LIST OF MEMBERS OF THE NATIONAL ASSEMBLY

SPEAKER

Dr T-B Gurirab (Mr)

DEPUTY SPEAKER AND CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE

Prof Loide Kasingo (Ms)

THE CABINET

MINISTERS

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

Dr G H Geingob (Mr) (Prime Minister)

Mr M Hausiku (Deputy Prime Minister)

Mr N Angula (Defence)

Ms P Iivula-Ithana (Home Affairs and Immigration)

Mr I Ngatjizeko (Safety and Security)
Ms N Nandi-Ndaitwah (Foreign Affairs)

Dr A Kawana (Mr) (Presidential Affairs & Attorney-

General)

Ms S Kuugongelwa-Amadhila (Finance)

Mr J Ekandjo (Youth, National Service, Sport and

Culture)

Mr U Nujoma (Justice)

Mr E Nghimtina (Works and Transport)

Dr D Namwandi (Mr) (Education)

Ms D Sioka (Labour & Social Welfare)
Mr J Mutorwa (Agriculture, Water & Forestry)
Mr J Kaapanda (Information & Communication

Technology)

Mr U Herunga (Environment and Tourism)

Dr N Iyambo (Mr) (Veterans Affairs)

Mr A !Naruseb (Lands & Resettlement)

Dr R Kamwi (Mr) (Health and Social Services)

Ms R Nghidinwa (Gender Equality and Child Welfare)
Mr C Namoloh (Regional and Local Government,
Housing and Bural Development)

Housing and Rural Development)

Mr B Esau (Fisheries and Marine Resources)

Mr I Katali (Mines and Energy)
Mr C Schlettwein (Trade and Industry)

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 (Agriculture, Water & Forestry)

Mr P Iilonga (Defence)

Mr E Uutoni (Safety and Security)

Mr T Nambahu (Justice)

Mr T Tweya (Trade and Industry)

Dr S C Ankama (Mr) (Fisheries and Marine Resources)

Mr P Mushelenga (Foreign Affairs)

Mr P Shifeta (Environment and Tourism)

Ms J Kavetuna (Youth, National Service, Sport &

Culture)

Mr W Isaacks (Mines and Energy)

Mr S Simataa (Information and Communication

Technology)

Dr E Kaiyamo (Mr) (Home Affairs and Immigration)

Mr K Nguvauva (Works and Transport)

Ms P Beukes (Regional and Local Government,

Housing and Rural Development)

Vacant (Finance) Ms S Makgone (Education)

SECRETARY

Mr. J Jacobs

DEPUTY SECRETARY

Mr F S Harker

DEPUTY MINISTERS IN THE NATIONAL COUNCIL

Mr K Nguauva (Works and Transport)
Mr T Diergaar (Lands and Resettlement)

Ms H Nicanor (Veterans)

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 Ulenga (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 Tjihuiko (Chief Whip)

RALLY FOR DEMOCRACY AND PROGRESS (RDP)

Mr S Bezuidenhoudt

Mr Hidipo Hamutenya (Party Leader)

Ms A Limbo Mr H Lucks Mr P Naholo Mr K Nehova

Mr J Nyamu (Chief Whip)

Mr A Von Wietersheim

REPUBLICAN PARTY

Ms C //Gowases (Chief Whip)

SWANU

Mr U Maamberua (Chief Whip and Party Leader)

SWAPO OF NAMIBIA

Ms S Kuugongelwa– Amadhila (Minister)

Mr B Amathila

Dr M Amweelo (Mr) (Deputy Chief Whip)

Mr N Angula (Minister)

Dr H Geingob (Mr) (Prime Minister)
Dr S C Ankama (Mr) (Deputy Minister)
Ms P Beukes (Deputy Minister)

Mr E Dingara

Mr J Ekandjo (Minister)
Mr B Esau (Minister)
Dr T-B Gurirab (Mr) (Speaker)

Ms P Haingura (Deputy Minister)

Mr M Hausiku (Deputy Prime Minister)

Mr U Herunga (Minister)

Mr P Iilonga (Deputy Minister)
Mr W Isaacks (Deputy Minister)

Ms P Iivula-Ithana (Minister)
Dr N Iyambo (Mr) (Minister)
Mr J Kaapanda (Minister)

Dr E Kaiyamo (Mr) (Deputy Minister)

Dr R Kamwi (Mr) (Minister)

Mr P Kapia

Prof L Kasingo (Ms) (Deputy Speaker)

Mr I Katali (Minister)

Ms J Kavetuna (Deputy Minister)

Dr A Kawana (Mr) (Minister)

Mr K Kazenambo

Ms L Lucas(Deputy Minister)Ms S Makgone(Deputy Minister)Ms A Manombe-Ncube(Assistant Whip)

Mr N Mbumba

Ms A Muharukua (Deputy Minister)
Mr A Muheua (Deputy Minister)
Mr P Mushelenga (Deputy Minister)

Mr J Mutorwa (Minister)

Ms T Mushelenga

Mr B Mwaningange

Mr T Nambahu (Deputy Minister)

Mr C Namoloh (Minister)
Dr D Namwandi (Mr) (Minister)
Mr A !Naruseb (Minister)

Ms E !Nawases-Taeyele (Assistant Whip)

Mr I Ngatjizeko (Minister)
Ms N Nandi-Ndaitwah (Minister)
Ms R Nghidinwa (Minister)
Mr E Nghimtina (Minister)
Mr U Nujoma (Minister)

Mr P Shifeta (Deputy Minister)

Ms D Sioka (Minister)

Mr T Tweya (Deputy Minister)

Mr F Ueitele

Mr E Uutoni (Deputy Minister)

Mr P Van der Walt Ms L Witbooi

UNITED DEMOCRATIC FRONT (UDF)

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

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

Ms M Jankowski

Prof. P Katjavivi (Mr) (Chief Whip and Deputy Chairperson

of the Whole House Committee)

Mr C Schleittwein (Deputy Minister)
Mr S Simataa (Deputy Minister)

Ms S Swartz Ms A Tjongarero NATIONAL ASSEMBLY ASSEMBLY CHAMBERS WINDHOEK 13 MARCH 2013

The Assembly met pursuant to the adjournment.

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

MOTION OF CONDOLENCE

HON SPEAKER: The House is in session. However, before we get down to the Business scheduled for today, I kindly ask you all to join me as I rise to observe a minute of silence in memory of the mother of our Colleague, Honourable Asser Kapere, the Chairman of the National Council. We are a Parliament and this is the other Chamber of the Parliament and we do so in the knowledge that she was the mother of the Chairman of the National Council, but as our own President said, she is the mother of all of us.

THE HOUSE OBSERVES A MINUTE OF SILENCE

NOMINATION OF MEMBERS TO STANDING COMMITTEES

HON SPEAKER: I have been informed by the SWAPO Party Chief Whip that the following Members have been nominated to serve on the following Committees:

TABLING: REPORTS HON PROF KATJAVIVI

- 1. Honourable Nangolo Mbumba Standing Committee on Rules and Orders and Internal Arrangements;
- 2. Honourable Kazenambo Kazenambo Standing Committee on Legal and Constitutional Affairs;
- 3. Honourable Teopolina Mushelenga Standing Committees on Public Accounts; Gender and Family Affairs; Foreign Affairs, Defence and Security and International Parliamentary Union;
- 4. Honourable Sophia Swarts Standing Committee on Foreign Affairs, Defence and Security.

In terms of Rule 38(6) of the Standing Rules and Orders, I now declare these Members as duly appointed Members of the said Committees with immediate effect.

Any Petitions? Reports of Standing or Select Committees? Other Reports and Papers? Honourable Chief Whip.

TABLING: REPORT ON FIRST ORDINARY SESSION OF THIRD PAN-AFRICAN PARLIAMENT

HON PROF KATJAVIVI: Honourable Speaker, I would like to present the Report on the Proceedings of the First Ordinary Session of the Third Parliament of the Pan-African Parliament (PAP), held in October-November 2012 for note taking.

HON SPEAKER: Any further Reports and Papers? Notice of

13 March 2013 SECOND READING: APPROPRIATION BILL HON PROF KATJAVIVI

Questions? Notice of Motions? The Secretary will read the First Order of the Day.

RESUMPTION OF SECOND READING: APPROPRIATION BILL

SECRETARY: Resumption of Debate on Second Reading – *Appropriation Bill* [B.1 – 2013].

HON SPEAKER: When the House adjourned on Tuesday, 12 March 2013, the Question before the Assembly was a Motion by the Honourable Minister of Finance, that the Bill be read a Second Time. Any further discussion? The Parties entitled to speak today are APP – 45 minutes, RDP – 45 minutes and SWAPO Party – 85 minutes. Honourable Chief Whip.

HON PROF KATJAVIVI: Thank you, Honourable Speaker, Honourable Members. First of all, I wish to thank and congratulate the Minister and the entire team that presided over the preparation of this Budget. Having taken a critical look at the Budget Statement and the macroeconomic plan, we are reminded of our country's commitment to economic transformation. According to our Vision 2030 and Industrialisation Policy 2012, Namibia is committed to industrialisation. Whereas we welcome the Budget Framework, we need to acknowledge that a considerable amount of work has to be done. Indeed, we need water and energy to contribute towards this endeavour.

Honourable Speaker, given the relatively high levels of electricity imports, we have to increase our efforts in green technologies, in terms of energy operations and also for the purposes of harvesting water from seasonal floods that annually find their way into Namibia from Angola and elsewhere.

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Honourable Speaker, Honourable Members, on the question of energy, we need to put all measures in place to utilise all available energy in our country. As we all know, Namibia is an electricity deficit country, therefore, it is not sustainable or even logical for us to allow a situation where we continue to debate whether to do this or the other indefinitely. It is in this context that we welcome the Government's determination to expedite the development of Kudu Gas fields. We are all reminded of the experience of China and, of course, other countries as well. China, for example, is what it is today partly because of electricity development which has enabled their industrialisation drive. Very closer home, South Africa is expanding its industrialisation drive. This would imply that they will have to cut down on the electricity that may be available for the rest of our region. So, we must be prepared to sustain ourselves when this time comes.

Honourable Speaker, Honourable Members, now and again we are faced with issues of food insecurity and flood hazard risk. We need to ensure flood management and sustainable water utilisation. The Cuvelai Project (Cuve Water Project) spearheaded by DRFN, the Polytechnic of Namibia and GIZ has tried to do appreciable work in collaborative water resource management in the central northern parts of our country. What we now need to do is to find a way to integrate these efforts with actual water harvesting and storage. We need to construct massive underground water storage facilities so that we can utilise the stored water elsewhere for agricultural production, industrial use and household consumption whenever needed.

As a country we have a challenge, whereas some areas are in dire need of water, others are lying under floods. Indeed, green technologies can help us to harness these waters. In the recently held National Biodiversity Action Plan workshop in Windhoek, one of the experts helped the Ministry of Environment and Tourism to identify a number of steps that are needed to be done, for example, farm wetlands coupled with underground storage and windmill pumps as the way forward. This, coupled with measures that could be adopted to lessen the impact of drought in the country, could go a long way in addressing some of the challenges confronting our country.

Honourable Speaker, Honourable Members, a number of Colleagues who contributed to this Debate before me referred to the question of investigating the possibility of piping water from one part of the country to areas in need of water both for human consumption as well as for agricultural production. Certainly this is an urgent matter that will require the attention of the relevant Line Ministries. Some of us are aware of what has been done in other countries in this regard. For instance, there has been a similar initiative involving academic institutions in eastern and southern Africa to galvanise floodwater harvesting and storage. What we, however, need is more Government active participation in these types of projects. Institutions of higher learning can experiment, but we need the Government to actually operationalise and extend such initiatives on a wider scale through relevant Ministries and Institutions. This is vital particularly at this time when the country is facing eminent drought.

Honourable Speaker, Honourable Members, I finally wish to echo the sentiments expressed by Honourable Dr Ankama when he expressed disappointment over the role of some Civil Servants in our Government system. I have a particular concern with some of the Civil Servants in the Ministry of Works and Transport. I will transmit the concerns received from the community in Ovitoto to the Honourable Minister for his own appropriate action.

With these few remarks, I positively welcome the Budget and I thank you.

HON SPEAKER: Thank you. Honourable Von Wietersheim.

HON VON WIETERSHEIM: Thank you, Honourable Speaker. I must admit that the present Budget surprised me in a number of ways – some positive, some negative, some outright despicable!

I was positively surprised by the assessment of the country's fiscal strength and resilience and the subsequent decision to pursue moderate

expansion, while I do hope that the worrisome debt factor is kept in check and every effort is undertaken to stabilise the increasing debt development in future at sustainable levels and eventually reverse that development.

The decision to lower various taxes is a surprising and, to my mind, also a bold one, which I regard as positive due to the optimism implied with regard to our economy and the Private Sector, which is now called upon to respond accordingly.

Unfortunately I cannot share as wholeheartedly the Honourable Minister's belief in optimising development outcomes, as many of our pressing socio-economic issues are not adequately taken care of. Of course, choices have to be made and it is with a number of these choices, which I am disappointed and where the Budget in its current form surprises me either negatively or offers choices I find outright despicable.

In this regard I wish to repeat my quotation from my speech to last year's Budget, quoting Albert Einstein, who said: "Insanity is doing the same thing over and over again, and expecting a different result."

We are not only pumping valuable, scarce resources into "black holes" or "white elephants" or "bottomless pits" year after year, we are even increasing the wasted amount manifold, hoping for different results, without giving any consideration to other factors than capital needs, such as, first and foremost, I would say, management deficiencies. Thereby we are depriving other Sectors, especially those neglected socio-economic crisis areas, of sufficient funding to turn around the decline. We prefer, for so-called patriotic or prestigious or, in the case of the media subsidies, propaganda purposes, to dump precious resources at the cost of (intervention)

HON DEPUTY MINISTER OF GENDER EQUALITY AND CHILD WELFARE: On a Point of Order, Honourable Speaker. The Honourable Member is saying the Honourable Minister is repeating over and over the same thing, but what have you as a Namibian done to protect our economy? As a Namibian you can protect our economy, but do not

come to the Parliament and talk and talk all the time.

HON VON WIETERSHEIM: That was more advice than a question, was it not?

Thereby we are depriving other Sectors, especially those neglected socioeconomic crisis areas, of sufficient funding to turn around the decline. We are preferring, for so-called patriotic or prestigious or, in the case of media subsidies, propaganda purposes to dump precious resources at the cost of, for example, massive investment into affordable housing, into vocational training, into labour-intensive infrastructure development in order to alleviate the critical housing shortage, the critical lack of skills amongst the youth and the unemployed, and the critical unemployment situation in general. Apart from these examples, consideration should be given to an at least slightly better old-age pension than is presently proposed.

Yes, those amounts titled *subsidies and other current transfers* in the Budget, adding up to billions, not millions, where the present Government prefers to make their choice on the basis...(intervention)

HON DEPUTY MINISTER OF FOREIGN AFFAIRS: Comrade Speaker, on a Point of Information. The Honourable Member is making statements here as if Government does not pay attention to issues such as housing, for example, and other infrastructure development. Government has even established a State-Owned Enterprise to build affordable houses for the low-income group. The Honourable Member mentioned infrastructure development and we have a number of on-going road constructions, including the one which was witnesses by all Members of Parliament last year at Okongo, except RDP which boycotted that opening. Please do not come here and make up stories.

HON VON WIETERSHEIM: Honourable Speaker, I know that there is a housing programme and a roads programme. I was not saying nothing is being done, I was saying one could do massive investment. Those billions, and we are talking about two or more billion, could go into housing or labour-intensive infrastructure programmes.

Yes, I said those subsidies which go into billions where the present Government prefers to make their choice on the basis of prestige or propaganda considerations, instead of socio-economic considerations in favour of non-performing State-Owned Enterprises, those amounts could make an effective impact on skills training, housing development and employment creation. That is where the Honourable Minister's battle cry of *Optimising Development Outcomes* sounds hollow and inappropriate to me.

I am going to address the concerned rotten State-Owned Enterprises and those wasted billions during the Debate on the individual Votes.

As so many times and as many years before, the Honourable Minister has once again – like her predecessors – made promises about this situation. She feels that State-Owned Enterprises are not out of control. Well, I am not convinced. She states that: "The State-Owned Enterprises Governance Council has made rapid strides in developing common policy guidelines for operations at these SOEs" and that "this will eventually lead to an improvement in State-Owned Enterprise performance."

Honourable Speaker, three years ago the Honourable Minister stated in her Budget Speech: "The financial performance varies among State-Owned Enterprises, with a number of them still making losses and depending on Budget Transfers. Progress is being made to establish mechanisms for enforcing accountability by State-Owned Enterprises and performance agreements for State-Owned Enterprises will be phased in, starting this year." That was in 2010. "This will enable Government to hold State-Owned Enterprises' management accountable for their performance." That was three years ago.

Recently I coined the phrase in one of my speeches for our country being

"the Land of Non-Implementation." You can have as many enablers or laws or regulations as you are able to devise, but without the political will to implement them and to enforce them, for example by firing the management of a State-Owned Enterprise, all your good intentions remain empty talk. Three years have passed since the Honourable Minister reassured this Assembly about accountability and performance of the ailing State-Owned Enterprises, now the subsidisation has skyrocketed manifold since then, instead of decreasing by any margin and as far as performance is concerned, we are continuing to appease each other and keep the dead horses running the show, gobbling up – literally- billions per year by now!

Honourable Speaker, a worrisome issue the Honourable Minister touched on during her Budget Presentation is the Budget Utilisation Rate. She repeats her warning from last year that "under-utilisation of budgetary allocations, especially those of a development nature, should be seen from the perspective of lost development opportunities, the cost of borrowing and how they could have found alternative uses in the economy." I can only agree wholeheartedly with that observation. The question, however, remains, what is the Honourable Minister and other concerned powers going to do about that? Especially in the light of the rather worrying rate of under-expenditure in the Development Budget of a number of Votes. Clearly it has also drawn the attention of the National Planning Commission and some reasons have been identified for under-expenditure, such as poor planning, poor budgeting, delays during tendering, contracting and implementation and late disbursement of funds.

Clearly these are not insurmountable obstacles and mainly operatorinduced - remains the question, whether this is seriously and adequately going to be addressed?

Again, I shall address individual Ministries or Departments during the appropriate Debate on their Votes.

Honourable Speaker, this leads to another worrisome non-performance, the incessant failure by Government to come up with a new *State Finance*

Bill, which also features in a number of previous Budget Statements, but has for some or other reason not seen the light of the day yet.

If introduced with the serious intention of fighting corruption, wasteful expenditure and mismanagement of Public Funds, it may force accounting officers to refrain from certain actions, like unauthorised expenditure, opening of unauthorised bank accounts or ignoring Treasury instructions. This will only be achieved, of course, if appropriate penalty Clauses are included so that the accounting officers that do not adhere to the rules can be punished for their wrongdoing.

It was shocking to be informed through the media recently that an increasing number of tenders have been exempted from the normal procurement process laid down by Government over a number of years. So much so that the national Tender Board over a time span of four years exempted tenders worth N\$12.3 billion, an amount which in fact exceeded the amount for tenders awarded through the normal prescribed procurement process. I would like to know whether an investigation has been initiated into allegations that various Ministries request exemptions under the guise of urgency or security concerns or to empower Small or Medium Businesses, while the real reason is to benefit companies owned by people close to the officials involved in the procurement process?

In conclusion, Honourable Speaker, I would like to draw the attention of the Honourable Members of this Assembly to two major projects which promised massive productive investment as well as massive employment during the construction phase as well as in the long-term and which could have been initiated already, if it had not been, at least in one case, for obvious and probably well-founded suspicion – or maybe even more than suspicion – of massive corruption efforts. Once more we must bemoan the lost opportunity, the delay in valuable investment with long-term benefits and the delay in employment creation due to the selfish nature of some of our compatriots who do not deserve to be called that. I am referring to the Neckartal Dam project and to the expansion to the Port of Walvis Bay, both of which have sadly been subjected to an uncalled for delay in implementation.

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I do hope that an investigation will identify possible culprits and once and for all remove them from circulation – probably a pipedream!

Thank you, Honourable Speaker, for hearing me out, knowing very well that my contribution will make no difference to the printed document on the table, but I still hope "constant dripping wears away the stone!" Thank you, Honourable Speaker.

HON SPEAKER: Thank you. Honourable Witbooi.

to address the competing needs of our people.

HON WITBOOI: Thank you, Honourable Speaker, Honourable Members. I rise to add my voice to the General Debate. It is once again time when we as representatives of the Namibian people are engaged in the critical Debate on the Budget, the financial instrument at our disposal

I would further like to extend my gratitude to the Honourable Minister of Finance and her team for a job well-executed under very challenging circumstances. The Budget is about the future of our people, all Namibians in terms of their social, economic and political well-being. It is expected that the aspirations of the people be articulated and translated through the just presented Budget. Our country faces a challenge of unemployment which particularly affects our young people and the unskilled. Therefore, there is no doubt that the Government views the current status of unemployment with all seriousness. It is essential that we act on the measures that the Government has identified in this Budget.

Therefore, I would like to draw the attention of the august House to the following:

I am happy about the tax reduction, as already mentioned by the Honourable Minister and the progress being made in the provision of

electricity to schools which, as the Minister has promised, has been made a priority.

I commend the Minister for allocating an amount of N\$3.9 billion allocated under the Social Safety Net to cater for the increase in the oldage grant to senior citizens. As I said to Honourable Kaura previously, we will slowly, but surely reach the N\$1,000 per month with the SWAPO Party Government in control. However, I am concerned about the N\$200 maintenance grant for children. That amount is not enough to cater for the basic needs of those children. The guardians of these children do not receive the same funeral benefit as for pensioners, when these children pass on, the guardians have to go from door to door soliciting donations for a coffin and some of these guardians stay on farms or remote villages and have to travel to the nearest post office to receive the grant, while even a donkey-cart has to be paid for nowadays.

Honourable Members, children living with disabilities need much more, such as nappies, extra food, etcetera. There are cases where the guardian or care-giver cannot do other work as some of the children cannot help themselves and need 24-hours attention.

I fully support the Budget and I thank you.

<u>HON SPEAKER</u>: I thank the Honourable Member. Honourable Van Der Walt.

HON VAN DER WALT: Honourable Speaker, thank you very much for the opportunity. When I listen to the Opposition and how critical they are about the Budget, then I sometimes wonder if we have forgotten where we came from. We have been independent for 23 years and for that I want to thank our President, His Excellency Hifikepunye Pohamba and our Founding Father for the establishment of our democracy in the beginning. We live in a jewel of a country. Looking at cities in Belgium, the roads

are chaotic and Amsterdam is dirty. If I look at our country, we are really a prospering Nation.

Even looking at our elections taking place under the leadership of our leaders, I want to tell the youth and the Nation that I had a very simple youth and I believe in simple rules in life, but one thing that is true in the Bible is where it says you need to respect your leaders so that they lead you with pleasure, as you will benefit through that in future. Therefore, I want to thank my Government and my leaders, starting from the Founding Father, our President, to our Prime Minister who will be the next President after President Pohamba and all our elders. It is important that we respect them.

Honourable Speaker, I would like to congratulate the Minister of Finance, Honourable Saara Kuugongelwa-Amadhila, on a progressive Budget. The proposed expenditure seeks to build skills and capacity in our country, which augurs well for the future of this great Nation.

My views on the Budget are centred on the views of the man and woman in the street and how this Budget affects our every-day lives and also how we will be directly uplifted by the budgetary announcements.

I laud the Minister's plans for changes to the revenue and in particular note the following:

The increase of the tax threshold and reduction of individual income tax rates and brackets will certainly have a positive effect on individuals. Taxpayers will benefit not only in terms of disposable income, but this will also uplift the spirits of salary and wage earners who struggle to come to terms with rising prices.

Honourable Speaker, many employees and private income earners at entry level positions up to \$N50,000.00 per annum need not worry about tax, but the benefits have also been passed onto all, but the highest tax bracket.

The reduction in transfer duty brackets and rates will, hopefully, stimulate and allow more people to invest in their own piece of our land. First-time

homeowners are now able to purchase property up to N\$600,000.00 without worrying about the cost of transfer that is often not properly disclosed to first-time buyers when they are assessing affordability.

The corporate tax rate reductions will send a signal to corporates that the Government is committed to promoting a fair and comparable environment for the Private Sector.

Honourable Speaker, I am very excited about the introduction of the environmental levy tax. Harmful emissions are a major concern internationally and those companies and individuals that are raping our environment should pay their share and be encouraged to find innovative ways to reduce their carbon footprint.

Honourable Speaker, the Budget Deficit is set to increase to 6.4% of GDP compared to 2.8% of GDP in the 2012/2013 MTEF.

Although initially this raised alarm bells, when I delved deeper into the Minister's rationale for the deficit, I began to see her point of view. Traditional Keynesian economists strongly believe that Government counter-cyclical spending can reduce the time economies spend in recessionary cycles and some believe that this could also stimulate future super-growth by creating employment.

The main increases in spending certainly seem to support this view as MTEF growth in healthcare, education and infrastructure is prominent.

My concern would be that some of this deficit will be funded by drawdown on cash reserves, which although this always poses a risk relating to the balance of payments, hopefully the benefits in capital spending to raise and uplift our people and the economy over future years will be worth the chance.

In the Medium-Term Expenditure Framework, I have identified a few of my key highlights which will directly impact on the individual. A total of N\$7.1 billion has been allocated to the Agricultural Sector over the MTEF. The Green Scheme Project to bring more land under irrigation as

well as other initiatives to assist in livestock agriculture development will touch the lives of many in the rural areas as well as continue to promote the major Sectors of the economy. Development of our communal land is very important so that people can farm more productively on that land.

I was very pleased to see that homage was paid to the late Dr Abraham Iyambo through the continuing development of his educational legacy. Within the Social Sector, Education and Health and Social Services are allocated the largest allocations of the N\$18 billion MTEF, receiving on average 63% and 27.6%, respectively, of the Sector's allocation and 24.5% and 11.2%, respectively, of the Total Budget. Also the MTEF particularly allocated spending to improve access to health services and education among the San people, Ovatue and Ovatjimba communities.

Honourable Speaker, the Health Sector is currently very expensive, but with the increase in spending from N\$3.9 billion to N\$5.2 billion the strides to improve health facilities, control disease outbreaks and to bring health services closer to the people will pay dividends in the future and hopefully begin to reduce the cost to the individual.

Many people are asking the question as to whether this is now the right time to privatise our airline. Air Namibia will receive about N\$1.98 billion over the MTEF, N\$1.23 billion in 2013/2014. (Interjections). I am a big supporter of our airline and I hope that it can continue, but a thought that must cross people's minds is how a private company tasked with managing this entity would do things differently. Is there enough evidence to support the fact that there are individuals in the market that can find innovative ways to return the airline to a profit-making situation?

The problems which I have identified are that the Minister has not given us a clear view of what spending will directly reduce unemployment. I believe that there are enough indications to suggest that there will be a benefit to the Employment Sector through the MTEF. The infrastructure spending and various large capital projects, for example the Walvis Bay and Lüderitz port and harbour developments, as well as the sanitation and

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transport works planned will definitely assist this plan, provided we ensure that contractors utilise local labour and resources as far as possible.

On a final note, I believe that over the many years of our independent democratic Government we have targeted growth policies through targeted intervention, but have failed to deliver power to the Private Sector to uplift communities through true capitalism. The 2013/2014 MTEF shows that the pendulum is starting to swing to a proper balance and has given the opportunity for corporates and private business owners to develop their own policies and take their cue from a collaborative and supportive Government. The first steps shown in this Budget, for example, are measures such as reduction in tax rate right through to incentives aimed at reducing harmful emissions and uplifting employees through a skills development levy.

I thank you, Honourable Speaker. With this I support the Budget.

HON SPEAKER: The next speaker will be Honourable Isaacks.

HON DEPUTY MINISTER OF MINES AND ENERGY: Thank you, Honourable Speaker, Honourable Members of this august House. Allow me to join the other Colleagues and make a contribution to the Budget discussions.

I rise to make a tiny contribution to the Debate on the 2013/2014 National Budget. I commend the Honourable Minister of Finance and team for the preparation and tabling of this Budget.

HOUSE ADJOURNS AT 15:40

SECOND READING: APPROPRIATION BILL HON ISAACKS

HOUSE RESUMES AT 16:20

HON DEPUTY MINISTER OF MINES AND ENERGY: Comrade Speaker, I will not dwell on specific Votes today and neither statistics, but I will just make general remarks on the tabled Budget.

Comrade Speaker, I applaud the premise from which the Budget is drawn up and that you are, in so doing, trying to address the fundamental challenges we face in Namibia and also globally. I must, however, note that I am disturbed by reports in the newspapers on the many Public Sectors that ended their financial years with surpluses. That to me is a matter of concern. That practice in itself denotes the absence of sincerity in responding to the needs of our poor as well as efficiency that lacks in our structures of administration and good governance.

We can present and approve the best Budget in this Chamber, but as long as effective implementation haunts our performance, we will not be able to move an inch in developing our country and its people. I admit that we have heaps of projects and have implemented projects that have bettered the lives of our people considerably, but I am convinced that we have the resources and capacity to do better. Implementation is the key to our developmental agenda.

I am happy that free education is not a mere slogan, but that we are now going to implement it to the letter. I must, however, request that the responsible Ministry be serious with the implementation of the programmes and that by so doing we remove the impossibilities of us, the poor, keeping our kids in school.

Unemployment is a subject one cannot talk about with ease since it cuts at the heart and pulse of this Nation. I am happy for the allocations made to various Public Sectors and would wish to see that conscious efforts are made through all identified Government programmes to accelerate the pace of job creation. I call on the implementing agencies to be fair and just in all the dealings through which we intend to empower our people.

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Awarding of tenders has the potential to be the most corrupt area where the weak ones are trampled upon to the expense of stronger, advanced and advantaged individuals who have access to resources and personalities others do not have. Let us develop Namibia such that we all have space and equal access to resources, whilst being considerate about the less fortunate.

Comrade Speaker, Budgetary Allocations made to the Health Ministry should not be seen as habitual priority, but must be seen as a serious development statement of our Government on the importance it places on the health of its Nation. I am not particularly impressed with the state of our health facilities. I see that efforts are made to renovate and upgrade, but the dilapidation that follows afterwards calls for effective administration and the enforcement of discipline on all levels. Why do we need to go to the private hospitals if our own health facilities could offer the same quality service?

Comrade Speaker, Honourable Members, I commend my Government for addressing the inequities of the past through its intervention programmes. I plead with the Ministry of Veteran Affairs to also speed up the process of visiting the remaining Regions to reach all those who are yet not benefiting from this programme. I have witnessed the relief this programme has brought to the few and I would wish to see that those who endured the same pain also become the recipients of such a grant.

Comrade Speaker, allow also me to commend the Ministry of Agriculture, Water and Forestry for a job well done. Recently we witnessed the official inauguration of fresh hubs in different Regions. I hope that this infrastructure will be used in the interest of the inhabitants of the said Regions and the entire Nation. I can recall the appeal on various occasions by His Excellency, President Hifikepunye Pohamba to reduce the imports from our neighbouring countries. Let us stand up as Namibians and join hands and work together to make Namibia a fresh food producing Nation. We have water from the Kunene River to the Kavango River, from the Kavango River to the Fish River, from the Fish River to the Orange River, the Orange River to the Zambezi River. I believe the Namibian nation is ready to feed themselves with their own

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resources. Only agricultural-based industrialisation can easily alleviate poverty and hunger.

Lastly, Comrade Speaker, I must commend at this stage my neighbour for his contribution made yesterday on the issue of Kudu Gas Project. I must assure this august House that the Kudu Gas Project is enjoying priority at the Ministry of Mines and Energy. (Intervention)

HON DEPUTY MINISTER OF GENDER EQUALITY AND CHILD

WELFARE: Comrade Speaker, may I ask a question? Does the Orange River belong to us or not?

HON SPEAKER: It is ours legally.

HON DEPUTY MINISTER OF MINES AND ENERGY: We own part of it and that is why we also have some irrigation projects alongside the Orange River on the Namibian side.

Comrade Speaker, I must assure this House that the Kudu Gas Project is enjoying priority at the Ministry of Mines and Energy as this is a Namibian Government Cabinet decision. The House will be briefed on any developments in the Kudu Gas Project at an appropriate time. After the briefing of the Cabinet the House and the entire Nation will be briefed accordingly.

Comrade Speaker, with these few remarks, allow me to advance my support for the well-drafted Budget. Once more I am congratulating my Colleague and senior Minister.

HON KAZENAMBO: On a Point of Information. Honestly, it is heartening that the Deputy Minister of Mines and Energy is speaking on the issue of Kudu Gas. Electricity is a priority for development and if one reads in the newspaper about people in Government being at each other's throats on an issue like electricity, playing politics or what appear to be business interests, please, electricity is just like water and this is a very critical resource. Your information is really heartening because rural areas are in need of water and electricity, because it is the key for development. Now that we are sitting with a resource like that and for years it was only speeches and speeches, please Comrades, let us move on, let us stop in-fighting and develop this Kudu resource now, not tomorrow.

HON DEPUTY MINISTER OF MINES AND ENERGY: Thank you for the comment. Comrade Speaker, Honourable Members of this august House, with these few remarks, allow me once again to advance my support for the well-crafted Budget and also to congratulate my Colleague and the senior Minister and her able team for crafting the Budget. I thank you, Comrade Speaker.

HON SPEAKER: Honourable Shixwameni.

HON SHIXWAMENI: Thank you, Honourable Speaker, for the opportunity to speak on the Second Reading Debate of the 2013/2014 Budget. I would like to start off with some appreciation and congratulations, first and foremost my appreciation to the Right Honourable Prime Minister and the Minister of Education for having provided me with written responses on the questions that I asked, because it seems that all questions are going to lapse, but they had the courtesy of forwarding these answers to me. I hope the media would publish it as I feel they were fair and just answers.

Secondly, I would like to congratulate my sister, the Minister of Finance and her staff and the Director-General of the National Planning Commission and his staff, for both presenting the Budget on time and for presenting a Budget which is transparent and to a greater extent I will call it a tough balancing act.

I would also like to thank the Honourable Speaker, the Government Chief Whip and the Prime Minister for the current arrangement to limit Ministers in speaking during the Second Reading Debate, because time is indeed money and we should deal with the Budget as effectively and efficiently in the shortest time on the Floor of this House.

I would like to repeat my appeal for the Budget Debate Cycle on the Floor to be reconsidered and made shorter in order for it to be passed by both Houses before the start of the Financial Year, in order to allow more time for the implementation of capital projects on time and within the specific Financial Year. As Namibians we could possibly agree on a Budget Cycle in Parliament that will allow it to be passed before the 1st of April.

The Second Reading Debate should be further shortened and I support the formation of a multi-party Budget caucus to look at the Budget either shortly before it is tabled in the House or immediately after it is tabled in the House, so that we could agree when we come on the Floor of the House, thereby making the process shorter.

Second Reading Debates should be limited to, at the most, two persons or even one person per each Party represented in the Parliament, which should take at most a week only, thereby allowing us to pass the Budget before the 1st of April. In fact, I would even suggest that we have a Joint Session of the House during Budget Debate so that everything is thrashed out at once instead of having these many repetitions of the same issues. I for one ask myself: The Minister of Finance is a member of the Ruling Party, you have twenty Members from SWAPO speaking on the same Budget. It is their Budget and what can they contribute that would change the Budget on the Floor of the House that they cannot do at caucus level?

Therefore, if we can reach an agreement the process can be shortened so

that the Budget is passed, in the best interest of our Nation and for the best implementation of capital projects, by both Houses before the 1st of April. (Intervention)

HON SPEAKER: Honourable Minister of Justice.

HON MINISTER OF JUSTICE: Comrade Speaker, may I ask Honourable Shixwameni a question? Honourable Shixwameni, your statement makes sense to me, but I am just concerned about one fact, namely your proposal that only one Member should speak. Does it mean that you are looking at your own interests, because you are only one? Is that the strategy of the APP to make us more equal?

HON SHIXWAMENI: Honourable Minister, my only interest is to promote the best benefit of our Nation. If we can do things better, it should not be the interest of the APP, the interest of SWAPO or the interest of the RDP, it should be done in the best interest of our Nation.

I would like to proceed by thanking the Minister of Finance for the tax breaks that she has recommended. Last year I said and I must still say that our tax regime indeed favours the well-off, the rich. We as the APP would like to see a situation where the rich are taxed more. We thank the Minister of Finance for taking on board the proposals that I made last year for raising the non-taxable bracket to N\$50,000.00 and creating two more clear upper tax brackets, as we proposed. (Intervention)

HON SPEAKER: Honourable Kazenambo.

HON KAZENAMBO: On a Point of Information. Honourable Shixwameni, you are ululating the tax on the so-called rich bracket. My friend, while we are giving tax relief we must equally be careful of killing the goose that lays the golden eggs. Let us do it in a balanced way, let us not do it as if we are punishing the rich or punishing those who are creating jobs. I am saying this with a bleeding heart, because I just experienced it a while ago. Please let us be careful.

HON SHIXWAMENI: I take cognisance of the goose that lays the golden eggs, but still, departing from an ideological position, I would still insist....(Interjection). Yes, very much, I have not abandoned my principles. To welcome the tax break has nothing to do with socialism.

<u>HON MOONGO</u>: I would like to inform the Colleague that if socialism means that everybody has to be poor, it is not wanted in Namibia. We want the poor also to become rich and if you are proposing that all people must be poor in the name of socialism, it will not happen in Namibia.

HON SPEAKER: Honourable Shixwameni continue.

HON SHIXWAMENI: Honourable Speaker, Honourable Members, I choose not to respond to these issues, but I want to say that we welcome the tax breaks for the lower and middle-income classes. Indeed, it is a welcome windfall, yet I still feel that the already rich in the two upper brackets that have been created should not have been given a tax break. They are supposed to continue to pay more in order to keep the Budget deficit lower.

I believe in what the Director-General of the National Planning

Commission talks about, the "Big Bang development and the fast-forward economic development" that are needed and I still believe that the State should play a very central role in developing our country. There is no way that the State can stand on the fringes of socio-economic development and expect that the poor would get out of poverty.

Thus I would like to ask one question: What happened to the many empowerment policy frameworks that we have brought to this House? TESEEF was withdrawn, because there was going to be the policy conference of the SWAPO Party. It seems that is where it was completely killed and abandoned.

What happened to the Broad-Based Economic Empowerment Policy Framework in this country? Are we going to live in this country for more than 23 years without having a framework of how our people are going to be empowered? I feel it is an injustice, it is not correct; we need to have an economic empowerment framework which everybody knows, which will guide this country in who benefits and who does not benefit.

The other question that I will ask is: Have these now been replaced by TIPEEG or what is the question that we are unable to answer? Both TESEEF and the Broad-Based Economic Empowerment Framework have not been mentioned in the statement by my sister, the Minister of Finance, at all. It seems it is slowly falling below the radar of the Government.

Regarding TIPEEG I would like to say that this is basically the last Financial Year of its implementation and it has only helped to enrich the already rich and it is not the solution to our poverty and unemployment problem. We need to have a long-term poverty eradication and empowerment plan in place in order to sort out the problems of poverty eradication.

However, in order to do all this, to eradicate poverty and to minimise unemployment, we need to adopt a holistic approach and not adopt kneejerk reactions to our problems. When I look at all the money that has been wasted on TIPEEG, the money that has been wasted on engaging consultants to do TIPEEG or whatever three names that have been given,

it could have been well-spent if we were to implement a basic income grant to take people out of poverty. (Intervention)

HON SPEAKER: Honourable Nujoma.

HON MINISTER OF JUSTICE: Honourable Speaker, may I, on a Point of Information rise to respond to Honourable Shixwameni's statement that we do not have an empowerment policy. Honourable Shixwameni is wrong there. We have a Broad-Based Economic Policy, we have one in the Fishing Sector, we have the land reform programme where our people are being resettled. So, do not say that we do not have it, it is already in operation, it is just a question of coining the name. Black empowerment is already in operation. We are doing it in the Agriculture Sector, so what more do you want? It is better to do practical things rather than devising voluminous documents which are meaningless. You are talking about other countries and there I almost agreed with you. For example, China encourages State participation in the economy and they are doing well, for a country of one billion people. Therefore, we lead by example and these things are already in operation. Just wait for the paper, it will come, but it does not matter, we are already far ahead.

HON SPEAKER: 2.3 billion people.

HON SHIXWAMENI: I agree with the Honourable Minister of Justice, but what I do not agree on is that this country does not have a holistic empowerment framework which is known by each and everybody. What is happening here is that the political elite who know what needs to be done in the Fishing Sector collect their aunties and cousins and link them

up with the big major companies. We need to have a national framework which is known by each and everybody, that this is what is being done in the Financial Sector, this is what is being done in the Fishing Sector, this is what is being done in the Mining Sector, so that everybody knows what is going on. This thing of having a few people knowing in the North and the rest of the country left in the dark does not work, that is not policy.

HON DEPUTY MINISTER OF JUSTICE: You are doing well on certain aspects and others not so well. I was so amazed when you mentioned the term "Budget Cycle". I did not know if our Colleagues in the Opposition were aware about the existence of a Budget Cycle. My premise for this stand is that, whilst you aware of the Budget Cycle which starts around September, October, you allow the whole process to pass without you calling and knocking on the doors of those responsible for the Budget Cycle to make your point there. Only now that we are almost at the end of the Budget Cycle are you making these statements, actually wanting to reverse the process that has started so long ago. Because there is no camera there, you did not choose to make your suggestions at either the Cabinet Treasury Committee, the National Planning Commission or the President. If we are now to engage in serious politics, this actually does not make sense. Even if you say you want to be part of the process, the process started a long time ago and if we were serious, we could have ambushed the process and made our input right there, rather than coming here and playing to the gallery.

When you go into business, you do not go as a private person to create employment, you go there to make money for your shareholders and that goes to the core of the system that you are talking about. There is no way you go into business to create employment, you do that to make money.

HON SHIXWAMENI: The Honourable Member is probably confused. Instead of asking a question he is making statements. Statements are not questions.

I was saying that we need a holistic approach and we need a policy framework that is known to everybody. The Honourable Minister of Justice talked about pieces of the policy, but we cannot live by a piecemeal approach. It is time that this country is run in a holistic way, in a way that is predictable, in a way that is efficient and in a way that everybody actually knows what is happening so that they are able to participate.

We can take the example of China, which my brother there alluded to, but we need to act in the way of the *Chavistas*, we need to act the way of Luiz Ignacio Lula da Silva, we need to act in a determined way. The State cannot be afraid of taking certain actions, because of imperialist and capitalist blackmail. A developmental State must be ready to take action in the best interest of nobody else but the Namibian people. That is what we need to do and I would encourage Ministers, our President to be bold enough to take the necessary action and not only to say Hugo Chavez was a real revolutionary. When are we going to become real revolutionaries here at home? (Intervention)

HON SPEAKER: Honourable Kazenambo.

HON KAZENAMBO: On a Point of Information to my revolutionary Comrade. It is easier said than done. It is easier said than done; when the President, the Prime Minister or the leadership talk about the good deeds of Hugo Chavez, please let us contextualise it instead of blaming one another here. This country has a Constitution which guides us in everything we do. Let us not speak as if we do not know the background, the Bill of Rights and the economic framework that we have here. These legal instruments may not be the same in Cuba, in Havana, in London or in China. If we here should say nationalise the economy or appropriate the farms, we know how others are suffering as a result of sanctions. Therefore, it is easier said than done. You can speak as if you are a revolutionary, you know you are not one.

HON SHIXWAMENI: I leave it to KK to basically judge me, I do not judge people because it is only history that would be the judge.

Maybe just to react to what the Honourable Member just said, Constitutions are made by people. This Constitution was made by ourselves. The Right Honourable Prime Minister was the Chairperson of the Constituent Assembly and many of you who are seated here were part of the constitution-making process. The Constitution can be changed. Let us not tell our people that we cannot change this Constitution. There are certain parts in the Constitution that can be changed and given the political will, that can be done. Let us not take refuge in the Constitution as if it is sacrosanct, as if it is the Holy Bible. That would be selling opium to the masses, that we are tied by a document that is a paper.

Venezuela changed their Constitution, Brazil changed their Constitution, the Chinese keep on changing their Constitution as the conditions suit them. However, I want to go further by saying that in order to attain poverty eradication and unemployment minimisation, we as a Nation need to look for greater investment in mass-based sports, such as, *inter alia*, soccer, rugby, boxing, tennis, netball, basket ball and make these professional codes in our society. In cooperation with the Government and the Private Sector, let us pull together resources to make sure that our sportsmen and women excel. They would be earning money on which they can pay tax and the State would receive money from the taxes these people will be paying.

We also need serious investment in culture and arts development to support our cultural workers and artists throughout the country to attain professional status. It is the only way, instead of waiting for a mine to create ten thousand jobs, for the ordinary people to stand by themselves with the assistance of the State, given the appropriate facilities are there to be able to create mass employment and mass income for our people.

I would like to go to my next point which is linked to poverty eradication, unemployment minimisation, and that is agriculture and the Green Scheme projects. I would like to welcome the investment made in the Agri-Sector for the past three years in the Green Scheme. I would like to

ask the Minister and the Government to expand the Green Scheme to the interior areas, the *murambas*. In the Caprivi and Kavango people only see the rivers, but in the interior you have places where ages ago water used to flow and we need to develop them. Many of the villagers do not live around the rivers, they live in the interior of both the Caprivi and Kavango Region and also in the Kunene Region. We could expand the Green Scheme projects to these *murambas*. That would create employment and also ownership for the people in the Green Schemes.

I would urge the Ministry of Agriculture, Water and Forestry that we need to revisit the ownership of the Green Scheme projects. The model which is currently being used where a certain expert farmer owns the Green Scheme and gives pieces of land to the locals is disadvantaging the locals. Though it benefits them in terms of employment, I still believe that that ownership scheme needs to be revisited. Apart from being given pieces of land to cultivate on, I believe it would benefit our people more if they had 45% shareholding in the main company, which would make them reap the benefits and the profits of the main company, instead of just cultivating a few hectares of land.

It has been said here by many people that water is life, but for many of our people in the rural areas it has become very difficult to obtain water. They have to walk up to seven, ten kilometres to get water. Of course, I appreciate and welcome the Government's efforts to drill boreholes in the villages, but it would be good if each village is equipped with a solar borehole. The problem that is being experienced in villages in most cases is that when a borehole breaks within a radius of five kilometres, they have to go to another village which may be ten kilometres away to fetch water. The Ministry would be well advised that the repair of boreholes be done timely in order to ease the burden that is put on both the cattle and people in villages. Some boreholes remain broken for one year without being repaired and when they come after one year, they only collect the pieces that are broken and spend another six months before they come back to repair that borehole.

I would like to appeal and I this is already reflected in the Hansard because I put it to Minister Mutorwa...(intervention)

HON SPEAKER: Honourable Nujoma.

HON MINISTER OF JUSTICE: I want to ask Honourable Shixwameni a small question. My Honourable socialist brother, you were saying that the villagers in these *murambas* must get ownership and I agree, but I have a question. You would know, why socialism at one stage failed in China is because there was no ownership. If you are a developer you would like to have ownership security, because you are the one taking the risk. Now if you say all these villagers along the *murambas* must own the project, who will work for that? You need somebody who will drive the project and make it a successful project, but if you say all the villagers are owners, who will work?

Another problem, and perhaps this is the philosophy of APP, is that you say the Government must repair the boreholes in the villages. Why always Government? The Government has provided a borehole and you must organise yourselves so that when the borehole breaks down, you take responsibility, because that is a borehole you were given by the Government. We cannot continue providing boreholes and repairing them while people are breaking them. That is the problem with your socialist concept. Although I am a socialist myself, I am a practical socialist.

HON SHIXWAMENI: My brother has fallen off the radar of socialism and communism; he is trying to keep it up by wearing a Che Guevarra cap. It does not work like that.

However, for the past twenty years it has been said that the Kavango and the Caprivi Regions are supposed to be the breadbasket of this Nation. (Intervention)

HON SPEAKER: Your up-front neighbour, Honourable Kaura.

HON KAURA: May I ask just a small question? Honourable Member, after Gorbachev introduced the two words, "*perestroika*" and "*glastnost*", is there anymore socialism in the world?

HON SHIXWAMENI: I will jump that question. I was talking about the breadbasket. Where have you seen a breadbasket without bread? These two Regions are supposed to be the breadbaskets that are supposed to feed Namibia, but the people there are poor, which means that they are the poorest of the poor in the whole country, which means there is no bread and there is no basket there. (Intervention)

HON SPEAKER: Honourable Minister Kaapanda.

HON MINISTER OF INFORMATION AND COMMUNICATION TECHNOLOGY: Honourable Speaker, on a Point of Information. The Colleague is doing well, but sometimes he deliberately tries to twist things and I want him to give credit where it is due. Honourable Member, you mentioned correctly that Caprivi and Kavango are the breadbaskets of his country, but these baskets are empty. Honourable Member, do you know that as we speak there are silos in Caprivi and Kavango full of grain? Where is the empty basket you are talking about?

HON SPEAKER: Honourable Shixwameni.

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HON SHIXWAMENI: There are silos, there are the hubs that have now been established, but the people are poor. Those are Government statistics, it is not me who is inventing that. Can we agree on that, it is not me who is inventing that?

HON MINISTER OF INFORMATION AND COMMUNICATION TECHNOLOGY: Poverty does not mean people go to bed hungry and poverty is a very relative word.

HON SHIXWAMENI: Let me proceed before my time lapses, we can have an academic and intellectual Debate on that, but there are statistics.

I was walking about the water canal. Two years ago I put a question to the Honourable Ministry of Agriculture, Water and Forestry on why there is no water alongside the Rundu-Mururani road and he said everything is in the pipeline. Now I need to be told by this House how long things remain in the pipeline, because he even added that it is not only Rundu-Mururani that is in the pipeline, he went on and added that indeed Rundu and Divundu were also being considered. I want that pipeline to end, the things must get out of the pipeline and be implemented, because the water can easily be pumped from the river so that people are provided with potable fresh water.

I move on to education and skills development, that which my brother, the Minister of Justice, was talking about.

We talk about skills and skills deficit. Tell me, how do you want the villagers who do not know the mechanisms of how a borehole works to repair it?

HON SPEAKER: Honourable Iilonga.

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DEPUTY MINISTER OF DEFENCE: Honourable Shixwameni, if you follow the *omuramba* Ndonga-Linena it goes up to Etosha and I only want to know whether you are aware that currently with these small Green Scheme projects we are engaged in, our eastern neighbour is up in arms, complaining that we are using the water and their swamps are becoming dry. This is one international scenario facing us and we must also not forget those stumbling blocks in our way to development.

HON SHIXWAMENI: I am very much aware of what Honourable Ekanda is talking about and we will have to find a way out of the maze of the international watercourses, but the *omurambas* are inland. They might be linked to the rivers, but they belong to us and we can do what we want with them, we do not need to ask permission from Botswana, Angola or South Africa.

I was talking about education and skills development and I would like to sincerely congratulate the Government for the step taken after 22 years of denial and defence here that there is free education in this country. I must pay tribute to the late Dr Abraham Iyambo that he at least took the bull by the horns to convince the Cabinet that for 22 years they have denied our children free education. Therefore, congratulations go to the Government that at least we have been able to implement free basic education this year. I hope it is the beginning of greater things to come and that we will be able to extend it to other levels of education. We are complaining about skills. Why do we not make vocational training free? Why do we not make the first degree at UNAM and Polytechnic free, so that we can get the required skills? Why can you not take the bull by the horn and say we are going to make entrance to UNAM, the Polytechnic and vocational training centres free, so that all those who qualify would be able to get to these tertiary institutions to obtain the necessary skills for our country?

HON DEPUTY MINISTER OF DEFENCE: On a Point of Information. Honourable Shixwameni, you say we must take the bull by its horn.

Currently I have a Simmenthaler bull, but it has no horns, I have a Brahman which has no horns. Can we find another phrase that says; "take the bull by its horns or ears, because people will look for the horns where there are no horns.

<u>HON SHIXWAMENI</u>: Let us take the buffalo by its horns or let us take the elephant by its horns.

HON DEPUTY MINISTER OF JUSTICE: Comrade Shixwameni, on a Point of Information. What you are talking about is along the correct ideological lines, but you also know very well that in the systems where education is paid for by the State, those States own the means of production. You are shying away from saying those villagers need to be organised into some sorts of cooperatives, probably for people not to label your Party as a socialist Party while you are trying to blackmail us in a very clever way. However, the fact of the matter is, if you have a cooperative and the village owns the borehole, then let them be organised and also be responsible for the repair of their assets. These are the things you need to be talking about. The State owns virtually no land, what they own is actually the land on the sides of the roads ...(Intervention)

<u>HON SPEAKER:</u> Deputy Minister, you are denying yourself the opportunity, you are on the list.

HON DEPUTY MINISTER OF JUSTICE: You are being saved. Try to talk straight, because these things are very complicated and you cannot proceed like that.

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HON SHIXWAMENI: I am saying that, what we are currently doing with the Namibia Students Financial Assistance Fund is basically to indebt our children before they even start working. Why do we not take the funds budget for the Namibia Students Financial Assistance Fund, give it to the Polytech, UNAM and to vocational training centres and allow our kids to attend free education there. The parents could then be required to pay for stationery and other things, but that would relieve their burden.

HON SPEAKER: Minister of Trade and Industry.

HON MINISTER OF TRADE AND INDUSTRY: On a Point of Information. I think the Honourable Member paints a picture as if a student that wants to enrol at UNAM has to pay for everything. Just for information, I think in the case of UNAM round about 86% of the total cost of UNAM is covered by the State and it is part of that transfer and subsidy that we are giving to the tertiary education system. A similar amount is availed to Polytech. Round about 75% or 80% in that case is paid by the State already. Therefore, to paint the picture that the State is not doing anything for tertiary education and, therefore, students have no access to tertiary education I think is the wrong picture. About 80% is already paid by the State, so there is significant support for tertiary education and I think what we are talking about is whether that 20%, if it is also made available by the State, will in fact close the skills gap totally, but it is not a picture that nothing is done. I just wanted to give that information. Thank you.

HON SHIXWAMENI: Thank you for that information, but I want to wind up. Please take the Floor yourself and explain these things. All that I am saying is, use the money that is given to the Namibia Students Financial Assistance Fund to close that 20% gap that you are talking about and make the first degree university education free, make vocational

training free, make education at the Polytechnic free. What is 20% of that particular Budget?

HON MINISTER OF HOME AFFAIRS AND IMMIGRATION: I was listening with very keen interest to the President of APP. Just a comment and a quick question. Against the backdrop of what the Honourable Minister of Trade and Industry told the House just now and your advocacy that all institutions of higher learning be covered by State funding, how much do you think our Budget should be in order to cover all that? Because what goes there now is only 20% and 80% comes from somewhere else. With that picture completed, how much do you think the Budget should be and what percentage should the Minister of Finance tax the Nation in order to cover the 80% for the programme you are advocating?

As President of APP....(Intervention)

HON SHIXWAMENI: All Peoples Party.

HON MINISTER OF HOME AFFAIRS AND IMMIGRATION:

Apparently others are saying it is one person's Party, but this is not what I am saying. As the president of your Party, talking to the Nation, telling it that if you choose me to become your president next time, you should know that I am going to increase the tax to that level so that I will be able to introduce free education from primary to tertiary. Do you think people are going to vote for you?

HON SHIXWAMENI: I cannot do calculus or econometrics on the Floor of this House, therefore we can talk about the percentages later, but

what I am trying to say is, let us as a Nation put heads together and see where do we cut. Maybe we should return to the ways of the Founding Father Sam Nujoma and instead of people driving Mercedes Benzes, let them drive Camrys so that we save money. I am sure if the Minister is given the responsibility to look for sources to finance this, we would be able to find sources of finance. There is a lot of wastage in Government and if we were to put heads together, we would be able to find the necessary savings to finance this.

On the issue of State-Owned Enterprises, I fully agree with the statement made in the Macroeconomic Framework on Page 7 that transfers to State-Owned Enterprises could have been used for other purposes. I cannot agree more with that. (Intervention)

HON SPEAKER: Minister of Youth.

HON MINISTER OF YOUTH, NATIONAL SERVICE, SPORT AND CULTURE: How do you feel when the Parties here are not hundred percent present here while APP is hundred percent present and Ben Ulenga is hundred percent absent? The others are not hundred percent present here, but APP is always hundred percent present in the Parliament.

HON SHIXWAMENI: That is very good indeed, hundred percent ever present. You need to ensure that those empty seats are filled. Deputy Whip, they must be filled because they are paid to be here, they are not paid to be outside. I shall make sure that every time that I am around town that I am hundred percent present in this House. Please, this struggle that we have with the quorum all the time, SWAPO has a two-thirds majority and you can make a quorum by yourself, you do not need all of us to be here, but time and again there is no quorum in this House due to

the AWOL of SWAPO members. Please, you are paid to be here in Parliament, that is your job. (Interjections). I will always be present here and I can guarantee you, former Vice-Presidential candidate, you may next time find yourself here where Honourable Kazenambo finds himself. Come 2014, pray to God that you do not come and line up this side.

Honourable Speaker, I was about to conclude and say that I fully agree that it is time that we demand value for the money we spend on State-Owned Enterprises. There is no way that we can be throwing money to State-Owned Enterprises just to sustain high managerial salaries. That should come to an end and there is no way that we can be bailing out State-Owned Enterprises year in and year out with about N\$6 billion. We need to put an end to this and that end must come during the next Financial Year, if not now.

I would like to conclude by saying that the Civil Service bill is indeed of great concern. It has grown higher and higher and we need to demand value for money from our Civil Servants. We cannot have people sitting in offices, just coming there and put on a jacket and then they go for the rest of the day. We need to demand value for money from everyone and we need performance management contracts for everybody in the Civil Services.

With those few remarks, Honourable Speaker, I support the Bill as technically and professionally well-presented.

HON SPEAKER: Honourable Makgone. Congratulations, it is the first time you are speaking in your new capacity.

HON DEPUTY MINISTER OF EDUCATION: Thank you, Honourable Speaker. Let me from the onset thank His Excellency Hifikepunye Pohamba, the President of the Republic of Namibia, for the confidence and trust he put in me by grading me worth to be appointed as

Deputy Minister of Education in his government. I accepted the challenging responsibility with humility and courage.

Secondly, I want to thank the Minister of Finance for the well-presented Budget Speech. I think she would say, quoting Madiba: "I must not be isolated from the collective who are responsibility for the success." I thus thank the collective without compromising the individual contributions.

What is encouraging in this Budget, among others, is to see on Page 9 the 42% improvement on the revenue outturn, especially through local interventions of growth of economy and effectiveness of the tax administration. This gives us more reason to believe in ourselves.

It is, therefore, important that the caution of the under-utilisation of the budgetary allocation by the Minister be taken seriously, as it has negative implications. It does not make sense that much effort is put in looking for intervention of collecting more revenue, just to lose it by non-implementation.

With regard to the Budget achievements, I would go to the Agricultural Sector. Namibia's achievement in the Agricultural Sector cannot be overemphasised, especially the Green Schemes and beef export. We now see that the beef exports are being threatened by the EU 40-days residency compliance. Many Honourable Members spoke with one voice on this issue, some termed it as neo-colonialism.

This started with stringent livestock identification and traceability system on Namibia as a condition for allowing the country to export red meat to Europe. We were running around looking for these ear tags and now it is the 40-days residency. If we are not watchful, at the end we shall be told to go out of our farms as EU will manage our farms better. It reminds me of the camel and the owner in the desert. When the camel asked the owner, "let me just put my head in the tent" and the owner allowed it, and then "let me put in my breast" and he allowed it, later on he was kicked out of his own tent. We should be careful.

