisted and forwarded to the Public Service Commission?
 5. Who were the successful candidates?
-

HON SPEAKER: Please table the Questions, Honourable Member. Any further Notice of Questions? Any Notice of Motions? The Notice of a

09 March 2011

**FIRST READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

Motion is the one of the Honourable Minister of Finance. Does the Honourable Minister Move that the Bill be now introduced?

**INTRODUCTION AND FIRST READING:
APPROPRIATION BILL**

HON MINISTER OF FINANCE: I Move so, Honourable Speaker.

HON SPEAKER: Any secondment? Any objections? Agreed to. Will the Honourable Minister please table the Bill? The Secretary will now read the Bill a First Time.

**APPROPRIATION BILL FOR THE FINANCIAL YEAR ENDING
31 MARCH 2012**

HON SPEAKER: Does the Honourable Minister Move that the Bill be now read a Second Time?

SECOND READING: APPROPRIATION BILL

HON MINISTER OF FINANCE: I Move so, Honourable Speaker.

HON SPEAKER: Who seconds? Any objection? Agreed to. The Honourable Minister has the Floor.

HON MINISTER OF FINANCE: Honourable Speaker, Honourable Members of the National Assembly, I am honoured to present to this august House the Appropriation Bill for Financial Year 2011/2012 and the

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

Medium-Term Expenditure Framework covering the period 2011/2012 to 2013/2014.

This Budget is presented against the backdrop of 20 years of democratic governance and peace in our country. This year Namibia attains 21 years as a sovereign Nation and we can look back to a record of successes on the social, political and economic fronts. We as a Nation should be proud of these achievements and strive to maintain them. The stability and democracy that we have brought about laid the essential foundations for the socio-economic development that we have realised.

The Budget is tabled at the time when the global and domestic economy has just emerged from the depth of the greatest recession since the 1930s. Over the last few years, our economy has been through a challenging period of global financial and economic crises, which inevitably slowed the progress we had made on growth and job creation. However, our Government has responded promptly and effectively and this helped to steer the economy through those difficult times. Government interventions have significantly contributed to the domestic economic recovery without putting undue strain on our fiscal situation.

During the opening of the third Parliament, His Excellency President Hifikepunye Pohamba said amongst others, *“This occasion is taking place at a time when our Nation is looking to Government with great anticipation to provide answers to the pressing issues of the day. These include the question of unemployment; the needed improvement in the provision of quality education, health care, housing, access to land and other social amenities.”* He then continued: *“I call upon all Namibians in all our respective capacities, to employ all the means at our disposal, and to harness the available technical, financial and natural resources in order to effectively fight and defeat the problem of unemployment.”*

Honourable Speaker, Honourable Members, we are in the fortunate situation to have the fiscal space within which we can give attention to these pressing issues of the day and hence I shall table an expansionary Budget.

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

We will continue to promote economic growth and job creation, and we shall accelerate progress with achieving our development goals over the short, medium and long term. In order to realise this, we must not only look at the actions expected from our Government, but we must also get the support and firm commitment from the private sector and each individual within our great country.

This year's MTEF follows consecutive expansionary Budgets that I tabled for the last two years. The previous expansionary Budget helped to shield the economy from the negative effects of the crisis and we were successful indeed. This time around, we expand the Budget yet again to consolidate the economic recovery, create jobs and improve welfare conditions while safeguarding macroeconomic sustainability.

Although the worst of the global economic crisis appears to be over, considerable risks to the global recovery remain and hence we cannot become complacent. Such risks include unrest in North Africa and the Middle East, which is adding to the upward pressure on oil and commodity prices. Further, the sovereign debt crisis in the Euro Zone could derail recovery in that Region with spillover effects across the globe. In turn, food prices could escalate further, placing a burden on the most vulnerable in society.

Alongside global risks that could affect the domestic economy, Namibia also faces many socio-economic and structural challenges, which need to be addressed urgently. These challenges include high unemployment, poverty, inequality, labour skills shortages and a narrow industrial base. For these reasons, it is appropriate that the fiscal policy stance over the coming MTEF must remain expansionary.

Starting this Financial Year, the Government will implement a Targeted Intervention Programme for Employment and Economic Growth or TIPEEG. This programme is aimed specifically at addressing economic growth and the high unemployment rate through support to strategic growth sectors. The TIPEEG will focus on four key sectors, namely, agriculture, transport, tourism, housing, and sanitation.

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

The total Budget for the programme over the MTEF is provided under each of the sectors and it amounts to N\$ 9.1 billion. Inclusive of Public Works, the allocation for job creation amounts to N\$14.7 billion. It is envisaged that the implementation of TIPEEG will result in the preservation and creation of about 104,000 direct and indirect job opportunities.

Maintaining an expansionary Budget will be more challenging over the MTEF given risks to revenue. Government will, therefore explore alternative revenue sources to ensure that a favourable fiscal position is maintained.

Honourable Speaker, Honourable Members, before delving into the challenges and the interventions, which this Budget necessitates, let me remind the House of some of the economic and fiscal policies upon which the SWAPO Party received its landslide mandate from the Namibian people.

- *“Namibia’s economic landscape will be refined to address bottlenecks of supply and obstacles that limit the pace of faster and sustainable economic growth, employment creation and poverty reduction.*
- *We shall “Design programmes geared towards encouraging initiatives in economic activities, such as SME development.*
- *Development finance institutions will be capacitated to promote investment in productive economic activities and entrepreneurship development. Capacity building for the management of financial institutions and capital market will be enhanced to ensure the credibility and reliability of the financial system in the country.*
- *In order to ensure broad-based economic development and growth, it is imperative that there is significant investment in economic infrastructure, which supports economic activities in the country. In this regard, strong emphasis will be put on housing, water,*

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

energy, telecommunication, roads, rail network, airports and seaports, office space and business facilities.”

These broad policy guidelines formed the basis for the MTEF and Budget. I shall now give a brief outline of the economic developments and outlook underlying this Budget.

MACROECONOMIC PERFORMANCE

Namibia, like other open economies, depends on trade with the rest of the world. Developments in the world economies have a direct impact on our economic performance. It is therefore important that I sketch the picture of the global economic developments.

The recovery in the global economy has taken hold. Global GDP is estimated to have grown by 4.8% in 2010, following a contraction of 0.6% in 2009. However, this aggregate picture disguises the wide variation in growth among different regions.

The world's largest economy, the US, showed moderate growth in 2010; however, consumers and financial institutions remain cautious. The large quantitative easing measures introduced by the United States Government have led to increasing government debt, which must be repaid over the medium to long term. Developments in the Euro zone are similar, characterised by low levels of growth and high levels of debt.

On the other hand, emerging and developing economies have dominated the global recovery, particularly the economies of India and China. Capital flows into emerging economies have also been growing rapidly over recent years, driven by the quantitative easing measures of developed nations. While capital inflows into the emerging economies present opportunities for investment and economic growth, they also lead to the appreciation of currencies, which negatively affect the exports competitiveness and widen the current account deficit.

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

The two-speed recovery is expected to continue, with high growth prospects in emerging and developing economies and continued slow growth expected in developed regions. The debt crisis, which has derailed several Euro zone economies, could spread further, threatening the global recovery. Over the medium term, we foresee a period of fiscal restraint in developed countries, as they will need to reverse their large stimulus measures to decrease debt and address internal and external imbalances.

Economic growth in emerging economies presents numerous opportunities for Namibia for trade and investment. This is particularly important given the slow growth in developed economies.

At the regional level, Sub-Saharan Africa weathered the economic downturn relatively well. The Region avoided being drawn into a fully blown recession primarily due to limited exposure to the risks that caused global financial crisis and the ability to respond with countercyclical fiscal and monetary policies. The picture in the SADC Region is similar and growth is projected to remain strong over the next few years. Within SACU, growth prospects are also positive although projected growth rates are slightly below the SADC regional average.

Growth in South Africa has been moderate and unemployment remains a challenge. In an effort to stimulate economic growth, the South African Government adopted fiscal expansion measures and cut interest rates to their lowest levels since 1999. This has important implications for Namibia, due to the fixed exchange rate with the Rand and the strong trade links.

Namibia did not escape the effects of the global economic downturn on the domestic front; however, the economy has recovered well in 2010, with an estimated growth of 4.8%. The Government's expansionary measures were important to this recovery, enabled by the fiscal prudence before the crisis.

Similarly, the Bank of Namibia responded with an accommodative monetary policy since December 2008.

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

Secondary and tertiary industries have performed steadily over the last three years, with average growth around 6%. However, a moderate performance is estimated for 2010, with a growth of 3.9% in the secondary industries and 3.5% in the tertiary industries. The performance of primary industries is more closely connected with global conditions; hence these industries experienced a downturn in 2009, with a contraction of 27%. However, in 2010 they are estimated to have grown by 19% as the global economy began to recover.

Growth in total consumption maintained a steady level through the worst of the crisis with growth of almost 7% in 2009. This was partly due to the countercyclical fiscal and monetary policies that were pursued. In 2010, growth in total consumption expenditure is estimated to have slowed to 3.8% due to lower consumer confidence.

Investment expenditure has been more reflective of the global downturn, contracting by 1.6% during 2009. As both global and domestic conditions improved, investment picked up in 2010, growing by an estimated 5.1%.

Over the last two years, the Namibia Dollar has appreciated against most major currencies, particularly the US Dollar and the Euro. This is partly due to the stimulus measures adopted in Europe and the US, which resulted in massive global capital flows, including inflows into the Common Monetary Area. Capital flows into the Common Monetary Area, especially into South Africa, are attracted by relatively higher interest rates. These flows are likely to slow in 2011 before reversing in the following year. Furthermore, higher commodity prices have put upward pressure on the South African Rand.

The capital inflows led to the appreciation of the Rand and this has eroded the competitiveness of Namibia's exports, having a negative impact on economic growth, Government revenue and the Balance of Payments.

Balance of Payments

Regarding the Balance of Payments, Namibia's external sector reflects the global economic slowdown, with the surplus on external balance falling to

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

N\$1.1 billion in 2009. The external balance of the Balance of Payments is estimated to have fallen into a deficit in 2010. This is due to the significant fall in the current account surplus due to the reduced current transfer receipts and the outflows recorded in portfolio- and other long-term investments in the capital and financial account.

The global economic decline in 2009 led to a decline in the demand for Namibia's commodity exports. However, export performance is estimated to have improved significantly in 2010 with the overall global recovery, gathering pace. Growth in the level of imports was, however, slightly lower in 2010 in line with the overall decline in the volumes of imported commodities relative to 2009.

Overall, the Trade Balance is estimated to have remained in deficit during both 2009 and 2010. Going forward exports growth however is expected to exceed imports growth largely due to growing global demand for commodities, which will help to reduce the deficit.

In line with overall economic conditions, the Bank of Namibia pursued an expansionary monetary policy in 2009 and 2010. This policy stance was supported by a benign inflation environment and significant international reserves. Inflation has been on a downward trend since early 2009, falling to 3.1% by the end of 2010. However, the recent increase in global commodity prices suggests that this trend may start to reverse. The Bank of Namibia will continue to closely monitor developments to ensure that an appropriate response is made, if required.

When looking at the 2010/2011 preliminary fiscal outturns one sees that in recent years, the Government has implemented revenue-enhancing measures, through strengthening revenue collection and administration, including forensic tax audits, strengthened internal audit functions and tax assessment. As a result, domestic revenue outturn performed relatively well amidst a subdued global environment.

Total revenue for 2010/2011 is estimated to amount to N\$22.5 billion, which is in line with expectations. The 2010/2011 outturn is however, lower than N\$24.0 billion realised during 2009/2010, mainly due to the

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

impact of the global economic downturn on the SACU Common Revenue Pool. Namibia's share of the deficit in the SACU Common Revenue Pool for 2008/2009, amounting to N\$2.0, billion was settled during 2010/2011. A further deficit share accruing from the SACU Common Revenue Pool in 2009/2010 is due for repayment in the coming Financial Year.

Reductions in SACU receipts were incurred in 2009/2010, when the SACU Common Revenue Pool recorded an estimated deficit of N\$9.8 billion because of the global economic crisis, of which Namibia's share is estimated at N\$2.4 billion. The estimated deficit will be deducted from Namibia's share of SACU revenues for 2011/2012. As a contribution to tax revenue SACU receipts represented an estimated 29.3% in the 2010/2011 Fiscal Year.

Tax revenue (including SACU receipts) constitutes the mainstay of total revenue and it is expected to account for 26.5% of total revenue and grants in 2010/2011.

Overall tax revenue is estimated at N\$20.4 billion in 2010/2011, compared to N\$22.2 billion collected in 2009/2010. While SACU revenues have fallen, domestic revenue outturn has remained resilient. Individual income tax, Value-Added Tax and mining company taxes displayed better performance among the domestic tax revenue streams.

During 2010 total debt stock increased slightly, reaching 16.9% of GDP in December 2010 compared to 15.1% of GDP in December 2009. Domestic debt constitutes the majority of total debt stock, with a share of 77%. Debt servicing costs stood at N\$830 million or 0.9% of GDP.

The stock of Government loan guarantees decreased in 2010 to N\$2.4 billion at the end of the year. This represents 2.7% of GDP, which is well within the 10% target for contingent liabilities.

In order to hold State-Owned Enterprises management accountable for their performance, Government has introduced Performance Agreements as well as Subsidy Agreements. The performance agreements for the State-Owned Enterprises falling under the Ministry of Finance will be

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

signed before the end of March 2011.

The State-Owned Enterprises receiving subsidies from the Government signed Subsidy Agreements in 2010. Subsidy Agreements will be requirements for Government funding to all State-Owned Enterprises going forward. This is expected to promote efficiency and accountability in the utilisation and improved outcomes of Budget transfers to State-Owned Enterprises. Details of the performance of State-Owned Enterprises are found in the Accountability Report, which is part of the Budget documentation.

The benefits of regional integration in the form of increased volume of trade, enlarged markets and rapid economic growth and financial market development are expected to outweigh the resulting loss in revenue. Namibia is committed to advancing regional integration in a sustainable and timely manner.

As part of its new vision, SACU has developed and agreed on a number of key priority areas of work to promote win-win solutions to address several challenges currently facing the Customs Union, which came because of advancement in globalisation of trade and financial services. Some of the priority areas identified are the development of a regional industrial policy including trade and tariff policy, cross-border trade facilitation initiatives, the review of revenue sharing arrangement, establishing common institutions within agreed policy framework and unified engagement on Trade Negotiations.

Recently, SACU has initiated the process of reviewing the Revenue Sharing Formula to evaluate the operations of the current revenue sharing arrangement and develop possible options on an equitable revenue sharing arrangement. The revised formula will be an outcome of negotiation process among Member States.

Further, SACU is negotiating a Preferential Trade Agreement with India.

SADC Member States have agreed to continue with the preparatory work towards the attainment of the SADC Customs Union. A high level Expert

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

Group has been appointed with a mandate to consolidate and refine technical work done so far in order for the Region to reach agreement and common understanding on the parameters, benchmarks, timelines, a model customs union and its implementation modalities.

Namibia has ratified the SADC Protocol on Finance and Investment. The Protocol, which has already entered into force, aims to harmonise the finance and investment policies in the Member States.

SADC is preparing for negotiations towards the establishment of the COMESA-EAC-SADC Tripartite Free Trade Area (FTA). To this effect, the Memorandum of Understanding (MOU) on Inter-Regional Cooperation and Integration between COMESA, EAC and SADC has been signed by the three Regional Economic Communities (RECs). The MOU has entered into force since the 19th January 2011.

A Tripartite Summit of SADC-ECA-COMESA Heads of State and Government is scheduled to take place in March 2011. The Summit is organised primarily for the launch of the Tripartite Free Trade Area negotiations. In this regard, the Summit will approve the Roadmap and timeframes for the negotiations; the negotiating modalities and structures.

Negotiations regarding the SADC-EU EPA are ongoing and we remain committed to the process. The timeframe for concluding the negotiations will largely depend on the extent to which the parties accommodate each other on issues of interest and the challenges that such issues would present to the negotiations. A new deadline for the negotiation has been set for July 2011.

In 2010/2011 the Government achieved progress in a range of areas. To highlight some of the key achievements over the year:

- In the health sector, Government has expanded the coverage of the National Immunization Programme against polio as well as increased provision of Vitamin A supplements.

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

- 12 out of the 13 Regions of Namibia continued to implement Community Tuberculosis Care through CB DOT.
- A total of 87,000 Malaria bed nets were procured and distributed, and Malaria incidence dropped from 64.8 to 39.3 cases per 1,000 people.
- The threshold of viral loads has been lowered to make early treatment with ARVs possible.
- A comprehensive programme of upgrading of school buildings and related infrastructure, teachers housing, provision of additional classrooms and the delivery of teaching materials has been started.
- The new curriculum for Grades 1 to 12 was implemented; and implementation has commenced for the establishment of the School of Medicine and the School of Engineering at UNAM.
- In the agriculture and water sectors, 80% of cattle have been vaccinated against Foot-and-Mouth Diseases and the Contagious Bovine Pleuropneumonia (CBP) in the communal areas.
- 36 New sites for orchards and woodlots have been identified for planting during 2010/2011, totalling 162 hectares and bulk and rural water supply infrastructure has been developed in different parts of the country.
- In the Financial Sector, a licence to establish an SME Bank was granted in 2010 to pave the way towards providing finance to SMEs and micro-entrepreneurs across a range of economic sectors, and a funding of N\$60 million has been provided under the MTEF.
- The National Assembly during its current session considered and approved the Pension Funds Amendment Bill and the Long Term Insurance Amendment Bill, the Unit Trust Amendment Bill, the Inspection of Financial Institutions Amendment Bill. These

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

Amendments pave the way to develop the domestic capital market and create investment opportunities for our domestic savings.

- The Development Bank of Namibia was capitalized to a total of over N\$1 billion and its gross loans and equity advances stand at N\$993 million.
- The Development Bank of Namibia established four facilities through which loans and equity advances are provided, namely the Public Sector Facility with a Budget of N\$210 million; Private Sector Facility with a Budget of N\$120 million; Enterprise Development Facility with a Budget of N\$110 million and the Special Development Fund Facility with a Budget of N\$86 million.
- The Development Bank of Namibia's bridging facility enabled small and medium sized enterprises to participate in public tenders to the value of N\$676.2 million, creating and maintaining 5,007 jobs.
- AgriBank advanced loans for the acquisition of farmland, livestock, aquaculture, equipment and implements, infrastructure, farm workers' housing, production loans for crop farmers with total loans for 2010 amounting to N\$254 million. Both banks received additional capital for the next Financial Year, amounting to N\$331 million.
- In the transport sector, the Okahandja-Karibib tar road is being reconstructed.
- The Tsumeb-Tsintsabis tar road has been completed.
- The Walvis Bay Airport upgrading is nearing completion.
- The Civil Aviation radar system has been acquired and operationalised.
- Rolling stock and rails have been upgraded and refurbished and the extension of the northern rail towards the Angolan border is progressing well.

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

- In the energy sector, the Caprivi-Tsumeb Interconnector Link has been completed.
- Several rural communities have been integrated and linked up with the national power grid and
- Pilot wind energy plants are being established in Lüderitz and Walvis Bay.
- In the tourism sector accommodation facilities of NWR at the main tourist attractions have been completely overhauled and renovated and
- The Namibian Tourism Board has successfully launched its new marketing strategy.
- In the housing and sanitation sector 94.6% of households in rural communities have access to clean water.
- Several villages and informal settlements were provided with acceptable sanitation systems and
- NHE constructed housing units in several locations for the low-income groups.

These highlights indicate some of the many ways in which public spending helps to improve people's lives and the prospects for the Namibian economy.

An update on policy interventions reveals that alongside the increased expenditure outlined in this Budget, the Government will continue to improve the effectiveness and efficiency of Public Financial Management (PFM). The PFM programme is expected to strengthen revenue collection and expenditure control functions in order to enhance transparency and accountability.

In line with the Government's objective to improve efficiency, capacity building has been considered as one of critical components of Public

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

Finance Management. In this regard, capacity-building programmes are being undertaken.

An integrated tax management system is being developed under the Public Finance Management Programmes. The system is expected to simplify tax administration process and improve services to taxpayers.

The Government has introduced three new bonds in the domestic market to finance Government spending, reduce borrowing pressure on the existing bonds and ensure a sufficient level of bonds on the yield curve of the domestic market. The new bonds offered Government an opportunity to borrow at low coupon rates, ranging between 7.8% and 8% compared to the existing bonds with coupon rates ranging between 9.5% and 10.5%.

Government introduced a Primary Dealership system for Government bonds. In the same vein, Government has decided to issue bonds to the Bank of Namibia to establish a portfolio in order to facilitate settlement by short Primary Dealers. Primary dealers act as the issuers interface into the financial market, and represent one of the most important tools, which can be used to develop the money and capital market in Namibia.

Following the adoption of the Financial Services Charter (2009), a Financial Services Charter Council has been established to oversee, monitor, and report on the financial sector's compliance with the Charter. Unfortunately, progress has been disappointing. Little has happened to give effect to the commitments made by the industry under the Charter, casting doubt on the commitment of the industry to voluntary reform. We shall therefore forge ahead with public initiatives to ensure transformation of this important sector.

One such initiative, which I am pleased to mention, is the Financial Sector Development Strategy, which is now under way. The reform envisaged by this strategy will further deepen and broaden the Namibian Financial Sector, improve the regulation as well as market conduct of participants.

A key element in this Strategy is the issue of Financial Inclusion. Creating a favourable environment in which the financial sector would

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

flourish and create equal access to financial services remains an important goal of Government. The current high level of financial exclusion estimated at more than half of the economically active population as well the inaccessibility to finance by SMEs is unacceptable. In this regard, we shall continue to pursue the objective of financial inclusion with meaningful vigour.

The Financial Intelligence Centre, which was established in May 2009, is making good progress to mitigate the national risk of Money Laundering by ensuring compliance with the Financial Intelligence Act (2007).

The following Legislative Amendments and Financial Sector Reforms are envisaged.

The State Finance Amendment Bill (2009):

The new Amendment Bill has been finalised and it will be put through the necessary approval process. The Audit Bill is cleared by Cabinet and is awaits clearance by the Cabinet Committee on Legislation.

In addition, the Banking Institutions Act as amended in 2010 would further provide for the enhancement of local ownership of banking institutions and their controlling companies. In this regard, I will issue regulations during the course of the year.

As stated earlier, the Amendments to the Pension Funds, Long-term Insurance and Unit Trust Amendment Bills were recently approved by this august House and corresponding regulations have already been prepared and finalised. These Amendments represent a watershed development in mobilisation of domestic savings for local development and will result in substantial funds being released into the economy and improve the general domestic investment climate.

The new Tender Board Bill has been cleared by Cabinet and the Cabinet Committee on Legislation and is now with Legal Drafters. The Bill will be tabled in Parliament this year.

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

Among the important aspects addressed in the Amendments are the requirement of majority ownership by Namibians and 30% ownership by formerly disadvantaged Namibians in companies bidding for public tenders; reservation by Government of certain tenders for target beneficiaries, such as youth, women and SMEs, delegation by the Tender Board of some powers to the Regional Councils and a review panel to consider complaints from aggrieved parties.

To assist SMEs to participate in public procurement, Government has set up bridging facilities at the Development Bank of Namibia to enable SMEs and BEEs to get access to finance. Further, a cession of contract income arrangement was approved to enable contractors to cede contract income in lieu of security.

Turning to the domestic economic outlook, the recovery witnessed in the Namibian economy in 2010 is expected to continue over the MTEF period with the GDP forecasted to grow at 4.3% in 2011, 5.1% in 2012, 5.9% in 2013 and 6.0% in 2014. Exports are expected to be a key factor in this growth.

Secondary and tertiary industries are forecast to grow at an average rate of 6.6% and 5.7% respectively over the MTEF. Growth in primary industries is expected to be more volatile over the period, averaging 0.5% over the MTEF.

In looking at the Fiscal Outlook of this Budget, the total revenue and grants for 2011/2012 are projected at N\$28 billion, which constitutes a 24% increase from the N\$22.5 billion estimated for 2010/2011. Tax revenue is expected to improve moderately over the MTEF due to improvements in commodity prices and mining activity. Total revenue and grants are expected to improve from 28.5% of the GDP in 2011/2012 to 29.1% of the GDP in 2012/2013 and 30.4% of the GDP in 2013/2014.

New trade agreements and a new SACU Revenue Sharing Formula that could result in considerable decreases in revenue are on the horizon. A lower return on exports due to currency appreciation is another medium term risk that may exert pressure on revenue growth.

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

In light of the abovementioned risks, and given public expenditure requirements, we will continue to aim at strengthening revenue collection. Government will further implement measures to broaden the revenue base by tapping alternative sources of revenue without compromising global and regional competitiveness.

Grant support from development partners will amount to N\$1.6 billion outside the State Revenue Fund and N\$230 million through the State Revenue Fund in 2011/2012.

This support covers a range of key intervention areas, primarily HIV/AIDS, the environment, education, infrastructure and agriculture. In order to improve financial planning and accountability and ensure a coordinated programme of development, I request development partners to ensure that funding is channelled through the Budget.

The Government also receive support from local Non-State actors such as churches who are cooperating in the areas of health and education. Several NGOs are also operating in a wide range of activities, including environment, health, education and rural development to mention a few. We thank all our partners for working with us to make improvements in these critical areas.

Revenue Administration: The Ministry of Finance is engaged in a process to improve the administration of taxes. As part of the process, technical assistance was sought. The resultant report contains a range of recommendations, some of which could be implemented in a short to medium term period. After further internal consultations, Cabinet will be approached for the required approval.

The IT system supporting tax administration is being upgraded in order to develop a fully integrated tax administration system. Once completed, the system is expected to simplify tax administration and improve services to taxpayer and to improve compliance and collections.

As stated earlier, Government has initiated the process to design the financial sector development strategy through a collaborative effort with

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

the Bank of Namibia. The draft strategy is now being subjected to stakeholders' consultation and it will be launched this year.

A process to develop a coordinated national strategy on financial inclusion was also started with a high-level policy workshop held in February 2011 also in collaboration with the Bank.

Total Government spending for the 2011/2012-2013/2014 MTEF period is estimated at N\$119 billion, of which about N\$23 billion or 19% of total expenditure is allocated to the development Budget. Total additional allocation amounts to N\$14.9 billion or 12.4% of total expenditure over the MTEF.

Expenditure is estimated to expand by 36.0% (N\$9.94 billion) in 2011/2012. In 2012/2013, it shrinks by 0.4% (N\$144 million) in relation to the allocation for 2011/2012, but in terms of the current MTEF projections, it is an increase of N\$ 6.4 billion. Expenditure increases again in 2013/2014 by 18.3% (N\$6.87 billion). The significant expansion is necessary to sustain the momentum of the economic recovery and to support job creation initiatives.

Honourable Speaker, in line with the economic outlook and in an effort to address the challenges facing Namibia, the focus of expenditure will be on consolidating economic growth, job creation, infrastructure development, welfare improvement and a more equitable wealth distribution. The additional allocations in this year's Budget will more specifically be targeted to the following objectives:

- Promoting economic growth;
- Employment creation;
- Infrastructure development
- Improving the development of our human capital;
- Guaranteeing law and order;
- Ensuring food security;
- Improving health services;
- Improving welfare conditions;

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

- Development of youth and women; and
- Rural development

I will now give a brief overview of some key spending areas to which additional resources have been allocated over the MTEF.

Despite numerous efforts of Government to promote economic growth and job creation, unemployment remains high especially among the youth. To strengthen such efforts further, a special targeted programme aimed at promoting economic growth and job creation has now been adopted, as I have stated earlier.

This programme starts in the 2011/2012 Financial Year and intends to address the high unemployment through supporting strategic high growth sectors.

The total cost of TIPEEG over the MTEF is provided under each respective sector and amounts to N\$9.1 billion. Inclusive of public works, the allocation increases to N\$14.6 billion. It is envisaged that the programme will facilitate the preservation and creation of about 104,000 direct and indirect jobs.

The targeted intervention programme focuses on four sectors, namely Agriculture, Tourism and Transport as well as housing and sanitation.

Honourable Speaker, Honourable Members, In Agriculture, the improvement of food security is essential to poverty reduction through ensuring that the nutritional needs of citizens are met. Further, agriculture holds great potential for economic growth and job creation.

Additional allocations are therefore made to the sector for activities related to improved livestock farming, animal health, horticulture development (Green Scheme Projects), provision of Bulk and Rural Water Supply, and improved crop production.

Successful implementation of agricultural projects will strengthen food security, supporting rural and local level development and increase

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

employment opportunities.

Besides food production, food storage is essential to mitigate the risk of future food shortages. Therefore, the Government is investing in silos in different parts of the country.

The total allocation to the agricultural sector is estimated at approximately N\$7 billion for the MTEF period. Of this amount, approximately N\$866 million is an additional allocation.

The Tourism sector has grown rapidly and Namibia has been rated as the fourth World fastest growing country in tourism. It is believed that for every 12 tourists that visit Namibia, a permanent job is created.

Tourism sector is allocated a total estimated amount of N\$1.9 billion for the MTEF including an additional allocation of N\$678 million. This Budget is earmarked for investment in tourist infrastructure, tourism marketing and development of community-based tourism, as well as upgrading of infrastructure in national parks.

Transport infrastructures play a critical role in our country, serving as catalyst for economic development. While our transport infrastructures are relatively well developed and maintained, most of them need rehabilitation.

The Budget is allocated to cater for the development and improvement of transport infrastructures, including roads and railway network. The sector is allocated an estimated amount of N\$6.5 billion including an additional allocation of N\$1.6 billion over the MTEF.

Honourable Speaker, besides the above priorities, other areas with potential for economic growth and employment creation continue to receive attention. It is recognised that mining is one of the key industries for the Namibian economy. Therefore, additional resources have been allocated for the review of the Minerals Bill to ensure that the benefits from this sector are optimised for Namibians and to capitalise the Epangelo Mining Corporation to ensure that the State can effectively

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

intervene in this sector.

Further, to optimise private sector investment, the Budget supports measures to maintain a competitive market. In this regard, resources are allocated to operationalise the Namibia Competition Commission. This will ensure that the playing field is levelled and that all actors in the economy can optimally contribute to economic development and anti-competitive behaviours that undermine efficiency and constrains growth are curbed.

Funding is also provided to Public Development Finance Institutions, being the Development Bank of Namibia, AgriBank and NHE in order to facilitate access to funding for SME development, agricultural production and home acquisition. The dedicated SME BANK, which is set to open its doors in 2011/2012, is also provided with funding for capitalisation.

Education is one of the most important long-term investments in fostering the development of our human capital, if Namibia is to achieve the level of economic development targeted in the Vision 2030. For this reason, the Government continues to devote the largest share of the Budget to this sector.

Improving the quality of education and facilitating access to pre-primary and primary education is imperative to create the solid foundations that will assist students throughout their educative period.

Additional funds are therefore provided for the construction of additional classrooms and hostels and to resource the schools with qualified teachers in addition to study materials. To provide critical skills needed for driving Vision 2030, additional funding is provided for the establishment of the School of Medicine and School of Engineering at the University of Namibia and the Polytechnic of Namibia and Vocational Training Centres. More resources are also allocated to reach more youth who are seeking financial support to further their studies.

We are also strengthening our cooperation with Non-State Actors in development by allocating more resources to church schools, private

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

schools and community schools and hostels.

Students' concentration, and hence their ability to learn, is heavily influenced by their nutritional levels. In this regard, the Government is enlarging the amount provided to meals in both public and private schools and hostels.

In recognition of the role, education can play in promoting long-term economic growth and reducing unemployment, the Government has provided an additional N\$3.9 billion to education over the MTEF, bringing the total MTEF allocation for the sector to N\$26.2 billion.

Honourable Speaker, Honourable Members, the Rule of Law and security are prerequisites for economic growth and development. Therefore, additional resources are allocated to the Namibian Police in order to strengthen service delivery and improve safety and security within the border of our country.

Additional funds are allocated to Justice to assist in clearing backlogs and strengthening capacity in the Directorate of Legal Aid.

The Government is allocating more funds to the development of prison accommodation to avoid over-crowding and to training facilities in order to provide prisoners with skills that will help to facilitate their rehabilitation after completion of their sentence.

For law and order, including police, justice and prisons and correctional services, the Government will allocate an additional N\$761 million. This will bring total spending up to N\$12.1 billion over the MTEF period.

The Government continues to improve the health system in an all-embracing manner to ensure that all Namibians have access to high quality medical services.

In this regard, additional funds have been allocated for improving health care management, reducing the threshold for Anti-Retroviral Treatment, acquisition of pharmaceuticals and for Malaria Elimination and TB

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

Programmes.

Furthermore, additional funds will be allocated for the treatment of patients with special or uncommon diseases.

Health and Social Services will receive an additional N\$1.3 billion, taking total spending to N\$10.1 billion over the MTEF period. In fact, Health will reclaim its second place in terms of priority ranking under the Budget.

Housing and sanitation is one of Government's priorities over the MTEF period. The programmes include servicing of land, construction of low cost housing as well as construction of urban and rural sanitation facilities.

The allocations to these programmes amount to N\$2.8 billion over the MTEF period.

Honourable Speaker, women, children and the elderly are usually the most vulnerable members of our society. In the face of persistent poverty, the Government will allocate additional funding to maintain and improve the social safety nets. Furthermore, the men and women who fought to secure our Independence will also receive the recognition and support they deserve.

Youth unemployment is one of the greatest problems facing our society. Among other initiatives directed at mitigating this problem, resources have been allocated to the Namibia Youth Credit Scheme to support young entrepreneurs who want to start their own businesses.

The total expenditure for Youth, National Service, Sport and Culture will increase by N\$257 million, taking total spending to N\$1.5 billion over the MTEF period.

Besides these allocations, the youth are the primary beneficiaries of allocations made to Education and Health. Further, additional funding provided under TIPEEG will mainly benefit the youth through increased possibilities for employment, including youth enterprise development.

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

In order to improve living standards of people living in rural areas, the Government is significantly expanding its Budget allocation to the Rural Development Sector.