This tells me we should make a stand and it reminds me of a book I read by Chika Onyeanyi. He said it is when you hit people hard where it counts, namely their pocketbooks, that they understand the value of your patronage. He was referring to the incident of February 1996 when Tony Blair, the then Prime Minister of Britain, banned Nigerian Airways from flying to London. Nigeria waited until May the same year and retaliated by banning British Airways from Lagos. Nigeria is one of the lucrative air routes of British Airways and by the end of the year British Airways was feeling the pinch and started negotiating with their Government. British Airways urged its Government to lift the ban on Nigerian Airways. They campaigned to the Labour Government and in August 1997 the ban was lifted and Nigerian Airways could again fly to London. They were hit hard. In the meantime Nigeria refused to do the same and British Airways started thinking that it is the other airlines that are coming to Lagos that are conspiring against them. British Airways continued to plead with Nigeria but that plea fell on deaf ears. It is only when the Government changed in Nigeria in 1998 that the ban was lifted and now they are flying nine flights a week to Nigeria.

That is teaching us that when we stand firm, as we have demonstrated through the struggle, that we can win.

This brings me to the nation-building. As a Nation we need to watch out and be careful not to be divided by outside forces. Sometimes we become enemies to ourselves and sometimes we sell ourselves short.

The abovementioned brings me to the contribution by one Honourable Member and specifically Honourable Nyamu, who was comparing the tax regimes of different countries. It is true that the reduction of corporate tax is meant to attract investment and production. Investors who are not coming to Namibia just because they are comparing the Namibian tax regime with those of other countries should know that they are losing out. Namibia has more to offer than just tax. Compare those countries' road infrastructure with that of Namibia. Compare the communication infrastructure of Namibia with those countries', compare the security

situation, not to mention the stability of the country. I repeat, we are sometimes selling ourselves short.

The reduction of corporate tax is also meant to encourage production. Production means the businesses should produce more and create employment. I am of the opinion that there should be accountability so that we establish how many companies use this reduction to create the much needed employment.

Regarding the Social Safety Nets, here I can only quote Madiba, the former President of South Africa." A society that does not value its older people denies its roots and endangers its future."

In conclusion, I quote the Honourable Minister of Finance: "In formulating this Budget we had to make crucial choices and trade-offs and the outcome of this process clearly reflects our policies and priorities."

I want to assure the Minister and her team that they had not gone wrong with their three choices as stipulated on Page 33 of the Budget Speech.

Those choices correlate very well with the theme, "Growing the Economy, Optimising the Development Outcomes." I support the Bill.

HON SPEAKER: That is what we had for the day. I see no other speakers and that being so, I ask the Right Honourable Prime Minister to adjourn the House until tomorrow, 14:30.

<u>RT HON PRIME MINISTER</u>: Comrade Speaker, I Move that this House now adjourns until tomorrow, 14:30.

13 March 2013

HON SPEAKER: Any objection? Agreed to.

HOUSE ADJOURNS AT 17:45 UNTIL 2013.03.14 AT 14:30

NATIONAL ASSEMBLY ASSEMBLY CHAMBER 14 MARCH 2013 WINDHOEK

The Assembly met pursuant to the Adjournment.

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

HON SPEAKER: We shall commence the Business of the House as scheduled for today. Any Petitions? Any Reports of Standing or Select Committees? Honourable Van Der Walt?

TABLING: REPORT OF THE 30^{TH} SESSION ACP AND THE 24^{TH} SESSION OF THE ACP-EU JOINT PARLIAMENTARY SSEMBLY

<u>HON VAN DER WALT</u>: Thank you, Honourable Speaker. I lay upon the Table the Report of the Standing Committee on Economics, Natural Resources and Public Administration on the 30th Session of the African, Caribbean and Pacific (ACP) Parliamentary Assembly and the 24th Session of the ACP-EU Joint Parliamentary Assembly held in Paramaribo, Surinam, from 22 to 29 November 2012, for note taking.

HON SPEAKER: Any further Reports? Other Reports and Papers? Minister of Finance?

TABLING: REPORTS OF AUDITOR-GENERAL

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TABLING OF REPORTS HON KUUGONGELWA-AMADHILA

HON MINISTER OF FINANCE: Honourable Speaker, I lay upon the Table, Reports of the Auditor-General on the Accounts of the –

- (i) Town Council of Eenhana for the Financial Year ended 30 June 2012:
- (ii) Municipality of Otjiwarongo, Municipalities, Town Councils and Village Councils for the Financial Year ended 30 June 2012;
- (iii) Municipalities, Town Councils and Village Councils for the Financial Year ended 30 June 2012;
- (iv) Municipality of Outjo for the Financial Year ended 30 June 2009;
- (v) Village Council of Otavi for the Financial Years ended 30 June 2009 and 2010;
- (vi) Office of the Prime Minister for the Financial Year ended 31 March 2011;
- (vii) Ministry of Labor and Social Welfare for the Financial Year ended 31 March 2010;
- (viii) National Planning Commission for the Financial Year ended 31 March 2011;
- (ix) Kunene Regional Council for the Financial Years ended 31 March 2009 and 2010;
- (x) Okavango Regional Council for the Financial Year ended 31 March 2010;
- (xi) Municipality of Keetmanshoop for the Financial Year ended 30 June 2011;

MINISTERIAL STATEMENT HON KUUGONGELWA-AMADHILA

- (xii) Khorixas Town Council for the Financial Year ended 30 June 2011; and
- (xiii) Betanie Village Council for the Financial Year ended 30 June 2011.

HON SPEAKER: Will the Minister table the Reports? Any further Reports? None. Any Notice of Questions? Notice of Motions? None. Ministerial Statements? Honourable Minister of Finance.

MINISTERIAL STATEMENT

HO MINISTER OF FINANCE: Thank you, Honourable Speaker. Honourable Speaker, I would like to announce to the Members of the House and through the House to the Namibian public that tomorrow the 15th of March is a remarkable date for consumers across the globe. It is a date designated as the World Consumer Rights Day. Consumers across the globe celebrate this date in recognition of their rights, given disparate market environment. These are the right to product safety, the right to choose, the right to be heard and, most importantly, the right to consumer education.

These rights which are adopted by the United Nations, are in recognition of the important role that consumers play to sustain economic activity. But more often than not, industry activity keeps consumer needs and preferences at the periphery.

The World Consumer Rights Day was first celebrated in 1983 and became an important annual occasion for spearheading consumer rights. It is a day on which we take stock of the progress we have made to safeguard consumer rights in national policies and day-to-day market conduct.

MINISTERIAL STATEMENT HON KUUGONGELWA-AMADHILA

For Namibia, the 15th of March is also a special occasion in respect to financial education and financial inclusion agenda. It is on this date that we launched the Financial Literacy Initiative (FLI), which is a national platform for delivering financial education to the population under the auspices of the Ministry of Finance.

The Initiative has assumed a distinct national character. It enlists the support and participation of over 40 platform partner institutions from the Public, Private and Civil Society stakeholders in order to address consumer needs in the area of financial literacy and consumer protection in a coordinated and consolidated manner.

Indeed, Honourable Members, the consumer financial education is an important conduit for realising increased financial inclusion in our country, which is one of the key outcome areas of the 10-year Financial Sector Strategy that was launched in August last year.

Since the launch of the consumer financial education last year, we have been able to roll-out the campaign to 10 Regions of the country. We plan to roll-out the campaign to the remaining Regions this year. We have also focused financial education on SMEs, this being a strategic Sector for economic growth and job creation. We are directing the campaign to school learners and the youth in collaboration with the Ministry of Education, the Ministry of Youth, National Service, Sports and Culture and Civil Society organisations.

The financial education message has been reinforced by complimentary policy response and introduction of pro-poor and innovative product developments in the Financial Sector.

All commercial banks have responded to the call to introduce a Basic Bank Account (BBA) which offers low or no bank charges for some transactions. The Basic Bank Account is intended for individuals earning N\$2,000 per month or less. Other innovative products and payment solutions such as eWallet have also been introduced in the market, based on technological innovations and cell phone technology.

MINISTERIAL STATEMENT HON KUUGONGELWA-AMADHILA

The Banking Sector has recently adopted the Code of banking practice which sets standards of good practice as well as Guidelines for lodging customer complaints.

Another important reform area relates to the bank fees and charges. In this regard, the Bank of Namibia in collaboration with the Banking Industry, is investigating the setting of standards for cash deposit fees to be issued this year. The national standards which will apply to all savings and investment accounts owned by individuals and businesses that earn N\$1 million or less per annum would mean that all banking institutions will provide free cash deposits for the first N\$2,000.00 deposited per month on all savings and investment accounts, and charge-free service for the first N\$10,000.00 deposited by businesses with an annual turnover of N\$1 million or less.

In regard to the financial education campaign, we will introduce the Weekly Radio Program on NBC National Radio to strengthen outreach and enhance interaction with the public. We will also strengthen education messages aimed at personal debt management and design workplace programme for subsequent roll-out to the working class.

In commemoration of this day, the Financial Literacy Initiative together with its platform partners reiterate its continued commitment to empowering the Namibian population by conveying information on the essentials of managing finance, information on existing and emerging financial products and services offerings in the market, consumer needs, rights and responsibilities. Platform partners will hold workplace programmes in marking and celebrating this day.

May this day be a constant reminder of personal commitments towards better financial management. I call on industry, and the Financial Industry in particular, to increasingly place the needs of consumers at the centre of their day-to-day service delivery and to practice responsible finance. I call on the public to always compare, shop around and seek for relevant information prior to making financial commitments, live within their means and to assimilate the consumer education information provided

14 March 2013 QUESTIONS ON MINISTERIAL STATEMENT HON DR GURIRAB / HON BEZUIDENHOUDT

through the consumer education programme.

Budget Wise, Spend Wise and Borrow Wise so that you are able to Save Wise. I thank you.

QUESTIONS ON MINISTERIAL STATEMENT

HON SPEAKER: Thank you very much, Honourable Minister for the very important information. As a citizen, I have been wondering more about human security and safety in terms of consumer safety and protection at supermarkets and other places. Is there a local organization that ensures that everything that we consume, not because of the horsemeat, I am talking generally, be it is fruits, vegetables, meat and every other thing including medication from pharmacies is safe? At some places I know, we live by the advice they provide to the public. Honourable Bezuidenhoudt.

HON BEZUIDENHOUDT: Honourable Speaker, I have seen columns written by a consumer group in the newspaper, I am not sure how far they are as a body.

HON SPEAKER: It is a personal thing. I know Louw is doing it. Minister of Finance.

RESPONSE TO QUESTIONS ON MINISTERIAL STATEMENT

14 March 2013 RESPONSE TO QUESTIONS ON MINISTERIAL STATEMENT HON KUUGONGELWA-AMADHILA

HON MINISTER OF FINANCE: Honourable Speaker, there is indeed a local consumer protection group – a Civil Society Organization. It is one of the partners we are working with on this Financial Literacy Initiative Programme. A Bill that will improve on the protection of consumers in Namibia is currently in the process of being formulated. This House would hopefully enact this Bill into law when it is presented – it is at the finalisation stage.

HON SPEAKER: Thank you very much, Honourable Minister. The will Secretary read the First Order of the Day.

RESUMPTION OF DEBATE ON SECOND READING: APPROPRIATION BILL [B.1 – 2013]

SECRETARY: Resumption of Debate on Second Reading – *Appropriation Bill* [B.1 – 2013].

HON SPEAKER: When the this Debate was adjourned yesterday, 13 March 2013, the question before the Assembly was a Motion by the Minister of Finance that the Bill now read a Second Time. The Parties that will take the Floor today are: COD – 45 minutes; RDP – 30 minutes; RP – 45 minutes; SWAPO Party – 55 minutes. Honourable Lucks.

HON LUCKS: Thank you, Honourable Speaker. As I rise today for my contribution to the Debate on the National Budget, I will start with some of the positives that the Minister of Finance has mentioned in her Budget

Speech. Firstly, the tax relieve for both personal income tax as well as company tax are very welcomed. Better tax collection, which allows another big increase in expenditure is also noteworthy and the overall implementation rate of all Offices Ministries and Agencies seems to be very healthy.

The Minister has indeed painted a rosy picture in her speech and has tried to allay fears about the growing deficit by pointing out that this is still within the limits set by Government. She has also pointed out that although TIPEEG has some room for improvement, there are successes in job creation.

Honorable Speaker, honorable Members, a rosy picture indeed, but I am afraid to say it is not a very accurate picture.

Let me start with TIPEEG: It is noteworthy that the implementation rate of TIPEEG, at about 76% is much lower than the overall implementation rate. However, if you consider that this, it has resulted in the creation of only some 13,000 new jobs which is far less than 76% of the total envisaged jobs to have been created, one can only come to the conclusion that huge amounts of money have been spent without much effect. The Minister has also, conveniently not mentioned how many jobs were lost during this period, the inclusion of this figure would probably just make the statistics too bad. It is also noteworthy that although most of the newly created jobs are probably permanent, they are, however, not Most TIPEEG projects are infrastructure construction projects. Companies that are awarded the projects will employ workers on a permanent contract but after the completion of these projects most workers will be retrenched if the company or companies cannot secure a new construction job, in other words, permanent but not sustainable. In the end, TIPEEG will not have resulted in half of the planned 104,000 jobs and I personally think the figure could be even lower. I can only draw one conclusion about TIPEEG, that it is a multi-billion dollar disastrous failure!

Honorable Speaker, let me move on to the growth in expenditure and the growing Budget Deficit. The 19 % increase in expenditure on top of

similar growth in expenditure in recent years is worrisome. This is the last year of the three-year TIPEEG programme, and there seems to be no consolidation but rather a continuation of the expansion. This is certainly not sustainable and a result of this is the growing deficit. The deficit must be funded by borrowing money and from the wisdom of Solomon in Proverbs 22:7, we learn that the borrower is always a slave to the lender, this is certainly not a legacy that our Government should leave to future generations. Although the Minister wants to put the Nation at ease, saying that the deficit is still within limits, the upward trend of the deficit is extremely worrying to me. I foresee that the deficit will spiral out of control in the near future and then Namibia will experience a very strong knee-jerk reaction to bring it back under control, which will bring the Namibian economy to a standstill. In addition, this artificial stimulation has until now not resulted in sufficient job growth and has not resulted in sufficient growth in the economy and thus income for Government. The only result of this artificial stimulation is inflation as can clearly be seen from the growth in house prices. Less and less people can afford to buy a home and this should be an urgent wake-up call to all of us.

Honorable Speaker, a lot has been said about the Budget being *pro-poor*. But this is unfortunately not true: If old-age pensions, which are already ridiculously low, increase by N\$50, this is an increase of about 9%. Public Servants on the on the other hand get an average increase of 8%, a reduction in personal income tax and, as was reported in the media a few days ago most of them can look forward to increases as a result of a job re-grading exercise. The combined increases for Public Servants will thus on average be more than double that of our pensioners. Is this pro-poor?

Although Personal Income Tax and Corporate Tax reductions are very welcome to most of us, they are meaningless to half of Namibia's population that is jobless. Is this *pro-poor*? And do these tax reductions reduce poverty, hunger and joblessness? I am afraid not.

HON SPEAKER:	Point of Order.

HON MINISTER OF GENDER EQUALITY AND CHILD WELFARE: On a Point of Order. Comrade Speaker, Honourable Members, when we talk about our Government here; it must be our Government. I am inviting you, Honourable Member to attend our Independence celebrations in Oshakati, and celebrate our Government with us. You talk about Government here, but you do not attend the President's events. How is it your Government, if you criticise it and do not attend some of these events?

HON SPEAKER: Continue, Honourable Lucks.

HON LUCKS: I am sorry I did not get the question. Honorable Speaker, Honorable Members, before I conclude, I have to say a few words about Transparency and Accountability. Productivity of expenditure is evaluated in terms of its efficiency and effectiveness in delivering services, growing the economy, creating jobs etc. If we continue to spend Public money on failures like Air Namibia while the poor struggle to survive, are we really being accountable to the people of Namibia. Not too long ago a Debate in this august House dealt with the issue of Air Namibia and there was a suggestion that our national airline should be kept alive because it is a source of, and contributes to national pride. In my humble opinion this kind of pride is misplaced when we look at the dire situation that such a large part of our people find themselves in.

Coming back to accountability and transparency, how can we as lawmakers, approve a Budget when many OMA's make themselves guilty of transgressing the *State Finance Act*, Act 31 of 1991. When the Reports of the Auditor-General point to serious transgressions of unauthorized expenditure, in one Ministry for eight consecutive years? When there are huge amounts of money showing as outstanding balances on S&T accounts? When suspense accounts are not cleared and when bank accounts cannot be audited because the statements are not being made available? Even worse, when the Ministry of Finance of all Ministries,

Budgets for certain positions to be filled, asks this house to approve the Budget and then fails to fill such positions for five years?

Honorable Speaker, to conclude, for all the reasons that I have discussed in my contribution, my conscience does not allow me to support this budget and I thus have no other choice than to reject the Budget in its current form. For God and my country, I thank you.

<u>HON SPEAKER</u>: Thank you Honourable Member. Honourable Deputy Minister.

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

Honourable Speaker, I rise to congratulate Honourable Saara Kuugongelwa-Amadhila, our Minister of Finance for the forward looking and people-centered Budget. As in the past, the Honourable Minister has risen to the occasion and ensured that social justice, education and health formed the centre-piece of the Budget.

I equally wish to commend the Honourable Minister for her determination to help grow the Namibian economy by allocating resources to critical Sectors. Here, of particular importance is the focus on infrastructure development.

Honourable Speaker, there is a need to grow our economy. The establishment of the SME Bank is indeed a commendable step towards leveling the playing ground for our SMEs. What is, however, critical is the fact that we need to adequately fund the new Bank in order for it to play its intended role in helping to create an enterprise culture in our country.

Allow me, therefore, to congratulate the Right Honourable Prime Minister and his former Team at the Ministry of Trade and Industry for establishing

the SME Bank. If the SME Sector is not taken care of, then we cannot talk of growing our economy. After all the SME Sector is one of the biggest contributors to employment creation.

Honourable Speaker, coming back to the Budget, allow me to, thank the Honourable Minister of Finance for the tax relief for individuals which I greatly welcome. The tax relief is, indeed, an outstanding element in the Budget that has direct and immediate impact on our citizens.

In conclusion, the Honourable Minister of Finance has, indeed, made huge efforts in coming up with a Budget framework that carries immense optimism, despite the current global and local economic situation.

With these few comments, I conclude my contribution and I support the *Appropriation Bill*. I thank you, Comrade Speaker.

HON SPEAKER: Thank Deputy Minister. Honourable Ilonga.

HON DEPUTY MINISTER OF DEFENCE: Thank you, Comrade Speaker. I rise to contribute to the 23rd Budget in an independent Namibia. Comrade Speaker, before I start with my contribution, I purposely reserved the Floor to speak today, as the 14th of March marks exactly 5 years since the departure of one of our heroes, Son of the Soil, Comrade John Alfeus Pandeni "ndafongwe no pudhigu no poima tapwanya omoona gwashilama shamsungu twapunduka katuteka twagwa

katuthomoka". May his soul rest in eternal peace. We are still here continuing with his legacy, his gun will never go silent; it will continue to be heard in this country. Aluta Continua!

Honourable Speaker, we are here to Debate the 23rd Budget in an independent Namibia. The National Budget is naturally the hope of every Nation of which Namibia is not an exception. I am not going to concentrate on the figures as the previous speakers before me have already

alluded the positives, and of course the Opposition are always negative, except Honourable Nkotongo who was a little bit positive.

Honourable Members, as I said the Budget is the hope of every Nation. Although some of you want to use the elderly as pawns towards the elections, the Namibian economy is still at the level where it can afford to pay the elderly N\$600 as at the 1st of April, according to this Year's Budget. I repeat, SWAPO Party Members of Parliament never said the monies given to the elderly was enough. Honourable Luks, you must know the history of this country, that the majority of the people of this country never even received pension. It is only 23 years ago when the majority of our people started getting this pension. You do not consider that but only want to say it is not adequate. History is very important, especially for you, young people.

<u>HON LUKS</u>: On a Point of Order, Honourable Speaker. Can I ask a small question? What do you consider more important, the history of the Nation or the future of the Nation?

HON DEPUTY MINISTER OF DEFENCE: Thank you, Honourable Speaker. That is why I say he needs to be educated. We need to read this important book, the Macroeconomic Framework for the Fiscal Years 2013/2014 and 2015/2016. Honourable Speaker, with this book we do not need to talk about feasibility studies, if you did not read it yet, read it and you know what I mean. (Intervention)

HON DEPUTY MINISTER OF GENDER EQUALITY AND CHILD WELFARE: On a Point of Order. My comment is on the Oshakati question. If I remember correctly, when Honourable Amathila and others came back home they said; "forgive but do not forget what happened in the past." We will continue talking about what happened, particularly

inside the country. Why do we not have to remember our past?

HON DEPUTY MINISTER OF DEFENCE: Thank you Comrade. I am completely aware of Oshakati; that is why I said a person who does not know his history does not know where he is and where he is going. The macroeconomic framework already alerts us to all our problems. The first indication is that Namibia is a small and open economy and we are surrounded by the global economy, which suppresses our domestic economy. Namibia is not small in size, but small in population, we, therefore, need to look at other countries that are small in size like South Korea and Great Britain which managed to create factories.

Our fish and mineral products are exported raw. Let us, therefore, through the Ministry of Trade and Industry ensure that Article 99 of our Constitution which states that; "Foreign investments shall be encouraged within Namibia", is implemented. When encouraging Foreign Investments we should guard against foreign companies that are interested in only digging holes and extract our minerals, living empty holes as well as cutting down our trees causing deforestation, in order to add value to these products in their countries. The investment must be within Namibia as the Constitution continue to state that; "subject to the provisions of an Investment Code to be adopted by Parliament". Whether it is a code or a Bill that needs to be enacted, if we do not have it already, let us speed up its formulation and put it clear that our minerals can only leave Namibia as a final product. For instance, if it is diamonds, we only export finished products, like jewellery. By doing this we will be able to reduce the rates of unemployment and poverty. Without purchasing power no one will be interested in investing in our country, this is why some of these foreign investors are asking: "how can we come and invest in Namibia, who will buy our products?" "You are too small". However, it would help us if we take the bull by its horns and ears.

Coming to the issue of export, if we have regard to our southern neighbour, 72% of our raw materials are taken from here to our southern neighbour; in return we import only 20% of these products to Namibia in

finished form, for retail. For example, fruits are taken from Etunda and value is added to it, when it comes back it is no longer Namibian products. We some need to reverse the export of 72% of our raw material to South Africa. (Intervention)

HON SPEAKER: Honourable Minister.

HON MNISTER OF JUSTICE: Thank you, Honourable Speaker. May I ask Honourable Ilonga a question? Are the horns and ears, the only places you can get hold of a bull?

HON DEPUTY MINISTER OF DEFENCE: There are indeed many places that you can hold to reach your goal.

Comrade Speaker, I am grateful to our Government for the establishment of State-Owned Enterprises. Article 98 is clear, I, therefore do not understand why we restrict ourselves while we are mandated by this Article of our Constitution. The Namibian Government is not even supposed to look for a new conducive policy for investment; we are mandated by Article 98 and the first order of our economy is Public ownership which is supposed to be carried out by the State-Owned Enterprises. Yesterday, my daddy asked Honourable Shixwameni a question, whether he knows the two words Glasnost and Perestroika used by the former Soviet Union President Gorbachev. They later realized that they made a mistake by taking things in a capitalist way, while they initially created State Owned companies to run the Russian economy. China is not a capitalist, but their companies trading here are conducting their businesses in a capitalist manner, because they use the capitalist system to boost their economy in order to further their socialist interests.

In China, the State Owned companies are the ones that successfully

brought the Chinese economy to where it is today, but not the private companies. (Intervention)

HON SPEAKER: Honourable Maamberua.

HON MAAMBERUA: Thank you, Honourable Speaker. May I ask my Comrade on the Floor a small question? Honourable Iilonga, about 3 years ago I asked you a question in this House whether you were a Marxist and you confirmed that you were more Marxist than anybody else in this House. Are you still a Marxist?

HON DEPUTY MINISTER OF DEFENCE: I am Iilonga, the name is Ilonga, I never waver and I never turn away from my belief. That is who I am and I will die like that. (Intervention)

HON SPEAKER: The Honourable Member does not want you to die. Honourable Kaura.

HON KAURA: Thank you, Honourable Speaker. May I ask the Honourable Member a question? Honourable Iilonga, during the economic meltdown in the United States of America, China bailed out America. How do you explain a situation where a socialist country bails out a capitalist country, like America to keep it alive? How do you explain that and what was the reason?

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HON DEPUTY MINISTER OF DEFENCE: That is how the socialists save the capitalists, nothing else. The capitalist countries know that they cannot survive without the socialist countries. (Intervention)

HON SPEAKER: Honourable Mwaningange.

HON MWANINGANGE: Can I ask Honourable Ilonga a very good question? Comrade Ekanda, have you come across an article; **New World Economy**, about how things may have change in the last 20 years that says that, *Perestroika* which means "restructuring" and the *Glasnost* which means "openness", is an economical and political tactical retreat and will come back in the name of higher advanced communism.

HON DEPUTY MINISTER OF DEFENCE: That is why the Soviet Union could not break apart, they only realized later that the route they took was not the right one. That is why I say, they started with State Owned companies to offensively compete with their counterparts in the world economy.

HOUSE ADJOURNS AT 15:36

HOUSE RESUMES AT 16:12

HON SPEAKER: We shall rise for refreshments.

HON SPEAKER: We shall continue from where we left off. The House is back in Session. Honourable Iilonga, continue.

<u>HON DEPUTY MINISTER OF DEFENCE</u>: Honourable Speaker, before we went for a break (intervention).

HON SPEAKER: Honourable Lucks.

HON LUKS: Thank you, Honourable Speaker. On a Point of Order, can I ask the Honourable Member a small question? Honourable Member before we went on tea break, you mentioned something I was thinking about, you said that the Chinese use capitalism to advance their socialist agenda. My question now is; is capitalism better in advancing a socialist agenda than socialism itself?

HON DEPUTY MINISTER OF DEFENCE: Honourable Lucks, you are indeed young in history. It would be difficult for you to understand, even if I explain, you will never understand. At an early stage, the socialist principle never engaged in any form of competition with the capitalists in an open market. This is mainly the reason why they supported the liberation movements, because they had no luxuries compared to their oppressors who lived in luxury.

The Soviet Union could not break apart because they never competed against the capitalists in an open market. The socialist countries never owned anything in foreign countries. When Egypt told the Soviet Union to leave their country, they just left, unlike the capitalist countries that refused to leave. In Namibia we fought them and eventually defeated them. Currently, America is crying because the socialist economy of

SECOND READING: APPROPRIATION BILL 14 March 2013 HON IILONGA

China faced them on the open market. The Honourable Member here also complains about the Chinese, but still makes use of the Chinese big companies. One wonders why.

Before we went on tea break, I was talking about the State-Owned Enterprises (intervention).

HON MINISTER OF NATIONAL YOUTH SERVICE, SPORTS

AND CULTURE: Honourable Speaker, I would like to ask the Honourable Member a question. Honourable Ilonga, you were asked a question; how do you feel about China lending money to America? I now turn this question around, how do you feel about the people that we accommodate in this august House who used to collaborate with the enemy? People were here collaborating with the apartheid system, even fighting against our freedom fighters, however, the Namibian Nation accommodates them. How do you feel about that?

HON SPEAKER: This is a Budget Session, time is money!

HON DEPUTY MINISTER OF DEFENCE: The most important thing is that the world today is trying to reconcile. We reconciled and we now accommodate them. The Chinese also reconciled with the Americans and decided to help them out, because they know the Americans will not defeat them again, economically.

In conclusion, the establishment of State-Owned Enterprises is at the core of the development of any country. Our State-Owned Enterprises here must be given targets to meet in order to emulate their fellow SOEs like the many Chinese, Japanese Companies and others who have established their subsidiaries even in bigger capitalist economies. Most of these companies come here disguised as private companies, which is not true.

We must really encourage them to reach those targets. On Air Namibia, let us also look at the history (intervention)

HON SPEAKER: Honourable Kaura.

HON KAURA: May I ask the Honourable Colleague a question? Honourable Colleague, you are talking about these companies that are owned by the State, in 1994 when we went to China with the late Speaker, people were arriving on bicycles and motor cycles. When I went to China with Honourable Amweelo last year, there were traffic jams because everybody owns a car. Are those cars causing traffic jams in Beijing owned by private companies or by private individuals? How are you going to reverse that, so that they are owned by companies, instead of individuals in a socialist country?

HON DEPUTY MINISTER OF DEFENCE: Daddy, in socialism there is no written law that prohibits or denies individuals private ownership of anything. People own their houses and their cars; they even own their bicycles at that time. I do not think that is the right question. Daddy is not even supposed to pose that question. On Air Namibia (intervention)

HON SPEAKER: I really want us to economize on time. Honourable Muharukua.

HON MINISTER OF GENDER EQUALITY AND CHILD WELFARE: On a Point of Order, Honourable Speaker. I just want to inform this Honourable House that I came back from China yesterday. When we talk, we must always tell the truth, every one of us here own

properties. Some properties belong to Government while others belong to individuals. We must therefore stick to the truth to avoid going to Court. Thank you.

HON DEPUTY MINISTER OF DEFENCE: Thank you, Honourable Member. You just cemented what I was trying to say.

Air Namibia, with all its shortcomings is our pride. Most of us parade around here, pretending to own farms, while in reality the farms do not belong to us. We are just working for the real owners of those farms, we are simply millionaires in debt. Similarly, Air Namibia does not own the planes they are using. I would suggest that both the Government and Air Namibia buy their own planes, in order to eliminate expenses related to the rental of the planes, salaries, etc. We would then want to see that Air Namibia is working towards making a profit which enables it to purchase its own fuel and then Government, just like you people who are capitalist business owners, can also inject capital into Air Namibia as the owner. It is also high time that we make use of Air Namibia's services instead of using other airlines. The travel agents inflates Air Namibia quotations, consequently we end up using other airlines, because they are cheaper. I, therefore, encourage Air Namibia to start making their own bookings instead of relying on travel agencies which will ensure that their business class is fully book instead of being occupied by only two or three people. This will boost the airline's turnover. Turnover is always good in a capitalist operation, I am not a capitalist, I do not even own a Cuca shop. We can now tell Air Namibia that, you have two large, luxurious aeroplanes and want to see them fully booked on a daily basis. We must also negotiate with our neighbour so that our planes are serviced locally, to cut down on some expenses because we pay in US dollars for service in foreign countries.

Back to the elderly, Honourable Lucks, before the Independence of this country, that is why it important to know history, our white compatriots used to receive R300 in pension and because of the racial and tribal segregations some used to get R35, some R50 while others received nothing. If I have to compare our current contribution to that of South

Africa, I would say we are giving more to our elders. We could start with N\$100.00 to unify our people and then add on that, by the time you are going to retire Honourable Lucks you would even be getting N\$3000.00.

Honourable Speaker, in conclusion, I would like to congratulate Comrade Nandjila Kuugongelwa-Amadhila and her team for the well-presented Budget. The other thing I would like us to look at is the issue of Comrade Kapofi and his team on re-grading. If what was published in the newspapers that some positions, like engineers and pilots were degraded is correct, then we must look into that. We also need to look at the salaries of our drivers and bodyguards, who work 24 hours around the clock without claiming for any overtime. I also see that the advisors want to create enmity between us and our drivers as well as our people at higher positions like engineers and pilots, so that they can devour our country. Our seniors really need to look at those things carefully because it sounds like politics have been sneaked in there. We must not allow to be cheated in that way.

Finally, I would like to thank my President, Comrade Hifikepunye Pohamba for the trust he has in me, for making me the third man at the realm tasked with the protection of my country. I will support him and tell him that Namibia with him at the top is in good hands and we will protect him. Thank you, very much. I support the Bill.

<u>HON SPEAKER</u>: Thank you, Honourable Iilonga. Honourable Honourable //Gowases.

HON //**GOWASES:** Honourable Speaker, Honourable Members, let me take this opportunity to thank the Minister of Finance and her team for the efforts and commitment in preparing yet another Budget. All of us know it takes a lot of effort and hard work to produce and introduce (intervention)

HON SPEAKER: Honourable Member, do you want to say anything?

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL: Honourable Member, for the sake of the Namibian Nation, we read in the newspapers that there is a revival of a political marriage between RP and RDP. When is the political wedding date?

HON //**GOWASES**: Thank you, Honourable Minister just wait and see. You will receive your invitation. All of us know it takes a lot of effort and hard work to produce and introduce such a thorough document on time. Well done, congratulations.

Honourable Speaker, Honourable Members, thank you for this golden opportunity to once again air my voice on behalf of the voiceless, for a small, but a valuable contribution. First and foremost, I would like to congratulate the Honourable Members for the way they manage to standardise this year's contributions. I could see the attentive listening and minimised interruptions, Honourable Members this is indeed a job well-done.

Honourable Speaker, Honourable Members, I am standing today to address some very important and critical issues but in a nutshell.

Strategic Engagement Approach: The Problem Statement

Unacceptable levels of poverty, lack of food and unemployment has prompted His Excellency, President Hifikepunye Pohamba in 2011 to make the following statement: "The Government of Namibia is deeply concerned about the high and persistent unemployment rate". The National Planning Commission (NPC) Report 2010 states that: "The unemployment rate of 51% and a third of Namibians are living below the

poverty line (NPC)".

The Former Honourable Governor of the Khomas Region Mr. Samuel Nuuyoma, has stated in 2011 that: "People are scavenging for expired food and other livelihoods at dumping sites countrywide". The aforementioned is the dire state in which our people find themselves. Therefore, it calls for extensive and radical actions to mitigate the situation.

Short Term Solution:

Honourable Speaker, Honourable Members, there should be immediate intervention through implementing Constituency level development projects, identified in various Constituencies in all 13 regions. The lists of projects must be created through employment creation, thus alleviating poverty.

Medium Term Solution:

It is essential to create a Pilot Projects Formulation Framework (PPFF-Fund) to finance the implementation of the PPFF programme. The Fund can have two arms namely;

- 1) Direct Funding from the FDI (Foreign Direct Investment) or donor partners to invest in the establishment/expansion of the community projects for a period of 2-3 years.
- 2) Creation of Revolving Fund, the fund will be essentially an internal reinvestment facility. To revolve the proceeds of the initial investments onto the members of the communities who could not benefit from the initial funding.

Agriculture:

Agriculture is the backbone of our land. The Laws, policy guidelines and many instruments are in place, however, we are unfortunately haunted by the severe drought. I know the remedial arrangements and mechanisms

made by the Government of the Republic of Namibia, let us seriously and progressively apply these mechanisms and instruments to ensure that natural disasters are avoided in time. We do have drought management systems in place; what are we waiting for? Is it possible to assist farmers with drought relief mechanisms?

Health:

The past has undoubtedly shown, that the state of health in our country needs much to be desired. The recent reports in the print media dated 12 March 2013, on maternal deaths are also another wake up call. Unfortunately we cannot place the blame on the shoulders of the Minister of Health, but we as the lawmakers and the entire Nation owe it to the Republic to team up with the Health Ministry to rectify what is to be rectified. Let us fully support the aims and objectives of this Ministry. We should see to it that skills, effectiveness, dedication, care, love, hardwork and commitment of all health staff members prevail at all times, not only when there is a visit by the Minister. Thorough planning, monitoring and implementing must be cue.

Honourable Speaker, Honourable Members, in conclusion, there are some development suggestions which could be of importance to take into consideration.

- 1) For employment creation, why not establish centres through-out the earmarked towns where quality uniforms for the following staff, for example, the Namibian Police, Nurses, NDF could be made. People are complaining about poor quality and shortages of those uniforms. Sensitise and train youth, women and men to participate in this drive.
- 2) The Hardap and Karas Regions are blessed with natural resources such as the slasto stones, there are a lot of these stones in the Maltahohe area. Why not utilise these Regions optimally? This could be a job creation initiative.
- 3) We have the Berg-Aukas Training centre in the vicinity of Grootfontein, in the Otjozondjupa Region. Why not have other similar

training centres in the other Regions?

- 4) We are boasting that the City of Windhoek is the cleanest city in Africa. I think it is only the Independence Avenue, look at the informal settlements another employment creation opportunity to assist in all poverty and unemployment alleviation.
- 5) We must look for ways to uplift and develop those towns that have been downgraded to villages and to settlements, through its relevant the Ministry. Look at Grunau for instance; there is no development going on. Furthermore Local Authority Councillors do not go there, so how can such a place be expected to develop?

Finally, thank you Honourable Speaker and the Honourable Members of this august House who so attentively listened to me. I support the Bill.

HON SPEAKER: Thank you Honourable Member, Honourable Jankowski.

<u>HON JANKOWSKI</u>: Honourable Speaker, Honourable Members. Honourable Speaker I thank you for this opportunity to allow me to comment on the National Budget.

Honourable Minister of Finance, Members of this august House; I wish to make a few remarks in respect of the content, character and the intentions of the 2013/2014 National Budget.

Firstly, as a patriot, who believes in the manifesto and the electoral promises we made to our people, I have some positive and also critical views about the Budget in its current format and scope.

On a positive note, I recognize the efforts of this Budget to meet national development objectives. I recognize the sincere attempt of this Budget to

take us from economic and employment growth to skills development, underscoring the development of skills as the *sine qua non* of our economic growth and development. We need a critical mass of skilled and knowledgeable human resources to understand and chart the way forward in the much sought after economic growth trajectory in this country.

As a result of this fundamental reality, I am pleasantly surprised and feel proud of our Budget for allocating the lion's share of the total Budget to education.

I am also inclined to agree with the concluding thoughts narrated by NAMFISA with regard to the Budget, to the extent that the Budget is favourable to the working class, because of its two-pronged approach providing both for salary increases and tax cuts at a higher minim income threshold.

Although it is not identified in such a clear language, I am tempted to regard this as an expansive Budget, though with good intentions - considering the rise in the size thereof, from N\$37.7 billion in the previous Financial Year, to N\$47.6 billion in the current Financial Year. Honourable Speaker, I recognize the efforts of an expansive Budget are geared towards speeding up economic growth, and job creation. While we have pushed up the margins of our anticipated spending with a N\$10 billion or 26% increase, the worrying trend is that we intend to cater for the N\$7 billion plus deficit with just over 50% of the deficit, in the form of cash reserves, while we intend to account for the remaining 50% through external financing and internal borrowing. Yes, we do it for a good reason, and a justifiable cause, but is it the only way to go?

To draw your attention to the Washington Consensus, the main fiscal elements of this policy consensus are: low Budget Deficits, strengthening of Public revenue, expenditure planning and management, restructuring of Public expenditure to increase the allocations for social spending and infrastructure, tax reform to broaden the tax base, and reduce marginal rates, as well as restructuring the institutions and enterprises in the Public Sector. Our case is, to some extent, a paradox from the Washington

Consensus, in the sense that the current Budget, though it is a very good gesture towards low income earning individuals, has narrowed the tax base by increasing the minimum taxable income threshold; while we continue to use State money to keep Parastatals artificially alive, that operate in competitive market environments. The allocation to various State-Owned Enterprises in the current Budget bears testimony to this trend.

We must also not lose sight of another prominent feature in the contemporary fiscal policy environment, which is the continued international integration of economic activity. This fundamental reality speaks to our behaviour both as a producing and a consuming Nation.

The question that is invited from our inclination to increase our domestic and foreign borrowing to finance close to 50% of this deficit is: whether we will ever be able to borrow ourselves into sustainable and sustained social, economic and national development under the current financial regime. Would it rather be wise and farsighted to avoid supplementing insufficient tax revenues with excessive national debts; and produce a slowdown in social transformation, or shall we decelerate social development to avoid a crushing national debt at the expense of going into monumental national debt in order to accelerate social transformation? Given the current state of affairs, I appreciate that our choices are only limited to one of those two very bad choices; because we do not have enough sufficiently rich enterprises and individuals to pay enough tax, that will balance with our Budget targets.

We also do not have the global currency reserves such as the US has. Therefore, we will never be able to borrow like the Americans within the confines of the current global financial order.

Notwithstanding the above critical factors, the intent to grow jobs, and accelerate SME development through allocations to the SME bank and the Development Bank, is a good departure point. I support this initiative because the attraction of the so-called foreign investment perverts the economics of Namibia by *skewing* profit extraction towards export.

HON SPEAKER: Say that again.

<u>HON JANKOWSKI</u>: I cannot say it again, I will just move forward.

HON SPEAKER: *Dit klink soos ń vloekwoord.* Honourable Shixwameni.

HON SHIXWAMENI: May ask the Honourable Member a small question? Is the Honourable Member aware, apart from this reserve she is attributing to the USA, that indeed as we speak today the US is the biggest debtor in the world and that they are technically bankrupt?

<u>HON JANKOWSKI</u>: Thank you very much for that information, we will take note of it.

In that vein, as a Nation, we use what we do not produce, and we produce what we do not use.

Because of these export mental paradigms as a Nation, poor and dispossessed Namibian work hard and labour faithfully while the profits of the so-called foreign investors are repatriated in big volumes and at high speed; and in the process, only few local elite, guarding the profits of these foreign conglomerates become rich. To this end, our Budget must be commended for its job creation focus, but be reminded that growing jobs alone will not grow our economy.

We must create Budget mechanisms that will stop us from importing products with high value-added content, while exporting products with low value-added content; because it puts pressure on our currency to

devalue the Namibian Dollar in order to boost exports; leading to chronic outflow of economic value from within our borders.

We must commit ourselves to a core long-term national project to build a parallel supplementary and complimentary economy outside the financial monopoly of the current international regimes and local elite, for the benefit of our dispossessed masses. I support the Budget and I thank you.

HON SPEAKER: Thank you, Honourable Member. Honourable Hamutenya.

Thank you, Mr Speaker...(intervention)

HON MEMBER: *Igwe!* Is it a maiden speech (laughter).

HON HAMUTENYA: I cannot make a maiden speech now, I have been here for 15 years.

Thank you, Comrade Speaker for according me this opportunity to make a brief observation on the Budget Statement of Minister. I first of all, wish to commend her for remaining faithful, in formulating and presenting the Budget to this House and for continuously emphasizing what she terms over arching goals of the Nation through this House. Her speech always stresses the three overarching goals of the Government, namely, the yearning to achieve economic growth, the burning desire to alleviate poverty and doing away with the socio-economic inequity in this society of ours. Every year, these goals are given the prominent position in the Ministers' Budget Statement thereby indicating quite clearly that these goals are of upmost importance in her mind. This overriding pre-

occupation with these issues is a very clear, patriotic indication that deserves our recognition and our public praise, despite the apparent inability on her party to do anything concrete to overcome these challenges. But the very fact that she manages to always bring these concerns to the attention of the Nation, as burning issues, is very noble, we thank for that Comrade Minister. Keep emphasizing the point that we need to achieve this goals. However, to restate commitment to these goals of ever deepening poverty and socio-economic inequity in the country which have their basis in the stagnation of the economy over many, many years, on one hand, and the pathetic reality of the Government's inability to come up with concrete measures to realize these goals, leaves the Nation wondering as to whether the Cabinet as a whole is standing behind the Minister in the search for a speedy solution to these problems.

If the Minister were enjoying the full collective support of her Cabinet team why is the team not able to show a firm resolve and make concerted efforts to overcome the challenges and realise the Nation's overarching priorities or goals? The Cabinet is expected to have priorities among priorities and for now, one cannot imagine of a more burning priority than those three which the Minister has repeatedly characterised as overarching.

Comrade Speaker, as you know, for some 15 years, I served as Cabinet Minister and my recollection of those long years is not of the Cabinet being a force that always works together to achieve priorities that have been agreed upon. This probably explains why the Nation is unable to overcome the problem of economic stagnation, ever-widening income inequity and ballooning poverty.

I know that job creation has always been a big challenge since the end of the liberation struggle in this country. Job creation became an important task of this country, immediately after Independence, and I as Minister of Trade & Industry, I had to seriously look into the issue of job creation. (Interjections). It is not a laughable issue. We created some 7,000 jobs that year (interjections). Among the measures that we took was the establishing of an EPZ regime, through which we brought Ramatex to this country. However, as we launched the EPZ, I came to realize that I did

not have the undivided support of all my Cabinet Colleagues. And when the Unions and their supporters launched their campaign to frustrate the initiatives around Ramatex, I realized that I could not really count on the unified support of all the Comrades in the Cabinet. Some of the Comrades supported the initiatives wholeheartedly while some others wavered in their support (interjections). The full support that we needed to ensure that Ramatex continued to provide jobs to our people was not there. At that time another Cabinet Colleague came up with another major project, which was the Green Scheme Project. The Green Scheme was introduced that time by a Colleague in the Cabinet (interjections). Honourable Helmut Angula did also not enjoy the support of the entire Cabinet. It is only now that we are trying to look at the Green Scheme, after more than 10 years passed us by. (Intervention)

HON MINISTER OF DEFENCE: Honourable Hamutenya, I am sorry that I have to disturb you a bit, being my elder brother a President, but I am compelled to put the history correct in terms of information. You may not have had hundred percent support from your Cabinet Colleagues, however, the people who unravelled Ramatex are the Trade Unionists, Honourable Peter Naholo included. I had a painful experience as the former Prime Minister defending Ramatex here and there, but the Trade Unionists were hell bend on closing down Ramatex. They went to the International Textiles Union and convinced this Union to campaign against the Ramatex products. Through this campaign, Ramatex received a Certificate of the Most Bad Global Employer from the International Textiles Union led by none other, but Honourable Naholo there, your supporter.

HON HAMUTENYA: Thank you for the information, but my point is that if we had a collective unity here in Cabinet around the issue, the Unions and their friends would not have succeeded. Honourable Kuugongelwa-Amadhila may tell us about overarching Budget goals every year, but if there is no unity in Cabinet to support her, she may not

realise her goals and that is the point I am making. (Intervention)

HON MINISTER OF JUSTICE: Thank you, Honourable Speaker. On a Point of Information, I am sorry to disrupt Honourable Hamutenya – I am on record in this House as always having said that Ramatex was a noble objective. Firstly, it was sabotaged as it was correctly stated by Comrade Nahas Angula, that it was the work of the Trade Unions as well as the Opposition Parties in this House. They were constantly against Ramatex. Secondly, Honourable Hamutenya, a decision taken by Cabinet is a collective decision and Cabinet decided to bring Ramatex here, not you as an individual. You bring your good ideas to your Colleagues and then Cabinet takes a collective decision. You, therefore, cannot come here and say you did not have the full support from Cabinet, if Cabinet agreed then you had a collective decision, that is, the full support from Cabinet.

When the Honourable Minister of Finance tables the Budget here – she presents it to Cabinet. Cabinet accepts it and that remains a collective decision. You have noticed that all the Ministers present here today are quiet, because we are in agreement. It is our Budget and we support our Budget. Regarding the execution and constraints, these are normal challenges; employment challenges and poverty challenges are everywhere in the world, even the richest Nations today experience the same challenges. Thank you, Honourable Speaker.

HON HAMUTENYA: That does not divert me from my point. I am still saying; you need solid unity in Cabinet (intervention).

HON SPEAKER: Honourable Ekandjo.

HON MINISTER OF YOUTH, NATIONAL SERVICE, SPORT AND CULTURE: Point of Information, Honourable Speaker. Honourable Member, as the former Minister of Trade and Industry, your line function was to bring investments here and that is what the Cabinet decides and the Line Minister must execute that, you cannot expect a Minister of Environment or a Minister of Education to bring Ramatex. You cannot say bringing Ramatex here was your individual effort; it was within your line function. On unity – we are more united now since you left and are very thankful for that. It was your group that caused disunity. Thank you.

HON SPEAKER: Honourable Hamutenya, continue.

HON HAMUTENYA: If you were more united you should have realised these goals. The Honourable Minister comes here every year to underline the importance of the overarching the goals of Government. Why then are they not yet implemented, if you are more united now? You are just beginning to implement the new schemes, you did not find money then. (Intervention)

HON SPEAKER: Point of Order. Honourable Minister.

HON MINISTER OF GENDER EQUALITY AND CHILD WELFARE: Thank you, Honourable Speaker. Honourable Speaker, I feel pity for the Honourable President of the RDP who is lost and is in denial, who can never accept things that happened in the past. His Party rejected the outcome of the elections in 2009. Still now after 8 years he cannot accept that what happened to Ramatex is in the past and we can now go forward with other Government projects. I suggest to the

Honourable President to approach a psychologist for counselling, because of these character traits of yours. Thank you.

HON HAMUTENYA: I will not see a psychologist, but thank you for your advice.

The point I am making is that, we need to go forward with the goals outlined in the Budget. (Intervention)

HON SPEAKER: We are never going to divorce ourselves from the past and the present, so I hope that we concentrate on the Budget.

HON DEPUTY MINISTER OF GENDER EQUALITY AND CHILD

<u>WELFARE</u>: Point of Information, Honourable Speaker. I would like to inform this House and the public out there that through the Ministry of Information and Communication Technology we now have cell phones, radios, etcetera, where my Honourable Leader started. There are various forms of information or news media available in Namibia now. We now have a bank and other projects that were established through the Ministry of Trade and Industry, where you stayed for a long time. The Ministry of Foreign Affairs has also developed now; as we speak, I am coming from a school in China through the efforts of the Ministry of Foreign Affairs. That is the information. Thank you.

HON SPEAKER: Continue, Honourable Hamutenya.

HON HAMUTENYA: I think some of these comments are not worth

responding to, because they are irrelevant.

I am appealing for support today and tomorrow, because support of the team is very crucial. I am saying that there is a tendency to vacillate that support (interjections). There are projects that have been there for decades, since Independence like the Kudu Gas, Neckartal Dam, Walvis Bay Desalination Plant. These are issues that have been on the agenda for almost a decade now; only lip service is paid to these projects with no implementation in sight. Without implementation you get nowhere with your projects dear Colleagues, you scream and shout and try to defend, but learn to put your hands together in order to implement the projects that you agreed upon.

The Minister seems to have awakened to the ugly reality of prevarication and delaying tactics by her Colleague Ministers and their bureaucrats. The adoption of the TIPEEG strategy in 2011 is a clear indication that there was an effort to bypass bureaucratic delays and tactics of trying to frustrate. If you carefully look at TIPEEG, you will see that there is an effort to bypass the normal bureaucratic procedures and get projects implemented speedily and that is an indication that there is an appreciation of the danger of these delays. The delaying tactics, prevarication and the lack of common approach to project have been the undoing of this Government for quite some time now and as we go forward we better seek new ways to still works as a team and to ensure that all our projects are implemented. Some of you are just screaming around you not even been here for a long time, you do not know what I am talking about, probably you do not even understand what I am saying. However, I know that in your midst there are people who know and understand what I am saying. There are some of your Colleagues who experience this delaying tactics for quite some time and do understand what I am saying. (Intervention).

HON SPEAKER: Point of Order, Honourable Deputy Minister of Justice.

HON DEPUTY MINISTER OF JUSTICE: Thank you very much, Comrade Speaker. May I ask Honourable Hamutenya just a small question. Honourable Hamutenya, as you lump us together that we hardly understand what you are saying, I may say you are not absolutely correct that we are trying to discern from your message, as you now correctly identified those delaying tactics and prevarications and all the adjectives you have used to describe the frustrating bureaucracy. As a person who is on that side to offer suggestions, advice and alternatives, what do you suggest should be done with those long-observed prevarications, delaying tactics and so forth? I am sure you know that some of these things are not necessarily happening because of the wishes of those in the Executive, but are happenings that are of human nature and productivity is also influence by that. What do you suggest should be done so that we can get out of this quagmire?

HON SPEAKER: Honourable Hamutenya.

<u>HON HAMUTENYA</u>: I suggest that we improve our management styles and put our efforts together, to jointly resolve outstanding problems. We cannot have projects that stay outstanding for a decade – a whole decade just going around. Most of the time there is no money and we cannot implement these projects, but when the pressure is put on about the unemployment rate being high, you finally found huge amounts of money that you put into TIPEEG. You found the money, but you do not have the projects. You are just looking around in circles. If the Minister is crying about the need to achieve these important national projects, we should

stand by her and say, yes, the other little things can wait, let us go for this projects which she is talking about. If we prioritise on our projects, we

will find the way to overcome the problems. (Intervention)

HON SPEAKER: Honourable Uutoni.

SECOND READING: APPROPRIATION BILL HON HAMUTENYA

HON DEPUTY MINISTER OF SAFETY AND SECURITY:

14 March 2013

Honourable Speaker, Honourable Hamutenya is saying his former Cabinet Colleagues did not support some projects that the Government wanted to undertake and you said some of us were not around. However, we can recall some of these things. In 1998, when the Government introduced the decentralization policy, there was a programme that Trade Fairs had to be decentralized to Local Authorities, by then the Trade Fairs like the one in the North, were handled by your Ministry in 1995. You did not support the idea of decentralising the Trade Fair to the Ongwediva Town Council, so you withdrew. Why did you withdraw then?

While you said Cabinet Members did not support others, we had the railway line between Tsumeb and Ondangwa as the first phase and the second phase up to Oshikango. Are you saying that that was not supported by all Cabinet Members for the railway line to reach Oshikango? I think we should recollect some of this information.

With your withdrawal from the Trade Fair, some of your Colleagues then, who supported the Trade Fair, also withdrew. However, the higher authorities came to our rescue. Thank you.

HON SPEAKER: I have a vested interest to ensure that Honourable Teopolina Mushelenga would have an opportunity to say something before we rise today, because we are going to pause for a much longer period, however, she can only do that if Honourable Hamutenya is done.

HON HAMUTENYA: Some gentlemen and ladies are mentioning things I do not remember, I do honestly not know them. However, I made my point, if I have annoyed some of you in the process, I am sorry about that. I have sympathy with the Minister, because she has been raising issues of national concern and I know some of these issues are going to be with us for a long time. (Interjections). I did not know that you are so

easily offended by this kind of criticism, you cannot contain your cool anymore.

In conclusion I wish to support (intervention).

HON SPEAKER: Honourable Maamberua.

<u>HON MAAMBERUA</u>: Thank you, Honourable Speaker. On a Point of Information, Comrade Hamutenya you saw that the Ruling Party admitted that they have been sabotaged by the Trade Unions, particularly in some of their programmes and projects, Ramatex included. Now that there is an affiliation between the Ruling Party and the Trade Unions, do you not think that it is time the Unions disaffiliates from the Ruling Party and associate themselves with Political Parties that have a socialist agenda, like SWANU for example? Thank you.

HON HAMUTENYA: Thank you for your intervention. I was about to conclude by saying that, let us continue to work as a Nation and as a team of leaders in order to implement goals. The Opposition has got no power to prevent you from doing what you want to do, you can do anything you want to block the Opposition, we are just a few of us around here, however, you should be fit in coordinating the projects of the Government that you should be implementing. Thank you Honourable Speaker.

HON SPEAKER: Thank you. Honourable Mushelenga.

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HON T MUSHELENGA: Thank you, Honourable Speaker. Honourable Speaker, before I make my statement I would like to register my condolences to the family and the Government of the Republic of Namibia for the loss of one of our sons, who contributed immensely to the development of our country, most recently to our Education, Honourable Dr Abraham Iyambo, my last formal employer before I came to Parliament this time. In the same vein, I would like to congratulate his successor, Comrade David Namwandi and his Deputy, Comrade Sylvia Makgone. I wish them all the best in taking the lead where Honourable Dr Iyambo has left.

Honourable Speaker, allow me to thank the Almighty God for His guidance throughout my life. I also wish to express my appreciation to our mighty SWAPO Party for recalling me to the national duty in this august House that makes laws of our country. At the same time, I would like to thank all my family members, my Colleagues, my friends, Traditional Leaders, the community as well as Spiritual Leaders, who supported and congratulated me for the task entrusted to me by our Nation through our SWAPO Party. This in itself proves to me, how much and how many people of the Namibian Nation, indeed love and support the SWAPO Party. I would personally like to congratulate our mighty SWAPO Party for the successful SWAPO Party Congress that was held on the 29th of November to the 2nd of December 2012. During this Congress we deliberated on issues of national importance among others; the report of the first ever National Policy Conference which I believe has formulated policies and programmes that are relevant to the challenges facing our Nation and just to mention a few:

- Unemployment and poverty;
- Economic growth and income distribution;
- Delivery of Quality education and health care;
- Promotion and sustaining of moral values;
- Gender equality;
- Land acquisition and distribution;
- Environmental sustainability and protection;
- Generational transition and nation-building;
- Youth development and economic empowerment; and

• The New Equitable Economic Empowerment Framework (NEEEF).

Comrade Speaker, Congress also discussed the report on the implementation of the resolution of the Fourth SWAPO Party Congress of 2007. This report provides valuable information on the progress made and the impediments encountered by the SWAPO Party after resolutions were taken in the Fourth Congress. It further provides useful lessons regarding the required improvements and adjustments, particularly with regard to the transformation of Congress resolutions into the Government policies.

Comrade Speaker, having said that, I would like to highlight some of the points or issues that I think are close to my heart:

PROVISION OF QUALITY EDUCATION

- 1. Learner's automatic promotion need to be abolished. In my view, this will encourage the learners to study very hard as they know they will not be promoted to the next grade without passing their examinations.
- 2. There is a Need for the establishment of sick bays at schools, particularly at boarding schools. Comrade Speaker, I am aware of the limited human resources in terms of health staff, however, considering the amount of time lost by learners, leaving schools to visit hospitals and clinics just for minor problems such as headaches or stomachaches, I thus propose that sick bays be introduced at boarding schools. This will, in my opinion limit, if not stop, the unnecessary absenteeism by learners from classes. The Government may consider retired nurses, and possibly doctors who may wish to volunteer their services in return for an allowance for their services. This will benefit both the learners and the Government in a way.

HON SPEAKER: I must confess; I failed in not managing enough time for to present your speech in full and unless the Honourable Members agree with me to allow Honourable Mushelenga to read out her speech, I will be compelled to adjourn the House. Do we allow her to speak?

HON MEMBERS: Yes!

<u>HON T MUSHELENGA</u>: Thank you, Honourable Speaker for allowing me to continue, I am also grateful for the support of the House.

3. Learner motivation: It is my observation that, for schools to make positive impacts on learner performances, there is a great need for regular motivation speeches throughout the year by stakeholders in education part from the school teachers. I thus, encourage school management committees in consultation with their Regional and Local Authority Councilors, to invite speakers at various levels in our society to encourage learners and boost their educational moral and values as well as their discipline.

We are all aware of the many things that negatively affect our children, therefore, the need for us all to be closer and participate in the success and development of our children and not just blame teachers when the learners have underperformed.

GENDER EQUALITY

Honourable Speaker, Honourable Members, allow me to congratulate the former Secretary-General of the SWAPO Party, Comrade Pendukeni Maria Iivula-Ithana who paved the way for us as Namibian women and girls, and thus encouraged us that senior position cannot only be occupied by men, but also by women. She served on various high portfolios in the Party, most recently as the Secretary-General of the SWAPO Party. She also served in other international organisations and mostly in the Government of the Republic of Namibia. Not that she is the only one, I am mentioning all this for a purpose; she was also courageous enough during the SWAPO Party Congress to challenge the Vice-Presidency position with Comrade Jerry Ekandjo, this is democracy in making within the SWAPO Party. The lesson from Comrade Iivula-Ithana is to encourage us as women to be brave and be ready at any given time to take up high positions, and I am proud of you, Comrade Iivula-Ithana in

absentia. In the same vein, I would like to congratulate the SWAPO Party Vice-President Comrade Dr Hage Geingob as the future SWAPO Party President in waiting, Comrade Nangolo Mbumba who succeeded as the Secretary-General of the SWAPO Party and the Governor of the Khomas Region, Comrade Laura McLeod Katjirua for successfully becoming the Deputy Secretary-General of the SWAPO Party. The same goes to all other Comrades who were promoted and those who emerged victorious after competing for certain positions of power within our Party. I congratulate you all and am ready to work with you as a team.

Comrade Speaker, Honorable Members, as I was previously entrusted to spearhead women advancement and empowerment in our country through the Women Parliamentary Caucus as Chairperson, I am shocked to learn that this body is no longer functional, I am, however, assured that it will be revived soon. Comrade Speaker, the Caucus is one of the many instruments that played a major role in the promotion, advancement and empowerment of women in our society. Therefore, if revived it needs the full support of all the members of our society. We all know that Namibia is a country which, through the leadership of the mighty SWAPO Party Government under the able leadership of the President of the Republic of Namibia, Comrade Hifikepunye Pohamba and our Founding Father, has established a Department of Women Affairs that was transformed into the Ministry of Women Affairs, however, because of being a Nation that believes in gender equality, the Ministry was transformed and renamed to the Ministry of Gender Equality and Child Welfare so that it not only cater for women issues, but for both women and men. Among others the aspiration of the Republic of Namibia that is, the NDPs and Vision 2030 are championed through this Ministry.

Namibia is a signatory to the SADC Protocol on Gender and Development which calls for a 50/50 representation of men and women in the Government by 2015. Furthermore, the Government of the Republic of Namibia has ratified various regional and international legal instruments to advance gender equality such as the:

1. United Nation Convention on the Elimination of All Forms of Discrimination Against Women;

- 2. African Charter on the Rights and Welfare of the Child; and
- 3. Protocol to the African Charter on Human Rights on the Rights of Women in Africa.

As a country, we also made provision in our Supreme Law, which is the Constitution of the Republic of Namibia, for international instruments automatically to become part of our Namibian laws. That has been ratified by Namibia to automatically become part of the laws of our Republic. In the year 2000, we signed the Millennium Declaration and participated in the process of achieving the MDGs, particularly the ones that promote and strengthen women's rights. Women in Namibia, like all other women around the globe, need encouragements to be prepared to partake at any level of authority. It is against this background that I support the unopposed Motion introduced on Gender-Based Violence in this House by the Honourable Speaker, Comrade Theo-Ben Gurirab which will eventually be moved next week by Honorable Pendukeni Iivula-Ithana.

APPROPRIATION BILL

It is gratifying to note that the SWAPO Party Government is looking ahead not only to the next few years, but also over the next generation and that we are taking major steps to build on a strong foundation we laid since Independence. Government should be commended for avoiding foreseeable problems while seizing new opportunities in the global economy, many thanks to the visionary leadership of our Government.

Honorable Speaker, Honorable Members, the Budget as tabled by the Honorable Minister, Comrade Saara Kuugongelwa-Amadhila in this House, is giving our Nation confidence in facing the future as it reflects people-centred and development orientation which the SWAPO Party Government has consistently and persistently pursued over the years. The allocation of the large portion to the Social Sector is proof in this regards. Furthermore, the maintenance of peace, security and the Rule of Law, that is, the political stability that our country has enjoyed thus far is another

testimony. Therefore, we should commend ourselves as a Nation and vow to continue keeping Namibia free and peaceful as we know that peace is a very vital facilitator of all positive developments.

Comrade Speaker, Honorable Members, catering for our senior citizens and that of the veterans of our country's liberation struggle is a reminder to all generations of our Nations that we should never forget those heroes and heroines who sacrificed their lives in order for us to have bread on our table today. We are all aware and know very well that our freedom and Independence did not come on a silver platter, but their blood watered our freedom.

With this few words I would like to congratulate, Comrade Saara Kuugongelwa-Amadila and all stakeholders who were involved in the preparation, formulation as well as the organization of the Budget and I support the *Appropriation Bill* and the Medium Term Expenditure Framework for 2013/2014 to 2015/2016. I thank you.

HON SPEAKER: Thank you very much. With that, taking the following into consideration:

- 21 March Independence Day;
- 29 March to 01 April Easter Weekend;
- 02 April Minister Reply; and
- 03 April State of the Nation Address by His Excellency.

This House shall stand adjourned until Tuesday, 26 March 2013, after the Independence Day celebrations, preparing for all the things that will following soon thereafter.

HOUSE ADJOURNS AT18:00 UNTIL 2013.03.26 AT 14:30

NATIONAL ASSEMBLY ASSEMBLY CHAMBERS WINDHOEK 26 MARCH 2013

The Assembly met pursuant to the adjournment.

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

MOTION OF CONDOLENCE

HON DEPUTY SPEAKER: Honourable Members, I would like, on behalf of this House, to express our sincere condolences with the bereaved family and friends on the sad loss of the Governor of the Omaheke Region, Rapama Kamehozu, who passed away last Saturday. I now call on the House to observe a minute of silence in memory of the late Governor.

THE HOUSE OBSERVES A MINUTE OF SILENCE

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

TABLING: REPORTS OF THE AUDITOR GENERAL

<u>HON MINISTER OF FINANCE</u>: Honourable Deputy Speaker, I lay upon the Table –

TABLING OF REPORTS HON MUTORWA

Report of the Auditor-General on the Accounts of the Social Security Commission, Employees' Compensation Fund, Maternity Leave, Sick Leave and Death Benefit Fund and Development Fund for the Financial Year ended 29 February 2012.

HON DEPUTY SPEAKER: Please table the Report. Any further Reports and Papers? Honourable Mutorwa.

TABLING: NAMIBIA SEED POLICY

HON MINISTER OF AGRICULTURE, WATER AND FORESTRY:

Honourable Deputy Speaker, I lay upon the Table, Namibia Seed Policy for the information of the Honourable Members, but also for reference in anticipation of the *Seed Bill* which will be tabled soon in this House.

HON DEPUTY SPEAKER: Please table the Policy. Any other Reports and Papers? Notice of Questions? Notice of Motions?

NOTICE OF MOTION

HON MINISTER OF INFORMATION AND COMMUNICATION TECHNOLOGY: Honourable Deputy Speaker, I give Notice that tomorrow, Wednesday, 27th of March 2013, I shall Move –

That this Assembly –

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Ratifies the Pan-African Postal Union (PAPU) Convention. I so Move Honourable Deputy Speaker.

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HON DEPUTY SPEAKER: Message from the Head of State? Ministerial Statements. Minister of Agriculture, Water and Forestry.

MINISTERIAL STATEMENT

HON MINISTER OF AGRICULTURE, WATER AND FORESTRY:

Thank you, Comrade Deputy Speaker, for giving me the Floor to make a Ministerial Statement.

The United Nations General Assembly has designated the 22nd of March as World Water Day. Member States of that world body are constantly encouraged to organise activities in celebrating and commemorating such days. Here at home we are doing exactly that.

The main focus of our activities this year is in the Karas Region at NAMDEB. The activities started yesterday and they will run up to Thursday and it is in this regard that I would like to make the following statement:

Given the basic indispensible necessity of water to give and sustain life and its central role in the provision of a wide range of services, water is a crucial and cross-cutting factor at the heart of all the United Nations' Millennium Development Goals. Consequently, the active participation and cooperation of all Sectors, levels of Government and Civil Society are critical for ensuring better management, utilisation and allocation of water resources.

Moreover, for water cooperation to be successful and sustainable, it

MINISTERIAL STATEMENT HON MUTORWA

requires a common deep understanding of the needs and challenges surrounding the issue of water.

World Wetlands Day and World Water Day 2013, coupled with the United Nations' designated International Year of Water Cooperation are great opportunities for the different organisations active in the Water Sector to promote actions at all levels on subjects related to water cooperation. It calls for a major effort to take the key messages, resulting from this global exercise and to get everybody involved – from individuals to communities, companies, Governments, whole countries and ultimately, the whole world.

Water resources management issues must be addressed at the local, national and at appropriate regional and international levels, paying special attention to the livelihoods of the poor and most vulnerable people. The major task which the international community is facing today in the field of water resources is the transfer of committed obligations into concrete actions that need to be implemented on the ground for the benefit of people, ecosystems and the biosphere as a whole.

Honourable Members, in view of this, I am particularly honoured to announce that we in Namibia have recently launched our Integrated Water Resources Management Plan, already approved by the Cabinet last year, with the overall long-term goal to achieve a sustainable water resources management regime, contributing to social equity, economic efficiency and environmental sustainability. Awareness-raising campaigns have kicked off in all the Regions of Namibia with the objective to introduce the contents of this plan, present its proposed activities which can contribute to the goal of this plan and to foster stakeholder participation in its practical implementation.

Furthering its efforts to address the complex multi-faceted issues of water management, through water cooperation, the Namibian Government, through the Ministry of Agriculture, Water and Forestry, in collaboration with the Namibia Water Corporation (NamWater), has called for and hosted a National Water Investment Conference last year. Key issues and challenged faced in the Water Sector were highlighted and the resulting

MINISTERIAL STATEMENT HON MUTORWA

recommendations and proposed interventions were presented as opportunities for business and investment in the Water Sector.

I wish to express my sincere appreciation particularly to the youth of this country for their active participation in our water and wetlands awareness campaigns annually. Contributing with your knowledge on Namibia's precious water resources, you are our water ambassadors who carry on the much-needed messages of sustainable water use, management and conservation to the rest of our Nation.

Finally, I wish to extend my sincere appreciation and that of the Ministry to the Local Organising Committee for continuous efforts in highlighting the importance of our precious water resources and to the cooperating partners of this World Wetlands/Water Day 2013 Commemoration for their generous sponsorship and active participation. This is a reflection of our collective commitment towards collaborative water management.

Thank you, Comrade Deputy Speaker.

HON DEPUTY SPEAKER: Thank you for the information. Honourable Maamberua

OUESTION ON MINISTERIAL STATEMENT

HON MAAMBERUA: Honourable Deputy Speaker, I seek some clarification on the statement made by the Minister of Agriculture, Water and Forestry and I wish to thank him for his statement.

The clarification I seek is informed by the two phrases that were made, one being the recognition of the importance of water to sustain life and the other that water is a crucial commodity, particularly in the area of poverty

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eradication or reduction.

In light of these very important factors, we do remember that late last year Parliament took a resolution asking NamWater to write off the legacy debts. I just wanted to know whether these debts have now been written off and if not, I want to know when those debts will be written off following the resolution by Parliament, also considering the fact that our people are now facing devastating drought and if those debts are not written off, the situation will be aggravated. Thank you.

HON MINISTER OF AGRICULTURE, WATER AND FORESTRY:

Yes, the President of SWANU is becoming so active, which is commendable, but the fact of the matter is that these are two separate issues. Of course, nobody can manufacture water and somebody yesterday wrote in an SMS that if the Minister of Agriculture cannot provide fodder, then he should just go home. Of course, I can go home but the drought will persist.

I am saying that certain issues cannot be simplified and I do not know why there is competition. The Motion was moved by my good friend, Honourable Tjihuiko, I have taken the decisions to Cabinet and we are now busy implementing (not necessarily what he has asked), but at an appropriate time we will make an announcement about the subsidisation of water to the poor. Cabinet has made decisions that we are busy implementing. That is the response as far as the Motion of Honourable Tjihuiko is concerned. Thank you, Comrade Deputy Speaker.

MINISTERIAL STATEMENT

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY GENERAL: Thank you very much, Honourable Deputy Speaker.

MINISTERIAL STATEMENT HON DR KAWANA

Honourable Deputy Speaker, I rise to make a Ministerial Statement regarding articles which appeared in the *Confidente* newspaper of 14-19 March 2013, titled "Kavango, Caprivi tension looming." The heading on Page 3 of the same newspaper is titled, "Kavango stealing our land, Caprivians." Another article appeared in the same newspaper of 24-27 March 2013, titled, "Delimitation Commission can allocate Caprivi land to Kavango - Kawana."

Honourable Deputy Speaker, there appears to be confusion regarding the delimitation of regional and constituency boundaries and the jurisdiction of traditional authorities over such land and their subjects. Allow me, therefore, to clarify this matter.

Our Republic is founded, *inter alia*, upon the principles of democracy, the rule of law and justice for all. This is clearly provided for under Article 1, Sub-article (1) of the Namibian Constitution. Article 102(2) of the Namibian Constitution is very clear. It provides, *inter alia*, as follows: "The delineation of the boundaries of the Regions and Local Authorities...shall be geographical only, without any reference to the race, colour of ethnic origin of the inhabitants in such areas."

The effect of the aforementioned provision is that regional boundaries and Constituencies cannot be delineated on tribal or ethnic grounds. Such an exercise will be rendered null and void *ab initio*. The only factors which must be taken into account by the Delimitation Commission are those which are listed under Section 5 of the Regional Councils Act, 1992 (Act 22 of 1992). These are factors which constitute the terms of reference of the Commission for purposes of delineating regional and constituency boundaries.

There also appeared to be confusion regarding the jurisdiction of Traditional Authorities over the delineated boundaries of Regions and Constituencies. I wish to state here that the jurisdiction of Traditional Authorities does not change as a result of new regional and constituency boundaries. They continue to exercise jurisdiction regardless of changed boundaries. Against this background, our Traditional Authorities should not be misled. The only instance where jurisdiction over land can be

MINISTERIAL STATEMENT HON DR KAWANA

affected is in a situation where an area is declared as a Local Authority area. In such a situation the authority to alienate land will vest in a newly proclaimed Local Authority.

Honourable Deputy Speaker, I wish to repeat that regardless of the changes in regional and constituency boundaries, the jurisdiction of Traditional Authorities continues. They continue to exercise their authority as provided for under Article 102(5) of the Namibian Constitution, the *Traditional Authorities Act*, 2000 (Act 25 of 2000), the Council of *Traditional Leaders Act*, 1997 (Act 13 of 1997), as amended, and the *Communal Land Reform Act*, 2002 (Act 5 of 2002), as amended.

It is, therefore, very clear that boundaries of Regions and Constituencies can change eastward or westward, northward or southward as long as such changes are done within the letter and spirit of Article 102(2) of the Supreme Law of our land, the Namibian Constitution. Our country should continue to be one of the shining examples of peace and stability. Our institutions should be allowed to perform their constitutional functions without a threat of instability.

Against the aforementioned background, let us allow the Delimitation Commission to remain fiercely independent and impartial so that it can carry out its constitutional mandate without undue influence. Namibia belongs to all of us, our duty should be to protect and defend the territorial integrity of our Motherland.

Regional or constituency demarcation of boundaries should not be a basis for instability in our country. Article 21(1)(h) of the Namibian Constitution guarantees each and every Namibian to, "reside and settle in any part of Namibia" as long as proper legal procedures are followed. Namibia is our Motherland, its internal boundaries, whether regional or constituencies should not divide us, least of all cause tension among communities. Peace, unity and stability must remain the hallmark of Namibia. I thank you, Comrade Deputy Speaker.

QUESTIONS ON MINISTERIAL HON KAURA / HON TJIHUIKO

QUESTIONS ON MINISTERIAL STATEMENT

HON DEPUTY SPEAKER: I recognise Honourable Kaura.

HON KAURA: I just want to find out from the Honourable Minister whether he is aware of the fact that in the Kunene Region, especially in the area of Omakange, because of the demarcation of the Omusati Region, Chief Shikongo Taapopi right now is in charge of areas that originally were not within his jurisdiction. By virtue of the fact that there is now the Omusati Region, his area of jurisdiction has now reached the area of Omakange where previously he had no jurisdiction whatsoever and he is dishing out pieces of land in areas that belong to other Traditional Leaders. Are you aware of that?

HON DEPUTY SPEAKER: I recognise Honourable Tjihuiko and then Honourable Chief Riruako.

HON TJIHUIKO: Honourable Deputy Speaker, I thank the Honourable Minister for the information. Honourable Minister, I am a bit concerned and my concern is based on the action by certain politicians. His Excellency the President has appointed a Commission to look into the demarcation of Regions and improvements. We are all supposed to be waiting for the report of the Commission. However, the other day the Governor of the Erongo Region made a statement in a newspaper that the recommendation made by the communities of Omatjette was tribally based. Those kinds of statements are creating tension between communities.

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Honourable Minister, you have just stated that your name was also mentioned and I have also read that article. As long as we leaders make ourselves guilty of trying to influence the Report of the Commission, we are the ones who are creating tribal tensions within the communities. It is a challenge to us as leaders to stay away from these things until the Report is on the table and then make our comments as this is where the problem arises. I do not know if it is a question or contribution. Thank you.

HON RIRUAKO: Honourable Deputy Speaker, I have a problem with the Omusati Region. It was not a political arrangement, but eventually it ended up that Omahama belongs to Taapopi. (Interjection). I know more than you, my dear friend. I have been there and I found that this man cannot be regarded as part of Kaokoland and that is how it is. Ask your friend Honourable Kawana there. I am not here to beat about the bush, I am not going to name the person who is dealing with these kinds of things behind the scenes. Thank you.

HON MINISTER OF FINANCE: I am somehow concerned about the interventions of the last two Honourable Members, who are very senior Members of the House and what concerns me about their comments is when they link the boundaries of Traditional Authorities with the boundaries of Political Regions. As a Government we have all along made efforts to try and convince our people that the boundaries of Regions have nothing to do with the jurisdiction of Traditional Authorities and for Members of this House to actually try and create the impression that if two Traditional Authorities have a dispute over their boundaries, it is on account of the location of the regional boundaries, this creates more damage than we can ever imagine. And I want to implore the Members, however their feelings may be with regard to these disputes between the Traditional Authorities, to express their views about these disputes without confusing the public that when the borders of a Political Region are allocated at a certain area, that may result in a part of a Traditional Authority belonging to one or another Traditional Authority. That is a

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very important issue and I want to also implore the Chair to assist us in this regard.

I am sure the Honourable Members understand the concerns that I am trying to put across here and deep down in their hearts they probably share that concern too. Let us agree not to start something that we may not be able to control, because there are people out there who may actually not see the difference and when they listen to what we are saying here, they may actually end up being instigated. Thank you.

HON DEPUTY SPEAKER: Honourable Kawana.

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL: Thank you very much, Honourable Deputy Speaker. Honourable Deputy Speaker, some of the Honourable Members who have spoken in this House are Founding Fathers of the Namibian Constitution and I am very worried when I hear their statements because there is confusion here.

I was approached by a journalist to clarify this issue and that is why I thought I must do so in Parliament. There is confusion among some of the lawmakers here and they are confusing two issues: Delimitation or demarcation of regional and constituency boundaries has absolutely nothing to do with the jurisdiction of Traditional Authorities because these are two completely different legal regimes.

Secondly, my advice to the Honourable Members is that, if there are disputes, we have enough laws in this Republic to resolve the issues. In terms of the Council of Traditional Leaders Act of 1997, such disputes must be referred to the Council of Traditional Leaders. In terms of that law the Council will establish what is called an Investigation Committee to go to the area concerned, investigate and report back to the Council of

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Traditional Leaders and the Council of Traditional Leaders will make a recommendation to the President. That is the procedure to be followed and that procedure has nothing to do with the boundaries of Regions and the boundaries of Constituencies.

It is a well-known fact that in various Regions there are Constituencies which are divided in terms of Traditional Authorities. I can give the example of Caprivi Region. Katima Rural Constituency belongs to two Traditional Authorities when it comes to traditional matters. Linyanti belongs to three Traditional Authorities. However, people are now trying to confuse the people, that when the boundaries are changed, there will be loss of power and authority by a certain Traditional Authority, which is not the case.

The issue mentioned by *Honourable Kaura* does not belong to the functions of the Delimitation Commission, it belongs to the functions of the Council of Traditional Leaders and equally what *Honourable Riruako* has mentioned falls within the ambit of the Council of Traditional Leaders Act of 1997. That is why we are saying that politicians must steer clear from the work and undue influence of the Delimitation Commission. This is an independent Commission and the Government will go all out to ensure that it remains independent and carries out its functions in terms of the letter and spirit of the Namibian Constitution and the laws of our Republic. That is our bottom-line. Thank you very much.

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

RESUMPTION OF SECOND READING: APPROPRIATION BILL [B.1 – 2013]

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SECRETARY: Resumption of Debate on Second Reading – *Appropriation Bill* [B.1 – 2013].

HON DEPUTY SPEAKER: When the House adjourned on Thursday, the 14th of March, the Question before the Assembly was a Motion by the Honourable Minister of Finance, that the Bill be read a Second Time. Any further discussion? Honourable Ncube.

HON MANOMBE-NCUBE: Thank you, Honourable Deputy Speaker. Honourable Deputy Speaker, first and foremost, I am extending my appreciation for this wonderful opportunity you accorded to me to make what I think is a meaningful contribution towards this General Debate.

The 23rd Independence Anniversary was celebrated on Thursday last week and all Namibians demonstrated once again the peace and tranquillity that prevail in our beloved Namibia. Today I am going to address issues of national interest which are very close to my heart and if I do not do so, I will fail in my duty to serve this brave Nation.

Honourable Deputy Speaker, before I start with my contribution, allow me to thank the Honourable Minister of Finance, Honourable Saara Kuugongelwa-Amadhila, the Director-General of the National Planning Commission and their teams for their diligent work in presenting a detailed "Jointly Doing More with Less" Budget for the Fiscal Year 2013/2014. A sisterly appreciation goes to Comrade Kuugongelwa-Amadhila for her consistent excellent delivery of services in a challenging male dominated financial world.

Comrade Kuugongelwa-Amadhila, the increases in the Budget Allocation to all the Ministries and, in particular, the Ministries of Gender Equality and Child Welfare, Health, Labour and Social Welfare is noted and highly appreciated, as it will make a positive and big difference to both the vulnerable and other beneficiaries. I am convinced that this fiscal boost

will be utilised as intended.

Honourable Deputy Speaker, Honourable Members, before I dwell on pertinent issues on Gender and Child Welfare, allow me first to pay tribute to a champion and an icon of this august House for his commitment in advancing gender agenda, his awakening spirit to the Nation at large to denounce Gender-Based Violence, namely the Honourable Speaker, Dr Theo-Ben Gurirab.

And to our partners, all the donor funds, grant institutions and their sympathetic Governments to the tireless Namibian women for their bravery and to all our brothers for their unwavering support accorded to their female counterparts in waging women emancipation. Let us keep the momentum.

Comrade Deputy Speaker, The Ministry of Gender is enacted by Parliament with a clear mandate to; "Ensure gender equality and socio-economic development of women and men and the well-being of the children". Namibia has ratified the SADC Protocol on Gender and Development, the implementation of the Affirmative Action Policy is at an advanced stage and constitutional and legislative provisions are taken care of, but Honourable Members, a concerted effort must be deliberately done in unison. SWAPO Party, the big brother, is leading by example as it is paving the right platforms through our pledges and commitments. My plea here is that all the Parties emulate it. Practically, preparation time is now, whereby all Parties need to be aggressively indulged and Party lists must tell the tale. This calls for aggressive campaigns, effective outreach, on-going education and mobilisation at grassroots and remote areas.

Gender-Based Violence is a daily occurrence in our society. One needs to address and research the causes. What triggers Gender-Based Violence? This monster is still far from being eradicated. This monstrous behaviour must be stopped immediately! Solutions to Gender-Based Violence strongly demand that everyone, all responsible citizens, must get involved. Let us encourage those who are in abusive relationships to stand up for their rights and speak up.

Let me also touch on the issue of the mini-skirts. There is no law passed by Parliament which prohibits women from wearing mini-skirts. Article 7 of the Constitution guarantees personal liberty of all Namibians.

HON RIRUAKO: On a Point of Order. Honourable Deputy Speaker, the issue of mini-skirts does not have to be discussed here, people can decide and the Nation can come up with something. We need to have a conference or meeting somewhere else to scrutinise what is wrong and what is good, not here.

HON MANOMBE-NCUBE: Honourable Deputy Speaker, with all due respect to the Honourable Chief, the mini-skirt issue is an issue of national concern and it affects the human rights of women. No law was passed by Parliament which prohibits women from wearing mini-skirts. Article 7 of the Constitution guarantees personal liberty of all Namibians. NAMPOL directive may have been within the limits of the law of *Combating of Immoral Practices Act* (Act 7 of 2000). This Act is not referring to mini-skirts *per se*, emphasis is on indecent and immoral dress, which may not necessarily be mini-skirts. We live in a two-faced society where a blind eye is turned on boys wearing "*sapping trousers*" where the underwear is visible, yet this is overlooked and only the girls' mini-skirts are mentioned.

Honourable Deputy Speaker, Honourable Members, let us be reminded that what is good for the goose is good for the gander.

Research found that in most cases rape incidents happen mostly within families, circles of friends, people who in most cases know each other. If toddlers and elders are raped, please destroy the myth that the mini-skirt is an invitation to rape. What is happening to our Nation to argue in that manner?

The gender-balance initiative in Namibia is alive and awake twenty-three

years after Independence and it speaks volumes.

Honourable Deputy Speaker, let me touch on old-age pensions and allow me to add my voice to previous contributors on this noble matter by first thanking the Honourable Minister of Finance for increasing the old-age pension and disability grants. This provision will indeed make a big difference, especially during these trying economic times. However, Honourable Members of this august House, I have a major concern with the grants provided to orphans, vulnerable children and children with disabilities. A monthly contribution of N\$200 is insufficient.

Honourable Deputy Speaker, Honourable Members, disability in general is costly, more so for the children with disabilities, especially those lovely children with cerebral palsy, namely children suffering from back-related disabilities. They need twenty-four hours of care and diapers do not cost less than N\$100.

Allow me to thank the first and current Right Honourable Prime Minister, Dr Hage Godfried Geingob, who created the first platform in a higher office, called the Disability Advisory Unit. I will not overlook the former Prime Minister, Honourable Nahas Angula, for maintaining the foundation and maintain the momentum that Honourable Dr Hage Geingob has created. Last but not least, let me give thanks to my President, Comrade Hifikepunye Pohamba, who for the first time appointed me as a Member of Parliament and in addition, I would like to thank the entire SWAPO Party for the trust they have put in me in order to continue using this platform to advance the views, issues and interests of the Namibians at large, and in particular people with disabilities. My hopes and aspirations are that this platform will continue to be used even after I have left, as I am slowly ageing.

Resources mobilisation is a critical theme which aims to ensure that the required input resources are adequately anticipated, planned and solicited. Given the current reality, lack of sufficient resources is an acute problem. It is not only unique to the Namibian Government, but it is a global economic reality.

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Regarding institutional capacity, core strategic objectives, such as conducting research and development, the issue of leadership and competent, trained and motivated staff and requisite appropriate infrastructure are ideals which are still not in place. Hence, the delays in the immediate implementation of the Act that lapsed for three years, namely the Act on the establishment of the Disability Council and, in addition, the delay in the appointment of new Council Members. I tabled a Motion in 2007 and after Government resources were used for consultations inside and outside the country, this Motion is gathering dust somewhere. These are all testimonies to the prevailing state of affairs.

Honourable Deputy Speaker, the Nation demands to know, is it in order for an Act of Parliament to be disregarded, for time to lapse and is the ongoing dissatisfaction among people with disability acceptable?

Honourable Deputy Speaker, the state of mind of the Namibian Nation could largely be ascribed that any business to do with people living disabilities is a slow business and a slow mind-set and slow response to any of their business. Equally so, allow me to make an observation that out there, there are fully functional able Namibians who are unfortunately disabled due to their own state of mind. It calls for Namibia to institute a completely changed management at national level.

It is worth revisiting the rights of people with disability. Disability is crosscutting.

HON DEPUTY SPEAKER: With that the House shall rise for tea-break.

HOUSE ADJOURNS AT 15:40

HOUSE RESUMES AT 16:16

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HON DEPUTY SPEAKER: We proceed, Honourable Ncube, you have the Floor..

HON MANOMBE-NCUBE: Thank you, Honourable Deputy Speaker. I was saying that disability is a crosscutting issue across every Ministry and of national interest and, indeed, an issue of everyone. It ought to be noted that we all move in that shade. I want to quote the Honourable Deputy Speaker of Defence, Comrade Peter Iilonga who said: "Communists and Socialists do not have personal interests at heart, but those of humanity." I agree strongly with this statement because it is closely linked to *Ubuntu* and as an African I believe that people come first.

Honourable Deputy Speaker, the state of health services delivered to the people and the deteriorating health facilities are unacceptable. The service is at times unfriendly and incompetent. One does not need budgetary resources to address this because to be friendly does not cost anything. We are losing customers to the private hospitals and it is only the haves who can afford the private hospitals, but what about the have-nots? This sorry state of affairs is known, but advantage is taken of the fact that the Government is not out there for making profit and, therefore, people receive their salaries at the end of the month whether they have worked or not. We need to conduct the Government affairs based on sound business principles in order to achieve measurable results and to provide customer satisfaction.

Honourable Speaker, let me just end with the land issue. We know that the land issue is as old as the first colonial settlers in Namibia and the cause for our liberation struggle, yet it still remains a burning issue to the majority of the people, namely the poor.

The majority of Namibians are getting poorer whilst the minority are getting richer. Namibia is facing a looming drought and many landless people graze their animals in the corridors where they are chased away by those commercial farmers, which is really a humiliation for the poor farmers.

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Comrade Deputy Speaker, I support the *Appropriation Bill* for 2013/2014. I thank you.

HON DEPUTY SPEAKER: Thank you. Honourable Nawases-Taeyele.

HON NAWASES-TAEYELE: Thank you, Honourable Deputy Speaker, Honourable Members. I rise to add my voice to the Debate on the 2013/2014 Budget. May I take this opportunity to commend the Honourable Minister, the Permanent Secretary and the entire staff of the Ministry of Finance for a job well done.

HON TJIHUIKO: Honourable Deputy Speaker, on a serious note, we do not have much time and then we have this thing of thanking the Minister so many times, which is a waste of time. Can we not just go straight to our speeches?

HON NAWASES-TAEYELE: Honourable Deputy Speaker, I am very concerned about the unemployment rate, especially amongst women and the youth in Namibia. It is against this background that I want to draw our attention to the decentralisation plan which stipulates the need for deconcentration, delegation and devolution of power by transferring authority, responsibility and accountability from Central to Regional and Local Government, thereby transferring authority, responsibility and accountability to the Regional and Local Government Authorities.

Honourable Deputy Speaker, I am aware and equally appreciative of the achievements made in the decentralisation process, but wish to express my concern, if not dissatisfaction, with the pace at which it is driven. We can certainly do better.

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Having said the latter, I wish to submit a proposal on how, within the context of decentralisation, the Government can create jobs for the youth and women.

Our Government is by far the largest procurer of goods and services in Namibia, however, these goods and services are only sourced from large companies which are owned by a few individual shareholders. Some companies are even owned by individuals. This procurement system must come to an end and good and services should be procured as per the following proposals:

- The procurement of goods and services under the auspices of the new Procurement Bill that the Honourable Minister has mentioned in her speech, must be fast-tracked and I appeal to the Honourable Minister that the Bill will speak to decentralisation, that the Regional Councils can procure through their local tender boards.
- Regional Councils must establish fully functional and efficient regional economic development departments, if not already in place.
- Regional Councils should establish community cooperatives with members of the society;
- Initial funding for cooperatives should come from regional development funds for start-up capital;
- These cooperatives should get preferential treatment in the procurement of goods and services and their activities should be supervised by the Regional Councils;
- Tenders which are beyond the capacity of the cooperatives should be organised in portions manageable by cooperatives;
- These cooperatives should include youth, women and physically challenged members of the respective Regions. Capacity-building for the members can be dealt with by the Regional Councils, Ministry of

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Trade and Industry, Ministry of Finance, vocational training centres and Civil Society Organisations.

Honourable Deputy Speaker, Honourable Members, please allow me to cite an example to make my proposal clearer:

Companies providing catering services to Government should be compelled; by the regional tender boards to procure all goods and services from these cooperatives, provided that the quality and supply timelines are adhered to. Strict monitoring to ensure full compliance should be the order of the day. I am told that the preferential procurement provisions exist but they seem not to be complied with.

If the preferential procurement is being implemented at the moment at the level and scale I am proposing, I have definitely not seen it filtering through to the intended beneficiaries. If the latter is adhered to, we would have much lower unemployment statistics today.

An example would be the supply of bread by cooperative A to the Katutura State Hospital and cooperative B to the Windhoek Central Prison. The proposed procurement practice provides a secure market place for the cooperatives since payment for goods and services supplied is guaranteed. My conviction is that this approach will help us alleviate poverty and reduce unemployment, especially among the youth and women.

It is against this background that I am proposing increased funding for Regional Councils through the Trust Fund for Regional Development and Equity Provision, as established by an Act of this House, and that these funds be distributed equally between the respective Regions in order to promote development and alleviate poverty in the Regions. So I submit. Deputy Speaker.

HON DEPUTY SPEAKER: Thank you, Honourable Nawases-Taeyele,

for the time management and good contribution. I recognise Honourable Tweya.

HON DEPUTY MINISTER OF TRADE AND INDUSTRY:

Honourable Deputy Speaker, Honourable Members, it is with great honour that I present to this august House my small contribution. First, what Honourable Tjihuiko does not want to hear, I want to express my sincere support for this Budget that has been presented by the Honourable Minister of Finance, Honourable Saara Kuugongelwa-Amadhila, and the Director-General of the National Planning Commission and the entire staff and the proposed allocations to the different Ministries, State-Owned Enterprises and other State Agencies of our economy.

Honourable Deputy Speaker, in my contribution I would like to discuss five important issues related to the Budget and these would be:

- Development Budget per Region;
- Financial Reform Policies:
- Investment in the Nation:
- The achievement of Vision 2030; and
- Realisation of Namibia's Industrial Policy.

Development Budget per Region

Honourable Deputy Speaker, Honourable Members, it is, in my view, the good intention of the Government to allocate enough development funds to each Region. If one looks at the Development Budget, each Region received a minimum of N\$400 million. If this money is used for which it is intended, we can address the issue of unemployment per Region. The funds are available, it should just be used correctly.

I am very happy that the Budget under discussion took into consideration the needs of each and every Region of our country and that the funds allocated are based on the regional needs. We must applaed the Minister

of Finance and Cabinet for tabling and approving these budgets to the various Regions.

My presentation is summarised per Region so that you can see that the funds are available to create jobs per Region. I urge and invite the Regional Councils and the Local Authorities to work closely with the Central Government in the implementation of our national programmes in order to achieve the desired results. We need to create a synergy where all parts of the Government, including the Regions, work together to implement our national programmes. (Interjection). If Honourable Kaura and I stay in a room, we can stay for the next twenty years and remain two, but if somebody else stays with Honourable Kaura in the room, maybe somebody with a mini-skirt, they will end up being three instead of two. That is synergy.

This is why Central Government allocates such huge amounts of funds to regional development to accelerate employment creation and propel infrastructure development in the Regions.

Honourable Deputy Speaker, Honourable Members, if Namibia can combine all her efforts together, given the availability of Public and Private Sector institutions that we have in place, this Nation can alleviate poverty and build an inclusive society for the betterment of our citizens.

We, the politicians, including the accounting officers, such as Permanent Secretaries, must guide and direct all our subordinates to make sure that our national programmes are implemented timely countrywide.

Financial Reform Policies

Honourable Deputy Speaker, Honourable Members, Namibia is rated as second best country in Africa that has a good financial regulatory system in place. Though the Nation has a good regulatory policy in place, many Namibians do not really benefit from these private financial institutions we have in our country.

The challenge we have in this country is that most of these private

financial institutions are not inclusive enough to the majority of our citizens. Most of them operate mainly in the capital city and other major towns in the country while the majority of our citizens reside in the rural areas where most of these private financial institutions do not have a presence, while they have their customer base there.

In August 2012, Honourable Saara Kuugongelwa-Amadhila launched the Namibia Financial Sector Strategy.

HON KAURA: May I ask the Honourable Member a question? About two weeks ago there was an article in the *Namibian Sun* where some researchers rated Namibia as the seventh worst country to live in. Are you aware of that analysis?

HON DEPUTY MINISTER OF TRADE AND INDUSTRY: If the Honourable Member can allow me, I will answer to that concern. I want us to be proud of who we are. We have some very destructive elements who do not recognise the good things we do.

I was quoting the Honourable Minister when she launched the Financial Sector Strategy which calls on both the Public and Private Sectors to restructure and develop the Namibian Financial Sector. At that launch the Honourable Minister had the following to say. (Intervention)

HON TJIHUIKO: May I ask the Honourable Deputy Minister a question, please? In your presentation you mentioned that according to your calculations we allocated N\$400 million to be spent in each and every Region to create jobs and address the problems we experience now. Are you now telling us that we have the funds which we were supposed to spend to address the problem of unemployment and poverty in this country, we have the Ministers and Deputy Minister and officers that are

being paid to do exactly that, but we have more than 400,000 poor people, we have more than 51% unemployment while we have the money. What is actually the problem why the money is not being spent?

HON DEPUTY MINISTER OF TRADE AND INDUSTRY:

Honourable Deputy Speaker, I will answer the Honourable Member in the course of my speech. The Honourable Member must read the documents presented to him and he will know three years in advance what are these development plans.

HON SHIXWAMENI: May I ask a question? In last week's *Informanté*, the former Prime Minister and current Minister of Defence said, and I paraphrase it: "We as SWAPO have failed." Is that part of the problem of not spending the money? Do you agree with the Minister of Defence that SWAPO has failed or not?

HON DEPUTY MINISTER OF TRADE AND INDUSTRY: Honourable Deputy Speaker, I will answer the Honourable Member because I have the response in my presentation. May I proceed with the quotation of the Honourable Minister of Finance?

HON MINISTER OF DEFENCE: Honourable Tweya, sorry to disturb your very brilliant speech, but on a Point of Information to Honourable Shixwameni and others. SWAPO Party as a mature Party recognise where problems exist. I said we have failed our historical mission. Firstly, our historical mission was to liberate this country from colonialism. Secondly it was to liberate this country from want. Nobody can deny that there is widespread poverty in this country. If you deny that, then you deny the reality. That is a clarion call that we have to fight poverty and that was

the meaning. Therefore, you are giving a totally wrong interpretation to what I have said. It was a clarion call to fight poverty, because that is part of our historical mission. Thank you.

HON DEPUTY MINISTER OF TRADE AND INDUSTRY:

Honourable Deputy Speaker, the Minister had the following to say: "Namibians, young and old, rural and urban expect that all stakeholders, both in the Government and in the Industry, will spare neither time nor effort to bring about the realisation of the development targets set out in the Namibia Financial Sector Strategy Action Plan."

Honourable Deputy Speaker, Honourable Members, under the Namibian Financial Sector Strategic Action Plan, it calls for the inclusion of all Namibian citizens, young and old, rural and urban, that both the Government and the Private Sector make their resources available for the development of all citizens of our Nation.

After all the efforts from the Government and national leaders urging the Private Sector to come up with an inclusive policy that can allow all citizens to partake in development initiatives, many are still left out from benefiting from private financial institutions due to the outdated policies in place that restrict Namibians from utilising these financial institution, a habit this brave Nation should change, because the majority of our citizens cannot just sit and be spectators of economic gain that they will never live to realise.

I, therefore, urge Namibians heading these private financial institutions to change their policies and laws that govern their operations. These institutions are here to serve the entire Namibian Nation, not only a few individuals who are already better off. One of the easy ways they found to deny the majority of the citizens not to benefit from these institutions is by using flimsy excuses of lack of security or collateral when one needs to borrow funds. But remember, they deny you to borrow N\$200,000 to finance a business or build a house or property, yet the same financial institutions are willing to finance you to purchase a vehicle that costs

N\$300,000.00. They do this regardless whether you reside in the village or an urban area, as long as you provide proof that you are employed or you have the ability to pay the instalments for four to five years, but not a house. What a ridiculous policy!

I am urging the private financial institutions to consider using people's income or salaries as collateral and security when people need to borrow money for different purposes, including building houses in the rural areas. This is the reason why many of our people who reside in the rural areas and other unproclaimed areas have difficulties in acquiring decent housing in their country of birth. The reason behind this is that banks are not willing to finance property development in rural areas though the people themselves are working for the Government or Private Sector. It is not as though they cannot afford it, it is a deliberate policy that we need to recognise and face.

Honourable Deputy Speaker, Honourable Members, in response to the cries and needs of our people and the Small and Medium Enterprises, the Ministry of Trade and Industry recently introduced a fully-fledged SME Bank which is an additional vehicle that is dedicated to financing SME development in our economy. As an investment opportunity, the SME Bank still has some shares that are open for private investment.

Investment in the Nation

Honourable Deputy Speaker, the Namibian Government has mandated the Ministry to spearhead the development and expansion of the country's Trade and Industry Sector as an important source of growth, employment and the country's ability to compete in the regional and global markets. In achieving these objectives, the Ministry of Trade and Industry has created policies and an environment that will encourage entrepreneurship and entrepreneur development in our economy. Currently the Ministry is reviewing the *Foreign Investment Act*, to be known as an *Investment Bill*, not just for foreigners. This, we believe, will contribute to the achievement of our investments in the country.

Now that the Nation has an Industrial Policy as a guide, it is for the Nation

to use all its resources and human capital to implement the policy, for, that is the foundation of Vision 2030.

Let me use a typical example: GIFP is bragging with N\$55 billion. This money is not invested in the country; this money is invested outside the country. Imagine if over the next five years we take only one percent per year, which is N\$55 million, to invest in our industrial drive in the country, would it not make a difference? I am not advocating for the destruction of this asset, only one percent.

For the past 23 years we gave the responsibility to the financial institutions but they are not willing to bring their side. For our Nation to succeed, it is true that this Budget is about the future and, therefore, the future is in our hands. We are the masters of our own destiny. Thus we must produce what we consume to respond to the clarion call of His Excellency Dr Hifikepunye Pohamba that no one should die of hunger.

We are reminded that we are our own masters during this second phase of our struggle for economic emancipation.

Thanks to our Founding Fathers and Mothers, for they have delivered their call, we are today politically free. Ours today is economic emancipation. I support the *Appropriation Bill*.

HON DEPUTY SPEAKER: I give the Floor to Chief Riruako.

HON RIRUAKO: Honourable Deputy Speaker, I address this august House on certain matters I am interested in, not on specific pages. Allow me to take the Floor this afternoon to present my contribution to the Budget tabled by the Honourable Minister of Finance, Saara Kuugongelwa-Amadhila. First of all, I would like to congratulate her for tabling the Budget as early as possible to allow enough time for Parliament to deliberate on it.

Honourable Deputy Speaker, before I start with my speech, allow me to share with this august House and the Namibian people my sadness and shock about the untimely passing on of the Honourable Governor of Omaheke Region, Honourable Rapama Kamehozu, who passed away over the weekend. It is indeed a great loss for SWAPO Party, the Omaheke Region and the entire Namibian people. Unfortunately we cannot undo what the Almighty has decided to do.

Honourable Speaker, my contribution to the Budget this time will dwell on the following issues that I regard as important to this House to look at during our deliberations. These are:

- Education;
- Agriculture/Drought;
- Regional and Local Government/Decentralisation
- Old-age pension and orphans.

I think the purpose or the aim of the Minister tabling the Budget early in the beginning of the year is that after approval it must be implemented. It is a known fact that there is an outcry among the communities that there is a delay in the implementation of the development projects. Therefore, I would like to call upon the Ministers, Permanent Secretaries and the National Planning Commission to see to it that projects are implemented in order to create jobs and uplift the living standard of our people.

Education

Honourable Deputy Speaker, since the inception of the Namibian Parliament in 1990, this has become a habit that the Education Sector has always been priority number one to the Minister of Finance and the Government of the day.. That is why the biggest percentage of the National Budget goes to Education at the expense of other Sectors. What has gone wrong with our education that every year we are sending thousands of our young people to the streets because our education system has completely failed the Namibian Nation. When I say it has failed, I mean what I say. It has been changed at times but it still cannot meet the requirements and the demands.

I support the concerns raised by the Minister of Education, Honourable Namwandi, when he said that although the Education Sector gets the highest allocation, the fruits form this Ministry leave a lot to be desired.

The reason, to me, Honourable Speaker, is that having a scarcity and even distribution of resources, the education standard in rural areas, as compared to urban schools, will remain just as poor as it was before Independence. Those involved in the Education Sector have to come up with something tangible and pronounce themselves and tell the public why this is happening all the time and who is answerable for this.

Honourable Deputy Speaker, where does the problem lie? Is it with the education system, is it with the parents, is it with the learners or where is the problem? Someone, somewhere has to come up and tell us where the problem lies.

Honourable Deputy Speaker, without providing answers to these three fundamental questions, our education standard will remain as it is, even if we allocated the whole Budget to this Sector. The Sector is benefiting from the Government and nobody complains about this Budget for Education and we need an answer. I hope the new Education Minister, Honourable Namwandi, will create a conducive learning environment by ensuring that learning resources are available in schools and libraries with suitably qualified personnel.

I believe that much more must be done to address inherited inequities in the education system so that all the stakeholders in education will eventually benefit from the system.

Agriculture / Drought

Honourable Deputy Speaker, while over 70% of the Namibian population depend on agriculture directly or indirectly for their basic existence, Namibia under the SWAPO-led Government since then has not been able to develop a comprehensive agriculture policy and strategy for the majority of the people. These people must benefit like other people in the country. They need to make a decent living out of their hard work,

especially those farming with cattle in rural areas.

Resource allocations to agriculture remain skewed. Currently the country is facing a drought situation, but there is no clear direction within the Agricultural Vote on how much money will be used to remedy the drought crisis.

It is my conviction that it is high time that this august House, in consultation with the Ministry of Agriculture, Water and Forestry, should come up with a drought relief fund which will support farming communities in rural and communal areas immediately when drought starts, but not after animals and people have died of hunger.

The main contributor to the fund will be the Central Government, by putting aside N\$100 million per Financial Year, whether there is drought or not, as a preparation for time of drought. Money has been put aside, but where is it now? That is a query.

Namibia is rich in virgin land that needs to be developed and used during time of drought. This is not being done. The possibility to do this exists but it is not being implemented accordingly.

Government should buy farms and reserve them only for drought situations to assist during time of drought in different Regions and specifically to accommodate farmers from surrounding communal land. In the past we were given money for fodder and we bought thirteen farms. We did not sell them, we gave them to the people and when they started doing well, they paid the Government back.

Honourable Deputy Speaker, preparation for drought should not only come from the Government alone, but farmer associations and cooperatives must also create their own drought relief funds to assist their members in times of need. They must not just wait for the Government to provide the money, all of them have to contribute. It belongs to your kith and kin and your families and I do not need to say more than that.

Honourable Deputy Speaker, for now I would like to request this House,

in consultation with the Ministry of Finance, to increase the Vote for the Office of the Prime Minister in order to assist in the drought crisis we are facing.

Honourable Deputy Speaker, let us ask ourselves two questions: Is our Government constituted in a manner that makes all our citizens feel part of it or not? Are all stakeholders part of the governance process? I think the answer to these questions lies in the decentralisation process, to give that right to the people in the Regions in order to stand up and take care of themselves. Count the money you gave them, take care of how the money is distributed to the Regions as a whole and what is left over, what is being taken for granted. This must be known.

As long as the decentralisation process in Namibia proves to be very elusive, despite the *Decentralisation Act* having been passed into law years ago, we will never provide sufficient answers to these questions. It is high time that this law be implemented and we cannot give more time to the administrators who do not do their job accordingly. This Constitution was written so well and it must be implemented.

We passed a law that presented that sub-national governance be represented by Regional and Local Authority Councillors. Honourable Namoloh is supposed to do all this. They cannot be in the office with books and books without action, implement them in order for you to take care of whatever is left.

The unfortunate thing is that these levels of Government are not fully equipped in order to bring development to their Regions. Regional Councils have to go to Central Government to ask for funds, but they do not have their own Budget. They must be responsible for what is given to them and they must be questioned and be taken care of and the Government must take this action now, not tomorrow. Equip them and if they come back and ask for help, ask them if they are not capable of doing it. If you are capable, go ahead and if not, take the money back.

To go to the Central Government and ask for funds should not become a habit. You are asking the money in order to take care of it instead of

running around without putting it to good use. How can they develop their areas when they cannot do it without help? If they need help, the specialists are there to be sent wherever the problem is in order to solve the problem in that particular area. There is no excuse. The masses have lost hope and credibility in them, because they promise things which they do not have the power to deliver. If you do not have the power, speak out and tell us where your problem lies.

We have to take care of that which we are supposed to care of and give back to the people which belongs to them. We do not have to sing; "*Tate mekarara mba, tara nu ndji tjevera*" every time. Give it to them and if they fail, teach them. That is my message to this House and I thank you.

<u>HON DEPUTY SPEAKER</u>: I give the Floor to Honourable Kandy Nehova

HON NEHOVA: Honourable Deputy Speaker, Honourable Members of this august House, allow me to make a few comments on the Budget before us.

Honourable Deputy Speaker, as a Nation we are faced with three major socio-economic problems, namely, poverty, unemployment and a glaring inequality in the distribution of our wealth.

We have been talking about these problems since Independence and even before Independence, when we promised the Nation many good things, including equality, provision of employment, better housing and quality free education and health for all.

The mothers and fathers of our Constitution, cognisant of the imbalances created by the brutal and divisive Apartheid regime, established under Article 129 of the Constitution, the National Planning Commission in order to plan the economic development of this country. I am sure most

of us in this Chamber are aware of the details.

The Constitution, under Article 98, further directs as to how the economic development of Namibia should be organised. Again I believe that most of us are fully aware of the details in this Chamber.

Honourable Deputy Speaker, Honourable Members, right from the start we knew that the Private Sector will not finance or build Public infrastructures, such as roads, schools, hospitals, defence and security installations, water installations, power installations and Public administration infrastructure.

We also knew that for this country to advance to the level it would be considered a developed Nation, we needed to invest heavily in capacity-building aimed at empowering our young people with the necessary skills to enable the Nation to exploit all the natural resources that this country is richly endowed with. By exploiting, we did not mean to extract and send raw materials to other countries and in so doing, exporting jobs that go with value addition activities in those countries, but we meant to extract and add value to all our resources before exporting semi-finished to finished products while retaining jobs and skills on our soil.

Honourable Deputy Speaker, as we sit in this august House today, we have failed this Nation, because we have failed to plan. Either we did not understand the role and function of the National Planning Commission or we have put the wrong people in that important national institution or both.

Honourable Deputy Speaker, what I am trying to emphasise today, and I have done so before, is that this country cannot and will not realise its development potential unless and until it has formulated a comprehensive national development master plan or programme comprising of:

- Types, quantities and quality of Public infrastructures and installations, including maintenance thereof;
- Types and quantities of industries;

- Quantity standards to be developed and maintained;
- Quantity and quality of human resources and skills needed to develop our country;
- Quantity and material and financial resources needed to accomplish the above;
- In addition, the master plan should prioritise and benchmark national projects.

Only when we have set up a comprehensive development master plan can we assist the Government, private businesses and other local and international development partners and, indeed, the individual citizens to make informed decisions to both short-term and long-term development objectives for the welfare of families, communities, the Nation and Africa at large. (Intervention)

HON MINISTER OF JUSTICE: May I ask the Honourable Kandy Nehova a question? You said that the Government has failed to plan.

HON NEHOVA: No, I did not say that.

HON MINISTER OF JUSTICE: If you did not say that, then it is fine. However, what I wanted to ask is whether there is any country with a comprehensive master plan. I have not seen it. Give us an example of a country with a comprehensive master plan or are you building castles in the air?

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HON NEHOVA: Honourable Deputy Speaker, I am talking about what is good for us. If other countries do not have it, that is their problem. I am talking about our country and ourselves, not that side or this side, all of us.

Honourable Deputy Speaker, by involving all stakeholders in the organisation and participation in the economic development, we will be fostering patriotism and a sense of ownership, self-confidence and dignity in our people.

I insist that as long as we fail to embrace the principle of planning in the real sense, as meant in the Supreme Law of our country, the Constitution, we will go nowhere despite the semantics, the rhetoric, the slogans and beautiful terms used in this and the previous Budget Discussions.

All the scattered and disjointed plans or any other knee-jerk, crisis-taming intervention, no matter how much financial resources are poured into it, will take us nowhere.

To emphasise my point, we have been pumping billions into our National Budgets for over twenty years now, but apparently we are not yet in a position to manufacture beddings and uniforms for patients in Public hospitals, leave alone manufacturing basic drugs for our patients. May I also add the fact that our zinc, iron ore, copper, lead, silver, gold, diamonds, uranium, fish and livestock are still being exported largely, if not exclusively, in raw form?

Indeed they are and this is despite claims that we are making progress in our economic development.

Honourable Deputy Speaker, Honourable Members, I conclude by reminding this august House, once again, that no industrialisation, no economic expansion, no job creation, no poverty alleviation, let alone poverty eradication will be achieved without a comprehensive economic development master plan.

I would, therefore, like to urge all of us in this august House to demand

that the National Planning Commission produce this requisite development tool and allow this country to finally move forward.

HON KAZENAMBO: May I ask the Honourable Member a question? Is plagiarism allowed in this House, that the Honourable Member can copy the Founding President by pointing like this and this?

HON NEHOVA: Why not? He has been doing that for all those years.

MINISTER OF DEFENCE: Honourable Member, I just want to understand you correctly before you sit down. May I ask you a question? Yes, we have been hammering on a master plan, master plan. How will that master plan be different from all the National Development Plans we had?

HON VON WIETERSHEIM: It would have been better.

HON NEHOVA: Honourable Deputy Speaker, it is one thing to put very beautiful words in our documents, but then where are the jobs? Shall we sit in our offices and wait for the Private Sector to create jobs?

By the way, Honourable Deputy Speaker, secure permanent jobs can only be created in Small, Medium and Large-scale Enterprises and Honourable Minister of Defence said the other time that the Government should transform itself into a development agency. (Interevention)

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<u>HON RIRUAKO</u>: Honourable Nehova, if you copy something and read it in this House, I think that is the correct way of doing it. You only repeat what happened. It was said you copied from somewhere and read it to us, but if that copy can bring some vision where there is no vision, I think that is correct.

<u>HON NEHOVA</u>: I am saying what I am saying here and I will give you a copy, Chief.

Honourable Deputy Speaker, I was saying that secure permanent jobs can only be created in Small, Medium and Large-scale Enterprises and not in temporary activities like bush clearing, as purported by TIPEEG.

HON NYAMU: May I ask my Colleague a small question? Comrade Kandy, are you aware that whilst Namibia has the highest percentage of unemployment, some people say even 52% to 55%, Namibia is the country in the whole of the continent, particularly in southern Africa, with the largest Cabinet, which would suggest that there is a lot of employment for Comrades in this country than anywhere else?

HON NEHOVA: Yes, Comrade Nyamu, I am aware of that and that is part of the planning, in a way that not too much goes into bureaucracy.

Honourable Deputy Speaker, big enterprises need to be established and not only by the Private Sector and that is where the problem is. The Government can also come in, together with the Private Sector, and provide projects and create jobs.

I also wish to remind this august House that this Nation has all the necessary brains to do all what is required, but what is missing are

honesty, accountability and the political will, particularly from the ruling elite.

Honourable Deputy Speaker, notwithstanding my remarks, I wish to congratulate Honourable Saara Kuugongelwa-Amadhila, even though it was prohibited, for preparing this Budget on time. I rest my case.

<u>HON DEPUTY SPEAKER:</u> I give the Floor to Honourable Petrina Haingura.

HON DEPUTY MINISTER OF HEALTH AND SOCIAL SERVICES: Honourable Deputy Speaker, Honourable Members, thank you for giving me the Floor.

I will start by disagreeing with Honourable Kandy Nehova who said that the Government of the Republic of Namibia has failed to plan. This is not true, because we have Vision 2030 and the National Development Plans, as mentioned by the Minister of Defence. (Intervention)

HON NEHOVA: On a Point of Order. Honourable Deputy Speaker, I do not want to be misquoted, I want people to understand what I said. I never said the Government has failed to plan. It is not only Government, it is all of us. We must plan and we can start from this House.

HON DEPUTY MINISTER OF HEALTH AND SOCIAL SERVICES: It is good that you are also part of it.

I wish to put forward a few comments on the Appropriation Bill. Let me

start by commending the SWAPO Party-led Government for its caring nature. The Budget under discussion will benefit all citizens, but in particular the youth, the elderly, women and farmers. The Budget is well-balanced and designed to add value to citizens' livelihood by putting dollars into people's pockets. It addresses pertinent issues and provides for progress in the areas of unemployment, poverty, education, health, etcetera.

I want to thank the Honourable Members who addressed this Assembly before me and applauded the Minister of Finance, the Permanent Secretary and all staff who were involved in the preparation of this people-centred Budget and I also wish to thank the National Planning Commission for a task well done.

Honourable Deputy Speaker, Honourable Members, let me thank the Government for building a Fresh Hub at Ongwediva in Oshana and Rundu in Kavango Region, respectively. This initiative will undoubtedly assist those women and youth who are engaged in food production and marketing of their products, which had been a challenge to those small enterprises. However, to secure the success of this noble idea, the Ministry of Agriculture, Water and Forestry should assist these communities in terms of training to gain skills and knowledge on how to increase production and assist them with equipment and start-up capital. Under the dedicated supervision of the Agricultural Extension Officers, these small farmers will and can contribute to food production. Hence, I welcome the Budget allocated to the Ministry of Agriculture, Water and Forestry and it is likely that different Ministries can become successful twinning partners on this project.

In tying food production to the Ministry of Health and Social Services, it needs to be mentioned to this Assembly that malnutrition among our children under the age of five years remains a concern and some Regions are worse affected than others. Without question, what we eat affects our health and well-being. Dietary factors are associated with four of the ten leading causes of death globally. Poor nutrition is linked to numerous chronic diseases in adults, and in children poor nutrition can have long-term consequences for their cognitive development, school performance

and could cause problematic classroom behaviours, such as inattention and lack of vitality needed to excel academically. Poor nutrition contributes to health care costs. The link between diet-related diseases, increased medical expenses and lost productivity has been firmly established. Hence, parents should be knowledgeable about good nutrition, the making of good food choices that are affordable and accessible to ensure the healthy development of our children, the leaders of tomorrow.

Comrade Deputy Speaker, Honourable Members, I applaud the Office of the Prime Minister which tackled the issue of malnutrition in collaboration with all Line Ministries involved in providing food, technical know-how and preparation of a balanced diet. It came to my knowledge that one of our students is conducting postgraduate research on the link between children's usual daily diet, attention deficit disorder and school performance in general. Our higher education institutions should be encouraged to get involved in similar research projects, thereby strengthening the hands of the Line Ministries. In this sense, better nutrition can be achieved in a number of ways, such as:

- Cooking demonstrations to teach caregivers at grassroots and community level about preparation of a balanced, healthy diet;
- Gardening and growing vegetables in their backyards to supplement a healthy balanced diet;
- Encouragement of mothers to exclusively breastfeed their babies;
- Collaborative efforts are needed in support of programmes and policies to increase the availability of fresh fruits and vegetables;
- Encouragement of school programmes to replace junk food with healthy choices;
- Promotion of better nutrition through community education programmes and media campaigns; and

• Implementation of target programmes to eliminate inequities in access to healthy food.

Honourable Deputy Speaker, non-communicable diseases are taking their toll, especially cholesterol and I want to call upon all of us, Honourable Members, to have regular check-ups. We need to check the insulin in our blood, namely diabetics and also high blood pressure, all of which are problems in our society.

Honourable Speaker, Honourable Members, I conclude with an appeal to some Honourable Members, especially Honourable Tjihuiko and those on the other side, to refrain from making statements which are not true. One such example is the statement that "corruption is allowed in this country." Nobody welcomes corruption and that is why the Anti-Corruption Commission was established to deal with this global problem. Participation in the blaming game is not benefiting anyone. Instead of engaging in a blaming game, let us pull our resources towards finding solutions to curb corruption.

We all know that those sitting on the pavilion, blaming the referee or the coach when the home team loses the match, passively engage in a blaming game, but never get involved in assisting the team to win. Crying crocodile tears will not help to win the battle.

HON RIRUAKO: Honourable Member, I heard what you said, but we are pressing one another in order to face the reality in order to achieve the objectives of the day and there must be a balance.

HON DEPUTY MINISTER OF HEALTH AND SOCIAL SERVICES: We welcome good criticism, but criticism for the sake of criticising is also not fine.

I referred to Honourable Tjihuiko, because one time he said no job was

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created, but on Page 22 in the Macro Economic Framework 2013/2014 to 2015/2016 it is evident that 7,326 permanent jobs and 18,012 temporary jobs were created, which is a total of 25,338 jobs. Together we can make a difference.

With these few comments I support the Appropriation Bill. Thank you.

<u>HON DEPUTY SPEAKER</u>: I call on the Right Honourable Prime Minister to adjourn the House until tomorrow.

<u>RT HON PRIME MINISTER</u>: I Move that the House now adjourns until tomorrow, 14:30.

HON DEPUTY SPEAKER: The House is adjourned until tomorrow at 14:30.