In particular, additional funding is allocated to support the Regional Councils in order to capacitate them to manage the affairs of the Regions effectively. Capacity at regional level has become increasingly important as decentralisation is phasing in. Besides the funding to these programmes, increased funding to agriculture, rural water supply, rural electrification, and housing and sanitation infrastructures will stimulate economic activities in the rural areas, create jobs and improve welfare conditions.

Government allocation to Regional and Local Government, Housing and Rural Development increased by N\$13.9 billion, taking total spending to N\$15.7 billion over the MTEF period.

In order to fund the identified priorities, Government adjusted the Budget deficit target from 5 to 7% of GDP over the 2011/2012 – 2013/2014 MTEF, while expenditure ratio will be adjusted to 40% of GDP.

The total expenditure over the MTEF will amount to N\$119.9 billion. As a percentage of GDP, expenditure will average 36.4% over the MTEF period. Development expenditure will total N\$22.8 billion, representing about 19% of total expenditure.

The Budget deficit is estimated at 9.8% in 2011/2012. For 2012/2013, however, it is expected to fall to 5.2% of GDP but it picks up again to 6.2% in 2013/2014. Overall, the Budget deficit will average 7.1% of GDP during the MTEF period.

The increases in the Budget deficits will inevitably lead to increasing public debt over the MTEF period. Therefore, total debt is estimated at N\$27 billion in 2011/2012, and it is expected to rise to N\$33.1 billion and N\$41.4 billion in 2012/2013 and 2013/2014, respectively.

In relative terms, total debt is estimated to increase to 27.4% of GDP in

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

2011/2012, 30.3% of GDP in 2012/2013 and 33.9% of GDP in 2013/2014.

The cost of servicing the debt is estimated at N\$1.8 billion, N\$2.5 billion and N\$3 billion in 2011/2012, 2012/2013 and 2013/2014 respectively. A comprehensive risk analysis will continuously be done to ensure that all costs pertaining to both new domestic and foreign borrowing and the existing debt stock are kept at a minimum.

Over the medium term, the domestic debt market will be developed to promote a transparent and liquid secondary market and ensure an efficient and competitive primary market that will attract investors, reduce the costs of borrowing and facilitate debt management and monetary policy execution. In addition, a Government bond program will be designed to reduce the long-term costs of raising debt, which will involve increasing liquidity, transparency and predictability while incorporating investor preferences into the program.

Honourable Speaker Honourable Members, there are some changes in Excise Duties ("*sin taxes*" as per SACU agreement).

Excise duties are being applied within the Common Customs Area of SACU based on a decision by SACU Ministers of Finance. In this regard, I wish to indicate that SACU is currently looking into ways of strengthening the consultative process of setting these tariffs.

Rates are informed by health considerations, international benchmarks on the tax burdens for such products, and pricing information collected from industry stakeholders. In line with targets set for the total tax burdens on respective excisable commodities, the following percentage increases have been agreed upon for implementation with effect from the 23rd of February 2011:

- Unfortified wine 8.41%
- Fortified wine 7.44%
- Sparkling wine 4.49%
- Ciders & alcoholic fruit beverages 7.53%
- Spirits 10.00%

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

- Cigarettes 8.94%
- Cigarette tobacco 8.22%
- Pipe tobacco 10.37%
- Cigars 6.00%

These amended rates of duty are set out in more detail in the Taxation Proposal, which I shall table here in terms of Section 65(1) of the Customs and Excise Act of 1998, and will be deemed to have come into operation as from midnight on 23 February 2011.

The Government is currently undertaking tax policy reviews including tax administration with the view to optimise revenue collection with emphasis on finding alternative sources of revenues. We shall propose to this House some legislative Amendments during the course of the year.

The Government is committed to the process of gradual liberalisation of exchange controls with a view to encouraging economic growth. This commitment is in line with the exchange control liberalisation measures as outlined in the Common Monetary Area and full liberalisation of exchange control amongst SADC member states as per the SADC Finance and Investment Protocol.

Changes in exchange controls proposals are as follows:

- The current period for the mandatory repatriation of exports proceeds to Namibia has been increased from three months to six months from the date of shipment. Furthermore, the retention period of foreign currency on the Foreign Currency Account at Authorised Dealers has likewise been increased from 90 days to 180 days.
- Foreign portfolio investments by Namibian Institutional Investors for offshore investments are currently limited at 30%. This limit will be raised to 35%.
- Restrictions on financial assistance to local foreign-owned companies will be abolished in order to improve access to credit for the financing

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

of bona fide foreign direct investment and for domestic working capital requirements,

- The cash limit for Namibian residents who are travelling overland to and from Namibia through Botswana will be increased from N\$5,000 to N\$10,000. This allocation is in addition to the existing annual N\$1 million discretionary allowance for individuals travelling outside the Common Monetary Area.

The preparation to introduce the Environmental Taxes is advanced. The tax is introduced based on the “*polluter pays*” principle. The tax is instituted to achieve the dual objectives of correcting for negative environmental externalities by acting as a disincentive excise tax to induce behavioural change, and to raise revenue. A tax proposal in this regard will be tabled in the National Assembly soon.

Honourable Speaker, Honourable Members, as is common practice, I take this opportunity to inform the House about the contingency expenditure for the current Financial Year, but because the list of items that benefited from the contingency is so long, I have distributed a list to all Members of the House in order to provide them with this information.

In conclusion, Honourable Speaker, Honourable Members, when Vision 2030 was launched by the Founding Father, His Excellency President Sam Nujoma, he said, “*While we all recognise that the future is filled with uncertainties, we must build our Vision for our country on the philosophy of success in the face of all hurdles. The mission of our Vision must be to resolve all those issues that may inhibit future development and to set ambitious targets which will challenge all sectors of our economy into determined action.*”

The Budget I presented to you today is a Budget that enhances and consolidates gains made during the recovery. It focuses on those issues that are key to the people-centred policies of the Ruling SWAPO-Party namely: job creation, poverty reduction and reduction of inequality, economic growth, human resources development and social fairness.

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON KUUGONGELWA-AMADHILA**

The growth forecasts I highlighted during my speech are ambitious, yet realistic. However, without hard work across all sectors of the economy, these forecasts will not become a reality. With drive, hard work and innovation, we can even exceed these growth forecasts and reach the go-getting targets as set out in Vision 2030.

The global economy has emerged from the worst of the downturn and emerging markets offer new opportunities for trade and growth. The continued expansionary Budget of the Government will help to lay the foundation for economic growth and address the persisting socio-economic challenges that face Namibia. As a country, we need to grasp these opportunities to make structural improvements and achieve lasting, sustainable development.

Lastly, may I take this opportunity to thank all our development partners for the material and technical assistance that we received? Our successes in economic development were greatly enhanced by your support. I want to, voice my deep appreciation to His Excellency President Hifikepunye Pohamba for his continued trust and for affording me the opportunity to continue to steer our country's public finances. I thank my Colleagues, the Cabinet Ministers and the Director-General of National Planning Commission for their support and understanding during the Budget formulation. I also wish to applaud my officials in the Ministry of Finance and the National Planning Commission Secretariat who had a very busy time, for the hard work they put in to compile and finalise the Budget documentation.

Honourable Speaker, Honourable Members, I now have the pleasure to table the Appropriation Bill for 2011/2012 and the Medium Term Expenditure Framework for the period 2011/2012 to 2013/2014 before this august House for its consideration and approval. I thank you.

HON SPEAKER: I thank the Minister of Finance for tabling the Appropriation Bill. I also thank her for making the relevant documentation available to the Honourable Members for the Budget Debate, which will commence soon. Any further discussion?

09 March 2011

**SECOND READING: APPROPRIATION BILL
HON NYAMU**

Honourable Nyamu.

HON NYAMU: Honourable Speaker, I Move that the Debate be postponed until next Thursday, the 17th of March.

HON SPEAKER: Any objection? The consideration of this Bill stands adjourned until Thursday, next week, 14:30. As is customary, the good people of Pricewaterhouse Cooper and Standard Bank of Namibia invite us for refreshments after adjournment. The House stands adjourned until tomorrow, 14:30.

HOUSE ADJOURNS AT 16:15 UNTIL 2011.03.10 AT 14:30

**NATIONAL ASSEMBLY
ASSEMBLY CHAMBERS
WINDHOEK
10 MARCH 2011**

The Assembly met pursuant to the adjournment.

HON SPEAKER took the Chair and read Prayers and the Affirmation.

HON SPEAKER: Any Petitions? Any Reports of Standing or Select Committees? Honourable Amweelo.

**TABLING: REPORT ON 2010 ANNUAL PARLIAMENTARY
HEARING AND THE UN**

HON DR AMWEELO: Honourable Speaker, I lay upon the Table for discussion by this august House, the Report on the 2010 Annual Parliamentary Hearing at the United Nations held on 2 to 3 December 2010 in New York. The Hearing was conducted under the theme, "*Towards Economic Recovery: Rethinking Development, Retooling Global Governance*"

HON SPEAKER: Will the Honourable Member please table the Report? Any further Reports of Standing or Select Committees? Other Reports and Papers? Any Notice of Questions? Any Notice of Motions? We shall start with Questions. Question 8 is by Honourable Moongo, addressed to the Minister of Regional and Local Government, Housing and Rural Development. Does the Honourable Member put the Question?

RESPONSE TO QUESTIONS

QUESTION 8:

HON MOONGO: I put the Question.

**HON MINISTER OF REGIONAL AND LOCAL GOVERNMENT,
HOUSING AND RURAL DEVELOPMENT:** Thank you, Honourable Speaker, Honourable Members. Honourable Moongo asked the following question:

1. Is the Minister aware that the road from Ongwediva to Oshakati is too narrow that there is no more difference between people who are footing or the ones who are driving because they arrive at the same time?

Comrade Speaker, can the Honourable Member clarify so that I can understand about the people who arrive the same time. It is just for clarity. I have the answer here, but can he just tell me what is meant with that.

HON SPEAKER: I would have the same problem.

HON MOONGO: It is a pity that the Minister has not visited that area since December. It takes three hours to travel the 35 five kilometres from Ongwediva to Oshakati as the road is too narrow. We need another road and that is why I suggest that another road be constructed from Ongwediva to Oshakati if the Minister would provide some funds.

**HON MINISTER OF REGIONAL AND LOCAL GOVERNMENT,
HOUSING AND RURAL DEVELOPMENT:** It is clear. Comrade Speaker, Honourable Members, the question is misdirected. The B.1 highway from here to Ruacana is the responsibility of the Roads Contractor Company and not the Ministry of Local Government. The Honourable Member must just find out under which Ministry that company resorts.

HON MOONGO: According to my understanding, from Ongwediva to Oshakati falls under the municipality. Those towns are linked and,

10 March 2011 **RESPONSES TO QUESTIONS BY HON MOONGO**
HON EKANDJO

therefore, it is under the Ministry of Local Government and Housing. It is not a highway.

HON MINISTER OF REGIONAL AND LOCAL GOVERNMENT, HOUSING AND RURAL DEVELOPMENT: The B.1 up to Ruacana falls under the Roads Contractor Company, not under the Local Authorities.

HON SPEAKER: The Minister is saying this is the wrong Ministry, direct it to the right Ministry and the answer will be provided.

HON MINISTER OF REGIONAL AND LOCAL GOVERNMENT, HOUSING AND RURAL DEVELOPMENT: Question 2: *“Is the Minister aware that the road is twenty years downgraded”*. Who downgraded the road? I do not know what the Honourable Member means with *“downgraded”*.

Question 3: *“When will the Minister allocate more money in order for the Municipalities to construct modern three-lane roads from Ondangwa, Ongwediva to Oshakati?”* Even if the Municipality gets enough money, you have seen the Budget yesterday; they are not going to improve this road. It is not our responsibility.

“When is the Ministry going to allocate money so that towns such as Opuwo and Ruacana can construct proper roads?” Just support the Budget that was tabled yesterday. Once you support it, we will be able to construct better roads within the Local Authorities, but not highways.

HON SPEAKER: Honourable Moongo, apply your mind to direct some of the questions to the relevant Minister and not to the Minister of Regional and Local Government. Question 9 is by the same Honourable Member, Honourable Moongo, addressed to the Minister of Health and Social Services. Does the Honourable Member put the Question?

QUESTION 9:

HON MOONGO: I put the Question.

HON MINISTER OF HEALTH AND SOCIAL SERVICES:
Honourable Speaker, Sir I thank you, for giving me the Floor.

Question 1: *“Can the Minister confirm or deny that State doctors are deliberately denied their right to treat their private patients after official duties?”*

I think, Honourable Speaker, Honourable Moongo has a problem. The way he puts his questions becomes a problem to some of us. Here I can only imagine that the Honourable Member was perhaps trying to find out whether the State doctors are denied their right to treat their private patients after official duties.

Be it what it may, Comrade Speaker, the State doctors are Civil Servants in the first place who are employed in terms of the Public Service Act, Act 13 of 1995. The Public Service Staff Rules stipulate that, *“nobody appointed under this legislation may perform private remunerative work unless permission has been obtained from the Public Service Commission”* and not the Minister of Health and Social Services. All staff members in the Ministry who apply for permission to do additional private remunerative work on top of their full time State employment must also complete a standard Public Service declaration on conflict of interest.

Honourable Moongo must, therefore first find out from his own sources or informants whether they have gone through this process. It is not, as I said, the duty of the Minister but rather the Public Service Commission. You got it wrong, Sir.

Question 2: *“Is it true that there are harsh and biased regulations preventing State doctors to treat their private patients after duty and during weekends?”*

10 March 2011 **RESPONSES TO QUESTIONS BY HON MOONGO**
HON KAMWI

I do not know, but again be it what it may, as I said above Honourable Moongo it is not true. To date the practice has been that various health professionals in the Ministry have permission from the Public Service Commission. Medical specialists have, since before Independence been allowed to do limited private practice. They must, however, be fully registered with the Health Professional Council of Namibia in order to operate legally in the private sector.

State medical officers, these are doctors and pharmacists: It is the position of the Ministry of Health and Social Services that they can do stand-in, what is termed locum at existing practices but with the permission from the Public Service Commission.

Question 3: *“When is the Minister going to amend or revoke those draconian regulations which are against the Labour Act and the Bill of Rights to promote uniformity in the Labour law?”*

Through the Honourable Speaker, Honourable Moongo, the Public Service Act falls within the jurisdiction of the Office of the Right Honourable Prime Minister and certainly not the Minister of Health and Social Services, but I must add here that there is nothing against the Labour Act and the so-called Bill of Rights that the Honourable Moongo is trying to address. Do your homework, we are prepared to give information but not the way you are asking. Thank you, Honourable Speaker.

HON SPEAKER: I thank the Honourable Minister. I think you will heed the suggestion, Honourable Moongo. Question 3 is by Honourable Ulenga. Does the Honourable Member put the Question?

QUESTION 3:

HON ULENGA: I put the Question.

HON MINISTER OF HEALTH AND SOCIAL SERVICES: Thank you, Honourable Speaker. For most of the time that I took the Floor to respond questions, I always thanked those who put questions to me for reasons that I do find that opportunity in order for me to share information with the public out there. Unfortunately, this would not be the case now. The Honourable Member put the following questions to me:

“Are community counsellors who work against the community, counselling people living with HIV/AIDS registered Government employees or not?”

Honourable Ben Ulenga had been a SWAPO Party freedom fighter, a trade unionist, a Deputy Minister and at one point in time, the High Commissioner to the UK. I am saying all this, Comrade Speaker, to say Honourable Ben Ulenga has answers to the questions he has put to me, but for the sake of the public, I have the following:

Community counsellors are not Government employees. However, they are employed on an annual contractual agreement. For the information of Honourable Members, Namibia started putting people on ARV treatment during 2004. Even then, the focus was on HIV prevention of mother-to-child transmission. However, during 2006, we started a programme on voluntary counselling and testing and those who were HIV positive and met the criteria for treatment were put on Anti-Retroviral Therapy services. As a result, we have since observed a remarkable improvement in the quality of life of people living with HIV as well as a significant reduction in deaths due to AIDS.

I am sure the Honourable Member will agree with me that before the introduction of ARV, the hospitals in the country were over-crowded with the sick, in both in-patient and outpatient departments. Many of the sick were also being cared for at households. Because of a sense of national responsibility and duty, many people volunteered their services free of charge in order to give emotional and psychological support to both people living with HIV and those affected. As a result, today community counsellors are also doing voluntary counselling and testing in order to

10 March 2011 **RESPONSES TO QUESTIONS BY HON ULENGA
HON DR KAMWI**

support Government efforts.

Recognising their important contribution to health, the Ministry successfully sourced funds from the Global Fund and the American President's Emergency Plan for AIDS Relief to give a monthly incentive to community counsellors, which is currently at a sum of N\$2,220.99. At first, they were receiving a sum of N\$500 per month, but not from the State coffers. Other indirect benefits from which community counsellors are benefiting include skills training. As a result, we have seen a number of community counsellors taking up employment elsewhere with better remuneration and some have gone on to further their studies in various fields.

Furthermore, the Ministry of Health and Social Services is currently undergoing restructuring with a view of having an additional extension cadre to link health services to the community. Once approved by the Office of the Prime Minister, hopefully, the priority in training and employment will be given to those who are at hand and absorbed in.

Question 2: *“The money they are paid at the end of every month, is it a wage, a salary, an allowance or a tip?”*

Comrade Speaker, Sir, in the first place, I thought I should define three words just to give him what is meant by what he asked, in case he did not know.

I will not talk of a tip, because by so doing I do not want to compromise my intelligence. According to the Oxford Dictionary, *“wage: means a fixed regular payment for work, typically paid on a daily or weekly basis.* On the other hand, salary is a fixed regular payment, made usually on a monthly basis by an employer to an employee, especially a professional or white-collar worker, whereas an allowance would mean the amount of something allowed. In other words, this can mean an amount of money that can be earned or received free of tax and I consulted here by the way. Even before I went to the dictionary I checked with the Minister of Presidential Affairs and Attorney-General and he concurred with this definition and so did the Minister of Finance.

10 March 2011 **RESPONSES TO QUESTIONS BY HON ULENGA
HON DR KAMWI**

Given these definitions, my next move would be on the question of counsellors concerning their services, be it in reference to a call of duty related to HIV/AIDS or TB or both at the Ministry of Health and Social Services or to the public outside the Ministry, they are doing so as volunteers. Thus, they are not Public Servants. In this regard they are only given, in terms of the definitions, incentives and not salaries or allowances, by definition.

Question 3: *“Why were these people, who sit with a heavy burden of looking after our patients physically and spiritually, neglected by Government and your Ministry?”*

This is hogwash. Comrade Speaker, this is a very unfortunate statement, to say the least. It can only be said by a desperate mind. In a way, it is inciting to those who are doing a commendable job voluntarily.

HON NYAMU: On a Point of Order. Honourable Speaker, a word was used which, in my view, is not Parliamentary and it should be withdrawn. *“Hogwash”* is the word.

HON SPEAKER: I do not see anything unparliamentary about it. You and I know the English language. Continue, Minister.

HON MINISTER OF HEALTH AND SOCIAL SERVICES: Comrade Speaker, I said this is a very unfortunate statement, to say the least and that it can only be said by a desperate mind. In a way, it is inciting to those who are doing a commendable job voluntarily. Honourable Members will agree with me on this score, but someone with a hidden agenda, in this case cheap politicking, would make such a wild statement. It is not correct to say that community counsellors are neglected by Government. Indeed, they are considered as part of the Health team at health facilities.

10 March 2011 **RESPONSES TO QUESTIONS BY HON ULENGA
HON DR KAMWI**

I informed the Honourable Members that these counsellors are now receiving a sum of N\$2,220.99 per month plus other related benefits. Clearly, this has a positive impact on the welfare of the community counsellors. Under normal circumstances, one would have expected Honourable Ulenga to give credit to Government for the efforts being made in this regard, but for obvious reasons, to find him where he is today does not come as a surprise to me.

Question 4: *“When can the community counsellors and the field promoters who do TB counselling and follow-ups expect a better salary and better conditions of employment, including a bonus every Christmas or year-end?”*

Honourable Speaker, Sir, the policy for health care delivery services in Namibia is a pro-primary health care approach, which was launched at Independence by my mentor, Honourable Dr Nicky Iyambo in Oshakati. This calls for, amongst others, community involvement or participation. For example, Namibia has a challenge of multi-drug TB and/or XDR TB. One of the contributing factors for the above is because of failure for one to complete TB treatment course. We are fortunate in our country that TB is still curable.

In order to address the challenges related to defaulters we have put in place what is termed, direct observed treatment or DOT strategy in short. This is in line with the World Health Organisation that is in terms of the primary health care approach. What does this mean, Honourable Ulenga? For your information, it simply means the patients have to be observed by loved ones or any volunteer, a Good Samaritan who may come by to assist the one who is undergoing TB treatment in order for this patient to complete the treatment course. These people are playing this role. I thank you for your kind attention.

HON ULENGA: Honourable Speaker, I must say in the light of the answers provided by the Minister of Health and Social Services that it is unfortunate that that kind of language comes from the Honourable Richard Kamwi. However, I must say that the questions I put were put for the

10 March 2011 **RESPONSES TO QUESTIONS BY HON ULENGA**
HON KATALI

benefit of the people involved and for the public and, indeed, not for my own benefit. I want to urge the Minister to ensure that the people involved understand their relationship to Government exactly. It is not necessarily for me to understand it but the people involved and I put the questions as if I were a community counsellor and not a former Government Minister or a Deputy Minister or a member of SWAPO or a foreign diplomat. Those were not the shoes that I was putting on. I thank you, Honourable Speaker.

HON SPEAKER: “Hogwash” means nonsense.

HON ULENGA: I do not mind “hogwash”.

HON SPEAKER: I thought that you were referring to that one. The next question is by Honourable Ulenga, addressed to the Minister of Mines and Energy. Does the Honourable Member put the Question?

QUESTION 6:

HON ULENGA: I put the question.

HON MINISTER OF MINES AND ENERGY: Thank you, Honourable Speaker. I rise to respond to the question asked by Honourable Ulenga of the CoD. I would like to thank the Honourable Member for putting this question to our Ministry. I hope the Honourable Members have the questions before them and in responding I am not going to read the questions as put.

The answer to Question 1 is: Yes, it is true that there was a company that held a four-year exploration licence to search for oil and gas in and around that area. They have carried out preliminary work, including 500

10 March 2011 **RESPONSES TO QUESTIONS BY HON ULENGA
HON KATALI**

kilometres of 2-dimension seismic surveys to give them a better understanding of the sub-surface. The next step was to look for partners to help them to fund the drilling of the well, which would have cost around N\$20 million. Unfortunately, they were unable to find partners and could not continue with the drilling of the well, which would have confirmed the presence of hydrocarbons. They gave up their licence on the 15th of November last year. It is, therefore, Honourable Speaker, not true that they have found evidence of petroleum in the area.

Question 2: The company that used to have the licence was called INA Industrija a Croatian company and they did not find any petroleum.

Question 3: The implications are that we missed employment and economic growth and all other benefits that would have come with the discovery of petroleum.

Question 4: Honourable Speaker, Honourable Members, after Independence there was a huge interest in oil and gas exploration in Namibia with major international oil Companies taking up exploration licences in Namibia. From 1990 to 1999, we had three licensing rounds, one in 1991, another one in 1995 and the last one in 1999. The licensing rounds were conducted to invite foreign companies to come and invest in the prolific offshore basins of Namibia. In the first two licensing rounds, seven licences were awarded to Norsk Hydro, Ranger, Sasol, Chevron and Shell/Texacon. As a result of these licence awards, over 28,000 kilometres of 2-dimension seismic and 1,000 square kilometres were acquired in addition to the 60,000 kilometres of multi-planned data that was already available. Unfortunately, the results of drilling were not encouraging and most of them left by the end of decade.

The third licensing round in 1999 resulted in no applications being received at all, partly because of the low oil price at the time as well as the numerous international company mergers that were going at that time.

From 1999 to date the licensing process has been carried out through the open licensing system and in 2000, Vanco was awarded the licence and

10 March 2011 **RESPONSES TO QUESTIONS BY HON ULENGA
HON KATALI**

in 2005 three more licences were awarded to Neptune Petroleum, Hunt Oil and to BHP Billiton.

Interest in the exploration for oil and gas in Namibia has continued to date, resulting in many other licences being awarded for exploration both onshore and offshore Namibia. Today several thousands of 2-dimension and 3-dimension seismic surveys have been carried out in Namibia and fourteen, exploration appraisal wells have been drilled offshore Namibia. However, of these fourteen wells, eight are in the Kudu Gas Field. Today we have companies such as Petrobras, Chariot Oil and Gas, HRT Oil and Gas, Arcadia Petroleum, Energulf Resources and many other companies that are exploring oil and gas in Namibia.

We expect international merger companies to come back to Namibia this year because of the initial work done by these smaller companies I have just mentioned. We also expect several wells to be drilled in the next two to three years and hope this time we will strike the elusive black gold in Namibia. I thank you very much, Comrade Speaker.

HON ULENGA: Honourable Speaker, firstly, I thank the Minister for the information. Again, it is not for my own benefit, it is for the benefit of those who want to know. Honourable Speaker, I wonder whether I heard the Minister right. He mentioned at the beginning of his answer something about 500 kilometres. I could not understand. It does not seem to be fitting into the concept. Did he mean 500 square metres or square kilometres? Can the Honourable Minister just say again, what he meant by these 500 kilometres?

Secondly, is the Minister actually saying that these explorers were unable to continue with the exploration and, therefore, could not confirm the presence of petroleum or is he saying that they did not complete their exploration and confirmed the absence of petroleum? Can the Minister be more explicit in that regard?

Perhaps in summarising the history of petroleum exploration in Namibia, the Minister could also explain the recent front-page caption in one of the

10 March 2011 **RESPONSES TO QUESTIONS BY HON ULENGA
HON KATALI**

local newspapers where it said, “*You’ve Got Oil*”. That was what was on the front page of one of the local newspapers recently and then the article went on discussing the possibility or the obviousness or the fact of oil being there in Namibia. Perhaps you can also make a comment on that one.

Lastly, Honourable Speaker, the fact that Minister Katali sits on that side and I do sit on this side and the fact that he is the Minister today and I am not a Minister, does not give him or anybody else the right to be dismissive, condescending or just directly disrespectful towards my person. It does not give you any credit or any right to do any of those things. Ministers are obliged to answer questions put to them in Parliament. Thank you very much.

HON SPEAKER: Yes, I reminded us that it is an obligation of the Ministers to answer faithfully, correctly, factually, where facts are available to questions put by the Opposition bench, but it goes both ways. Questions should not appear to insinuate or suggest things when they are put. That opens the envelope for the Ministers to respond in kind. We should clear that. There are so many ways to say things. If we could free our minds of putting questions that are likely to invite the kind of responses, that Ministers are equally obliged to not answer the questioner, but to answer the general public outside, otherwise both the questioner and the Ministers end up in the same pot, judged by the public out there.

HON MINISTER OF MINES AND ENERGY: Honourable Speaker, I am puzzled by the statement made by Honourable Ulenga, simply because in my response I did not invite him to say what he said. I thanked him for asking the question because I know it is not for his own information but for the public and then I responded to the best of my knowledge.

Regarding the second set of questions that he asked, I said 500 kilometres of 2-dimension seismic survey and it is correct. Whether in the area of Maltahohe there was no oil found or the company did not drill enough to

10 March 2011 **RESPONSES TO QUESTIONS BY HON RIRUAKO
HON MUSHELENGA**

find oil, I said the second stage was for the company to get funding, so that after their preliminary studies they could now drill to find whether there is oil or not and they did not get that N\$20 million and, therefore, if you want to go and drill and find something, you can come and get a licence.

The third question is a very different question, it does not relate to the Maltahohe question and, therefore, I did not read that newspaper, neither did I write the article and I distance myself from the newspaper caption. Thank you, Honourable Speaker.

HON SPEAKER: Question 1 is by Honourable Riruako. Does the Honourable Member put the Question?

QUESTION 1:

HON RIRUAKO: I put the Question.

HON DEPUTY MINISTER OF FOREIGN AFFAIRS: Thank you very much, Honourable Speaker. I rise to answer the question by Honourable Chief Riruako, whether steps were taken by the Government on the Motion on Genocide that was introduced by the Honourable Chief in 2006.

Honourable Speaker, the German colonial policy towards the people of Namibia during the early days of occupation, the German Ministry of Foreign Affairs has since Namibia's Independence in 1990 always opposed and shied away from discussing the issue of Genocide and reparations.

During the fourth Session of Parliament on Thursday the 26th of October 2006, this House adopted a Motion on Genocide and Reparations introduced by Honourable Chief Riruako. During the Debate in his contribution, the Right Honourable Prime Minister suggested that the future bilateral relations between Namibia and Germany should contain

10 March 2011 **RESPONSES TO QUESTIONS BY HON RIRUAKO
HON P MUSHELENGA**

principles of restorative justice. Restorative justice should attempt to repair the harm caused by past behaviour and is best accomplished through cooperative process that include all stakeholders. Stakeholders in this case include all people of this country who suffered the brunt of atrocities committed by the German colonial forces at the time.

In June 2007, just for the Record, Honourable Riruako visited Germany to give impetus to the reparation Motion, which was introduced by the Left Party in the German Bundestag. During that period, the Federal Parliament expressed the view that the German and Namibian Parliaments should work together and find a lasting solution.

However, many politicians and German Government officials believed that with the introduction of the Special Initiative Programme in Namibia the topic had been adequately addressed.

In July 2007, the Honourable Speaker of the National Assembly undertook an official visit to Germany at the invitation of the Bundestag President, Dr Norbert Lammert and during that particular visit, the Reparation Motion was discussed and the Namibian Parliamentary delegation emphasised that channels of communication be left open and that more regular dialogue on the Reparations Motion should take place. Dr Lammert, however, cautioned and emphasised the importance of an all-inclusive approach in order to benefit all Namibians. He stated that such an approach by the Namibian Government would be necessary to move the reparations issue forward in the German Parliament.

At the conclusion of that particular visit, several parties proposed that a dialogue forum between the two Parliaments be created to continue debating this matter.

In November 2007 the then Minister of Foreign Affairs, Honourable Marco Hausiku, informed the German Government in writing on what transpired in Namibia regarding the Motion tabled and what was subsequently adopted in the Namibian Parliament in October 2006. The Minister made it clear that at the time of the letter dated 15 November 2007, his mandate was merely to inform the German Government and not

10 March 2011 **RESPONSES TO QUESTIONS BY HON RIRUAKO
HON P MUSHELENGA**

to negotiate on anything. Several meetings took place after that. Namibian Ambassadors accredited to Germany also had meetings with German Parliamentarians from different Political Parties over the years to discuss the issue. The Motion had subsequently resulted in an ongoing Debate in the Bundestag and the German Government regarding the payment of reparations for the atrocities of the period between 1904 and 1908 against the Ovaherero and Namas.

In June 2008, the Bundestag rejected the Motion by the Linker Party in cooperation with Chief Riruako for the recognition and reparation of German colonial atrocities.

It is against this background that I wish to inform the Honourable Chief Riruako that because of our continued consultations with our German partners, the Motion on reparations has been introduced at various fora and steps are being taken, *albeit* small, to address the imbalances of the past. I thank you, Honourable Speaker.

HON RIRUAKO: I thank the Deputy Minister.

HON SPEAKER: The House shall rise for refreshments.

HOUSE ADJOURNS AT 15:40
HOUSE RESUMES AT 16:13 PURSUANT TO ADJOURNMENT

HON SPEAKER: The Secretary will read the First Order of the Day.

**RESUMPTION OF DEBATE ON SECOND READING:
STATISTICS BILL**

10 March 2011

**SECOND READING: STATISTICS BILL
HON DR KAWANA**

**RESUMPTION OF DEBATE ON SECOND READING
STATISTICS BILL**

HON SPEAKER: When this Debate was adjourned on Tuesday, 8 March 2011, the Question before the Assembly was a Motion by the Honourable Minister of Presidential Affairs and Attorney-General, that the Bill be read a Second Time. The Minister adjourned the Debate and I give him the Floor.

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY GENERAL: Thank you very much, Honourable Speaker. Honourable Speaker, I changed the date for me to respond to the questions and remarks made by Honourable Members.

First, let me take this opportunity to thank Honourable Members who supported this Bill in silence. I noted that ten Honourable Members contributed. Let me respond to their questions and comments.

The first Member who contributed is *Honourable Shixwameni*, in his absence. I would like to thank him for supporting the Bill and I assure him that this Bill was intended for the benefit of our Nation, regardless of political affiliation and therefore, I can assure him that the intention was to make sure that we gather credible statistics that will enable us as Government institutions and individuals to gauge the roadmap to Vision 2030.

Honourable Speaker, the Honourable Member referred to the fines, saying that the fines stipulated in the Bill are too lenient. Normally the fines are determined according to the principles of Criminal Law. Criminal Law principles stipulate that if a perpetrator of crime benefits from his or her crime, the fines will be much higher, but if there is no tangible benefit from the crime, the fines will be standard. I, however, take note of the Honourable Member's concern, especially in the light of the fact that the Criminal Procedure Act of 1977 was amended to increase admission of guilt from N\$300 to N\$6,000.

10 March 2011

**SECOND READING: STATISTICS BILL
HON DR KAWANA**

Regarding the year that is indicated on the Bill, indeed, it was submitted to Parliament last year, however, due to time constraints the Bill could not be tabled and motivated, hence the year is indicated there as 2010.

Honourable Mushelenga, I thank you very much for your support and the eloquent manner in which you analysed the Bill. I know that you are studying law with a view of becoming a lawyer by tribe, just like Honourable Shixwameni. Therefore, your mind is very alert and analytical and I can only thank you since there were no queries in your intervention.

Honourable Professor Katjavivi, I would like to thank you and put on Record that this is your baby. This Bill was tabled first in Cabinet, Cabinet gave its principle approval and later on, it was tabled before the Cabinet Committee on Legislation, chaired by the Honourable Minister of Justice and our Secretary-General during the time when you were at the helm of the National Planning Commission. Therefore, I can thank you very much.

Regarding the number of Members to the Board, you may recall that we have prescribed minimum and maximum Members to be appointed to Boards, with a few exceptions, and this Bill took into account that policy of Government.

Honourable Ilonga, thank you very much. You referred to a discrepancy between Clause 39 and Clause 40 of the Bill. Clause 39 says the Minister, who is defined in the Bill as the Director-General of Planning, may make regulations and it is not compulsory for him to make those regulations, but in the event, he makes regulations, then the offences there will be compulsory, just like what is contained in Clause 40. According to your remark on Schedule 1, we should also include Political Parties. I agree with you, although it would be a tall order.

You may recall at one point Honourable Nyamu, the Secretary General of RDP, said on television that RDP had more than 90,000 members, but when the election results came, I saw him again on television, asking what

10 March 2011

**SECOND READING: STATISTICS BILL
HON DR KAWANA**

happened to the members of RDP. In terms of statistics, I think some of the Political Parties will be embarrassed if they are obliged to submit the membership of their parties. Equally, I also noticed that when Honourable Moongo, the Vice-President of the DTA, wants to make money, he goes to SWAPO Headquarters and buys Ndilimani cassettes, plays those cassettes at Uukumwe to attract SWAPO Party members. Honourable Ilonga, if Political Parties were compelled to give statistics, we are just going to embarrass the Vice-President of DTA, but it is up to the House to decide on that matter.

Honourable Bezuidenhout, the Vice-President of RDP, thank you very much for your support and very constructive comment that you made. I can only assure you that once this Bill is passed into law, the statistics will be credible and we commit ourselves as Government to make the statistics credible, because it is in the interest of all of us. The information will be very helpful for Government, Political Parties, Non-Governmental Organisations and other interested stakeholders.

My dear young brother, *Honourable Kazenambo*, thank you very much for your support. Indeed, Clause 60 says those members who are likely to be taken up by the Agency may have to choose either to remain members of GIPF because as Civil Servants they are currently members of GIPF, but should the Agency create its own pension fund, they may have to relocate to the new pension fund. Normally it is up to them to decide, because in terms of the Public Service Act of 1995, civil servants have security of tenure and all of them, without exception, belong to the Government Institutions Pension Fund. I hope it will not be compulsory or automatic transfer from the GIPF to the to-be-created pension fund. These are issues that will have to be taken up with the stakeholders, the unions, which have to make sure that the interests of their members are protected.

Regarding what you termed commercialisation of statistics, I would support what is provided for in the clause, because if people go and buy the information from the Agency, it will form a contractual relationship, to the extent that the Agency would be required to make sure their statistics are credible and transparent, unlike the information that may be obtained

10 March 2011

**SECOND READING: STATISTICS BILL
HON DR KAWANA**

freely, whereby if it turns out not to be true, you have no recourse. That is maybe why there is this provision for commercialisation of some aspects of the statistics.

Honourable Ankama, thank you very much for supporting the Bill. Regarding the members who are now engaged in the Statistics Bureau, the National Planning Commission is empowered by legislation to engage from time to time professionals for specified periods to assist the department to gather information, which would eventually be published as statistics. You may recall in the new Bill, there will be a situation where there will be employees of the Agency who will be employed on a permanent basis, some on contract basis, some as consultants and I think this will give flexibility to the Agency to do that.

Honourable Dingara, thank you very much, my dear brother and Comrade. Your preference to put additional information will be considered in terms of Schedule 1(5) where it says, such as other matters as may be prescribed by the Minister, which means that the list in Schedule 1 is not exhaustive.

I would like to thank *Honourable Tweya* in his absence and also to explain that any person referred to in Clause 7(3) is a person who is going to be engaged by the Agency once the Bill becomes law and any other person referred to in Sub-clause (4) refers to the person who interferes with the statistics and may lend himself or herself to prosecution.

Once again, Honourable Speaker let me thank all the Honourable Members for supporting the Bill.

HON SPEAKER: I now put the Question, that the Bill be now read a Second Time. Any objection? Agreed to. The Secretary will now read the Bill a Second Time.

STATISTICS BILL

10 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH
HON UTONI**

HON SPEAKER: The Secretary will read the Second Order of the Day.

**CONSIDERATION: REPORT ON DEPUTY SPEAKER'S
OUTREACH TO ERONGO REGION**

HON SPEAKER: When this Debate was adjourned on Thursday, 8 March 2011, the Question before the Assembly was a Report by Honourable Makgone. The Honourable Minister of Safety and Security had the Floor and he may continue.

HON DEPUTY MINISTER OF SAFETY AND SECURITY: Thank you very much, Honourable Speaker. I want to contribute on the Report by the Deputy Speaker's delegation to the Erongo Region. My comment is based on page 8 where the Report touches on the successes by the police. I really want to thank the Deputy Speaker that they have seen that the Police are doing well. Sometimes one does not realise that you are doing well, but somebody out there appreciates what you are doing and I want to thank you.

However, I want to expand on the successes and the cooperation mentioned in your Report between the Police and the community. The Police are not only carrying out arrests, but they have gone an extra mile by working together with the members of the public. Community policing is a key issue as most of the criminals in Windhoek are being arrested because of networking with the community. The communities are now vigorously supporting the Police and I want to mention one example.

The Kapps Farm Police Station was recently constructed by members of the community and it cost a lot of money, which was contributed by the members of the community. In Rosh Pinah, a member of the community has volunteered for the funding and he has erected a Police station. The Councillor for Okatjali and his community are now trying to put up a Police Station and the list is long. These are very good examples of the communities and the Police working together.

10 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON UTONI

I want the Committee to identify the challenges. As I was saying, the Police are doing very well despite challenges. If you look at the conditions in which the members of the Force are living, it is so tough. (Intervention)

HON MOONGO: May I ask the Deputy Minister a question? Since the Deputy Minister is happy with the community policing and enough money was budgeted for, is it not high time that volunteers be paid and not be exploited? They also have families.

HON SPEAKER: The Deputy Minister was starting to list the challenges and I am sure that will be one of the challenges.

HON DEPUTY MINISTER OF SAFETY AND SECURITY: Thank you very much, Honourable Speaker. We are talking about how people should work together, not necessarily, how one can benefit. We are not focusing on money, as the communities need the criminals to be rooted out.

What I was trying to say is that maybe the Committee was supposed to highlight some of the challenges that the Police are facing, because the Police are living under very difficult situations despite the fact that they are carrying out their job effectively.

Honourable Speaker, I now want to appeal to the Parliamentary Standing Committee on Foreign Affairs Defence and Security to collect more evidence on the Police when they go around. (Intervention)

HON MINISTER OF YOUTH, NATIONAL SERVICE AND CULTURE: May I ask the Honourable Member a question? Do you not think it would be appropriate that the owners of shebeens, such as Uukumwe, must first share their profits and dividends with those who became broke because they were exploited by the shebeens?

10 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON SIOKA

HON SPEAKER: No, we also get broke by going to the big Supermarkets that you know very well about (Laughter).

HON DEPUTY MINISTER OF SAFETY AND SECURITY: Yes, I think it is a relevant question and I hope the person responsible for Uukumwe will give you an answer.

I was just directing an appeal to the Committee, because it is not always enough for my Minister and I to preach about the problems faced by the Police, to collect concrete evidence so that we in this House will be able to support the Police. I can tell you that we can do nothing without the Police in this country and it is very important that we get this information.

We are always being blamed that we are slow to react when a case is reported, but it is a question of resources, but we are trying our best.

In conclusion, I want support the Report. I thank you very much.

HON SPEAKER: I thank the Deputy Minister. Honourable Sioka.

HON MINISTER OF GENDER EQUALITY AND CHILD WELFARE: I thank you for the Floor, Comrade Speaker. Let me also extend my thanks to the Colleagues who conducted this outreach programme that they brought information concerning the different Ministries. My Ministry is also mentioned on page 5 of the Report. Under 18 and 19 it is talking about kindergartens and orphanages, which are being misused. There are people who are gathering these kids to get donor funds and at the end of the day, they run it as their own business.

Last year when I had a meeting with some of the donors, I mentioned the issue that we as Government need to know how they are using these

10 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON TJIHUIKO

funds. There is a positive response from our donors. I think will refer something to the Ministry of Justice very soon. One donor has already approached us for the funds to be channelled through the Ministry of Gender to the NGO. There was an argument between the donor and the person in Omaruru who is using these kids for business.

Regarding the training and qualifications on Early Childhood Development, we are currently discussing with the Ministry of Education and I would like the Nation to know that we are busy on this issue and very soon, there will be a response. I cannot expand on it now, because we do not yet have the results of this ECD situation.

Our Ministry was the second-last Ministry to be formed in 2005, it obviously has transport challenges, and we are addressing that issue. When I table my Budget, I will say something on transport and our staff should not be frustrated. That is why they are not visiting the kindergartens, because of the lack of transport and very soon, we will attend to this issue as something is in the pipeline. Although we cannot satisfy all of them, something is being done. However, I really appreciate the work you have done, Comrade Loide Kasingo, for investigating and stating the responsibility of each category, the challenges, etcetera, in this Report. It is very important and I think you should continue with the good work so that we become aware of the problems and direct our Ministries in the regions to investigate issues.

With those few remarks, I thank you and I support the Report.

HON SPEAKER: I thank the Minister. Honourable Tjihuiiko.

HON TJIHUIKO: Thank you very much, Honourable Speaker. Let me use this opportunity to thank the Deputy Speaker for having taken the trouble to visit the Regions and coming up with a very good Report.

10 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON TJIHUIKO

Before I start, Honourable Speaker, I just want to be guided on the process we are using. We are receiving reports, which we discuss in this House and then we approve those Reports with clear recommendations to the various Ministries. I have been wondering what has actually happened to those recommendations that have been approved by this House. Have they been considered by those individual Ministries? Have they been accommodated somewhere or is this just an exercise in futility? I am worried, because sometimes we see very good recommendations and it ends here.

Honourable Speaker, let me start with page 2 and I am pleased that the Minister of Health is back in the House because the question I want to pose may be considered by him later on, not now. Honourable Speaker, under shortcomings, point 1.2, it is reported that there are only enrolled nurses in the Omaruru area. *“The Region is challenged with staff shortages, especially in Omaruru and Usakos, which only have one doctor each. There are also only enrolled nurses with theoretical or practical knowledge, no experience in midwifery.”* This is very dangerous and I hope that these concerns will be taken care of in the Budget that we are about to debate. I want the Minister to take serious note of that.

My second point is on 3: *“The recruitment system is very bureaucratic. Recruitment for a doctor or registered nurse is done via Swakopmund, then Otjiwarongo and finally Windhoek.”* In other words, if you recruit a nurse in Omaruru or Usakos, it first starts in Omaruru, and then it goes to Swakopmund, from Swakopmund to Otjiwarongo and from Otjiwarongo to Windhoek. I do not whether from Windhoek it follows the same route or this time directly back to Usakos or Omaruru. If that is the case then it is no wonder that we have a situation where we have the Budget, but we cannot employ people and we are pointing a finger at the Honourable Minister. When you answer questions in the Budget Debate, please take note of that.

On page 4, point 2.1: *“The introduction of a hardship allowance by the Ministry of Education is commendable and will provide an incentive for qualified teachers to teach in remote areas of the country”.* I wanted to thank the Minister very much for that because this is what I have been

10 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON TJIHUIKO

talking about. At least he has taken note of good recommendations from this side of the House.

The Deputy Minister has touched on the shortcomings on page 8 and the recommendations made here need urgent attention. A number of laws need to be amended or repealed. We cannot continue with laws, which are outdated, and we are comfortably sitting in Parliament and say we are going to work with traditional leaders and Uukumwe. This is not the issue; the issue is that we have to take the recommendations very serious. The Acts need to be amended are also mentioned there. I hope that before the end of the year we will see some laws being brought to this House so that we can amend most of these things.

What we are seeing on page 9 is very serious. We have a serious unemployment situation and we have a Ministry which is supposed to be responsible for creating a conducive environment for skills to be brought in, in order for us to get the process going. The Ministry of Home Affairs is good at frustrating that effort. The Minister of Finance has yesterday mentioned certain things that need to be put in place before we can successfully implement the Budget and we will never be able to create jobs unless we have put the necessary mechanisms in place. Among others, let us get skilled people who will help us to get the system going. It is being done in most of the countries. Even bigger economies, such as the United States, have a system of Green Card. You would expect that the United Nations may not need people from outside, but they have developed a system that will enable them to have those specific special skills. Here we have a system where we have a problem with lack of skilled people and we are blocking these people while expecting the economy to grow. It is not on. (Intervention)

HON MINISTER OF YOUTH, NATIONAL SERVICE AND CULTURE: May I ask the Honourable Member a question? Honourable Tjihuiko, you are an economist, which skills are you talking about in this country if we have graduates from the University of Namibia, from the Polytechnic, from Universities in Cuba, from Universities in London who are unemployed? What skills are you talking about?

10 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON TJIHUIKO

HON TJIHUIKO: That is very good question. Before we start talking about skills, we need to consider two things. The first is that a person must have qualifications. Secondly, the person must have the necessary experience. You need to have qualification backed by experience while we develop those to have appropriate skills. Having a Master's Degree in Economics does not qualify you to have the necessary skills that are needed by an Economist. You will only be able to get the wheel of the economy going with those skills. Maybe the Minister of Finance will explain better. (Intervention)

HON MINISTER OF YOUTH, NATIONAL SERVICE AND CULTURE: I really wanted you to arrive at that point. Honourable Speaker, in the spirit of the Report and on the issue of skills and in the manner that Honourable Tjihuiko has said, he is missing the point. If you are saying that Namibia needs to create companies that will participate in the implementation of macro policies to expand the economy, then these fellows you are referring to will be accommodated. Where will you accommodate a person with skills in manufacturing in a non-manufacturing economy? Where will you accommodate a person with skills in mining? You need to create local mining companies, local manufacturing companies so that these people who are on the street can expand the economy. Now you are narrowing it, these people will gain experience but the companies will remain foreign and the Namibian economy will not join the pool of industrialised countries. That is the point, whether you like it or not.

HON MOONGO: May I ask a question? Do you know that some of the Ministers here are not serious? When you are discussing serious issues they are joking and they are joking because they are only working for their salaries.

HON TJIHUIKO: Honourable Speaker, coming back to the point, I am looking at the recommendation by the people on the ground. (Intervention)

10 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON TJIHUIKO

HON MINISTER OF JUSTICE: On a Point of Order. I want to know the status of the statement made by Honourable Moongo, whether it stands?

HON SPEAKER: He is not mentioning any names.

HON MINISTER OF JUSTICE: But then he should refer to specific Ministers and not generalise.

HON MOONGO: Colleagues, when we made proposals in the Report, we wanted the Ministries to take up the challenges and the Ministers are just joking here while the condition of people in military camps and police cells is worsening. That is why I say you do not want to implement anything.

HON SPEAKER: Honourable Moongo, now you are obliged to identify the Ministers. Only one Minister spoke so far on the point that Honourable Tjihuiiko addressed. Which Ministers are you talking about?

HON MOONGO: It is as Honourable Kazenambo said, they are just talking and the Honourable Jerry Ekandjo.

HON TJIHUIKO: Looking at the Report it says, employers blame the Government for the state of affairs. *“Parliament and the Ministry of Labour should review the entire strategy of employment creation and skills transfer in the country. The private sector, especially entrepreneurs wishing to transfer skills to Namibia.”* The basis for my argument is that we are locking out skilled people that could have transferred skills to our people. If they have a proper programme, they will be able to transfer certain skills to our people. We need to look at these areas, Honourable Minister.

10 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON UEITELE

The relationship between our Labour Courts and employers need to be looked at critically if we are serious about trying to get our people being employed. Those who are employed are going on strikes every now and then, especially in the fishing sector and that sends a wrong signal at this critical moment of Government efforts of trying to get the unemployment down. Those who are close to the trade unions should advise them that even if the conditions are not that good, even if the salary is not that good, think about the 51.2 percent that are still on the streets.

Honourable Speaker, on page 15, Part 2 of the recommendations, point 2, it says: "*The Ministry of Health and Social Services should consider the decentralisation of public health services based on the model and best practices of Zimbabwe.*" Maybe copies need to be distributed so that we are also informed about the best practices in Zimbabwe.

Honourable Speaker, let me end here and I support the Report. Thank you.

HON SPEAKER: There are three ways, Honourable Tjihuiko, that you can keep track of the status of a Report such as this one. One is the questions that the Opposition puts to the Ministers on Thursdays, to ask what happened in respect of this, that and the other. The second is to watch the Budget Debate when the particular Ministers rise, remembering that there was a Report on a particular issue of interest to you, that you interrogate that Minister. The Ministers and I used to do that too, can invite the Members of the Opposition to pay a visit to them at a mutually convenient time, so that you can talk either to the Minister himself, the Deputy Minister or officials about what happened to a Report on a subject matter of great interest to you. Those are three possible ways in which you can do that. Honourable Ueitele.

HON UEITELE: Thank you very much, Comrade Speaker. I rise to congratulate the delegation of the Deputy Speaker to the Erongo Region, but I also want to make a comment on page 3 on the successes of the Ministry of Health and Social Services. We have observed positive steps

10 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON UEITELE

taken by the Ministry. We have observed hospitals, clinics and mortuaries being built in the regions and I want to thank the Minister and his team.

As Honourable Makgone has said, many problems have been taken care of and I believe that with the allocation for this Financial Year, the shortcomings observed by the delegation would be covered.

I also have a concern on page 8. Point 6.1 reads, "*There was a commendable cooperation between the law enforcement agencies, stakeholders and members of the public in the Erongo Region, particularly in Henties Bay, Swakopmund and Walvis Bay. Cooperation of the Nature puts public trust in the law enforcement agencies and reduces the crime.*" That is something that we need to applaud and encourage. However, when you look at the shortcoming, you would see that the Region is vulnerable to highly addictive drugs, like dagga, Mandrax and cocaine. NAMPOL are trying their best to curb the trafficking and sale and use of drugs."

There is good cooperation, assistance and support by the community, but when the Namibian Police apprehend the offenders, the offenders are given a fine of only N\$500. The law enforcement agencies are doing their job, but then these offenders are given a fine of N\$500 by the Courts. I feel the Parliament must look into stiffer sentences for the offenders, so that the communities are encouraged to assist the Police.

On page 10 it is mentioned that some of the farmers in Omaruru district treat their workers badly. Many farm workers are not registered, as required by the Labour Act and many are paid as little as N\$400 per month, which is in contravention of the minimum wage for labourers.

Honourable Speaker, Honourable Members, we take cognisance of the fact that we only have a few labour inspectors in the country, but we have Regional Councillors who are the representatives of our people. In the absence of Labour Inspectors, the Regional Councillors must assist these colleagues, but when you read reports in the media, one sees that Regional Councillors are chased away from the farms, are not allowed to enter farms in order to attend to the problems of the people who elected them. I

10 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON DR ANKAMA

think we have to look into this and give powers to the Regional Councillors to attend to farm labourer disputes in the absence of Labour Inspectors. I support the Report and I thank you very much.

HON SPEAKER: I thank you. Honourable Ankama.

HON DEPUTY MINISTER OF WORKS AND TRANSPORT: Thank you very much, Honourable Speaker. I stood up to make a very brief contribution to this very important Report.

Firstly, these kinds of outreach programmes are very, very important in the sense that they are educational to the community, they enlighten the community and they create a good forum for communities to participate in discussion of national concerns and to air their personal views on how they view Government activities.

A lot has been said in the Report for us to understand what the people are concerned about. Many of these issues are being addressed by individual Ministries, but it is commendable that the Deputy Speaker and her entourage went there to talk to the communities face to face. This should be done as many times as is necessary.

I also want to mention that two years ago in this Parliament, we passed a Motion; we said it is a good Motion so that people out there in the communities constantly have a forum, namely a Parliamentary Access Centre. We went throughout the country, everybody was happy, and then we approved it and said it is going to be created very soon. It has now been almost two years and it is not there. This should be for the communities to sit down and interact with us, because we say yes, these people want to interact with us, lobby us, inform and educate us.

While we are analysing the details and specifics of the Report, we should look into the creation of something permanent within the reach of the various communities around this beautiful country. I would like to support unlimitedly this very important Report. I thank you.

10 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON SIMATAA

HON SPEAKER: Thank you. Honourable Simataa.

HON DEPUTY MINISTER OF INFORMATION AND COMMUNICATION TECHNOLOGY: Thank you, Honourable Speaker. Of course, as the Deputy Minister of ICT I need to disseminate information quite unreservedly. I am also taking the floor to join the other Colleagues who spoke before me to commend the Honourable Deputy Speaker and her team for the efforts made in visiting the Erongo Region and in so doing, consolidate our people's understanding on the mechanics of the Legislature as well as trying to explain the interface between the Legislature and other parts of Government.

What I find very useful as an individual is the gesture that the team took this time around to also include people from respective Ministries in their delegation. That, Honourable Deputy Speaker and your team, was very useful and I hope you will continue with that, because people had an opportunity to be provided with information there and then.

Before I make the small contribution that I wanted to make, I would have wished to speak after Honourable Tjihuiko had made his contribution on the issue of work permits. It is partially true that there are businesses that are confronted by genuine challenges when they are applying for work permits, but let us not forget that some of the statements made by some of our businesses cannot and should not be taken on face value and need to be challenged. The reason why I am saying that is that I had the privilege a couple of years ago to have served on the Immigration Selection Board in the Ministry of Home Affairs and there we were confronted by a situation where there seemed to be pockets of businesses in Namibia that, first of all, are not keen to employ fellow Namibians. They are there and I am qualifying it by saying "*some*", not all. However, we should not discount the fact that they are not there. They are there. There are even some who will year in and year out, perpetually for time to come, continue to request for the extension of work permits, but when you approach them and ask, "*what are you doing in terms of identifying fellow Namibians and training Namibians so that over time those Namibians can take over this*

10 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON SIMATAA

very important function carried out by expatriate personnel", the answers that we got are almost close to zero.

Honourable Tjihuiko all that I am saying is that we also need to appreciate that element. At the moment, we are confronted by high unemployment rate. Are we going to succeed in addressing unemployment if we continue to simply extend work permits? When are we going to stop? (Intervention)

HON TJIHUIKO: May I ask the Honourable Deputy Minister a question? Honourable Deputy Minister, I think we agree on this, but would you agree with me that it is a challenge to us as Government and as a Nation to close those loopholes that you are referring to, because they will always be there. Will you agree with me that all these identified loopholes that are being exploited can be closed, we would be able to reach our objective? The challenge to all of us is that if I identify something to that effect, I should also inform the relevant Ministry of the loopholes. If we do that, do you not think we will be able to close those loopholes and add value to what is really required from us in order for us to be able to reach our objectives?

HON DEPUTY MINISTER OF INFORMATION AND COMMUNICATION TECHNOLOGY: Honourable Tjihuiko, I fully agree with you, but that is the positive element that my intervention intends to input in the earlier Debate that you had, but I fully agree that if all of us do that collectively without losing sight of what is it we intend to do, we will be in a position over time to do that. All that I am saying is that we should not be tempted to accept certain claims made on face value; we should be able to stand up and interrogate those statements. (Intervention)

HON MINISTER OF YOUTH, NATIONAL SERVICE AND CULTURE: May I ask a question? It is unfortunate but I have to do it on the very critical point that Honourable Tjihuiko and you are addressing

10 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON SIMATAA

and this is really a very critical issue. Are you aware, Honourable Deputy Minister that the reason why they ask for extension of these work permits is that many companies are extension of family owned foreign companies and franchises and these people are part of the critical staff of the mother company. They are transferring skills because they are critical staff of the mother company.

HON DEPUTY MINISTER OF INFORMATION AND COMMUNICATION TECHNOLOGY: Comrade Minister, I could not agree more with you on that. Regardless of the status or nature of the enterprise, the enterprise is operating in a given environment, it is required to comply with the laws, rules, and procedures set in the given environment. Otherwise, they are at liberty to operate elsewhere, maybe in their own family set-ups where they are at liberty to set up their own rules. Even in South Africa and elsewhere there are laws that need to be respected and that is the point we are making.

Coming back to the contribution I wanted to make, Comrade Speaker, Honourable Members, if you read the Report, one issue of concerns that comes up in relation to particularly rape of schoolchildren, in my view this issue deserves our maximum attention. Those of you who read newspapers will agree with me that this happens almost on a daily basis. Today in the *Namibian* or *New Era*, you are confronted by a report, "*Son rapes mother*". As a young man, I am becoming concerned. I am asking myself, where is the Namibian society heading? What has happened to our society? I picked up this issue and I feel that, as leaders we should seriously pay attention to it.

I have looked at the recommendation made in the Report in terms of providing transport, etcetera. I have listened to Debates in this House and elsewhere, calling for stiffer sentences, calling for bail not to be given. I have made my own analysis and I do not claim that my analysis has been comprehensive – on the issue of rape and violent crimes. It is not only rape, but also sodomy, things we never heard before in our society. As an African community, we seem to have lost our morals, something is wrong with our society and the sooner we acknowledge that, the better. The

10 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON SIMATAA

point that I am making is that all of us, acting in isolation, Parliament, Government, civil organisation, parents, and not in concert, will not be able to make the desired impact.

What I am trying to agitate in a positive manner is that perhaps time has come for Namibia as a society and a Nation to focus on this problem, particularly rape. Why can Government, church leaders, traditional leaders, civic organisation not focus on this problem quite extensively, objectively, of course those of us who are political animals without putting on our political hats, but from a neutral perspective, so that we can interrogate what is it that seems to have gone wrong before we lose our society.

From the limited experience that I have, imprisoning the offenders seems to be a solution, but we have seen instances where a person comes out of prison after committing a similar offence, but the very same person again commits the same offence. I am talking about repeat offenders here.

Is it not time, Honourable Members that perhaps we convene a national indaba that can focus on this particular problem? I am not convinced that it is alcohol and drug abuse alone although it is part of the problem, but we seem to be losing our morals as a society and that is a cause of concern for this young man who is now speaking.

All that I am saying in a nutshell is that let us go ahead and engage all the stakeholders so that we can generate comprehensive ideas and adopt a systems approach that will embrace and address this problem, so that as a nation we can stop the road of moral decay and in a way, for lack of a better word, resurrect our morality.

On that note, Comrade Speaker, I fully support the Report.

HON SPEAKER: I thank you. Minister Katali.

10 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON KATALI

HON MINISTER OF MINES AND ENERGY: Thank you very much, Honourable Speaker. I rise to make my contribution on this very important Report. I would like to thank the Honourable Deputy Speaker for this outreach.

Honourable Speaker, if there have been good reports brought to this House, this is one of them. I am saying this looking at the structure of the Report and the quality of the Report that is actually initiating quality debate, as you have seen. The Report is talking about the successes as well as the shortcomings and then it ends with recommendations. If we can emulate this type of writing, I think we are going to make our Debates qualitative and we will inform the public, because this Report is actually doing a service to Ministries, because as Ministers, Permanent Secretaries, and officials we may not reach the people who have been reached by the committee under the Deputy Speaker.

However, I would like to make a correction on page 6 just to perfect the understanding of the issues reported here and this is point 2 with regard to NamPower wanting to create or construct similar power stations as Van Eck. That is not a representation of the whole truth. A coal power plant was envisaged, but it is not similar to Van Eck. This is different technology with little or no emission at all and the reason why it was supposed to be close to the sea is because it should use seawater for cooling and not necessarily to operate like Van Eck.

The Dune 7 area that has been proposed is very far from the sea and is very far from the coal and, therefore, it could not be entertained or selected. However, NamPower is still going ahead to identify some areas which are closer to the sea and to where the rail could be extended.

Honourable Speaker, there has also been issues of the REDS and as the Minister responsible for electricity I take note of the Report and the sentiments raised by the community in Erongo Region. (Intervention)

HON MINISTER OF YOUTH, NATIONAL SERVICE AND CULTURE: May I ask the Honourable Minister a question? On page 39

10 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON KATALI

of the same Report there is an issue of mining. *“EPLs are granted but the licence holders do not prospect for minerals as required.”* If you cannot answer me now, it is an issue that should be considered and I will talk on it during the Budget.

HON MINISTER OF MINES AND ENERGY: The Colleague behind me spoke about schools, but the opening of new mines created shortages of housing and schools. Families are migrating to the areas where they are working with their children and therefore, the need for housing and schools becomes a reality. However, let us just address the issue of housing.

It is true that we in the Ministry are encouraging the companies as a social responsibility must look at the accommodation needs of their workers, but we have made a mistake in Namibia, namely that companies are constructing company houses. This is a very big problem and we should not allow companies to build company houses, because this means that the moment you lose your job, you lose the house and you are back to square one. I want to propose that there must be schemes so that the employees are assisted to acquire their own houses, so that even if they lose employment with that company, they can still stay in their houses and they can, if they so wish, sell the house and establish themselves somewhere else near their new work environment. Building company houses is not going to be helpful to us.

With regard to the EPLs, we have a system in the Ministry that once you receive an exploration licence for a certain mineral, you have to report and we have Mining Inspectors who go out to see what activities are taking place. Yes, the country is large, there could be instances of people who are prospecting outside their rights, but in general, we will find out, because when they are going to sell, they are also subjected to a licence from the Ministry and these things can be found out. However, let these cases be brought to our attention so that we investigate case by case.

There are also mechanisms to deal with those who have EPLs, but not prospecting, because at the end of the expiration of the licence, somebody

10 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON KATALI

has to renew and at the renewal there has to be a report. After two years, the area becomes smaller and it will only be renewed for another year or so, depending on the type of mineral.

Honourable Speaker, the recommendations that have been proposed are very good, only that sometimes they are not doable as they are, but we take note of the recommendations. We will study them in our respective Ministries and look at what is possible to be implemented and if need be, we may also through our Ministerial Statements in Parliament touch on the implementation of this very good and quality Report of the Deputy Speaker on the Outreach to the Erongo Region which took place from the 15th to the 21st of August 2010.

Honourable Speaker, Honourable Members, I thank you very much for listening to me.

HON SPEAKER: Before we rise I want to do what I should have done at the beginning and that is that on the basis of a communication I have received from the CoD, Honourable Ben Ulenga will join the following Standing Committees: Standing Committee on Public Accounts, Standing Committee on Economics and Natural Resources and Public Administration.

I now, in terms of Rule 38(6), declare Honourable Ulenga as duly appointed member of the said Committees.

With that the House stands adjourned until Tuesday, next week.

HOUSE ADJOURNS AT 17:45 UNTIL 2011.03.15 AT 14:30

**NATIONAL ASSEMBLY
ASSEMBLY CHAMBERS
WINDHOEK
15 MARCH 2011**

The Assembly met pursuant to the adjournment.

HON SPEAKER took the Chair and read Prayers and the Affirmation.

HON SPEAKER: Any Petitions? Any Reports of Standing or Select Committees? Honourable Amweelo.

**TABLING: REPORT ON MEETING OF PARLIAMENTARIANS
ON BIODIVERSITY**

HON DR AMWEELO: Honourable Speaker, I lay upon the Table, Report of the Meeting on Parliamentarians and Biodiversity, held in Nagoya, Japan from 25 to 26 October 2010.

HON SPEAKER: Will the Honourable Member table the Report? Honourable Amathila.

**TABLING: REPORT ON INTELLECTUAL
PROPERTY BILL**

HON AMATHILA: Honourable Speaker, Honourable Members of the National Assembly, I stand here to motivate the re-tabling of the Intellectual Property Bill for further debate and finalisation.

Honourable Speaker, Honourable Members, as you may recall, the Bill was referred to the Parliamentary Standing Committee on Economics, Natural Resources and Public Administration on the 8th of July 2010 for scrutiny and report back in terms of Rule 65 of the National Assembly Standing Rules and Orders.

15 March 2011

**TABLING OF REPORTS
HON SCHLETTWEIN**

I should state at the outset that the Committee found it unnecessary to undertake public consultations on the Bill since the Ministry of Trade and Industry has already done so. The Committee, therefore, focused its efforts on the study of the Bill by individual Members, which culminated in a recent briefing by the Ministry of Trade and Industry.

Honourable Speaker, this Bill is part of a number of pieces of legislation. Some already have gone through this Parliament and others are still to come, aimed at building the country's capacity to create, to protect and make strategic use of its intellection property, assets, economic growth and development.

The Committee is satisfied with the Bill in its current form. I, therefore, wish, Comrade Speaker, to request the House to debate and eventually pass the Bill. Thank you very much and I table the Report.

HON SPEAKER: Will the Honourable Member please table the Report? Other Reports of Standing or Select Committees? Other Reports and Papers? Deputy Minister of Finance.

TABLING: REPORTS OF THE AUDITOR-GENERAL

HON DEPUTY MINISTER OF FINANCE: Honourable Speaker, I lay upon the Table three Reports of the Auditor General on the Accounts of the following:

1. The Village Council of Bethanië for the Financial Year ended 30 June 2009;
2. Regional Council for the Kunene Region for the Financial year ended 31 March 2008; and
3. Town Council of Ongwediva for the Financial Year ended 30 June 2010.

15 March 2011

**NOTICE OF QUESTIONS
HON NYAMU**

HON SPEAKER: Other Reports and Papers? Any Notice of Questions?
Honourable Nyamu.

NOTICE OF QUESTIONS

QUESTION 12:

HON NYAMU: I give Notice that on Thursday, the 17th of March 2011, I shall ask the Honourable Prime Minister, Honourable Nahas Angula, the following questions:

During the period between 2003 and 2004, the father of the family of the former Deputy Minister of Environment and Tourism, Honourable Leon Jooste, offered to donate six farms to the Namibian Government for distribution to the landless. This offer was briefly discussed in Cabinet, but the discussion was deferred or postponed to a later date for resolution.

1. What actually happened to this offer? Was it accepted or rejected?
 2. Assuming that the offer was accepted, who benefited from the distribution of these farms?
 3. If the farms in question were distributed as per Government policy of resettlement, can the Right Honourable Prime Minister kindly provide this House with proof thereof?
 4. If, on the other hand, the offer was rejected, can the Right Honourable Prime Minister provide the House with the reasons for its rejection?
-

HON SPEAKER: Any further Notice of Questions? Any Notice of Motions? Honourable Hamutenya.

15 March 2011

**NOTICE OF MOTION
HON HAMUTENYA**

NOTICE OF MOTION

HON HAMUTENYA: Honourable Speaker, I give Notice that tomorrow, the 16th of March 2011, I shall Move –

That this House –

Discuss and debate issues relating to the recent revolutionary uprising in the Arab Maghreb and the Middle East and to formulate a policy stand for Namibia.