HOUSE ADJOURNS AT 17:40 UNTIL 2013.03.27 AT 14:30

NATIONAL ASSEMBLY ASSEMBLY CHAMBERS WINDHOEK 27 MARCH 2013

The Assembly met pursuant to the adjournment.

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

ANNOUNCEMENT

HON DEPUTY SPEAKER: The Honourable Members are hereby invited to participate in a Corporate Sports Day by playing a seven-side soccer exhibition match on Saturday, 6th of April 2013 from 07:30 at Eros Primary School Sports Grounds. This will be a fun, non-competitive game against executive leadership from State-Owned Enterprises. The winning team will receive a cash prize of N\$5,000.00, to be donated to any charity organisations in Namibia.

Since time is against us as tomorrow is the start of the Easter Holiday, you can sign up from today onwards with the Clerk of the House until tomorrow at 06:45. This is an ideal opportunity for the Honourable Members to prepare for the event in which we normally participate on the 25th of May against the Diplomatic Corps. Anybody who wish to take up the coaching position for the team of the MPs is humbly requested to volunteer.

NOMINATION OF MEMBER TO IPU NAMIBIA GROUP

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NOMINATION OF MEMBER HON PROF KASINGO

HON DEPUTY SPEAKER: In terms of Rule 38(6) of the Standing Rules, Honourable Ms Clara //Goases, has been nominated to serve as a member of the IPU Namibia Group. I now declare Hon Clara Goases as duly appointed member of the Namibian IPU Group.

HON DEPUTY SPEAKER: Any Petitions? Reports of Standing or Select Committees? Other Reports and Papers? Notice of Questions? Notice of Motions.

NOTICE OF MOTIONS

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL: Honourable Deputy Speaker, I give Notice that on Tuesday, the 2nd of April, I shall Move that this Assembly—

In accordance with Article 127 of the Namibian Constitution *approves* the reappointment by His Excellency the President of Mr Junius Etuna Kandjeke as Auditor-General of the Republic of Namibia for a further period of five years.

HON DEPUTY SPEAKER: Please table the Motion. Message from the Head of State? Ministerial Statements? The Secretary will read the First Order of the Day.

RESUMPTION OF SECOND READING: APPROPRIATION BILL [B.1 – 2013]

SECRETARY: Resumption of Debate on Second Reading – *Appropriation Bill* [B.1 – 2013].

HON DEPUTY SPEAKER: When this Debate was adjourned yesterday, the Question before the Assembly was a Motion by the Minister of Finance, that the Bill be now read a Second Time. Honourable Limbo.

HON LIMBO: Honourable Speaker, Honourable Members, from the onset let me congratulate the Minister of Finance, Honourable Saara Kuugongelwa-Amadhila, for the timely tabling of the 2013/2014 *Appropriation Bill.* My contribution to the General Debate focuses on five areas, namely unemployment, poverty, housing, land and household food security.

In her speech the Minister has indicated that our economy has maintained an annual average growth rate of 5% over the past ten years. At the same time she has accepted that unemployment and poverty remained high, with which all of us are in agreement. I am quite sure that if she could be given the chance to say poverty and unemployment have deteriorated during the past ten years, she could say that, because this is the picture we are seeing today.

Having admitted that poverty has worsened among our communities throughout the country, we as lawmakers should agree that the majority of our people have not benefited from economic growth and thus, they are not in a position to secure basic needs, such as housing and food. We are all witnessing the mushrooming of shanty structures on the periphery of our major cities and towns where many people are surviving from scavenging at dumpsites where some of us throw what we regard as waste.

It is also logical to conclude that widespread poverty makes it extremely difficult for individuals and families to seize opportunities because of lack

of access to information and the requirements are just out of their reach. It is needless to say that people find it even harder to acquire land as a means of production. Even those who are fortunate to be resettled by Government can hardly afford to develop the land due to lack of skills and capital. Instead – and we know this is a fact –they end up leasing it to the rich people or even to the people from whom the farm was bought in exchange for money. In other words, resettlement without skills and capital is meaningless.

With regard to the land for housing, we continue to observe that despite the vastness of the Land of the Brave, the municipalities still allocate very tiny plots for housing development. One wonders why. In this regard I am quite sure that many people who have been fortunate enough to acquire plots or houses at exorbitant prices will continue to carry the burden of paying off these debts for small houses built on these tiny plots. However, we have heard and I am saying this under correction, that the Municipality of Windhoek are no longer going to auction land and I believe this is the situation throughout the country. As much as we appreciate this decision, we feel that the majority of our people have already been affected, knowing what has happening in the past.

The above picture points at Government's failure to address the aspirations of people as promised before and immediately after Independence. We know what we have been saying, what we were told and what we said, all of us you, not you or me. We have been saying that after Independence people will have A, B, C, D and today we have a different situation.

Twenty-three years down the road we are still talking about the old challenges as if we are not the same people who presided over this sorry state currently facing our people. If we again fail to pause and think deeply about the way forward, we are most likely to find ourselves in the same, if not worse, situation five years down the line.

I am pleased to note here that for the first time all of us appear to be in agreement when it comes to social problems affecting our communities.

That in itself is an achievement and at the same time it is a clear sign that we as a team are going to seek solutions to this problem.

Having said this, I would like to support the Colleagues who have identified possible solutions, such as value addition to all our minerals, fish and livestock. For us to realise this, we need to train our people in relevant fields which are responding to the development needs of our country, including industrialisation as envisaged by Vision 2030. If we are committed to this vision, we should be doing the right thing over the remaining seventeen years, otherwise we will be remembered by the future generations to come as people who were only here to talk and enjoy ourselves.

We should also admit that this Nation has bright siblings who can make a meaningful contribution towards the development of Namibia if and when given an opportunity and necessary support to play their roles in the development of the country.

Furthermore, housing as a human right issue should be treated with the utmost urgency and commitment by the Local Authorities. In this regard, Government should also consider subsidising serviced land and make it available for housing development in all towns and cities in our country. As a matter of national priority, all relevant Ministries should come up with training programmes targeting all resettled crop and livestock farmers. This programme should be accompanied with capital support in order to ensure that the resettled families become self-reliant and suppliers of food rather than recipients of drought relief. It is only when our priorities are put right that unemployment, poverty and all its attendant social ills will be a thing of the past.

In conclusion, Madam Deputy Speaker, I would like to urge the implementers of this Budget to ensure that all the projects and programmes are executed effectively and efficiently as planned. I rest my case.

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HON DEPUTY SPEAKER: Thank you. Honourable Kaura.

HON KAURA: Thank you very much, Honourable Deputy Speaker. Honourable Deputy Speaker, Honourable Members, Namibia is moving forward slowly, laboriously, but focussed and determined. I am amazed to read that old countries such as Cyprus are struggling to survive and teetering on the verge of bankruptcy, yet in the *Namibian* newspaper of March 22, 2013 we are reading: "Growth in 2012 exceeds expectations. Namibia is well on its way to achieve the economic growth target of 4.6 percent for 2012/2013 set out in the fourth Development Plan (NDP4) after the country recorded economic growth of 5 percent last year."

We are further informed that the mining sector expanded by 11.2% in 2012, following a contraction of 7.9% the previous year. This shows confidence in the Namibian democratic governance and the peace we have been blessed with for the last 23 years and let us keep it that way.

Honourable Deputy Speaker, we cannot be oblivious to the looming deadly drought we are facing. However, I want to advise us that the N\$400 which is earmarked to be paid to a farmer when he or she sells a cow is totally imprudent. The drought is not forever, it is going to come to and end maybe next year. Now if the farmer has sold all his cows and is left with bulls and oxen, how is he/she going to continue farming? Angola, after the devastating civil war, is buying cows from Namibia to restock. Where are we going to buy cows to restock? That decision must be rescinded and N\$400 must be paid to any live animal the farmer sells, whether ox, bull, cow, heifer, etcetera.

Honourable Deputy Speaker, I got an exciting message from newspapers and the radio that the Right Honourable Prime Minister Hage Geingob is advocating the removal of the infamous redline. I say, "ride on brother, do not advocate the removal, remove it immediately, you are the boss" or should I say, "you is the boss?" You have all the power at your disposal and what are you waiting for? However, I would like to remind you, Right, Honourable Prime Minister, that a year ago when two buffaloes

penetrated the Otjozondjupa Region, the whole Region was quarantined for a whole month until the buffalos were eliminated. Remove the redline immediately, please, I implore you, but if ten buffalos penetrate the centre of Namibia, the whole of Namibia will be quarantined and not a kilogram of meat will ever be marketed to the EU, but I encourage you to remove it, pull it down.

Honourable Deputy Speaker, I just want to ask this question to the Minister of Education: I want to find out whether the Education Ministry has incriminated itself when it announced after 23 years that education will be free of charge on the primary education level 23 years after Independence in clear violation of Article 20 of the Namibian Constitution. If the parents sue the Government for the Government's 23 years violation of the Namibian Constitution, will the Government refund the parents?

From the speech of the Honourable Minister of Finance, Saara Kuugongelwa-Amadhila, we are apprised of the fact that the inflation reached 6.5% in 2012. This inflation increase speaks for itself, that oldaged pension must be increased to N\$1,000 per month and N\$500 for dependent and vulnerable children.

The Finance Minister further informed us that our foreign reserves stand at N\$14.9 billion, which is equivalent to three to four months of import cover. In my opinion, that is playing with Russian roulette. That import cover is too low and the reserves must be increased to at least N\$30 billion so that it can cover at least six months.

At number 38 of the Minister's speech the debt stock for 2012 is estimated at N\$27.5 billion or 26.4% of the GDP and fall within the 35% benchmark. Honourable Minister, we cannot slap ourselves on the back with 51.2% unemployment, while we also have fellow Namibians living from the garbage dumps.

At number 116 of the Finance Minister's speech we are informed that funds are allocated to the white elephant, Air Namibia, but I do not see the amount anywhere. Honourable Minister, is it not better to allocate that

money to students that need bursaries at UNAM and the Polytechnic of Namibia? Why can Air Namibia not sign an agreement with a reputable airlines, like Qatar Airline, to do the job for Air Namibia? It will cost a few dollars for us for the Qatar Airline to do the job while carrying the Namibian flag. It will be much cheaper. I believe that is doable. (Intervention)

HON KAZENAMBO: On a Point of Information. I am sorry to interrupt the Honourable Member, but the way he, as a seasoned, smart politician, has addressed the issue of the redline and the way the newspapers have also quoted the Right Honourable Prime Minister are sending wrong signals, because while the seasoned politician is saying pull the redline down now, the former Minister of Agriculture, Comrade Nicky Iyambo, at one point said that removing the red line does not suggest that you pull down the fences. The fence may remain there, but under the advice of Veterinary Services it will be done procedurally to allow our people to access the market, not in a haphazard manner which will put at risk the health aspects of the market. However, the way in which Honourable Kaura, a smart politicians, has put it here, he said yes, pull it down but what about if Namibia creates insecurity and uncertainty and I do not think that was the intention and the context in which the Right Honourable Prime Minister has put it. I wanted to say that so that the smart politician does not get away with murder.

HON KAURA: Honourable Kazenambo Kazenambo, you have read me correctly, you are absolutely correct. We know we have been with this problem for the last 23 years and we have to deal with it in one way or the other and we have to deal with it in such a way that we continue selling our beef to the European Union, because there are all those other hazards of buffaloes. If we do it abruptly and the buffaloes come in, then the whole of Namibia will be under quarantine, so that is why I was putting it the way I did. I do not want to fight against my brother, I respect him very much, but I was just trying to put it in such a way that he will be

careful when he is implementing it. In conclusion, I do not want to be very long. (Intervention)

HON TJIHUIKO: Honourable Deputy Speaker, may I ask the Honourable Member just a small question? Honourable Kaura, you are talking about the redline and I am sure that all of us know that for the last 23 years we have been saying something must be done about the redline. Do you really think that there will be a time when the Ruling Party will decide to do something rather than talking about doing something? For the last couple of years they have been talking about doing something and I think they are very good at that. Do you really think there will be a time in the lifetime of the Ruling Party that they will do the things they are talking about?

HON DEPUTY SPEAKER: Ignore the question, that is irrelevant to the subject matter.

HON KAURA In conclusion, I want to implore....(Intervention)

HON MINISTER OF JUSTICE: May I ask Honourable Kaura a question before he concludes? Honourable Kaura, if I heard you correctly, at the beginning of your speech you mentioned that there is a need for us not to sell our cows, because we will remain with bulls and oxen only. Does that statement imply that you want the animals to continue to procreate and does that statement also apply to us humans?

HON DEPUTY SPEAKER: It is irrelevant, ignore it.

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HON KAURA: In conclusion I want to implore the Government to provide fodder to farmers together with the N\$400 to be paid for the sale of livestock. Fodder was always provided and it was very helpful in the drought of 1991/1992. The Government must restore farmers' diesel which was phased out around 1995 and the land tax must be revisited immediately, because how do you quantify what is the worth of the farm in the middle of a drought situation like the one we are facing now? It must be revisited and I hope with the aim of abolishing it entirely. I rest my case. Thank you very much.

HON DEPUTY SPEAKER: Thank you. Honourable Ben Amathila.

HON AMATHILA: Thank you, Comrade Speaker Deputy Speaker and Honourable Members of the House. Mine is basically a very brief attempt to sensitize Members on two or three issues.

Firstly, to thank the Minister and her staff for what, in my view, is a beautiful Budget since it is taking care of most of our dreams and our wishes and I would like to thank the Cabinet who authorised this Budget to be tabled here.

Some years ago I tried to suggest to the Members that on an occasion like this when we are debating the Budget we need to have our Permanent Secretaries also attending this Session so that they can get a feeling of how we are thinking and what we are expecting from the implementation of the Budget. The Prime Minister reminded the Permanent Secretaries the other day at Mokuti and I think it is for the Ministers to see to it that Permanent Secretaries attend Parliament to listen to what the decision-makers have in store. If we are stupid in the observations we make, at least they have a chance to talk about it, but it has always been discovered that the policy-makers are not necessarily the implementers and as a result of that gap, things remain unimplemented because people may not have an idea of what we had in mind in taking those decisions. That was the first

observation and I think it will not cost the Ministers much to bring their Permanent Secretaries during occasions like this to this House.

Secondly, our Budget has reached N\$47 billion which is quite a lot of money. I remember when I was the Minister of Trade and Industry my Budget was only N\$9 million of which N\$7 million were for salaries and I was left with N\$2 million to take care of a new Ministry. N\$47 billion is indeed an expression of growth of our Nation and we have to be proud of ourselves that we are moving forward.

It is very clear within this Budget that the Ministry of Education receives a big chunk of the Budget. I had a chance to, one day speak to one of our Colleagues who is no longer with us, Dr Abraham Iyambo, and I suggested to him that that Budget will not produce results simply because of its size, but maybe we have to look at other areas that we can improvise on how to use this Budget and get the results. I told him that the behaviour of our learners seems to be indicating a lack of role models and that they need somebody whom they can hold as a role model to look up to and taking their work more serious. I suggested to him that he should look into the possibility that all Members of Parliament, that is both Houses, be apportioned patronage of two or three schools, so that we can regularly visit these schools. Maybe the children will take note of the fact that a Member of Parliament and some outstanding personalities in the public take us serious.

We could also generate competition between various schools. If the Right Honourable Hage Geingob is the patron of one school, the school of which I am patron of would possibly try to compete with that very same school, not on the basis of themselves but on the basis of the Members being the patrons of these particular schools.

HON MINISTER OF FOREIGN AFFAIRS: May I ask the Honourable Member a question? The Honourable Member is suggesting that the Members of Parliament become patrons and role models, but do you recall one day we had learners in the Speaker's Gallery and after the

break we engaged some of those learners and when I asked a group of them what they think of Parliament, the answer was, "you people are worse than us when we are in a class", because that day there were a lot of interjections. If they gave such an answer, how can we become role models to them?

HON AMATHILA: Honourable Netumbo, it is maybe true that that single learner reacted the way he or she did, but there are thousands of others outside there who possibly do not see Parliament in that way. It would appear to me, from my own perception, that learners are crying for role models in addition to the hard work of the teachers. Let us support that, let them see visitors coming every now and then, just to address them and maybe they will become more interested that a Member of Parliament or a Cabinet Member or a Member of the National Council is responsible for that particular school. I think it may add some value to the seriousness or to the effort to become serious.

The reaction of Dr Iyambo was positive. That was almost three weeks before he became ill and I hope the Honourable Minister will now take care of that idea. (Intervention)

MINISTER OF DEFENCE: May I ask a question? Honourable Amathila, are you aware that since the removal of the School Development Fund contribution by parents, we, the Parliamentarians, have now become the target to become the patron of this school, that school, buildings to be named after us so that we can make a contribution. Are you aware of that?

HON AMATHILA: Honourable Nahas Angula, I am not aware of that and if that is the case, that is something we need to address and make clear the purpose of this particular suggestion I am making, that it is not a

question of making money but rather than to try and help learners to become serious with their education.

HON SHIXWAMENI: May I ask a question to my senior Colleague? Now that Honourable Amathila is advocating that all Members of Parliament be appointed as patrons to schools, my question is: Is the Honourable Member aware that appointing a Member of the Opposition as a patron of a school can easily cause war in this country?

HON AMATHILA: Honourable Shixwameni, the suggestion that I am making can be looked at from different angles. The positive aspect is that we are trying to help our learners to get the value of the money we are making available to them and to become serious. As to war, our country is so beautiful, we are a country run by laws and if at all there is anybody who takes the law into their own hands, I am pretty sure the Police and the Courts will take care of that.

Listening to our Debates during the course of the year, the same concern goes for the Health Sector. A visit to the hospital here and a visit to a hospital there will encourage the hospital workers, nurses and everybody to become serious and to take care of some of the criticism levelled at the Health Sector from time to time. It is not a question of appointing Members of Parliament, it is only to make them available to visit all the institutions from time to time just to instil that spirit that Parliamentarians are seriously watching them and they are ready to give advice here and there. In addition to the money that we are making available, it would appear to me that it may cause a bit of an improvement.

The third issue that I thought I should raise my voice on was also touched on by Honourable Kaura and that is the drought. The rain has not been very gracious with us this year and obviously, both in terms of selfsufficiency for those who feed themselves from the strength and ability to plough land, there will be a very serious catastrophe towards the end of

the year. Maybe I have to declare self interest here, I was at an auction the other day and the cows that Honourable Kaura is advocating should not be sold, were selling for N\$600. You do not sell your cattle cheap in the hope that one day when the situation changes, you will be able to buy back any meaningful number of cattle to continue your activities and we know that most farmers depend very heavily on cattle. They have to sell cattle at the beginning of every year in order to pay for the school services for their children, they have to augment the social pension that the Government is making available to them, therefore, it is going to be a very serious matter.

In my view, the question of drought and the absence of water will affect this town, Windhoek. The population of Windhoek has grown so seriously beyond its capacity to provide water and very soon we may possibly start rationing water because there is a continuous influx of people to Windhoek and I am told that the dams around Windhoek have not shown very good signs to help us look after ourselves.

HON DEPUTY SPEAKER: Are you going to round off or should we break for tea?

HON AMATHILA: Let us break for tea.

HON DEPUTY SPEAKER: We shall then break for tea.

HOUSE ADJOURNS AT 15:40

HOUSE RESUMES AT 16:17

HON DEPUTY SPEAKER: The House is called to order. Honourable Ben Amathila may proceed.

HON AMATHILA: Thank you, Comrade Deputy Speaker. I was talking about the water supply in Windhoek because of the shortage of rain and there is no guarantee that next year will be better and the problem is that our population has expanded so uncontrollably that very soon we are going to have a situation of no water for Windhoek.

I see a situation where people with means will start moving out to places like Okahandja and Rehoboth, commuting in the morning because the situation may become unbearable and I think at this point it is really something that we have to consider seriously, that we need to have a fast train between Okahandja and Windhoek and Rehoboth and Windhoek in order to fast-track those people who may have residences in those places to come and work in Windhoek without the risk of road accidents on the road. This is something the Ministry of Works and Transport should look at in future and that we invest in this particular area.

Another issue I would love to mention is that we need to have a strong research fund with the Ministry of Education or wherever, so that we can find our own solutions to our own problems. Rivers may run dry, rainfall may be scarce, but we have a water resource in the ocean which will take millions of years to be depleted. Why can we not start spending money to tap our water from the sea? We will be able to redistribute this water the way we are distributing electricity in towns and cities to augment the shortfall of rain. With that water, if it is cheaply desalted, we should be able to grow our own fodder for animals. The technologies exist and if only we can tap those technologies and allow our young brains to do research, because the resource would be there, we should be able to find solutions to some of our problems.

Honourable Deputy Speaker, I started off by dramatizing the situation of drought. I have a small farm in the area of Omatjete... (intervention).

HON MEMBER: How small?

HON AMATHILA:...and what I witnessed there, just to illustrate the desperateness of the situation, we shared information with the Minister of Lands the other day, he bought some farms to expand the reserve of Omatjete, Otjimbingwe and Daurus. My information is that out of desperation people have cut the fences of one of the farms, they have moved their animals in there because there is simply no way that the animals can survive and that is long before the Government had a chance to redistribute the land or attach this land to the reserves.

I have to accommodate eight farmers on my farm (intervention)

HON MEMBER: On the small farm?

HON AMATHILA: Yes, on the small farm, because of the desperation of the situation. By June the situation will get out of hand and those who are neighbours to people who are looking for grazing will become victims. People will simply cut the fences and the Police will not be in a position to do anything. This is a very serious matter, Honourable Deputy Speaker, and we need to pay a bit more time and attention to see whether the solutions we are applying right now will help us to overcome the burden.

Most of the people who buy animals are exploiting the situation. They are buying up the stock for markets and feedlots in South Africa and it is an impossible situation for a person with ten cows to sell eight of them in order to buy one back when the situation returns to normality. It is a situation that people would love to hate us for the little that we are doing or the time we are doing it, but let us be very brave and courageous to see to this terrible situation and do the right thing. I thank you and I support the Bill.

HON DEPUTY SPEAKER: Thank you. Next is Honourable Muharukua.

HON DEPUTY MINISTER OF GENDER EQUALITY AND CHILD WELFARE: Thank you, Comrade Deputy Speaker, Honourable Members. Firstly, I want to congratulate the Minister and when you say others have already done so, nobody from Opuwo has spoken on my behalf. I also congratulate the Director-General and your staff for the good Budget.

Comrade Deputy Speaker, Honourable Members, I stand here to thank the SWAPO Government who after Independence did good things for the Ovahimba people, where I come from. The Founding President and the Father of the Nation, together with the first Minister of Education invited me to speak about the Ovahimba children. Comrade Angula asked what could be done for the Ovahimba to join the rest of the children and my answer to him was that we need mobile schools because the Ovahimba do not stay in one place. Our SWAPO Government did so and I want to inform the first Minister of Education that one child who attended these mobile schools is now in his third year at the Polytechnic. He now has access to information and computers, coming from the mobile school. Coming from Okaukaue, Ovinyange, Omakange, Ruacana, going to the Polytechnic as a result of the mobile schools of the SWAPO Government and I want to thank them.

Secondly, after Independence the SWAPO Government built many clinics through the Ministry of Health and Social Services in Kunene, particularly in Kaoko where I am coming from. After that we got a tar road from Kamanjab to Omakange. Comrade Deputy Speaker, that time when you were coming from Opuwo to Windhoek I thought it was like driving to South Africa. Nowadays when you depart from here at 3 o'clock, by 9 o'clock you are already in Opuwo.

Some Members of Parliament during that time told the people not to accept the tar road as the many cars will kill their cattle. Why? Why only

in Kaoko? The SWAPO Government built the road and I want to thank the current President Pohamba who added another Minister from that area. I want to thank him for appointing a person from Opuwo, Mr Herunga.

When we are talking about development we have to take the examples of other countries. Nobody from elsewhere will develop your country, it is only yourself. The Members of the Opposition, you are Namibians and it is for you to advise the Government, not to criticise as if you are the enemy. You are Namibians, you are not going somewhere else. We can talk as one Namibia, one Nation. We in Namibia thought when we are talking to Germans, the British and the Americans those people are coming to develop Namibia. No ways, it is only us. You people speak very nice English, but what does your English mean? Your English must have a vision and a mission, not just talking here and when you are going there, you are not telling people the truth.

I want to inform this august House that, when you go to Kaoko, please inform the people...(Intervention)

HON SHIXWAMENI: Just for a point of clarity. Honourable Deputy Speaker, is it allowed for somebody to promote tribalism and regionalism in this Chamber?

HON DEPUTY MINISTER OF GENDER EQUALITY AND CHILD

<u>WELFARE</u>: My son, you are my son, remember when we are going to the small house in Katutura. It was a big house for the people of Namibia, the house of the Honourable Deputy Prime Minister, Marco Hausiku. I will never talk of tribalism, I am talking about culture. Is tribalism talking about the culture? (Intervention)

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HON LIMBO: May I ask my sister a small question? I just want to get clarity, did you say if we go to Opuwo we must ask permission? Are you going to do the same when you go to Caprivi?

HON DEPUTY MINISTER OF GENDER EQUALITY AND CHILD

WELFARE: It is not like that. I want to refer you to our mission. Even when you are going to Germany tomorrow, you cannot do what they did here in Namibia. A new dam is being constructed in the South, no demonstration. The whites are not going there, the DTA is not going there to mobilise people for a demonstration. I am going to Caprivi as I am going to my brother and sister, to develop them, I am not going there to kill them.

Comrade Deputy Speaker, I did not prepare, but I stood up because these things touch my heart. I do not even want to take any paper because you could say somebody else prepared it for me, therefore I am talking from my heart.

I said many things happened there and even Honourable Shixwameni knows about it. A long time ago the Ovahimba were called to come to a meeting and they were given bread and all that. Now under the SWAPO Government they are communicating by telephone and I thank Honourable Kaapanda for that. When one is here, one can call Epupa and Etanga and they are going to answer you. What is the development we want?

You people said make a demonstration, then in this demonstration you can say we want food. What kind of food are you talking about? What kind of food?

HON KAZENAMBO: On a Point of Information. What my mother, Muharukua, is saying is from the Ngombe clan. Her surname was Ngombe before she became Muharukua and my mother, before she

became Kazenambo, was Ngombe from the Ngombe clan. My Point of Information is very serious. Last year I went to Kaoko where we were remembering our Ngombe families and so on. The drought there is aggravated by lack of water and if we did not mislead one another, if we did not mobilise people to work against development of Epupa and so on, you could imagine the dam and the water that could be distributed around that area to mitigate the drought in that fertile area. What she is saying is very serious and today it is only for tourist camps and people are making millions of dollars from people who are starving, they want them to be kept like that. People, let us stop misleading the people. I am not saying it is the Opposition, I am saying it is people who come with environmental theories who mobilise and mislead the communities. Please, that water of Epupa needs to be developed and we can come up with irrigation schemes and also help the farmers.

HON DEPUTY MINISTER OF GENDER EQUALITY AND CHILD

WELFARE: Thank you my son. As I said, the SWAPO Government did many things in Kunene, particularly in Kaoko and it is true what you said. We are now drinking groundwater in Opuwo but the population is growing, like "*Mbuti Ben*" have said and that water will soon not be sufficient. That groundwater used to be much more when it rained, but now after Independence I do not know what happened to the rain.

Some people say the Ovahimba are old people, let them do what they can themselves. We are not old. In that demonstration, their spokesperson said, "they are talking about development, that water that went Omusati, Oshana, Oshikoto was our water." I said, "people, Calueque Dam is not in Namibia, Ruacana Dam is not in Namibia, it is in Angola, it is only the infrastructure which is in Namibia." Please, we still need to advise each other.

In conclusion, I want our people, particularly from Honourable Shixwameni's side, not to mobilise the Ovatue and Ovatjimba. They are under the Office of the Prime Minister. That thing is not good for us. Why do people mobilise my people like that while even the San communities are there and you are not mobilising them for

demonstrations. Why the Ovatue and the Ovahimbas?

Comrade Deputy Speaker, Honourable Members, I stood and decided, even if the people were going to laugh at my English, to tell the truth today. From now on, my boss, Prime Minister please, allow me to do whatever you ask me to do. These white communities have to follow the law, particularly the foreigners. The White community in Namibia are Namibian and they must behave as Namibians and not behave as if they are people from somewhere else. They can come together and build Namibia. This thing that you are White, that time is over, it no longer exists. We can talk to each other as Namibians.

One time we went to Indonesia with De Waal and I thought De Waal would be treated like a White. When we got there he was with us, they did not even know him. We did not want to eat their food, we bought meat and De Waal was the one who carried that meat and cut it nicely. I said, "De Waal is not White, what is happening?" That is why I say, you Whites in Namibia, you are Namibians; you White foreigners, you are foreigners, behave like foreigners. But people ran to Germany and particularly Koevoet members by then, like the man whose name I will mention here today, even though I am prohibited to mention names or information of people who are not in Parliament, Koos Van Wyk, was a Koevoet from Zimbabwe and Koevoet here and now he is Koevoet in the Ovahimba there. Tell him to stop those things. He is the one who sponsored N\$20,000, sponsored a big truck to transport people, gave two cattle to be slaughtered for that demonstration. When you want to be Namibian, behave like a Namibian. When you do not want to be a Namibian, you are going to see Ms Muharukua. Thank you very much.

HON DEPUTY SPEAKER: I recognise Honourable Lempy Lucas.

HON DEPUTY MINISTER OF AGRICULTURE, WATER AND FORESTRY: Thank you very much, Honourable Deputy Speaker. It is

very difficult to speak after a marathon speech by "Kakuru Kouje" Chief, however, I will try.

I rise with a deep sense of appreciation and privilege to add my voice and support to the Budget Debate for Financial Year 2013/2014 as presented to this august House by the Honourable Minister of Finance.

Allow me, Deputy Speaker, at this juncture of my maiden speech, in my new capacity as Deputy Minister of Agriculture, Water and Forestry, to thank His Excellency Hifikepunye Pohamba, President of the Republic of Namibia, for the trust and confidence bestowed on me by redeploying me to the Ministry of Agriculture, Water and Forestry whose mandate is to promote, develop, manage and utilise agriculture, water and forestry resources. I would like to assure the President and the Namibian Nation at large that we will do our utmost best to ensure that the Ministry's mandate is fully achieved.

Honourable Deputy Speaker, Honourable Members, most of the Honourable Members who made their contributions expressed their concerns about the severe drought situation which is prevailing in our country, which will affect both humans and livestock. This is a worrisome situation to us as a Ministry too. However, measures are put in place to make sure that Government intervenes timeously.

In addition to the drought, the issue of the EU forty days' residency compliance requirements drew criticism from a large quarter of our population. The Ministerial Policy Statement delivered on Tuesday, 26th of February 2013 to this august House by Honourable John Mutorwa, Minister of Agriculture, Water and Forestry, articulated very loudly and clearly the Government's position on this specific issue.

This is in a way reminding us to properly define Namibia's national interest. Of course, I am aware that there exist divergent views in defining the national interest, but this particular case signifies what is best for the Nation in relations to EU.

We as Namibians should remain unanimous and speak with one voice in

defending what is best for our people. As lawmakers this is not the time for cheap politics, we should take off our Party colours and speak as Namibians, even if it requires us to make tough decisions, such as looking for other markets on the continent and outside Africa. When the Namibian people witnessed the lowering of the then South African Apartheid regime flag and the hoisting of the Namibian National Flag, it signified the total burial of colonialism, apartheid, neo-colonialism and all forms of social injustice and that Namibia is to decide its own destiny.

Honourable Deputy Speaker, Honourable Members, I commend the Ministry of Finance for allocating the second largest amount of dollars to the Ministry of Health and Social Services. Despite the fact that there has been criticism from some quarters of our society, I believe credit should be given where it is due. Allow me, Comrade Deputy Speaker, to make use of this opportunity to congratulate the Government of the Republic of Namibia through the Ministry of Health and Social Services for having received an (ALMA) African Leaders Malaria Alliance Award for Excellence in the category of implementation and impact during the 20th Ordinary Session of the African Union Summit Meeting held in January 2012 in Addis Ababa on Maternal Mortality and Malaria Elimination.

Namibia has made significant progress in the fight against malaria over the past decade and has achieved the global target. This is indeed commendable. Keep it up, Honourable Minister.

Honourable Deputy Speaker, the Education Sector has been a priority area of our Government since Independence. Allow me to pay tribute to the Son of the Soil, the late Dr Abraham Iyambo the former Minister of Education, for having moved the Education Sector to greater heights during his tenure. The late Dr Iyambo had a clear vision and a lot of wishes he wanted to see before his demise. I will mention two of the hundreds:

- Renaming of the Polytechnic of Namibia to the University of Science and Technology;
- Ensure that measures are put in place to encourage and incentivise

research by higher education institutions and to strengthen research on national priorities.

His famous name, "Minister Deliver" will be enshrined in the Namibian history books and the list of his wishes, I have no doubt, will be realised by his successors.

Defence is one Sector which is close to my heart. Our country has enjoyed peace and political stability since the 21st March 1990, which is the prerequisite for investment. The responsibilities of the men and women in uniform require commitment, dedication and patriotism to their Motherland. The Government should thus, continue to build, upgrade and maintain the Namibian Defence Force facilities to motivate their morale and create a conducive environment that will enable them to achieve their constitutional mandate, that is to defend the territorial integrity and national interest of Namibia and I congratulate them for the excellent performance at the rally in Oshakati, Oshana Region, marking the 23rd Independence Anniversary.

Honourable Deputy Speaker, Honourable Members, finally allow me to say a few words about the Parliamentary Women's Caucus. The non-existence of the Parliamentary Women's Caucus is a concern to some of us. This is a very important body that exists in most, if not all, Parliaments in the SADC region. This is the body that does the lobbying and advocacy for women, it is the body that empowers women MPs through training, workshops and seminars. I am looking forward to its return in the not too distant future. I hope this time around our call will not be in vain.

With these few remarks, I support the Appropriation Bill and I thank you.

HON DEPUTY SPEAKER: Thank you. I recognise Honourable Ben Ulenga.

HON ULENGA: Thank you, Comrade Deputy Speaker, Honourable Members of Parliament. I am happy to be back again in the *Land of the Brave* after a brief visit to Cape Town, RSA (interjections), where I was campaigning, where I visited mainly for medical reasons and also had the opportunity to visit Robben Island.

Comrade Deputy Speaker, this is, therefore, the first time that I have the opportunity to remark publicly on the recent losses suffered by our Nation through the passing of Dr Abraham Iyambo, the late Minister of Education, the Honourable Maurus Nekaro, late Governor of the Kavango Region and now recently again, my good Comrade, Rapama Kamehozu, who was lately assigned as the Governor of the Omaheke Region. Comrade Deputy Speaker, the loss of these Comrades and others whom I have not mentioned, who left in the prime of their lives and careers, is not only a loss to the Government but, indeed, an irreplaceable loss to the entire Nation. May their souls rest in peace.

Comrade Deputy Speaker, there has been over the years much speculation and, indeed, research done about the history and evolution of the human race and great and interesting theories have been formulated regarding its future survival. Students of more recent history keep debating over the influence of individual personalities on the course of social development. Some say that history is determined by individuals with strong personalities, while others counter that it is rather events and the actions of the great masses of the people that chart the course of history rather than the thinking or the actions of single individual personalities.

In this regard, Comrade Deputy Speaker, and meditating over the passing of the likes of Dr Abraham Iyambo, the likes of John Pandeni and others, I could not help thinking about those other Namibian sons and daughters who had left us too soon over the many years before and after the struggle, departing in the prime of their lives or some even before the peaking of their careers. I often ask myself how they would have influenced the course of events if they were to be here now. How would they have taken the sometimes unexpected turn of course in the development of our country? Here I have in mind, for example, those revered departed heroes and heroines – the Nanyembas, the Lubowskis, the Thlabanellos, the

Hatuikulipis, the Tjongareros, the Kaukuetus, the !Gobs, the Mbandekas, the Tjipahuras, the Shanhalas, the Iilyas and the list goes on and on and on. I could not help meditate about so many of our colleagues who have left over time.

Comrade Deputy Speaker, though it is not possible to fill their places, we would best honour our dead or fallen heroes by emulating their passion with which they pursued their lives' objectives.

Comrade Deputy Speaker, allow me now to go back to the equally depressing realities of our present political life in our country.

We from the Congress of Democrats (CoD) have always cautioned that our Parliament, the supreme institution of the State when it comes to the making of laws and deciding on Government policy, has been rendered a mere rubberstamp of Cabinet.

Comrade Deputy Speaker, this political problem is primarily structural, in my view, in that the numbers of people the President can appoint as Ministers and Deputy Ministers is virtually unlimited, whereas there can be only 72 Members of the National Assembly from where the President makes his selections and further in the fact that Parliament and the Executive are not properly segregated, therefore, we have in many instances Cabinet members coming to do their own work right here in the National Assembly instead of somewhere else.

My dear Madam Deputy Speaker, I am glad to say today that the view that our Parliament is held in bondage by the Executive and is used for rubberstamping purposes only...(intervention).

HON KAZENAMBO: On a Point of Information. I subscribe not only with due respect, but with entire respect to the first part of Comrade Ben Ulenga's statement. However, I strongly object and sharply differ with Honourable Ulenga's latter statement on the Executive and the Legislature and the structure. The statement by Honourable Ulenga is not only devoid

of truth, but it is in contempt, because he is knocking at the very Constitution. The Constitution empowers these two structures and the President appoints these Ministers based on and guided by the Constitution. Honourable Ulenga is knocking at the Constitution and he cannot be allowed to denigrate and knock at the Constitution with impunity. There is nothing that stops him from moving a Motion here to be debated, but he cannot play with semantics in the manner he is doing. It must be rejected with the contempt it deserves.

HON DEPUTY SPEAKER: I agree with Honourable Kazenambo that the composition of the Executive and the Legislature is per the Constitution. Unless you move a Motion which is aimed at amending the Constitution, we are prohibited from criticising provisions of the Constitution.

HON ULENGA: Honourable Deputy Speaker, I would prefer Honourable Kazenambo to make his arguments while standing up and not while he is sitting down.

I do not have any problem, I agree and Honourable Kazenambo can subscribe to some of what I say and not subscribe to others that I say, however I do not think it is proper to stand up every time you do not subscribe to what a Member is saying. We are here to differ in these kinds of things. If I say something against the laws, I agree to the sanctions that come with it. Anyhow, let me continue, Deputy Speaker.

I am glad to say today that the views that Parliament has been used for rubberstamping purposes only is no longer a view that is limited to the CoD, it is indeed the view of a considerable number of our citizens in and outside of this House and, indeed, inside and outside the Ruling Party.

Honourable Deputy Speaker, we have pointed out this situation as being problematic, but there has been only ridicule from some of the Members of this House for us holding this view. Ironically, the first Prime Minister,

the Right Honourable Hage Geingob, used to blame it on the small size of the Opposition in Parliament, but he later, I think, got another view and changed his position when he returned on one occasion to the House as Member of Parliament – I do not have to continue on that issue. I am afraid I will be shot down by the Deputy Speaker. I will not read the speech, I do not want to be asked to come with a proposal here.

RT HON PRIME MINISTER: Comrade Deputy Speaker, if the Honourable Member cannot quote what I have said, he must not mention my name. He must quote what I have said.

HON DEPUTY SPEAKER: Can you stand up and quote what he said?

HON ULENGA: Sorry, Honourable Deputy Speaker, you have made me very cautious. I have a prepared speech here, but you say I cannot say certain things unless I am prepared...(intervention).

HON DEPUTY SPEAKER: No, can you repeat for everybody and even myself that statement?

<u>HON ULENGA</u>: If you do not mind, I will just read my speech, then you can rule whatever you want to rule.

HON DEPUTY SPEAKER: Honourable Ulenga, when you took the Floor, Honourable Katali alerted me that you are not appearing on the Order Paper, which is correct. You will remember that you informed me

that you are out because of medical reasons and you requested me to accommodate you today, which I did. Please do not stir up emotions. If somebody's name is mentioned and that person is not happy about that, you can just quote what the Right Honourable Prime Minister has stated and you can go ahead.

HON ULENGA: Honourable Deputy Speaker, with all due respect, I am not aiming at touching on any emotions. I have a written speech here, but perhaps I should inform you, Honourable Deputy Speaker, that before I went to Cape Town I alerted the Office of the Secretary that I was going away and I asked for a rescheduling. Therefore, please do not link the two things because I do not think they are linked.

My dear Madam Deputy Speaker, I am glad to say today that the view that our Parliament has been used for rubberstamping purposes only is no longer a view that is limited to the CoD only. It is indeed the view of a considerable number of our citizens in and outside of this House. (Intervention)

HON DEPUTY MINISTER OF GENDER EQUALITY AND CHILD

WELFARE: On a Point of Information. Honourable Deputy Speaker, as the Prime Minister has said, he wants to know and we want to know, because if he does not mention what the Prime Minister has said, how will the public out there understand? Please tell us what was said.

HON ULENGA: Thank you very much, *Meme*.

HON DEPUTY SPEAKER: No, she is not *Meme*, she is an Honourable Member of this Parliament.

HON ULENGA: Honourable *Meme*.

HON DEPUTY SPEAKER: No, Honourable Ulenga, honestly you must be serious, you cannot say Honourable *Meme*. Is she going to call you Honourable *Tate*? Just say Honourable Muharukua, please. Just withdraw and say Honourable Muharukua.

HON ULENGA: The Comrade has not objected, how can I withdraw? Honourable Muharukua, I am going to read my speech as it is.

Ironically, the first Prime Minister, Right Honourable Hage Geingob used to blame it on the small size of Opposition seats in Parliament, but he later learned the real facts when he returned as MP, what it was all about.

I am now convinced that this political anomaly can only be corrected if an Amendment is brought to the relevant Sections of our Constitution and Comrade Deputy Speaker, in my understanding this is how this matter is supposed to be handled in Parliament. If a Member mentioned anything about the Constitution, he must mention that there should be an Amendment. It does not have to come now, it come later, so I do not have to stand up and amend the Constitution, but if I feel that if there is something to be correct, I can mention that there is a need for an Amendment.

We, therefore, are saying that the Namibian Constitution needs to be amended to safeguard the powers, effectiveness and, indeed, the independence of Parliament.

Honourable Deputy Speaker, the rubbishing of important State and democratic institutions does not seem to stop at Parliament but is becoming more widespread. (Intervention)

HON MINISTER OF LANDS AND RESETTLEMENT: I am at pains to interrupt my good friend and the veteran of the liberation struggle, Comrade Ulenga, but I have picked up something that I want clarity on. May I ask him a question? If I heard you correctly, Honourable Ulenga, you questioned the perceived non-independence of the Parliament. Is it what you said?

HON ULENGA: I did not say that.

HON MINISTER OF LANDS AND RESETTLEMENT: I think in your phrases you mentioned something about the independence of the Judiciary to be under threat or along those lines.

HON ULENGA: I said nothing about the Judiciary.

HON MINISTER OF LANDS AND RESETTLEMENT: Then I am wrong, but I am sure you mentioned something about the independence of the Parliament, the Legislature. I do not think that is the factual situation and you probably need to rephrase what you want to say, but the message that goes out is as if the legislative arm of our Government is not independent and that cannot be factual.

HON ULENGA: Thank you, Honourable Deputy Speaker. As I was saying, the tarnishing or rubbishing of important State and democratic institutions does not seem to stop at Parliament, but is becoming more widespread, affecting more public institutions.

During recent weeks and months and especially after the SWAPO Party Congress in November/December 2012, the Namibian media especially, has been flooding the nation with a so-called "fait accompli", namely that some elected leaders at the SWAPO Congress... (Interjections). Can I proceed please, I am just reading like I want to read it, namely that some Honourable elected Members at the Congress will take certain positions as leaders of the Republic of Namibia after the term of the current administration finishes on March 21st 2015.

Comrade Deputy Speaker, such false and unfounded untruths and distorted information is being spread and foisted onto the Nation as undisputed fact and in such a way that there cannot be any space for doubting. This indeed, is a very hostile attempt by those who do not like democracy to render any national election in 2014 just as another rubberstamping.

Comrade Deputy Speaker, the regular holding of national elections is an important democratic institution. (Intervention)

HON DEPUTY SPEAKER: Honourable Member, what do you actually mean by "*rubberstamping*", when you say the 2014 election will be rubberstamping? Can you explain?

HON ULENGA: Must I explain?

HON DEPUTY SPEAKER: Yes.

HON ULENGA: No, you cannot treat me like that, what do you mean I

must explain? I say it like it is. If you have questions, if you want to intervene, just do it, what must I explain? What do I need to explain?

HON DEPUTY SPEAKER: Explain to me what do you mean by rubberstamping?

<u>HON ULENGA</u>: With rubberstamping I mean rubberstamping, like confirming a decision taken already elsewhere. Rubberstamping, Comrade Deputy Speaker, means confirming a decision, merely confirming a decision taken elsewhere.

<u>HON DEPUTY SPEAKER</u>: In terms of the election, how does it relate to that?

HON ULENGA: No, I do not think it is my role to answer that question, Deputy Speaker, no.

HON DEPUTY SPEAKER: But you are speaking to the public, you must be able to explain what you mean.

HON ULENGA: No, that is not what the Speaker should treat me like.

HON DEPUTY SPEAKER: No, I have the right if a person took the Floor to speak and there are some items that need clarification, I have the prerogative to ask you to explain.

<u>HON ULENGA</u>: As I was saying, Honourable Deputy Speaker, the regular holding...(intervention)

HON DEPUTY MINISTER OF GENDER EQUALITY AND CHILD WELFARE: On a Point of Order. The Congress of last year was a SWAPO's Congress. Please, if you have nothing to say to the public out there, you can keep quiet. You cannot speak about SWAPO, SWAPO

while you cannot motivate it. Please stop it.

HON ULENGA: Thank you, Honourable Deputy Speaker.

HON MINISTER OF INFORMATION AND COMMUNICATION

TECHNOLOGY: On a Point of Order. I think the Honourable Member is a bit insincere, because he avoided reading what he has written. Maybe he found it too strong to read it in Parliament but he was brave enough to put it on paper. Therefore, I think the Honourable Member should read what he has written, the content of the text. He should not try to prevaricate and modify the speech. Why should he do that? Therefore, for the sake of truth and transparency, Honourable Member, please read what you have written. We are interested in what you have written. To say that some people are saying that people were appointed at the last Congress to take up position in 2015, what does that mean? Make it clear as you have written it so that we understand and be able to say whether what you are saying is maybe not correct. Say it just as it is, as you have written it, Honourable Member.

HON ULENGA: Thank you, Honourable Deputy Speaker. As I was saying...(intervention)

RT HON PRIME MINISTER: On a Point of Information. Comrade Deputy Speaker, if CoD were to have their Congress and elect people there and they say that person who is elected there will be the candidate of the CoD at the following general elections and then members in celebrating are saying, knowing the strength we have, that person is going to be the next President, I, as SWAPO will just organise my Party and when the time comes to defeat them. How is that now saying we are not following democracy? He knows he is a one-man show, that is why he has to cry here in this building. Why do you not go and organise, elections are going to come and defeat that person whom people have selected?

HON ULENGA: Honourable Deputy Speaker, those who are worried that I am not reading the truth, the speech will be available after I have read it. The Right Honourable Prime Minister, I hear your concern, it is just a difference of opinion. What you are saying is true, that everybody has the right to go and say this is our candidate and knowing our strength, he will win, but I am not talking about that and if you can hear me out, it is alright, as long as you hear me out you may differ, I am not forcing anybody to agree with me.

Comrade Deputy Speaker, the determination of any elected Government can only be done through nation-wide elections, not otherwise.

We, therefore, call on the media and the Government not to harm our democracy by behaving as if we already have a Government-in-waiting. You are seriously jumping the gun if you behave in such way.

Comrade Deputy Speaker, on issues more closely related to the Budget, our first concern, of course, is bout the adequate and successful education

of our young people, of Namibians generally and of everyone else who has chosen to reside in our beautiful country.

The situation regarding education remains catastrophic and I am afraid to say, ordinary budgetary means cannot any longer be expected to turn around the situation. The Nation will need to resort to extraordinary efforts, including a change of the present Government – which some of my Colleagues do not want to listen to.

At the beginning of 2013, Government announced the institution of free and compulsory education at primary school level. For that I think Government should be applauded – better late than never. Of course, you will remember that we have called for that kind of situation over the years and unfortunately I have to tell Government that as far as Article 20 is concerned, Government is still running roughshod of the Constitution because we still fail to provide for effective means to realise what is provided for in Article 20. Therefore, Government and, indeed, Parliament are still in breach of the Constitution.

I believe that this House needs to amend the relevant Sections of the *Education Act* so as to provide for effective means to make education, (a) <u>compulsory</u>, and (b) <u>free of charge</u>, for the first eight years of schooling.

Moreover, Comrade Deputy Speaker, for our Nation to successfully pursue our development objectives, not only primary school education but indeed all education should be "free", in other words, it should be financed through public funding because education is the "priority of priorities".

Deputy Speaker, on poverty, unemployment and job creation, I must draw your attention to the fact that the armed struggle to liberate Namibia which lasted from 1966 to 1989 took us 23 years before an agreement could be reached between the Apartheid South Africa and the liberation movement, SWAPO and the international community for Namibia's Independence to be implemented. Is it a coincidence, Deputy Speaker, that today again is 23 years after Namibia's Independence? Now after another 23 years of freedom and Independence that we have fought for so dearly our situation

regarding poverty has not improved but worsened and the unemployment rate is higher and the rich-poor divide has become more unbridgeable than ever before. One point we need to remember is that this poverty that we are faced with is structural, it is built into the economic system that we pursue. You cannot have those amounts and concentrations of wealth without the corresponding poverty figures.

I, therefore, would like to say that I believe firmly that it requires a more unrelenting attention from the Government and a higher degree of State intervention and involvement to make a dent on abject poverty in Namibia.

Unfortunately, Honourable Deputy Speaker, Government has been intervening more against the poor rather than on their behalf when it comes to fighting poverty. The threatened imprisonment of striking workers and their leaders a few weeks ago only has not gone unnoticed. (Intervention)

HON MINISTER OF MINES AND ENERGY: Honourable Deputy Speaker, on a Point of Correction. Honourable Ulenga made statement to say poverty never changed. This morning His Excellency the President launched a Report and the information captured in that Report is that indeed there has been a change in poverty among the Namibians since the last census. Therefore, just to make a statement which is not substantiated by any data whatsoever is regrettable, Honourable Ulenga.

HON ULENGA: Honourable Deputy Speaker, I did not catch the question.

Honourable Deputy Speaker, to tell you the truth, I am not disputing what the Member is saying or what may be pointed out in whatever Report, my statement was that poverty has worsened since the date of Independence.

(Interjection). If it is a no, just make it widely known and accepted that it is indeed not the case. I have the right to an opinion of my own.

Honourable Deputy Speaker, I was talking about the threatened imprisonment of striking workers and their leaders which has not gone unnoticed by some observers of our situation. I personally was worried about the interception of many marches organised in demand of wages and salary increases or the improvement of working conditions of workers.

I am glad – perhaps on a better note – to note that the SWAPO Party is finally catching up on some of our policies regarding some key policy issues. As a matter of fact, I suspect that it will only be a few more weeks before the Ruling Party declares itself in favour of BIG – the Basic Income Grant – since so many leaders within the Ruling Party now indeed speak in favour of BIG. I hope that day will come sooner rather than later.

The Ruling Party has also been catching up on the famous 50/50 gender equality issue concerning the equal representation of women which has been CoD policy for a decade now. (Interjections).

Honourable Deputy Speaker, the position taken by Government on the socalled struggle kids so far has been more encouraging to me. The imperative of nation-building requires that Government policies be more over-arching and nationally inclusive, rather than minutely specific and divisive.

If all the youth in the country are catered for then there cannot be a special category of "struggle kids" any longer. There are indeed many other children who would also fall in the same category if the definition of the relevant social problems were regarded more generally.

In the same manner, Honourable Deputy Speaker, we have been calling on the Government to take leadership of the demands for reparations, restitution and restoration of our communities which were subjected to genocide and other forms of extermination and brutalisation by the colonial Government of Imperial Germany. These communities and

groups against which atrocities were committed belong to the Namibian Nation and they deserve to have all State resources, including diplomatic action at the highest level to achieve their demands.

Madam Deputy Speaker, we therefore see these demands as the demands of the Namibian Nation and they should, therefore, be articulated by the toppest representatives of the State and Government, while the groups and communities also have their own way of articulating themselves.

Honourable Deputy Speaker, lastly, on the funding of Political Parties. The Cabinet has proposed, I believe, recently a proposal in this regard which really looks ridiculous as far as I am concerned. I think it is high time that Government takes seriously, this point of political funding so that it can be regularised. It is unacceptable for one Political Party, in name the SWAPO, to continue giving other Parties peanuts while they are taking millions.

HON MINISTER OF LABOUR AND SOCIAL WELFARE: On a Point of Information. If we demand the funding for Political Parties to be increased, should we remain adding funds every day if the money is just disappearing without being accounted for, like what happened in the CoD? We cannot do that. There were Political Parties who were involved in corruption. Should we add to this corruption? No, we cannot.

HON ULENGA: Thank you for the information, Honourable Minister.

Finally, Comrade Deputy Speaker, I seriously doubt whether this Budget that does not make provision for the proper funding of MP's programmes deserves the support of the some MPs. I myself feel – or that is a known matter already. Honourable Deputy Speaker, with those remarks, I rest my case.

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HON DEPUTY SPEAKER: With that the House stands adjourned until next Tuesday. I wish all of us a Happy Easter and please drive safely.

HOUSE ADJOURNS AT 17:45 UNTIL 2013.04.02 AT 14:30

NATIONAL ASSEMBLY ASSEMBLY CHAMBERS WINDHOEK 02 APRIL 2013

The Assembly met pursuant to the adjournment.

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

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

TABLING: REPORT OF COMMISSION OF INQUIRY - MINISTRY OF HEALTH AD SOCIAL SERVICES

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL: Honourable Deputy Speaker, I lay upon the Table, Report of the Commission of Inquiry into the Activities, Affairs, Management and Operations of the Ministry of Health and Social Services.

HON DEPUTY SPEAKER: Please table the Report. Any further Reports and Papers? Notice of Questions? Notice of Motions? Message from the Head of State? Ministerial Statements? I recognise the Minister of Gender Equality and Child Welfare.

MINISTERIAL STATEMENT

MINISTERIAL STATEMENT HON NGHIDINWA

HON MINISTER OF GENDER EQUALITY AND CHILDWELFARE: Thank you very much, Comrade Deputy Speaker, Honourable Members. The Ministry of Gender Equality and Child Welfare received yet shocking news of the killing of a 19-years old girl, Desiree Rooinasie, where the killers cut the corrugated iron sheets of her shack to gain entry before she was raped and then killed. This is the fifth incident that happened in Windhoek within three months, without adding others that happened in other Regions.

It is a very painful experience that such incident happened again in the same area where Rina Naugawases, 17 years old learner from Augustinium Secondary School, was also raped and killed four weeks ago. Fellow men and our sons, when are we going to end such barbaric attitudes and behaviours? Gender-Based Violence is a serious concern to the Ministry of Gender Equality and Child Welfare, in particular, and Namibia, in general. I have here some statistics of Gender-Based Violence in Namibia from 2007 to 2011, as follows:

2007 - 12,270 cases

2008 12,324 cases

2009 – 11,765 cases

2010 – 11,770 cases

2011 – 7,802 cases reported to the Police and Gender Directorate.

The statistics of 2012 are still awaited, but they are not better than the ones I just mentioned.

Honourable Deputy Speaker, Honourable Members, rape and killing are the most incidents of Gender-Based Violence. The men in our society are psychologically sick. They need help. (Interjections). Yes some, but many of them.

I, therefore, would like to invite all stakeholders to come together and address the issue of Gender-Based Violence and the brutal killing of our women in Namibia.

The Ministry is urging all Members of Parliament to include Gender-

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Based Violence in their statements and speeches when addressing political and community meetings, as well as churches, community leaders, Civil Society to team up and tackle the issue of Gender-Based Violence.

The Ministry of Gender Equality and Child Welfare is planning to have meetings with key stakeholders from the 4th of April 2013, to deliberate issues of Gender-Based Violence in the country. The Ministry is also planning to have a working session with women Parliamentarians and women Ambassadors and High Commissioners in Namibia to exchange views on how to tackle this problem. I urge you, Colleagues, to attend this important gathering so that we can together work towards a solution to these challenges facing our society.

In the same vein, as a mother I would like to encourage fellow parents to discourage our young people from the use of alcohol and drug abuse, where enemies use these substances to destroy the future of our young men, girls and boys. We urge our communities to be the eyes and ears of the law enforcement agencies.

With these few words, I thank you, Comrade Deputy Speaker.

HON DEPUTY SPEAKER: I thank the Honourable Minister. Any reactions to what the Honourable Minister has said. Honourable Maamberua.

QUESTIONS ON MINISTERIAL STATEMENT

HON MAAMBERUA: Honourable Deputy Speaker, I wish to thank the Minister for bringing this very important topic once again to our attention for the support of not only us here, but the entire Namibian society. I, however, wish to establish whether we have a Gender-Based Violence eradication strategy at national level. That is important, because that is the

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starting point. We all make several statements at different occasions, but I believe we do not have a national strategy to eradicate Gender-Based Violence, which indicates that we are not yet taking this issue seriously at the national level.

Therefore, I wish to encourage that either a commission or broad research be commissioned as soon as possible so that we go down to the root causes of Gender-Based Violence and devise strategies on how to eradicate that vice. Thank you very much.

HON DEPUTY SPEAKER: We have a Motion on the Order Paper concerning these issues and I hope Honourable Maamberua will repeat what he said so that the Minister has a chance to react to what he said.

HON MINISTER OF GENDER EQUALITY AND CHILD WELFARE: Honourable Deputy Speaker, I thank the Honourable Member and wish to respond by saying that we have the National Gender Advisory Committee which comprises of members from all Regions and all levels of society. That is the body which advises the Ministry and the Ministry is planning to meet them again this year to discuss the matter of Gender-Based Violence. I thank you.

HON DEPUTY SPEAKER: Any further Ministerial Statements? The First Notice of Motion is the one by the Honourable Minister of Presidential Affairs and Attorney-General. Does the Honourable Minister Move the Motion?

REAPPOINTMENT OF AUDITOR-GENERAL

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HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY GENERAL: I Move the Motion.

HON DEPUTY SPEAKER: Who seconds? Any Objection? Agreed to. The Honourable Minister of Presidential Affairs and Attorney-General has the Floor.

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY GENERAL: Thank you very much, Honourable Deputy Speaker. I rise to motivate a recommendation for the appointment of the Auditor-General by the President with the approval of the National Assembly.

In terms of Article 127(1) of the Namibian Constitution, the President of the Republic of Namibia appoints the Auditor-General for a five-year term of office on the recommendation of the Public Service Commission and with the approval of the National Assembly. The Public Service Commission on Wednesday, 27 March 2013, recommended that Mr Junias Etuna Kandjeke be reappointed for another five (5)-year term of office.

The Office of the Auditor-General is a constitutional office that is established in terms of the Namibian Constitution, the Supreme Law of our land. Against this background, it requires to be occupied by a person of high integrity who should exercise his or her functions within the letter and spirit of the aforesaid Constitution.

Mr Kandjeke, who is recommended by the Public Service Commission, is well-know by the Honourable Members of this august House. He is well-known by the Honourable Members of the Public Accounts Committees of both Houses of our Parliament. He has earned himself a reputation of being a highly professional and objective person. I have no doubt, and Honourable Members will agree with me, that the Reports of the Auditor-General are highly professional.

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It is due to the professional conduct of Mr Kandjeke that the Office of the Auditor-General has received international awards in recognition of its professionalism. In addition, Mr Kandjeke has also received international recognition as a result of his professionalism. The CV of Mr Kandjeke which Honourable Members have received bears testimony to my motivation.

Honourable Deputy Speaker, Honourable Members, it is against this background that I request the approval of this august House for His Excellency Dr Hifikepunye Pohamba, President of the Republic of Namibia, to reappoint Mr Kandjeke for another five-year term of office with effect from the 1st of April 2013. I so Move and I thank you.

HON DEPUTY SPEAKER: Any further discussion? I recognise Honourable Nyamu.

HON NYAMU: Honourable Deputy Speaker, I first and foremost, rise to express my full support to the proposal by the President. I call it a proposal and not an appointment and I would like to advise the Minister of Presidential Affairs and Attorney-General that it sounds paradoxical to me to say you appoint and then it is approved. What does that mean? I believe the President has made a proposal and is seeking the approval of the House.

The Auditor-General has carried out his duty and continues to do so and it is reputed in SADC in particular that he is an excellent performer. For that reason the RDP fully supports his reappointment.

Since I have the Floor, I also want to raise a query with the authorities, as to why we do not have a position of Deputy Auditor-General. We have many Deputy Ministers, some of whom are not called for, but in this important position we do not have a Deputy. Why is this the case? I support the Motion.

02 April 2013 REAPPOINTMENT OF AUDITOR-GENERAL HON LUCKS / HON MOONGO / HON MAAMBERUA

HON DEPUTY SPEAKER: I recognise Honourable Lucks.

HON LUCKS: Thank you, Honourable Deputy Speaker. I want to echo the words of my Secretary-General. I have had the pleasure of working with Mr Kandjeke for the past two and a half years and I found him to be an extremely competent and reliable person, a person that is very good to work with, a true patriot of Namibia who has more than the required skills, expertise and experience to be reappointed as the Auditor-General. I believe that the reappointment of Mr Kandjeke will serve Namibia very well and I would like to support the reappointment from the side of the RDP. Thank you.

HON DEPUTY SPEAKER: I recognise Honourable Moongo.

HON MOONGO: I fully support the reappointment of Mr Kandjeke, because he is doing excellent work with his team despite some of the Ministries delaying the tabling of their Reports, which hampers the work of the Auditor-General. I fully support his reappointment and I thank you very much.

HON DEPUTY SPEAKER: I recognise Honourable Maamberua.

HON MAAMBERUA: Thank you, Honourable Deputy Speaker. I wish to join others in giving my full and unconditional support to the reappointment of Mr Kandjeke as Auditor-General. I have personally worked with him for many years in my previous capacity as a Civil Servant and also now in my non-partisan, yet political, position as

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Chairperson of the Public Accounts Committee. He has been very much supportive to the work of the Committee.

However, I wish to stress that when we have able and willing officials like him serving in certain offices, such as the Office of the Auditor-General, we also need to empower such institutions with resources and with the necessary standing. The Office of the Auditor-General needs to be empowered through a new *Audit Bill* and we have been awaiting this for some time now. I believe it is time that such Bill be presented here so that we can re-emphasise and stress the level of independence of the Office of the Auditor-General. At the same time we should also accord adequate and necessary resources for that office to be fully functional and to live up to its mandate. That is my plea to all of us here, to resource that office adequately to let it become independent as independent can be. Thank you very much.

HON DEPUTY SPEAKER: I recognise Honourable Kavetuna.

HON KAVETUNA: I would like to proudly support this patriotic cadre for his dedication towards his duties. Mr Junias Kandjeke has shown extraordinary skills in his work, he has efficiently and passionately executed his duty throughout and has significantly influenced the arena of public accounts and auditing all over the world. Whether it is SADCOPAC EAAPAC, one can see that he is really a force to be reckon with.

On this basis I would like to support his reappointment.

HON DEPUTY SPEAKER: I recognise Honourable Kaura.

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HON KAURA: Thank you, Honourable Deputy Speaker. On Page 1 of the CV, educational background and qualifications it is stated: "Current enrolment MBA final year, thesis on Corporate Governance to completed in six months." Could the "to completed in six months" be corrected? As an old teacher I pick up these types of things and for someone of his stature to state on his curriculum vitae, "to completed in six months" does not go down very well. Thank you very much.

HON DEPUTY SPEAKER: I recognise Honourable Kaiyamo.

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HON DEPUTY MINISTER OF HOME AFFAIRS AND IMMIGRATION: Comrade Deputy Speaker, I would like to join my Colleagues in supporting the reappointment. I have worked with Comrade Kandjeke for the ten years constantly, in the Public Accounts Committee under Johan De Waal and I found him to be a dedicated cadre.

When one looks as his CV, without following what Honourable Kaura has said, I can say that he is a product of the scientific world outlook of the Karl Marx University and I support his appointment.

HON DEPUTY SPEAKER: I recognise Honourable Riruako.

HON RIRUAKO: Honourable Deputy Speaker, although I support the reappointment of Mr Kandjeke, but unfortunately the Reports which were supposed to be presented here are overdue. Although he is performing so well, he failed to Report on the Ministries on time. Some of them are not yet in front of you. He is a capable person, but the Reports are overdue. I know Honourable Maamberua is correct in his way of putting it and I may say that, because I know what I am talking about and Mr Maamberua is

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quite aware that some of the Reports of the municipalities are not yet tabled. He has done his job well, but the Ministries could not respond to his kind of work. I support his appointment, but the fact is that the Reports must be tabled in this House and this House must be told what happened.

HON DEPUTY SPEAKER: Dr Kawana now has the Floor to respond to queries and comments.

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY

GENERAL: Thank you very much, Honourable Deputy Speaker. I will start with the query raised by *Honourable Nyamu*, Secretary-General of RDP. May I refer the Honourable Member to Article 127(1) of the Namibian Constitution, because he asked what is the rationale for Parliament to be involved and the President to appoint. I believe Honourable Nyamu was one of the authors of this Constitution and I am going to read Article 127(1): "There shall be an Auditor-General appointed by the President on the recommendation of the Public Service Commission and with the approval of the National Assembly." I only read that part because that is the part that was queried.

That is a constitutional provision and we have to follow what is contained in the Constitution. That is why we first have to obtain the recommendation of the Public Service Commission and then we have to obtain the approval of the National Assembly before the President, by letter, appoints the Auditor-General. That is the constitutional procedure.

Regarding the query by the *Honourable Riruako*, President of NUDO, Honourable Chief, on the contrary, I believe under the leadership of Mr Kandjeke there has been tremendous improvement in the audit Reports, particularly those Reports which were outstanding for many years, such as reports of Local Authorities and Regional Councils which the Honourable Minister of Finance from time to time tables in this Chamber. There has

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been a complete difference, not to mention Reports from Offices, Ministries and Agencies. Most of these are now completely up to date unlike in the past when we had a backlog of up to seven years. That is now history, Honourable Chief, and I just wanted to correct that.

Otherwise I thank Honourable Members from both sides of the House for unanimously supporting the appointment of the Auditor-General. That is a very important office as it is the eyes and ears of the Nation when it comes to the national purse.

Lastly, to respond to the question by Honourable Nyamu, there is indeed what is called a Deputy Auditor-General, but that is not a constitutional position, it is merely an administrative position. I thank you very much.

HON DEPUTY SPEAKER: I now put the Question, that the Motion be adopted. Any objection? Agreed to. The Secretary will now read the First Order of the Day.

RESUMPTION OF DEBATE ON SECOND READING: APPROPRIATION BILL [B.1 – 2013]

SECRETARY: Resumption of Debate of Second Reading – *Appropriation Bill* [B.1 – 2013]

HON DEPUTY SPEAKER: When the House adjourned on Wednesday, 27 March 2013, the Question before the Assembly was a Motion by the Honourable Minister of Finance, that the Bill be read a Second Time. The Debate on the Second Reading was concluded. Does the Honourable Minister of Finance wish to reply?

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HON MINISTER OF FINANCE: Thank you, Honourable Deputy Speaker, Honourable Members. I take this opportunity to respond to comments and questions raised during the Second Reading of the 2013/2014 *Appropriation Bill* and the Medium Term Expenditure Framework.

I would like to express my gratitude to the Honourable Members of the House and the public at large for putting forth pertinent issues. This will, no doubt, improve the Budget process going forward.

I have clustered the matters raised according to relevant themes. As such, I will not refer to particular Members who raised the issues; I will rather address the general issues raised and only refer to some specific cases for clarification. I count on the support of my Cabinet Colleagues to provide more detail on the Sector programmes under their Ministries.

Honourable Deputy Speaker, Honourable Members, several comments were made regarding the participatory character of the Budget preparation process. This is in regard to (i) the public participation and Opposition Parties' input into the Budget formulation and (ii) transparency in the Budget formulation process.

Namibia adopted a multi-year Expenditure Framework in 2003. The Medium Term Expenditure Framework does not only enhance financial planning, but it also improves transparency by providing information on the three years of anticipated income and expenditure for three years by Votes and by Programmes.

This accords the Legislature and the public ample opportunity to provide input into the expenditure proposals before the annual *Appropriation Bill* is finalised and presented to Parliament. I must add that it also allows the Executive the opportunity evaluate such proposals thoroughly before they can be accommodated under the Budget proposals.

I thus encourage the Honourable Members of the House to also scrutinise, as the Budget is now on the Floor of Parliament, the proposals for expenditures for the next two Financial Years after the next Financial

Year in order to make timely and well-considered input and not to wait until the year of tabling of the *Appropriation Bill* for the next Financial Year and then demand that the Bill be amended on the Floor of Parliament. I really believe we are not doing ourselves a favour or serving our Nation well if we proceed in that manner.

I should also point out that the Budget formulation, in fact, starts at the vote level, with individual Offices, Ministries and Agencies formulating their Budget requests based on sectoral needs, which needs have been identified in a participatory manner, inclusive of Civil Society and Political Parties if they so wish. This process has the involvement of Regional Authorities and other stakeholders.

Indeed, Namibia's openness in Budget formulation has been acknowledged internationally and reflected in the country's improving scores in the internationally recognised Open Budget Survey. Namibia's score in this regard has risen from 46 to 55 over the past four years, which saw the country placed third in all of Sub-Saharan Africa in 2012. That is contrary to the perceptions that exist here that the Budget is not transparent and it is not inclusive.

As we are faced with limited resources, there is a need for prioritisation to ensure that Government spending remains within sustainability levels, while still addressing the important needs of the country. As an example, total additional expenditure requests advanced by Offices, Ministries and Agencies for the next Financial Year alone were in excess of N\$15 billion, against N\$6.5 billion additional funding which we could accommodate under the MTEF for that year.

This is the essence of Budget hearings, which is an interactive process between the Line Ministries and the Treasury before the Budget is finalised. During this process the priorities are agreed upon in order to utilise the available resources in an optimal way. It is not a matter of Line Ministries putting forward their funding requests and the Ministry of Finance arbitrarily determining funding levels, as some Honourable Members put it in this House. The Budget process can by no means be described as centralised planning. However, I agree that we should

continue to embrace reforms and continually assess our performance in relation to our peers within the region. We will continue with further reforms to our Budget, but this has to be done in such a way that it will not unduly overburden the Budget process just in order to repeat what is done by others elsewhere. In fact, I have observed that in many instances some of the things that are done elsewhere within the region that we are called upon to do here, are so done because those countries have not come to the level where we are, where we for example have a multi-annual expenditure framework, they still work on single Budget years and because of that they need to do additional things in order to ensure that the picture is painted clearly and there is predictability in Government Fiscal Policy. However, it is expected that once they have adopted the MTEF, which we already have in place, they may actually discontinue some of the things that you are insisting we should copy from them.

Plausibility of Macroeconomic Projections

I would like to respond to comments made on this topic and also on revenue projection.

An important tenet for credible macroeconomic projections is the professional autonomy under which they are made.

Economic forecasting is undertaken by the Macroeconomic Working Group which is comprised of officials from various stakeholder institutions, not just from the Ministry of finance. Further, macroeconomic forecasting is preceded by an assessment of the performance of the global economy. In addition, a national annual industrial survey is undertaken to assess medium-term prospects as well as to test the validity of projection assumptions.

With respect to the economic forecast for the MTEF, we are cognisant that Namibia is an open economy and that this degree of openness means that developments in the global economy have significant impact on our economy. As such, our historical economic performance generally tracks global economic developments.

The global economic growth is projected to proceed at a relatively subdued pace.

This militates against robust growth in the domestic economy and it is in this context that the domestic economic growth is projected to proceed at an average rate of 4.4% over the medium-term, which is only moderately above the projected growth in the global economy. Domestic policy interventions are expected to support this pace of projected recovery.

The Preliminary National Accounts released a fortnight ago put the estimated GDP growth rate for 2012 at 5%, which was higher than the 4.0% estimated in the Macroeconomic Framework. This suggests that economic activity has picked up, thanks to domestic economic policy and improving global market conditions, although risk factors remain elevated.

In regard to revenue projections, objective criteria are maintained by ensuring that projections are independently made by a different Department other than the Receiver of Revenue. This delineation of responsibility ensures that projected levels constitute collection targets which the Receiver should strive to achieve.

A GDP-based methodology is applied in forecasting revenue. This essentially means that the performance of a specific tax revenue stream is determined by the projected growth in its underlying economic activity. If economic activity turns out to be better than anticipated, this would have the resultant positive effects on revenue and vice versa. In addition, revenue reform measures undertaken by the Ministry are also generating positive outcomes which are boosting the revenue collection.

In recognition of the importance of revenue forecasting in public finance management, the Ministry has adopted a 95% revenue forecasting accuracy as one of its ministerial targets.

With respect to the previous MTEF, the budgeted revenue for 2009/2010 was N\$22.8 billion against an outturn of N\$24 billion, giving a forecast accuracy of 94.7%. For 2010/2011, the projected revenue and outturn was N\$22.7 billion and N\$23.4 billion, respectively, giving a 97.1% forecast

accuracy, while for 2011/2012, the forecast accuracy was 93.6%. This translated in an average of 95.1% forecast accuracy over the MTEF, which was in line with the target. Therefore, it is not true that we deliberately underestimate revenue so that we can out-perform the target and try to make the public believe that we are doing better. That is not true, we have performance targets and we are meeting those targets. Exogenous factors affecting global and domestic economic environment would generally impact on forecasting accuracy. If something happens in the global economy, it could veer us off the path that we intended to follow.

In spite of this achievement, we shall continuously improve on our forecasting capacity and tools. As such, the Ministry has undertaken to develop an Integrated Forecasting Model alongside human resources capacity building exercises to serve both macroeconomic and revenue forecasting, as well as simulation of Fiscal Policy impacts on the economy.

During the tabling of the Budget, I have indicated that total revenue outturn for 2012/2013 is estimated at N\$37.1 billion, which was an upward adjustment from the budgeted N\$35.4 billion.

Some Honourable Members have enquired if such an upward adjustment is realistic. We believe that this is attainable. By the end of February preliminary revenue outturn stood at N\$34.9 billion, which was about 94.1% of the revised estimates and we are confident that within the remaining period we would have made significant progress in order to attain the target set.

With regard to tax reductions, there is general consensus that the proposed changes are necessary and plausible.

The rational for the proposed measures is to relieve the tax burden on individuals and businesses, enhance progressivity of the tax system and promote competitiveness of the economy, which supports increased economic activity and the reduction of inequities.

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Anecdotal assessment has attested to the progressivity of the proposed measures. The low-income groups are the largest beneficiaries of this policy change, with income earners below N\$180,000.00 expected to save as much as N\$13,800.00 per annum. As presented, the upper tax rate of 37% has remained unchanged, although the brackets have now been defined more clearly.

These adjustments are also expected to encourage voluntary compliance by taxpayers as compliance costs have now been reduced and this is expected to partly offset the cost of reducing the tax rate.

I should also state that our reform efforts will continue in order to improve tax administration and revenue collection and the Ministry will elevate the profile of taxpayer's education campaign going forward. I must say that I was not quite motivated by the outturn of MPs when last we tried to conduct a tax education campaign here. We were seated only in these two rows as everyone was not there, but most of us have complaints about the way our tax files are being handled and we are upset when we realise that we do owe the taxman and we have to pay both that and penalties and interest. I just want to appeal that next time when we reach out to provide information to you, please make time to attend. It is for your own good.

As I have indicated in the Budget Statement, the cost of the proposed tax changes is taken into account in the projected revenue for the MTEF and there should not be any concerns about the affordability of these adjustments.

On whether Fiscal Policy has any impact on the economy, as some would want to say that maybe it is misdirected and there is not anything good that could come out of it, I wish to emphasise that Fiscal and Monetary Policy have indeed provided support to our economy, especially during the difficult period of the global economic downturn by stimulating domestic demand and addressing domestic supply-side constraints.

The Fiscal Policy nexus for inducing economic activity and long-term growth lies in the development of growth-enhancing infrastructure as well

as human capital development, especially in the area of education and health.

On the social front and how the Fiscal Policy impacts on this, Namibia's Human Development Index (HDI) score for 2012 shows an improvement over the last five years, placing Namibia's global ranking at 128 out of 186 countries. This places us mid-way in the 'Medium Human Development' category. The Human Development Index Report shows that non-monetary poverty (as measured by education and health outcomes) has reduced in recent years, with life expectancy rising from 60 years in 2007 to 63 in 2012. Literacy rates have also improved considerably. These are just some of the indicators that have been highlighted.

Successive National Household Income and Expenditure Surveys also showed a gradual decline in poverty over the years. Relative poverty fell from 38% in 1993/1994 to 20% in 2009/2010.

Extreme poverty also declined over this period, from 9% in 1993/1994 to 4% in 2003/2004 and further to 2.0% in 2009/2010.

The gini-coefficient ratio has improved from 0.7 at Independence to 0.58 in 2009/2010, compared to the Vision 2030 target of 0.55 by 2015. Therefore, we have made notable progress in this regard.

I should hasten to add that the gini-coefficient ratio of 0.58 is still high and measures to further reduce poverty need to be strengthened. However, we must acknowledge that statistics indicate positive results of Government policy which shows that the policy direction is indeed right.

Government will therefore, continue with efforts, including under this Budget to, *inter alia*, promote job creation, economic growth, welfare improvements and equitable wealth distribution. These are the objectives set forth in NDP4.

Comments were made regarding the targeting and execution of the Budget. I would like to respond to the main concerns raised as follows:-

As at the 31 March 2013, the Total Preliminary Expenditure outturn amounted to N\$34.4 billion out of the N\$37.7 billion Budget, which gives an implementation rate of 91%.

For operational expenditure, the preliminary Budget execution rate stood at 92%, while for the Development Budget, it amounts to 86%. I must emphasise that these rates are preliminary because reconciliation is still on-going and when that is finalised the figures may indeed change.

However, I share the view that any under-utilization of the Budget is undesirable, especially in *the context of socio-economic challenges facing our country and the need for improved service delivery*. It is, therefore, of utmost importance that all stakeholders work together to address the causes of Budget underutilisation and, most important, to ensure that the outcomes from our expenditure are improved.

The Honourable Members also wanted to know the effectiveness of the expansionary Fiscal Policy undertaken since the onset of the global financial crisis five years ago.

The objective of fiscal counter-cyclicality is to serve as a stimulus to growth during a period of economic downturn.

Evidence from statistics suggests that the fiscal expansion has served our economy relatively well. The domestic economy only experienced a mild contraction of 1.1% in 2009, compared to an average of 2.3% contraction for SACU economies and evidence also shows that our economy has rebounded very strongly since then, with a strong growth of 6.6% achieved in 2010.

The resurgence of the Euro zone sovereign debt crisis in 2011 has

had a depressing effect on global trade and economic growth and consequently, on our economy. However, economic recovery is now picking up speed. The growth rate of 5% estimated in the Preliminary National Accounts for 2012 is marginally better than the initial 4.9% projected in the Macroeconomic Framework. This result is in part due to the effectiveness of domestic policy interventions in addition to improvements in the global market conditions.

On debt management, there is a consensus that expenditure and Public debt need to be stabilized. In this regard, the expenditure ceilings proposed in the MTEF indicate a consolidation path. The projected deficit is obviously at a higher level than earlier projected under the previous MTEF, but it is still in line with the consolidation path and well within sustainability levels. Concerns are, therefore, not warranted about the sustainability of Fiscal Policy just because we have made upward adjustments in expenditure ceilings. It is important that Fiscal Policy not only supports the economy during periods of difficulties, the Budget is not meant to only address the business cycles in the economy, but that it also addresses structural challenges and establish a solid basis for long-term sustainable growth.

HON SPEAKER: Do you still have some more to go, Honourable Minister?

HON MINISTER OF FINANCE: Yes, Honourable Speaker.

<u>HON SPEAKER:</u> Well in that case, the house shall rise for refreshments.

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SECOND READING: APPROPRIATION BILL HON KUUGONGELWA-AMADHILA

HOUSE ADJOURNS AT 15:40

HOUSE RESUMES AT 16:00

<u>HON SPEAKER</u>: The Business of the House shall resume. Honourable Minister, you have the Floor.

HON MINISTER OF FINANCE: Honourable Speaker, I was saying that, it is important that Fiscal Policy not only supports the economy during periods of difficulties, that should not be all that Fiscal Policy is about, that it should, and probably more importantly so, address structural challenges that face our economy and establish a solid basis for a long-term sustainable economic growth. Without that, we could actually find ourselves in an economic stagnation and we could retrogress and find ourselves not meeting our performance benchmark in terms of deficit, not because expenditure levels are high, but because the economy is not growing enough.

In this regard I want to indicate that some of the challenges that we face, especially inadequate skills, have been found not to be one but the most binding constraint to economic growth. This means you can do anything, but if you do not address that, you will not get anywhere near the goals that you have set for yourself under Vision 2030. For that reason we have to persist, including using Fiscal Policy, to address these challenges in order to unleash the growth of our economy. But we are aware, we must remain sustainable and I think we are.

Stock of International Reserves

We have also received comments with regard to the level of

reserves which are considered not to be adequate and I would like to assure the House that the country's level of foreign reserves have increased from N\$14.4 billion in 2011 to N\$14.7 billion in 2012. While this level may be low compared to more mineral endowed countries in our regions, it is, however, sufficient to support the currency peg which is the most important policy parameter in the current exchange rate regime. Moreover, the reserves level is also above the international benchmark of three months of import coverage. This implies that Namibia, if called upon, is in a position to honour its international obligations.

Foreign reserves are determined by two main channels: exports and imports. Therefore, for the country to be able to have a high level of reserves, it must boost its export capacity to an unprecedented level. This is part of our development strategy, including Fiscal Policy, where we provide lucrative tax incentives in order to promote increased production for exports.

I believe the efforts underway to build up the economic capacity as envisaged in the NDP4 are steps in the right direction. Other measures such as Regulation 28, which deals with capital outflow, have also contributed positively to foreign reserves and we will continue to pursue this route in the future.

On TIPEEG implementation, as I have indicated previously, TIPEEG is an integral part of the Development Budget, whose overall execution rate is by the end of the year estimated at 86%. This is the information which I indicated is being subjected to reconciliation and we expect that when this is completed, we would have a higher rate of execution than this one.

According to the information provided by the National Planning Commission which is the coordinator of the TIPEEG programme, the total number of jobs created under TIPEEG stood at 15,152 in the previous Financial Year or a

total of 41,444 jobs since the inception of the programme to date.

In terms of the contribution to economic growth, the preliminary National Accounts for 2012 indicates that the Construction Industry recorded growth rates of 19% and 12% in 2011 and 2012 respectively. Public infrastructure projects under the TIPEEG significantly contributed to this outcome.

While TIPEEG was designed as a short-term programme, the objectives for job-creation and long-term inclusive growth will be pursued in terms of NDP4 even after the three-year period of the MTEF.

The lessons learnt from the TIPEG dispensation underscore the need for improved monitoring and evaluation. This is really the biggest problem we face with TIPEG, rather than the implementation itself, because if you look at the TIPEG booklet that lists all the projects, you would find that these are projects that are actually part of the Public Sector investor programme, which is a PSIP of NDP3. These are programmes that we already identified to be implemented under the sector programmes and not new programmes. Many of them have been executed with a rate of execution being what I have indicated. Our problem is actually determining the impact beyond the actual execution of the construction work and this is what, for TIPEEG and also for the other policies that we are implementing, where we need to pay more attention.

Questions were raised with regard to the status of the review of the *State Finance Act*. I wish to indicate that the Ministry has finalised the Layman's Draft of the *Public Finance Management Bill*, as it is now called and it will be subjected to legal review during the course of this year. Once that is finalised we would bring it to Parliament for review and approval. Obviously, when we do that, we will also bring the *Audit Bill* which has been finalised last year and is being subjected to legal review.

The Bill should be seen as forming part of a broader strategy on improving financial management in the Public Sector, including the budgeting process, financial management systems, Public procurement and tax reforms.

State-Owned Enterprises

Much has been said about the performance of the State-Owned Enterprises. I agree that the performance of some of the SOEs need to substantially improve.

As I have indicated, the SOE Governance Council has developed policy guidelines for the operations of SOEs.

It is now incumbent on the portfolio Ministers to ensure implementation and monitoring of these measures.

Indeed, some SOEs perpetually rely on budgetary transfers and this is not sustainable. Through Public Finance reforms, we shall strive to ensure that the Budget transfers to SOEs are aimed at financing strategic interventions that will help optimise growth and public service delivery and not just to provide general support to SOEs.

With regard to the funding of Air Namibia on which there has been extensive discussions, allocations for 2013/2014 amount to N\$1.1 billion. I have heard that I am apparently hiding this figure, but the figure is contained in the books. There is no way that I can hide the funding to a Public institution and there was really no intention to do that. For 2014/2015 and 2015/2016, the allocations are N\$362.2 million and N\$304.1 million respectively. This information is contained under the Vote of Transport. The allocations are made for the acquisition and maintenance of the aircrafts and the lease of aircrafts. Allocations were also made to enable the airline company to meet liabilities related to outstanding fuel payments. We found that they had outstanding liabilities that they were not able to honour and we have, therefore, provided funding to enable

However, as I have indicated in the Budget them to do so. Statement, the company has been requested to review their business plan in order to try and address the reasons that the company has not been able to meet its performance targets and they have come up with a proposal which the Government has committed itself to consider during this Financial Year in order to really inform Government on how to proceed in the long-term with Air Namibia. If restructuring is required, then we would look at what kind of restructuring is required. I think we would agree that this view is not only held within Government, it is also held in the Private Sector out there that, given the size of the company and its importance in the economy in terms of the network that it has with other businesses, it would do a lot of harm to the economy if we just inadvertently pull the carpet from under their feet. We are not saying there cannot be any kind of restructuring, but we cannot just wake up one day and say, forget whatever we have invested, as of today not one cent more will go to the company. That is not a responsible way of doing things, if we have to wind up the company or if we have to restructure, we have to do so on the basis of adequate information and make sure that the investments that we have made so far would have been justified and there would indeed still be value added to the Namibian economy as a result of the investments that we made into Air Namibia.

Honourable Nyamu, even the members of your Party in the Private Sector are agreeing with this view.

With regard to Public procurement, concern was expressed regarding the amounts of tenders exempted from open bidding. In fact, I must say that there is a bit of a misunderstanding here when we talk about tender exemption. Some people think that if a project is exempted from tender, it means that you are given a carte blanche to just handpick whomever you want to give the tender to. That is actually not the case. One is exempted from certain procedures, but they are still required to dispense of the tender according to procedures prescribed under the Tender Board Act Regulations and they are required to account in that regard to the Tender Board for their compliance with

these procedures. In this regard, I would like to clarify a few operational matters that may not have been known to the Members of the House and the public out there.

Firstly, there are standard expense items for which Offices, Ministries and Agencies, including the National Assembly, get tender exemptions annually for practical reasons because it is simply not possible to go out on an open tender for that kind of item. These items include payments for municipal services, rental fees, subsistence and travel allowance and subscription and membership fees to international organisations. All these, before spending is incurred, the Tender Board has to be approached for a tender exemption and the figure that is shown as the total amount of tenders that have been exempted include these expenditures. However, as I have indicated, you could not have it any other way, this is the only way because you cannot tender to get municipal services. You have to get them from the Windhoek Municipality if you reside in Windhoek and you have to pay for them.

I also have to indicate that TIPEEG projects, and these amounts to huge Budgets, were also exempted from tender procedures only in regard to the period of tendering, which was reduced from 21 days to 14 days in an attempt to fast-track the implementation of the projects. When people now see the figures for TIPEEG projects exempted, they think somebody just goes around dishing out tenders to whomever. No, they actually follow a transparent process, except that they were required to invite these within a shorter period of time rather than the usual 21 days. This is in line with the spirit and procedures of the *Tender Board Act*.

You could just imagine the red-tape that you would have to overcome in order to undertake a trip abroad, if there was no tender exemption granted for this.

Other forms of procurement which require exemptions as a matter of necessity are those pertaining to emergency relief. In the new law, different tender procedures will be established for emergency

procurement to obviate the need for exemptions, while still allowing for fast-tracking of procurement during emergencies.

Transfers to State-Owned Enterprises, which amount to large adorations, and Regional Authorities are also included in tender exemptions. Before the Minister of Local Government could distribute these funds to the Regions, they first have to go to Tender Board and get an exemption, but although they were granted exemption from Central Government Tender Board, this procurement would still be subjected to the procurement systems of the Regional and Local Authorities or of the State-Owned Enterprises, as appropriate. Therefore, it is again not so that these tenders are just being dished out arbitrarily.

Finally, the procurement benchmark amount is currently provided for in the Act. This means that procurement involving amounts that may be small are subjected to open-bidding. To avoid this and ensure efficiency in procurement, tender exemption is granted.

The new *Procurement Bill* provides for the threshold for tenders to be set in gazetted regulations, rather than in the Act. facilitate for regular adjustments to ensure that small tenders are not subjected to the procedures that large tenders are subjected to, as this may not be efficient. In spite of these explanations, I, however, agree that some of the tenders, especially large ones, needed not to Such exemptions weaken the ability for have been exempted. Tender Board to ensure that Public procurement delivers value for money, because inasmuch as there would still be transparency, there would be restricted bidding, there would not be open bidding, so you really no longer have the opportunity to chose the best possible offer that is out there. The need for tender exemptions can be obviated if Offices, Ministries and Agencies' project preparations are done in good time so that there is enough time to follow the openbidding procurement procedures. They finish too late and then they come rushing, saying the project is very urgent and they cannot go on tender and, therefore, want tender exemption. In this case I feel that that is not appropriate, we have to try by all means to minimise these

kinds of incidents. But I think the Tender Board felt under pressure to consider some of these instances because of the harm that could be done also to the national interest if they refuse. You can just imagine a situation where a hostel has burned down and the children need a new hostel. Maybe it is a bad example, Honourable Namwandi, I am not saying you are the one who come late with your tenders, it is just to illustrate the point.

The Ministry now has to put up infrastructure to make sure that the kids are accommodated and they have an appropriate environment to learn. You cannot refuse because they were late and the kids stay out there in the winter or walk long distances to school. One really has to balance between different objectives and in this regard they considered it to be in the broader national interest to allow these tenders to proceed, but we all have to take note that we should make efforts to avoid the reoccurrence of this kind of situation.

In regard to decentralisation of project implementation to Regional Councils, this falls under the ambit of the *Decentralisation Act*, not the *Tender Board Act*. Once a Ministry has delegated the implementation of a project to a Regional Council or a Local Authority, the procurement under that project will be done by the Regional Tender Board in terms of the *Regional Council's Act*. It would be difficult to say the project remains centralised at the level of the Central Ministry, but the Minister of Finance should take the tendering to the Region. That would not be systematic and it could present difficulties.

On fighting corruption, there was a query as to what the Budget is doing to support the fight against corruption.

Honourable Speaker, as an effort to strengthen support to the fight against corruption, we have provided additional funding to both the National Police and the Anti-Corruption Commission.

Additional funding is also provided to the Ministry of Justice to

strengthen the administration of justice and the capacity of Courts.

As regards financial crime, the *Public Service Act* and the *State Finance Act* has procedures on how to deal with the mishandling of Public funds.

Several Honourable Members have underscored the critical need for the development of market-related vocational skills to promote job creation and reduce the cost of doing business. The Ministry of Education will put in place the Human Resources Development Plan to address skills shortages in the economy to ensure that our efforts are well-focused to achieving the target in this regard and we are already aware that Education is the largest recipient of Public funds under the Budget. However, I agree with the various contributions made that we need to improve significantly the outcomes from investment in the Education Sector.

In respect to energy supply, in addition to the funds made available to the Ministry of Mines and Energy, Government is engaged with the Ministry on guarantees to be provided for the Kudu Gas Project that would significantly improve our supply capacity for energy that is needed to sustain businesses and expand growth.

With regard to the Budget Allocation to development programmes, it is important to note that there was an increase of N\$1.4 billion above the allocations of the previous year.

For 2014/2015, although there is a slight reduction to N\$8.12 billion compared to N\$8.15 billion in to 2013/2014, this amount is still significantly higher than N\$7.04 billion estimated for that year under the previous MTEF. The only reason why it looks lower than the allocation for this year is because in the MTEF already the allocation was lower as part of the fiscal consolidation that we all are calling for, because TIPEEG was supposed to be a three-year programme and after that we were supposed to scale down and, therefore, you could see that the expenditure levels under the Capital Budget were also coming down in line with that consolidation.

However, as we have indicated, we feel that the economic recovery is fragile and in addition to that, we continue to face very serious challenges that could restrain the growth of the economy and we have decided to adjust the expenditure ceiling and it is in this regard that the Budget has increased by over a billion. This is significant, considering that we are facing challenges of fully utilising the allocations that are made under the Budget for development programmes.

Further, it is important to note that the bulk of the infrastructure development programmes of the Government are undertaken through SOEs. Telecom and MTC will deal with those kinds of infrastructures, NamPower will deal with the energy infrastructure, the Road Funds Administration would raise funds for the Road Sector, the Ports Authority would deal with the ports infrastructure and whatever we are providing in the Budget is to supplement what these SOEs are raising or ought to raise on their own balance sheet.

In addition to that, most of the funds that these SOEs are raising outside of this Budget, we are securing with Government guarantees and actually facilitating the raising of these funds. In addition to that, we would provide 1.4 billion over the MTEF through off-budget loans that are not included in the sectoral allocations, but are shown as below-the-line items. You would see that in the MTEF documents under Financial Operations of Government.

While that is so, I share the concern about the increase in personnel expenditure. I agree that this crowds out investment in necessary growth enhancing infrastructure and other interventions necessary for public service delivery. It also poses a serious challenge for fiscal sustainability, because with the recurrent Budget it is difficult to unwind it when you face financial difficulties, unlike the infrastructure development where, if push really comes to shove you can say stop that project.

If you agree to hire more people or you agree to increase the remuneration of a person, you cannot, when things get tough, decide to cut the salary of everybody by 20% or retrench by 20%. Therefore, I agree this is a very serious challenge. I, however, believe that it would require a combined effort of all stakeholders to address. It is not an issue of Fiscal Policy where the Minister of Finance can just wake up one day and say, "I will budget for only 60% of the personnel expenditure, the rest should go out." I cannot do that. This is something that we have to sit around the table for and discuss and agree on how we are going to address it.

Finally, concerns were raised about the adequacy of old-age and OVC grants. As indicated already, the Government is cognizant that the current levels of grants for these sections of our population are less than adequate. However, they are unfortunately what can be currently afforded by our economy. We have to balance between, funding welfare programmes, that we agree are important for poverty alleviation, and investing in growth enhancing interventions, in order to safeguard sustainability and long-term sustainable growth. We have to strike that balance, unfortunately. It is very important that we make investments that would ensure that the capacity of the economy to continue to afford even the current levels of grants that we are providing is maintained and then grown further so that we can afford to pay more, as we all believe is required, but for now I hope we can agree that we should make do with this.

The Government remains committed, and we have demonstrated that, to continuously review these grants as more resources become available. Therefore, *Honourable Kaura*, you do not need to bring that Motion every year. When we have an additional cent we will, without being reminded, review these grants.

In closing, I want to express my appreciation once more for the support expressed by Honourable Members and the public at large with respect to the Budget.

I also appreciate the valuable proposals made, which no doubt will help us to improve the Budget further. I cannot agree more with the proposals to reduce the time allocated for the Budget Debate in order to allow more time for implementation.

This is especially true given that we have a three-year MTEF where Budget Allocations are known two years in advance and discussed already at the time of introducing the MTEF. I trust that the next stages of the Budget will take this into consideration and facilitate for an expedited passage of the Budget.

I may not have answered each and every question individually. However, I have attempted to cover the main issues in general. My Cabinet Colleagues will clarify in more detail, issues concerning their respective Sectors during the Committee Stage.

With these remarks, I profoundly thank you for your contributions and appeal for your support for the passage of the *Appropriation Bill*.

HON SPEAKER: I thank the Minister for her elaborate, detailed reply. We had our opportunity for a very long time and did what we are required to do as Members of Parliament, to interrogate the Budget, make judgments here and there, point out shortcomings. Bearing all that in mind, the Minister on her part has done her level best, assisted by her usual collaborators, to reply to all the issues and questions raised. Honourable Chief, I have seen your light, it should be on something very specific, not debating issues.

<u>HON RIRUAKO</u>: Honourable Speaker, Honourable Members, we listened to the Minister of Finance and she elaborated a lot, but she did not touch on the answers.

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RATIFICATION OF PAPU CONVENTION HON KAAPANDA

HON SPEAKER: You are Out of Order.

HON RIRUAKO: I am not Out of Order.

HON SPEAKER: I am telling you, you are Out of Order. 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.

SECRETARY: *Appropriation Bill* [B.1 – 2013].

HON SPEAKER: The Second Notice of Motion is the one of the Honourable Minister of Information and Communication Technology. Does the Honourable Minister Move the Motion? Who seconds: Any Objections? Agreed to. You have the Floor, Minister.

RATIFICATION: PAN-AFRICAN POSTAL UNION CONVENTION INSTRUMENTS

HON MINISTER OF INFORMATION AND COMMUNICATION TECHNOLOGY: Honourable Speaker, Honourable Members, the Postal Sector plays a crucial role in the social and economic development.

Whilst, the Universal Postal Union (UPU) is charged with the responsibility of developing of postal services globally, every region in the world has its own peculiarities. It is, therefore, necessary to provide Africa with a continental postal organization that is capable of spearheading and safeguarding the region's interests at the global forum.

It is for that reason that the Pan-African Postal Union (PAPU) was established as a specialised agency of the African Union responsible of spearheading the development of postal services in Africa.

PAPU is a specialised agency of the African Union (AU) which was founded in 1980 following the decision of the PAPU Plenipotentiary Conference of 35 OAU member countries during the meeting held on the 8th to the 18th of January 1980. The Union was launched on 17 January 1980 with the signing of the PAPU Convention which came into force on 1 July 1980.

PAPU, with its headquarters in Arusha, United Republic of Tanzania, currently has a membership of 43 countries. The supreme policy-making body of the Union is the Plenipotentiary Conference composed of Ministers responsible for Information Communications Technology of member countries, which meets every four years in Ordinary Sessions to consider and approve broad four-year programme of activities, budget ceilings for the four-year cycle, and election of the Secretary-General and Deputy Secretary-General, among others.

The strategic objectives of the Union are aimed at transforming postal services in Africa to meet the ever-changing customer needs and expectations, as well as enhancing the viability of the post in the highly competitive communications environment.

PAPU aims at establishing adequate and efficient postal outlets and intra-Africa mail transmission networks. This is underpinned by:

 Creation of new ICT products and services and development of postal financial services in Africa;

- Improvement of efficiency and capacity building at PAPU secretariat and in postal administrations;
- Creation of a single postal territory in Africa; and
- Promoting of reforms for sustainable development of the post and sensitise member countries to undertake necessary reforms for sustainable development of the post.

Namibia, through Namibia Post, is a proud member of the global postal family and has been participating in the PAPU meetings as an observer since 2008. The intention of applying for the PAPU membership is to allow Namibia to benefit from the PAPU postal development programmes, and actively participate in contributions to PAPU activities shaping the future of the post in Africa.

The strategic focus of the Namibia Post is on the improvement of the quality of postal services, so as to match that in other parts of the world, and diversification of products and services in line with customer needs in the ICT-driven environment. PAPU provides a link with other African countries and a means of influencing the global postal regulations under the UPU through PAPU.

In light of the aforementioned, I humbly wish to submit the PAPU Instruments for ratification. The ratification of the PAPU Instruments would allow Namibia an opportunity to continue working together and build in solidarity with the African Postal family to realise the goal of moving the African continent a step further by offering a wider range of quality postal services. I thank you.

HON SPEAKER: I thank the Minister for his motivation. Any further discussion? Honourable Tjihuiko.

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RATIFICATION OF PAPU CONVENTION HON TJIHUIKO

HON TJIHUIKO: Thank you very much, Honourable Speaker. I listened carefully to the Honourable Minister's motivation, but I could not see the reason why Namibia as a country should ratify these instruments. What is in it for us as a country? I know that all these institutions go with a cost. The moment you ratify, certain contributions have to be made towards that institution. How much are we expected to contribute? Is it money worth spending? That is one of the things that we may need to know, that by being a member of this institution, this is the commitment being expected of us and you did not highlight that.

Secondly, Honourable Minister, we have ratified left, right and centre without knowing why we are doing so. You have been complaining about the International Court of Justice, but it has been put on the table and we have ratified it. We are not being informed properly.

I feel it is on you, Honourable Minister, to go into detail and tell us the benefits for us as a country to be a member of institutions and the cost involved. We do not have money. We are pretending that we have money, this country does not have financial resources to spend left, right and centre.

What will happen, Honourable Minister, if we say we are not going to ratify? What is it that we are going to lose if we do not ratify these instruments?

Lastly, Honourable Minister, I am not sure that we should ratify until such a time that the Honourable Minister convinces some of us that it will be in the best interest of Namibia and that it would be money well spent. I thank you, Honourable Speaker.

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

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RATIFICATION OF PAPU CONVENTION HON III.ONGA

<u>DEPUTY MINISTER OF DEFENCE</u>: Thank you, Comrade Speaker. I rise make a contribution on the ratification of the Pan-African Postal Union.

Firstly, I want to touch on Article 10 on Page 14 which deals with the general secretariat which is to be run by the Secretary-General with the assistance of the Assistant Secretary-General and they are eligible for reelection. However, when you read further, it is said "eligible for reelection only once", meaning that they are given terms. Just like for Presidents. The question is, if at the end of the second term these people are no longer eligible, even the Assistant Secretary-General will not be eligible to compete for the position as Secretary-General of the Pan-African Postal Union. I feel that this issue needs to be reconsidered. It is fine if the Secretary-General only has to serve two terms, but you cannot prevent the Assistant Secretary-General to run for Secretary-General.

Article 13 deals with revenue of the Union. I know our brothers in Africa are the first ones to say it is mandatory to all Member States and then you have those who bring in revenue, such as associate members with voluntary contributions. However, I have not read the whole document, but membership cannot theoretically be mandatory and when it comes to the practice, they just keep quiet, as we are observing in other organisations in Africa. However, when it comes to conferences, those who have no obligation to pay are speaking the loudest and also too much and they are also the ones who demand daily subsistence. How are we going to ensure that this very good Union is run by ourselves and not dependent on others? That is one issue I want us to look into.

In Article 15 we are told that the hosting country, which currently is Tanzania, shall to the fullest extent advance funds to the Union for its smooth operations. If now the hosting country is the one to allocate funds for the operations of the Union, what happens if the Member States fail to contribute enough funds to reimburse the hosting country? Will we not find ourselves being chased away until we reimburse the hosting country for money spent?

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Article 17 on Page 16 deals with supremacy of the Convention. The Convention is the fundamental act of this Union. Is that fundamental act attached to the document or will it still be provided so that one can study and understand it?

Article 18 deals with the legal status. We have had some experience here in the continent of NEPAD which we, when it was established, expected to be an agency of the economy in Africa, but we found it to be run as an independent organisation outside the African Union. If it is said that the Union will be a specialised agency of the African Union in the postal field, will we not experience the same, that it is no longer going to implement the task of running the postal field in Africa?

In Article 20 it deals with the headquarters and the Secretary-General is the one who will enter into agreements with the hosting country. Will this be monitored by the Council or will the Secretary-General decide on his own? Are there any guidelines on what that agreement contains so that we do not find ourselves having a dispute with the hosting country?

Article 31 on Page 19 deals with withdrawal. When a Member Country wants to withdraw, they notify the Secretary-General and that Member State will wait for one year to be given either a consent or refusal. Why one year?

Article 35 on Page 20 deals with the effective date of commencement. It says it requires 50 plus 1 percent of the members present, but if one goes to Article 36(3), one finds that an Amendment needs a two-thirds majority. Fifty plus one is a big majority, but now two-thirds are needed for an Amendment. Why can this not be harmonised as the coming into force has equal value to Amendments.

Those are the few issues I wanted to raise and we look forward to seeing how this Postal Union is going to work for us and not return to the NEPAD style. I support the ratification.

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RATIFICATION OF PAPU CONVENTION HON BEZUIDENHOUDT

HON SPEAKER: Thank you. Honourable Bezuidenhoudt.

HON BEZUIDENHOUDT: Thank you very much, Honourable Speaker. The Pan-African Postal Union is just one of many agencies of the African Union. It has always worried me that, as the information technologies improves, the target would eventually be the demise of our postal services. Specifically in Namibia the postal services have significant infrastructure and we need to think beyond postal stamps and courier and mail services.

The objective of the Pan-African Postal Union is very clearly the development of the Sector. It aims to really develop this Sector, relying on particularly the information communication technologies, which are part of the Ministry. Most of the documents are of administrative nature and how the structure is put together, who serves what, who has what responsibility, but it is a very clear guideline on what the functions of the Union will be.

There are both positives and negatives in belonging to any organisation. In my assessment I believe the positives which Namibia could gain from being an active participating member of the Union will be more than the negatives. It was a long weekend and it was raining, so I was kept in the house and when reading through this document I could see that the positives will outstrip the negatives. Up to now we were just observers, we could not participate fully, but once we become a full member we can influence members to amend what is not conducive in the agreement. But in order to have that right we need to become a full member.

As a member of the Information Communication Technology Parliamentary Standing Committee, I would really recommend full membership and full participation within the Pan-African Postal Union by Namibia, so that we can over time accrue benefits for ourselves as well as influence the way the Union is managed and run. I strongly recommend this to the House. I thank you very much.

RATIFICATION OF PAPU CONVENTION HON P MUSHELENGA

HON SPEAKER: Honourable Mushelenga.

HON DEPUTY MINISTER OF FOREIGN AFFAIRS: Thank you very much, Honourable Speaker. I rise to add my voice to those who support the ratification of this important instrument for the Pan-African Postal Union.

I must say I was quite surprised to hear Honourable Tjihuiko making the statements that he just made. What one has to look at in the ratification of any instrument is the objective of joining a particular convention and, therefore, I want to lecture Honourable Tjihuiko and ask him to take this document and read from Page 12 to Page 13. That is where the objectives of this Union are to be found.

As was said by Honourable Bezuidenhout, with the increasing information technology trends the postal services are facing business challenges, therefore, when you as country run your postal services in isolation, you may not be able to keep up with the developing trends of information technologies. That is why one of the objectives of joining this Union is to develop a monitoring system to keep pace with technological changes.

Therefore, as a country our postal services will be able to compare notes with other postal services on the continent in order to keep pace with the ever-increasing information technology that poses a threat to postal service businesses.

The question that Honourable Tjihuiko should rather ask himself is on the issue of the promoting human resource development and training. Is it that we do not need human resource development, we do not need training? The answer is definitely no, we need these things and that is why we need to ratify this Convention.

It is also an issue of adopting common strategies for quality services. Do we want to have postal services in the country whose standards and service delivery are not necessarily satisfying the customers? The

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question is no, and the only way to enhance service delivery and quality is by ratifying Conventions such as this one in order to engage with other postal unions on the continent for the purpose of delivering quality service.

HON TJIHUIKO: Honourable Speaker, I am trying to understand what the Honourable Deputy Minister is trying to understand, but it proves to be very difficult. Here we are talking about a Postal Union for the African Union. Technology is not about Africa, it is an international phenomenon. If one is trying to convince me that the moment we join the African Union, we will be able to access technology while at the present moment we are connected to outside Africa, that explanation itself does not really hold any water.

Secondly, the question I have raised is specific: What is there for us as a continent? We have ratified so many international Conventions from which we have not benefited. Honourable Deputy Minister, today we are part of the Pan-African Parliament, we are up to date with our payments, but how many Namibians are benefiting through employment from the Pan-African Parliament? These are some of the technical questions that I want to interrogate, that what could Namibia benefit, not the information that we all know, what is in it for Namibia? That is what I want to know.

HON DEPUTY MINISTER OF FOREIGN AFFAIRS: Thank you very much, Honourable Speaker. Honourable Tjihuiko chose to deliberately not understand my explanations, this is all that I can get. What if we had not ratified this Convention? I have provided the answer and I am still continuing.

Yes, we may be members of other international postal unions, for example, but there are postal services issues that are particular to the continent. So, before you jump to international postal unions, you have issues of common interest to the postal services on the continent. That is

why it is said here to promote regional projects for developing the African postal network. Once you develop this postal network on the continent is when you will now be able to also access this network internationally, as the Honourable Member is trying to say.

Honourable Speaker, with this brief and concise lecture, I hope my student is able to follow. I support the ratification of the Convention. Thank you.

HON SPEAKER: Honourable Nujoma.

HON MINISTER OF JUSTICE: Thank you, Comrade Speaker, I also rise to support the ratification of this important instrument of PAPU. Honourable Bezuidenhoudt and Honourable Mushelenga have really mentioned what I wanted to say, but I want to emphasise is the importance the postal services. The majority of our people make use of this important services and I am sure these services are vital on the continent for migrants and people who work in other countries. When they transfer money, you will always see that they make use of the postal services. Even if you want to transfer money to Oshakati today, you get the account number and within seconds the person has the money. So there are obvious advantages.

A continent like ours is facing many challenges with technology, but if you look at the Royal Post in Britain, it is still there, they are perfecting it and your post is delivered at your door step.

We need to join forces so that the services become cheaper. If Namibia wants to go it alone, the services will be too expensive. We can share the costs and Honourable Tjihuiko, I do not intend to lecture to you because you have already been lectured to, but I think it is important that you keep these issues in mind.

RATIFICATION OF PAPU CONVENTION HON NUJOMA

HON SPEAKER: Honourable Tjihuiko.

HON TJIHUIKO: Honourable Speaker, I appreciate that the Honourable Minister is really trying his level best, but the fact of the matter is that we are living in a global village, we are no longer thinking inwards, we should be more outward-looking. The issue is that today we are dealing and trading with China and Japan and they are not in Africa. What I am trying to say is that let us think broader, let us be more mature. We should not just take what is recommended from somewhere. Let us look at what is in it for Namibia and none of you Honourable Ministers have explained or try to justify the reason why we should ratify. You are making political statements. Tell me in simple English or Otjiherero, why should we ratify?

HON MINISTER OF JUSTICE: Honourable Tjihuiko, I think you tend to forget that Okamatapati is part of the global village and these are important services. If you want to send something to Okamatapati, you can send the money through NamPost. As Africans we should come together so that our people can send each other things, parcels and whatever.

In Britain, for example, they have much higher technology but the postal services remain and they are very competitive. They are for the ordinary people. First of all you must think about the ordinary people rather than yourself who has an iPad or a computer. We in SWAPO always think in terms of the people. Thank you, Comrade Speaker.

HON SPEAKER: Honourable Kazenambo.

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RATIFICATION OF PAPU CONVENTION HON KAZENAMBO

HON KAZENAMBO: Thank you, Honourable Speaker. I rise to express my concern and perhaps seek clarity on this document and perhaps while I am raising my concern and seeking clarity on what is contained in this document, I wonder whether documents of this nature pass through our legal experts. (Intervention)

HON SPEAKER: Honourable Kaura.

HON KAURA: Honourable Member, this morning around 07:30, I received a call from Kosmos Radio, they were enquiring that they heard that you joined the DTA.

<u>HON SPEAKER</u>: We will come to that. Stick to your point, this one you can sort out later.

HON KAZENAMBO: If my senior leader is saying I should stick to my point, it means that you have been answered. Anyway, I was wondering whether documents of this nature that would bind the country and the Nation are checked by our legal experts before we ratify them. If that is done it is in order, but if that is not done, I think we should consider getting legal advice from our legal experts. I am raising this concern because of the following:

On Page 94 of this document the chapter is dedicated to the travel of officials and it has travel conditions and this is where my concerns arise. "Rule 1(1), the route, mode and condition of transportation shall be approved in advance by the Secretary-General." I do not know what that implies.

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Sub-clause (2): "With the exception of the Secretary-General and Assistant Secretary-General and their dependants who shall travel business class." The number of dependants are not specified and these dependants shall travel business class, while all other members of staff shall travel by economic class. That is a concern because it does not specify the number of dependents and imagine the officials travelling economic class while the kids are travelling business class. I find it odd by Namibian standards and we are committing us here. Maybe those who work in international organisation can enlighten us on this issue.

Rule 2: "Travel on initial recruitment". Sub-clause (1)(a). "On initial recruitment of the elected officials and staff members recruited at the international level as well as staff recruited at the local level, the Union shall pay for their travel expenses as well as those of their dependants from their place of recruitment to the duty station." Sub-clause (1)(b): "Removal expenses of furniture and personal effects in accordance with the travel and baggage allowance rules enforced at the Union." These rules being referred to here are not stated anywhere in the document and it is a concern.

Rule 3: "Travel on termination of service. At the time of termination of appointment of the elected officers and members of staff recruited at the international level as well as recruited at the local level, the Union shall pay for (a) return travel expenses to their country of origin as well as those of their dependants, removal expenses of their furniture and personal effects in conformity with the travel and baggage allowance rules in force at the Union."

Rule 4: "Travel on home leave" and this is another big concern to me. "When on home leave, the Union shall pay for travel expenses of the elected officials, staff members recruited at the international level and their dependants as well as staff recruited at the local level, in conformity with the provision of the African Union staff rule and regulation."

And then Rule 5 deals with travel on official missions. If the above could have been for this one, my understanding could be different. "*Travel expenses of a staff member*...(Intervention)

RATIFICATION OF PAPU CONVENTION HON DR AMWEELO

HON MINISTER OF REGIONAL AND LOCAL GOVERNMENT, HOUSING AND RURAL DEVELOPMENT: On a point of information. On this issue of the dependants there was an example of which, I think, the Speaker is well aware, of the Secretary-General of the OAU who was elected and his was a Muslim and they had only one house for the husband and wife, but this Secretary-General had wives. Therefore, if the dependants of the Secretary-General are mentioned here, he may have five or four wives and their children, therefore the other cultures have to be taken into consideration.

HON KAZENAMBO: That information adds to my concern, because this document even specifies that irrespective of whether a person is on duty or not, the organisation will pay even for his place of choice and if I am the Secretary-General or Assistant Secretary-General and I want to go to New York or London, this organisation will pay for that. That is what is stipulated here and even applies to the family members. Can you imagine a situation where Kazenambo is married in our traditional African way to twenty wives, including their relatives and kids, because there is no limitation here.

I am concerned that we are committing ourselves when ratifying these documents and given our resources, we really need legal advice as to where we are heading and what are the consequences of this. I am worried about what is contained in this document.

Let me rest my case with this concern.

HON SPEAKER: Honourable Amweelo.

HON AMWEELO: Thank you very much, Honourable Speaker. First and foremost I would like to thank the Colleague, I think it is a very good

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document and I support the ratification of the PAPU Convention Instruments.

I would like to refer the Minister to Page 55 with regard to Article 21 dealing with documentation. While I am supporting the PAPU Convention, I also have a concern because we live in a world where we are moving away from manual to digital. It is stated that a working document shall be prepared where possible and the next sentence, the working documents shall be sent at least thirty days before the ordinary session. How many documents are going to be prepared in this world where we are frequently moving from manual to paperless technology? Why can we not in future think about this so that we reduce these many documents and costly transport costs?

Secondly, my Colleague, Honourable Utoni, mentioned expenses and I agree, but why can we not think about diversifying the service, for example to increase the transactions in e-postal services, again shifting from manual to e-postal?

Thirdly, postal security is a problem all over the world as a result of theft. Maybe we should consider that. I end here and support the ratification. I thank you.

HON SPEAKER: Honourable Nambahu, you have two minutes.

HON DEPUTY MINISTER OF JUSTICE: Comrade Speaker, I also want to express my support for the ratification and refer to some of the comments made by the previous speakers.

When we look at the objectives of these instruments, I think is where we find the rationale and justification for its existence. More often than not we find that the position of African States on international fora to be uncoordinated and to me this kind of organisation will actually contribute

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to the Africans being in a position to coordinate their position and present it in a unified voice at the international organisation. This is more the reason for these kinds of instruments to exist and that is well spelt out in objective number 12, "to harmonise the position of Member States at international meetings, particularly at the Universal Postal Union Meeting."

I believe Honourable Tjihuiko would have found solace in the fact that we are able to come together and be in a position to set the agenda, rather than just going there and deliberate and be at the mercy and behest of other people who set the agenda.

Contrary to the view that everything should be e-postal, one still finds a huge amount of parcels being handled at the post offices. Our informal traders and people in the rural areas are still making use of this service. Thank you very much.

HON SPEAKER: You can continue tomorrow. The House stands adjourned until tomorrow afternoon at 14:30.

HOUSE ADJOURNS AT 17:45 UNTIL 2013.04.03 AT 14:30

NATIONAL ASSEMBLY ASSEMBLY CHAMBERS WINDHOEK 03 APRIL 2013

The Assembly met pursuant to the adjournment.

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

HON DEPUTY SPEAKER: Honourable Members, His Excellency the President of the Republic of Namibia will address the nation today. I henceforth suspend the business of the House and ask leave to go and invite His Excellency the President to the Chamber, accompanied by the Speaker. In the meantime, please remain standing until His Excellency the President's procession enters the Chamber.

BUSINESS SUSPENDED

WELCOMING ADDRESS

HON SPEAKER: Your Excellency, President Hifikepunye Pohamba, President of the Republic of Namibia, Right Honourable Prime Minister, Chairman of the National Council, His Lordship Chief Justice, Honourable Members of Parliament, fellow citizens, ladies and gentlemen.

In accordance with Article 32(2) of the Constitution the President and the Cabinet are required during the Debate on the National Budget to attend Parliament. During such Session His Excellency shall address Parliament on the State of the Nation and on future policies of the Government and report on previous policies during the previous year.

It is on such occasion that the President will be available to respond to questions from the Members.

Your Excellency, let me take this opportunity to welcome you back to the Parliament Building and to the National Assembly Chamber. It is now my distinct honour, Honourable Members, and privilege indeed to invite His Excellency the President of the Republic of Namibia, Dr Hifikepunye Pohamba, to address Parliament on the State of the Nation. Your Excellency.

STATE OF THE NATION ADDRESS

HIS EXCELLENCY PRESIDENT POHAMBA: Right Honourable Dr Hage Geingob, Prime Minister of the Republic of Namibia, Honourable Dr Theo-Ben Gurirab, Speaker of the National Assembly, Honourable Asser Kapere, Chairperson of the National Council, Your Honour Peter Shivute, Chief Justice, Honourable Members of Parliament, Your Excellencies, Members of the Diplomatic Corps, Distinguished Invited Guests, Members of the Media, Fellow Namibians.

It is a great honour for me to speak to the Namibian people today, on this special occasion of the State of the Nation Address, through this Joint Sitting of our Parliament, as stipulated in Article 32 of the Namibian Constitution.

I will use this opportunity to highlight the activities of the Government during the 2012/2013 Financial Year.

I will also outline some of the major policy interventions that the Government will carry out in the new Financial Year. I would like to start by thanking our lawmakers for their service to the Nation as Members of Parliament.

It is appropriate that I applaud Dr Gurirab, Speaker of the National Assembly and indeed all Honourable Members of the National Assembly for the in-depth analysis and Debate of the 2013/2014 *Appropriation Bill*, during the past few weeks.

I commend the SWAPO Party Caucus in the National Assembly for their initiative to accelerate the Budget Debate. As a result, the debate will be completed in a shorter period of time. This is a welcome step, especially in the context of the imperative of accelerating public service delivery.

The Appropriation Bill outlines our Government's priorities in the allocation of resources during the next 12 months, and the remainder of the current Medium Term Expenditure Framework, up to the year 2016.

There is increasing pressure on the available financial resources due to the growing needs for the provision of services. Hence, Government must prioritise our interventions strictly. We must ensure that Sectors where the greatest needs have been identified, receive requisite attention and resources.