HON SPEAKER: Will the Honourable Member table the Motion? Any further Notice of Motions? None. The Secretary will read the First Order of the Day.

COMMITTEE STAGE: STATISTICS BILL

HON SPEAKER: Does the Honourable Minister of Presidential Affairs and Attorney-General Move that that the Assembly now goes into Committee?

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL: I so Move, Honourable Speaker.

HON SPEAKER: Any objection? Agreed to. I shall call on the Chairperson of the Whole House Committee to take the Chair.

HON DEPUTY CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: The Committee of the Whole House is called to order. The Committee has to consider the *Statistics Bill*.

15 March 2011

**THIRD READING: STATISTICS BILL
HON DR KAWANA**

ASSEMBLY IN COMMITTEE:

Clauses and the Title put and agreed to.

ASSEMBLY RESUMED:

Bill reported without Amendment.

THIRD READING: STATISTICS BILL

HON SPEAKER: Does the Honourable Minister Move that the Bill be now read a Third Time?

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL: I so Move, Honourable Speaker.

HON SPEAKER: Any objections? Who seconds? Agreed to. Any further discussion? Does the Honourable Minister of Presidential Affairs and Attorney-General wish to reply?

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL: Thank you very much, Honourable Speaker. Honourable Speaker, when I responded last week I omitted to recognise the contribution of one of my senior Colleagues and Comrade, the *Honourable Nambahu*. He is one of the Honourable Members who contributed and I want to really thank him and I agree with him on the issues which were raised in Clause 7(2)(c), issues which are covered in international law regarding international organisations and as a Government, and a member of the international community, and we have a seasoned Diplomat in this House in the name of the Honourable Speaker, we will continue to work closely with those international organisations, such as UNICEF, WHO, ILO and others who will assist us

15 March 2011

**THIRD READING: STATISTICS BILL
HON DR KAWANA**

to gather credible statistics that we can use both within the country and abroad. In legal training, the term “*International Organisations*”, in terms of the principles of interpretation, a word has no meaning unless it is put in context and secondly, a word retains its ordinary meaning unless it is defined. In this case, “*International Organisation*” will be defined. Since it is not defined in the Bill, it will be interpreted as a subject of International Law, which would exclude some of the international organisations masquerading as such, but with the main purpose to sabotage governments.

However, let me thank all the Honourable Members who supported the Bill, including those Honourable Members who actively contributed to the debate and enriched our Debate here. I believe and hope that those who are going to administer the Bill will take into account very useful contributions that were made both on that side of the House, meaning the Opposition, and the Ruling Party. Thank you very much, Honourable Speaker.

HON SPEAKER: I thank the Minister for his reply. I now put the Question, that the Bill be now read a Third Time. Any objection? Agreed to. The Secretary will now read the Bill a Third Time.

STATISTICS BILL

HON SPEAKER: The Secretary will read the Second Order of the Day.

OUTREACH TO ERONGO REGION

HON SPEAKER: When the House adjourned on Tuesday, 10 March 2011, the Question before the Assembly was a Motion by the Honourable Makgone. Any further discussion?

15 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON DR KAMWI

CONSIDERATION: REPORT ON DEPUTY SPEAKER'S

HON MINISTER OF HEALTH AND SOCIAL SERVICES: Thank you, Honourable Speaker, Honourable Members. I rise to contribute on the Report of the Honourable Deputy Speaker's Outreach to the Erongo Region, 15 to 21 August 2010.

Honourable Speaker, let me start by joining all the Honourable Members who congratulated the Honourable Deputy Speaker for tabling this Report.

HOUSE ADJOURNS AT 15:40 UNTIL 2011.03.16 AT 14:30

**NATIONAL ASSEMBLY
ASSEMBLY CHAMBERS
WINDHOEK
16 MARCH 2011**

The Assembly met pursuant to the adjournment.

HON SPEAKER took the Chair and read Prayers and the Affirmation.

HON SPEAKER: Any Petitions? Any Reports of Standing or Select Committees? Deputy Minister of Finance.

TABLING: REPORTS OF THE AUDITOR-GENERAL

HON DEPUTY MINISTER OF FINANCE: Honourable Speaker, I lay upon the Table three Reports of the Auditor-General on the Accounts of the following:

1. The Motor Vehicle Accident Fund for the Financial Year ended 31 March 2010;
 2. National Heritage Council for the Financial Year ended 31 March 2008; and
 3. National Heritage Council for the Financial Year ended 31 March 2007.
-

HON SPEAKER: Will the Honourable Member please table the Reports? Any further Reports and Papers? Honourable Mutorwa.

**TABLING: 2009/2010 ANNUAL REPORT OF THE NAMIBIAN
AGRONOMIC BOARD**

16 March 2011

**TABLING OF REPORTS
HON MUTORWA**

HON MINISTER OF AGRICULTURE, WATER AND FORESTRY:

Thank you, Comrade Speaker. I lay upon the Table of the Honourable House, the Annual Report of the Namibian Agronomic Board for the year 1 April 2009 to 31 March 2010 for the Honourable Members information and reference.

HON SPEAKER: Will the Honourable Minister table the Report? Any further Reports and Papers? Any Notice of Questions? Any Notice of Motions?

I am supposed to inform the House about two communications I have received, addressed to the Speaker and one is about the resignation of Honourable Mudge as Member of Parliament. He says and I quote: *“Please accept herewith my resignation as Member of Parliament for the Republican Party of Namibia. Yours faithfully, H F Mudge, President of the Republican Party of Namibia.”*

The second letter, also dated the 15th of March, addressed to me reads as follows: *“Appointment of Member of Parliament. You are herewith kindly informed that Mrs Clara Gowases has been nominated to take up the seat of the Republican Party of Namibia in Parliament. It will be highly appreciated if you could inform us as to when she will be sworn in as a Member. Yours faithfully, H F Mudge.”* Arrangements have been made and the swearing in of Ms Gowases will take place tomorrow. Dr Kawana.

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL:

Thank you, Honourable Speaker. I want to seek clarity and if not now, maybe at another forum. It was my understanding that the Honourable Member to be sworn in was a candidate on the ticket of RDP during the last Regional and Local Authority elections, if my memory serves me well. Does it mean this person from RP, resigned, joined RDP, resigned and again joined the RP? At least we should be informed of the requirements of the Constitution, because this House is composed based on proportional representation

16 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH
HON MUHEUA**

on a Party list. We want to know under which ticket of the Party is the Member-to-be going to be sworn in tomorrow.

HON SPEAKER: I think you have more information on this one than the Speaker has. I will come back and faithfully guide the House on the subject. However, I appreciate it. It has serious implications. The Secretary will read the First Order of the Day.

**CONSIDERATION: REPORT ON DEPUTY SPEAKER'S
OUTREACH TO ERONGO REGION**

HON SPEAKER: When the House adjourned on Tuesday, 15 March 2011, the Question before the Assembly was a Motion by Honourable Makgone. The Honourable Minister of Health and Social Services had the Floor. Any further discussion? Honourable Muheua.

HON DEPUTY MINISTER OF LABOUR AND SOCIAL WELFARE: I sincerely thank you very much, Honourable Speaker. I rise to add my unwavering support to the excellent work done by the Deputy Speaker and her team of competent Members. I guess I have a vested and/or conflict of interest since I come from the area we they visited, but I also happen to be a SWAPO leader assigned to that area. Hence my profound thanks and appreciation on behalf of the people of Erongo, but more particularly the indigent people of Okombahe, Omatjete, Otjimbingwe communal areas living at the periphery and beyond the radius of the development radar.

Comrade Speaker, one is happy to note that these areas have been identified for the construction of public libraries and perhaps the additional schools planned for the Erongo Region.

Prior to the Regional and Local Authority elections last year, some of us criss-crossed these remote areas to canvas for votes for our mighty,

16 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH
HON MUHEUA**

SWAPO Party. This resulted in the defeat of the UDF in Daures Constituency for the first time since Independence. In doing so, we learned about the problems experienced by these mainly subsistence people who eke out a living in this semi-arid part of our country, the land of contrasts, by solely tending their animals for survival.

In addition to the welcome construction of libraries, Comrade Speaker, Sir, we found that the main challenges encountered in these areas are land for grazing – and this I am directing to my namesake, Honourable Comrade !Naruseb. These Bantu reserves are too small and should be considered for resettlement.

Rural Water Supply: The boreholes are dry and the water quality is very, very poor.

Feeder roads: In these areas, especially Omatjete and Okombahe, there is no single tarred road and many are not gravelled.

Employment needs to be created for the youth.

Comrade Speaker, we made promises in line with our SWAPO Party Manifesto of 2009, which promises we would like to live up to. To this end, one is truly gratified by the efforts of the Honourable Minister of Finance, Comrade Saara, and her Deputy for repeatedly coming up with a Budget that seeks to satisfy the needs of our people with the scarce resources amidst competing needs. It is thus our fervent hope that now that the Deputy Speaker and her team have first-hand experience of the difficult situation prevailing in these parts of our country – and I am not saying these are the only areas where people suffer –that when we approach the various Ministers with our Governor and Councillors, we will at least have a sympathetic ear.

Comrade Speaker, Sir, allow me to conclude by extending to all an invitation to join us in Omatjete for the Independence celebrations and our victory celebrations in Okombahe. I thank you and place my firm support for the Deputy Speaker's Outreach to Erongo Region, taking Parliament to the people. I thank you very much.

16 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON KAZENAMBO

HON SPEAKER: Any further discussion? Minister Kazenambo.

HON MINISTER OF YOUTH, NATIONAL SERVICE AND

CULTURE: Thank you very much, Honourable Speaker. I rise to make my contribution to the Report of the Deputy Speaker and her team on the Erongo Region and I sincerely support the Report. I appreciate the efforts by Parliament to take the Government or Parliament to the people and coming up with constructive observations and recommendations.

The other day I consulted my Comrade and the friend on the issue of EPLs and I was satisfied with the answer. Nevertheless, I want to contribute because Erongo is one of the areas rich in natural resources and the policy of Government is grounded on inclusion and empowerment of the formerly disadvantaged Namibians, while at the same time taking care of the interests of the investors as a business-friendly nation and SWAPO Party Government. (Interjection).

I said that Erongo is rich in natural resources and our policies are grounded on fairness, inclusiveness and justice for all. This area is rich in resources and I would like to draw the attention of our Government to the fact there are vulnerable communities in Erongo, similar to those in Kunene and the Otjozondjupa Region, in the form of the Ovatua in Kunene and in the form of the San community in Otjozondjupa Region.

In addition to the indigenous communities inhabiting the Kunene Region together with all the other Namibians, there are Topnaars in that community. The other day I was addressing a Ministerial meeting and I asked a deliberate question, which I will continue asking in this country at whatever platform: "*Are we all here as Namibians?*" Everybody said yes and I asked this question deliberately because, firstly, I did not see the presence of our white compatriots in that meeting. When I asked that question, a very simplistic answer was given, that "*yes, we are all here.*" I asked, "*Where are the White Namibians?*" Somebody said, "*They are in South Africa.*" Typical of us, "*They are in South Africa.*" I said, "*No, I will not take that as a joke, I mean business here because we are busy building a Nation, where are the White compatriots?*" Then I went

16 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON KAZENAMBO

further and I asked, “*Where are the Topnaars?*” We are all Blacks here, the Whites are in South Africa, but if there is a Topnaar here, can he raise his hand? There are those who are saying that by the statement I am causing division, I am careless, but I am talking about the reality of this country. I asked, “*Where are the Topnaars in this hall? Is there anybody who is a Topnaar?*” There were no Topnaar in that meeting. The people who are present are Bantus. Yes, I am not talking about Bantu Education. Bantus include those people who speak Herero, Ovambos, Mbanderus, name all those who say *pi* in their language. Those are the Bantus and it is not question of colonialists calling us that, it is a historical, social issue. The Damara-Nama speaking were there, Blacks, but the Topnaars were not there. (Intervention)

HON DEPUTY MINISTER OF GENDER EQUALITY AND CHILD WELFARE: Comrade Speaker, may I ask the Minister a question? Honourable Minister, you are mentioning the Mbanderu, Herero and others. What about the Ovatue and Ovahimba?

HON MINISTER OF YOUTH, NATIONAL SERVICE AND CULTURE: Yes, the Ovatue and the Ovahimba, when it suits us we say that there is no Mbanderu, there is no Herero, there is no Ovatue, there is no Ovahimba, but when the Herero want to discriminate against others, they say, “*Okambanderu inga*”. Those are double standards and they are also in the queue. It is Herero politics, tribalism. (Intervention)

HON RIRUAKO: On a Point of Order. They are all Herero's, the Himba's, Tjimba's, Ovatue and Mbanderu. We are one, despite how they separate themselves from one another. We are all Herero's, including that one who questions you about the Ovahimba.

HON MINISTER OF YOUTH, NATIONAL SERVICE AND CULTURE: Honourable Speaker, if I am referred to tribalism I will address the issue and the tribalists may be at each other's throats.

16 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON KAZENAMBO

Honourable Speaker, I am talking about empowerment, exclusion and inclusion. The Erongo Region is rich in resources and I know that the Government programmes are directed to all the citizens of this country when we are distributing resources, when we are developing resources, no doubt about it. However, I have been speaking to Honourable Katali about our minerals and we should know that we have vulnerable, marginalised communities. Bigger companies are descending on Erongo, but are they developing, are they inclusive of all Namibians in their shareholding structures or in their sub-contracting? They should take into consideration all the people from those areas to benefit. To exclude the Topnaars is not fair.

I know that Government is developing them, but the companies exploiting these minerals should also include the Topnaars to empower and educate them. It is a social responsibility of these companies. To achieve political stability and sustainability, let us where possible include the local people where the mineral extractions are taking place. It is done by multi-national companies all over the world. They have a social responsibility to open schools for the Topnaars and invest in the empowerment of those people, rather than extracting minerals and look down upon them as primitive and marginalised and then choose the Bantus, the Kazenambos who happened to attend universities, who happen to have knowledge of tenders and contracts and then say it is Black Economic Empowerment. When it comes to the mineral resources in different areas in this country, Black Economic Empowerment should also take cognisance of the people of those areas who have been languishing in poverty. I call upon multi-national companies who are operating in areas like those to take into consideration the indigenous people from those areas. That will help to consolidate our unity, our solidarity, our justice and fairness in the process of developing of this country.

Moving to another area before I conclude, I have no need to declare a conflict of interest, I am not from those constituencies, I am from the Khomas, Otjozondjupa and Omaheke Regions and my cousins are in the Mukwe Constituency. I am a nationalist, a true Namibian, of course born in exile in Botswana, but a Namibian by descent. There is no beating around the bush about that.

16 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON KAZENAMBO

I would like to join my brother from the Omatjete region, Daures Constituency, including Okombahe, Otjimbingwe, Usakos, Karibib, etcetera. Those areas are geographically enclosed by the desert and the forces of nature and they are prone to drought. The habitable areas are very small because of the historical background of colonialism and others. I will keep talking about the indigenous people from those areas who happen to be negatively affected by these forces. They are suffering from nature, the desert and its characteristics and the laws of imperialism and apartheid of ancestral land grabbing. This ancestral land was grabbed from people; it was not grabbed from animals. People once occupied and possessed this land and they were dispossessed through blood and wars. Now they happen to be in those areas.

We have resettlement policies, purchasing of land, etcetera, but these so-called reserves are very small and, therefore, subjected to severe droughts. I will talk about this during the Budget Debate.

Recently I was invited to Chief Zeraeua's commemoration and there was drought, the animals were dying and these farmers related stories of how they are dependent on generous black farmers who really help them, some of whom may be sitting in this House. Sometimes we may not recognise their input, but the black farmers' who are purchasing farms there are highly respected. Some of them are sitting in this House and the Government must consult them to share their experiences on how conditions are forcing those people, to even become vandals, to invade neighbouring farms, forced by serious circumstances.

What I am moving to is that when you are purchasing resettlement farms in areas with those characteristics, such as Otjimbingwe, Karibib, Usakos, Okombahe, Omatjete, we must consider adding them to the communal areas instead of resettling individuals or groups of people. This is Government land where the poor people, not the Kazenambos, will resettle. It is a law of economics that in a society you will always have people with different characters. You will have those who are well-to-do economically in respect of their language, in respect of their colour and then you will have those who will always remain behind and we should know that in our society there would always be those who remain behind.

16 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON RIRUAKO

When you are buying farms adjacent to these reserves, which are enclosed by the forces of nature, let us add them to the reserves. We will not be perpetuating colonialism, no, Namibia is united, and it is free forever. Psychological suspicions should not distort the reality that Namibia, Namibia is one united Nation. There may be those who promote tribalism, secession, etcetera, but the people of Namibia are not stupid, they know where they came from and they know what they want. However, we should not stop doing what is correct because we think we will be falling in the trap of creating Bantustans when adding these areas to reserves.

I am happy that the Parliamentary Outreach consulted our Traditional Leaders in those areas, but I plead that we consider expanding these overcrowded reserves to empower a large community, rather than empowering individuals. As much as society empowers individuals, let us also consider empowering the community.

To be honest, although Honourable Ben Amathila emphasised it, they are commercial farmers, but their hearts are with their communities and they should give guidance and assist communities to fight crime and to understand the dynamics. We should rely on them and consult them as they are not only commercial farmers but also community leaders.

With these words, I support the Motion and I thank you.

HON SPEAKER: I thank the Honourable Minister. Chief Riruako.

HON RIRUAKO: Honourable Speaker, I listened to my Colleague very carefully although he was in a hurry. He was talking about the Topnaars and the people of the area of Erongo regardless of their background. The people who are living there are not well to do today. The well-to-do are those who have come from all corners of the world. How can you reside in that area and claim it is yours? That is what Honourable Kazenambo explained to us, how it should be and I support him in that.

16 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON RIRUAKO

Then again, you were talking about the people living in Omaheke and I think you are from there, but you did not ask your Government to resettle those people who live in Gam and Eiseb. They have not yet been settled in their own country where they suffered. (Intervention)

HON MINISTER OF TRADE AND INDUSTRY: A question and information. Is the Honourable Chief aware that when those groups came and settled there, that the idea was to disperse them to join the rest of Namibia, but they wanted to be settled in a group and that is where the problem is? There was an attempt to settle them, but they are saying they want to be settled in a group. We said they must come back to be integrated, but they want to be settled as one group.

HON RIRUAKO: I am not shying away from the facts, but if they themselves asked for that kind of resettlement, what is supposed to be done? You listen to what they want and you put tactics before the Government of the day.

We are not here to groom our own kith and kin. (Intervention)

HON MINISTER OF YOUTH, NATIONAL SERVICE AND CULTURE: On a point of information. When these returnees from Botswana came, they were addressed by various leaders, among them Dr Hage Geingob, the then Prime Minister, Mr Nahas Angula, the current Prime Minister, the Founding President and Father of the Namibian Nation, Dr Shafishuna Sam Nujoma. He and I slept there in Gam. He addressed the people that their fathers and mothers are forbearers of the liberation struggle, you have not returned to live here; you must go back to your ancestral land through the entire Namibia. That is what he told them, to integrate with the people of Namibia.

The politics of yesterday of the DTA and NUDO was that the SWAPO Government of the Ovambos wants you to scatter around Namibia. (Intervention)

16 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON RIRUAKO

HON SPEAKER: You are making a second speech. Chief, you have the Floor.

HON RIRUAKO: I am not talking about who was there, that is of no use to me. We are here to acknowledge the Nation and not to cheat them. Our former President talked to them and he said what you said. (Intervention)

HON KAPIA: Honourable Speaker, I want to ask a question. I want to know whether the Chief is discussing the Report or discussing the comments by Honourable Kazenambo.

HON SPEAKER: He is doing both.

HON RIRUAKO: We are talking about the past. We are here to take care of one another in a very fair way; we are not here to hide to failures. Let us learn from there and lead from there. We are supposed to reconsider what we left behind in order to reach our objective.

HON SPEAKER: I can no longer defend you, Chief. This Report deals specifically with the Erongo Region and, of course, there are comparable situations in other Regions as well.

HON RIRUAKO: Erongo is an example, but we have to learn from there and tackle the problems that are also found in Erongo. I thank you very much.

HON SPEAKER: Honourable Bezuidenhoudt.

16 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON BEZUIDENHOUDT / RT HON ANGULA

HON BEZUIDENHOUDT: Honourable Speaker, Honourable Members, on some of the issues raised by Honourable Kazenambo, specifically inclusiveness, development, support for the vulnerable, empowerment of all, etcetera, I want to also include the comment made by Honourable Geingob where people wanted to be integrated. All these issues indicate that we still have a long way to go in terms of building and reconciling and I would really support what was said by Honourable Kazenambo as well as Honourable Geingob to build Namibia as an inclusive, caring society for the future. Thank you.

HON SPEAKER: Thank you. Prime Minister.

RT HON PRIME MINISTER: Thank you, Comrade Speaker, I am going to be very brief.

This is an important Report, which has generated many mixed feelings. Some Ministers of course feel a bit offended by the Report; some people feel that some communities were not consulted. The point I want to emphasise is that the Deputy Speaker did her job; the words in this Report are not the words of the Deputy Speaker. They are the words of the people out there. It might be a perception, but in most cases, our actions and decisions are determined by what we perceive to be true. If some of the facts might not be quite correct or representative, the fact is that somebody somewhere in the Erongo Region talked about it.

I just want to encourage my Colleagues from the Executive that one of the functions of the Parliament is oversight over us, so if they go around and ask the views of the people out there, we should not feel offended when they are drawing our attention to the needs of the people. With those words, I thank you.

HON SPEAKER: The House shall rise for refreshments.

16 March 2011 **REPORT ON DEPUTY SPEAKER'S OUTREACH**
HON KATALI

HOUSE ADJOURNS AT 15:40
HOUSE RESUMES AT 16:17 PURSUANT TO ADJOURNMENT

HON SPEAKER: Any further discussion on the Report of the Deputy Speaker? Minister Katali.

HON MINISTER OF MINES AND ENERGY: Honourable Speaker, I adjourn the Debate on the Report on behalf of the Honourable Minister of Health and Social Services until Tuesday, next week.

HON SPEAKER: Any objection? Agreed to. The Secretary will read the Second Order of the Day.

CONSIDERATION: REPORT ON 123RD ASSEMBLY
INTER-PARLIAMENTARY UNION

HON SPEAKER: Does Honourable Dr Amweelo Move that the Report be considered?

HON DR AMWEELO: I so Move, Honourable Speaker.

HON SPEAKER: The Honourable Member has the Floor.

HON DR AMWEELO: Thank you very much, Comrade Speaker. Comrade Speaker, Honourable Members of this august House, it is indeed an honour to motivate the Report of the Namibian Parliamentary delegation who attended the 23rd IPU Assembly and related meetings held in Geneva during October 2010.

16 March 2011 **CONSIDERATION: REPORT ON 123RD ASSEMBLY
INTER-PARLIAMENTARY UNION
HON DR AMWEELO**

Allow me to quote from an IPU Guide to Good Practice: *“As we have seen, the key challenge to Parliamentary involvement in international and multilateral affairs is that in almost all countries foreign affairs and international policy have traditionally been regarded as the exclusive domain of the Executive. Today, the distinction between foreign or international and national or domestic has become increasingly blurred. Parliaments must therefore step beyond the traditional Executive prerogative in international affairs and subject Governments to the same degree of oversight as in the domestic policy arena.”*

Again, I would like to record the importance that we as Members of Parliament discuss and find common ground on issues discussed at international forums such as the Inter-Parliamentary Union, Commonwealth Parliamentary Association, Pan-African Parliament, SADC Parliament Forum, the United Nations and the African Union. Such interactions will enable the Legislature to domesticate resolutions and decisions made at forums of international organisations.

It was during the last session of our Parliament during 2010 that I motivated the Report on the 122nd IPU Assembly held in Bangkok. Honourable Speaker, let me focus on the Report before us.

It is standard practice at each IPU Assembly that an Emergency Item is decided upon. At the 123rd Assembly the emergency item addressed, *“Immediate action to support international relief efforts in response to natural disasters, in particular with regard to flood-stricken Pakistan”*. I am encouraging Members to discuss this item and to provide ideas how Namibia can provide assistance. The IPU calls upon Parliaments and Governments to take action by assisting the Pakistani Nation.

Over this weekend, the world was shocked by the devastating earthquake, which led to a tsunami in Japan. One can probably only put the question: *“What is happening with our planet Earth?”* What will happen after fifty or one hundred years to come? Our prayers go out to this great Nation.

16 March 2011 **CONSIDERATION: REPORT ON 123RD ASSEMBLY
INTER-PARLIAMENTARY UNION
HON DR AMWEELO**

Honourable Speaker, Honourable Members, the IPU Committee on the United Nations Affairs was briefed on the outcome of the UN Summit and the Millennium Development Goals (MDGs) focusing on the Way Forward, which identified the steps that still needed to be taken to achieve all the MDGs.

The Committee also considered the IPU comparative study on how Parliaments worked in support of the MDGs. Then the Committee looked at the second session of the Brussels Programme of Action and preparations for the 4th UN Conference on the Least Developed Countries.

The Committee also reviewed the IPU and the UN system and heard the 2010 report of the UN Secretary-General on Cooperation between the United Nations, national Parliaments and the IPU, and welcomed the growing, substantive partnership between the two organisations.

Other issues discussed by the Committee on UN Affairs were political challenges facing the UN Climate Change Conference held in Cancun during December 2010; issues regarding the Beijing Plus-15 review on gender equality, the UN Entity for Gender Equality and the Empowerment of Women.

Honourable Speaker, the Panel Discussion of the First Standing Committee on Peace and International Security debated on the item, *“Providing a sound legislative framework aimed at preventing electoral violence, improving election monitoring and ensuring the smooth transition of power”*. A draft resolution has been formulated and that draft resolution will be adopted at the next IPU Assembly to be held in Panama City during April. Before and after attending the 123rd IPU Assembly there was consultation between our Electoral Commission. Input from the Members of this House will provide guidance.

At the Panel Discussion of the Second Standing Committee on Sustainable Development, Finance and Trade, the agenda item, *“The Role of Parliaments in ensuring sustainable development through the management of natural resources, agriculture production and*

16 March 2011 **CONSIDERATION: REPORT ON 123RD ASSEMBLY
INTER-PARLIAMENTARY UNION
HON DR AMWEELO**

demographic change” was discussed. On this item, we have consulted with the Ministry of Agriculture, Water and Forestry and the National Planning Commission on the item, in particular the draft report and the draft resolutions. I urge Honourable Members to guide us on this item.

The Third Standing Committee on Democracy and Human Rights discussed the item, “*Transparency and Accountability in Political Party Funding*”. Before the delegation left for Geneva, they received information from the National Assembly’s Financial Division on this item. I urge Honourable Members also to guide us on this item.

Other related meetings during the 123rd Assembly focused on:

- Scaling up Parliamentary action on migration and development;
- Launch of an advocacy kit for Parliamentarians on Disaster Risk Reduction;
- Human Rights of Parliamentarians;
- Issues of the IPU Committee on Middle East Questions;
- Seminar on Parliaments and the Convention on the Elimination of All Forms of Discrimination against Women;
- Workshop on Strengthening links between Parliaments and Citizens.

In conclusion, Honourable Speaker, I humbly request the Honourable Members of this august House to adopt the Report. This will enable us to report to IPU Assembly to be held in Panama City. I thank you.

HON SPEAKER: I thank the Honourable Member for the introduction. Any further discussion? None. Does the Honourable Member wish to say something?

HON DR AMWEELO: I thank you very much for your support of the Report.

16 March 2011 **CONSIDERATION: REPORT ON 123RD ASSEMBLY
INTER-PARLIAMENTARY UNION
HON DR GURIRAB**

HON SPEAKER: I want to commend you as the Chairperson of the Committee dealing with this subject that you are very dutiful and I hope that those who would be going to Panama and the others who would be going to Durban for the Climate Change Conference, which Africa would be hosting in the form of South Africa will be informed about the issues relating to climate change in our Region generally. Countries like Namibia stand in the pathway of the climate change, the better informed we are about it, the better and I am looking at the Minister of Environment and Tourism who led the Government delegation to Cancun, the Prime Minister who led the delegation to Copenhagen and the Parliamentary Delegation to consult and synchronise the issues before we go as Parliamentary Delegation. The Secretary will read the Third Order of the Day.

**MOTION ON PREVAILING REASONS FOR THE CURRENT
OUTCRY THAT HAS LED TO THE PUBLIC TRANSPORT
OPERATORS STAGING A PROTEST IN JANUARY 2011, WHICH
ULTIMATELY RESULTED IN A CLASH WITH THE LAW
ENFORCEMENT AGENCIES**

HON SPEAKER: When the House adjourned on Tuesday, the 1st of March 2011, the Question before the Assembly was a Motion by Honourable Moongo. The Honourable Minister of Justice adjourned the Debate. Any Honourable Member is free to take the Floor. Honourable Ueitele.

HON UEITELE: Thank you, Honourable Speaker. I rise to contribute on the Motion. Honourable Speaker, allow me to draw the attention of the Honourable Members of this august House to the United Nations General Assembly Resolution proclaiming a decade of action for Road Safety, 2011-2020.

16 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON UEITELE**

Honourable Speaker, according to the World Health Organisation Report at the inquest in the world's first road traffic death in 1896, the coroner was reported to have said, "*This must never happen again.*" More than a century later, 1,2 million people were killed on roads every year and up to 50 million were injured. These casualties of the road will increase if actions are not taken.

Honourable Speaker, on the 2nd of March 2010, Governments around the world took a historic decision to increase actions to address the road safety crisis over the next ten years and Namibia is one of those Governments. The United Nations General Assembly Resolution proclaiming 2011-2020 a decade of action for road safety was tabled by the Government of the Russian Federation and co-sponsored by more than ninety countries. The decade of action for road safety 2011-2020 aims to save lives by halting the increasing trend in the road traffic deaths and injuries worldwide.

Through the decade, Member States, with support of the international community, commit themselves to take actions in the area such as developing and enforcing legislation on key risk factors, for example, limiting speed, reducing drinking and driving and increasing the use of seatbelts, child restraints, and motorcycle helmets. Efforts will also be undertaken to improve emergency trauma care, upgrade roads and vehicle safety standards, promote road safety education and enhance road safety management generally.

The recent initiative comes on the heels of the first global ministerial conference on road safety hosted by the Government of the Russian Federation in November 2009. The Moscow Declaration issued by Ministers and senior officials from 150 countries underlines the importance of protecting all road users, in particular those who are more vulnerable, such as pedestrians, cyclists and motorcyclists.

Honourable Speaker, Honourable Members, Namibia is part of the global community and as a signatory to the Moscow Declaration, Namibia was represented by the former Deputy Minister of Works, Transport and Communication, Honourable Paul Smit. Namibia must be seen to take actions against the road carnage that continues to rob the Nation of young

16 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON UEITELE**

and productive sons and daughters who are irreplaceable economic assets of our country.

Honourable Speaker, Honourable Members, the Amendment to traffic fines is applicable to all categories of the road users, including all drivers, passengers and pedestrians. The traffic fines are not meant for taxis only or for those who can or cannot afford. The choice of being caught on the wrong side of the law, and to be issued with a traffic fine is optional. If all drivers and road users drive safely and observe all traffic laws, there will be no need for any traffic fines to be issued.

Honourable Speaker, Honourable Members, one of the measures towards the achievement of compliance to the laws is to increase the effectiveness of our criminal justice system to ensure effective detection of offenders, prosecution of suspects and punishment of convicted criminals.

Traffic fines and penalties help make our roads safer by deterring drivers from breaking road rules. However, most importantly, you get dangerous drivers who commit serious or repeat offences on the road that endanger other road users. The breach of law must be punished indiscriminately.

Honourable Speaker, Honourable Members, finally, being issued a ticket or fine should not be seen as a conviction. The suspect or offender will have the following options to consider:

1. To appear in Court to defend his/her case.
2. To admit guilt and pay the required admission of guilt.
3. To approach the public prosecutor and apply for reconsideration of the admission of guilt.

Honourable Speaker, Honourable Members, in conclusion to achieve the objective of the decade of action for road safety 2011-2020 as well as the saving of precious lives that we lose on our roads every day, we should ensure that road users abide by the laws made by this august House or by any legislative body and desist from encouraging law-abiding citizens to break the laws that we make. I thank you.

16 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON DR AMWEELO**

HON SPEAKER: Honourable Amweelo.

HON DR AMWEELO: Thank you very much, Comrade Speaker. I also rise to contribute to this Motion tabled by Honourable Moongo on the current outcry that has led to the public transport operators staging a protest in January 2011.

Comrade Speaker, if we look at the report on statistics in 2006, 2007, 2008 and 2009, the overall number of accidents in each Region, especially the casualty and fatality rates for each Region, especially the Otjozondjupa and Khomas Regions recorded by far the highest number of accidents of all types. This is attributed to the logic that the chances of an accident occurring are higher where there are more vehicles, such as for example in Windhoek. It is also apparent that where there are more vehicles there are more head-on, head-to-rear and sideswipe collisions and more collisions with pedestrians; whereas more single-vehicle overturns, occur where there are fewer vehicles. It is also clear that most accidents occur where traffic is heaviest. Right now, the number of vehicles in Windhoek is increasing.

Accidents are classified into four categories as per severity: fatal, serious, slight and damage only.

According to the National Road Safety Council report, the Road Safety Information Management System, Risk Factors report Drivers, a total of 17,718 drivers were involved in accidents in 2006. In 2007, 20,138 drivers were involved in accidents. Passengers involved in accidents were about 4,724, pedestrians 603, while vehicles were about 19,955. In the Otjozondjupa Region it was 15,283 and in Khomas, about 8,466.

In 2008, drivers were 20,111, passengers 4,258, pedestrians 625, vehicles 19,519. In the Otjozondjupa Region it was 14,555 and in Khomas, 8,183.

In 2009 drivers were 22,486, passengers were 4,798, pedestrians 700 and vehicles were 21,820. In the Otjozondjupa Region it was 15,991 and Khomas 8,886.

16 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON DR AMWEELO**

Empirical evidence shows that driving too fast for the conditions is a major factor in accident causations, as stated by Sabey and Taylor in 1980. This finding places speed as one of the major contributing factors. Higher travelling speed increases the risk and increases the probability for severe impacts when things go wrong. The personalities of accident repeating drivers have been studied by a number of authors and have been found to include larger than expected proportions of aggressive, ruthless, psychopathic, impulsive and neurotic individuals. Personality dimensions have been correlated with driving offences and accidents.

Comrade Speaker, Honourable Members, what can we do as a Nation in order to mitigate, curb or prevent the impact of road accidents?

- Demand the provision of safety features, such as seatbelts in cars and many modern cars are now fixed with airbags.
- Encourage enforcement of traffic safety laws and regulations and campaign for firm and swift punishment for traffic offenders. Driver's licence can be suspended for a certain period. Swift punishment could include fines, endorsement of driving licence, and disqualification from driving for life and in the most serious cases, imprisonment.

Behave responsibly by:

1. Abiding by the speed limit on roads;
2. Refraining from driving when over the legal alcohol limit;
3. Always wearing a seatbelt and properly restraining children, even on short trips.
4. Wearing a crash helmet when riding a two-wheel.

Comrade Speaker, the question now is how can we examine the role of traffic law enforcement by the police and the use of camera technology?

Zaal D, Traffic Law Enforcement: a review of the literature. Melbourne, Monash University Accident Research Centre” experienced that: “A major review on traffic law enforcement identified several important findings:

16 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON DR AMWEELO**

It is critical that the deterrent be meaningful for the traffic law enforcement to be successful.

- Enforcement levels need to be high and maintained over a certain period to ensure the perceived risk of being caught remains high.
- Once offenders are caught, their penalties should be dealt with swiftly and efficiently.
- Using enforcement strategies to target particular risk behaviours and choosing specific locations, both improve the effectiveness of enforcement.
- Of all the methods of enforcement, automated means – such as cameras – are the most cost effective.
- Publicity supporting enforcement measures increases their effectiveness. Used on its own, publicity has a negligible effect on road user behaviour.

A study in Canada found that the enforcement of traffic rules reduced the frequency of fatal motor vehicle crashes in countries where there are more vehicles. At the same time, inadequate or inconsistent enforcement could contribute to thousands of deaths worldwide every year. It has been estimated that if all current cost-effective, traffic law enforcement strategies were rigorously applied by our country, then as many as 50 percent of deaths and serious injuries in the country might be prevented. Good enforcement is an integral part of road safety.

Research has shown that primary enforcement, such as where a driver is stopped solely for not wearing a seatbelt is more effective than secondary enforcement where a driver can only be stopped if another offence has

been committed. This was stated by Rivara FP *et al*, in the American Journal of Preventive Medicine in 1999.

According to Schultz R, primary enforcement can increase seatbelt use,

16 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON DR AMWEELO**

even where the level of use is already high. Many studies at both national and international levels have shown that enforcement increases seatbelt use if it meets certain conditions. The enforcements need to be highly visible and well publicised, conducted over a sufficiently long period and repeated several times during a year. The traffic enforcement programmes carried out in Canadian provinces have achieved improvements in seatbelt use, resulting in a high rate of use. While the programmes differ across provinces in their details, their basic elements are broadly similar and include:

- An information briefing, educating Police Forces about the issue and its importance.
- Following this campaign, a period of one to four weeks of intensive enforcement by the Police, including fines, repeated several times a year.
- Extensive public information and advertising.
- Support for the enforcement campaigns in the media and regular feedback in the media to public and police on the progress reported.

All this information, Comrade Speaker, has been disseminated to all drivers and all road users and they are all well aware of this information. Therefore, we are talking about the loss of lives of people. The statistics show that we need to take more action apart from stopping drivers and giving them small fines. We need to think about something which would reduce the risk to an acceptable level and there is no other way than increasing the fines and not only to the taxi drivers but to all. As our President already mentioned, we want to bring down the level of risk in our cities and towns and national roads to an acceptable level. I thank you.

HON SPEAKER: I thank Honourable Amweelo. Honourable Minister of Justice.

16 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON IIVULA-ITHANA**

HON MINISTER OF JUSTICE: Thank you, Comrade Speaker, Honourable Members, I am sorry that the Mover of the Motion is not here to listen to all these wise suggestions from the Honourable Members, but I hope he will get the records.

I take the Floor to contribute to the Motion tabled by Honourable Philemon Moongo on Tuesday, the 2nd of March 2011 concerning the stiffer fines, which were recently introduced in respect of various traffic violations and offences.

The introduction of increased fines for traffic violations came because of the Amendment to the Criminal Procedure Act of 1977, which was passed by this august House last year.

The purpose of that Amendment was, among other matters, to increase the maximum admission of guilt fines from N\$300 to N\$6,000, which may be paid in terms of a written notice or summons.

Section 56 of that Act provides for the service of a written notice to an accused person that he or she may admit his or her guilt in respect of the offence in question and then pay the fine without appearing in Court or the accused can opt to appear in Court and defend him or herself.

Honourable Speaker, laws are enacted for the purpose to address certain mischief or the prevailing pressing problem in society. In the particular circumstance, Parliament enacted the Criminal Procedure Amendment Act (Act 13 of 2010) after a spate of road accidents, which claimed several lives, injured and disabled thousands, destroyed properties, and almost ruined the coffers of the Motor Vehicle Accident Fund.

Comrade Speaker, if I were to let this House know how much in terms of money and in terms of human lives we have lost, we would probably appreciate the intentions behind the introduction of that Amendment.

Comrade Speaker, the information that I have here from the Motor Vehicle Accident Fund, covering a period from 2007 to last year, shows the statistics in terms of human loss, in terms of disability and in terms of

16 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON IIVULA-ITHANA**

properties lost. Here are the figures.

A funeral grant is money paid for burying a victim of a car accident. Total claims registered and paid – 2,119 bodies were buried because of car accidents. The amount paid just for that exercise alone is N\$18,759 694.28.

General damages or injury grant: Total claims registered and paid, people who were disabled, injured beyond repair – 8,435. In terms of money paid, N\$109,124,070.37.

Loss of support to the wife, or the husband, the children whom MVA should support: Total claims received and paid – 4,419. Amount paid, N\$68,436,584.01.

Hospital expenses: Total claims received and paid – 33. Amount paid, N\$545,275.79.

Medical expenses: Total claims received and paid – 1,796. Amount paid, N\$25,978,365.72.

Overall total claims received and paid, 16,802; overall total amount paid, N\$222,843,990.17.

These figures, Comrade Speaker, speak louder than the crocodile tears we are trying to cry in this House. The situation is very serious.

Honourable Speaker, I was addressing the reason why this Parliament had to amend the law. The reason behind that is the figures I have just announced. The second reason for the Amendment was also to reduce the number of persons appearing in court on minor offences by encouraging the disposal of many of these cases through the payment of admission of guilt fines without having to appear in court. In this way, the workload of the Courts would have been reduced drastically.

Honourable Members, you may very well recall how overburdened our Court rolls have become. The same Honourable Moongo had raised

16 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON IIVULA-ITHANA**

questions related to cases pending in Court for an extended period without finality on many occasions.

Honourable Speaker, the determination of the amount payable as an admission of guilt fine is done by the District Magistrate of each district. The law, as it stands, does not delegate this function to other stakeholders, such as the taxi industry or other representatives of the general driving public as road users, the Motor Vehicle Accident Fund, or even the Road Safety Council who are all concerned about road safety. This responsibility is entirely consistent with the role of the Magistrate as the officer who is charged with the discretion to determine the appropriate punishment for an offence in our judicial system.

While other stakeholders may provide inputs to help the Magistrate to determine an appropriate fine in a given case of offence, his or her responsibility as the arbiter of justice cannot be substituted. The other reason why the Magistrate is the person to determine the fine is that the fine is being paid in lieu of appearing in Court. If the accused does not pay the admission of guilt, he or she will have to appear in Court. It is, therefore, right that the Magistrate determines the fine, which a peace officer will, in effect impose on behalf of the Magistrate.

What the Legislature can do and has done in the current Amendment is to determine the maximum fine, which may be imposed. This limit was previously N\$300 and has now been increased to N\$6,000.

Honourable Speaker, while I grant the Honourable Member his right to question the specific fines determined by the Magistrates, within the limit set by Parliament, I take serious issue with the premise of his argument. In this regard, I take note that:

- The Honourable Member suggests that the fines are designed to cripple the Taxi Industry in favour of promoting municipal bus services.
- That the Government has failed to provide employment to the persons who currently make a living from the taxi industry.

16 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON IIVULA-ITHANA**

- That the fines are designed to enrich the economically powerful.

What the Honourable Moongo needs to know is the following: The promulgated fines are not targeted at the Taxi Industry. This must be understood by all of us: this is not targeted to the Taxi Industry alone, they are of general application to all road users. Statistics indicate that a number of ordinary road users have already been fined in respect of their transgressions.

The issue of the fines being unaffordable is a red herring. My Ministry has statistics to show that a number of drivers have in the past been fined several times at the previous maximum rate of N\$300, but have had no difficulties paying them and continue to repeat the same offences. Honourable Member, *in absentia*, Government needs to encourage good behaviour on the roads and the fines in place at the time did not encourage such behaviour. Offenders violated the laws with impunity because the fines were ridiculously low. The Government, therefore, resolved that in addition to the ongoing education of the driving public, which has been done through a number of initiatives such as “*Xupifa emwenyo*” by the Road Safety Council, the Motor Vehicle Accident Fund and the Traffic Police Department, and to which I may add, the Head of State had also lent support and authority, it was necessary to raise the cost of offending by reviewing the maximum fines payable upon offending.

The provision of stiffer fines is not a revenue collection exercise by Government or the relevant Local Authorities, not by any stretch of imagination. The suggestion that the fines suit the officers “*to earn high salaries*” is entirely misplaced and shows a complete misunderstanding of the concept of fines. Fines are not levies or fees, which are clear and predictable ways of raising money. A system of revenue collection, which depends on the incidence of commission of offences, cannot be relied upon to raise money for any purpose, Honourable Moongo. Government does not budget to raise funds from payment of fines you heard from the Honourable Minister of Finance when she tabled the Budget recently. There was no line; there was no suggestion that so much money will be raised from fines, nothing of the sort. If people do not commit offences, no income accrues to the Government. Fines, unlike fees and levies, are

16 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON IIVULA-ITHANA**

not compulsory payments on which collecting authorities can plan the usage thereof. Government would be happy if there is a nil return on traffic violations as it will have achieved 100 percent observance of traffic laws. This is what we desire and wish to achieve with the increased fines by making violations costly, just like buying tobacco or whisky, while upping public awareness on good behaviour on the roads.

Mr Speaker, the suggestion that the fines should be reviewed and agreed upon by all stakeholders in the transport industry again reveals the Honourable Member's misconception that the fines are targeted to the transport industry.

I also wish to point out that the purpose of the Amendment is not to enrich anyone. In fact, it has no economic purpose. It only has a deterrent purpose. It is there to protect lives and enhance safety on our roads. There is no justification for anyone to put the lives of others at risk merely "*to earn quick money*", in the words of the Honourable Member Moongo. People must make money at the expense of others' lives! Is that logical, Honourable Kaura? Is that logical? Really! It is worrying to find that the Honourable Member thinks that it is somehow acceptable to put lives at risk if that would maximise income. Shame!

Honourable Members, through its awareness campaigns on road safety the Government sought to promote the idea of responsible citizenship and adherence to the law by encouraging respect for traffic rules. Despite its road safety campaigns, some road users continue to disregard road traffic rules and put the lives of other road users in danger. The introduction of stiffer fines is part of Government's integrated approach to road safety, which combines education and measures which raise the cost of violations so that good behavioural change can be brought about and in actual fact, this is about to be reached if statistics in my possession are anything to go by.

Honourable Speaker, I have sought to hear from those responsible for our roads whether these measures are bringing about any improvements. I am not going to bore you with the information that I got, but I will just read to you the findings. From the 1st of January 2010 to the 28th of February

16 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON IIVULA-ITHANA**

2010 traffic offences recorded were 18,420. Then, after the introduction of the stiffer fines, from the 1st of January 2011 to 28 February 2011, the cases recorded were 4,843. Can you see the difference?

The Honourable Member argues that the fine list cannot be used in all Magistrates' districts because some are very poor while others are rich. I wish to inform the Honourable Member that the new fine list was adopted with the inputs and consent of all District Magistrates who had conveyed their consent to the proposals during one of the Magistrates' meetings in Swakopmund.

Following the recent protest by taxi drivers, the Government instituted a Committee of officials from the Ministries of Justice (as Convener), Safety and Security, Regional and Local Government and Works and Transport to examine effective measures to respond to the complaints. The Committee was tasked to provide information to the public about the background to the adoption of the increased fines, to explain its purpose and how drivers can cooperate in the implementation of the new law. The work of the Committee resulted in a recent advertisement in the newspapers to inform the public of the new measures. I urge the Honourable Member to read the advertisement again, very carefully this time around.

The new measures are not intended to kill the Taxi Industry, not at all. We value the contribution of the Taxi Industry not only to ensure that public transport is available, but also to lessen the burden of unemployment.

It is a welcome self-employment initiative, which Government applauds. If the Member is concerned about the future of the Industry, I urge him to consider the financial and human cost of road accidents to the resources of the public. The measures implemented are also intended to reduce the burden of accidents on our health services and claims against the Motor Vehicle Accident Fund. Statistics from the Motor Vehicle Accident Fund illustrate the huge costs of claims on the Fund because of accidents, many of which were clearly avoidable.

16 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON KATALI**

Honourable Speaker, the Honourable Member proposes that I bring back the law for Amendment so that the fines can be reviewed. That request, Comrade Speaker, is unreasonable, in my view. Parliament adopted the Amendment at the end of 2010. It was decided that the Legislature could only raise the maximum fine payable. The Honourable Member had many opportunities to put his proposals, which he did not do – tough luck. I must also point out that the Amendment does not compel citizens to pay the fines imposed, there is ample provision in the law to make representations for a possible reduction, which the Presiding Officer in Court may grant on good cause shown.

I urge the Honourable Member as a responsible citizen, a lawmaker and a Traditional Leader and the Transport Industry to fully appreciate Government's intention with the new fines and to encourage, more particularly, the Taxi Industry whose case Honourable Moongo is championing, to simply avoid being fined through embracing good citizenship behaviour on our roads, as they have started doing already, as the figures above indicate.

I further urge this House to take the courage of its conviction in siding with those in favour of "*Xupifa Eemwenyo*" "*Save Lives*" initiatives of the Motor Vehicle Accident Fund than to support this expedient and politically motivated motion of the Honourable Member. Comrade Speaker, I have rested my case.

HON SPEAKER: That is a good example of why I commend the Ministers who take time to prepare themselves to respond to queries put to them by the Opposition. I commend you, Minister, for what you have done. Honourable Katali.

HON MINISTER OF MINES AND ENERGY: Thank you, Honourable Speaker, Honourable Members. I also rise to add my voice to

16 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON KATALI**

this very important issue of our people, the taxi drivers and their clients, the passengers.

Comrade Speaker, I think we will make a very big mistake if we discuss this issue in general without separating it from some of the underlying concerns of the taxi drivers. On the one hand, we have the fines, but on the other, we have the causes of these fines. Some, if not the majority of the taxi drivers, are not really concerned about the fines, *per se*, but they are concerned about what causes these fines. I can give one or two examples to substantiate my statement on the fines versus the cause.

Honourable Speaker, there are some elements of human nature that cannot be changed no matter how heavy the punishment. In the olden days if a girl of a certain culture became pregnant before some processes have been undertaken, the punishment was capital punishment. That was thought to be a very strong deterrent, but what happened? People just continued to become pregnant before the traditional processes have been complied with. (Intervention)

HON MINISTER OF GENDER EQUALITY AND CHILD WELFARE: We should not just say that people continue getting pregnant, we should say people continue getting pregnant and being impregnated.

HON MINISTER OF MINES AND ENERGY: The point is taken, I take it for granted that a girl who becomes pregnant has been impregnated by a male.

Because people continued to die, people became sympathetic and one can even call it a form of corruption, which crept in. Once the family realised that their daughter is pregnant, they would connive with relatives who live somewhere else and that girl is taken away during the night to avoid the girl getting that capital punishment. That indicates that people were

16 March 2011

MOTION ON STIFF TRAFFIC FINES
HON KATALI

concentrating too much on the results, because they were not concentrating on boys and girls not meeting. Only when there was a pregnancy did they take action. They did not concentrate on the possible measures to prevent that pregnancy. If that had been done, the result would not have been there.

Coming back to the taxi drivers and their clients, not many are really against the heavy fines that we are talking about. The fine is a result, but they are actually concerned about the cause and they are not unhappy with all the causes because they agree that if you are speeding, you must be fined. I just want to bring the other side of the coin, because we are concentrating on only one side, so just bear with me.

Honourable Speaker, they are not just concerned with speeding because speeding can be prevented. (Intervention)

RT HON PRIME MINISTER: On a Point of Order. I hope that the Honourable Minister very carefully listened to the statement by the Honourable Minister of Justice. She said in her statement that there is a Committee of stakeholders, which is considering all the issues, which might lead to some of the offences. Why do we not wait for that Committee to produce its report, then we can discuss some of these things?

HON MINISTER OF MINES AND ENERGY: Yes, Honourable Speaker, now I am put in a dilemma. The Motion is on the Floor of the House, I stood up to point out some of the things that I feel the Committee could probably also consider. That is the purpose.

I concede, Comrade Speaker, that our roads are not friendly to the taxi operators and to the people who are using them. If you take a taxi from Katutura Hospital to Donkerhoek, for example, where will you get off if you are living at Ovambo 10 or if you are living at Shandumbala? Unless you turn off after Ovambo 10, that is the only place where you have

16 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON KATALI**

offloading and loading place which have previously been used by the buses.

Imagine that if you are going to Donkerhoek, there is no place for the taxi to stop to take you on or let you off. Most of the taxi drivers are complaining about this weakness.

We compare ourselves with other countries, but if you go to Johannesburg, for example, they have separate lanes on the side for public transport. They can stop anywhere and it will not interfere with the flow of the general traffic. The thrust of my statement is that we must really try to understand the complaints of the taxi drivers. If there are no places where they can stop, we are basically saying that they must not stop to load or offload passengers and we are telling our people who are using these taxis that they must walk long distances to those points to get a taxi. I thought the purpose of taxis was for people to be taken near their homes and brought back there. I think that Committee should seriously look at this issue. (Intervention)

HON DEPUTY MINISTER OF YOUTH, NATIONAL SERVICE AND CULTURE: The Minister has started with the girls becoming pregnant in the olden days and I am trying to figure out the logical link between the pregnant girls of the olden days and the heavy traffic fines. It is true what the Minister is saying that there are no taxi ranks, but I am trying to find the logical link.

HON MINISTER OF MINES AND ENERGY: The logical link is just that if there are no facilities the taxi drivers will continue to break the law. (Intervention)

HON MINISTER OF FOREIGN AFFAIRS: Comrade Katali, I just want to find out because most of us have grown up in Katutura and I know the roads in Katutura. Is it possible to say that there are no taxi ranks in

16 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON KATALI**

Katutura? It is not practically possible, but the most important thing is for the taxi drivers to indicate in time that they are going to stop to offload a passenger. They are stopping abruptly in the middle of the road and this is the major cause of accidents in Katutura and turning without indicating. Those are the most serious concerns we have with the taxi drivers. If only our taxi drivers could be disciplined and indicate in advance that they are going to turn or offload a passenger. The problem is that they are undisciplined and impatient and do not obey the road traffic rules and regulations.

HON MINISTER OF MINES AND ENERGY: I think we must listen to one another very carefully. I said we must separate issues and here I am addressing a specific issue and Comrade Utoni, I told you where the taxi ranks are. Honestly speaking, if you go to your old house where you used to live, there are no taxi ranks and there are pavements. The taxi ranks are not enough. (Intervention)

HON MINISTER OF SAFETY AND SECURITY: May I ask my Colleague a question? We have listened to the Minister of Justice when she gave us figures and facts in terms of loss of lives, disability and financial implications. Honourable Katali, are you sure that the majority of these fines are imposed on the taxis in Katutura and not somewhere else?

HON MINISTER OF MINES AND ENERGY: Let us look at what I am addressing. I am not addressing the general fines; I have limited myself to the problem that we know. The fines in general are in order, we have to prevent accidents, but I am specifically addressing the problem of offloading passengers. As regards speeding and others, I agree with the law, but the City of Windhoek is not doing enough for the passengers to get on or off taxis at appropriate places. That is the only issue I am addressing, not the general fines and I thought I have explained that as from the beginning. (Intervention)

16 March 2011

**MOTION ON STIFF TRAFFIC FINES
HON KATALI**

HON KAURA: May I ask the Honourable Member a question? Honourable Minister, are you aware of the fact that these laws, which are confronting the taxi drivers, are leftovers from the colonial time and we continue to implement those laws even after Independence?

HON MINISTER OF MINES AND ENERGY: No, the law is not a problem.

HON SPEAKER: Honourable Minister, you may continue tomorrow.

RT HON PRIME MINISTER: I Move that the statement by the Minister of Justice be published as a centrefold in the *New Era* as soon as possible.

HON SPEAKER: I do not know whether this is a request to the Honourable Minister or an instruction. Whichever way, it is a good idea. The House stands adjourned until tomorrow, the 17th of March 2011, 14:30.

HOUSE ADJOURNS AT 17:45 UNTIL 2011.03.17 AT 14:30.

**NATIONAL ASSEMBLY
ASSEMBLY CHAMBERS
WINDHOEK
17 MARCH 2011**

The Assembly met pursuant to the adjournment.

HON SPEAKER took the Chair and read Prayers and the Affirmation.

HON SPEAKER: Any Petitions? Any Reports and Papers? Deputy Minister of Finance.

TABLING: REPORTS OF THE AUDITOR-GENERAL

HON DEPUTY MINISTER OF FINANCE: Honourable Speaker, I lay upon the Table two Reports of the Auditor-General on the Accounts of the following:

1. New Era Publications Corporation for the Financial Year ended 30 March 2010; and
 2. The Namibia Tourism Board for the Financial Year ended 31 March 2009.
-

HON SPEAKER: Will the Deputy Minister table the Reports? Any further Reports and Papers? Honourable Minister.

**TABLING: ANNUAL REPORT:
EMPLOYMENT EQUITY COMMISSION**

HON MINISTER OF LABOUR AND SOCIAL SERVICES: Honourable Speaker, I lay upon the Table, the 2009/2010 Annual Report of the Employment Equity Commission.

17 March 2011

OATH/AFFIRMATION BY NEW MEMBER

HON SPEAKER: Will the Honourable Minister please table the Report? Other Reports and Papers? Reports of Standing or Select Committees? Notice of Questions? Notice of Motions?

As I have announced yesterday, we shall have a swearing-in. A matter was raised yesterday about the legality of the swearing in. We had successful consultations with the Attorney-General and others and I am fully satisfied that what we are about to do is quite in order. I, therefore, invite the Chief Justice to come in administer the Oath or Affirmation, as may be required.

OATH/AFFIRMATION BY NEW MEMBER

CHIEF JUSTICE SHIVUTE administers the Oath to Clara Gowases.

HON SPEAKER: I now declare Honourable Clara Gowases as a duly elected Member of the Assembly. Congratulations and take your seat. Allow me to once again thank the Chief Justice and to reassure him that we appreciate the cooperation we enjoy from the Bench very much and I ask the Sergeant-at-Arms to escort the Chief Justice out of the Chamber.

Question 10 is by Honourable Moongo. Does the Honourable Member put the Question?

RESPONSE TO QUESTIONS

QUESTION 10:

HON MOONGO: I put the Question.

17 March 2011 **RESPONSES TO QUESTIONS BY HON MOONGO
HON MUTORWA**

HON MINISTER OF AGRICULTURE, WATER AND FORESTRY:

Thank you, Comrade Speaker. I am rising to respond to the questions posed by Honourable Philemon Moongo.

Comrade Speaker, in order to answer the questions posed; let me provide a brief summary of the background that is closely related to the water supply in Oshakati and surrounding areas.

The water that is supplied to a large part of the northern areas of our country is pumped from the Calueque Dam situated in the territory of the Republic of Angola through the Calueque-Oshakati National Canal. To the best of our knowledge, there is no dam, which is specifically put there to capture or to harvest rainwater, which belongs to the Ministry of Agriculture, Water and Forestry or to NamWater, near Oshakati. The only reservoir or dam that belongs to NamWater, which is geographically situated near Oneshila Location, is the settling dam where water from the Calueque-Oshakati National Canal is collected for treatment. Such a dam does not overflow because the water is treated as it comes in. It has never been a threat to the Oshakati residents.

NamWater obviously has a responsibility to continue to ensure that the settling dam does not become a threat to the lives and properties of the people. Obviously, water that creates problems in Oshakati is rainwater and floods in the oshanas that flows from southern Angola on its way to the Etosha Pans. Such water, as Honourable Moongo has stated, is indeed a problem because the Oshakati town does not have a proper storm water drainage system. I am very sure that the Oshakati Town Council is seized with the matter, hopefully with the assistance of Central Government through the Line Ministry of Regional and Local Government, Housing and Rural Development, to deal with the issue of a proper water drainage system.

The issue of compensation is thus not an issue to be demanded from the Minister of Agriculture, Water and Forestry, neither the Ministry of Agriculture, Water and Forestry as an institution, because no harm or damage was ever caused by the actions of the Ministry and/or NamWater staff or infrastructures of NamWater and/or the Ministry itself.

17 March 2011

**RESPONSE TO QUESTIONS BY
HON VON WIETERSHEIM
RT HON ANGULA**

Lastly, Comrade Speaker, my explanations so far have also adequately covered question 5 and there is no need for repetition. I thank you, Comrade Speaker.

HON SPEAKER: I thank the Minister for his reply. Honourable Moongo.

HON MOONGO: Thank you very much, Honourable Speaker. I think the Minister was misinformed because Oshakati was already flooded two weeks ago and it is water from the dam. It has destroyed houses and people have to vacate houses. You also read it in the *Namibian* newspaper. The people wanted to kill each other because there was too much water from the dam and it is not floodwater. I think the Minister has to investigate.

HON MINISTER OF AGRICULTURE, WATER AND FORESTRY: Comrade Speaker, the Honourable Member does not need to become emotional. Of course, we are ready and if you could rephrase the question and give us more facts, we will investigate and deal with the matter. You do not need to become emotional about it, but I have provided the facts to respond to the questions as posed.

HON SPEAKER: Question 11 is by Honourable Von Wietersheim. Does the Honourable Member put the Question?

QUESTION 11:

HON VON WIETERSHEIM: I put the Question.

RT HON PRIME MINISTER: Thank you, Honourable Speaker. I thank Honourable Von Wietersheim for his question and I would like to respond as follows:

17 March 2011

**RESPONSE TO QUESTIONS BY
HON VON WIETERSHEIM
RT HON ANGULA**

1. The appointment of any person to, or the promotion or transfer of any staff member in or to the post of Permanent Secretary is indeed made by the Prime Minister in accordance with the provisions of Section 19(a) of the Public Service Act (Act 13 of 1995), subject to the provisions of Section 5(1).
2. Section 19(a) makes provision for the appointment, promotion and transfer of Permanent Secretaries to be made from the list of candidates submitted to the Prime Minister by the Secretary to Cabinet, subject to the provisions of Section 5(1) which makes provision that the appointment of any person to, or the promotion, transfer or discharge of any staff member in or to or from the Public Service shall be made by the Prime Minister on the recommendation of the Public Service Commission in accordance with the provisions of that Act.
3. In the same vein, Section 20 of the Public Service Act makes provision for appointments on special condition, subject to the provisions of Section 5(1). Any person employed elsewhere in the Public Service may be appointed as a staff member on such special conditions as may be approved by the Prime Minister on the recommendation of the Public Service Commission, having regard to the seniority of such a person.
4. The Government uses a blind approach that includes advertisements, robust selection and nomination processes as well as promotions of the existing management cadre who meet the minimum requirement of five years experience at a strategic senior management level and an appropriate Master's Degree, good references and a record of accomplishment of outstanding performances.
5. The appointment, promotion and transfer of all existing Permanent Secretaries have been recommended by the Public Service Commission as required by the law.

17 March 2011

**RESPONSE TO QUESTIONS BY
HON VON WIETERSHEIM
RT HON ANGULA**

6. Currently there are twenty-nine Permanent Secretaries of which twenty-four are permanent employees of the Public Service and five are on renewable contracts, based on satisfactory performance. In the event of a vacancy, advertisements are placed in the internal Public Service Vacancy Circular and in local newspapers.

I hope the Honourable Member will be satisfied with that answer. I thank you.

HON VON WIETERSHEIM: Thank you, Honourable Speaker. I was hoping for more detailed information, so I am not quite satisfied. I would like to follow up with a question to the Right Honourable Prime Minister: How would the Right Honourable Prime Minister respond to the media report quoting the Public Service Commission Chairperson: *“The Public Service Commission’s inability to act independently is a great challenge, with the Office of the Prime Minister being the major influence on the Commission’s operations and decision-making”* and in the light of this, who are the Permanent Secretaries accountable to?

RT HON PRIME MINISTER: The Permanent Secretaries are accountable to the Ministers and to the Secretary to the Cabinet. What you have quoted which has been said by the Chairman of the Public Service Commission, he is entitled to his views, if that is what he said and to the best of my knowledge, nobody interfered with the actions of the Public Service Commission. Everything is done according to law, as I have informed you. If you want information, you can go to the Public Service Commission and talk to the Chairman there, I cannot talk on his behalf. Thank you.

HON SPEAKER: I thank the Prime Minister. I ask the Secretary to read the First Order of the Day.

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON NYAMU**

**RESUMPTION OF DEBATE ON SECOND
READING: APPROPRIATION BILL**

HON SPEAKER: When this Debate was adjourned on Wednesday, 9 March 2011, the Question before the Assembly was a Motion by the Honourable Minister of Finance that the Bill be read a Second Time. Honourable Nyamu adjourned the Debate and I now give him the Floor.

HON NYAMU: Honourable Speaker, while I was busy reading the Honourable Minister's Budget speech I saw a headline in a British magazine, *The Economist*, with a title, which reads: "*Happy but Unequal Namibia*". That is the title of the article in the magazine. For the benefit of Honourable Members, let me read two paragraphs from the said article:

"Namibia is the world's most unequal Nation. Go to the capital Windhoek or Swakopmund, the main sea resort, and you could be forgiven for believing you were in a rich little European town – neat, well-paved streets, lined up with elegant high-rise hotels and banks, smart boutiques, outdoor Cafes and pretty homes painted in the colours of the Namib Desert, ochre, pale yellow and salmon pink, but drive a bit further out and you will find overcrowded black townships and beyond them the sprawling shanty towns where the dirt poor live in leaky corrugated iron shacks with no electricity, running water or sanitation. It is much the same elsewhere in Africa, but in Namibia the difference is more extreme."

Since Independence in 1990, after twenty-three years of war of liberation, Namibia's GDP per head has doubled in real terms, yet the poverty rate, according to the World Bank, remains the same. Two in five Namibians live on less than US\$1.25 a day, 60% continue to eke out a living as subsistence farmers. The official unemployment rate stands at 51%, up from 37% at the time of the most recent labour survey in 2004. Two-thirds of those under twenty-five have never had a job in their lives.

Matters have been made worse by HIV/AIDS. At the peak of the epidemic in 2002, 20% of Namibians aged between 15 and 49 were

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON NYAMU**

infected. The adult prevalence rate has since fallen to 15%, thanks to an education programme and Anti-Retroviral drugs". This is the true picture of our country as seen by foreign distant eyes.

Surveys and statistics clearly reveal that since Independence it appears that the SWAPO Party-led Government is only realising that Namibia is facing a dim future. This late awakening explains the panicky Budget proposals before the Assembly today.

Let me now turn to the Budget as presented to us by the Minister and offer different perspectives from the Rally for Democracy and Progress, based on an assumption that the SWAPO Party-led Government has failed this country and needs to be replaced by a caring and efficient Government as soon as possible. (Interjections)

Under the questionable title, "*Micro-economic Stability, Economic Growth, Job Creation and Welfare Improvement*", this year's Budget of N\$37.7 billion is, albeit dubiously, the most expansionary in Namibia's post-Independence history. The justification for increasing spending and borrowing is primarily the introduction of a Targeted Intervention Programme for Employment and Economic Growth (TIPEEG), which will see significantly increased expenditure on four key areas: agriculture, transport, tourism, housing and sanitation.

In the 2011/2012 Financial Year, Government plans to increase total expenditure by 36 percent to N\$37.7 billion or 39.3% of GDP, through the borrowing of some domestic debt market funds of N\$9.7 billion or 9.8% of estimated GDP, which is by far the highest Budget deficit ever planned since 1990.

Government is arguing that the additional allocation required TIPEEG over the next three years of N\$9.1 billion combined with expenditure on public works, will result, according to the Minister's statement, in the "*preservation and creation of about 104,000 direct and indirect job opportunities* – job opportunities, not jobs. The question remains, do we have an unemployed population, which is capable of taking advantage of those opportunities?

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON NYAMU**

The contents, details and numbers of the 2011/2012 Budget sparkingly titled, “*Macroeconomic Stability, Economic Growth, Job Creation and Welfare Improvement*”, do not match up to the glittering title, and as such the title is just another naked political statement aimed at hoodwinking the hitherto unquestioning masses of our people that Government has scored a huge victory against unemployment and poverty, that there is a welfare services breakthrough which shall not affect Namibia’s macroeconomic stability in the medium term, when in actual fact the huge borrowed funds are neither well-targeted for job creation and welfare improvement, nor is the huge budget deficit of 9.8% and a debt to GDP ratio of 30% good for macroeconomic stability – here or anywhere else.