Honourable Speaker, Honourable Chairperson, Fellow Namibians, it is critical for Government to design and implement effective policy initiatives and programmes to promote the realisation of our national development agenda. Towards this end, our Government has been hard at work to achieve speedy implementation of our policies and programmes, such as NDP4, in order to realise our people's aspirations.

Launched in July last year, NDP4 puts forward an economic development strategy, based on three inter-linked priorities, namely:

- 1. high and sustainable economic growth;
- 2. employment creation; and
- 3. increased income equality.

We are working to realise these three objectives simultaneously, with a focus on the Sub-sectors of Manufacturing, Logistics, Agriculture and Tourism. We must work harder to implement initiatives aimed at

empowering previously disadvantaged Namibians and bring them into the mainstream economy.

The Office of the Prime Minister and the Ministry of Finance are working together with other agencies of Government to ensure that Public expenditure is aligned with the priorities of NDP4. Government has also rolled out the *Implementation Strategy of NDP4* to Offices, Ministries, Agencies and stakeholders. Detailed guidelines have been prepared to assist respective Sectors with the compilation of their Sectoral Execution Plans. We have also introduced the *National Integrated Monitoring, Reporting and Evaluation System* to keep track of implementation activities.

This system will give early warnings where desired progress is not being achieved and thereby, enable Government to take corrective measures, so that stated goals and targets can be achieved on the basis of the Plan. In fact, the system was used for the preparation of the Development Budget for 2013/2014-2015/2016 MTEF and the compilation of the first Biannual Report on the implementation of NDP4, which was submitted to Cabinet in November last year.

Furthermore, we have adopted the "Growth at Home" approach in order to boost value addition to our natural resources. At the core of this approach is the development of value chains in different Sectors of our economy.

For example, we aim to reduce the export of livestock on the hoof. Instead, finished meat, leather and related products should be produced locally. The same should happen in Mining and Fishing Sectors, as important pillars of our economy. These Industries have historically demonstrated their potential to create jobs and contribute to economic growth. They must be developed further to benefit our people.

Similarly, other initiatives such as the *Targeted Intervention Programme* for Employment Creation and Economic Growth (TIPEEG) must be supported by all stakeholders, including the Private Sector.

The rationale behind these measures is two-fold. Firstly, it aims to bring together different Public and Private Sector stakeholders in different sectors. Once together, they will review past performance and seek consensus on issues such as strategies, partnership modalities as well as projects and programmes that must be implemented in order to achieve the NDP4 targets. Secondly, it aims to foster accountability on the part of political leaders and Civil Servants. I believe that this is the logical course of action to take in order to achieve our stated targets.

Government will also continue to support economic growth and job creation through the implementation of capital projects and other initiatives. These include support to the Development Bank of Namibia, AgriBank, Namibia Development Corporation and the SME Bank to provide of loans to local businesses and entrepreneurs.

Similarly, the initiatives to promote Namibia as a hub for trade and commerce through the development corridors must be intensified. We are encouraged by the fact that the measures we have taken to grow our economy are yielding positive results. According to the Bank of Namibia, the national economy grew by 5% last year. It is, however, projected to grow by 4.4% this year. The country's investment credit rating remains healthy as confirmed by both Fitch and Moody Credit Rating Agencies. Government has been praised for policies which have kept the Budget deficit down at acceptable levels.

Honourable Speaker, Honourable Chairperson, Fellow Namibians, the 5th SWAPO Party Congress outlined specific priority areas of development that need immediate attention and action by the Government. It also the the current emphasised need to strengthen implementation mechanisms so that these priorities can be achieved speedily. The relevant Congress Resolutions will be implemented within the framework of NDP4. In so doing, we would surely see cumulative positive outcomes and impacts, measured in terms of better living conditions for our people. Thus, it is vital that all sectoral lead Ministries and Agencies, as well as the Private Sector co-ordinate their work in order to create the necessary synergies and achieve our stated national development goals.

The Information and Communication Technology Sector is vital to the socio-economic development of our country, especially in the areas of industrialisation and the delivery of services such as education, health care, as well as internet access, broadcasting, banking and telephone services. By promoting ICT, we can transform and modernise our economy.

We are actively supporting investments in ICT infrastructure such as fibre optic cables, the West Africa Cable System (WACS) and the digital broadcasting migration by the NBC. The migration from the old analog system to digital broadcasting will make it possible for the NBC to provide more local content and more viewing channels to the public.

Honourable Speaker, Honourable Chairperson, Fellow Namibians, we need a strong and reliable system for collecting, processing and interpreting national statistics to inform decisions on national development planning. In this context, the Namibia Statistics Agency has been established as the central repository of all statistics produced in Namibia.

One of its first major tasks was the compilation of the provisional results of the 2011 National Population and Housing Census, which were released in April last year.

Last week, I launched the Basic Report of the 2011 Census, which contains statistics on fertility, mortality, housing, migration patterns, employment and industrial developments in the country. It will serve as a basis for all other major national surveys over the next 10 years. According to the census results, unemployment situation in the country now stands at 37 per cent.

The results of the 2009/2010 Household Income and Expenditure Survey have also been released. We now have statistical details on the trends of poverty at the household level. This data has informed our strategies on the reduction of poverty and income inequality as outlined in NDP4.

Honourable Speaker, Honourable Chairperson, Fellow Namibians, our society continues to be marked by high levels of poverty. Many of our

citizens, especially those in rural areas and informal settlements, face difficult conditions with limited access to basic services and amenities.

We must turn this situation around by addressing the underlying causes of unemployment, poverty and inequality in a comprehensive manner.

Government will continue to strengthen and expand food production, and the provision of services such as housing and sanitation, potable water, electricity and road infrastructure, especially in the rural areas of our Republic.

Following extensive consultations, the government has formulated the *National Rural Development Policy*. It creates a framework for improved and sustainable rural development initiatives. The aim is to make our rural areas socially vibrant, more attractive to investors and to address the rural-urban migration phenomenon.

A *National Rural Development Strategy* has also been formulated. It is aimed at translating the provisions of NDP4, which are focused on rural development as well as the National Rural Development Policy, which I just mentioned, into workable programmes.

In addition to intensifying rural development, we are taking steps to improve governance and service delivery in our Local Authorities. It is an open secret that many Local Authorities face challenges of governance, which have led to inconsistent and poor service delivery.

Measures will, therefore, be implemented to strictly enforce financial prudence requirements for Local Authorities, promote capacity building and to review institutional, staffing and development planning procedures in Local Authorities.

Furthermore, the Ministry of Regional and Local Government, Housing and Rural Development will implement a mechanism to assist struggling Local Authorities. It will include modalities for the Ministry to intervene in the operations of Local Authorities to ensure that Local Authorities continue to provide sustainable services to residents.

Honourable Speaker, Honourable Chairperson, Dear Compatriots, we have placed emphasis on the need for human resources development and capacity building. Thus, the Sectors of Education, Health and Housing are receiving special attention. Towards this end, the Government has finalised the National Human Resource Plan, which projects skills requirements in the country for the next 15 years.

We are concerned about the level of performance at different levels. We must, therefore, improve the capacity of our teachers to assist our learners in all parts of the country to perform better in the vital disciplines such as languages, mathematics and science subjects.

We must, particularly, lay a strong foundation at the pre-primary and primary school levels so that Namibian students can perform well in the secondary school phase and at tertiary education institutions.

As part of the ongoing efforts to expand access to education, our Government has allocated funds to schools so that parents of children in public primary schools no longer have to pay money for School Development Funds. Similarly, the provision of stationery has been expanded to all public primary schools around the country.

I am pleased that the establishment of Vision Schools has started in earnest with the recent opening of the Divundu Vision School in the Kavango Region.

Last year, Government commissioned a Report on the "Comprehensive and Holistic Review and Reform of the Higher Education System in Namibia in Relation to its Contribution to the Achievement of Vision 2030". Government is now developing a suitable funding formula for tertiary education institutions.

The aim is to place our tertiary education institutions on a strong footing for the achievement of our national vision. During this Financial Year, we will continue to improve our education sector through the timely distribution of textbooks to schools, construction and renovation of school

buildings and hostel facilities, and accommodation for teachers across the country.

Vocational Training continues to be at the centre of youth empowerment, capacity building and human resources development plans. In this context, the Namibia Training Authority has developed a strategy to systematically forge closer links with the Private Sector. Studies will be conducted to document the type of employment secured by graduates of our VTCs. I call upon the Private Sector to support the Vocational Training Levy and thereby support capacity building in the country.

In supporting human resources development, Government has increased funding for scholarships and loans for tertiary education. The Fund reached N\$512 million for the 2012/2013 Financial Year, benefiting more than 8,582 students. This includes more than five thousand grants in the priority fields of medicine, science, engineering and other disciplines.

In the areas of housing and sanitation, various projects were executed to reduce the housing backlog and improve sanitation. New houses were completed and handed over to beneficiaries as part of the social housing initiatives. This includes the completion and handover of houses to some of the veterans of the national liberation struggle.

Honourable Speaker, Honourable Chairperson, Fellow Namibians, the Health Care Sector remains at the centre of our development efforts. We must ensure that the Health Sector delivers high quality services to our people at all times. It is for this reason that in August last year, I instituted a *Presidential Commission of Inquiry into the Activities, Affairs, Management and Operations of the Ministry of Health and Social Services*.

The Commission has completed its work and presented its Report to me on the 31st of January this year. At my direction, the Report was tabled in Parliament by the Minister of Presidential Affairs yesterday. It has, therefore, become a public document. Government is analysing the recommendations of the Report in order to take appropriate action.

Honourable Speaker, Honourable Chairperson, Fellow Namibians, encouraging achievements have been recorded in several health-related Millennium Development Goals (MDGs), namely, Goal 4 (on infant mortality), Goal 5 (on maternal mortality) and Goal 6 (on HIV/AIDS infection).

The 2013 National Demographic and Health Survey, which is currently underway, will provide further data on the rate of infant mortality in the country. At the end of last year, statistics from the health facilities around the country have shown that the maternal mortality rate stands at 118 deaths for every 100,000 live births.

Progress has also been made in the reduction of the infection rate of HIV, TB and Malaria. The provision of Anti-retroviral therapy and the Prevention of Mother to Child Transmission (PMTCT) has been expanded, covering 87 and 95% of those eligible, respectively.

Ninety-five percent of the babies from infected mothers were born HIV free. During the 2012/13 Financial Year, renovation and expansion work commenced at 6 hospitals, 18 clinics and 4 health centres.

Honourable Speaker, Honourable Chairperson, Fellow Namibians, thousands of our people continue to cry out for land. We must respond with a sense of urgency, so that the problems related to land reform and distribution do not become perennial. In this regard, I am once again requesting those who own excess land to sell part of it to government for distribution to our landless citizens.

In the current Financial Year, government will introduce and execute measures aimed at, first, accelerating land reform and distribution, and secondly assisting resettled farmers. Towards this end, government has allocated funds, and work is currently underway to repair damaged and ageing water and other infrastructure on several resettlement farms. In addition, funds have also been made available to train resettled and emerging farmers to become more productive.

Furthermore, as a way of addressing land scarcity, our Government has

decided to expand some communal areas by purchasing adjacent farmland and incorporating such land into identified communal areas.

This initiative has already benefited the communal areas of Hoachanas, Vaalgras, Otjimbingwe and Okombahe. This should bring some relief to the residents of these areas by extending grazing land and water sources for both human and animal consumption.

Honourable Speaker, Honourable Chairperson, Fellow Namibians, we recognize the centrality of agriculture in our economy. Last month, I inaugurated two Fresh Produce Hubs at Rundu, in the Kavango Region and at Ongwediva, in the Oshana Region. The facilities are part of our strategy to boost local food production. They were funded by our government at a cost of more than N\$200 million.

The facilities will close the long-standing gap in the local food production value chain by providing a market for local food growers to sell their produce.

I, therefore, urge all local food growers to produce more food in order to feed the nation, create more jobs and improve the profitability of their farming operations. We want to see more local produce on the shelves of local supermarkets and on more local lunch and dinner tables.

Honourable Speaker, Honourable Chairperson, Fellow Namibians, the availability of reliable physical and communications infrastructure is a key ingredient for national development. Hence, our Government continued with the implementation of various infrastructure projects across the country. During the new Financial Year, we look forward to the deepening of the Walvis Bay Harbour in the Erongo Region and the construction of the Neckartal Dam in the Karas Region.

These projects will contribute to the development of our country and create employment opportunities for our people. The construction of the National Fuel Storage Facility at Walvis Bay will commence during the 2013/2014 Financial Year. It must be expedited.

Our Government has been exploring various options of ensuring energy security for the country. In May last year, I inaugurated an 80 Mega Watt Generator Unit at the Ruacana Hydro-power Station in order to boost power generation capacity there.

We have also decided to go ahead with the execution of power generation projects such as the Baynes Hydro Power and the Kudu Gas-to-Power Project.

Renewable energy has also been fully incorporated as part of the national energy mix. Namibia must take advantage of the development in the renewable Energy Sector to promote security of power supply in the country. Public bids will be invited soon for the construction of three (3) solar power plants, with the capacity to generate up to ten (10) Mega Watts of electricity each.

The availability of reliable electricity is a critical component for the achievement of our National Development Goals (NDPs) and Vision 2030. Therefore, in addition to the existing power generation capacity, we must identify innovative solutions to provide adequate electricity for industrial and household use.

This is especially crucial, given the geographical size of our country and the financial, technical and other constraints in the further expansion of the existing national power grid.

Fellow Namibians, our country is endowed with abundant sunlight. We should harness this natural resource for the development of our country. Development initiatives or industrial projects should not be delayed because of the inadequate supply of electricity. We should find a solution.

Honourable Speaker, Honourable Chairperson, Fellow Namibians, we remain steadfast in our commitment to crush the menace of corruption in our society. In this regard, government has provided funds to capacitate the Anti-Corruption Commission. There is no doubt that in order to achieve greater success, we must combat corruption on all fronts. I am pleased to note that the Head Office of the Anti-Corruption Commission is

nearing completion.

A toll-free line must be installed so that members of the public can speedily report and provide information about corrupt activities to the Commission. The message to anyone who engages in corrupt activities and other crimes should be loud and clear. Crime, in whatever form, does not pay. The long arm of the law will catch up with you.

I am informed that the *Criminal Procedure Act* of 1977, as amended, is currently undergoing comprehensive review. This review includes issues on witness protection and speedy trial in criminal matters. In this context, the drafting of legislation on the protection of whistle-blowers should be handled separately and finalized speedily.

Honourable Speaker, Honourable Chairperson, Fellow Namibians, we are working hard to improve the monitoring and implementation of Cabinet Decisions in order to promote and enforce accountability by political leaders and civil servants. <u>I am pleased that Offices, Ministries and Agencies are complying with the directive of submitting Accountability Reports to the Cabinet</u>.

In the same vein, it is vital to ensure accountability and sound corporate governance at all State-Owned Enterprises. The Public resources allocated to these institutions must bear the required fruits.

Another vital area is the need to strengthen financial management in the Public Sector, especially in the area of procurement and contract management. Government will apply a multi-faceted approach to promote value-for-money, greater transparency, public disclosure, and enforcement of more rigorous Public tender procedures.

A capacity-building model for Public Sector financial management will be designed in consultation with NIPAM, to improve financial management in the Civil Service.

Another important reform initiative is the ongoing implementation of Strategic Plans in Offices, Ministries and Agencies across the Public

Service. Most Civil Servants, starting with the Accounting Officers, have signed Performance Agreements, which set out the agreed targets and outputs that the staff member must deliver.

All Offices, Ministries and Agencies must implement their Strategic Plans fully, in order to entrench a culture of performance, accountability and transparency in our Civil Service.

A *Job Evaluation and Grading System* for civil servants has been completed and will be implemented from the Year 2013/2014 Financial.

Honourable Speaker, Honourable Chairperson, Fellow Namibians, I am disturbed by the reported incidents of violence against women and children. Hundreds of Namibian women, children and other vulnerable members of society have fallen victim to heartless criminals. Almost on a daily basis, there are reports of assault, rape and murder, which are committed in unspeakable ways.

We must join hands to combat the abuse of drugs and alcohol, which are some of the causes of violence against women and children in our country. This situation must be brought under control. I commend the law enforcement agencies for their successes in combating the spread of drugs in our country.

In addition to the recruitment and training of more Police Officers, new police stations have been built in different parts of the country. I believe that this will go a long way in our efforts to protect our society, maintain law and order and ensure peace and security in our country.

Honourable Speaker, Honourable Chairperson, Fellow Namibians, the forces of nature are, once again, threatening the livelihoods of many of our people. In the north-east, floods have destroyed crops and homesteads, while in the central, northern, eastern and southern parts of the country, our people face a serious drought. Government is monitoring the situation closely. Assessments have been carried out to determine the extent of crop failure and the impact of the drought on grazing.

I have already directed the relevant institutions to be prepared in order to assist the families and communities affected by these natural disasters and avert suffering and loss of lives.

Recent reports of starvation and malnutrition in some communities must be investigated by the Offices of Regional Governors and Regional Councils, and appropriate steps should be taken immediately in coordination with the Office of the Prime Minister. In this regard, the nation is, once again, counting on the Namibian Defence Force and the Namibian Police to be ready to provide support to ensure the success of the planned operations, as they have done in the past.

Honourable Speaker, Honourable Chairperson, Fellow Namibians, in addition to our domestic policy on gender equality, Namibia has acceded to a number of international instruments at the levels of SADC, African Union and the United Nations. Our Government will continue to promote gender inclusiveness in order to empower more Namibian women. At this point I want to appeal to all the Political Parties, when the time comes for you to list Party Representatives to this House; I propose you do it in *zebra style*. This will be important because, according to the Constitution you cannot have a Minister who is not a Member of Parliament and in order to assist him/her, who is going to be the President next time, please make early arrangements.

As a member of the international community, we are committed to the promotion of regional, continental and international peace and security. Therefore, our foreign policy posture will continue to be in favour of the peaceful resolution of conflicts, here in the SADC Region, in the rest of Africa and in other parts of the world. We will continue to promote economic diplomacy and mutually beneficial relations amongst Nations.

Honourable Speaker, Honourable Chairperson, Fellow Namibians, the task of nation building is by no means easy. There are many impediments to overcome. As your elected leaders, our government will continue to pursue this task with dedication.

I am confident that through hard work and co-operation of the whole

VOTE OF THANKS HON DR GURIRAB

Nation, we will be equal to the task. Our country can only continue to enjoy peace and stability by embracing the Policy of National Reconciliation, promoting inclusiveness and by expanding public service delivery so that all Namibians can enjoy the fruits of Independence, without exception. When we talk about reconciliation, it should not just be a one-way traffic, but a two-way traffic. The land that I alluded to earlier, should also be included in reconciliation

Special focus will continue to be given to those who live in informal settlements, underdeveloped rural areas, senior citizens, Orphans and Vulnerable Children, the unemployed, youth, women, workers and veterans of our liberation struggle.

The SWAPO Party Government policy interventions are aimed at achieving this noble objective. We will continue to lead. We will continue to serve the Nation.

Long Live the Republic of Namibia! I thank you

VOTE OF THANKS

HON SPEAKER: That applause speaks our collective sense of appreciation, Comrade President, for your informative, constructive, forward-looking and inspiring address. That is what is meant by the State of the Nation Address.

On behalf of the Chairman of the National Council, his Deputy, Honourable Margaret Mensah-Williams, who just travelled with me to the far West, South America, and my own dedicated Deputy Chairperson, Honourable Loide Kasingo, we thank you most sincerely for coming back to where you actually started your political life formally in this Assembly. As the Chief Justice is here, I do not know if I am also allowed to thank you on his behalf, but he hears you loud and clear. There is a lot that you

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said, Comrade President, that relates to the rule of law, but also the independence of the Judiciary. We thank you most sincerely. We know that we have in you not only a veteran freedom fighter, but a leader who understands the needs of the people and who cares about the well-being of our Nation, future prosperity for our Nation as we continue to build this great Nation of ours, Namibia.

Comrade President, we have now reached the stage after the delivery of your State of the Nation Address for interaction with the Members of the House. Before I start that phase of the deliberations; when I came back from Quito Ecuador a few days back, I have been reading in the papers that there is a feeling in the House and I have received some notes as you were addressing us, that there are some people that have other preoccupations in their minds, whether the House should be so open that the backbenchers and perhaps even some of the people whom we call strangers, respectfully, should also take the opportunity of their presence to ask your questions. I said no, that is not how it is done. Democracy is in many ways free for all, but democracy cannot foster chaos. Therefore, we will stick to the established Rules and it is members of the Opposition who do not usually meet you who will put questions. I know that they come and pay you visits at the State House and engage you in matters of concern to them, but this is the opportunity for the interaction between you and those Honourable Members. The Floor is open. Honourable Hamutenya.

QUESTIONS ON STATE OF THE NATION ADDRESS

HON HAMUTENYA: Thank you, Your Excellency, for a wonderful delivery of the State of the Nation message. Your Excellency, you have taken some of the words out of my mouth in your speech, but for emphasis I will be repeating some of those points.

Your Excellency, you have reported on what you have received from the Commission that you have appointed for inquiry into the state of the

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health of our Nation. We are most grateful for that, but the situation continues to be disturbing. We have learned recently of an incident where an woman lost her baby in Oshakati Hospital due to not being assisted when she was about to deliver, as a result of which the infant baby fell and bashed her head on the floor of the hospital. That was indeed unfortunate.

We want to urge you to act on the Report by your Commission and we are happy that we have received the Report. We are studying it too but we are not mandated to act, the action is yours. We want to fast-track the actions you take on this Report. Thank you very much, that is one of the issues you took out of my mouth in terms of a question and now I just urge you to act urgently on the Report. The fact that you have already sent it to Parliament is a clear indication that you are concerned and that you want action to be taken urgently. Thank you very much.

The second question: It is quite evident, Your Excellency, that the whole country is now drought-stricken due to the poor rains we have received this year. I was in the audience when you addressed the Independence Celebrations in Oshakati. Your advice was that one of the measures you are urging the Nation to take was for the farmers to sell their animals. That is a relevant and appropriate advice, but it is not sufficient. Many people in these communities depend on their livestock and the selling of their livestock will not solve the problem. Next year if the rain comes they have no animals and stocking takes time to be successful. Do you have any additional measures, Your Excellency, to advise the people of Namibia on the best way to cope with the drought situation?

We are aware, Your Excellency, that recently the Government bought a new aircraft to the tune of about N\$700 million, replacing the previously used ones. At the same time we have heard that the old aircraft is still parked in one of the hangers of the Government and, obviously, depreciation is taking its course on it. What are your plans to get rid of that aircraft soonest?

My last point is one you also referred to, namely violence against women and children in this country. What measures do you recommend we take fundamentally to redeem the situation? We have to take some drastic

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measures to reduce, if not to stamp out, the crime in this country and I think you have been exercising your mind on how to go about it.

Those are the points I wanted to raise with you. Thank you.

HON SPEAKER: Honourable Maamberua.

HON MAAMBERUA: Thank you, Honourable Speaker. Your Excellency, Comrade President, since you ended with mention of the SWAPO Party and also urging us to reach a zebra structure in our Parties, I wish to inform you that SWANU has already reached that level of zebra structure. The Vice-President of SWANU is a woman and the Chairperson of SWANU is also a woman and the list goes on.

My first question, Comrade President: Namibia remains the only country in the world where genocide has taken place but which has not yet erected any monument or statue in remembrance of the victims of that genocide. What is your feeling about it?

Secondly, Comrade President, during your term of office crime against women and children has continued unabated. Do you have any target as to, by how much and by what date you are going reduce crime against women and children in this country? Thank you.

HON SPEAKER: Honourable Ulenga.

HON ULENGA: Thank you very much, Honourable Speaker. Your Excellency, Comrade President, I would also like to echo those of my fellow MPs who congratulated you on the well delivered State of the

Nation speech. I have very much taken note of the fact that your last remarks were about the very important issue of gender equality. However, I was taken aback that you have most probably not taken note of the fact that the Congress of Democrats have been practising this policy for the last thirteen years already.

Comrade President, as a matter of fact, I have here about thirty questions previously put on occasions like this one, but still awaiting answers. However, as it would be impractical to put all these thirty questions again, I shall limit myself just to one.

Comrade President, I appreciate the Government's fuller implementation of Article 20 of the Constitution, my question, however is, why did it have to take 23 years for our Government to decide to provide free education to learners in primary schools, seeing that this is indeed according to Article 20 of our Constitution a fundamental obligation for the government to carry out? Comrade President, I think the Nation and, indeed, myself are awaiting a proper answer to that question.

Secondly, Comrade President, given the current educational challenges and, indeed, present budgetary pressures, are you satisfied that the Government will successfully carry out this constitutional obligation I referred to in the first phase of the question and finally, Comrade President, given the importance of the Education Sector in our society and for the carrying out of Vision 2030, when do you see Government extending free and compulsory education to secondary and, indeed, tertiary educational institution? I thank you, Comrade President.

<u>HON SPEAKER</u>: Your Excellency, you may take on those questions now.

HIS EXCELLENCY PRESIDENT POHAMBA: Honourable Speaker, I want to thank the Honourable Members and leaders of the Political

Parties represented in this House.

Honourable Hidipo Hamutenya, I am happy that my speech has covered a lot of what you wanted to say. That means that you and I do think the same. You spoke about the Commission that I have established and as I have said, the Report was tabled in this House for the Honourable My expectation is that after the Honourable Members' information. Members have perused the Report, particularly the Honourable Members from the Opposition will also be able to make their contribution. In most cases this is the problem I see, that things are happening in our country to our people, but you wait until I come here after eleven months in order to pose questions, yet those things are happening. I would wish you, after reading this document today and tomorrow, to come the day after tomorrow and make your contribution on what you think should be done. Yes, there are recommendations by the commissioners, but how do you view them? I need to see you coming with your contributions on this particular Report.

You spoke about the incident that happened at Oshakati a few days ago. I read about it in the newspapers and I felt bad about it. If the allegations are true – and I believe the Ministry of Health and Social Services is investigating – something needs to be done. If I read in a newspaper is what has happened, I call it allegations until I get a Report and as I said, the Ministry normally investigates cases such as this one. We will wait until we get the Report and perhaps after that you would be able to find a way to consult me and give advice. You as leaders should also advise your President.

At Oshakati I said this country belongs to us all, therefore, in this particular case please do not wait until I come here next year, come now so that we attend to the situation. This situation is not good for the country, it is not good for individual Namibians.

Now you are urging me to do something. Yes, something will have to be done, but I want your advice as well in this regard.

You spoke about the poor rain and the advice that I gave at Oshakati. It is

a pity that we do not have the power to control the rain and when I say "we", I include you. We have no power to do so. The only thing we can do is to pray.

Maybe these changes are due to climate change, that instead of getting rain in November and December we will start getting rain in May, June and July. One never knows. Therefore, I had no other alternative than to advise the people to sell their animals. If it does not rain, even those who plant lucerne will not be able to do so. Instead of letting the animals die, the best way is to sell them and at least benefit from that.

You are saying that maybe when the rain comes next year, they will have no money, no cattle, etcetera. Again I say, are you sure that the rain will be coming next year, given climate change? Suppose it does not, would you still say my advice was out of order? I still feel that those who have cattle should try to sell some of them because there is no other way.

When I am giving this advice I am looking at the number of cattle and I am talking about cattle, I am not talking about goat, sheep and others, nor do I talk about the kudus, which are also important. We have more than three million cattle, all have big stomachs and to feed them is not easy. In a case like this I do not expect us as citizens, faced with this big challenge, to stand there and blame one another. No, all we need to do is to gather at the churches and pray.

You mentioned the aircraft. These aircrafts are very important assets of the State. For your information, you can make use of these aircraft as well. Even during the campaign you can use them provided you pay. They are there for anyone who wants to hire them, but you have to pay, it is not free.

As leader of the Opposition I think you are aspiring to become President one day and you will be using those aircrafts and I can only use them when I hire them. Currently I am using them when I am going to work.

Then you spoke about violence. This is one of the points that I have taken out of your mouth. In my speech it is clear and again I am disappointed in

you as fellow leaders. Why do we not come together and discuss to find a solution to the problem facing our people? Why do you not come? I challenge you to come and discuss the problem facing our people. I challenge you, Comrade Hidipo. To be President does not mean that you are the most intelligent person. I believe you are perhaps more intelligent than I am and that is why you should come to discuss. Even if you are not intelligent, why can we not meet and put our minds together to discuss the problem facing our people? I think the Nation will start laughing at you because you fail to come so that we discuss. I have made attempts to call you to the State House to talk about the problems facing our country, did I not? But you did not come. Did you ever take the initiative to come specifically to discuss the problem facing our people? Let us be serious.

During the next election I am not going to stand and this is not a way of campaigning now in the Assembly, no, I am just calling upon you to come and we discuss the problem facing our people as leaders.

Honourable Maamberua, you said you have implemented the zebra style. Behind you I see a man, next to you I see a man, on the other side I see a woman but she belongs to SWAPO. Where are they? Unless you imprint your skin with zebra stripes. Where are they currently? It is not good to talk about things that you are not able to do and doing so in Parliament is not good. My only a piece of advice is that it is not good and please take that advice.

As regards monuments, when you leave here you will see a tall building which was built at the place where our people were killed in a concentration camp. It has not yet been completed, but it is a monument for our people and it is not the last to be erected. We can have monuments but again we should assist one another with proposals. Sometimes it worries me if you people always wait for the President to make his State of the Nation Address to pose questions. We can meet and discuss about other places where monuments should be erected, more so when we are in the process of bringing the skulls of our people from Germany. Let us do so and your contribution on this will be important.

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I have responded to the issue of violence when I responded to the question of Honourable Hamutenya.

CoD spoke about free education after 23 years. I think there is a misunderstanding, education has been free. Who pays the teachers, who pays for the schools building, who does everything? Is it not the Government? The only thing we have done is to say we want to assist the parents who have been paying towards the School Development Fund and that is all and you know that, *Comrade Ben Ulenga*. Education has been free and the money being paid is not paid for education as such, it is paid for the School Development Fund. It is not paying the teachers, it is not paying for the construction of schools or for the purchase of textbooks. Now you want to challenge me about 23 years and I challenge you, it is not true!

HON SPEAKER: Honourable //Gowases.

HON //GOWASES: Your Excellency, Honourable Speaker, Honourable Members, it is an honour to rise once again to add my voice to His Excellency's State of the Nation Address. I have a comment and a request that I would like to present to you, Your Excellency.

Firstly, I wish to commend you on your leadership for the increase in political representation of our women in Parliament, for example, the two newly appointed Deputy Ministers and other Political Office-Bearers. Your Excellency urged us as Parliamentarians during 12 February 2013 address, "to ensure people's participation in democratic governance by facilitating the full articulation of their aspirations, values and choices in the development process. The well-being of the people should be at the centre of all development efforts." Your Excellency further urged us, "to combine efforts and deliver better services to our citizens."

It is in the light of the abovementioned request and statements by Your

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Excellency that we as the backbenchers, who serve on the different Standing Committees that should serve the people, humbly request a more regular platform and basis to have an audience with Your Excellency where we can express and address the views of our Namibian people. The people want their voices to be heard, they want Parliament to hear their cries and not only want justice to be done, but manifestly and undoubtedly be seen to be done.

Your Excellency, Honourable Speaker, Honourable Members, I thank you.

HON SPEAKER: Honourable Kaura.

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HON KAURA: Thank you, Honourable Speaker. Honourable Speaker, I am not brave enough to ask questions on issues to which answers have already been provided by His Excellency the President, but I just want to find out from His Excellency on the issue of unemployment, whether I heard him correctly that he said unemployment now stands at 37%, reduced from 51%. That is highly commendable and very much positive.

Then on the issue of maternity mortality rate per 100,000 live births, at one point it stood at 449 and now His Excellency said it now stands at 118, which is also positive.

I wanted to ask questions on housing and things like that, but I am scared to ask those questions because, although Article 8 of the Namibian Constitution prohibits corporal punishment, His Excellency just meted out corporal punishment against Honourable Ben Ulenga.

On the drought which His Excellency also spoke about, I wanted to find out whether there is no possibility of providing fodder so that a farmer can retain some nucleus of core animals, even fifty cows. Would that not be

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helpful in this time of drought? I do not want to ask any further questions, I am scared of corporal punishment. Thank you very much.

HON SPEAKER: Thank you, Honourable Kaura. Honourable Shixwameni.

HON SHIXWAMENI: Thank you, Honourable Speaker. Your Excellency Mr President, let me start off by congratulating you on two issues before I get to my questions. One is to congratulate you for a real wide-ranging speech. I have been in this Parliament for quite some time and the State of the Nation Address today was very comprehensive. Indeed, as was said, you took words out of the mouths of many people.

Secondly, I would also like to congratulate you for the message that you delivered at the Independence Celebrations in Oshakati, a message of unity, of togetherness, a message of the acceptance of a multi-party democratic State. That was well-delivered and in my opinion, very well received. Thank you for that.

I would like to go to my questions. In Oshakati you were calling for action and action and repeating the late Dr Abraham Iyambo's call for service delivery and service delivery.

We know that as a country we are endowed with quite a lot of mineral resources, but these resources are exploited by mostly foreign companies, particularly in the Mining Sector, Fishing Sector, Tourism Sector and indeed in the Agricultural Sector. Last year a document was presented here twice, called, "The Broad-Based Economic Empowerment Framework." It was withdrawn from the Floor of this House to be discussed somewhere else and to be brought back. My question is, how long are we as indigenous Namibian people going to continue being workers of corporate mining companies, corporate agricultural companies, corporate fishing companies and not have at least 40 to 50% ownership?

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Your Excellency, I have raised this issue privately with you, but since this is the State of the Nation Address, you should be able to explain to the Nation why we are not moving in the direction of empowering our communities economically to make sure that they own shares in this companies, even if we have to give our communities funds from the Development Bank to make sure that they indeed have majority shareholding or a sizeable number of shareholding in companies exploiting our natural resources.

Epangelo Mining was a very good step by the Government, but we are not capitalising it sufficiently to ensure that it takes part in the mining and exploitation of the resources.

My second question is on land ownership and I agree with the message that you are sending out, but how long are we going to continue calling on those who own land to make land available in our own country? I think it is time that we apply the constitutional provisions on expropriation of land, so that land is expropriated in the best interest of our people. We as a Government cannot continue making calls on people who are stubborn, people who are not ready to provide land. You would agree with me, Your Excellency, that land is quite expensive and the resources that the State spends on buying farms could be well-spent on lifting our people out of poverty.

I would also like to congratulate you on releasing this Report, but what is the plan going forward? You said you are studying the Report, but I read the Executive Summary and the conclusions and it is quite bad that while we have been pumping money into the Health Sector, we still get a Report that paints this gloomy picture. You promised that you will act and I have to congratulate you that this is the first time that a Report of a commission of inquiry has been released to this Chamber in such a short time and we must congratulate you that you kept your word, you brought this Report to Parliament so that the Nation is able to see value for money for the commission that was appointed.

My last question is on performance management within the Public Sector. We have been hearing from the Founding Father's days up to your days

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now – and you only have a few months left of your term, next time I will be sitting in that seat – that we need to get value for our money put into the Public Service, but it seems that we are not getting that value for our money. What is the exact concrete plan on the table at Government level to exact from all Public Servants to deliver service to our Nation? With those few remarks, I would rest my case.

HON SPEAKER: Chief Riruako.

HON RIRUAKO: Honourable Speaker, I do not know what to say about what happened and before I come to my questions, I may say, Honourable Shixwameni, you want to become a baby with a dummy in your mouth. We are in a free country and first of all you must look for your EPL and find it and then come up with certain things. However, you do not go to that mining company or fishing company, you cry from here. Why? We are here to do things, action means business, talking is just rhetoric. Go and look for your EPL, you do not have to talk about it, do it and then after that you can complain that, "Mr President, they did not give me what I wanted, what is wrong?" The President cannot come with a dummy and say, please take this Mr Shixwameni.

Secondly, talking about erecting a statue, we do not have a museum of genocide. In a museum you can go and read about what happened. We do not want to go all the way to Luanda to look for our museum, it must be erected here. Unfortunately we do not have a journalist who can write what happened here. Unfortunately they do not write what they hear from here. Perhaps you are campaigning for yourself, I do not know. The journalists do not do their job properly. Do your job properly for which you are paid. If one goes out of this House and look at the newspaper, there is nothing in the newspaper. I am not here to beat about the bush, that is the message to you.

Another thing we have to talk about is the first freedom fighter of this country who lives in Gam and I would like the Honourable President to

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tell the House how he is taking care of those people who returned from abroad, from Norway. We must acknowledge those who are coming, those who came a long time have been taken care of. What methods do we have to take care of those who are in Eiseb? These people are newcomers who must be given assistance.

Mr President, it is now high time for us to reconcile. It is a two-way street, one goes and one comes and we must meet in the centre in order to have a humble kind of relationship with one another. We have to meet somewhere in the middle and that is a requirement for this House. Now the prices of farms have skyrocketed to 8 million, 9 million. Who raised the prices? Who has the right to do that? It is not the foreigners, it is not the people of this country, it is the Government. You must correct it, the prices are too high, we cannot afford the land. The land was not even bought from us, it was taken and what happened? Who hiked the prices so high? It has to be reduced to a point where it can meet all the requirements of this country and the people who live here.

Some people say we have to pay compensation to take some land to give to the people. It is not to grab the land by force, there is a way of doing it and to balance how it should be done. I do not come to conclusions, I leave it to the President to decide what is a good method. I thank you.

HON SPEAKER: Thank you very much. Honourable Tjongarero.

HON S TJONGARERO: Thank you, Honourable Speaker. His Excellency the President, I have only two questions related to drought and grazing.

His Excellency, the carrying capacity in some of the communal farming areas is heavily overloaded and the land became sensitive and exhausted long before the actual drought occurred. My question is, how successful is our Government in phasing out strong communal farmers to commercial

areas to make room for the poor farmers?

My second small question is about veld fires. Do we have an effective programme to assist farmers to extinguish veld fires in times before it totally destroys our valuable grazing fields? That is all from my side and Thank you very much, His Excellency the President.

HON SPEAKER: Those are the few questions put to you, Comrade President.

HIS EXCELLENCY PRESIDENT POHAMBA: Honourable Kaura, it was not corporal punishment, I was giving information to the Honourable Member.

As regards unemployment, I want the statistics of the 2011 census to be distributed, if it has not been done already, for Honourable Members to read for themselves. Even when we visit areas as part of our responsibility as MPs, this document will give you all the information. We have been arguing about whether the 51% unemployment figure is the correct one. I am one of those who have been arguing about that, but we had to agree to that as there were no other statistics to refer to.

However, this document I am referring to even indicates how many people are married in communal, no communal, traditionally and all these you would find there.

I only want to say that we have to read that document, it will give us information on what we have and what we still need.

As regards fodder, I have not consulted the Minister responsible for finances, but the question is, where do you think we can get fodder from? Brazil or South Africa? I do not think we will find fodder in this country. We have that problem of lack of rain which I consider to be shared by all

of us. It is really a big problem and we may not be able to import fodder from other countries because it would be very expensive to do so.

Honourable Shixwameni, you spoke as a young revolutionary, especially when you talked about our people obtaining shares in some of these companies. You spoke about Epangelo. Efforts are being made to do so and we would wish to see the Namibian business people making all efforts to buy shares from the companies operating here.

One businessman came to me, complaining that he does not get shares. He went to a certain company, they do not want to give shares. I asked, "how much money did you offer them?" He said, "no, I took my ID, I am a Namibian." I had a problem to advise that person, but I did, I said, "no, it is not an ID, you need to have some resources to get shares." Honestly speaking, I would definitely support the idea of our business people buying shares in these companies and eventually to take over those companies to become full Namibian companies. I would really support that.

On expropriation, you would recall that I was once upon a time the Minister of Lands and as a revolutionary like yourself I said, "let us take this farm near Omitara." They went to Court and the Court decided in their favour. In this country we have the Rule of Law and when that was done, I was disappointed but there was nothing I could do with respect to those particular farms. I was using Article 16 of the Constitution, but the judgment went in favour of those people. In a country where you have pledged the laws of the land and the Courts' judgments, you have that situation. In this case I do not want to refer to anybody sitting here or maybe outside this House, it is just to tell you that we are facing those problems.

You referred to the Report of the Commission, you have to read it and advised the Government on some of the issues which I have already touched on.

In my statement I have mentioned the contract between the Government and the Civil Servants and that contract also contain the expected the

performances. I hope we will definitely succeed as time goes on.

Honourable Riruako, I cannot say that the Honourable Members were making noise and I could just not comprehend everything you were saying, but the point I came grasped is about the Government raising commodity prices. Here I want to inform you that it is not done by the Government, it is done by market forces and perhaps I can advise you to get more information from Economists on what "market forces" mean. I am sure they will explain that to you.

In my opinion, you find that some of the prices are imposed on us by forces outside the borders of this country. It is not the Government but controlling the markets. I totally agree with you, because I sent somebody today to buy a 50 kg bag of maize-meal and they said, "do not give us less than N\$300, give us at least N\$350" and I was surprised to hear that.

Prices are rising, the price of fuel is rising and that is why we say, when it comes to food, let us go to the fields and we as leaders, Members of Parliament, should take the lead. Go to the rural areas, go to Caprivi and Kavango, leading the people to produce food. That is very important. Otherwise we will have a problem of importing food from other countries.

Another thing I have discovered is that we have Namibians who want to eat what the country does not produce and I believe this is wrong. When you give them *pap*, they do not eat *pap*, they want to eat rice, but the country does not produce rice. Yes, near Katima Mulilo we have a field, but we need to expand and I will be the happiest person to see a group of Parliamentarians going to Kalimbeza to get involved in producing our own food. Our Ministry of Agriculture is doing very well but they need encouragement and assistance from the Members of Parliament.

Honourable Tjongarero mentioned about strong farmers giving way to the not so strong farmers in the communal areas. I agree with you, but the question is, where do they have to go? The land in this country has become expensive. You may be a strong farmer in the communal areas, but would you be able to buy a commercial farm if the land is so expensive? Maybe expropriation is the solution, but I have already told

Honourable Shixwameni what I did and how I failed. Therefore, you have a point, but your point may not carry weight because of this problem. I believe these people aspire to go to the commercial farms, but they are failing to do so because the farms are very expensive.

The owner of the farm where Lake Guinas is, came to me. It is a farm of 700 hectares, not even 1,000 hectares. She said, "look, I want to sell this but I want N\$5 million." I said, "Madam, I do not think you will be able to get that." I understand there are new people on the farm, but is that at the price of N\$5 million or did she compromise to sell it at a lower price? It is a farm which is not even a thousand hectares. These are the problems we as Namibians will face until Honourable Shixwameni maybe convinces everybody here to amend the Constitution. If you do that and you convince them, any change is the responsibility of this House, but currently, as the President of this country, I have to abide by what is enshrined in the Constitution of this country – period!

Honourable //Gowases, I think I am in agreement with everything you said. Thank you very much.

HON SPEAKER: That does it for the day. Your Excellency, my sentiments are those of Honourable Shixwameni that indeed your speech was not only wide-ranging, very deep in the issues you touched on and you deliberated with such gusto. We thank you very much for spending the afternoon with us and listening to you, you said you might be leaving the Office of the President in the foreseeable future, but we still have time with you. Thank you very much, my Colleague and I will escort you. The Prime Minister will adjourn the House until 14:30, the 4th of April.

BUSINESS RESUMED

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RT HON PRIME MINISTER: Thank you Honourable Speaker, there are other items on the Order Paper, however, since everybody want to go and digest the State of the Nationa address, I, therefore, Move that this House adjourns until tomorrow, 14:30.

HOUSE ADJOURNS UNTIL 2013.04.04 AT 14:30

NATIONAL ASSEMBLY ASSEMBLY CHAMBERS WINDHOEK 04 APRIL 2013

The Assembly met pursuant to the adjournment.

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

<u>HON SPEAKER:</u> Any Petitions? Any Reports of Standing or Select Committees? Other Reports and Papers? Honourable Amathila.

TABLING: REPORT OF STUDY TOUR TO GERMANY

HON AMATHILA: Honourable Speaker, I lay upon the Table, the Report of the Parliamentary Standing Committee on Economics, Natural Resources and Public Administration on the Study Tour to Germany, undertaken from the 13th to the 20th of October 2012, for discussion.

<u>HON SPEAKER:</u> Will the Honourable Member table the Report? Minister Mutorwa.

TABLING: ANNUAL REPORT: MINISTRY OF AGRICULTURE, WATER AND FORESTRY

HON MINISTER OF AGRICULTURE, WATER AND FORESTRY:

Honourable Speaker, I lay upon the Table, Annual Report of the Ministry

NOTICE OF MOTIONS HON DR AMWEELO

of Agriculture, Water and Forestry, 2011/2012.

HON SPEAKER: Any further Reports and Papers? Notice of Questions? Notice of Motions? Honourable Amweelo.

MOTION ON BUSINESS OF ASSEMBLY

HON DR AMWEELO: Honourable Speaker, I Move without Notice, that the proceedings on Votes 01, 02, 04 and 30 of the *Appropriation Bill* be, in terms of Rule 90(c) of the Standing Rules and Orders, not interrupted if still under consideration at 17:45. I so Move, Comrade

Speaker.

HON SPEAKER: Will the Honourable Member please table the Motion? Any Ministerial Statements? Minister of Trade and Industry.

MINISTERIAL STATEMENT

HON MINISTER OF TRADE AND INDUSTRY: Honourable Speaker, I rise to update the House on the EPA negotiations and unilateral measures considered by the European Commission to force the end of the negotiations.

Honourable Speaker, I have been informed that on the 21st of March 2013, – coincidental with our Independence Day – the International Trade Committee of the European Union Parliament voted that a deadline of 1 October 2014, be recommended to the EU Parliament concerning

preferential access to the European Union market by ACP countries that have not yet signed an Economic Partnership Agreement (EPA) with the EU.

This proposed date is the date on which duty-free and quota-free market access will be withdrawn for those who have not yet signed or ratified an EPA with the EU. It is said by the European Commission not to be a deadline for the negotiations of an EPA as such, but it of course amounts to a negotiating deadline, as any EPA would have to be concluded far in advance of 1 October 2014 in order for trade to continue.

Honourable Speaker, it is common knowledge that Namibia is in the process of negotiating such an EPA with the EU as part of the Southern Africa Customs Union and together with Angola and Mozambique, forming the SADC EPA negotiating configuration. Namibia too would thus be affected by this decision.

The European Commission and other structures of the European Union have repeatedly maintained that the proposed Amendment to Market Access Regulation 1528, by introducing this deadline, is entirely their own business and at their sole discretion. Accordingly, no formal consultation was held ever with Namibia, nor was any real attempt made to assess the potential impacts of such a decision on Namibia.

The background to this matter is that the non-reciprocal Cotonou Agreement trade arrangements that most of us had become familiar with over many years, came to an end because the European Commission itself had refused to request an extension from the World Trade Organisation of the waiver that had been given to it in order to grant non-reciprocal market access to the ACP States. The WTO requires otherwise that all Preferential Trade Agreements should be reciprocal, but could still be asymmetrical in favour of developing countries.

It thus became an obligation that a reciprocal Free Trade Agreement be negotiated, which the EC insisted must include new generation trade-related issues, where-after the target agreement became an EPA.

The deadline for concluding the EPA was originally set at December 2007, resulting in the so-called interim EPA. These hurriedly concluded negotiations were a failure as only a limited number of countries signed the interim EPA. In our case we did not, for reasons explained previously to this House by the Rt Honourable Prime Minister as the former Minister of Trade and Industry. Many of us will still vividly recall that most significant and still very pertinent statement made by the Rt Honourable Prime Minister in this House on 19 May 2010, at a critical juncture when we were being pressurised to sign and ratify the interim EPA against our will. I have appended a copy of that statement to the printed version of my own statement for the benefit of recalling it.

To avoid that exports by ACP States to the EU will collapse without a mutually agreed WTO-compliant Free Trade Agreement, the European Commission unilaterally established Market Access Regulation 1528 which granted duty-free and quota-free access to ACP States which have not signed an EPA of any kind. This regulation stipulated amongst others that a beneficiary country would only be excluded in future if it signalled that it would not have any further intention to conclude an EPA, or if it had failed to ratify an EPA signed within a reasonable time.

Namibia at no time signalled that we have no further interest in concluding an EPA. We made it clear that we wish to revisit those provisions in the interim EPA which prevented us signing through negotiations towards a final EPA. This position prevailed and Ministers of Trade of the entire SADC EPA group collectively proposed to the EC Trade Commissioner, for the sake of maintaining the functioning of SACU and its common external tariff to:

- set aside the interim EPA and focus on the negotiation of an inclusive EPA that all members of SACU and, indeed, the SADC EPA group could support and that would exclude no one; and
- That this process be concluded by the end of 2010.

The EC, with the deadline that it wishes to impose, also makes the point that the current market access is unilateral, and could, therefore, be

revoked by them at will. Nonetheless, with the conclusion of the Trade and Development Cooperation Agreement (TDCA) between the European Union and South Africa, which Namibia never endorsed, by the way, Namibia *de facto* allowed EU products preferential access into our market. This we did to avoid the collapse of SACU, a Treaty which provides real benefits to us. The main beneficiary of this condonation of the TDCA has nevertheless been the European Union. More than 90% of the European Union goods enter our market duty free under the TDCA and via our SACU borders.

Whilst the EC may now claim that revocation of their Market Access Regulation is unilateral, we can claim that it is also unfair.

It is of interest to us that the EC is not justifying the imposition of this deadline because of economic injury caused through the absence of an EPA. They would know that to be a non-starter since their goods have been free-riding in our market on the back of the TDCA.

Amongst reasons given by the EC for the proposed deadline of October 2014, is now that the process of negotiating the EPA has taken too long, and the EC may imply that we are at fault. I thus, feel it is important for the House to know that it was our side that indicated our willingness to make an all-out effort to negotiate a final EPA and to do so by the end of 2010.

In return, we were met by additional demands from the EC, with extensive new text proposals on trade-related issues, such as intellectual property, competition, taxation, geographical indication, Public Procurement and sustainable development, and demands that binding commitments be made on these areas which had not been previously discussed in depth. The mandate given to our negotiators was only to seek cooperation in these areas, not binding commitment with legal, policy or financial implications to us. I trust that the historians will agree that the pace of the EPA negotiations was not much to be blamed on such demands as on any other factor.

Honourable Speaker, Honourable Members, we are not alone in

experiencing these misgivings. As recent as December 2012, the Heads of State and Government of the Africa-Caribbean-Pacific (ACP) group of States at their Summit in Sipopo, Equatorial Guinea declared their concern with the EPA process as follows, to mention only a few aspects:

- that "several contentious issues in the EPA process severely limit policy space or tilt the balance of rights and obligations" and that issues which are not germane to WTO compatibility should be removed from the negotiations;
- that "EPAs have undermined regional integration processes and that the consolidation of regional integration processes should precede any trade liberalisation" towards the EU;
- that no additional resources have been programmed by the EU to mitigate the implementation costs of an EPA;
- That the proliferation of EU regulations and legislations on non-tariff
 measures are technical barriers to trade, which I can add, devalues the
 duty-free quota free market access given to those who sign EPAs; and
- Importantly, the ACP Heads of State calling on the EU not to deny any ACP State market access benefits for whatever reason, and further calling on the EU structures in the context of the proposed deadline to enable the negotiations to be continued without pressure of time so that the outcome will be acceptable to all sides.

Our concern is indeed that this new deadline would place further pressure on the EPA negotiations which are at a critical stage, and further distort its outcome in favour of the large economic power that we are negotiating with. Such a deadline could in fact jeopardize the entire negotiations.

Above all, I have to express dissatisfaction with a negotiating partner taking precipitous unilateral economic action against a more vulnerable side whilst we are in the process of negotiations. This is simply not in the spirit of partnership, fair play or equity. Once again the concept of partnership in these economic partnership negotiations has become so

diluted that it is hardly worth anything at all.

These deadline will have consequences for our producers. It is not within our power alone to conclude the negotiations that we are doing as an economic bloc under the legal obligations of the SACU Treaty. Dictating that such a process must be concluded before a certain date is simply unacceptable.

Despite considerable progress made recently, there remain several very important issues to be resolved in the EPA negotiations, for which enough time and not only artificial deadline is needed. Some of the key unresolved issues most pertinent to Namibia are the:

- finalisation of the provision on the use of export taxes in support of industrialisation which does not amount to giving the EC a veto right;
- finalisation of bilateral and agricultural safeguards to be included in the agreement;
- the final balance of liberalisation in agricultural products to be agreed between SACU and the EC, hinging largely on the strength of the safeguard measures being developed;
- how the Most Favoured Nation Clause could be specified without undermining both the common external tariff of SACU and prospects for increased South-South cooperation and trade; and
- Various aspects of the Rules of Origin, including how an exemption will be specified for Namibia concerning the treatment of fish caught in Namibia's Exclusive Economic Zone by leased vessels and doing away with any right of first refusal to the EU. The issue is that the country of origin status of fish caught in international waters (as defined by other agreements) is determined by the flag of the vessel and catches would impact preferential access into the EU market in cases where Namibia depends on leasing, such as the Tuna Sector. The exemption being developed would be a considerable improvement

on the requirements of the Cotonou Agreement concerning vessel registration, ownership and the nationality of crew and captain.

I must emphasise that all these matters have significant economic and policy implications for Namibia and must be solved through negotiation.

While noting that the final decision still has to be taken by the EU Parliament, as we expect sometime later in April, but in anticipation that the EU Parliament would confirm this deadline, consultations have been initiated to safeguard our market and mitigate against potential loss of exports to the EU.

Honourable Speaker, I further wish to inform this House that we are arranging a national consultation on the EPA towards the end of April, for us to take stock of the negotiations, potential costs and benefits of a future EPA and to help us chart the way forward collectively. Further information in this regard would be sent out in the next few days.

Honourable Speaker, any unilateral measure that affects our ability to export is a serious matter. I conclude by calling on the EU to desist from any unilateral action concerning our market access, the EPA negotiations and our economy as a whole, at least while we are still in the process of negotiating an agreement.

I wish to repeat exactly the last two paragraphs from the statement of the Right Honourable Prime Minister in May 2010. They remain true in their entirely. "Many people speculate whether the EC will now move to exclude us from their market – even though we are still negotiating. I will not join in such speculations, but I trust that all concerned would realise how serious the impact of doing so would be on our exporters and their economy – but especially on our relations with the EU.

I call on our friends in Europe not to abandon us and to work with us towards a lasting solution. After all, the EPA is about partnership towards the shared goals of poverty alleviation and economic development. Let us not use bully tactics or old colonial arrogance. Let us be partners who are equal in sovereignty." I thank you.

04 April 2013 QUESTIONS/CONTRIBUTIONS TO MINISTERIAL STATEMENT HON NYAMU

HON SPEAKER: Honourable Minister, this was quite a heavy stack to listen to. We heard your caution that you are dealing with the matter. How fortunate we are that the Minister then is the Prime Minister now, we are, therefore, to that extent in safe hands. However listening to you, one is reminded of watching a boxing match between Muhammad Ali and Joe Frazier. I hope both of them were great athletes and boxers who in each event will always be on the winning side. Thank you very much; it is quite clearly, in so many words for my small mind, a declaration of war, however, as we are discussing the Budget, I take it that we would have enough resources saved from our individual Budgets except from the Parliament to wage this war. It is quite clearly a big war for us as a Nation and as a group that belongs to developing countries.

Honourable Nyamu.

QUESTIONS/CONTRIBUTIONS TO MINISTERIAL STATEMENT

HON NYAMU: I have a small question to ask the Honourable Minister in respect of this very frightening statement. Firstly, we must accept the fact that we are dealing with the EU's world central Parliament, a world central economic power and you cannot deny, but to accept that and proceed from there, that we are dealing with unequal *so-called* partners, I do not even know whether they real partners, however, they are unequal to us. What scares me mostly is the fact that Namibia seems to have been acting bravely as it may be, but alone. I want the Honourable Minister to confirm that we have the support of other SADC Member States, especially SACU because when I was the Minister of Trade and Industry at the time, our *Big Brother* concluded an agreement with EU without consultations. If that state of affairs still exist, we must accept that we are very vulnerable. Can the Minister reassure us that the other SACU members are with us? Secondly, you mentioned that measures are under

04 April 2013 QUESTIONS/CONTRIBUTIONS TO MINISTERIAL STATEMENT HON SHIXWAMENI

way to protect our exports, what are those measures? Can you provide us with more information or is it a secret? I would like to know about those measures which will help protect ourselves when the final verdict is made. Thank you.

HON SPEAKER: Thank you. Honourable Shixwameni.

HON SHIXWAMENI: Thank you, Honourable Speaker. I listened to the Minister of Trade and Industry and would only like to say two things. In the face of adversity, whether we are alone or with others, we are a Nation. I think we should stand firm and not be reduced to slaves of Europe any longer. We should be able to tell them that if they do not want to accept our products, we would rather have the products rot here or let others take them up. (Intervention).

HON MEMBER: Our freedom is not for sale!

HON SHIXWAMENI: There you are saying that our freedom is not for sale. It should be the cornerstone and our departing point, that we should not bend our knees just because a powerful bloc is trying to force us by twisting our arms and hands. I would like to reaffirm my firm support to the Ministry of Trade and Industry and to Cabinet. We just heard from the Minister of Agriculture and Forestry the other day of the 40-day quarantine time and we stand by it that; "let us die as proud Namibians rather than folding to the powers that be of the world". That is all I wanted to say. I thank you.

04 April 2013 RESPONSE TO QUESTIONS ON MINISTERIAL STATEMENT HON SCHLETTWEIN

HON SPEAKER: Does the Minister wish to reply?

HON MINISTER OF TRADE AND INDUSTRY: Honourable Speaker, I think *Honourable Nyamu's* questions are pertinent and I can just inform that after the statement of the Right Honourable Prime Minister as the then Minister of Trade and Industry in 2010; there was a very precarious situation that in fact threatened the coalition within SACU. However, managed to rally around Namibia's concerns and they were all taken onboard by the entire SADC EPA group. Subsequently to Namibia's lone voice growing into the voice of the entire SADC EPA we also managed, as indicated in my own statement, to get consensus by the whole ACP Heads of State, that is an over 70 strong group ACP countries. Therefore, we are by far not alone anymore. We can actually take pride in being on the forefront of tackling unfair practices and skewness in the proposed EPA Agreement that would be more harmful than helpful.

We always maintained that EPA is a good thing, provided that it is Cotonou plus, no one should be worse off than in the previous arrangements. The stipulations in the interim EPA that made us not to sign would result in a Cotonou minus arrangement for us. That is why we said that, that cannot be good for us and our economic development and we would then rather live without it. There is a second question as to measures against whatever may happen, Honourable Nyamu, yes, there are a whole hosts of themes on the offensive side, but also on the defensive side and our guiding principle here is – we think that the obligations and the benefits that we have under SACU are the ones that guide us as to what mitigation we should engage in to maintain that integration process and the benefits that we have in the SACU agreement. Those are the principles that guide us and they are very technical and I can share them with you on another platform, but the point is that there offensive and defensive issues that we have address.

04 April 2013

REPLY TO QUESTIONS ON MINISTERIAL STATEMENT HON MWANINGANGE

Honourable Shixwameni, thank you very much for your support. What I said is in agreement with what you are saying; we may be small but we are still not to be trampled down. As small as we are, we are members of international Treaties and international legal frameworks, both multilateral and WTO, bilateral and so on. It is wrong to expect from us, the small ones, to abandon agreements we have with our neighbours, to favour a situation that a large economy in the world wants to gain. I think you are right that as small as we are, we are known to be frank and stubborn when it comes to how we defend our interests and it correct to maintain that. Thank you.

HON SPEAKER: Thank you Honourable Minister. Honourable Mwaningange.

HON MWANINGANGE: Thank you very much, Honourable Speaker. I would like to highlight the current situation and the position of the SADC countries on this issue. As one of the Members of the Parliamentary Standing Committee on Trade Development and Integration, I must say that despite the fact that some of the SADC countries were a bit hesitant to signing this agreement, we are still united as the SADC group. Namibia is, indeed praised for having stood firm in this regard. We stand united a SADC and as such we are lobbying non-SADC countries to also support our position.

Namibia is may be small in terms of the size of population but our export is makes us one of the strategic partner of the EU. Let us, therefore, fight that battle with the hope to win. Thank you.

HON SPEAKER: Thank you. Let us now proceed. The Secretary will read the First Order of the Day.

04 April 2013 COMMITTEE STAGE: APPROPRIATION BILL HON KUUGONGELWA-AMADHILA

RESUMPTION OF COMMITTEE STAGE: APPROPRIATION BILL [B.1 – 2013]

SECRETARY: Resumption of Committee Stage – Appropriation Bill [B.1 – 2013].

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? Who seconds? Agreed to. The Chairperson will take the Chair.

ASSEMBLY IN COMMITTEE:

<u>CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE</u>: The Whole House Committee is called to Order. The Committee has to consider the *Appropriation Bill* [B.1 – 2013].

Vote 01 – "OFFICE OF THE PRESIDENT" – N\$410,073,000.00 put for Introduction. Honourable Minister of Presidential Affairs and Attorney-General.

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MINISTER OF PRESIDENTIAL AFFAIRS ATTTORNEY-GENERAL: Thank you very much, Honourable Deputy Chairperson of the Whole House Committee. I rise with honour and humility to motivate Vote 01, "Office of the President", to this august House. In presenting this motivation, I am mindful of the need to fasttrack the Debate on the *Appropriation Bill* for immediate implementation. Indeed, our able Minister of Finance and her colleagues have produced volumes of information, including the Accountability Report. Yesterday, His Excellency Dr. Hifikepunye Pohamba, President of our Republic addressed his Nation. The address centered mainly on the Appropriation Bill. The purpose of my motivation, therefore, is merely to fill the gaps on the Vote of the Office of the President. I am further mindful of the fact that we are at the Committee Stage of the Bill where only details should be addressed.

Honourable Deputy Chairperson, the Constitution of the Republic of Namibia vests in our President with specific duties and responsibilities.

Article 32 outlines the most critical duties and roles of the President. The President is also entrusted with numerous functions under a number of Acts of Parliament. In addition, the common law and customary law, as recognized under Article 66 of the Namibian Constitution, impose certain functions on the President. These responsibilities place additional demands and their implementation requires both human and financial resources.

Honourable Deputy Chairperson, Honourable Members, as a demonstration of the sterling leadership of His Excellency, Dr. Hifikepunye Pohamba over the years, our country continues to enjoy peace and stability. This has enabled the Government to implement Policies and Programmes aimed at advancing the national development agenda, and the improvement of the living conditions of our people.

In the fulfillment of his constitutional mandate, the President has engaged in consultations with various stakeholders, both inside and outside Government.

He also travelled to various parts of the country to gauge the implementation of Government projects and to familiarize himself with the challenges faced by communities in our country. It is the positive policies of our SWAPO Party Government that today, about 71% of our citizens are satisfied with the performance of the SWAPO Party Government. This is confirmed by the latest Afrobarometer results conducted by the Institute for Public Policy Research. Its results were released on Thursday 14 March 2013. This is a big achievement that will serve as a motivation to continue to address the socio-economic needs of our Nation. We are, however, fully aware that we are still faced with many challenges such as poverty, unemployment, lack of decent housing and rural development. These areas should continue to receive the attention of our Government.

Honourble Deputy Chairperson, Honourable Members, it is important to point out that Vote 01 is sub-divided into four Programmes in line with the Medium Term Expenditure Framework. The Programmes under Vote 01 have been reduced from five to four. This was done as part of the ongoing innovation and reforms to improve efficiencies in the administration of the Budget.

The Programmes under Vote 1 and the funds allocated to each of them are as follows:

Programme 1: Supervision and Support Services has been allocated an amount of **N\$330,016,591** (Three Hundred and Thirty Million, Sixteen Thousand, Five Hundred and Ninety-One Namibia Dollars).

Programme 2: Cabinet Administrative Support Management has been allocated an amount of N\$12,383,060.00 (Twelve Million, Three Hundred

and Eighty-Three Thousand and Sixty Namibia Dollars).

Programme 3: Protection of the National Constitution has been allocated an amount of **N\$52,097,001.00** (Fifty-Two Million, Ninety-Seven Thousand and One Namibia Dollars)

Programme 4: Democracy Consolidation and Promotion has been allocated an amount of **N\$15,576,348.00** (Fifteen Million, Five Hundred and Seventy-Six Thousand, Three Hundred and Forty-Eight Namibia Dollars).

At the end of the Financial Year, the Accountability Report will indicate the extent of implementation of the aforementioned Programmes as well as the challenges encountered.

May I point out, Honourable Chairperson, that under Programme 4, support is provided to the Office of the Founding President in line with the *Former Presidents' Pension and Other Benefits Act*, 2004 (Act 18 of 2004).

This underscores the vital role that the Founding President, and indeed the future Former Presidents of our Republic will continue to play in consolidating the culture of democracy, the rule of law and constitutionalism in our country.

Technical, logistical and administrative support is also provided to the First Lady of our Republic, Madam Penexupifo Pohamba, to carry out her outreach and advocacy role for the benefit of vulnerable communities in our society. Our First Lady held wide consultations with Traditional and Community Leaders countrywide on the Prevention of the transmission of HIV/AIDS from Mother to Child, with specific focus on the involvement of men. The initiatives have benefitted many communities around the country.

It is important to also note that the First Lady has been active at the international level as President of the Organisation of African First Ladies against HIV/AIDS.

She attended international conferences on HIV/AIDS and other high level meetings convened by the United Nations and the African Union. As a result of her hard work, she was recognized as an Ambassador for Peace by the Universal Peace Federation.

Honourable DeputyChairperson, Honourable Members, we are proud that through his statesmanship, our President has steered our country with a steady hand. This has earned Namibia respect and admiration among the nations of the world. Today, Namibia is at peace with her neighbors and our international profile continues to grow, thanks to the leadership of our country's top diplomat, namely, our President.

Honourable Deputy Chairperson, Honourable Members, our President is charged with carrying out important national functions. In order to discharge these duties successfully and thereby keep our country on the path of progress, development, prosperity, peace and stability, I urge all Honourable Members of this august House to give our President and his support staff, the means to do so.

I, therefore, humbly request you Honourable Members, to support and approve the total allocation of **N\$410,073,000.00** (Four Hundred and Ten Million and Seventy-Three Thousand Namibia Dollars) in respect of Vote 01.

Of this total allocation, an amount of **N\$236,573,000.00** (Two Hundred and Thirty-Six Million, Five Hundred and Seventy-Three Thousand Namibia Dollars) is earmarked for the Operational Budget, while the remaining **N\$173,500,000.00** (One Hundred and Seventy-Three Million, Five Hundred Thousand Namibia Dollars) is earmarked for the Development Budget. I Thank You.

HON DEPUTY CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: I thank the Honourable Minister.

Vote 02 – "OFFICE OF THE PRIME MINISTER" N\$356,933,000.00 put for Introduction. Honourable Deputy Prime Minister.

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HON DEPUTY PRIME MINISTER: Honourable Deputy Chairperson of the Whole House Committee, I will present the Introduction of the Vote on behalf of the Prime Minister and the Office of the Prime Minister. Honourable Members, just briefly, the motivation on Vote 02 will be distributed to you for detailed information.

Comrade Deputy Chairperson of the Whole House Committee, Honourable Members of the National Assembly, it is my distinct honour and privilege to present to the National Assembly the Motivation for the budgetary allocation of Vote 02: Office of the Prime Minister, for the 2013/14 Financial Year.

Honourable Members, the Office of the Prime Minister is requesting a Budget Allocation of **N\$356,933,000** (Three Hundred and Fifty Six Million Nine Hundred and Thirty Three Thousand Dollars) for approval for the 2013/2014 Financial Year, which is an increase of **N\$105,933.000.00** compared to the Budget Allocation for the 2012/2013 Financial Year.

The proposed Allocation is requested to execute seven main Programmes and Activities as follows:

Programme 1:

Policy Coordination and Support Services:

The Office is requesting an approval of **N\$110.3 million** (One Hundred and Ten Point Three Million Dollars). This amount includes the following:

- **N\$40.9 million** (Forty Point Nine Million Dollars) is allocated to NIPAM as part of its subsidy towards its Operational Expenses;
- An amount of **N\$4.3 million** is allocated to Electronic Data Records Management Systems (EDRMS) for licensing, operational and consultancy fees;

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- **N\$2.3 million** (Two Point Three Million) is allocated to training, workshops and HIV/Aids awareness campaign; and
- The remaining **N\$62.8** (Sixty Two Point Eight Million) is allocated to maintenance of buildings, transport costs, water and electricity and office administration expenses.

Programme 2:

Government Leadership Administration and Coordination:

An amount of **N\$37 million** (Thirty Seven Million Dollars) is requested for approval. Included is this allocation are the following:

- **N\$3 million** (Three Million Dollars) for the empowerment of the San Education Support Programme and infrastructure development;
- **N\$1 million** for the construction (One Million Dollars) for the construction of accommodation facilities; and
- **N\$1.1 million** for the Heroes day Commemoration and funerals amongst other activities.

Programme 3:

National Disaster Management:

An amount of **N\$53.4 million** (Fifty Three Point Four Million Dollars) is proposed for approval and is going to be utilised as follows:

- An amount of N\$42 million (Forty Two Million Dollars) is allocated to the National Emergency Disaster Fund's account of which N\$22 million (Twenty Two Million Dollars) is part of the reinvestment for the funds used in the Kunene Region in 2012; and
- An annual allocation of **N\$20 million** (Twenty Million Dollars) for the capitalization of the National Emergency and Disaster Fund.

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- Namibia Redcross Society is allocated **N\$3.9 million** (Three Point Nine Million Dollars) for operational costs;
- An amount of **N\$48.2 million** (Forty Eight Point Two Million) is proposed for the construction of the two Disaster Risk Management warehouses.

Programme 4:

Public Service Management:

An allocation of **N\$99.8 million** (Ninety Nine Point Eight Million Dollars) is requested and of course the two main activities to be carried out are:

- Human Resources Management and
- Public Service Reform Initiatives

Programme 5:

Constitutional Obligation of the Public Service Commission:

An allocation of **N\$20 million** (Twenty Million Dollars) is being requested for approval.

Programme 6:

Public Service Information Technology Management:

An allocation of **N\$28.2 million** (Twenty Eight Point Two Million Namibian Dollars) is requested for approval.

Programme 7:

Governance and Performance Monitoring of State-Owned Enterprise Governing Council:

An amount of **N\$8** million (Eight Million Namibian Dollars) is being requested for approval.

Comrade Deputy Chairperson of the Whole House Committee, Honourable Members of the National Assembly, may I now request this discuss expenditure House and approve the N\$356,933,000.00 (Three Hundred and Fifty-Six, Nine Hundred and Thirty-Three Thousand Namibian Dollars) as set out in the schedule of the 2013Appropriation Bill of the Office of the Prime Minister. I thank you for your kind attention.

HOUSE ADJOURNS AT 15:44

HOUSE RESUMES AT 16:25

HON DEPUTY CHAIRPERSON OF THE WHOLE HOUSE **COMMITTEE:** The Whole House Committee is called to Order. The Honourable Deputy Prime Minister has set the trend in terms of time management, I hope the rest of us will follow suite with the Motivations.

Vote 04"OFFICE OF THE **AUDITOR-GENERAL" N\$89,044,000.00** put for Introduction. Honourable Minister of Presidential Affairs.

MINISTER OF PRESIDENTIAL AFFAIRS AND ATTTORNEY-GENERAL: Thank you very much, Honourable Deputy Chairperson. Honourable Chairperson of the Whole House Committee, I rise, once again, to motivate Vote 04, "Auditor-General". It is now common knowledge that in terms of the Namibian Constitution, the Office

of the Auditor-General is the ears and eyes of the Nation when it comes to reporting the manner in which State funds are used. Most of its work is technical and, therefore, does not require detailed Motivation.

This august House has received volumes of tabled Reports of Offices, Ministries and Agencies. It has also received volumes of Reports of Parastatals, Regional and Local Authorities. These Reports were tabled by the Honourable Minister of Finance. The Public Accounts Committees of both the National Assembly and the National Council have been reviewing these Reports on behalf of Parliament. Against this background, the Office of the Auditor-General contributes to the national objectives of our Government by making the best use of Public resources, through auditing. This also promotes accountability and transparency through compliance with the *State Finance Act* of *1991*.

The Office of the Auditor-General has set itself a number of targets during the 2013/2014 Financial Year. It has a target to finalize Thirty-Two (32) Government Audit Reports and One Hundred and Thirty-Two (132) accrual based Audit Reports.

The Office also intends to finalize seven specialized Audit Reports, for example, three Performance Audits, two Follow-up Performance Audits; one Environmental Audit; and one Forensic Audit.

In addition, the office will conduct One Hundred and Twenty (120) asset inspections throughout the country. Where possible, the asset inspections will also include Namibia's missions abroad.

I am pleased to report that after some unavoidable delays, the Head Office of the Auditor-General will be completed during the current Financial Year.

In the 2013/2014 Financial Year, the Office has set itself two main Programmes. The first Programme involves Public Expenditure Oversight. Apart from the Audit Reports already referred to, this Programme will ensure compliance with international standards; implement strategic plan objectives; develop and implement annual plans;

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reduce outsourced audits; ensure that performance agreements are developed and signed by all audit staff; and conduct quarterly reviews on performance agreements.

Honourable Chairperson, an amount of **N\$50,595,000.00** (Fifty Million, Five Hundred and Ninety-Five Thousand Namibia Dollars) will be required to implement this Programme.

The second Programme involves Supervision and Support Services. The Office will strive to, inter alia, achieve the following goals: finalize the drafting of the *Audit Bill*; implement the annual training Programme; and provide logistical and technical support services to the Auditor-General.

For this Programme an amount of **N\$38,449,000.00** (Thirty-Eight Million, Four Hundred and Forty-Nine Thousand Namibia Dollars) is required.

Honourable Deputy Chairperson, in order to enable the Office of the Auditor-General to achieve its goals, financial resources will be required. I, therefore, humbly request this august House to approve the expenditure of **N\$89,044,000.00** (Eighty-Nine Million, Forty-Four Thousand Namibia Dollars) in respect of the Office of the Auditor-General. I thank you.

HON DEPUTY CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: Thank you, Honourable Minister.

Vote 30 – "ANTI-CORRUPTION COMMISSION" N\$48,581,000.00 put for Introduction. Honourable Deputy Prime Minister you have the Floor.

HON DEPUTY PRIME MINISTER: Thank you Comrade Deputy Chairperson of the Whole House Committee.

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Comrade Deputy Chairperson of the Whole House Committee, Honourable Members of the National Assembly, The Anti-Corruption Commission being a statutory body, has a separate Vote as required by Law to carry out its functions independently. Details information on the 2012/2013 financial activities have been provided in the Motivation of Vote 30, 2013/2014 for perusal by the Honourable Members.

Comrade Deputy Chairperson of the Whole House Committee, Honourable Members, the proposed allocation for the 2013/2014 Financial Year to the Anti-Corruption Commission amounts to **N\$48,581,000.00** (Forty Eight Million, Five Hundred and Eighty-One Thousand Namibian Dollars). The Medium Term plan requires the Commission to spend the requested funds under three main Programmes. For that reason the Commission is proposing the Approval of the following expenditure for its Programmes:

Programme 1:

Investigations of Allegations of Corruption:

An amount of **N\$2,350,000.00** (Two Million Three Hundred and Fifty Thousand Namibian Dollars) is proposed for approval.

Programme 2:

Corruption Prevention:

An amount of **N\$3,200,000.00** (Three Million, Two Hundred Thousand Namibian Dollars) is proposed for approval.

Programme 2:

Coordination, Management and Support an amount of **N\$43,031,000.00** (Forty Three Million, Thirty-One Thousand Namibian Dollars) is proposed to keep the institution functional, relevant and to be ready to carry out its functions as stipulated in Section 3 of the *Anti-Corruption Act*, 2003.

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Comrade Deputy Chairperson of the Whole House Committee, Honourable Members of the National Assembly, the Majority of Namibians will agree that the Anti-Corruption Commission has proved itself to be a very a important instrument in the fight against corruption and corrupt practices. Thus funding its activities have become a necessity and a must. Surely, we expect a thorough discussion on the Vote, however, in the final analysis we beg to Move that the House approves a total of **N\$48,581,000.00** (Forty Eight Million, Five Hundred and Eighty-One Thousand Namibian Dollars) as provided for in the schedule of the 2013 *Appropriation Bill* for the Anti-corruption Commission. I thank you for your kind attention.

HON DEPUTY CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: Thank you. I shall report progress and ask leave to sit again.

ASSEMBLY RESUMED

Progress reported and leave given to sit again.

HON SPEAKER: The Secretary will read the Second Order.

RESUMPTION OF RATIFICATION: PAN-AFRICAN POSTAL UNION CONVENTION INSTRUMENTS

RATIFICATION OF PAPU CONVENTION HON NAMBAHU

SECRETARY: Resumption of Debate on Ratification of the Pan-African Postal Union Convention Instruments.

<u>HON SPEAKER:</u> When the House adjourned on Tuesday, the 3rd of April 2013, the Question before the Assembly was a Motion by the Honourable Minister of Information and Communication Technology. The Honourable Deputy Minister of Justice had the Floor.

HON DEPUTY MINISTER OF JUSTICE: Thank you, Comrade Speaker. Before I concluded the other day, I was actually trying to make a point on the objectives, by saying that this organisation will help us as Africans to harmonise our position and to be agenda-setters rather than just participating on the terms and conditions set by others and not being organised to influence the agenda of the day.

I have had regard to the Instruments; although I am not very much impressed by the drafting style. Article 3 on Page 24 on the Administrative Council reads as follows in Subparagraph (2): "The twenty members of the Administrative Council shall be distributed among the regions as follows: Six for the Western Region, five for the Eastern Region, four for the Central Region, three for the Southern Region and two for the Northern Region." I am not too sure what these regions consist of and why these numbers were allocated, such as three for the Southern Region. Does this refer to the SADC Region or what criteria were used to allocate these numbers? Maybe the Minister could provide clarity to reassure us as to why these numbers were allocated.

Article 12 on Page 27 states; "to designate where necessary experts for specific studies, subject to approval by the Council." Do these studies also include research or will we just continue to participate in studies, while we do not allocate funds for research as such, in order to develop and being in a leading role as far as technology is concerned?

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RATIFICATION OF PAPU CONVENTION HON KAAPANDA

My last observation refers to associate membership. Article 32 contains the definition of associate members. "Any corporate or Civil Society Organisation or Organisations involved in postal activities, including training institutions..." I would like to know whether this is going to be limited to African Civil Society or is it generally open to anyone who can form a Civil Society to become a member? It is not as explicit as it should be and it is worrying, because there is an international trend to include these non-state actors in state-sponsored or signed conventions. Inasmuch as the obligations are spelled out here, we should be clear on whom we include and what role they will play, because for the most part we do not even have the funds to pay our subscriptions as Africans and when these people come on board, they sometimes even pay for our air tickets and then we have to sing to their tune. Africa has to start maturing and grow to new heights. Some people are representing their States, but are being backed by their own Civil Societies, but because they are based in Africa we think they are Africans and have the interest of Africa at heart. That is an area where we should be concerned and seek clarity because this trend is worrisome and is actually a dangerous one.

Books have been written about global governance, that if people, powerful as they are, fail to get what they wish from the United Nations, they force us through Civil Societies to adopt positions that we would not have adopted as independent and Sovereign States.

With these remarks, I support the Convention and its Instruments. Thank you.

<u>HON SPEAKER</u>: Any further discussion? None. Does the Honourable Minister of Information and Communication Technology wish to reply?

HON MINISTER OF INFORMATION AND COMMUNICATION TECHNOLOGY: Thank you, Comrade Speaker, Honourable Members. I would like to thank all the Honourable Members for having shown interest in this Instrument, particularly those who supported the

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Instrument. I will attempt to answer some of the questions that were posed in the following manner:

Comrade Speaker, the Instrument on the Floor of Parliament comprises of four components; the first component is the Convention which is the supreme and fundamental act of the Union. The second component is the detailed regulations of the Convention which outlines, amongst others, representation at Conference and functions of the Conference of Congress, requirements and the function of the Secretary-General and Assistant Secretary-General and the financial aspects of the Union. The third, is the rules and procedures of the Administrative Council of the Union, specifying among others procedures of conducting meetings, voting and documentation. The fourth component is the staff rules and regulations which embody the fundamental conditions of service, rights and duties and obligations of the staff of the Union. In other words, all these four elements constitute the Convention and Namibia has to ratify this Convention in this form.

I would like to answer the second question in the form of giving the structure of the Postal Union so that the Honourable Members can understand and also appreciate the importance of ratifying this Convention, which was questioned by *Honourable Tjihuiko*.

Firstly, we have the Universal Postal Union, which is an umbrella body, an international body under which all the continental or regional postal services worldwide resort. In this context Africa is regarded as a region, not as a continent, by the classification of the Universal Postal Union.

Then we have the Pan-African Postal Union (PAPU), whose ratification is before us, which is a specialised agency of the African Union responsible for spearheading the development of postal services in Africa.

Furthermore, we have a Southern Africa Postal Operators Association (SAPOA), which is only for the SADC Member States.

The importance of PAPU is for the purpose of organising the African Postal Union, in order to have once voice expressing the interests of the

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African Postal Union and when we attend the meetings of the Universal Postal Union, which is a global body, we do so as one body representing the African interest. Therefore, we speak with one voice.

When we attend PAPU, which is an umbrella body for the African postal services, SAPOA does so as a region and speaks with one voice to articulate the interests of the SADC Region.

The third question dealt with penalties that might be imposed on member countries which fail to live up to their membership fee contributions. Article 23(3) of the Convention states that: "Any Member State whose contributions to the Union are in arrears for two consecutive years shall forfeit its right to vote and to be voted for and the right to technical assistance that are due to member countries." This is the penalty that can be imposed on a country which fails to pay their dues for two consecutive years.

Article 27 stipulates that: "The Conference may decide by two-thirds majority of votes cas,t to suspend a member state that does not for three consecutive years honour its financial obligation to the Union."

The third question relates to the membership fee and one of the Honourable Members wanted to know how much Namibia will be paying as membership fee to this organisation. Members are required to pay an annual contribution calculated on the basis of the budget approved by the Council and endorsed by the Plenipotentiary Conference held after every four years. The annual contribution for 2012/2013 is US\$24,000 per country.

There was also a question with regard to what is perceived as unlimited benefits of the Secretary-General. Yes, it sounds like that, but what is contained in this Instrument has been approved by Member States. Any Amendment that Namibia might deem necessary could only be effected if Namibia becomes a member and moves a motion at the Conference, and if Namibia has the support of a two-thirds majority, then an Amendment can be effected.

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There were quite a number of questions that have been raised that, of course, we cannot answer at this stage. If we have the desire that some of the issues in the Instrument need to be either adjusted or formulated differently, we cannot at this stage make any Amendment since Namibia hitherto is an outsider. We are not a member until we ratify the Instrument.

With this attempt to respond to the questions, I rest my case, Comrade Speaker.

HON SPEAKER: I thank the Minister. You say that is the best you can do under the circumstances, Honourable Members, but one usually hopes that everything is in order before you make a commitment to join. However, I suppose the nature of the Convention is such that unless you are a member, you have no influence.

HON MINISTER OF INFORMATION AND COMMUNICATION TECHNOLOGY: Comrade Speaker, this Instrument was scrutinised by the Attorney-General, as we always do.

HON SPEAKER: Any further discussion? Honourable Tjihuiko.

HON TJIHUIKO: Honourable Speaker, thank you very much for the opportunity to make a last comment. I appreciate what the Honourable Minister has said and I believe that the Honourable Minister by saying, "I rest my case" has also come to terms with the reality that it is not the right time for us to ratify this Convention.

Honourable Speaker, if we look at the benefits the Honourable Minister

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has just mentioned, I believe the only reason why the Honourable Minister has tried to convince us to ratify this is so that Africa can speak with one voice – nothing less, nothing more, and because of that we spend over N\$200,000 a year. It is not good enough. I feel we should shelve this and spend the money on something that is needed now. Please, Honourable Minister.

HON SPEAKER: I now put the Question, that the Motion be adopted. Any objections? Agreed to. The Convention is therefore ratified. The Secretary will read the Third Order of the Day.

RESUMPTION OF DEBATE: MOTION ON AIR NAMIBIA

SECRETARY: Resumption of Debate on Air Namibia.

HON SPEAKER: When the House adjourned on Wednesday, the 27th of February 2013, the Question before the Assembly was a Motion by the Honourable Von Wietersheim. Honourable Nyamu had the Floor and he may now continue.

HON NYAMU: Honourable Speaker, I was gratified to notice a convergence of views from both sides of the House regarding Air Namibia as a burden to the Nation. I think there is consensus on this issue, that Air Namibia has become a very heavy burden to our country and that if we do not do anything now, we will transfer this burden to our children and our grandchildren infinitely.

I mentioned in passing that some twenty years back I raised the prospects of Air Namibia and I remember that at least two of my Colleagues at the time...(Intervention)

HON DEPUTY MINISTER OF GENDER EQUALITY AND CHILD

WELFARE: May I ask my Honourable Epupa a question? Honourable Epupa, Air Namibia has been in existence before 2007. Have you mentioned that before or only after 2007?

HON NYAMU: Thank you very much for your question. I was literally answering your question before you posed it, that some twenty years ago I tried to advise my Colleagues that this business venture called Air Namibia has no prospects and I gave them my reasons some twenty years back and the defenders of Air Namibia were telling me that it is a necessary venture because it carries the National Flag around and falsifying the reality that it brings tourists here.

First of all, I think we should separate politics from business and learn from other countries. Look at how the great rising star of China has done despite its political ideology of socialism or communism. China is using market-related forces to advance its economy and to trade with the rest of the world. It is a primitive concept to mix politics with economics or to mix business with politics. It is primitive and we should learn to separate the two. When the call comes for us to show our nationalism or patriotism, it does not have to come through business dealings and ventures. We should find another way of expressing ourselves. If you want our flag to be recognised and respected throughout the world, we should use other cheaper means of doing that than pumping billions and billions every year into this bottomless pit.

Frankly speaking, we are doing ourselves a disservice. Let us separate emotionalism from business dealings and I must also state here that it is not proper for Members of Parliament to grade themselves by how

to charge you extra.

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patriotic they are. One or two of my Colleague here the other day were telling us how patriotic they are and, therefore, they support Air Namibia. If we start grading ourselves on how patriotic we are and grade others by how unpatriotic they are, we are just creating chaos in our minds.

I believe there is consensus in this country that Air Namibia has no prospects. We already know the past, it has been a disaster and in my view their prospects for the future are dim completely as well. We must gather courage and come up with a new solution. Maybe the Government should establish a commission to study the future prospects of Air Namibia, a commission with independent experts which will advise the Government what to do with this outfit we call Air Namibia, which has been a demise. Since its inception it has not been functioning as a prospective business. If we want to ignore this, we are only doing this at our own peril. (Intervention)

HON DEPUTY MINISTER OF DEFENCE: Comrade Speaker, on a Point of Information. I want to inform the public out there that the Honourable Member who is criticising Air Namibia is always travelling with Air Namibia from Eros to Ondangwa, from Eros to Katima. I do not know why he now wants Air Namibia to be abolished. Further information is that currently Air Namibia has their own aeroplanes, therefore, let us encourage them, Honourable Nyamu, that now you are no longer working for the owners of those of aeroplanes which you were hiring and then we will see if there are prospects or they are going to fail. We must also stop flying South African Airways and other foreign airlines. That is the information to Honourable Nyamu and I will tell them

HON NYAMU: On the contrary, I am not proposing that we should not have domestic flights. Air Namibia can share the burden with another airline, rather than only the Government carrying the burden. The commission I am proposing can come up with several proposals. I am not

saying Air Namibia should not have domestic flights, but mind you, Air Namibia is more expensive than any other airline in the area. The fact that I fly Air Namibia is perhaps because I have no choice, but it is more expensive than other airlines in the region. (Intervention)

HON DEPUTY MINISTER OF FISHERIES AND MARINE RESOURCES: May I ask Honourable Nyamu a small question? Honourable Nyamu, I understand you have many cattle and you are the fifth richest person in Namibia. Since we are seeing signs of a looming drought, do you mind selling maybe thirty head of cattle and make a contribution to Air Namibia?

<u>HON NYAMU</u>: Thank you for your question, Honourable Member. With time I will consider your proposal, but I am saying, Colleagues, this is not a partisan issue, it is a national issue for which we do not need division for the sake of division. We all want to solve the problem for the sake of our country and as I said, future generations.

This airline is a bottomless pit and unless somebody comes up with a new formula which will persuade us that there are prospects to revive this dead asset, we do not have to continue. I believe we have time to change, even to revitalise Air Namibia. They always say they have a new business plan, but unless somebody will convince me that the Government itself will development that business plan and sell it to Air Namibia, rather than the opposite, I will not agree with their new strategies and all these things. What new strategies? They just want money because they know they are not even required to pay it back, therefore, it is a cheap way of getting Public money and if we are not careful, the future generation may hold us responsible for reckless business dealings. (Intervention)

HON DINGARA: May I ask a small question to Honourable Nyamu? The Honourable Member is saying the Government itself should development a business plan, but the other day he said it is not a SWAPO Government, it is a Government for all the people and the President yesterday here invited the Members to go to the State House and offer to advise to our Head of State, now it is clear from what he is saying that RDP is not part of the Government. Therefore, it means he now agrees that it is a SWAPO Government as he is not considering himself to be part and parcel of the Government.

HON NYAMU: Thank you for correcting me, maybe I should have said the Cabinet or Executive, maybe that will satisfy the Honourable Member. (Intervention)

HON MEMBER: It is led by SWAPO.

<u>HON NYAMU</u>: It is true, the Cabinet is led by SWAPO, I have never denied that, however, it is not a SWAPO Government but is something else.

I am strongly proposing that the Cabinet constitutes a commission to study the future prospects of this airline. We have made mistakes in the past, we have built infrastructures which are now dead infrastructure and the Minister of Works will bear me out that we have dead assets and it is costing us because we are maintaining them without bringing any income. Air Namibia is not only a dead asset, it is an expensive dead asset. (Intervention)

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HON DEPUTY MINISTER OF JUSTICE: May I ask a small question? Honourable Nyamu, you pointed out that Air Namibia is more expensive than any other airline. Could you inform the House and the public as to what the role of the travel agencies is in making this airline so expensive if you are privy to the way the travel agencies are operating?

Secondly, now that you are addressing the issue of it being a non-profitable venture and while I agree with you, I do not condone any malpractices or mismanagement or irresponsibility. Are you also prescribing to the notion that in any society there are going to be areas where business has to be carried out without any profit to be made and as a result the Private Sector may not be interested because there is no profit to be made? However, that function has to be carried out and if there was no profit for the Private Sector, is there going to be profit for the Government? Are you saying we should refrain from undertaking ventures in any Sector where profits are not to be made even if society is in need of such service?

<u>HON NYAMU</u>: Thank you, Honourable Member. Regarding your first question, I must confess that I do not know who fixes the prices of air tickets, whether it is the travel agencies or the airlines, but I stand by my statement that if today you enquire about prices of air tickets to Europe, you would find that Air Namibia is more expensive than South African Airways and others. That is a fact.

In further explaining, how other airlines, such as Ethiopian Airways have succeeded in Africa, and Kenyan Airways, the two dominant airlines on the continent, is because they have links to other airlines, other investors. Those two airlines fly all over Africa, all over the world, Asia, Europe and so on. The burden is not carried by their Government, it is a burden shared with the rest of the world. We can keep the name Air Namibia and even the Flag, but share it with somebody to carry the burden. You can even keep 50% of the shareholding, it is possible if you negotiate or even 40%.

When I was a Deputy Minister I flew to a certain country in Africa with another Minister and the Prime Minister. When we got to certain destinations some people came to us whispering, "have you come to collect your commission?" I asked, "what commission?" "Because you just bought an aircraft." I think it was the first aircraft for the Head of State, the Lear Jet. I asked, "what are you talking about?" They said, "no, you have just acquired that jet, you get commission through a certain Political Party in Europe." I said, "maybe I am the only one in the delegation who does not know that we came to collect commission."

What I want to demonstrate here is that air business is also dirty business. There is a lot of commission when these airlines hire or buy aircraft. We may be subsidising commission for other people as this is one Industry which is highly corrupt globally. (Interjections). I am just telling you the truth. (Intervention)

HON SHIXWAMENI: May I ask my senior Colleague a small question? It is good that you are talking about commission. I hear some Ministers being referred to as Mr Ten Percent, Mr Fifteen Percent. What is the percentage of commission that you guys collected?

<u>HON NYAMU</u>: Honourable Speaker, we are free to speak, we are protected by law in Parliament, so nobody is going to take me to Court tomorrow as I am speaking under protection.

The last question is directed towards the Ministers, I do not know whether they are the Ministers dealing with the airline or Ministers dealing with finances, but there is this element of commission in the airline business. (Interjection). I said I did not see that commission and I am not speaking for those who were in my delegation, I am speaking for myself. I did not get or see that commission. This is a very serious matter...(Intervention)

HON DEPUTY MINISTER OF JUSTICE: Comrade Speaker, just a question. Given the serious nature of the allegations being made by the Honourable Member, I would rather want to pose a question whether he has circumstantial or concrete evidence at his disposal to make these kinds of allegations and when they went out there, he did not specify whether they were officials or politicians and whether he can summon witnesses to that effect. I would rather want him to circumscribe to a certain line of argument and substantiation because it is so dangerous and so castigating for us to leave it like that. I do not think it should be left like that, I think it is too serious a statement to be made in these circumstances. When we are hearing about Mr Ten Percent, we should have enough *locus standi* to make such kinds of statements.

<u>HON NYAMU</u>: I do not think anybody should have fears. If you know you have not committed any wrongdoing, you should leave it at that and I mentioned that it was the delegation in which I was when I was in the Government. I was referring in a way to myself, not to you or to others, especially the latecomers. (Intervention)

HON DINGARA: Can I ask a small question? I want to know from Honourable Nyamu, because now he is the richest man in Namibia and he attended an event where a commission was to be collected. Was he rich that time or did he become the richest man in Namibia after that trip?

HON NYAMU: I will try to avoid commenting on the richest man in Namibia. Sometimes they say the second-richest man, others say the fifth-richest man. What I can say is that those who are interested in my wealth are welcome to undertake an investigation into how I got so rich and I would welcome if Members of Parliament are part of that delegation. I myself know the reason and where the lies emanate from, but it is politics. Somebody just decided that they are going to the Internet

and the media and that was a stab in the back, but if there is somebody who is interested, follow it up, go further, find out how rich I am and how did I get those riches. So, let us not make too much of a joke about it, otherwise I may have to take you to Court if you repeat it outside the House. (Laughter)

Honourable Speaker, twenty years back I pleaded with my Colleagues in Government to seriously look at the fate of Air Namibia and I was told in patriotic and jingoistic fashions about the Flag and everything. I stand by my earlier position, that let us not mix economics with politics. I thank you.

HON SPEAKER: Thank you. Honourable Tjihuiko.

HON TJIHUIKO: Thank you very much, Honourable Speaker. Honourable Speaker, I like to fly Air Namibia because of the service you are getting and the atmosphere. It is one of those airlines that you feel comfortable with and at home when you are flying, but that is not good enough, there are problems that we need to address and seriously consider.

If you fly from Windhoek to Accra or Zimbabwe I guarantee you that that plane will be half-full. To Angola it is quite full. If you fly to Johannesburg with Air Namibia, it is half empty. If you decide to fly to Frankfurt, you should make sure that you do not have appointments that same day because you do not have the guarantee that you will get there on time, it can easily be delayed. So, there are specific areas in Air Namibia that need to be looked at seriously and I think that boils down to one thing and one thing only – that is management.

Air Namibia is not just a plane, we are trading in the Airline Industry, we need to do things the way others are doing. If we have a principal of a school, somebody who has never been to school and you want that person to run to school, you will never succeed. Do not take an economist or a

teacher to run the Airline Industry. With all your PhDs it will not work. (Intervention).

HON NEHOVA: May I put a question to Honourable Tjihuiko? Honourable Tjihuiko, what do you think is the fundamental problem here? Is it the management of the airline or is it the nature of the aviation business? Which one is which?

HON TJIHUIKO: Honourable Member, the Aviation Industry is a very, very technical Industry, it is not one of those industries which anyone with a degree can run. You need specific skills to run that Industry.

Now there is this attitude of saying that you can appoint anybody to be the Chief Executive Officer with a good staff complement to support that specific person. That is not the way to do it. The problem with Air Namibia is a management problem. (Intervention)

HON MINISTER OF AGRICULTURE, WATER AND FORESTRY:

Honourable Speaker, our Rules strictly forbid the abuse of this august House with gossip about people who are not here, who cannot defend themselves and, therefore, I would like to advise the Honourable Member on the Floor to stick to the facts and the principles that we are discussing and not individualise the problems we have at hand.

HON TJIHUIKO: Honourable Speaker, I think I am in Order, I am not mentioning any names and if we are talking about the management of the Ministry of Works or the Ministry of Agriculture, we are not talking about Honourable Mutorwa, we are talking about the infrastructure, we are talking about the office, the institution. (Interjection). I do not know

whether the Managing Director is a school principals, if that is the case then you are now telling me. What I am saying is that when we look at technical institutions, we should consider that it is very important.

Secondly, Honourable Speaker, I am saying this because if one looks at Air Namibia, how many turnaround strategies have not been developed? How much money did we spend on these turnaround strategies? As I am talking to you now we have not seen a single one, but we have spent millions on this. Why is it that they are not being implemented? The reason is that if you put Tjihuiko there to run that Industry, I will not understand the technicalities and I will not implement that turnaround strategy. Make me the Minister of Trade now, I would turn around the whole economy, but not Air Namibia. (Interjections).

HON DEPUTY MINISTER OF GENDER EQUALITY AND CHILD

WELFARE: On a Point of Information. Last week Tjihuiko was talking about reconciliation with other Political Parties. Why do you not reconcile with Air Namibia?

HON TJIHUIKO: It is a good comment and I take note of it. I am very much concerned about these turnaround strategies that we have developed, I think three of them, and I would appreciate if the Minister responsible can one day tell us why these turnaround strategies are not being implemented. We spent money on that. That tells you something, if you spend money on a study and the study produced is being filed straightaway. You are appointing a consultant to develop a strategy, you pay for this one, you appoint another consultant to make the report of the first consultant readable, then you appoint another consultant to look at the language of the report, you pay all of them and no report will be produced. There is no report, so that is what happened.

For us to continue pumping money into Air Namibia the way it is now, N\$1.6 billion, we can spend N\$10 billion, you can throw another N\$100

billion into Air Namibia, it will not solve the problem. The problem will be solved once we come down to the reality and accept the fact that we are not experts in this Industry. Let us buy expertise. (Intervention)

HON MINISTER OF JUSTICE: May I ask Honourable Tjihuiko a question from a business perspective? Your Political Party also had a turnaround strategy, but instead of increasing you are decreasing all the time in Parliament. It is always producing diminishing returns.

<u>HON TJIHUIKO</u>: Honourable Speaker, the Honourable Minister was saying that he wants to ask me a business question, then the question is a political one. Therefore it cannot be answered.

Let me come back to Air Namibia, I was saying that even the most industrialised countries do not have all the expertise on hand. Whether it is China, whether German or the US, they are still buying expertise from outside. We must accept the fact that we do not have the necessary expertise to run Air Namibia successfully. Instead of continuing pumping money into Air Namibia, let us go out there and buy expertise. Let us employ those experts in Air Namibia so that they can make use of and implement these turnaround strategies. We did that in the past.

Let me give you an example. After Independence we got a soccer expert from Germany who turned the Brave Warriors around and it became a factor in African football. That is expertise that you can buy in each and every Industry, but let us face it, as much as we are trying to employ whoever – and I do not want to get into conflict with the Minister of Agriculture – let us go out, identify the right person, let the person come and turn around this Air Namibia. (Interjection). We fired him, you named the person now. Let us bring this expert and have an understudy so that he can train a proper person in that Industry. After fifteen years this person will take over and we will have an Air Namibia that is sustaining itself, not the way you are doing it, doing it the way NUDO is proposing

you should do. That should be the best way to go about it.

Before I conclude, Honourable Speaker, I have learned one thing and that is that money does not solve problems. You can put money into any Industry or any problem, you will not solve the problem with money, you can only solve the problem with right thinking, proper planning. Billions and billions were thrown at Air Namibia, no results. The billions and billions that you are throwing into Education, no results. Why? (Intervention).

<u>HON NYAMU</u>: May I ask a question? In stating the obvious, that money alone cannot save these failed enterprises, are you in other words saying that all the Ministers who have been responsible for administering our money have perhaps betrayed this Nation in respect of Air Namibia? They have betrayed us by supporting this unsuccessful venture.

HON TJIHUIKO: I have never been a Cabinet Minister, but my understanding of the role of Ministers is that they are implementing Cabinet decisions and not their own decisions. (Intervention)

HON MINISTER OF YOUTH, NATIONAL SERVICE, SPORT AND CULTURE: Honourable Member, if a Member was elected by the people to lead the country to prosperity and this Member later on turns his back on the people and become the Opposition, is that not a betrayal? If it is a betrayal, did such a Member betray the Nation?

HON TJIHUIKO: Honourable Speaker, let me conclude by saying that Air Namibia should be flexible. I remember that some Colleagues and I

were returning from Frankfurt and had a connecting flight, eighteen of us.

I am talking about tourist, people that we want to bring into this country, I am talking about the reason we are claiming that we have Air Namibia, is to bring foreigners into Namibia. They knew that the plane would be delayed with something like ten, fifteen minutes, but what did they do? They closed the doors and told us we are late. A ground hostess was saying, "whether you are Parliamentarians, whether you are Ministers, I just do not care." Mind you, the other better run and better organised airlines will never, I guarantee you, will never leave connecting passengers behind because you are late with ten minutes, no ways. (Intervention)

HON MINISTER OF MINES AND ENERGY: If you are flying to Germany, there is a likelihood that the flight will be delayed. Now you are accusing the airline of being on time just because you are late. What contradiction is that?

HON TJIHUIKO: Honourable Minister, I know that you fly regularly but you do not look at these things. The Airline Industry as it is, you can be late with ten minutes and it will catch up, it is normal. What I am saying is that if you go to Frankfurt and you fly Air Namibia, the plane will be late for three, five hours. I had the experience where we were delayed in Frankfurt for five hours. I had the experience where we had to sleep in Frankfurt and I think half of you had the same experience, it is only that you are pretending that it is not true.

<u>HON SPEAKER</u>: I ask the Right Honourable Prime Minister to adjourn the House until tomorrow morning.

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04 April 2013

<u>RT HON PRIME MINISTER</u>: I Move that the House adjourns until tomorrow morning, 09:00.

HOUSE ADJOURNS AT 17:45 UNTIL 2013.04.05 AT 09:00

NATIONAL ASSEMBLY ASSEMBLY CHAMBERS WINDHOEK 05 APRIL 2013

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 Amathila.

ANNOUNCEMENT

HON SPEAKER: As announced on Wednesday, 27 March 2013, the MVA Fund has extended an invitation to Honourable Members of Parliament to participate in a corporate sports day by playing a seven-aside soccer exhibition on Saturday, 6 April 2013 at 07:30 at the Eros Primary School sports ground against Executive Leadership from the State-Owned Enterprises. Please confirm your participation in the soccer exhibition match at the Clerks at the Table before we adjourn today. We are also still waiting for a Member of Parliament who would like to take on the challenge as convener/coach of the Members of Parliament soccer team, to prepare the team for the upcoming match between Members of Parliament and the Diplomatic Corps that usually take place on of 25th of May as part of the Africa Day Celebrations.

HON SPEAKER: Any Petitions? Reports of Standing or Select Committees? Any Reports and Papers? Notice of Questions? Notice of Motions? Chief Whip.

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NOTICE OF MOTIONS HON PROF KATJAVIVI

MOTION ON BUSINESS OF ASSEMBLY

HON PROF KATJAVIVI: Honourable Speaker, I Move without Notice, that the proceedings on Votes 01, 02, 04, 09, 23, 26, 29 and 30 of the *Appropriation Bill* be, in terms of Rule 90(c) of the Standing Rules and Orders, not interrupted if still under consideration at 12:30. I so Move, Comrade Speaker.

HON SPEAKER: Will the Honourable Member please table the Motion? The Secretary will now read the First Order of the Day.

RESUMPTION OF COMMITTEE STAGE: APPROPRIATION BILL [B.1 – 2013]

SECRETARY: Resumption of Committee Stage – *Appropriation Bill* [B.1 – 2013].

<u>HON SPEAKER</u>: 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. I now call on the Deputy

Speaker, the Chairperson of the Whole House Committee to take the Chair.

ASSEMBLY IN COMMITTEE

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HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE:

The Committee has to consider the *Appropriation Bill* [B.1 - 2013]. When progress was reported yesterday, Votes 01, 02, 04 and 30 had been introduced.

Vote 09 – "FINANCE", N\$3,261,261,000.00 put for introduction. Honourable Minister of Finance.

HON MINISTER OF FINANCE: Thank you very much, Honourable Chairperson and Honourable Members for allowing me to present my Vote at the start of today's deliberations.

I rise to present a Motivation for the allocation to Vote 09 of the Ministry of Finance for the 2013/2014 Financial Year. This allows me an opportunity to provide a summary account on the utilisation of the resources allocated in the previous Budget and also on the Programmes for the Medium Term Expenditure Framework period.

The Ministry of Finance, as I have indicated, has set itself targets in regard to the accuracy of revenue forecast, expenditure levels, deficit level, debt stock, interest payments and the level of contingent liabilities that are within sustainable levels. In this regard the Ministry has achieved all of these targets with expenditure levels remaining within 40%, deficit – way below 7% and debt stock, as I have indicated also within the set benchmarks, as well as interest rate payments. With regard to contingency liabilities, we also are well below the benchmark that we had set. I, therefore give assurance that the Fiscal situation of our State

remains sustainable.

I would now like to give a summarized indication of the Ministry's performance for the 2012/2013 Financial Year, firstly in the area of tax policy and administration reform.

Tax Policy and Administration Reforms:

The Ministry has started with the implementation of the reform programme and in this regard an upgrade of the Inland Revenue structure was approved by Public Service and we have started to implement this with recruitment already started. In this regard, a new Directorate to deal with large tax taxpayers is created and a dedicated mining tax office is being established under that Directorate.

A special project office to coordinate and drive the tax reform programme is being set up with the process of staff recruitment already commenced. We have also managed to fill the position of the Commissioner of Inland Revenue through a secondment of staff from the Bank of Namibia in the new time. This will provide strengthened oversight over the Inland Revenue Department.

Honourable Members, as you are aware, we have introduced a process of legislative review last year already through which a number of *Tax Amendment Bills* were presented to this House and approved in order to strengthen compliance with Tax Laws, improve tax administration and introduce new sources of revenue.

The tender for development of the Integrated Tax Administration System (ITAS) has been awarded in 2012 and the implementation will commence in this Fiscal Year. This will significantly improve the administration of taxes.

After wide consultations with stakeholders, the Ministry has now finalised proposals for an export levy on raw materials and environmental levies. Both legislations will be tabled in Parliament during this Financial Year. A draft transfer duty Amendment Bill, imposing transfer duty on

sale of shares in companies holding properties and mineral rights, has also been finalised and is being reviewed by legal drafters, also to be presented to this House this year.

The Ministry undertook investigations on the proposed presumptive taxation for the Small and Medium Businesses, options for strengthening voluntary VAT registration as well as a review of the double taxation agreement frameworks in order to come up with a policy. All of these are finalized.

A special initiative has been set up within the Ministry to address tax arrears with a dedicated taskforce established to develop guidelines and procedures to deal with arrears.

An additional regional office was established to cover the Caprivi Region, while another 8 new satellite offices have been established in different parts of the country in order to improve the outreach of the Department of Inland Revenue.

The tax education campaigns have been launched and we started in this august House during the previous Financial Year. This campaign is ongoing, and serves to enhance the understanding of all taxpayers on tax issues.

Customs and Trade Facilitation:

The Ministry has continued to improve infrastructure for customs offices and staff accommodation at various border posts. Coupled with this, we commenced engagement with Botswana to establish a One Stop Border Post at Trans-Kalahari Border Posts in order to enhance the efficiency in cross border trade management.

The installation of scanner equipment progressed well with a total of 7 scanners having been deployed at 7 entry points and another 4 sites are set to be equipped with scanners during this Financial Year.

Financial Sector Development:

A 10-year strategy for the development of the Financial Sector and its corresponding action plan has been launched.

We have also finalised Amendment Bills for the Financial Institutions and Markets and presented the said Bills to Members Parliament. This Bills will now be subjected to legal drafting during the course of this year and thereafter be tabled in Parliament. During this year, we also intend to formulate regulations and guidelines in order to operationalise the new Laws. Regulations 15 and 28 have been reviewed and a new regulation 29 has been drafted and will be gazetted in a matter of weeks. These reforms will improve the administration of the Financial Sector and help reverse the outflow of our capital.

In the area of regional integration, the Ministry coordinated our country's participation in the on-going SACU reforms including the review of the revenue sharing arrangement and the implementation of the SACU vision and its strategy.

Public Finance Management:

The Programme Budget has been successfully rolled out to all Offices, Ministries and Agencies and our charts of accounts have now been aligned to allow for reporting on programme basis.

In order to enhance public finance management, the review of the *State Finance Act* and the drafting of the *Auditor Bill* has been finalised and as I indicated, will be subjected to legal drafting during the course of this year and presented to Parliament.

In order to enhance Public Finance Management and expenditure management and control, Treasury introduced additional measures so as to keep spending within allocations that are approved by Parliament.

Debt Management:

Following the issuance of a debut US\$500 million Eurobond in 2011, an R850 million JSE listed bond was successfully issued in 2012.

Government intended to introduce a retail bond in 2012, to encourage participation of small savers in Government securities. However, proposal so far received for the execution of this activity involved very high costs which would make the pricing of the retail bonds non-competitive. As a result, we have decided to defer the issuance of this bond until a more feasible solution to implement it has been found.

Namibia also secured a new investment grade rating from Moody's Investor Services of Baa3 and reaffirmation of the Fitch rating of BBB-(triple B minus).

Procurement:

With regards to Public Procurement, the Draft Public Procurement Bill is finalized, it is with the legal drafter and is scheduled to be tabled in Parliament during the course of this year. We are embarking on a public education campaign in procurement and are, in this regard conducting various workshops in different Regions of the country. We are also conducting workshops for Line Ministries to enhance the understanding of the procurement rules.

Alongside that, we will continue to develop the regulations for the new Procurement Law in order for the said Law to go into operation as soon as Parliament approves it. During last year, we also reviewed the regulations under the existing *Tender Board Act* in order to ensure that it is responsive to our empowerment needs, our desire to optimize local sourcing and the requirement for national standards in Public Procurement. This means that we have already started implementing most of the things that will be introduced through the revisions that we have applied to the regulations under the existing Law.

A dedicated procurement reform project has been set up and staff recruitment for this project has commenced. The project will coordinate the implementation of the new procurement legislation including the development of the regulations.

For the next Financial Year as has been indicated, the Ministry is seeking N\$3,261,261,000.00, for 2014/2015 N\$3,268,984,000.00 and for 2015/2016 N\$3,332,941,000.00. The resources are to be allocated to the following Programmes:

Programme 1:

Economic Policy Advice: N\$6.5 million is sought for the next Financial Year.

The main activities under this Programme will include the development of Macroeconomic Framework and the Fiscal Policy Framework for the Budget as well as the conducting of economic researches as would be required in cooperation with the National Planning Commission and the Bank of Namibia.

We would under this programme also implement the Financial Sector development strategies that has been adopted in the previous year.

Further, the revised model for macro-economic and revenue projection will be developed. We have in fact, already started with this process, amongst the many activities under this Programme.

Programme 2:

Revenue Management: N\$493.4 million is sought for the next Financial Year.

These resources will be used to implement the adopted tax reforms that I have previously alluded to, including the operationalisation of the new upgraded structure of the Inland Revenue Office and strengthening of staff

capacity. It would also include the installation and application of the new integrated tax system (ITAS) that I have also referred to earlier.

We will continue with our tax education campaigns and roll them out to all parts of the country in order to enhance understanding and improve tax compliance.

Programme 3:

Government Expenditure Management: We are seeking N\$303.1 million for this Programme for the next Financial Year.

These resources will be utilized for amongst others:

- continue with expenditure review of Offices, Ministries and Agencies following on a successful conduct of the expenditure review on Vote 10, Ministry of Education.
- undertake necessary reforms in our Integrated Financial Management System to make it more responsive to growing needs of OMAs, and also to align its reporting capability to international best practices.
- finalise an audit of the payment cycle in order to improve the payment system.
- continue with capacity building programmes for financial management in different O/M/As. The Treasury Department will also be strengthened through staff recruitment who will perform treasury audits at O/M/A's to enforce compliance with Financial Laws.

Under this Programme, a provision of **N\$250 million** has been made for contingency during the current Financial Year to cater for emergency circumstances including the imminent drought.

Programme 4:

State Asset and Liability Management: We are seeking **N\$2.2 billion** for this Programme for the next Financial Year.

Some of the activities under this Programme includes:

- The development of the asset register that already started last year.
- We will also continue with our SOE management programme, specifically those SOEs resorting under the Ministry of Finance. We already started with the signing of subsidy agreements with all SOEs that are receiving subventions under the Budget, where they resolve under the Ministry of Finance. In the next Financial Year, we are intending to conclude the governance During this Financial Year, we shall conclude governance and performance agreements with all the SOEs under the Ministry.
- We are also going to undertake improvement in the administration of the Medical Aid for Public Servants, where we continue to face challenges with regard to the abuse of the system by some of the Service Providers in collusion with some Civil Servants.

Programme 5:

Support to Public Procurement Administration: I have already indicated the activities that would be undertaken under this Programme for the next Financial Year. However, one of the most important ones, besides the operationalisation of the new Laws when it is approved by Parliament is, is the introduction of a new IT system that will enable us to implement e-Procurement so that we can advertise online and people can submit their tenders online.

Programme 6:

Support Services to the Ministry: This entails providing a wide range of logistical support to the Ministry including:

- The acquisition and installation of IT system for various Departments.
- The management of human resources, including the provision of training both formal and in-service training, for its staff members, in order to enhance efficiency and service delivery by the Ministry.

I have tried very hard to summarise because I understand that the Honourable Members have heeded the call that I made for us to be brief so as to expedite the process of approving the Budget, however, the activities of the Ministry are so extensive. I hope that I did not spoil the trend that has been set so far. The details of my motivation are contained in the statement that I will circulate.

Therefore, with these remarks, Honourable Chairperson, Honorable Members, I implore the House to render their support to the Ministry of Finance to obtain the amount of **N\$3,261,261,000.00** for the next Financial Year. I thank you.

HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: Thank you.

Vote 26 – "NATIONAL PLANNING COMMISSION", N\$166,147,000.00 put for Introduction. Honourable Minister of Presidential Affairs.

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL: Thank you very much Honourable Chairperson of the Whole House Committee. I rise to motivate Vote 26, National Planning Commission (NPC). The NPC is a technical institution which does not require detailed Motivation.

In terms of Article 129 of the Namibian Constitution, the main constitutional functions of the NPC are to plan the priorities and direction

of national development. The NPC is, further mandated to:

- Spearhead the identification of Namibia's socio economic development priorities;
- Formulate short-term, medium-term and long-term national development plans;
- Develop monitoring and evaluation mechanisms to ensure effective implementation of the national development plans; and
- Evaluate the effectiveness of Government economic policies.

The NPC is also responsible for the coordination of Official Development Assistance (ODA), capital projects and has an oversight responsibility over the National Statistics Agency (NSA). I would like to first highlight major outputs achieved in the areas of development planning, and policy formulation, surveillance and monitoring, resource mobilization and data collection.

The main achievement was the finalization of the Fourth National Development Plan (NDP4). The Government has adopted a more focused approach for implementation of the Plan with emphasis on the three high level objectives, namely, sustainable economic growth, employment creation and reduction of income inequality. It is important to note that NDP4 is not only a Government owned plan, but it is also a holistic agenda which requires participatory approach by both the Public and Private Sectors.

Honourble Chairperson, Honourble Members, the NPC has successfully completed the design of the computerized National Integrated Monitoring, Reporting and Evaluation System. This is a computerised system designed for the monitoring and evaluation of the National Development Plans and formulation and monitoring of the annual National Development Budget. The system was rolled out to all Offices, Ministries and Agencies. It was used for the preparation of the Development Budget for 2013/2014 to 2015/2016 Medium Term Expenditure Framework.

Officials from the Offices, Ministries and Agencies were trained to operate the system. I have no doubt that the system will reduce the workload, save on time, and encourage continuous engagement among Offices, Ministries and Agencies.

The NPC also focused on the monitoring and evaluation of NDP4. The Plan requires that there shall be a bi-annual report prepared which should be submitted to Cabinet. The first bi-annual report on the implementation of NDP4 was submitted to Cabinet in November last year.

In the area of resource mobilization, the NPC managed to raise grants to the amount of N\$ 1.423 billion during 2011/2012 financial year. A fully fledged Official Development Assistance Database was developed. This will make it much easier to track development assistance.

The Namibia Statistics Agency made good progress towards the production and dissemination of critical statistics. These include the production of annual national accounts, quarterly GDP statistics, quarterly trade statistics, monthly consumer price index, provisional result of the 2011 Population and Housing Census, the 2009/2010 Income and Expenditure Survey and two poverty reports.

Honourable Chairperson, Honourable Members, the NPC has five main Programmes. **The first programme is known as Supervision, Coordination and Support Services.** This Programme renders support services to the NPC.

The main activities under this Programme include managerial oversight, maintaining and safe keeping of computerized information system, and system administration. An amount of **N\$38,109,000.00** (Thirty-Eight Million, One Hundred and Nine Thousand Namibian Dollars) is requested for this Programme.

The second Programme is called macroeconomic planning. Its main objective is to facilitate the formulation and implementation of macroeconomic policies, research and development, as well as maintenance of macro modeling. The programme also ensures effective formulation, implementation and monitoring of the Development Budget

and National Development Plans.

The main activities during the 2012/2013 Financial Year involved the evaluation of the Third National Development Plan; finalization of the Fourth National Development Plan; formulation and production of economic research; and development of a macroeconomic model.

An amount of **N\$12,688,000** (Twelve Million, Six hundred and Eighty-Eight Thousand Namibian Dollars) is requested for this Programme.

The third Programme is Regional and Sectoral Planning and Policy Coordination. This programme involves economic planning and research at national and regional levels.

The Programme will continue with the roll out of NDP4 and oversee its full implementation. It will further ensure that those Sectors that did not finalize their five year sectoral execution plans will complete the exercise within the first quarter of 2013/2014 Financial Year. Furthermore, continuous monitoring will be carried out to ensure that Programmes and projects planned for the year are implemented without delay and that targets for the year are met.

The Programme will further embark upon social research and compile analytical reports on the country's performance in meeting social needs of our people. These Reports include updating progress made on the MDGs and Poverty assessments. Other responsibilities are to oversee regional planning in order to ensure that regional plans and Programmes are in line with NDP4. In this respect, NPC will engage all the Regions to ensure that their respective Strategic Development Plans are in line with NDP4. This will also include overseeing and coordinating budgeting and funding of regional Programmes and projects, engage Offices, Ministries, Agencies and other stakeholders in key Economic Sectors in order to assess strategic Policies and identify challenges.

Honurable Chaiperson, Honourable Members, an amount of **N\$12,387,000** (Twelve Million, Three hundred and Eighty-Seven Thousand Namibian Dollars) is requested for this Programme.