Concerning Macroeconomic stability - Really, what stability are we talking about when we are spending like there is no tomorrow? Will the Budget deficit of 9.8% and a debt to GDP ratio of 30% be defined as a prospect for economic stability? Where? Definitely not! How can we guarantee the sustainability of the fiscal policy going forward in light of revenue constraints, for example restrictive new SACU revenue formula and limiting new Trade Agreements *vis-à-vis* the high Budget expenditure which cannot be reduced after a short while? In light of the disclosure that the significant chunk of borrowed funds shall be sourced from domestic funding, where exactly will those funds come from and what would be the exact terms for securing domestic funding? In addition, what other possible implications are there for the Namibian taxpayers?

Given the claim of macro-economic stability, on the one hand, and Budget deficit of 9.8% and a debt to GDP ratio of 30%, on the other, are largely contrasting to one another, will it be correct to say that the events in North Africa and the Arab world short-circuited the Budget process, thereby forcing Government to bypass some standard procedures to achieve a huge Budget size and gleaming title that is really not consistent with the actual Budget numbers, thus resulting in lopsided financial plan which merely serves as a political bait for the less-informed masses of our people? We are dealing with a deceitful Budget.

What happened to the Chinese soft loans that Government relied on for so long and why the sharp shift away from external borrowing to domestic

17 March 2011

SECOND READING: APPROPRIATION BILL
HON NYAMU

borrowing? Is there any credibility in the WikiLeaks exposé that the Namibian Government has failed to honour the external debt obligations with China, thus resulting in GRN bartering national citizenship in exchange for the cancellation of external Chinese debt? (Intervention)

HON MINISTER OF GENDER EQUALITY AND CHILD WELFARE: On a Point of Order. Comrade Speaker, we should not threaten our Nation with the North Africa situation. Otherwise, if you have a link with what is happening there and want to translate it to Namibia, we will look at you tomorrow. It is not fair that we have to compare the situation in North Africa to Namibia, unless you have a link.

HON NYAMU: I have taken note of the comment.

The question that comes to mind on Economic Growth is whether details in the Budget serve to confirm that the targeted sectors, such as transport, housing and sanitation, have good multiplier effects for our economy. In other words, will this increased spending in transport, housing, sanitation, etcetera, necessarily lead to bigger positive effects in other real sector areas? For example, just because of spending in transport, housing and sanitation – which I suppose means pit latrines – will there be increased activity in financial and enterprise development that would result in more people being employed or existing employees earning more, which in turn will lead to increased spending on consumer goods and services?

The specific Budget allocation to agriculture, which according to the 2011/2012 Budget document is also a targeted sector, is simply not well-targeted as it does not adequately address the much-needed funds for the most appropriate hands-on skills, productivity infrastructure, such as water supply, irrigation schemes, agro-industry equipment, crop production and livestock husbandry infrastructures, tools and materials.

Instead, we saw that N\$519 million should be spent on the construction of silos to store cereal crops and storage facilities for fruits and vegetables,

17 March 2011

SECOND READING: APPROPRIATION BILL
HON NYAMU

both of which are in fact post-production infrastructures. Has the Government not learnt enough lessons from experiences of investing in ego-based projects that turn out to be white elephants, such as the Northern Railway Line and the Sam Nujoma State House that so far is reckoned to cost the taxpayer not less than N\$100 million? (Intervention)

HON DEPUTY MINISTER OF FOREIGN AFFAIRS: Honourable Speaker, there is provision in our Standing Rules and Orders that a Member may not make a statement unless it can be authenticated. I have heard the Honourable Member talking about the Sam Nujoma State House. Honourable Speaker, to the best of my knowledge we only have one State House, the Namibian State House where the Head of State of the day resides.

Secondly, it has been a tradition and a culture in this House that Members should not make statements that in a way borders on touching the integrity or otherwise of people who are not Members of this House because they are not here to defend themselves. For those very reasons, I think the Honourable Member must withdraw the reference to the "*Sam Nujoma State House*".

HON SPEAKER: You have a point, Honourable Deputy Minister. Honourable Nyamu, I will ask you to rephrase the particular reference about which the Deputy Minister spoke, otherwise I will ask you to withdraw it. If you can say it some other way, I will listen to you.

HON NYAMU: Honourable Speaker, I do want to rephrase as per the request.

HON SPEAKER: I am going to listen to you.

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON NYAMU**

HON NYAMU: Please do carefully. Has the Government not learnt enough lessons from experiences on investing in ego-based projects that turn out to be dead white elephants, such as the Northern Railway Line and others?

With the rest of funds amounting to ... (Intervention)

HON MINISTER OF FOREIGN AFFAIRS: I just want to be clear. Are we on the same wavelength? The Minister of Finance has proposed a Budget here with Estimates of Expenditure for the Medium-Term Expenditure Framework 2011, 2012, 2013 and 2014, with the title, “*Macroeconomic Stability, Economic Growth, Job Creation, Welfare Improvement.*” It appears that the Honourable Nyamu is quoting a different Budget because there are clear estimates of expenditures professed in this Budget which the Parliament must ratify and adequate money has been allocated to all the different sectors – tourism, youth, sport, culture, whatever. Now it seems that the former Minister is quoting from another Budget from the WikiLeaks, because he is famous for drafting the infamous notes. Honourable Nyamu must also respect the other Honourable Members in this House, including me. The father you are always quoting here, Father of the Nation, and referring to the State House of Sam Nujoma is disrespectful and I will challenge you outside there.

HON SPEAKER: Honourable Nyamu, I should have followed up on your rephrasing in response to the objection raised by Honourable Mushelenga, but I want the Record to show that the phrase that you used earlier is replaced. In addition, I appeal to the two of you not to do any boxing; we need your energy for development. Continue Honourable Nyamu.

HON NYAMU: Government shall fail dismally in its quest to increase productivity simply not targeting adequate funding to the provision of appropriate hands-on skills, subsidise the procurement of production

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON NYAMU**

materials, tools and machinery for the purpose of increasing the income of producers. If income does not advance in agriculture, then the growth of domestic markets for the country new output of manufactured goods and services will be limited as the country's wider disposable income is supposed to come from agriculture. A focus on industry or services to the exclusion of agriculture will not only lead to a problem of slow growth in meaningful jobs, it will also lead to a problem of supply and demand balance. A growing national income from other sectors would naturally lead to a growing demand for agricultural commodities.

The allocation to tourism, also a targeted sector, is equally badly targeted as it is primarily meant for the establishment of more tourism facilities or in upgrading the quality of tourism facilities already in existence. Namibia does not produce comprehensive monthly or quarterly tourist arrival statistics. The only statistics relating to tourist movements are produced by the Namibia Airports Company, which does not produce monthly arrival and departure statistics for both passengers and aircraft numbers at each of its airports, which figures are not broken down by purpose of visit.... (Intervention)

HON RIRUAKO: May I ask a question? You say the Government depends on the airport statistics as far as tourism is concerned. Is that the truth? You have been a Minister and you have been dependent on that.

HON NYAMU: Honourable Member, there were many things I was not aware of and I did not see when I was a Minister.

HON SPEAKER: The House shall rise for refreshments.

HOUSE ADJOURNS AT 15:40
HOUSE RESUMES AT 16:17 PURSUANT TO ADJOURNMENT

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON NYAMU**

HON NYAMU: I was dealing with the Tourism Sector. I said the allocation to tourism, also a targeted sector, is equally badly targeted as it is primarily meant for the establishment of more tourism facilities or for upgrading the quality of existing facilities. Namibia unfortunately does not produce comprehensive monthly or quarterly tourist arrival statistics. The only statistics relating to tourist movements are produced by the Namibia Airports Company, which does produce monthly arrival, and departure statistics for both passenger and aircraft numbers at each of its airport. These figures are not broken down by purpose of visit, length of stay or expenditure per visitor and, of course, exclude overland arrivals. It is, therefore, an act of shooting from the hip to talk about job creation driven by tourism when there is no reliable yardstick or point of reference against which to measure what is happening in this sector our economy accurately.

The contribution of the education sector to Namibia's future economic growth leaves much to be desired in that contrary to expectations, no significant investments made in the area of vocational training, which is one of the key causalities for increasing productivity and, by extension, economic development. Besides the rampant looting of public assets by a few politically well-connected persons, the next root cause of unemployment and poverty in Namibia is lack of meaningful and vocational skills.

Good workers or job creators must be occupationally skilled enough, and here in Namibia the problem is not only that we do not have enough of such skills but primarily because we do not have adequately equipped and resourced vocational training colleges with capacity to massively train our people in big numbers. Therefore, unemployment will continue for as long as Government continues to pay lip service to vocational training, thereby consistently allocating budgetary peanuts for vocational training purposes.

Largely, the breakdown of the allocation to priority sectors shows that we are spending money on projects with a zero or negative multiplier effect, thus offering very, very little, if any, impact to the economy. This is why this increasing Budget deficit and rising debt percentage, which is not

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON NYAMU**

matched to sufficient economic growth, poses a major economic risk to our country and its people in the short and long run.

Ultimately, and judging from the previous experiences of failure by Government to implement its own programmes, we are not only questioning the ability of Government to spend such a massive increase in funds in a way that holds back massive fraud, corruption and self-enrichment schemes, but also question the capacity of the economy to absorb this level of spending which appears to have short-circuited the conventional budgeting process. (Intervention)

HON DEPUTY MINISTER OF AGRICULTURE, WATER AND FORESTRY: The Honourable Member has been a Minister for a long time and in his intervention, he mentions things being given to politically well-connected people. Could Honourable Nyamu give us an example of the people he used to be politically well connected to, who were enriched? Please, you are just destroying yourself and you can never recover.

HON NYAMU: I will respond to your question later.

The job creation concern is that one is forced to ask whether the significant increase on expenditures for the four key areas of agriculture, transport, tourism and housing and sanitation are really internalised and targeted on critical sub-areas with high potential to create meaningful jobs.

The Budget statement fails to make clear how the greater spending in the areas identified are going to yield greater numbers of sustainable private sector jobs or any meaningful jobs, for that matter, which in any case must be the ultimate objective of this big Budget.

In fact, in special reference to agriculture, by not addressing productive infrastructures and increased productivity through the provision of relevant on-the-job know-how, tools, machines, structures, inventories and other productivity improvements, Government will neglect the critical

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON NYAMU**

areas where it has the largest comparative advantage for job creation, namely agriculture.

In an ideal environment where leaders have a clear vision and direction for the future, a more gradual increase in development spending going hand-in-hand with an overall strategy for growth and employment as well as the required policy changes with potential to maximise benefit for the local economy, would have been more appropriately implemented, in fact as early as twenty-one years ago. Not in a manner of a haphazard year 2011 spending as if there is no tomorrow.

However, we all know that Namibia's high unemployment rate did not come about because of the recent temporary global economic downturn. Rather we have been suffering from since 1990 a long-term structural problem. The latest Namibian Labour Force Survey puts the unemployment rate at 51.2% or put differently, three years ago, 347,237 Namibians were unemployed. This number could have shot up now in 2011 as the survey was done before the retrenchments and lay-offs which were necessitated by the global economic downturn.

If unemployment were simply a function of how much Government spends, we would have solved the problem by now since for many years Government spent an awful lot of money in relation to the size of our economy. Indeed, the truth of the matter was recognised by last year's Employment Creation Summit which concluded that "*it is still the Government's position that the private sector is and should be the main creator of new jobs*", but which summit also saw one of the presidential aspirants, who doubles the Minister of Trade and Industry, Honourable Hage Geingob, shocking the already hopeless masses of our people by opting to question the reliability of unemployment statistics as provided for by the 2008 Survey, rather than focusing on finding solutions to an ugly state of joblessness. (Interjections). I know there are many presidential aspirants, I count four, but I do not care to mention their names.

Somehow, almost every honest person in Namibia agrees beyond question that our country needs to find a way to create sustainable private sector

17 March 2011

SECOND READING: APPROPRIATION BILL
HON NYAMU

jobs for the mass of the people and not just rely on the Public Sector jobs for the privileged few through the so-called “*jobs for comrades*” policy, which surely is unconstitutional. (Intervention)

HON DEPUTY MINISTER OF JUSTICE: May I ask the Honourable Member a question? I could not get you when you were mentioning the numbers there, it seems you have a problem like Mr Kanime, could you count and tell us how many aspirants do you have around you?

HON NYAMU: None, for the time being, it is only over there.

Before the global economic recession blew up, the total number of employed people was estimated at 331,444 in 2008. According to the 2008 National Labour Force Survey, 58.4% of women are jobless, whereas 60% of Namibian youth cannot find work anywhere. Further to that, the survey has also revealed that the Omusati Region has the highest unemployment rate at 78.6%, followed by Oshana with 76.4%.

Unemployment in other Regions stands at 70% for Kavango. (Interventions)

HON DEPUTY MINISTER OF GENDER EQUALITY AND CHILD WELFARE: May I ask a question? Honourable Member, you are talking about unemployed women and youth. How many women and youth were employed, and how many women did you leave there during the time when you were the Minister of Mines and the Minister of Trade?

HON NYAMU: Thank you very much for the question, I was not responsible for employment, I was myself employed, so to speak. Obviously, Ministers are not responsible for employing people in their Ministries.

17 March 2011

SECOND READING: APPROPRIATION BILL
HON NYAMU

Unemployment in other regions stands at 70% for Kavango, which is a region with resources, but for the last twenty years we have been paying lip-service on green schemes and all sorts of other things. (Intervention)

HON MINISTER OF MINES AND ENERGY: May I ask the Honourable Nyamu a question? Honourable Nyamu, we are Ministers and you are addressing us on the problem of unemployment. If, as a former Minister you know that Ministers are not responsible for employment, why are you directing those questions to the Ministers?

HON NYAMU: Thank you for the question, but may I continue?

Unemployment for the Oshikoto Region is 68.6%, for Caprivi, 65.6%, for the Kunene Region, 50.4%, for the Oshana Region, 48.8%, for the Omaheke Region, 43.2%, for Otjozondjupa, 43.8%, for the Hardap Region, 38.6%, for Khomas, 33.5% and 32.6% for the Karas Region.

How the nature of jobs Government will create and provide shall translate into taking care of the women and youth unemployment inequities and the regional discrepancies is still not defined in this Budget. The situation in some Regions is pathetic compared to others, but there is no specific strategy for alleviating the inequities in this Budget. (Intervention)

HON RIRUAKO: I want to ask the Honourable Member to come up with a proposal, that he would like to do this and that and that.

HON NYAMU: I want to make a proposal to the Chief and to all the Colleagues, that by the next Budget we will provide an alternative Budget.

Welfare Improvement:

The tabling of the 2011/2012 Budget also exposes Government weaknesses on social spending. The only social welfare the Government

17 March 2011

SECOND READING: APPROPRIATION BILL
HON NYAMU

could remember is the War Veterans who shall be paid lump sum grants of N\$50,000 each. No increments for Namibia's old-aged pensioners, disabled persons and orphans. (Intervention)

HON MINISTER OF VETERANS AFFAIRS: On a Point of Information. Honourable Speaker, Honourable Nyamu is worried that the veterans seem to be the ones being taken care of by this Budget, but the Honourable Member must remember two things: One is that for the time the Honourable Member was unemployed, until he came back to this House, the Veteran Fund was feeding him. Honourable Nyamu is a veteran and he capitalised from that. Secondly, if Honourable Nyamu does not receive his N\$50,000 this week, he will receive it next week.

HON SPEAKER: As a veteran I want to know the answer to the question.

HON NYAMU: I am not saying it is a bad thing, I never said that, I only said that in addition to the veterans they should take care of the others. (Intervention)

HON RIRUAKO: On a Point of Order. I have never seen a veteran outside jail, all of them found me there. Did you find me in jail? If I happen to apply to be paid as a veteran, it is my right and I have some soldiers, his brother and others. Did you fight for them? Do you now want to fight for yourself or for somebody else?

HON NYAMU: Thank you, Honourable Chief, for your observation. I was saying that the Government should have taken measures to increase Namibia's old-age pensions, the allowance for disabled persons and orphans. This Budget is blatantly neglecting these poor segments of our population. This brings back the question on whether it would not have been ideal... (Intervention)

17 March 2011

SECOND READING: APPROPRIATION BILL
HON NYAMU

HON MOONGO: May I ask the Honourable Member a question? Is the Honourable Member aware that the Colleagues on that side shared in the veterans fund from South Africa with the SWATF, but today they do not want to share.

HON NYAMU: I am aware of the double-dealings. This brings back the question on whether it would not have been ideal to come up with a meaningful formula of introducing a means tested basic income grant with an increased benefit to cater for the basic needs of all the people instead of a universal BIG.

The dichotomy between economic growth and development/welfare improvement should give rise to the approach of direct provision of social services by Government, often referred to as the “*basic needs approach*” which advocates that the most fundamental requirements of all people should first be met before the less essential needs of the few are met.

This approach involves raising income-earning opportunities for the poor and public assistance in providing subsidised means of production, food, water, health services, sanitation and education, all of which are intended to reach the lowest income groups and are expected to encourage their participation in the economy. The aim of the basic need approach is to equitably and methodically bring welfare improvements at lower levels of income in a shorter time than could be achieved by concentrating on income growth alone. The best way to this though is to have parallel principle of partially investing in productive activities, such as industry, agriculture, services, human resource development, while concomitantly providing for basic social needs. Overall, the provision of basic needs itself raises productivity because productivity depends in part on health, nutrition and education. I thank you.

HON SPEAKER: Honourable Maamberua.

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON MAAMBERUA**

HON MAAMBERUA: Thank you very much, Honourable Speaker. Honourable Speaker, this is my second Budget maiden speech, therefore no interruptions, please.

Honourable Speaker, Honourable Members of Parliament, I wish to re-emphasise a very good position that I made last time and that is that Political Parties in Namibia are products of their own experiences and ideas, if not ideological perspectives with which they have been confronted.

In the case of SWANU, I believe unapologetically in an active role for Government, but I also believe that this activist role should have as a foremost guiding principle a commitment to equality of opportunity that is real relevant rhetorical. It is my conviction that is self-evident truth that to be properly human and indeed and certainly to be African, means to be socialist, furthering the major role for Government in controlling the economy and equitably redistributing its resources and opportunities. In this context, I should now paraphrase the Minister of Finance as I fully agree with her and that is that, *“high unemployment has persisted stubbornly and high poverty levels and stark inequalities continue to prevail. The positive economic growth rate recorded in recent years has not been sufficiently robust and broad-based to address these structural challenges.”*

She continues saying that *“the average growth rate of 4.6% achieved in the last ten years falls below the 7% aspired to in the Vision 2030”*. That is the end of the paraphrasing of the Minister’s statement.

Last year I said that the Minister had my firm support because of her honesty of budgeting in an uncertain environment, compounded by an ideological vacuum. This is how honesty can be demonstrated. Last year it was indicated that Budget balance was going to be 8.2% for 2011/2012. This is revised in this current Budget to 9.8% and in my view; this is a reasonable prediction under the circumstances.

Another demonstration about the honesty that I am talking about is public debt. Last year it was predicted that public debt was going to be

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON MAAMBERUA**

N\$26 billion for 2011/2012 and it has remained the same. Thus, these are just two examples to demonstrate what I regard as honesty and the underlying principle of predictability in budgeting and I think that is a point to be underlined and, of course, I also acknowledge the professionalism of the staff of the Ministry of Finance and those of the National Planning Commission and that has been demonstrated in these documents that we have.

Last year I pondered on the following questions, which were never properly answered and, therefore, we can conclude that the budgetary process remains not transparent and undemocratic and these are the questions:

How democratic and transparent is our budgetary process? Are stakeholders, such as Unions, the NGOs, industry, etcetera, involved at some stage in the process? (Intervention)

HON RIRUAKO: For the Government and the Parliamentarians and the Cabinet to be ruled by the unions as it happened in Europe will lead to a revolution. You are a scholar; I cannot tell you what I mean by that. It came to destroy the whole industry in Europe. It happened in the past.

HON SPEAKER: That is history, Chief, not for now.

HON RIRUAKO: There must be a balance in equity; it cannot be just for one side. That balance must be there and I cannot tell you who is who, you have to spell that out.

HON MAAMBERUA: The other question that I pondered on and posed last time was: To what extent does the Budget address the following rights: The right to a decent job for all; the right to universal health; the right to good education, the right to an affordable home for *every*

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON MAAMBERUA**

Namibian; the right to adequate pension for every citizen and the right to a decent standard of living and the right to safety.

Similarly, the Budget may not be farsighted enough to address the milestones of Vision 2030 and I am going to demonstrate that. For example, according to Vision 2030, by 2030 Namibia should have 2,000 chartered accountants, but if no extra budgetary allocations are made to UNAM and the Polytechnic to jointly or separately train accountants, then the milestone will not be reached. The same problem goes for engineers, etcetera.

The Budget has, however not been able to address very serious and critical matters that affect our people. These include high levels of household debts and over-inflated housing and land market and this obtains in Windhoek, it obtains to commercial farms and every aspect of land acquisition in our country.

Some general observations on the Budget statement, starting with the Financial Sector Charter. As I noted with disbelief last year, the Charter, as per the Minister's statement, was tasked with the following and I quote: *"This Charter will place the financial sector at the forefront of promoting broad-based economic growth, wealth creation and economic empowerment."* Currently it is said, *"Little has happened to give effect to the commitment made by industry under the Charter."* Therefore, the idea of the Charter seems to have been dropped in favour of now the so-called Financial Sector Development Strategy. Is this going to work this time around, one wonders?

Let me turn to the Targeted Intervention Programme for Employment and Economic Growth (TIPEEG). Details of TIPEEG have not been provided. One, therefore, wonders whether indeed such a programme exists with all its specifics, milestones, dates and cost breakdowns. All the same, unemployment is highest among the youth, yet little is said under this programme about the youth, vocational training and skills development. Moreover, under TIPEEG, N\$9.1 billion are going to be spent and, consequently, 104,000 jobs will purportedly be created Medium Term Expenditure Framework period. Herein lays the fallacy of TIPEEG.

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON MAAMBERUA**

About 35,000 jobs have to be created per annum if one divides the 104,000 by three. Is that really realistic? The N\$9.1 billion that we are talking about is not going to come from the mattresses of households, it is not money that is going to fall from heaven or somewhere, it has to be squeezed from the economy. Thus, this money is not hiding somewhere in the economy; it is already employed in some other uses. Shifting this money from one sector of the economy to another is simply abandoning jobs from the other sector to create jobs in another. Consequently, no additional jobs are going to be created in the short run.

Admirably, however, if Government employs this money in more productive sectors, then some jobs will be created in the end. (Intervention)

HON RIRUAKO: On a Point of Order. I cannot accept what has been said, that there is no money anywhere. What about the other Colleagues? Do they possess nothing?

HON MAAMBERUA: To answer the question of Honourable Riruako, I think here we are dealing with a simple economic principle and that is that we have a lot of money in Namibia, but that money is employed somewhere and Government has to borrow that money from the economy in order to employ that money somewhere else. It is just simple logic.

This line of thinking will be difficult to pursue because Governments are not necessarily more productive than the Private Sector. Governments are better at resources redistribution because of their powers to make policy and to tax. Similarly, the argument that economic growth will follow because of heavy Government investment is not possible in the short run for the same reasons.

Notwithstanding the slump in mining activities, due to global economic decline in demand for commodities, the contribution of mining to our revenue remains a concern. Therefore, we would still re-emphasise the

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON MAAMBERUA**

need for an independent study to determine the optimal contribution that mining ought to make to State revenue.

Regarding allocations to tertiary institutions: UNAM and Polytechnic - I need to say that, given the precarious economic conditions facing Namibia and having due regard to the attainment of Vision 2030, the additional allocations to the institutions of higher learning should have been targeted at abolishing or drastically reducing student fees, increasing academic research Budgets and targeting a few disciplines of national priority.

Honourable Speaker, Honourable Members last year I warned of potential usage of the contingency provision as an extra budgetary facility. This could alternatively be seen as a facility empowering the Minister to spend on items not approved by Parliament. Evidence now is that the Minister is able to use this facility to even surpass the following Budgets. If you look at the breakdown of N\$250 million that were distributed of how the contingency was spent, that contingency surpassed the following Votes: The Office of the President, Office of the Prime Minister, National Assembly, the Auditor-General, Home Affairs and Immigration, National Council, Mines and Energy, Fisheries and Marine Resources, National Planning Commission, Electoral Commission, Information and Communication Technology, Anti-Corruption Commission. Fourteen Votes surpassed as per the list provided.

Contingency must mean contingency or unforeseen circumstances, which, if not immediately paid for, Government operations will be severely hampered or prejudiced. In fact, appropriating a blanket figure or carte blanche of N\$250 million to allow the Minister to spend as she wishes and pleases and we hoping that everything will be justified as contingency is tantamount to abrogating our legislative and oversight accountability. Moreover, technically speaking, since virements between Votes are prohibited by law, at what stage does the Minister regularise the spending carried out on behalf of other Ministries? If you look at that breakdown again, the spending from the different Ministries, Ministry of Environment, Office of the Prime Minister, etcetera, that was spent under money that was appropriate under the vote of the Ministry of Finance. At which stage is this spending going to be regularised? (Intervention)

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON MAAMBERUA**

RT HON PRIME MINISTER: Honourable president-in-waiting, you mentioned the Office of the Prime Minister got contingency funds; can you tell the House how those funds were used, for what purpose?

HON MAAMBERUA: I know that in the Office of the Prime Minister funds of this nature are for the Emergency Management Unit. The Contingency Fund is budgeted for and appropriated under the Vote: Ministry of Finance. (Intervention)

RT HON PRIME MINISTER: I thank the Honourable president-in-waiting for realising that this was for emergency and contingency is for emergencies.

HON MAAMBERUA: Let me draw a distinction between the money that goes to the Office of the Prime Minister for the Emergency Management Unit and the Contingency Fund under the Ministry of Finance. Those are two separate things. (Interjection). It is not a question of what the emergency is for, but it is the law. Are we following the law, the Government budgetary and appropriation processes? That is what I am questioning. At what stage are we regularising the spending under the contingency provision?

The Additional Appropriation Act was meant to regularise this type of expenditure. Now that it has been abolished or shelved or whatever the case may be, how do we regularise this situation?

Giving State guarantees to well known, technically bankrupt State-Owned Enterprises, like Air Namibia, has a far-reaching impact on the State finances. In fact, it would amount to blackmailing the State. If the Minister knows that an entity has no capacity to repay the commercial loan, why would a State guarantee is issued to that particular State-Owned Enterprise? (Intervention)

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON MAAMBERUA**

HON DEPUTY MINISTER OF GENDER EQUALITY AND CHILD WELFARE: On a Point of Order. I know that by 2014 everybody wants to be the head of the Nation. To hear this bad news from the former Permanent Secretary of Finance, I do not know whether you are going to lead the Nation or if you are going to destroy the Nation because you were there and you did the same. Now you want to criticise the other Permanent Secretary, but you did nothing and now you want the people to hear what you want to say. The Prime Minister said the Namibian Nation opened their eyes and ears; they are not listening to people who want votes.

HON MAAMBERUA: Issuing State guarantees were never meant to bail out bankrupt State-Owned Enterprises, but to assist those incapable of repaying their loans in the event of absolute and convincing circumstances beyond their control happening. This backdoor financing of Air Namibia cannot be allowed. What steps are being taken to discipline the management of Air Namibia? (Intervention)

HON RIRUAKO: On a Point of Order. My point is this, contingency means something raised that happened and that is why the allocation of the contingency funds are there and if you overlook this, you are not going to build the Nation. As a former Permanent Secretary, you know what contingency means and now you are going in circles.

HON MAAMBERUA: In fact, to state that the Government stock of loan guarantees decreased may be correct, but we want to know the amount of dishonoured guarantees. Similarly, State-Owned Enterprises have not been paying PAYE to Inland Revenue for many years now and yet they are still getting subsidies from Government.

How is the wonderful revenue growth in 2012/2013 of about an additional N\$6 billion or growth of 25% in one year going to happen? We posed that question last year and of course, what is happening now is that we are seeing a high debt level.

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON MAAMBERUA**

Last year this august House was made to believe that External grants outside the Budget amounted to N\$2.2 billion. Did you actually receive all this? This year it is estimated at N\$1.6 billion outside the State Revenue Fund in grants and here I need to point to Article 125(2) of the Namibian Constitution that reads as follows: “*All income accruing to Central Government shall be deposited in the State Revenue Fund and the authority to dispose thereof shall vest in the Government of Namibia.*” In addition, the State Finance Act of 1992, as amended, refers to State moneys as follows: “*All moneys received or held on behalf of an Accounting Officer in relation to the administration of the affairs of the State*” meaning that in terms of the State Finance Act and our Constitution, all moneys that belong to the State must be deposited in the State Revenue Fund. You cannot have money belonging to the State outside of the State Revenue Fund. I do have regard for the fact that that is what the donors prefer to do and we still have to talk to the donors to convince them that money earmarked for the State should actually be deposited in the State Revenue Fund, otherwise that is a violation of our laws and provisions in this country. (Intervention)

HON MINISTER OF SAFETY AND SECURITY: May I ask my former Permanent Secretary a small question? I hope we understand each other, that we are talking about grants, which means money from other countries, money from other people, money from other institutions that have their own laws and since when have we become so powerful that we can dictate to other Governments how their money should be spent in our own country? Since when did we become so powerful or did we practise the same thing during our time you want to be practised now by other people?

HON MAAMBERUA: We are not talking about dictating to donors, we are talking about reaching a mutual understanding that our laws be respected and that is what we are requesting. Indeed, last year the Minister in her answer promised that more donor funds would gradually be put in the State Revenue Fund.

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON MAAMBERUA**

Honourable Speaker, with the opening of the SME Bank, we hope that the Development Bank of Namibia will graduate to concentrating on sourcing long-term joint venture capital internally and externally, partly also to stem the outflow of our much-needed resources to neighbouring countries. If it is to be relevant, the Development Bank of Namibia and the SME Bank has to open their doors also in the rural areas immediately in order to help boost the rural economies.

Now, would SWANU have done it better or differently? That is the question to be posed. What would SWANU have done differently?

HON RIRUAKO: The point I want to hear is how SWANU would have done it differently were they in power.

HON SPEAKER: No, we are not discussing SWANU. You are out of Order. Sit down.

HON RIRUAKO: No, he must tell me.

HON MAAMBERUA: We have some suggested improvements as far as the budgeting process is concerned. The first one: The Budget process needs to be more transparent and be consultative in nature. That is, Parliament needs to be consulted through the Public Accounts Committee and the Economics Committee. That is during the budgetary preparatory process. That is one proposal.

The next one is that we would also want to see clear Budgets that are targeted at constituency of which the constituency councillors will actually prevail over those Budgets.

The third one: Adjusting the Budget in Parliament, like the one we are discussing now, has to become possible, where necessary and where it is

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON MAAMBERUA**

practicable. Otherwise, it is a Budget of the Executive and is not the Budget of the Legislature. We should be able to have the power, where practicable and where necessary, to be able to adjust the figures proposed in this Chamber.

In the interest of accountability and to strengthen oversight in public finance management, the Minister should submit mid-year Budget reports to this august House and, of course, reintroduce the Additional Appropriation in order to regularise these issues that I talked about, not additional allocations, but for the single purpose of regularising this type of expenditure.

What am I proposing in terms of revenue enhancement measures? Let me start by saying that it is to be noted, though with regret, that in addition to taxes that individuals pay, there are many other unaffordable fines, such as the notorious traffic fines. The livestock levy – and the Minister of Agriculture is listening – is one burden on the rural communities which in the end will contribute to driving these communities into deeper poverty. I am sure the Minister is aware of that. SWANU would never have increased the fines this drastically, nor would we have introduced livestock levy, particularly as it is negatively affecting the rural poor. I am talking about the latest levies that people are now complaining about. (Intervention)

RT HON PRIME MINISTER: Do you propose that there is a need to create an alternative marketing system, which will not require levies? Would you propose an alternative marketing system?

HON MAAMBERUA: We are referring to the livestock levy recently introduced on the rural communities. (Intervention)

HON RIRUAKO: On a Point of Order. Who was in a position to put this levy into operation? It was whoever was in the Government and who is that? You were the one in the position and you could have rescued us

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON MAAMBERUA**

from that. Why did you keep quiet all the years and now you open your mouth here?

HON MAAMBERUA: Honourable Speaker, Honourable Members, I was not aware that I had so much power when I was Permanent Secretary of Finance.

For many years now, since we started negotiating the rearrangement of SACU, we have known that the revenue was going to decline. For the information of some of those who do not know, I was actually the chief negotiator on behalf of Namibia on SACU and I was the Chairperson of the Committee that won SACU over to Namibia.

The Inland Revenue Department is one of the measures now of getting more revenue for Namibia. It must be transformed into an independent revenue authority, staffed with professional and qualified accountants, financial analysts and economists and so forth. This will foster a culture of efficiency, good governance and professionalism in the revenue collection regime. Currently all attempts of enhancing revenue collection amount to shifting furniture around in the house. Equally, the new Bill for the Office of the Auditor-General should enable it to become independent of State bureaucracy so that it can capacitate itself with the skills for it to effectively monitor and report on unnecessary spending and wastage and I shall drive that proposal.

How does Namibia expect to reach optimal revenue collection if neither in the Office of the Auditor General, nor in the entire Ministry of Finance there is any single soul called a Chartered Accountant? In contrast, the books that they have to inspect are all prepared by Chartered Accountants, so we need to match the skills equally. In contrast, I am reliably informed that the South African Revenue Authority is one of the biggest, if not the biggest, employer of Chartered Accountants in South Africa. Over the years, this had positive influence on their State coffers.

Revenue enhancing proposals: Given the rate at which capital assets change hands in Namibia, introducing a capital gains tax would enhance

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON MAAMBERUA**

revenue as well. Neighbouring countries South Africa and Zimbabwe have it.

The environmental tax has been talked about but it does not seem to be forthcoming. Of course, a promise is made in the statement that it is coming, so let us hope it is actually going to come.

Excess and absentee foreign property owner owned land must be heavily taxed in order to force these owners to sell at Government determined prices to the State for productive and equitable redistribution. This will discourage hoarding of land and will above all save Government a lot of money as land will not be bought at inflated and unfair prices. We are not going to do it outside the law, Article 16(2) of the Constitution reads as follows, "*The State or a competent body or organ authorised by law may expropriate property in the public interest subject to the payment of just compensation in accordance with requirements and procedures to be determined by Act of Parliament.*" Therefore, we have the power to do it.

Twenty years after Independence SWANU will not be budgeting for buying farms at inflated prices, but we will be budgeting to pay compensation for infrastructure on the land, as provided for under these provisions of our Constitution.

I am now done with the proposals of enhancing revenue; I am looking at what SWANU would have done otherwise in the other areas, as provided for in the Budget.

Exorbitant, unaffordable NamWater rural water bills hang over the lives of our rural folks like death threats. We would rather Budget for these debts than the subvention to NamPower, Air Namibia, etcetera, etcetera. NamWater should therefore have received increased, but targeted subvention in order to allow it to write off the legacy rural-based exorbitant debt.

I move on to where the subvention should actually be targeted, we cannot give money to pay salaries and other things.

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON MAAMBERUA**

Recognising that the resolution of the land question in Namibia remains the single most important issue on SWANU's menu, SWANU finds an organised and open public second land conference to pave the way towards to the land question resolution and that should actually have been budgeted for in the current Budget, but since SWANU is not in charge, we can only appeal to the Colleagues. The hostage approach to land tenure transformation is just postponement of the inevitable problem of master bribing in the future.

Genocide reparation negotiations fund: We all recognise that....
(Intervention)

HON RIRUAKO: About the genocide, you were not anywhere else, you were here, age one until you are old as you are, but you never touched it because normally it used to hurt you and you were so quiet until the time everything was open and now you want to tell me how to treat this issue.

HON SPEAKER: He is not talking to you, he is addressing the issue. Therefore, you do not have the right to reply, he is not talking to you. Sit down, Chief, please. Continue.

MR MAAMBERUA: For the Record of this House, SWANU is the first Political Party to pronounce itself publicly and to come up with a clear position as far as the genocide reparation issue is concerned. I am talking about a Political Party, not a House of Chiefs and some other arrangements.

However, we do recognise, of course, that as a result of the Motion that was brought to this House by the Honourable Chief with regard to the reparations demand, a resolution ensued for Government to take this process further and, therefore, resources to enable Government and the concerned communities to engage the German Government should have been put aside. Negotiations for genocide reparations may prove to be expensive, as we all know, but especially if we are to engage an unwilling

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON MAAMBERUA**

partner. We have DNA tests to carry out which are necessary to confirm certain facts, research to be done to ascertain certain historical information, etcetera, and all these would cost money and we should actually have included those provisions in this Budget so that we can in earnest start preparing for engaging the German authorities. (Intervention)

RT HON PRIME MINISTER: May I ask a question? Honourable Maamberua, did you read the whole Budget properly? I would recommend that you read the Budget of the Ministry of Youth.

HON MAAMBERUA: I am not talking about money set aside for trips to Germany to collect skulls, I am talking about millions to be able to go to Germany and engage experts to do DNA tests, and you know how expensive that is going to be, to do proper research so that when we engage the Germans we are fully armed with information and that is not the money that has been put in the Budget of the Youth Ministry. We are talking about a lot of other money because that is going to be very expensive. (Intervention)

RT HON PRIME MINISTER: On a Point of Information. Last week I was in Charité, the Hospital in which these remains are kept in Germany. They are not skulls, they are remains of human beings with names inscripted that this one is a Herero, this one is a Nama, this one is from Australia, and this one is from Südwesafrika. They are remains of real people like you and me, they are not just something, which were picked up somewhere and stored there. They are real remains of human beings.

HON MAAMBERUA: I fully agree with the Honourable Prime Minister and that is exactly what I saying. (Interjection)

HON MEMBER: But we know them.

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON MAAMBERUA**

HON MAAMBERUA: No, we do not know them. It is not for us to take the names that are there, it is for us to go and do the DNA tests, it is for us to do thorough and proper research and that is not going to be done in six months, it is going to take a couple of years and cost a lot of money. Therefore, whatever information is going to be given by the German authorities cannot be trusted, we have to do our own research and do our own expert tests. Since reparation demand is a state of Namibia's obligation in the interest of its citizens, such cost should come from the State Revenue Fund

I know some money was budgeted for an increase to the Youth Ministry, however we would once again propose that – in earnest now – a youth job-seeking assistance fund be established that is to offer wage subsidy and vocation student internship programmes to students and also to offer transportation allowance for graduates of certificates, diplomas and degrees seeking employment opportunities considering the vastness of the Namibian territory and also to offer UNAM and Polytechnic students and other graduates from accredited colleges and institutions who are temporarily unemployed due to lack of job opportunities and some unemployment benefits. I think that will go a long way to assist our youth.

Honourable Speaker, it is a fact that there are no Vocational Training Centres or institutions in many regions, including Omaheke, Kunene, Karas and so forth, yet we are talking of creating 104,000 jobs in three years.

Free and compulsory education is a point that we emphasised last time and does it not seem to be forthcoming though it is a compulsory provision of our Constitution.

Ideas about the feasibility of BIG need to be consolidated. This will help to expand and nationalise the Basic Income Grant even if it is initially to be confined to the neediest of our society and not to every citizen currently employed. Therefore, future support by State Revenue is one way of closing the gap between the rich and the poor in our society. In this context, SWANU would support the basic income grant scheme and

17 March 2011

**SECOND READING: APPROPRIATION BILL
HON DR AMWEELO**

call on Government to immediately allocate funds to BIG or similar schemes. We also need to reintroduce agricultural subsidies as it is done in even developed countries.

Last but not least, the flooding in the northern Regions. SWANU would set aside an amount for agrarian transformation in the northern Regions. The huge water resource there would be harvested for a green revolution to counter the effects of encroaching desertification and deforestation. We must learn from experiences of countries like Libya that introduced a green revolution in the Sahara Desert. We need political will and vision to carry out these ambitious development projects. This is not a pipedream, times are changing and changing fast and that is what I have to submit.

Thank you very much, Honourable Speaker, Honourable Members.

HON SPEAKER: Honourable Amweelo.

HON DR AMWEELO: Thank you very much, Comrade Speaker, Honourable Members of the National Assembly. I would first like to congratulate the Honourable Minister of Finance, Comrade Saara Kuugongelwa-Amadhila, and her Deputy, Comrade Schlettwein and the entire staff component as well as the Director-General of the National Planning Commission, Comrade Tom Alweendo, for a job well done in the compilation of this macro-economic stability, economic growth, job creation, welfare improvement.

Comrade Speaker, this is the very best Budget I have seen in my life. The Namibian economy requires continuous transformation and diversification in order to lessen commodity dependence further and approach a more industrialised structure where all sectors of the economy contribute significantly to the country's GDP.

Comrade Speaker, Honourable Members, when I studied this Budget, I thought we need to include some areas which were left out for many years..... (Intervention)

17 March 2011

ADJOURNMENT

RT HON PRIME MINISTER: I Move that the House be adjourned until Wednesday, 23rd of March 2011.

HOUSE ADJOURNED AT 17:45 UNTIL 2011.03.23 AT 14:30

**NATIONAL ASSEMBLY
ASSEMBLY CHAMBERS
WINDHOEK
23 MARCH 2011**

The Assembly met pursuant to the adjournment.

HON SPEAKER took the Chair and read Prayers and the Affirmation.

INFORMATION SHARING

HON SPEAKER: Let me inform the House, which Parties have the opportunity to speak this afternoon, namely RDP – 45 minutes, SWAPO Party – 85 minutes, UDF – 45 minutes. This slot gives the Speaker a chance at the start of the business of the House to share information, to do what I have just done, to inform the Parties which Parties have time to speak today and which ones not, but also in a way to participate as an Member of Parliament in some of the things that I see and hear, but also some of the things that specifically come my way because of this position, but I think more so than because of my other hat. I beg your pardon, Minister – and it will become clear which Minister I have in mind, based on what has come my way, there is out there a sense of darkness based on lack of information or ignorance, or both, and things are being said, as suggested perhaps for genuine reasons but perhaps as part of grown-ups' mischief-making. Nevertheless, it is an issue related to Namibia's Mining Strategy and especially in respect of Namibia's nuclear energy policy. As far as I am concerned, as Cabinet Minister and as Member of Parliament, I have said enough about what I think as a matter of conviction, that the abundance of uranium that we have should serve the energy needs of our country. I am on record, I have said a lot at times, however, I have also shared my experiences about nuclear waste and toxic waste dumping in Namibia, it is a public secret, was one of targeted countries. I have written about it, about efforts to dump nuclear waste in our country and there is a question as to whether that has not actually happened in the mid-eighties.

I have also talked about a ship that came here during my days as Prime Minister, but because of the loud noise that I made, I believe, left in midnight hours for South Africa and was later tracked down and identified

23 March 2011

**INFORMATION SHARING
HON DR GURIRAB**

as such off the coast of Mozambique.

In light of the latest tragedy in Japan there are questions and how we handle these matters would send the right message both to our potential partners, but also will clarify the minds of our own people here at home.

Some Colleagues of mine and I know the extent to which the Green Peace was our partner during the struggle, helping us to stop the opening of the Rössing Uranium Mine. We were partners, they were sharing with us intelligence and information and armed with that information we tried to stop the opening of the mine. Some of you know that we managed to send to Namibia clandestinely one Alan Roberts who later produced, "*Follow the Yellow Cake Road*" film for the United Nations, funded by UN Council for Namibia. However, these very Green Peace people are now contacting those that they know, apart from Yours Truly, others who are in the Chamber, questioning what I have called Namibia's mining strategy and nuclear energy policy. I know we have now commenced with the Budget debate, so the Minister of Mines and Energy may enlighten us.

I want to end by saying, we are a sovereign country, and we can do what we feel like doing. Give us a chance. We know the concerns out there, but in the fullness of time, we will explain the position to the world in the right way. Neither of those two is now in the cards. On a lighter note, according to today's paper I have seen that something, I do not know whether I should say interesting or scary, has been found nearby Maerua Mall and I am very curious about it. It cannot be diamonds, everybody has diamonds in Africa, it cannot be gold, everybody has gold, it cannot be copper, it cannot be uranium, it cannot be platinum, it cannot be human beings, it cannot be diesel. It could not be any of those things, so what is it that of all the things, including Africa being the birthplace of human beings, that could be so strange to the continent that we will soon know? For those of you who would be around by the end of this week, I am told we will know. That is a friendly sharing of information.

23 March 2011

**TABLING OF REPORTS
HON SCHLETTWEIN**

HON SPEAKER: Any Petitions? Any Reports of Standing or Select Committees? Other Reports and papers? Deputy Minister of Finance.

TABLING: REPORTS OF THE AUDITOR-GENERAL

HON DEPUTY MINISTER OF FINANCE: Honourable Speaker, I lay upon the Table Reports of the Auditor-General on the Accounts of the following:

1. Motor Vehicle Accident Fund for the Financial Year ended 31 March 2009;
2. Game Products Trust Fund for the Financial Year ended 31 March 2008 and 2009;
3. Trust Fund for Regional Development and Equity Provisions for the Financial Year ended 31 March 2004 and 2007;
4. National Arts Council for the Financial Year that ended 31 March 2009.

HON SPEAKER: Will the Honourable Deputy Minister table the Report? Any further Reports and Papers? Any Notice of Questions? Any Notice of Motions? Ministerial Statement? Minister of Mines and Energy.

MINISTERIAL STATEMENT

HON MINISTER OF MINES AND ENERGY: Thank you, Honourable Speaker, Honourable Members. It is true, there was a newspaper article indicating that there was a discovery by Geological Survey representatives from Germany. We did investigate and what I can indicate to the House and to the public out there is that the matter has nothing to do with geology and there should be no cause for concern. The Honourable Speaker said that what has been discovered will be made known at an appropriate time, therefore let us be patient, but obviously it

23 March 2011

**MINISTERIAL STATEMENT
HON KATALI**

has nothing to do with geology. That is all I can state at this moment. Thank you, Honourable Speaker.

HON SPEAKER: I thank the Minister. The Secretary will read the First Order of the Day.

**RESUMPTION OF DEBATE ON SECOND READING:
APPROPRIATION BILL**

HON SPEAKER: When the House adjourned on Thursday, 17 March 2011, the Question before the Assembly was a Motion by the Honourable Minister of Finance, that the Bill be read a Second Time. Honourable Amweelo had the Floor and the Honourable Member may continue.

HON DR AMWEELO: Thank you very much, Honourable Speaker, Honourable Members of the National Assembly. Last week I was saying that I want to tackle the area, which has never been touched before that is causing a problem. This area is more or less related to what the Speaker said now, but I am going to focus on marine biodiversity.

We are all aware that global warming and climate change could affect our economy and the achievement of the Millennium Development Goals. Therefore urgent action is needed. Marine biodiversity could be endangered by climate change. The adverse impact of climate change on marine and coastal biodiversity, for example sea level rise, ocean acidification, coral bleaching, and recognising that the ocean is one of the largest natural reservoirs of carbon, can significantly affect the rate and scale of global climate change.

Our oceans give us life, they provide us with oxygen and food and they contain over 80% of all life on Earth. In exchange, we plunder them of fish, choke them with pollution and heat them up through climate change.

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON DR AMWEELO**

Despite the critical role that oceans play in our lives, they are still the least protected areas of our planet. Currently, less than 1 percent of our seas and oceans are protected. The SWAPO Party puts strong emphasis on the protection and conservation of our environment.

The oceans regulate the Earth's temperature, cycle its nutrients, take up nearly half of anthropogenic CO² emissions and provide nearly half the oxygen in the atmosphere. More than one billion people worldwide depend on the marine environment for goods and services, such as coastal protection, food, income and livelihoods.

Marine fish are critical to food security, particularly in coastal developing countries, in some places providing more than half of animal protein consumed.

Comrade Speaker, the oceans are in crisis. Climate change is changing patterns of productivity in the oceans, altering the timing of natural marine cycles, causing coral bleaching, and ocean acidification that, in turn are affecting marine ecosystem services.

Coastal pollution, mainly arising from the use of agrochemicals and poor waste management is causing extensive habitat degradation through eutrophication and harmful algal blooms, leading to the spread of dead zones and contributing to the destruction of coastal marine ecosystems.

Comrade Speaker, Honourable Members of the National Assembly, an oil spill disaster can be detrimental to several economic, cultural and social sectors. (Intervention)

HON NYAMU: May I ask a question? The Honourable Member is making a statement of science, very deep science for that matter. Now my question is does he believe that two-thirds of his Colleagues understand what he is saying?

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON DR AMWEELO**

HON DR AMWEELO: They understand, they fully understand what I am saying, they are all scientists.

An oil spill disaster can be detrimental to several economic, cultural and social sectors of our beautiful country. It can affect our rich marine environment, natural amenities along our beaches, wildlife, harbours and port operations as well as tourist industries.

The most important pollutant resulting from shipping operations is oil. The National Academy of Sciences of the United States estimated in 1980 that as much as 2.54 million tons of oil entered the sea every year, some 1.5 million tons of which resulted from the transport of oil by sea. The remainder came from land-based activities and included industrial waste, urban runoff and natural seepage.

Collisions and groundings account for roughly 80% of all major spills. The other causes of oil pollution include dry-docking (30,000 tons), bilge in addition, fuel oil from all types of ships (30,000 tons) and non-tanker accidents (20,000 tons).

Oil affects the maritime environment in a number of ways. As you know, the density of water is heavier than the density oil. Whenever an accident happens, the oil is on the surface and all sea life is affected. It blankets the surface, interfering with the oxygen exchange between the sea and the atmosphere. Its heavier constituents blanket the seabed, interfering with the growth of marine life. Many of its constituent elements are toxic and can enter the food chain and it interferes with the recreational uses of beaches. Furthermore, oil may enter seawater-distilling inlets and it may be deposited on tidal mudflats, again with detrimental results.

Our National Assembly has approved five International Maritime Organisation Conventions related to the prevention and combating of oil spills in the Namibian waters.

Furthermore, we need as a country to conduct more training; we need financial resources to implement the conventions and national policies, so

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON DR AMWEELO**

that we can achieve our objectives as outlined in the National Oil Spill Contingency Plan.

Overfishing, driven by poor systems of ocean and coastal governance, poses a significant threat to fish populations, the wider marine ecosystem and the people dependent on these ecosystems for livelihoods, food and other services. Fisheries resources constitute a highly valuable economic asset for the populations of southern Africa where many people live near the coast.

The question is how our seas in southern Africa will look by 2050 if these trends of global warming and climate change continue.

Rising pollution, the effects of climate change and overfishing are threatening the future of marine biodiversity across the globe. More and more the harm to marine biodiversity can be traced not to natural events but to inadequate policies. Why have the lawmakers paid little attention to the degradation of the sea? Creating comprehensive policies that wisely conserve all the richness and bounty of the sea requires an informed understanding of biodiversity. Marine biodiversity describes the web of the life that constitutes the sea. It includes three discrete levels: ecosystems and habitat diversity; species diversity and genetic diversity.

In the Development Programme Estimates of the 2011/2012 to 2013/2014 Medium Term Expenditure Framework National Planning Commission Code 5081, project 17/02/12, page 453, "*Namibia Coast Conservation and Management Project*", this project could expand the network to include marine biodiversity research programmes and policies, so that it could fully represent the range of Namibia's coastal, marine ecosystems and habitats. The total cost of N\$8,917 million needs to be increased in order to cover all of the abovementioned activities.

Fishing is the largest export sector for southern Africa. Marine and coastal ecosystems suffer from the intensification of anthropogenic pressure, over-exploitation of resources, and degradation of sensitive environments, such as mangroves or sea grasses, pollution, etcetera. This situation requires prompt action by the States in the sub-region, with

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON DR AMWEELO**

support from Non-Governmental Organisations to implement a Regional Strategy for Marine Protected Areas.

It is important to collaborate and work jointly with relevant regional initiatives, organisation and agreements in identifying ecologically or biologically significant marine areas, in accordance with international law, including the UN Convention on the Law of the Sea, in particular in enclosed or semi-enclosed seas, to promote conservation and sustainable use of biodiversity in those areas. Within its territorial sea, which is twelve nautical miles, a coastal State has sovereignty. Within its contiguous zone, which is twenty-four nautical miles, it has functional jurisdiction relating to its customs, fiscal, immigration or sanitary laws and within the Exclusive Economic Zone, which is two hundred nautical miles, the State has sovereign rights over its living and non-living resources, including the production of energy from the water. All these areas, according to the International Law of the Sea, need to be protected.

Marine protected areas are increasingly being used by Governments as instruments for conservation and management of coastal and marine biodiversity. The Convention on Biological Diversity has set a target of bringing at least 10% of oceans under protection by 2012.

Scientific advice: Governments should direct marine species management authorities to create science-based decision-making frameworks that operate at a range of levels, namely local, provincial, national, regional and global. These frameworks should include:

- Interdisciplinary scientific research;
- Provisions that prevent decision-makers from setting catch limits above scientific recommendations.

The big questions directed to us as Parliamentarians are:

How can we as Parliamentarians solve the problems of marine biodiversity at the regional and national levels? What is our role to play in marine biodiversity at the local level?

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON DR AMWEELO**

Parliamentarians play a central role in developing, ratifying and monitoring the enforcement of domestic marine biodiversity legislation, as well as in holding our Government to account over international commitments. The Namibian National Assembly has ratified the Convention on Biodiversity to serve as an action plan for Parliamentarians, recommending a range of international and national measures where legislators can make an important difference in addressing the drivers of marine ecosystem degradation.

Protected areas and planning: Fully protected marine reserves can build resilience in marine ecosystems, protect biodiversity and are increasingly being considered as an important tool for ecosystem-based fisheries management in combination with other measures. (Intervention)

HON NEHOVA: May I ask a question? Is it true what I sometimes read in books that life had its origin in the water?

HON DR AMWEELO: Yes, I will need time to explain. When we go outside we can discuss and explain according to the empirical evidence Government and regional management bodies should implement Marine Protected Areas Networks in coastal waters and on the high seas as part of integrated marine policy frameworks incorporating marine spatial planning. To achieve these goals it is necessary to:

- Define clear objectives for Marine Protected Areas, which may include species or habitat conservation, fisheries management, or both.
- Provide funding and support for network designation. On this point, we need elements, namely financial resources, capacity building and we need technology transfer.
- Ensure Marine Protected Areas are monitored, ensured and effectively managed by creating a well coordinated Monitoring Control and

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON DR AMWEELO**

Surveillance network at all levels of governance, including community-based and co-management initiatives.

- It is very important for the Parliamentarians to help all the managers concerned to increase communication and to address the disagreement between marine stakeholders and research scientists on the potential cost and benefits of Marine Protected Areas, particularly in coastal waters.
- Parliamentarians need to encourage Government and relevant organisations to cooperate as appropriate, collectively or on a regional or sub-regional basis, to identify and protect ecologically or biologically significant areas in open ocean waters and deep-sea habitats in need of protection, including by establishing representative networks of Marine Protected Areas in accordance with international law and based on scientific information. I have already mentioned the 200 nautical miles Exclusive Economic Zone, but now the UN wants to extend it to 250 and I think we have already submitted our report to the United Nations.

Marine pollution needs to be reported regularly and better information is needed to fashion the management that will sustain marine species, conserve diversity, reverse marine biodiversity losses of habitat, reduce impact of pollution and respond to global climate change. Hence, there are biological, economic, philosophical and political reasons to push for greater exploration and understanding of the ocean and its inhabitants. Indeed, the United Nations Convention on Biological Diversity requires signatories to collect information on living resources, but no Nation has a complete baseline of such information yet.

In conclusion, Comrade Speaker, we as Parliamentarians should strongly support the need to bring marine biodiversity protection concerns to the attention of Regional Fisheries Management Organisations and to ensure that they implement conservation and management measures to protect and mitigate marine biodiversity of targeted species.

Otherwise, I fully support the Appropriation Bill.

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON MUSHELENGA**

HON SPEAKER: Honourable Mushelenga.

HON DEPUTY MINISTER OF FOREIGN AFFAIRS: Honourable Speaker, Honourable Members, this year started on a wet note as heavy rainfall resulting from climate change clouded and covered most of the part of our country. The floods brought both good and bad news. Good news is that there are plenty of freshwater fish, frogs and *omagungu*. Thus, the communities that live on these traditional cuisines will enjoy these delicacies for a relatively longer period. The bad news is that heavy rainfall has destroyed crops and there is likely to be poor harvests in some areas. The negative impact of heavy rainfall in agricultural production Regions puts another responsibility on the State to intervene to ensure that our people continue to sustain their lives in the post-flooding season. The Government has positively come to the rescue of many affected residents and relocated those whose residences are inhabitable due to rain. I, therefore, support the total allocation of N\$57 million in the 2011/2012 Financial Year for disaster recovery and emergency services, split as N\$35 million for disasters and emergencies, N\$20 for the capitalisation of the National Emergency and Disaster Fund and N\$7.1 million for the provision of goods and services during emergencies.

Most communities are separated by floods, leading to an urgent need for infrastructure development such as bridges and roads. I am just returning from Ohangwena and Omusati Regions where roads are badly damaged, with some bridges for gravel roads collapsing. In this connection, new needs are arising urgently, which justify the expenditure levels proposed by this Budget. This Budget proposes an amount of N\$6.5 billion over the Medium Term Expenditure Framework period for roads and railway infrastructures. Through this intervention, Government not only ensures economic development through infrastructure development, but also creates much-needed employment for our people and promotes social uplifting and increases mobility.

Honourable Speaker, Appropriation Bills the world over, serve the purpose of, among others, allocating resources for Government expenditure. Expenditures are identified to meet the demands of the

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON MUSHELENGA**

Nation. Accordingly, responsible Governments focus on areas that would bring improved value to life, foster development and create prosperity. Our Government too is very much considerate of the current challenges for our society, namely unemployment. The Budget thus seeks to address this state of affairs to bring brightness amidst bleakness and despondency.

The unemployment figure at 51% is a challenge, which we must demonstrate to address. The impacts of unemployment have far larger effects on society, which, if not addressed, can be passed on from generation to generation and include poverty, hopelessness and deprivation. As a Government, we need to instil hope in the lives of our people so that they are able to send their children to school, feed their families and contribute to nation building, amongst others. The “*answers*” to unemployment are a Government preoccupation, as His Excellency the President pointed out. I salute him for his vigour and determination to provide guidance to address this matter.

A University of Amsterdam economist, Peter Rodenburg, states in his discourse, *Multiple causation and the measurement of unemployment*, that curbing unemployment includes targeting specific sectors in the economy that experience high unemployment and treating these sectors with specific policies. It further includes measures such as subsidies or employment projects for the unemployed in the construction industry and the Namibian Government has lived up to that challenge when it adopted the Targeted Intervention Programme for Employment and Economic Growth (TIPEEG). This Budget is another testimony to that determination. I, therefore, support the allocation of N\$14.6 billion during the Medium Term Expenditure Framework period.

While Government has in good faith sought to curb unemployment, some quarters of the society launched an attack on the Budget as a spending spree. Such a description amounts to imply that Government is on extravagant expenditure and lavish disbursements. This Budget is prepared under brave consideration and with clear objectives, as outlined by the Honourable Minister of Finance in her Budget Statement. These include clear objectives of sustaining the growth of the economy and curb unemployment, amongst others. In pursuit of those noble objectives, we

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON MUSHELENGA**

have thus seen a Budget with expenditure levels rising from N\$27.1 billion in 2010/2011 to N\$35.8 billion in 2011/2012 against a revenue increase from N\$22.5 billion in 2010/2011 to N\$28 billion in 2011/2012.

Among those who took out knives and forks against the Budget are two Honourable Members of the Opposition who spoke on the Budget last week, namely Honourable Usutuaije Maamberua and Honourable Jesaya Nyamu. Some of the statements that they made here cannot be left unchallenged. I will start with Honourable Maamberua. The Honourable Member, a former Permanent Secretary in the Ministry of Finance, alleges that in creating employment, Government is shifting money from one sector of the economy to the other, thus creating additional jobs after abandoning others. He mentioned some of the things, such as job creation and economic growth. It is a pity that such a statement is made by an economist whom I suppose ought to have read the Budget documents thoroughly. To start with, there is a rise in the expenditure and a larger portion of the money has been allocated to infrastructure development. No job cuts in other sectors, as there is no reduction in expenditure of those sectors.

Let me, for Honourable Maamberua's satisfaction, just cite even the youth programmes. The Ministry of Youth, National Service, Sport and Culture is allocated over N\$800 million for youth development programmes in addition to appropriation to sports of N\$291.5 million, and culture of N\$232.9 million over the Medium Term Expenditure Framework period. (Intervention)

**HON MINISTER OF REGIONAL AND LOCAL GOVERNMENT,
HOUSING AND RURAL DEVELOPMENT:** Comrade Mushelenga, why does that one sit this side and your uncle sits the other side? How do you discuss family matters if you are this side and your uncle is the other side?

HON DEPUTY MINISTER OF FOREIGN AFFAIRS: Honourable Speaker, I was saying, the N\$800 million will empower, encourage and

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON MUSHELENGA**

support the full and effective constructive participation of youth in the process of national development and decision-making. For this reason, the involvement of the youth in economic activities and empowerment schemes will help to address the issue of unemployment. I applaud activities relating to youth development, including activities of NYC, National Youth Service, Youth Expo activities, youth empowerment programme at Berg Aukas, Youth Credit Scheme and Rural Youth Development which is aimed to “*empower rural youth by providing facilities, services and education opportunities.*”

In this connection, Government has introduced additional programmes aimed at containing unemployment, including programmes for youth such as Namibia Youth Credit Scheme aimed at supporting young entrepreneurs who want to start their businesses. This is a noble initiative, which needs to provide a paradigm shift in the way we utilise skills at our disposal. Therefore, efforts by the National Youth Service to impart skills on our youth are commendable. David Begg, in his third edition of *Economics*, confirmed that in 1983 the Thatcher Government “*introduced youth training schemes*” to help curb the impact of unemployment. I wish to demonstrate here that youth empowerment can help us to address unemployment.

In tackling unemployment, Begg pointed out that as a Nation we also need to be cognisant of the fact that unemployment can be structural in nature, driven by changing patterns of demand and production. This can be due to specialisation, automation and technological advancement of economies. In addition, this provides a mismatch of skills and job opportunities. Therefore, we need to ensure that skills development initiatives are supported if we are to stay competitive. Thus, our Vote on Education has to diversify the learning and skills methods imparted on our learners, and pay equally greater attention on vocational education and training schemes and community skills development centres and encourage innovation and research, amongst others. These initiatives, I believe, can propel our economy to provide entrepreneurs and strengthen the private sector, which is the engine of the economy. With right skills for the economy, the issue of skills import is minimised and unemployment is further curbed.

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON MUSHELENGA**

Honourable Speaker, let me now come to the Honourable Jesaya Nghunduluki Nyamu. In his contribution, the former Minister of Trade and Industry talked about “*ego-based projects that turn out to be white elephants such as the Northern Railway Line*”. Before I respond to this contention, I would like to help the Honourable Member by first defining the meaning and implications of his phrase. The eleventh edition of the *Oxford English Dictionary* defines “*ego*” as a “*sense of self-esteem and self-importance*” and further defines “*white elephant*” as “*a possession that is useless or troublesome, especially one that is expensive to maintain or difficult to dispose of.*” I would now like to share some statistical information with regard to the use of the railway from Tsumeb to Ondangwa during the period of February 2010 to February 2011 in challenging Honourable Nyamu’s contention.

A number of commodities were transported in the net tons as follows:

Bricks – 128; Cement – 17,928; Earth, ash, gravel – 28,938; Fuel – 13,913; Motor vehicles – 67; Pipes – 34; Stock feed – 191; Wood, wooden poles – 38; TNX sundries – 481; TNX mini - 355; TNX 3M – 227; TNX 12m – 190. Containers: CXO mini -1,132; CXO 3m – 1,802; CXO 6m – 11,961; CXO 12m – 241. Grand total for goods transported from Tsumeb to Ondangwa: 99,785 net tons.

The following are commodities that were transported from Ondangwa to Tsumeb for the same period:

Cement palette – 352; Motor vehicles – 2 tons; TNX mini – 3; Containers: CXO mini – 86; CXO 3m – 171; CXO 6m – 712; CXO 12m 32. Grand Total – 1,414 net tons.

I have given these statistics for the public to know and appreciate the utilisation of the Northern Railway Line. It should be borne in mind that these figures will even increase once the Ondangwa-Oshikango Line has been completed. Whether such a project with such a record is an “*ego-based white elephant*” as Honourable Nyamu alleges.... (Intervention)

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON MUSHELENGA**

HON NYAMU: May I ask the Honourable Member a very simple question? Thank you for the statistics you have given. I have serious doubts about the figures, but I would like to request the Honourable Member, in order to demonstrate what he believes is the viability of this white elephant, that he should give us the road transport statistics in comparison with the railway statistics. Then we can make our own conclusions.

HON DEPUTY MINISTER OF FOREIGN AFFAIRS: Thank you very much, Honourable Speaker. After hearing these statistics, Honourable Nyamu still appears not to understand. I was saying, whether such a project with such a record is an “*ego-based white elephant*” as Honourable Nyamu alleges, is for the Nation to judge him in a Court of public opinion. As for me, I cannot help but only to say to him – *Akutu hewa*, poor Honourable Uncle Nyamu!

HON SPEAKER: Could the Honourable Member help the Speaker to know what is it that you said?

HON DEPUTY MINISTER OF FOREIGN AFFAIRS: Honourable Speaker, *akutu hewa* is an expression of sympathy, like saying, “*oh my goodness, poor Honourable Uncle Nyamu.*” (Intervention)

HON DEPUTY MINISTER OF AGRICULTURE, WATER AND FORESTRY: May I ask a question? Comrade Peya, have you noticed during the December vacation that the Land Cruiser of your uncle was filled to capacity with cement, which was transported by this white elephant?

HON DEPUTY MINISTER OF FOREIGN AFFAIRS: Honourable Speaker, this Budget is drafted to achieve tangible results and make a difference in the lives of our people. The economy recovering from

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON MUSHELENGA**

sluggish performance, which was affected by the global financial crisis of 2008 need to be propelled if we are to sustain the growth statistics and hope to achieve objectives of Vision 2030 we so much yearn to reach. If we do not stimulate the economy, Begg points out that the results would be to fall in aggregate demand, leading to lower output and lower employment.

The expansion of our fiscal policy and fiscal stimulus introduced in earlier years can help to ensure sustainable economic development and sustainable economic development is factored through the development of infrastructures, creating necessary demand in the economy, empowering the people to ensure they have the right skills needed to move the economy and addressing poverty, amongst other things. The outcome of these initiatives brings relief to our recovery efforts and need to be supported.

While the global economic recovery is proceeding better than expected, we note slow recovery in many advanced economies. The recovery has been slow compared to more solid recovery in most emerging and developing economies. We also hear from the Minister that risks to the global economic recovery remain and the Namibian economy slid into recession in 2009. Government took efforts in 2010 to stimulate the economy, preserve jobs and create demand for the economy and the economy recovered in 2010 with an estimated GDP growth rate of 4.8%.

The above-mentioned developments are gains for our economy and against the challenges facing our economy... (Intervention)

HON NYAMU: May I ask the Honourable Member another small question? Honourable Member, have you ever in your life travelled from Windhoek to Oshigambo by that train and if not, why not?

HON DEPUTY MINISTER OF FOREIGN AFFAIRS: The answer is that I have.

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON MUSHELENGA**

The abovementioned developments are gains for our economy and against the challenges facing our economy, prompted by one, external factors such as imminent global unrest which also affect our import markets such as oil and, secondly, global financial crisis which impacted our mining commodities with low demand, it is vital that an accelerator is maintained on our economy to prevent it from sliding back into contraction, and to ensure domestic demand for goods and services and maintain the levels of employment and national output. Dornbusch points that an increase in Government spending is ideal to stabilise aggregate demand and national output. Hence, the expansionary fiscal policy is ideal when uncertainty is threatening our economic recovery plans. (Intervention)

HON SPEAKER: The House will rise for refreshments.

**HOUSE ADJOURNS AT 15:40
HOUSE RESUMES AT 16:13 PURSUANT TO ADJOURNMENT**

HON DEPUTY MINISTER OF FOREIGN AFFAIRS: Comrade Speaker, let me now focus on international relations. Last year President Pohamba assumed the Chair of the Southern Africa Development Community (SADC). In fulfilling his duties, the Head of State needs support and cooperation of all institutions of Government. The President has indicated that he wants the Region to address barriers to intra-regional trade and boost economic ties within SADC member states. This will create a strong regional economy and is further boosted by the tripartite agreement between SADC, SACU and COMESA, which the President signed last year. A tripartite will be held in the near future.

The emerging economies are of great essence to Namibia. Namibia stands to gain from trade and investments, as well as technology transfer from countries like India, China and Brazil. Many other countries offer other meaningful opportunities to boost the growth of the Namibian economy, thus, bilateral cooperation through the Joint Commission of Cooperation remains central to our foreign policy-making. This, after all is a fulfilling

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON MUSHELENGA**

of our constitutional policy principle of maintaining mutually beneficial relations. The State visits by our Heads of State and visiting Heads of States, too, are effective mechanisms through which we would create prosperous opportunities for the Namibian Nation. Our business community, who forms part of the delegations during engagements of this nature, bears testimony to this acknowledgement. The sum of N\$137.2 million allocated to the bilateral cooperation for the Medium Term Expenditure Framework period is, therefore, in order.

Honourable Speaker, this world witnessed unprecedented protests and uprisings in the Arab world, resulting in the Presidents of Tunisia and Egypt handing over power. Fights continue in Libya. There are also similar developments in other territories in the Middle East, such as Yemen. Japan, one of the world's biggest economies, was recently affected by the worst Tsunami and earthquake, which caused many deaths, considerable damage to properties and disruptions to productive economic activities. Not to be ignored is the political standoff in the Ivory Coast. The Budget is thus presented under challenging developments in the global arena, which pose risks to global economic recovery. All these are challenges, which will influence the economy, including Namibia, as we roll this Budget towards implementation. We have already started to witness increasing cost in crude oil, which is passed on to our people, and the impact of these developments will continue to unfold in the near times.

Our Constitution espouses shared values of democracy and the Rule of Law and at the same time directs our foreign policy to promote international peace and security. It is within the framework of these constitutional principles that developments I alluded to need to be contextualised. It is in that letter and spirit too that the Honourable Minister of Foreign Affairs addressed this august House and stated our position with regard to the issues, namely to seek peace, secure and mutually beneficial co-existence and to strive for a global village where people live in peace and harmony.

It creates a predicament when the behaviour and actions through which demands, complaints and disagreement are expressed defeat the desires and aspirations of the United Nations Charter that is the maintenance of

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON MUSHELENGA**

world peace. It becomes difficult to distinguish between a popular uprising and a mutiny when civilians become armed by the dark forces and are joined by members of military establishments. People should adopt unflustered approaches, such as dialogues, to resolve differences among themselves. Concerns, contentions and grievances should be expressed appositely, avoiding measures that foster chaos and monocracy. Emotions and excitements can sometimes carry people away that they conduct themselves in manners as if there are no next days to live. It is critical to decide on course of actions after at least some judicious reflection.

Hans Morgenthau, a renowned Professor of Political Science, opined in his book "*Politics among Nations*", that power struggle characterises global politics. As a student of history, I know very well that such power struggle had not served the world well. We should learn from the mistakes of the past. Therefore, amidst developments in North Africa, the international community should endeavour to pacify the bumpy waves of political turmoil and avoid adopting measures that exacerbates volatility. It should further maintain a consistency in approach and temperate response to crisis in the world. It is needless to mention that there is a need to win the confidence and address fear for those, surrounded by apprehensions of extraordinary circumstances in one way or another. I am saying this, fully subscribing to the cardinal norm of our foreign policy, namely the settling of disputes by peaceful means. We would continue to promote this noble value in the multilateral fora where Namibia participates to safeguard against the international politics becoming the tussle for power and prejudicial adjudications.

Global unrest fields uncertainty in production and supply and demand mechanisms. Therefore, efforts must be employed to ensure that diplomatic efforts are preferred to resolve matters of misunderstandings. Thus, our diplomats need to be skilled to chart this course. (Intervention)

HON NYAMU: Honourable Speaker, may I ask the Honourable Deputy Minister of Foreign Affairs a question? Could I be right to assume that the statement which was made from State House recently, which suggests

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON //GAROËB**

that it is in order if Africans kill Africans, but it is wrong if foreigners kill Africans, was a result of the Foreign Ministry's advice?

HON DEPUTY MINISTER OF FOREIGN AFFAIRS: Honourable Speaker, my advice to the Honourable Member is that he must not put words into the President's mouth, but he must learn to comprehend and understand the context in which the President said it.

Global unrest fields uncertainty in production and supply and demand mechanisms. Therefore, efforts must be employed to ensure that diplomatic efforts are preferred to resolve matters of misunderstandings. Our diplomats need therefore be skilled to chart this course. Thus we will continue to send our officers for diplomatic training courses both at home and abroad.

Honourable Speaker, Honourable Members, with these words, I support the Appropriation Bill and the 2011/2012 – 2013/2014 Medium Term Expenditure Framework. I thank you.

HON SPEAKER: Honourable //Garoëb.

HON //GAROËB: Honourable Speaker, Sir, Honourable Members of this august House, I am rising to participate in today's Budget debate. One can easily call this year's Budget a marathon Budget with about ten Ministries receiving far beyond the N\$1 billion mark each.

This, Mr speaker, Sir, rekindles me to believe that the reason for the poverty and underdevelopment in Namibia is not lack of resources, but lack of resourcefulness.

Before I however proceed with the Budget, please allow me to touch on the Honourable Deputy Speaker's Outreach to Erongo from the 15th to the 21st of August 2010. I am so grateful that the Honourable Deputy Speaker's Outreach to Erongo was, indeed, a commendable success. It, in

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON //GAROËB**

fact, brought the Parliament to the people. For the individual Member of Parliament it is not so easy to do proper research in his or her Constituency, but a fully equipped group, like this Outreach, is more reliable than an individual doing the study on the ground and reporting to Parliament.

It is also proper that this Report came to this august House at the very time we are deliberating on the Budget for this year. As a lawmaker, I am elected to articulate the needs, aspirations and hopes of the electorate, hence I am delighted to see that my Honourable Colleagues from this august House are going an extra mile to live up to the expectations of our people.

We are very concerned about the poverty and the underdevelopment of both the rural and urban areas in the Erongo Region. According to the Auditor-General's Report, a great number of municipalities, towns, villages and settlements are bankrupt. Out of these, about twenty-one residential areas, our Government singled out Usakos, Karibib and Uis to be downgraded to a lower status.

It is our view that the Government must support Local Authorities in order to make services affordable and sustainable, as is the case with Parastatals like TransNamib and Air Namibia, etcetera.

Since the beginning of this year, I have been advising the Government to take heed of the position of Usakos. Usakos, a historic town, is now being downgraded by the Government from the status of a municipality to that of a town without proper consultation with the leadership and residents. Today Usakos is a sight-for-sore-eye of everyone on the Trans Kalahari International Road, but instead of bailing it out of its misery, the Government rather found it fit to downgrade it to make its status even worse, which it really does not deserve.

Honourable Speaker, some feasible projects were envisaged for Usakos immediately after Independence and we would like our Government to revisit these. The oil refinery was a well-thought out project, which would have been established with Angolan blessing. The second project was that

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON //GAROËB**

of a dry fisheries. These two projects could make Usakos development prone.

We further contend that since new uranium mines are mushrooming near Usakos, a joint venture needs to be negotiated for building houses for mineworkers and subsequent development, which can be beneficial to both institutions. In the words of the Honourable Deputy Speaker's Outreach, the potential of uranium mining in the coastal areas leads to the commissioning of new mines, which creates social challenges for the Municipality especially in the area of housing.

Mines only have a short lifespan before the minerals are exploited. Existing and potential mining companies should therefore be obligated to invest in existing towns and infrastructure, especially housing, as part of their social responsibility. This will also discourage the formation of ghost towns.

We cannot understand why Karibib, an upcoming mine town with eminent development in the right direction, has been downgraded from a municipality to town status. There are other municipalities countrywide, which are not better off than Karibib, which has a potential for sustainable growth, which is conducive for a town on the Trans Kalahari International Road.

We believe that Uis, a beautiful ex-mining village, can with only a little support from the Local Government, develop into a tourist centre, which is already is. Uis, again without any proper consultation with the leadership and residents, was downgraded to the status of a settlement area and it is now systematically moving in the direction of becoming a ghost town.

Honourable Speaker, Honourable Members of the National Assembly, coming back to the Budget details, the 2011/2012 Budget reads as follows:

“Starting this Financial Year, the Government will implement a Targeted Intervention Programme for Employment and Economic Growth

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON //GAROËB**

(TIPEEG). This programme is aimed specifically at addressing economic growth and the high unemployment rate through support to strategic growth sectors. The TIPEEG will focus on four key sectors, namely agriculture, transport, tourism and housing and sanitation. The total Budget for the programme over the Medium Term Expenditure Framework is provided under each of the sectors and it amounts to N\$9.1 billion. Inclusive of Public Works, the allocation for job creation amounts to N\$14.7 billion. It is envisaged that the implementation of TIPEEG will result in the preservation and creation of about 104,000 direct and indirect job opportunities.”

My questions on this are as follows:

How will the Government and the Line Ministries ensure that the private sector cooperates in implementing these ideals of this Budget in creating much-needed jobs and not necessarily double counting their previous efforts while reaping the benefits of the new Budget in accessing the business opportunities as created by the current Budget? I raise this question against the known reality that the national Government spending fuels much of the economic flow in the country and that it is rather time for the Private Sector to respond effectively through the identified sectors.

Most of the private sector institutions would publicise their corporate social responsibility in making donations that they even get tax benefits from, but the principle of creating more jobs is compromised.

I would like to understand the measurements or tools that TIPEEG is going to exercise in tracking the intended new jobs to be created by this Budget.

Honourable Speaker, a look at the composition of health expenditure reveals that more than 80% of the Ministry's Budget goes into current expenditure. It is encouraging to see that capital development expenditure has been increasing, rising from 7% in 2007 to 17% of total expenditure in 2011, indicating that the Ministry has been investing more in health infrastructure, such as hospitals, clinics, medications and equipment and if this trend continues, Namibia will provide quality health to its people.

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON //GAROËB**

My concern on this is as follows. The spending on the new infrastructure and services in an attempt to bring services to much-needed places through the country is highly appreciated. However, I would like to understand if there are programmes in place for the Government, and the Ministry of Health and Social Services in its budgetary expenditure submission to Finance, to maintain the much-needed standards and conditions of this new and existing infrastructure and services to avoid any large reallocation of funds for major spending again.

Since Independence, education has received the largest share of our country's Budget and this year is no exception, with education receiving more than N\$8 billion or 22% of total Budget. When people are educated, they are able to find work and improve the quality of their lives and the lives of their families.

Although education receives the largest share of the national wealth, it spends more than 90% of its Budget on consumption or current expenditure and spending very little, less than 10% capital expenditure, explaining the reason why there is still a high shortage of schools, hostels, textbooks and school desks.

How does this Budget intend to redress this situation in making education a reality for every child in Namibia, irrespective of economic status?

With regard to the right of every Namibian to personal security, we are facing and experiencing increased crime and violence, which includes gender-based violence.

Honourable Speaker, Sir, on the crime front, electronic fraud has hit our country and our citizens have fell victim to these types of electronic fraud and swindles that are committed. Honourable Minister, my analysis tells me that we as a country did not do enough in budgeting for capacity building, training and equipping our police officers with skills in both the prevention and investigation of criminal activities, with specific reference to these crimes. How responsive is this Budget with regard to crime prevention and investigation?

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON TWEYA**

I rest my case and thank you. I support the Appropriation Bill.

HON SPEAKER: I thank the Honourable Member. Honourable Tweya.

HON DEPUTY MINISTER OF TRADE AND INDUSTRY:

Honourable Speaker, Honourable Members, I also rise to, first of all, congratulate the Minister of Finance on her excellent Budget statement and to thank her for delivering what the country currently needs – a Budget with a clear sense of direction for Namibia and one that will ensure that the country is able to move forward with a pattern of development that is people-centred.

Honourable Speaker, when we campaigned in 2009 Presidential and National Assembly election we told the voters that we would take this country to new heights, one in which the focus will be on people. In our SWAPO Manifesto, or should I say, in our contract with the people of Namibia, we talked about, among others, a country with sustainable developments, economic growth and a bright future for all of us, in particular our women and young people. The voters agreed, they said *yes towards hope and prosperity* as they overwhelmingly renewed the SWAPO Party's mandate to continue building on the strong foundation laid twenty-one years ago.

To respond to the voice of the people, we have witnessed a Budget that focuses on people-centred development, poverty eradication, economic growth, improved education, improved health care, only to mention but a few.

As is usually the case, some academics and so-called economists have expressed opposing views towards the Budget and all they have observed is Government overspending without waiting to analyse the implementation plan thereof or the impact it will have on the majority of our people in the rural areas. The fact of the matter is that our rural majority are not interested to hear cheap so-called statistical analysis or

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON TWEYA**

political debate on the Budget, but rather see actions that address their daily bread-and-butter issues.

While I support the Honourable Minister of Finance and would have liked to share more of my thoughts on the matter with the so-called critics, my focus today is on some key issues that I personally think should be taken into account by this august House when debating the 2011/2012 Budget and I will start by concentrating on laws and regulations.

Honourable Speaker, Honourable Members, you would agree with me that the Government has moved a long way to create a conducive business environment for all the public and private sector players. It is the Government's responsibility to make sure that the laws and regulations that are anti-progress should be done away with, promote, and foster those that would promote the 2009 SWAPO Party Election Manifesto and, in the end, the objectives set out in Vision 2030. We remain with some laws, procedures and regulations that are seemingly created for the benefit of all, but in reality create exclusivity and promote exclusion to the majority of our people.

As we engage the Debate on the Budget, we should be cognisant of the fact that some of these laws, procedures and regulations in their current form will further exclude our people from benefiting from the expansionary Budget as presented by the Honourable Minister of Finance and I want to highlight some examples.

We create bodies to look after standards of goods and services. It should be common sense that standards are set in order to address issues that could advantage consumers, but to set stringent requirements to deny access of goods and services with the intention to exclude the majority should be rejected. Such standards will only advance the bigger foreign companies through similar sister institutions to get their goods reviewed and rated faster, thus allowing them to sell their goods faster. Should we not move to protect some of our infant industries from this advantageous situation?

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON TWEYA**

The second example I want to use is Government procurement. Still the bigger companies have the means to manipulate their way through the process by submitting lower prices because of lower operating life of their companies. As part of the process to realign this, the Government could create preferential procurement laws that would assist start-up of small companies to compete, especially the Namibian entities owned by previously disadvantaged Namibians, like the youth who do not have the experience and all the capacities. Approximately N\$9 to N\$14 billion that are alluded to in the Budget should go directly to Namibian companies so that we can further build capacity, skills and experience for our people.

In the provision of services to Government, smaller jobs still go to well-established companies. For how long?

Honourable Speaker, entry-level jobs in the Public and Private Sector still require experience. Honourable Speaker, who is born with experience if we are not committed to take these young men and women and train them to get the experience we want? Over the last 21 years we spent the highest share in education and as soon as they leave university or the polytechnic or Grade 12, we do not create workplaces for them and then we complain. Are we not doing a disservice to the resources that we put in education? They complete their education and we demand from them to have experience for them to enter the job market.

Outdated by-laws, and here I specifically refer to the municipalities: It is sometimes painful that unemployed elderly people's houses are being auctioned and I must say, when you ask why, it is because of the laws and they keep on quoting by-laws of the thirties and we are only 21 years Independent. How long should we continue this trend to continue?

Financial service companies, insurance companies and medical insurance: In this new era of technological and medical advancement, our people are still excluded and discriminated against based on gender or medical condition. Discrimination, in my view, should be declared a crime because he dehumanises the human rights. We should declare war on all laws, procedures and regulations that exclude any Namibian from active participation in all spheres of life, because we need all Namibians to make

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON TWEYA**

their contribution towards building this country. Sometimes we bless those exclusive laws. For how long?

Honourable Speaker, Honourable Members, in moving forward, we should not continue to learn from our implementation plan and focus on those areas of laws, regulations and procedures that require Amendments to better support growth, prosperity, enterprise, innovation and industrial development. Such initiatives should focus on areas that are anti-competition, anti-financial inclusion and anti-SMEs. Accessibility should go hand-in-hand with affordability, especially for the SMEs. (Intervention)

HON NYAMU: Honourable Speaker, I would like to pose a small question to the Honourable Member. The Honourable Member stated, and I fully agree with him, that any discrimination should be declared as a crime across the board, any discrimination whatsoever. Would the Honourable Member agree with me that the political statement made by the Ruling Party not to buy from shops belonging to members of the Opposition, not to give water to people who belong to other Political Parties, that those statements amount to discrimination, which he calls crimes? Does it mean that SWAPO has admitted that they have been committing crimes in respect of discrimination?

HON DEPUTY MINISTER OF TRADE AND INDUSTRY: Thank you very much for the question. I am talking about the laws that are on our statute books that are clearly discriminative, excluding other Namibians from active participation. I am not aware of the hearsay the Honourable Member is alluding to.

The sustainable development and growth of Small, Micro and Medium Enterprises remains a key priority for the Government. The support provided by the Government in this area should include entrepreneurship development, financial and non-financial support programmes. The gap between those seeking assistance and those assisted is large and the reasons are varied. Thus, accelerated efforts should be made to get an

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON TWEYA**

understanding of the real needs of the Small and Medium Enterprises. As previously marginalised Namibians enter the formal economy more and more, we should ensure that Government procurement policies greatly increase the size and accessibility of the market for products by these small businesses.

To bolster support for Small and Medium Enterprises further, the Government should commit to continue monitoring of the business environment and undertake regulatory reviews to ensure sustainable small and medium enterprise development. It is equally important to establish an entity that can regularly coordinate all Small and Medium Enterprise support services.

Addressing the challenges faced by black and women entrepreneurs, especially the youth, it should be another key area of focus for the Government in broadening economic inclusion and promoting transformation in the economy. Empowerment of the previously disadvantaged who happen to blacks – and I will not shy away from mentioning the word “black” – needs to be implemented in an effective and sustainable manner in order to unlock meaningful participation in the mainstream of the economy by the majority of our people.

The alignment and finalisation of the Government empowerment framework to other policies geared towards the same objective is thus important for economic empowerment. In addition, legislation aimed at empowering the previously disadvantaged should be punitive in nature to prevent circumvention in terms of implementation while, on the other hand, developing incentives to promote compliance. It is my view that economic transformation has been slow due to the exclusion of the majority of the marginalised. We talk of the Constitution and I refer to Article 23 as our guiding document for equality and non-discrimination, but our action to continue to exclude the majority is indeed discriminatory. (Intervention)

HON MOONGO: May I ask the Honourable Member a question? Since the Honourable Member is quoting Article 23 of the Constitution, could

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON TWEYA**

the Honourable Member appeal to his Party to set up a Court to punish those who call the Opposition Devils. In addition, some Members of SWAPO call other members of the society homosexuals and it is an attitude of discrimination because they do not belong to their Party.

HON DEPUTY MINISTER OF TRADE AND INDUSTRY: Thank you for that derailment, it shows the level of the Honourable Member and I think we must now be mature and talk about issues of national interest.

Let me touch on the most spoken issue of *China-China* and I will take just the good part of it as an example.

Honourable Speaker, since the dawn of democracy, China has become the world's fastest growing trading partner. This is indicative of the strong and constructive relationship China has enjoyed over their trading years. They have managed to turn the country into an industrial Nation due to the sacrifices and resilience to succeed. As a country with developed technology, China should explore and invest, with local participation, in breaking more frontiers rather than bringing in skills and technology that already exist in Namibia. We can take and learn from them, which we can implement to help turn Namibia into an industrial Nation. China has managed to create its own private sector. We talk of private sector in Namibia, but who is this private sector here? Are we not referring to a well-run franchise of branches here or is it a Namibian or foreign owned Private Sector? Our learning from China is the need for Namibia to create its own Private Sector and competitive industries. Let us learn to identify our competitive industries, encourage and protect them to do well because that is our competitive advantages. By doing that, we must always involve the marginalised sector of our society intentionally. Let us not lose focus of our vision in creating our own private companies, our own pride.

Honourable Speaker, Honourable Members, we keep talking about an industrialised Namibia. This is without saying that we need an industrial policy, which would ultimately encourage Government to make and implement such plans. We will continue on the same path, a path that has

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON VON WIETERSHEIM**

failed to reduce systematic unemployment, poverty and inequality sufficiently. Such policy would represent a significant step forward in scaling up our efforts to promote long-term industrialisation and industrial diversification beyond our current reliance on traditional commodities and non-tradable services. It will contribute to the structural changes needed by expanding production in value added sectors with high employment and growth multipliers.

The action plan accordingly places emphasis on more labour-absorbing production and services sectors, on increased participation of historically disadvantaged people and regions in our economy and would aim to facilitate in the medium term a Namibia's contribution to industrial development in the African continent. If we succeed – and we must – we will become more competitive in domestic and export markets. We should therefore remain optimistic that our engagement would develop a partnership for growth and development to promote value-added Namibian exports to the rest of the world and increase inward investment in projects for beneficiation and additional tax revenue to Treasury.

As I said last year, a plan that is not executed accordingly is just that, it remains a plan. It is our responsibility as the representatives of the electorate to make sure that the Budget is implemented in its entirety in terms of the 2009 SWAPO Party Manifesto without fear or favour.

Honourable Speaker, against this background I support the Honourable Minister of Finance and all involved in crafting this progressive and constructive Budget. To the prophets of doom, thank you for your critiques and for supporting this Bill at the same time. I thank you, Honourable Speaker.

HON SPEAKER: Honourable Von Wietersheim.

HON VON WIETERSHEIM: Thank you, Honourable Speaker, Honourable Members. Unemployment, poverty and, I must say, red lights

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON VON WIETERSHEIM**

flashing in the health sector, this is motivation enough for a massive expansion of the Budget that we are experiencing this year.

However, looking at the sectors and at the programmes we are planning to expand the Budget into, agriculture, tourism, transport, housing and sanitation, involve to the largest extent infrastructure, buildings, roads, railways. It is clearly an effort which has to be applauded, an effort to increase employment. My question is how sustainable and how soon will this employment come about? We are looking at a medium term development if we are talking about the programmes and sectors we want to address. We are talking about a medium term employment creation and I am afraid, Honourable Speaker, that it is not a sustainable employment creation. If we are looking for creation of sustainable employment there should be massive improvements in the educational sector.

Everybody is referring to the decade long largest contribution of the Budget to the Education Ministry. However, we are increasingly facing the problem of increasing unemployment. I do not want to diminish the Honourable Minister of Education's efforts, but on the contrary, it is refreshing to see that somebody is taking serious steps to improve the situation in the education sector. However, the question arises, if these improvements come about, we produce more students that leave school with a certificate, where are we going to find employment for those academically schooled students? I think the massive changes that should take place are within the education sector after primary education. We cannot go on producing academically schooled students that leave school and are basically not fit... (Intervention)

HON DEPUTY MINISTER OF GENDER EQUALITY AND CHILD WELFARE: May I ask the Honourable Member a question? Honourable Member, you mentioned education, but before Independence and after you divided education into black schools and white schools. (Intervention)

HON SPEAKER: Deputy Minister, do you mean personally?

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON VON WIETERSHEIM**

HON DEPUTY MINISTER OF GENDER EQUALITY AND CHILD WELFARE: I am talking about the system before and after Independence, but you were part of that system. Now you are talking about education which is not good and job creation and even advising your Colleagues who are sitting with you. You are not advising the right ones. When you were this side you were talking to someone and now today you are talking about education and job creation and when you are going home, you are talking about this and that.

HON SPEAKER: I must say Honourable Members that to rise above petty issues should apply to both the Opposition Parties and the Government Party. If the Opposition Parties are seen as lowering the Debate, it should also equally apply to the side of the Government. Continue Honourable Von Wietersheim.

HON VON WIETERSHEIM: Thank you, Honourable Speaker. I am afraid the Honourable Member is not aware that for eleven years before Independence, my family and I were running a non-racial school on my farm, but I do not want to go into the details of that.

I was saying that we are producing academically schooled students who, when leaving the schools, are not really fit for general employment in the country. What I want to suggest, and this is with the best intentions, Honourable Speaker, is that we have to do a massive shake-up in the education system as such to address unemployment and that is aimed at looking at an education system which provides for massive vocational training and skills development from maybe after primary school or thereabouts. Those students found to be academically inclined, to get scientists, judges, meaning who are inclined to be able to go into tertiary education, scientific education, academic education, should continue the way we have been doing, just being prepared better than up to now. However, those who are probably the majority of students, who are inclined to start working earlier and to do something, which is within their talents, practical vocational skills development. I think that we should be looking at a major development, apart from creating immediate

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON VON WIETERSHEIM**

employment with additional capital projects, which I am not shooting down at all.

At the same time, we just heard from the previous Honourable Member about the question of experience, when training students for vocational or skills training, we should include the private sector. We should include the Private Sector in that kind of training and it is done in a few vocational training centres. The Private Sector is included, providing... (Intervention)

HON DEPUTY MINISTER OF AGRICULTURE, WATER AND FORESTRY: May I ask the Honourable Member a question? Honourable Member of the RDP, you said the Private Sector must be involved. They are the ones owning business. However, do they train Namibians? They are running to the Ministry of Trade and Industry for work permits. In your view, how will those work permits improve the problem of unemployment, under-development? Are you not aware that the system is the one derailing us? Alternatively, do you think that now that you have become a Member of the Opposition you have become a different person? Please, speak to the Budget, advise properly but do not discredit.

HON VON WIETERSHEIM: Honourable Speaker, I am inclined to see some merit in the question, although the way it is asked is leading into a certain direction.

We need to involve the Private Sector on an organised lawful basis and it is done to a degree through one or two vocational training centres in our country and it is done in many countries over the world in a very organised way, to train the students at school, at vocational training. You can even compel the Private Sector to take so many students from a Vocational Training Centre to give them training at a private institution. That is a matter of negotiation.

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON VON WIETERSHEIM**

The second question is about work permits. You cannot generalise this question. Of course we should not have all kinds of people coming in, taking the work that Namibians can do, absolutely correct, but we have so many skills that can be taught by foreigners who then, if they are allowed to come into the country to work here, can do compulsory skills transfer to Namibian citizens and that should be controlled. After a certain time it would not be necessary to allow those skilled people into the country again, Honourable Speaker. That would be my answer to the question by the Honourable Member. (Intervention)

**HON MINISTER OF REGIONAL AND LOCAL GOVERNMENT,
HOUSING AND RURAL DEVELOPMENT:** The Honourable Member is a good orator, he speaks well, but how reliable is he, because in 1989 the Honourable Member was on a SWAPO Party ticket, ten years later in 1999, he was on the Party list of the CoD, ten years in 2009 on the RDP ticket. On which Party ticket will he be ten years from now, because every ten years he is on a different Party ticket?

HON VON WIETERSHEIM: I think that question is at the level that we do not want to talk about. (Intervention)

HON MINISTER OF MINES AND ENERGY: May I ask the Honourable Member a question? Honourable Member, you have advanced a point and Honourable Ilonga referred to what you have been saying and this is whether you are saying the Private Sector must be brought in. I would have thought that the Honourable Member, before he came here, would have done research or investigation so that you establish whether the Private Sector are being drawn in and they are willing or they are not willing, so that when you address this issue, you either address the Government if they are not doing it or you address the private sector if Government is doing it and they are not forthcoming. Now the Honourable Member is just shooting words and is not really directing it to the targeted people or institutions. Have you done investigation before making the statement you are making?

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON VON WIETERSHEIM**

HON VON WIETERSHEIM: Honourable Speaker, these questions have so many statements that are difficult to make out what the Honourable Member actually wants to know. Yes, there are many investigations about this. It is common practice in many countries of the world, as I said, and amongst the local industry in Namibia is it very clearly a wish to go into the direction of in-service training, of vocational training. The Private Sector is crying about skills which are not available in the country while, should we ever be able to agree on a different kind of education set-up, should we be able – and again I wish to say this with the best intentions and not to criticise or break down, this is with the best intentions to try to find additional or alternative means to the situation we are in, should we be able to look at a new educational approach.

Of course, we would have to look after all those students that are already through the system and that are not skilled or not able to work in our local economy. There I think it would be correct to apply a portion of the Budget to provide interim measures for all those tens of thousands of students who have not ever entered the employment market. Vocational training again comes to mind at that stage, NAMCOL, organisations like TUCSIN, which will be able to pick up those students and to teach them something to enable them to enter the employment market.

I wish to touch on another point in a general way before we come to the Vote of Mines and Energy. On occasion of His Excellency the President's visit to Swakopmund two years ago, in a discussion with business people there, I asked him: *“Your Excellency, why at this time in our world's history we are commissioning another diesel generating plant in Walvis Bay, while it is becoming general knowledge and general usage to look at renewable resources and especially in our area along the coast with permanent sunshine and wind”* and I am very happy to have learnt in the meantime that there are experiments with wind power generation. However, we could also look at solar experiments, especially in combination with the gas fields that we have at our Coast, a combination of solar, and there I am not talking about photovoltaic process, but about heat exchange (to make it a little bit academic). Combination of solar and gas energy

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON VON WIETERSHEIM**

creation would make it possible to generate energy during day and night and this is what I am sorely missing in the Budget, to intensively go into that direction and not go on developing power generation with fossil medium.

At this moment, I think we have learnt lessons about nuclear energy that we have to digest it seriously before making rash statements. This is why I will not be easily drawn into an argument as far as this is concerned, but our country is destined for renewable energy resources and that is why I think that would be my first priority, Honourable Member.

What I am also missing is that the priority of industrialisation and manufacturing is not very visible in the Budget anymore. We have put our massive expansion into capital development. It appears here and there but not to the degree that I would like to see it. I am thinking of the small miners who could really use a lot of support and the small business. It will not only be a social expense to support those sectors, it will lead to an economic activity, it will lead to economic growth and it will finally lead to a middle class of business that can actually sustain this country's economy. (Intervention)

HON DEPUTY MINISTER OF WORKS AND TRANSPORT: May I ask the Honourable Member a question? The Honourable Member is speaking about renewable energy and the Honourable Member speaks about the need for industrialisation. I heard the Honourable Member saying he is from the Private Sector. Coming from there, what have you done or what are you doing to bring up the system of renewable energy and draw in many of the Namibians who are there without experience but probably with the necessary academic qualifications? Talking about industrialisation, you know that from the Private Sector you could have come up with some start-ups.

HON VON WIETERSHEIM: Are you asking or making suggestions?

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON VON WIETERSHEIM**

HON DEPUTY MINISTER OF WORKS AND TRANSPORT: No, I am asking, you could have done so. Why are you asking now that the Government should come up instead of the Private Sector? You talked much about the Private Sector here, what are you doing?

HON VON WIETERSHEIM: Honourable Speaker, the Honourable Member is falling into the same trap than the honourable lady there. I will not try to list what I did or what I did not do.

What I am missing is an increase in the social support for the old-aged, disabled and especially the orphans to address at least an alleviation of poverty in this Budget.

Then lastly, I mentioned in the beginning the red lights in the health sector.... (Intervention)

HON DEPUTY MINISTER OF GENDER EQUALITY AND CHILD WELFARE: On a Point of Order. I am an Honourable Member, not an honourable lady. Thank you.

HON VON WIETERSHEIM: My apologies, Honourable Speaker, to the honourable lady, I will not call her that again, I will call her Honourable Member.

One Vote that was troubling me last year, one Vote that I think is excessive and it was even higher than the appropriation of the Ministry of Health is Defence and I was asking myself, who are we defending ourselves against? Honourable Speaker, I will not argue on Defence because I have used that as a comparison to Health, the Health Ministry is one of our most worrying after unemployment and education, and as I said, the red lights are flashing heavily. I think that a Ministry, which is caring for the people on the ground, should enjoy a much higher priority than some of the other Ministries. (Intervention)

23 March 2011

**SECOND READING: APPROPRIATION BILL
HON VON WIETERSHEIM**

RT HON PRIME MINISTER: On a Point of Order. The Honourable Member has been out of the Parliament for some time. During his absence a Parliamentary Committee went out to visit army bases, the Committee produced a Report about the state of affairs in the army bases, and the money you are talking about is trying to respond to that Report of the Parliamentary information. Just for your information. Thank you.

HON VON WIETERSHEIM: Thank you, Honourable Speaker and thank you, Right Honourable Prime Minister; I fully accept your explanation of the situation. I also agree with the sentiment of looking after our soldiers and having proper places to stay for them. I still think and I am not talking according to figures now, that the Budget as a whole is widely expanded above the concern that you have just offered.

However, to end in time, my major concern is that we are not able to do anything about it now. The Budget is there, it has been decided, it has been presented and we are just accepting it, I know, and that is a problem. We can talk a lot; it will not change anything, would it? That is the major problem. If we change anything after this stage, it will only be next year. (Intervention)

RT HON PRIME MINISTER: May I ask a question? Do you believe in democracy, Honourable Member?

HON VON WIETERSHEIM: Yes.

RT HON PRIME MINISTER: Then what are you complaining about?

HON VON WIETERSHEIM: I think the Right Honourable Prime Minister is now fishing. On a serious note, Honourable Prime Minister, Honourable Speaker, I think that is a change we should all be looking at,

23 March 2011

ADJOURNMENT

to have Parliament, who is going to approve this Budget, in future also having an input into the Budget so that it turns into a Budget by the representatives and the people. (Intervention)

RT HON PRIME MINISTER: Honourable Member, are you saying that the members of SWAPO who are here are not representative of the people? Is that what you are saying?

HON VON WIETERSHEIM: No, I am not saying that, but are you saying, Right Honourable Prime Minister, that the Opposition that is sitting here is not representing some of the people? We were not asked, Honourable Speaker; we were just presented the Budget. Thank you, Honourable Speaker.

HON SPEAKER: The House shall rise under Automatic Adjournment until tomorrow, 14:30.

HOUSE ADJOURNS AT 17:45 UNTIL 2011.03.24 AT 14:30