The fourth Programme involves Monitoring, Evaluation and Development Partner Coordination. The main activities of this Programme is to monitor, evaluate and report on Government performance at the national and sub-national levels, in line with the national development goals and objectives as stipulated in the NDPs. The programme also involves mobilizing, coordinating and managing development cooperation with development partners to augment funding for development purposes.

Resource mobilization strategy is one of the responsibilities of this Programme. The strategy is to ensure that the resource mobilization is clear, systematic, predictable and well coordinated.

An amount of **N\$46,982,000** (Forty-Six Million, Nine hundred and Eighty-Two Thousand Namibian Dollars) is requested for this Programme.

The fifth programme is the Namibia Statistics Agency. The Namibia Statistics Agency was established with the sole mandate of serving as central statistical authority and the central repository for all official statistics produced in Namibia. It is, inter alia, responsible for collection, production and dissemination of official statistics and spatial data, as well as the coordination of the National Statistics System.

This Programme will ensure the production of credible official statistics and spatial data and coordination of Namibia Statistics System. It is also tasked to ensure the production of timely statistics for evidence based planning and decision making, as well as monitoring the implementation of NDP4 and other national Programmes.

The Agency will publish thematic reports on mortality, fertility, migration, spatial distribution and urbanization, household and housing conditions.

An amount of **N\$55,981,000.00** (Fifty-Five million, Nine hundred and Eighty-One Thousand Namibian Dollars) is requested for this Programme.

Hounorable Chairperson, Hounorable Members, I humbly request this august House to consider and approve the Budget of **N\$166,147,000.00**

(ONE HUNDRED AND SIXTY-SIX MILLION, ONE HUNDRED AND FOURTY-SEVEN THOUSAND NAMIBIAN DOLLARS) for the Programmes of the NPC. I thank you.

HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: Thank you.

Vote 23 – "WORKS", N\$596,083,000.00 put for Introduction. Honourable Minister of Works and Transport.

HON MINISTER OF WORKS AND TRANSPORT: Thank you, Honourable Chairperson of the Whole House Committee Honourable Members.

May I extent our gratitude as a Ministry for this opportunity to introduce to this august House Vote 23 for the Department of Works for the 2013/2014 Financial Year.

Vote 23 caters for the provision of institutional facilities, office accommodation, housing, as well as the management and maintenance of Government properties. Under this Vote, the Department of Works also renders essential services to Offices, Ministries and Agencies with regard to the implementation of Capital Construction Projects on the Development Budget, the provision of standard stock and material supplies as well as printing services and the maintenance of garden infrastructure and equipment, to mention just a few.

Honourable Chairperson of the Whole House Committee, Honourable Members, let me highlight some of the activities, which the Department of Works has undertaken to bring about improvement in service delivery.

During the 2012/2013 Financial Year, the Department successfully managed a variety of ongoing capital construction projects on behalf of

Line Ministries worth in excess of N\$400 million. **The typical construction project cycle** is currently under close scrutiny so as to streamline the many activities. Offices, Ministries and Agencies are being sensitized on budgeting within the Development Framework.

The analysis assignment will highlight known and unknown causes of delay affecting the implementation of capital construction projects by the Department of Works and all stakeholders participating in the erection of buildings for the Government of the Republic of Namibia. The Department endeavours to maintain the target of 80% for the 2013/14 Financial Year.

During the 2012/2013 Financial Year, the Department intensified efforts to receive on secondment a total of Ninety Seven (97) qualified and experienced professionals from Zimbabwe. Treasury and the Public Service Commission were approached to address the logistical arrangements. Thus far, a total of Sixty Five (65) professionals from Zimbabwe have been seconded to Namibia. Arrangements are being made to deploy five professionals to each Region. This exercise caters for various professional fields such as, Architecture, Civil Engineering, Structural Engineering, Electrical Engineering, Mechanical Engineering and Quantity Surveying.

The retention of Namibian Building Industry professionals and cultivation of Namibian Building Industry professionals is constantly being addressed in terms of market related salaries for the former and bursaries and understudy opportunities for the latter. The intention is to send candidates to Zimbabwe for further education in the various fields of study once the Memorandum of Understanding (MOU) have been signed by the two Countries.

A Bill to establish a Namibian Construction Industry Council and a Bill on the Architectural and Quantity Surveying Professionals, were both tabled in the National Assembly some time ago, but were withdrawn for further consultations. This exercise was done and the two Bills are now pending re-submission to the National Assembly again.

Honourable Chairperson of the Whole House Committee Honourable, Members, the exercise on the sale of non-assigned Government houses is approaching its final stage of implementation. The offers that are still outstanding are mainly for those houses that were erroneously transferred to the various towns during proclamation and now in a process of being rectified and returned to the Government and those on block ervens to be subdivided. During the 2012/13 Financial Year; 52 houses were sold and N\$6,048,300.00 was netted up to 31 January 2013. Since the implementation of the Scheme, 1,225 offers to sell were made to sitting tenants of which 137 offers are still pending acceptance or approval at financial institutions. In total 1,050 houses were sold countrywide, while 14 deeds of sale are still in a process of being registered at the Deeds Office. An amount of N\$197,071,812.00 was generated since the implementation of the Scheme in 2000.

The alienation of some houses was delayed due to the fact that some block ervens needed to be subdivided before offers can be made to the sitting tenants. The Department of Works has obtained Tender Board Exemption to appoint Town Planners to assist in the exercise. The Department of Works is currently busy attending to subdivisions of affected properties in Oshakati, Ondangwa, Katima Mulilo, Mariental, Keetmanshoop, Tsumeb and Windhoek. Thereafter valuations will be conducted by the valuators in the Ministry of Lands and Resettlement.

As the Honourable Members will recall, Cabinet adopted the decentralization policy in 1996 and launched it as a Government decentralization programme in March 1998, with a view to devolve some of the functions, responsibilities and resources of the Central Government to the Regional Councils.

The maintenance function within the Department of Works is among the functions that have been identified to be decentralized to the Regional Councils to speed up maintenance activities and enhance efficiency. It is within this context that the Department of Works under the delegation phase has officially handed over the maintenance function to the thirteen (13) Regional Councils.

In consultation with the Ministry of Regional and Local Government, Housing and Rural Development, the Ministry has developed criteria for the monitoring, evaluation and re-aligning of strategies governing the decentralization of the maintenance function under the Delegation phase and is now geared for Devolution to the Regional Councils during the 2015/2016 Financial Year.

Honourable Chairperson of the Whole House Committee, Honourable Members, Cabinet by its Decision No.22nd 1111.12.07 of 2008 already mandated all Government Offices, Ministries, Agencies and Regional Councils to establish their own Maintenance Units to cater for preventative maintenance. With reference to the Maintenance Management Framework approved by Cabinet, this includes the following routine maintenance activities:

Civil work: Clean gutters and gulleys from obstructions, replace wornout washers of leaking taps and toilet cisterns, attend to blocked sewer and drains, tighten loose screws or replace door locks and hinges, window handles and stays, broken window panes as well as other minor day-to day activities.

Electrical work: Replace blown bulbs and fluorescents, regular minor services to generator sets such as replacement of filters, oil, batteries, etc.

Mechanical work: Minor services to mechanical plants and installations such as the replacement of filters, oil, batteries, etc.

Hence I urge those Offices, Ministries and Agencies who have not yet created their own in-house Maintenance Units to do so, and to forthwith commence with the development of their internal maintenance strategies/policies as per the guidelines contained in the Maintenance Management Framework document applicable to users of Government facilities.

We simply cannot continue with the situation where Government buildings and schools remain for months, if not years, with broken window panes and door locks, leaking taps, blocked gutters and gulleys, broken chairs and tables. It is therefore imperative that a maintenance

culture with a sense of responsibility and accountability amongst users of Government facilities be created, and that Ministries make sufficient budgetary provision to cater for preventative and routine maintenance activities as well as to embark on an awareness campaign in this regard amongst their own staff members.

The Department of Works is ready to assist in training staff members recruited to these Units, as well as to assist in the overall technical supervision. At the same time, the Department will remain responsible for all other technical activities that do not fall under preventative maintenance such as:

- Major electrical, mechanical and civil repairs
- Repairs to electrical, sewer and water reticulations
- Major services on electrical/mechanical equipment
- Compilation of costs estimate and for renovations
- Recommendation for appointment of maintenance contractors
- Supervision of work executed by maintenance contractors
- Investigation into structural or other defects on buildings
- Regular quality inspections

It should be noted that budgeting on the Development Budget for major renovations, upgrading etc, remain the responsibility of Offices, Ministries and Agencies.

Honourable Chairperson of the Whole House Committee, Honourable Members, the collection of raw data from all thirteen Regions to compile a database on fixed assets is nearly completed and an electronic Property Manager Module to register and manage Government fixed assets on an Oracle Web base application has been developed, even though, customisation is still ongoing to improve the system before the final implementation.

With regard to the management of official accommodation of Government quarters and other fixed assets, I wish to state that the management of fixed assets has not been decentralized to the Regional Councils. Hence this function remains the responsibility of the Department of Works and

Regional Councils are only involved in coordinating and advising the Department on the management, control and utilization of the assets in their Regions.

It is important to inform the Honourable Members that all new allocation of official Government quarters to Public Servants was terminated in June 2006, due to the unavailability of accommodation as a result of the Alienation Scheme of some non-assigned Government houses to sitting tenants. This directive was communicated by means of a circular to all the Offices, Ministries and Agencies.

The Department of Works has through regular inspections identified tenants who were occupying Government quarters illegally and is in a process of arranging for the necessary legal actions to evict them from the flats and houses. Other tenants are accumulating huge outstanding municipal bills with regard to their monthly water and electricity consumption. The Department has requested the Local Authorities to cut services once a bill is exceeding **N\$2,000.00**.

The Department of Works is also in a process to approach Offices, Ministries and Agencies to urgently request affected employees in their employ to immediately settle their outstanding accounts with the relevant Local Authorities.

Failure to adhere to this request, or to make satisfactory arrangements by entering into an agreement with their Employers to create a Departmental debt whereby Ministries will then be paying on their behalf and deduct money from their salaries on a monthly basis until the debt is cleared, will result in staff members forfeiting their privilege to occupy Government accommodation. Staff members will then be given ninety (90) days notice to vacate, where after the accommodation will be offered to new tenants.

Honourable Chairperson of the Whole House Committee, Honourable Members, the division of Information Technology is rendering services such as Network services, Database Services, Technical Support Services as well as End User Support Services to the Ministry of Works and Transport's Head Office and Regional Offices. A feasibility Study to

connect the Government garages and Government stores to all the offices of the Ministry in the Regions has been completed. The division of IT is currently in the process of evaluating the tender for the setting up of a Local Area Network and data lines at these offices. The Ministry's IT division is still challenged by the lack of a proper help desk system to assist with usage and receiving new ICT equipment as well as accurate statistical recordkeeping of services requested and other IT related issues.

Honourable Chairperson of the Whole House Committee, Honourable Members, at this juncture allow me to introduce the total budgetary requirements for the Department of Works for the 2013/2014 Financial Year, which amounts to N\$596,083,000.00. From this amount, N\$561 317 000.00 which represents 94.17% of the Total Budget will go into operational activities. The remaining N\$34,766,000.00 which represents 4.83% of the Total Budget will be spent on capital related investments.

Let me now table the individual Programs for which the allocation of **N\$596,083,000.00** will be utilized.

PROGRAMME 1:

PROVISION OF HORTICULTURAL SERVICES TO GOVERNMENT OFFICE BUILDINGS AND SERVICE CENTRES:

The purpose of this Programme is to render gardening services to Government Office Buildings and service centres including; planning, layout, planting, watering, fertilizing, pruning, cleaning, general maintenance, supply and maintenance of pot plants, maintenance of swimming pools and providing advice for decorations during functions.

For this activity, I request an amount of **N\$8,136,000.00** under this Programme.

PROGRAMME 2:

PROVISION OF STORES AND PRINTING SERVICES:

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The purpose of this Programme is to facilitate the provision of office furniture, equipment and other materials and supplies as well as printing services to all Government Institutions, and the administering of auctioneering services for Government. The Programme also allows for budgetary provision to commence with the upgrading and renovation of the Government Central Nursery in Windhoek.

For these activities, I request an amount of N\$24,769,000.00 under this Programme.

PROGRAMME 3:

MAINTENANCE OF GOVERNMENT PROPERTIES:

The purpose of this program is to ensure sustainable and reliable maintenance and rehabilitation of existing Government property and related infrastructure to the best possible standard according to the availability of funds and priorities set by the Government of Namibia, and to improve working conditions for staff members of Offices/Ministries/Agencies of Government in order to operate more effectively and efficiently.

The Programme is to improve living conditions in both rural and urban areas in all thirteen Regions by providing sound environment management to Government facilities at far off remote places where municipal services are not provided by any Local Authority. Benefits will accrue to the local communities through use of the effluent for agricultural purposes, and improved health standards.

The service, maintenance and/or overhaul of water pumps and electrical generator plants as well as the design, upgrading and/or rehabilitation of existing specialised installations example boilers, cooling plants, lifts, sewer plants is also part of this programme in order to cater for municipal services in remote areas and to ensure sustainability of the electrical and mechanical reticulation and infrastructure at Government complexes.

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The Programme also caters for the budgetary provision of maintenance funds to be transferred to the various Regional Councils to execute their responsibilities in respect of the already decentralised maintenance function under the delegation phase.

For these activities, I request an amount of **N\$245,324,000.00** under this Programme.

PROGRAMME 4:

PROVISION OF OFFICE ACCOMMODATION REQUIREMENTS:

This Programme provides for the office accommodation requirements of all Ministries. Included in the amount required for this Programme is provision on the operational budget (utilities) for paying rates and taxes to Local Authorities is the amount of N\$28,241,000.00 while N\$114,152,000.00 provided for under Property Rental and Related charges will be used for financing of the rental of offices accommodation for Offices/Ministries/Agencies to ensure that Government Institutions have reasonable and adequate facilities to operate from.

The Programme further includes the purchasing of land for development, property assessment studies as well as the finalisation of the newly developed electronic Asset Register and a Property Management System. For these activities, I request an amount of **N\$155,455,000.00** under this Programme.

PROGRAMME 5:

GOVERNMENT CONSTRUCTION BUILDING REGULATION, COORDINATION AND SUPERVISION:

As the technical Department responsible for the implementation of all capital construction projects for both construction and renovation of all functional and institutional buildings, the purpose of this Programme is to successfully plan, supervise, monitor and finally hand over to Line

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Ministries completed capital construction projects, renovated Government buildings and suitable upgraded and properly maintained electrical and mechanical systems in buildings. The Programme is actively involved in regulating, coordinating and initiating building quality and technical standards to an average of 450 projects running concurrently during any given Financial Year.

Photo-Voltaic systems, allowing for basic power; lights and hot water, are installed and/or refurbished in existing Government schools and clinics in remote areas where there is no National electrification grid yet, and provision is made during the 2013/2014 Financial Year for the installation of photo-voltaic systems in the Oshana Region.

The Programme administers and regulates the Act on Professional bodies involved in the Construction Industry (Architects, Quantity Surveyors and Engineers) and supervises and monitors the construction work by contractors on Government projects including office buildings and service centres.

For these activities, I request an amount of **N\$59,556,000.00** under this Programme.

PROGRAMME 6:

SUPERVISION AND SUPPORT SERVICES:

The purpose of this Programme is to provide Administrative support services, including budgeting, accounting of personnel affairs. Another activity of the Programme is to provide and manage stable, reliable, sustainable and cost-effective ICT services and to establish and maintain a sustainable network infrastructure, the maintenance of computer software and hardware networking, maintenance and support.

The Programme is also to oversee all policies and operations related to Government building construction and maintenance as well as Transport, and to ensure that objectives are achieved and policies are properly implemented and to advice in the development of relevant policies in

accordance with legislation requirements and national objectives to the Ministry.

This Programme also oversee the implementation of the Ministerial Wellness Programmes to ensure that all staff members are well informed about deceases like HIV/AIDS and related illness as well as risks involved with the abuse of alcohol and risks associated with obesity etc.

For this activity, I request an amount of **N\$102,843,000.00** under this Programme.

Honourable Chairperson of the Whole House Committee, Honourable Members, in the light of the Programmes outlined above, I now humbly request this august House to approve the Total Expenditure of **N596,083,000.00** for the Department of Works, Vote 23.

I herewith conclude the Budget Speech for 2013/2014 for my Ministry on Vote 23 for your kind consideration. I thank you for your attention.

HOUSE ADJOURNS AT 09:57

HOUSE RESUME AT 10:30

HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: Thank you.

Vote 29 – "INFORMATION AND COMMUNICATION TECHNOLOGY", N\$678,695,000.00 put for Introduction. Honourable Minister of Information and Communication Technology.

HON MINISTER OF INFORMATION AND COMMUNICATION TECHNOLOGY: Thank you, Honourable Chairperson of the Whole House Committee.

Honourable Chairperson of the Whole House Committee, Honourable Members of the National Assembly, I rise to motivate Vote 29 of the Miistry of Information and Communication Technology.

The ICT sector plays an important role, notably by contributing to rapid technological progress, productivity and growth. The evolution of ICT in our country in recent years has transformed the Nation into an increasingly interconnected network of individuals, organizations, schools and government communicating and interacting with each other through a diversity of channels, thanks to Telecom Namibia.

During the 2012/2013 Financial Year, Parliament endorsed a Budget of N\$305,427.000 (Three Hundred and Five Million, Four Hundred and Twenty-Seven Thousand Namibian Dollars) for the Ministry of Information and Communication Technology (MICT)

As per our mandate and in line with our National Development goals and Vision 2030, MICT continues to implement its various Programmes and projects to make ICT Sector one of the main enabling pillars of the Namibian economy.

Programme 1:

Enhance the Free Flow of Information and to Ensure that the Media is Accessible to All Namibians.

The Ministry continued to disseminate Cabinet Decisions to the media with the aim to inform and educate the public about the Government Programmes, projects and activities as well as progress and achievements by the Government.

During the period under review, 50 press releases, media releases on Cabinet Decisions and advertisements on the commemoration and

celebrations of national events were disseminated to the public through the media. The Ministry further assisted Government Institutions to disseminate speeches, statements and media invitations to the media in our efforts to share Government information with the public.

MICT in collaboration with communities inaugurated a total of 6 new Multi-Purpose Community Centers (MPCCs) in the Oshana, Oshikoto and Hardap Regions during the past Financial Year, which brings to a total of 24 MPCCs established in the country since 2007. These centers are already equipped with ICT equipment including plasma screens, computers, printers and digital cameras.

Programme 2:

Improving the Understanding of Government Programmes and Policies.

Under this Programme, the Ministry printed 3000 copies of books on the Speeches of Hs Excellency, President Hifikepunye Pohamba's first term in Office. The books which were printed at a cost of N\$350,000.00 (Three Hundred and Fifty Thousand Namibian Dollars) are available at MICT. Some of these books will be sent to State libraries and national archives while others will be sent to all the 13 Regions of the country as well as to our Embassies and High Commissions around the world for free distribution.

MICT also published 6 (six) editions of the Namibia Review, a publication that focuses on the review of Government Policies, Programmes and development in the country. 4 (Four) editions of the Government Information Bulletin and 2 (two) editions of the Ministry's in-house newsletter, MICT Update, were also published and distributed to the public.

Programme 3:

Ensure Access to Information, Education and Communication through National Campaigns

As the Honourable Members may recall, MICT was mandated by Cabinet to implement the Nationhood and National Pride campaign which was launched in 2011. The campaign is aimed at enhancing the sense of nationhood and national pride in all Namibian citizens; to shun tribalism and further cultivate and consolidate peace, unity, stability, work ethics and desire to provide service delivery. It further aims to instill the spirit of belonging by guarding against acts of vandalism of public properties, violence against women and children, alcohol abuse, and to encourage the protection of our natural environment.

Programme 4:

Ensure That the Media Sector Benefits the National Economy:

The Ministry through the Namibia Film Commission supports, encourages and promotes the local Film Industry to ensure that it benefits our national economy.

During the 2012/13 Financial Year, 7 (Seven) short films were marketed at international festivals and 7 (seven) local projects were funded, which created 200 temporary jobs in the Khomas and Erongo Regions. The production of the major international film in Namibia, Mad Max, has created over 500 temporary jobs to local people and contributed over N\$374 million to the national economy. Recent media reports about the non-rehabilitation of the sites where the film was shot has been proven to be false and I, therefore, wish to call on all Namibians to support such like Projects.

Programme 5:

Increase the Beneficial Use of Information and Communication Technologies.

I indicated to this august House during the Budget Motivation of last year that the West Africa Cable System (WAGS) has landed at Swakopmund. I am happy to report that WACS has been successfully operationalised in May 2012. In addition to WACS, the national ICT back-bone

infrastructure now also includes leased fibre-optical capacity from Namibia Power Corporation (NamPower), following the successful facilitation by my Ministry between NamPower, Telecom Namibia and MTC.

A Technical Network Infrastructure Design for the upgrading of Government ICT infrastructure and expansion of intranet to the Regions have been designed to accommodate the WACS capacity. Such infrastructure will make it possible for the implementation of the e-Government project.

The Universal Service and Access Policy that provides for strategies and funding to roll-out ICT infrastructure and services to rural Namibia was passed by Parliament during the past Financial Year.

The *Use of Electronic Transactions and Communications Bill* was updated to include data protection and cyber security chapters as per the recently adopted model laws and guidelines from the African Union and SADC.

Following the low rating of Namibia on ICT by the World Economic Forum last year, the Ministry entered into a technical cooperation agreement with the United Nations Economic Commission for Africa (UNECA) to establish a national mechanism for ICT measurement and statistics. This will ensure that accurate, reliable and up-to-date national ICT statistics are available and provided to these international bodies.

PROGRESS MADE BY SOEs AND AGENCIES UNDER MICT

NAMIBIA PRESS AGENCY (NAMPA)

Honourable Chairperson, Honourable Members of this august House, in its efforts to increase news coverage countrywide, NAMPA opened another regional office in Otjiwarongo during the past Financial Year in order to cover Otjozondjupa and Oshikoto Regions.

The news Agency has ventured into the provision of audiovisual news services and is now producing news video clips and documentaries for online viewers and local and international television stations, as well as audio clips for the local radio stations. This has increased the local news content produced to over 300 stories per month. The Agency is also offering IT services to local public institutions and to SADC regional news agencies, mainly on acquisition of modern news and information processing systems to disseminate and exchange news in the SADC region.

NEW ERA

During the past Financial Year, New Era established a Regional Bureau for the Karas and Hardap Regions with an office in Keetmanshoop, in order to increase news coverage for those specific regions.

New Era Editorial Policy has been reviewed to improve in informing and educating the citizenry on Government Policies and Programmes. To this effect, New Era's local content has increased to a minimum of 250 stories per month.

With regard to the distribution of the newspaper, the number of copies circulated and sold per day has increased by 21% while the market share in advertising has increased by 18%.

NAMZIM (PTY) Ltd t/a THE SOUTHERN TIMES

In pursuance of its mandate, Namzim has established distribution points in Angola, Zambia, Botswana and South Africa covering a wider readership in these countries and beyond. Cost cutting measures were introduced by shifting the printing of the newspaper to Johannesburg, South Africa to double the print run at 75% of the local cost previously paid. The Newspaper has also introduced Portuguese pages to cater for Angolan/Portuguese readers.

NAMIBIA BROADCASTING CORPORATION (NBC)

Our National Broadcaster, NBC remains one of the important platforms to promote Government agenda, the democratic culture and nation building as it continued to inform and educate the citizens on issues of national importance.

NBC successfully launched the Digital Terrestrial Television (DTT) migration from analogue to digital television in December last year as per the SADC deadline. The country should, therefore, expect to embrace the benefits of DTT migration which includes better quality television images, freed up radio frequencies and more television channels for more choice.

On news and current affairs, NBC continued to improve its news content to inform the Nation on what is happening around the country and beyond. NBC has replaced its ageing news editing system with a state of the art digital news editing system.

With regard to entertainment and news, the national public broadcaster has acquired Programmes through agreements with South Africa's eNews Channel Africa (eNCA), China Central TV, and CNBC Africa. Regional Partnership agreements were also forged with the Zambian National Broadcasting Corporation and the Zimbabwean Broadcasting Corporation in the interest of Pan-SADC co-operation.

MTC

As a strategic imperative, MTC co-invested in WACS during the past Financial Year, with the view to provide broadband connectivity for its internet users. During the past year, MTC invested an amount of US\$15 million in the WACS and US\$10 million on the associated national fibre optic networks, which is critical for its future 4G services.

The Government through MTC has drummed up initiatives to ensure that ICT is at the forefront of rural development. To this end, MTC has introduced a pilot concept of Netman Centres (ICT Containers) which is already implemented in the settlement of Otjinene in the Otjozondjupa

Region. These Centres which are subsidized by MTC and managed by the local communities provides internet services, and allow customers to procure MTC products and services as well as offering fax and photocopy facilities.

TELECOM NAMIBIA

With the landing of the WACS at Swakopmund, Telecom Namibia is now providing high Internet bandwidth to the country. Furthermore, Telecom provided the Ministry of Works and Transport with internet installation infrastructure and backhaul at its 42 Civil Aviation sites including those in remote areas throughout the country, while wireless broadband connectivity was provided to the Ministry of Home Affairs and Immigration at its 10 remote border posts to enable the Ministry to ensure proper immigration control via real time links to its databases in Windhoek.

NAMPOST

During 2012, NamPost invested an amount of N\$15 million (Fifteen million Namibian Dollars) for the upgrading of its banking system to improve customer service delivery and to achieve its financial inclusion objective. As attested to by the FinScope survey of 2011 that was released last year, access to banking in Namibia increased from 45% in 2007 to 62% in 2011. Of the 15 countries in Africa that participate in the survey, Namibia now ranks 2nd to South Africa that is standing at 63% inclusion as per 2011 survey. Further strategic interventions by NamPost are expected in the next three years to give further impetus to the Government's vision of financial inclusion as articulated by the Cabinet Committee on Financial Inclusion and the Namibia Financial Sector Strategy: 2011/2021.

Honourable Chairperson, Honourable Members, before I proceed with the Budget request for 2013/2014, I deem it necessary to share with this august House, the main strategic interventions to be implemented by the SOEs under my Ministry's ambit who are not receiving budgetary assistance from the Government.

The Communication Regulatory Authority of Namibia (CRAN) through consultation with stakeholders will provide advisory support for the formulation the Broadband Policy for Namibia, which will provide for the roll-out of broadband service at affordable prices, realistic speed and quality services to rural areas. The implementation of this policy will go hand-in-hand with Universal Service Access Policy and projects.

Telecom Namibia will expand the Optical Transport Network (OTN) throughout the country during the current financial year to better provide high speed internet connectivity to the Namibian population.

The Government IT infrastructure is currently being upgraded to handle the increased WACS capacity and to improve intra-governmental e-Communications with the ultimate aim to launch full-scale e-Government services.

At the same time, Telecom Namibia will implement the national Point of Presence (PoPs) in all the 13 Regions to offer free internet access to all Government Institutions countrywide for the next five years to connect the regional Government service hubs which are provided by the Office of the Prime Minister and the Ministry of Regional and Local Government, Housing and Rural Development. This will enhance the Government's decentralization Programme.

For the Financial Year 2013/2014, the Ministry of Information and Communication Technology has been allocated an amount of **N\$678,695.000.**00 (Six Hundred and Seventy Eight Million, Six Hundred and Ninety-Five Thousand Namibian Dollars). In summary, allow me to highlight how MICT will undertake and implement the following Programmes:

Programme 1: ICT Infrastructure Development

Under this Programme, an amount of **N\$79,401,000.00** (Seventy-Nine Million, Four Hundred and One Thousand) is earmarked for the development of e-Waste Management Policy, the completion of the DTT Policy guidelines, update of the Broadcasting Policy and the completion

of Information Policy. The Ministry will oversee the setting up of the Universal Service Fund (USF) as per the *Communications Act* of 2009.

My Ministry will spearhead the hosting of the 5th SADC Digital Broadcasting Migration Forum from the 15th to the 17th April 2013 following the adoption of the SADC Roadmap on Broadcasting Migration by the SADC Ministers responsible for ICT. The forum will review the implementation of the SADC Roadmap by the SADC Member States and address some of the challenges that are facing Member States in the implementation of the Roadmap.

During this Financial Year, the Ministry will start with the construction of 6 (Six) of its Regional Offices in the Omaheke, Ohangwena, Omusati, Oshikoto, Kavango and Erongo Regions to address the current shortage of office space.

Programme 2: Market Namibia to Attract International Investments

For this Programme I requested an allocation of **N\$34,273,000.00** (Thirty-Four Million, Two Hundred and Seventy Three Thousand Namibian Dollars. Under this Programme, the Namibia Film Commission plans to aggressively encourage the development of a filming culture in Namibia and ensure that local films are screened to the Namibian people at no cost.

In order to attract major foreign film productions to Namibia, NFC has put in place programmes to offer incentives while at the same time market Namibia as a preferred film making destination on the international market. Furthermore, high level discussions are on course with a number of stakeholders such as Namibia Tourism Board, Ministry of Trade and Industry, Ministry of Environment and Tourism as well as the Ministry of Home Affairs to strengthen cooperation and aggressively market Namibia to the international world to make our country competitive in Africa.

Programme 3: Enhance Performance of the SOEs and Institutional Bodies

An amount of **N\$450,785.000.00** (Four Hundred and Fifty Million, Seven Hundred and Eight Five Thousand) is allocated under this Programme and will be implemented as follows:

- An amount of N\$17 million (Seventeen Million Namibian Dollars) is earmarked for NAMPA to be able to implement its activities for 2013/2014 Financial Year which include the introduction of public relations services to complement its current product output, and to undertake its property development project as part of the income generation in order to reduce financial dependency on Government.
- An amount of N\$7 million (Seven Million Namibian Dollars) is allocated to New Era. During this Financial Year, New Era in conjunction with NAMPA and other stakeholders plan to set up a joint venture printing press in order to save on printing cost and generate income. Plans are also underway to develop Ongwediva Office Park in the Oshana Region to further generate additional revenue.
- For NAMZIM, an amount of N\$7 million (Seven Million Namibian Dollars) is allocated for this Financial Year. This will assist Namzim to increase its presence in the SADC region by opening three new offices in Zambia, Angola and Botswana and open up new market in other countries in the region in order to cover issues pertaining to the Region's development more effectively; to increase the newspaper readership and increase revenue.
- For NBC, an amount of **N\$411,785,000.00** (Four Hundred and Eleven Million, Seven Hundred and Eighty-Five Thousand Namibia Dollar) is allocated for this Financial Year to be able to convert the country from analogue to digital broadcasting, as well as to execute its mandate in terms of the *Broadcasting Act*. I am pleased to inform this august House that plans are at the advanced stage to introduce a dedicated channel for Parliamentary

proceedings by May 2013 to bring Parliament proceedings live to all the Namibian viewers.

For the Namibia Film Commission Fund, an amount of N\$8
million (Eight Million Namibian Dollars) is allocated for the
development and marketing of the Film Industry to the local and
international arena in order to promote the Namibian Film Industry
in general.

Programme 4: Improve Human Resource Capacity

Under this Programme, an allocation of **N\$24,229,000.00** (Twenty-Four Million, Two Hundred and Twenty-Nine Thousand Namibian Dollars) is requested.

The Namibian Government will be hosting the 2013 International e-Learning Africa Conference in May 2013. The Conference is co-hosted with the Ministry of Education and provides the opportunity for showcasing Namibian development in ICT and Education.

Programme 5: Production and Dissemination of Multimedia Information

For this Programme I requested an amount of **N\$43,729,000.00** (Forty-Three Million, Seven Hundred and Twenty-Nine Thousand Namibian Dollars) to be able to publish and disseminate the Ministerial publications, namely; Namibia Review, Government Information Bulletin and the MICT Update, disseminate Cabinet releases as well as implement the Copyrights Service Amendment.

Programme 6: Promotional Materials for Nationhood and National Pride

For this Programme an amount of **N\$12,739,000.00** (Twelve Million, Seven Hundred and Thirty-Nine Namibian Dollars) is requested.

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As I have indicated earlier, the Nationhood and National Pride campaign has been launched countrywide and the Ministry will now start with the rollout of outreach activities which will include visits to schools and communities; radio and TV adverts, dramas and the production of promotional and multi-media information materials.

Honourable Chairperson, Honourable Members of this August House, in light of the above, I humbly submit Vote 29 to the tune of **N\$678,695,000.00** (Six Hundred and Seventy-Eight Million, Six Hundred and Ninety-Five Namibian Dollar) for your consideration. I thank you.

<u>HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE</u>: I thank the Minister.

Vote 01 – "OFFICE OF THE PRESIDENT" put for Discussion. Any discussions? I recognise, Honourable Shixwameni.

HON SHIXWAMENI: I really do not have much to say on this Vote, I think we have said it all when the President himself was here, but I only have a small question.

As our Country's top Diplomat, we are all aware of the developments that are taking place on the Korean Peninsula, a situation which might turn out to be very serious and very dangerous. I would like to know from the Minister of Presidential Affairs and Attorney-General, given our close relationship with the Peoples Democratic Republic of Korea, whether we are involved in advising our friend. It is said in our culture that when you see a person close to you wanting to torch his own house, you stop him from torching his own house. I want to know whether we are involved in any efforts at all to try and calm down that situation so that it does not escalate.

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HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: Honourable Moongo.

HON MOONGO: Thank you, Honourable Chairperson. I was impressed by the speech of the President which this year, was not similar to the other years. I was impressed when he called upon the Opposition to consult him. However, what disturbs me is that when there are burning issues, traditionally you do not approach your superior, but you should be invited.

Given a burning issue such as drought in the country, the President's Office is supposed to call the Headmen to discuss the drought as the people are starving.

HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE:

Honourable Moongo, you are Out of Order.

HON MOONGO: The President addressed drought.

HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE:

How can the Minister of Presidential Affairs and Attorney-General answer that question which you were supposed to have put to the President when he was here?

HON MOONGO: There are burning issues, such as the ex-detainees and many others who want to meet to solve their problems; however, the Minister of Veterans Affairs and the President are quiet. I know the

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Chairperson wants to force me not to mention my other points, therefore, I mention only two of them, namely drought and ex-SWAPO detainees who need to be heard. When are you going to listen to them and negotiate? The President said the door is open for negotiations but he does not want to talk to the ex-SWAPO detainees who have a serious burden. I thank you very much.

HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE:

Honourable Witbooi.

HON WITBOOI: My intervention is on Page 4. Honourable Chairperson, Honourable Members, let me first congratulate the First Lady, Honourable Madam Penexupifo Pohamba, for being recognised as the Ambassador for Peace by the Universal Peace Federation. As a Nation we are proud and as women we should follow in her footsteps. Let me also congratulate her on her advocacy and outreach as carried out on issues of orphans and vulnerable children and the prevention of HIV/AIDS, as reported by the Honourable Minister of Presidential Affairs, Honourable Kawana.

Her dedication and commitment as the mother of the Nation to this cause is commendable. (Intervention)

HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE:

Honourable Witbooi, if you have a point to propose or put a question, you can do that. The purpose of Committee Stage is to put questions.

<u>HON WITBOOI</u>: I support the Vote.

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COMMITTEE STAGE: DISCUSSION VOTE 01 HON BEZUIDENHOUDT / HON TJIHUIKO

HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE:

Honourable Bezuidenhoudt.

HON BEZUIDENHOUDT: Thank you, Honourable Chairperson of the Whole House Committee. I only have a single question which is probably more of a recommendation for the future.

We have passed in this House a Bill which recognises the Office of the First Lady and I want to propose to the Office of the President to also include a Programme for the Office of the First Lady in which we as Parliament can render support to what she is doing so that we can account for that in future. I thank you very much.

HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE:

Thank you. Honourable Tjihuiko.

HON TJIHUIKO: Thank you very much, Honourable Chairperson. I rise to support the Vote of our President and before I do that, let me just say that it is critical for us to support this Vote without too much discussion because this is the Vote His Excellency the President of the Republic of Namibia, our President.

However, I have a question on Page 2, where the Honourable Attorney-General could help me. The Vote of the President of the Republic of Namibia, but on Page 2, Honourable Attorney-General, you were saying: "It is a positive policy of our SWAPO Party Government that today about 71% of our citizens are satisfied with the performance of the SWAPO Party Government." It is a nice statement, I do not object to it, but I just want to ask the Attorney-General not to misuse the good office of the President of the Republic of Namibia when we are discussing a National Budget. That is wrong and I call on the Attorney-General to withdraw.

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With regard to the technical and logical administrative support mentioned on Page 4, I have seen the work that is being done by the First Lady and I was wondering, in the most unlikely event where this function – Honourable Chairperson, you understand what I mean. (Intervention)

HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: I

do not understand, just put the question. (Interjections)

<u>HON TJIHUIKO</u>: With that, Honourable Chairperson, I support the Vote.

HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE:

Any further discussion? I call upon the Minister to reply.

HON MINISTER OF PRESIDENTIAL AFFAIRS AND ATTORNEY-GENERAL: Thank you very much, Honourable Chairperson. Regarding Honourable Shixwameni's question, in terms of the Namibian Constitution it is our stated policy, as expressed by His Excellency the President during the State of the Nation Address, that we believe in the policy of peaceful resolution of disputes. We believe in multi-lateralism, meaning within certain forums, such as the UN, the AU, SADC and also non-align Movement. Those are the frameworks that we use to make sure that we contribute in our small way to the peaceful resolution of disputes around the world. That is really our anchor.

Honourable Moongo, in fact the President clearly stated in the State of the Nation Address that with reference to drought, the line function lies within the Office of the Prime Minister, to be coordinated by the Right Honourable Prime Minister himself and I have no doubt that it is in

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capable hands and as per the Motivation of the Honourable Deputy Prime Minister, we are watching the situation closely and the President and, indeed, also the Right Honourable Prime Minister have directed that no Namibian should die of hunger while we have a caring Government which will take care of that situation.

Honourable Witbooi, thank you very much, I am proud that the First Lady is doing a commendable job.

The *Vice-President of RDP*, thank you very much for that suggestion and we will look into that to ensure that next time we will maybe provide a specific Programme in the Office of the President for the work of the First Lady. She is indeed doing a very commendable job, especially amongst those deprived communities and individuals, her campaign on HIV/AIDS, particularly the involvement of men in the care of those who are affected by HIV/AIDS.

Honourable Tjihuiko was in the United Kingdom and he knows if the Labour Party is in power, we say the Labour Party Government. If the Conservatives are in power, we say the Conservative Government. I am sure he is already scared of next year's elections, because this research was done by an independent credible institution, Afro Barometer, which just last month, stated that 71% of Namibians are fully satisfied with the performance of our SWAPO Party Government. It is an indication that we will see this during next year's elections.

I want to say that it is only the SWAPO Party which has no reverse gear. All the Political Parties have only one gear and that is the reverse gear. With every election they are going backwards, it is only the SWAPO Party which is going forward.

With these remarks, I thank you very much.

HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE:

Any further discussion? Any objections? Agreed to.

05 April 2013 COMMITTEE STAGE: DISCUSSION VOTE 02 HON SHIXWAMENI

Vote 02 – "OFFICE OF THE PRIME MINISTER" put for discussion. I recognise, Honourable Shixwameni.

HON SHIXWAMENI: On Page 5, the N\$1.6 million renovation of the Old State House. I would like the Right Honourable Prime Minister to inform the Nation whether the renovation is related to the Old State House now officially becoming the official residence and Office of the Prime Minister.

On Page 7, disability issues. I appreciate that there is a Budget of N\$1.3 million under the Office of the Prime Minister for the Disability Programme, but I feel the N\$1.3 million is not enough. I had the opportunity last year to go around with the Standing Committee on Gender to visit people with disabilities. There are quite a lot of people living with disability and living in very squalid conditions. It is appreciated that Government does provide a disability grant, but we need to look at it very seriously that this section of our society is attended to.

We went to the Eluwa School for Disability in Ongwediva and we were shocked to hear that for the past 23 years no Senior Government Official has visited that school. That is what we were told at the school, that they have not had somebody come to visit them. They also told us that they do not receive a subvention from Government. That school is performing a very wonderful function for our children.

HON MINISTER OF INFORMATION AND COMMUNICATION TECHNOLOGY: The Honourable Member said they were told that that school has never been visited by any Government senior leader. Maybe that is within the last one or two years, because I visited that school, I think, in 2011.

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HON SHIXWAMENI: No, I am not disputing that, but that is what was officially told to me. I know that the Minister of Education was made aware of that situation and he went there two weeks after the Committee came back, which was good. However, I was trying to emphasise that that school is performing a very crucial function, you cannot believe that the deaf and the blind are being provided with education by people who are mostly volunteers. I believe that there is a Programme in the Office of the Prime Minister and I hope that school will receive attention together with other schools for the disabled.

As regards the Programme for the integration of, what I would call, the minority of the minorities, namely the San, Ovatue and Ovatjimba, I appreciate that there is a special Programme for them, but we also have other marginalised minorities living in pockets around our country who need to be identified and also be supported.

I remember on the same trip to Ohangwena they told us that there is a community that is really suffering as they are not receiving any assistance. We asked them whether they benefit from this Programme for the minorities that are suffering and they said they do not benefit. I think it would be good to liaise with the former Governor, Honourable Billy Mwaningange, because he knows the community, so that these people can receive attention too.

Programme 3, Emergency Management Fund; is a good Programme to be run at national level, but people at regional level are complaining about the slow response by Central Government to disasters. There is a proposal on the table, and I am sure it will come out in one of the Reports, that there is a need to decentralise the funds to the Regions so that the Regions could act immediately when an emergency strikes instead of sending a Report to Windhoek to be evaluated around here before being acted upon. We need to look at the response time in terms of emergencies. That is why it is called an emergency and an emergency does not take two months, because then it stops being an emergency.

Those are my few comments I wanted to make on the Vote, but otherwise I support the Vote.

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HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: Honourable Moongo.

HON MOONGO: Honourable Chairperson, on Page 7 mention is made of a disability provision of N\$1.3 million, which of course is not sufficient. According to the DTA researchers and myself, the Eluwa Disability School is really in a mess as the cleaners sometimes have to prepare the food. Will they be remunerated for being cleaners and at the same time cooking for the disabled? I want the Minister to take note of this and, if possible, intervene by paying these people for a double job.

The matrons at that school are overworked and we have to provide more matrons.

HON MINISTER OF YOUTH, NATIONAL SERVICE, SPORT AND CULTURE: On a Point of Order. I just want to get clarity, that if somebody is Out of Order, like now when we are not dealing with Education....(Intervention)

<u>HON MOONGO</u>: It is not Education, it is disability.

HON MINISTER OF YOUTH, NATIONAL SERVICE, SPORT AND CULTURE: Can such a person not be called to Order, talking about the matrons and all those kinds of things or do we allow such a person to continue while being Out of Order?

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HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE:

Even during his intervention on Vote 01, I tried my level best, but there are some people here, although you try your level best, who just continue. Honourable Moongo, make your comments or ask questions relating to the relevant Votes.

HON MOONGO: On Page 7 mention is made of allocations for disability and maybe some of you have not been to Eluwa, there are blind people, people who cannot walk and they are served by the cleaners. (Intervention)

HON DEPUTY MINISTER OF GENDER EQUALITY AND CHILD

WELFARE: On a Point of Order. Honourable Moongo talks about Eluwa and disability, but his Party is the one which is organising the disabled Ovatue and Ovatjimba to demonstrate against their own Government.

HON MOONGO: We can deal with that point under another Vote, but in Eluwa there are blind people, people who cannot walk, who really need serious attention from the Government and they are served by only one matron. They at least need three matrons to take care of them.

Mention is also made on Page 12 of an allocation of N\$3.9 million to the Red Cross. We are always saying here that TIPEEG would provide work, but the Red Cross never employs anybody, they only make use of volunteers. Why do we not increase this amount so that the Red Cross also have permanent employees? I support the Vote.

HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: Honourable Tjongarero.

HON A TJONGARERO: Thank you, Chairperson of the Whole House Committee, I rise to support Vote 02, "OFFICE OF THE PRIME MINISTER". My contribution is based on Page 12 on Programme 4, Public Service, which received an allocation of N\$99.8 million. My question is, who supervises Civil Servants in the Ministries? We are aware of the shortage of staff in some of the Ministries, but does it warrant unfriendly, unhelpful and arrogant Civil Servants? I must hasten to say that it is not all the Civil Servants, but the honest, hardworking ones seem to be overshadowed by the not-so-good ones. Why must selling of sweets and airtime and other commodities be allowed while people are supposed to be on duty to do the work for which they were appointed? What happens to the cleaners after 10:00, where do they go?

Honourable Chairperson, Honourable Members, this brings me to the issue of having to write a letter to some of the Permanent Secretaries if you want an appointment. What about an old person who cannot write, let alone English? It means this old person must pay someone to write a letter to get an appointment. After getting an appointment and explaining your concern, only to be told, "go and put it in writing", again having to pay someone else to put it in writing. Is that the service delivery we are talking about?

Honourable Chairperson of the Whole House Committee, Honourable Members, when is the *Public Service Act* going to be amended? It is almost impossible and very cumbersome to get rid of non-performing staff members. This issue of filling advertised posts takes almost a year in some cases. Some of the Civil Servants are serving in acting capacities for longer than a year. When are we going to correct all these?

With these few remarks, I support the Vote.

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HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE:

Thank you for your straightforward questions. I recognise Honourable Muharukua.

HON DEPUTY MINISTER OF GENDER EQUALITY AND CHILD

<u>WELFARE</u>: Thank you, Comrade Chairperson of the Whole House Committee. Comrade Prime Minister and Deputy Prime Minister, while supporting Vote 02, I have the following request: When you go to the mountains in Kaoko, I want you to invite the Opposition Parties to see what you did for the Ovatue and Ovatjimba. It is not a healthy situation that the Government does something, only to be destroyed by other people. I am very serious. (Intervention)

HON TJIHUIKO: May I ask the Honourable Deputy Minister a question? Honourable Deputy Minister, you were reported in the newspapers as having been very angry with the people in Okaoko, the Ovazemba and Ovahimba, for exercising their democratic right to say whatever they want to say to their Government on issues that concern them. Who had given you the right to represent the people of Okaoko, to go to the extent of being angry with those who are exercising their democratic right they way you are exercising yours? Is it the SWAPO Party that has given you that right or have you taken it upon yourself? Who has given that right? Tell me, I am waiting.

HON DEPUTY MINISTER OF GENDER EQUALITY AND CHILD

WELFARE: I repeat what I have said, that the Opposition Parties should be invited to see what the Government has done for its own people, because it is not good that those calling themselves the Opposition are mobilising my people there, particularly the DTA and NUDO. Please, I want you to go and see what has happened there.

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HON TJIHUIKO: On a Point of Order. Honourable Chairperson, the Honourable Member must correct her statement.

HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: I did not give you the Floor, the Honourable Member does not have the Floor. Honourable Nambahu.

HON DEPUTY MINISTER OF JUSTICE: Thank you very much, Comrade Chairperson. I also rise to express my support for the Vote of the Office of the Prime Minister and air some views on pertinent issues.

On Page 10 there is a Programme of general support to the San communities, such as providing coffins. I very much appreciate this, but believe that the support needs to be diversified, because without actually indulging in academic curiosity or something of that nature, I only want to say that as we continue introducing property in this classless kind of community, property brings with it contradictions which are likely to cause disharmony. As a result, you need to capacitate the community to be able to cope with this new challenge, especially researching their own laws and how they handle this kind of dispute in their midst. Therefore, the support needs to be diversified into the areas of law and judicial capacitation and we should not be leaving this to the NGOs. I appreciate that the NGOs might be doing a very good job, but as a Government we may not know to what extent are they informing and capacitating the people in this regard.

I recall my interactions with them in Court where for the most part they are being brought to Court for poaching and one feels pity because of the lack of information passed on to this community that is only in terms of European laws. Therefore, we need to do research on their own laws to be in a position to capacitate them in this respect.

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HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE:

Your point is clear, you advise the Office of the Prime Minister to do research on their indigenous customary law. Proceed with the next point.

STER OF JUSTICE: Let me conclud

HON DEPUTY MINISTER OF JUSTICE: Let me conclude here, Comrade Chairperson, I support the Vote.

HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: Honourable Simataa.

Honourable Simataa.

HON DEPUTY MINISTER OF INFORMATION AND COMMUNICATION TECHNOLOGY: Thank you very much, Comrade Chairperson of the Whole House Committee. My contribution will be very brief and very direct and it is connected to a point that was raised by Honourable Shixwameni, relating to Page 10 running through to Page 11.

Comrade Prime Minister and Comrade Deputy Prime Minister, whether the functions are kept at national level or whether we will decentralise, there is a need for us to reduce the time lapse between assessment and intervention, because at the moment we are simply taking too long to do the assessment and then we come back and it is close to half a year before we intervene while in the meantime the community is really suffering. I am submitting my plea that we should consider reducing the time lapse, so that we drastically reduce the period between assessment and intervention. Thank you very much.

HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE:

Thank you. Honourable Kavetuna.

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HON DEPUTY MINISTER OF YOUTH, NATIONAL SERVICE, SPORT AND CULTURE: Thank you, Honourable Chairperson. Firstly, I would like to complement the Prime Minister for reintroducing the programme, "Prime Minister's Question Time" which is very essential for communication and I believe that other avenues should also be created for communities to interact with, and alert the Government on problems.

With reference to the Programme 2, on San development, the problems of the marginalised groups are cross-cutting and need a multi-sectoral approach, therefore, it is very important that a task force be established within the Ministry of Health and Social Services which can assist this Department to deliver better services.

I also believe that the over-emphasis on the issues of minority has also created some problems in other communities, because when our Committees visited the communities, some members of the society were saying that they are now the marginalised ones. There needs to be a balance so that we do not create conflict within communities because of this marginalisation issue.

As regards NIPAM on Page 5, I would like to suggest that maybe comprehensive courses for Political Office-Bearers should be introduced as most of us in this House needs capacity-building in one or another way. It is also very important for us to understand the Rules and Orders of the House.

My last point is on the issue of Public Service Information Technology Management. I very much appreciate that we have a website on which to communicate, but what is very painful is that one cannot access the social lines, such as hotmail or gmail cannot be accessed from the office while pornography can be accessed. Maybe we can block the unnecessary ones and open the necessary ones which can add value to our work. Thank you very much.

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HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE:

Thank you very much. I recognise Honourable Bezuidenhoudt.

HON BEZUIDENHOUDT: Thank you very much, Honourable Chairperson of the Whole House Committee. Right Honourable Prime Minister, Honourable Deputy Prime Minister, my question is on Programme 1 with regard to NIPAM. Will there be a business plan in existence for the maximum use of NIPAM services by both Public and Private Sector so that NIPAM as a Semi-state institution can also generate its own income over time.

Secondly, just a comment on the education support to the marginalised community. I would say occasional factual progress information would also be appreciates so that we know that there is progress being made, so that when we visit those areas we also have the proper information.

On Programme 4, Public Service Management, the Prime Minister is on record several times about the formation of the Public Service Post-Independence. We have now reached the level where we need to look at decreasing the number of Public Servant positions on a long-term basis. This may also benefit the affordability of skills in the future. I want to know whether the Office of the Prime Minister is considering that as a long-term strategy.

On Programme 6, Public Service Information Technology Management: I need clarity and assist me if I am wrong, that the Ministry of Information and Communication Technology would be responsible for the technical infrastructure, while the Office of the Prime Minister, specifically Information Technology Management, would assist with e-Governance applications on the network so supplied by the Ministry. I also want to inform the House that I did, without the permission of the Right Honourable Prime Minister, visit that Department and I want to inform the House that this Department is doing a sterling job in terms of application development. I was there yesterday and my mouth was just hanging as to what these people have done over the past year, without them telling the

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Nation what they are doing.

Also related to that issue is retaining the very scarce technical skills we have in this country. There needs to be a strategy so that, for example, Telecom does not poach the programmers within the Ministry by offering them better salaries. Somewhere there must be an incentive to retain these technical skills.

With these questions and remarks, I thank you and I really support this Vote.

HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE:

Honourable Amathila.

HON AMATHILA: Thank you, Chairperson of the Whole House Committee. I rise to express my support for Vote 02 and in order to be brief, let me just point out my expectations on Page 11, the Last Paragraph.

The Deputy Prime Minister mentioned what seems to be on the way and that is that in all thirteen Regions one will be making an assessment to see the impact of the drought on all thirteen Regions, as it affects the population, livestock, water and food availability.

The drought has put pressure on farmers, to the extent that the solution of selling animals is not really the only solution. Namibia is well advanced in terms of animal husbandry on the African continent. We have reached a stage where we are losing most of our genetic material to neighbouring countries as a result of the drought and it will be very difficult for us to recover from this kind of situation.

I am reminded of 1991 and 1992 when I was with the Ministry of Trade and Industry, when people started selling ostrich eggs and chicks,

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exporting them to Europe, destroying the potential market we had here in Namibia overnight for the easy money that was available that time. I want to appeal to the Office of the Prime Minister to find a way as soon as possible that we can help those who have the best genetic material to preserve that genetic material, because countries in the neighbourhood are stocking up, they are buying these animals so cheaply from us and very soon it will be so expensive for us to buy back the same to continue with our activities. We have made so many advances in cattle ranching that we should not allow this to be lost because of the drought. I thank you and I support the Vote.

<u>HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE:</u> Honourable Tjihuiko.

HON TJIHUIKO: Thank you very much, Honourable Chairperson. Let me start by congratulating the Right Honourable Prime Minister for reintroducing the *Prime Minister's Question Time*. It is very important for the public to have access to their leaders and I am looking forward to seeing him answering questions directly on television to whoever has raised questions.

On Page 10, National Disaster Management; I am sure that some of this Colleagues have spoken about this, but this it is so important that we should also emphasise the point. The country is now in a state of serious drought and obviously, this Department plays an important role in looking after us. I believe the amount of N\$53.4 million allocated to this Department is minimal considering the risks the country is facing and I hope that it is going to be revisited. I know the reason why we have budgeted this small amount is because we do not have all the information and the reason for that is exactly what I have been complaining about when we were discussing the Act in this Chamber.

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If I remember correctly that I raised the issue of this highly bureaucratic structure that we have approved, that goes down to the level of a village. It takes too long for information and recommendations to reach the Office of the Prime Minister. It has to go through all these bureaucratic structures that were *d'accord* here while we were trying to convince the House that it will not work. We are now paying the price. Sometimes you should also listen to us. We are fellow Namibians and we know what we are talking about, this country belongs to all of us.

I also wish to touch on Programme 6, Public Service Information Technology Management. Honourable Chairperson, we have the Ministry of Information and Communication Technology, do we really need this Programme in the Office of the Prime Minister? Are we not perhaps duplicating? It is just a question that I have been thinking about. We may do justice to ourselves by consolidating. Let us look at consolidating the responsibilities that belong together rather than wasting resources by having structures in so many Ministries dealing with the same functions.

I will be the first to say that I support this Vote and I hope that the Office of the Prime Minister will seriously look at the drought situation in this country and revisit the amount budgeted. This time around I think it is too little and I support the Vote.

<u>HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE</u>: I recognise Dr Ankama.

HON DEPUTY MINISTER OF FISHERIES AND MARINE RESOURCES: Thank you very much, Comrade Chairperson of the Whole House Committee. Two very brief interventions and one is on Programme 4 on Page 12, Public Service Management.

There are two issues that we need to look at critically on which we are doing better but not the best. The first is human resource management.

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When it comes to recruitment I think we should prioritise and make it our point of departure that we recruit the right people in the right posts. I believe the problem lies with individuals who are manning those areas, that when recruiting, you may find a person, who is completely divorced from the post being advertised, being employed in that position and I think if we continue with this trend, it will become a serious issue for us and that will definitely result into mismanagement instead of the good management that we would want to have. So, correct recruitment and then timely recruitment.

All along I have been speaking about these issues where you have people sitting on vacant posts for too long and yet they budget for these posts in the Ministries or other Agencies. If you do research, you would find out that some of the posts have repeatedly been budget for over the past seven years or more than that, without any recruitment. That is a problem and I do not want to dwell on the details, but we all understand what is perhaps happening there.

I would also want to see that when we do recruitment, we should also do constant evaluation, that if we recruit a person, is this person delivering? We cannot just let him be there. If the correct assessment has not been done, you would later on realise that things are not moving the way they should be moving.

The other point is on Page 14 on Programme 6, Public Service Information Technology Management. Yes, it is there, it is perhaps moving on but not at the pace one would want to see it moving. For us to use ICT maximally, we need people who understand what ICT is. When you have this thing called an iPhone or this thing called iPad, you should not carry it to impress other people, it has many uses and it should be used to the maximum. This will reduce costs of Government by sending a car with a load of file from one office to the next, for example. It will reduce fuel costs and even time. It has many benefits. Maybe it is the beginning, but the beginning should not last for two, three four years, we should be moving on, whereby people should really know to send a file over the net, thereby reducing cost and improving communication, also reducing the bottlenecks in our system. I support the Vote.

HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: Honourable Van Der Walt.

HON VAN DER WALT: Thank you, Honourable Chairperson. I rise to support this Vote and I want to thank the Prime Minister for *Question Time* on television, which is very important for our Nation to have the opportunity to communicate.

Secondly, I believe the Office of the Prime Minister is the caretaker of our country and I believe this Budget is too little if I look at the responsibilities of the Office of the Prime Minister which include disasters like drought and the Programme on the indigenous people. I was in Chiapas in Mexico where I visited indigenous minority people and I believe they are the flowers of our countries. It is so important to keep these people up and running and making sure that their lives improve in the future.

HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: I want you to come up with a specific recommendation concerning the issue you are talking about.

MR VAN DER WALT: No, the point I want to make is that I looked at the San people who were resettled on a farm very close to mine and I must be honest and say that I see a lot of improvement there and how the people look after the place. Therefore, it is very important to me that the Office of the Prime Minister makes sure that we continue with the good work and with this I support the Vote. Thank you.

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HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: Honourable Mwaningange.

HON MWANINGANGE: Thank you very much, Honourable Chairperson. I will be very brief. First of all, I would like to support the Vote.

Programme 3 involves logistics when there is drought or floods. It has been the experience that the process of logistics encountered some problems, perhaps due to improper preparations by the stakeholders either at the national level or regional level. At the regional level these logistic activities need to be more up-to-date. One finds that problems are experienced with delivering supplies to the Regions or places where it is needed and in the case of food it is wasted due to the lack of proper logistic in terms of goods stored at the warehouses or in terms of transportation. Despite limited resources, there is a need to properly coordinate so that the delivery of food is not delayed and the beneficiaries receive it in time. This can only be achieved if the institutions on the ground at the village, district and regional level are well-equipped to carry out the distribution. I support the Vote wholeheartedly. Thank you.

HON CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE: I call on the Deputy Prime Minister to respond.

HON DEPUTY PRIME MINISTER: Comrade Chairperson of the Whole House Committee, I may not answer on issues individually, I may group some of the concerns and questions asked. Please find your answer in what I am saying.

Firstly, to respond to the issue that my brother, the former Governor of Ohangwena Region, has commented on, urging us to ensure that

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coordination and organisation is properly done, which was also touched on by *Honourable Shixwameni*, the *Deputy Minister of Information Technology*, *Honourable Tjihuiko* and others. Yes, I think you will recall that last year we approved the *Disaster Management Act* here and we had very thorough discussions and I was happy to be provided with the opportunity both to introduce the law and to respond to the concerns and comments of the Honourable Members. We discussed the procedures and we adopted the Law. The procedures in that Law provide for representation from the central to the grassroots and it is very clearly stipulated in that Law. We are now busy, through the Office of the Permanent Secretary, working on the details of the operational procedures and I am sure that things will change.

However, we should understand that the name is "disaster". When disaster strikes it also affects the normal thinking of people, thus the complaints one gets is absolutely abnormal. When the former Governor was speaking I was reminded of bags of food which became rotten in Rundu and Caprivi in the stores, very huge bags rotten in the stores and there was a Governor, there were Councillors, everybody was there. The bags were there, the hungry people were there, but yet the food became rotten and the people were complaining. The nature of the situation is such that you will always have people complaining.

What are we doing at the present moment? Just a week ago at the last Cabinet meeting the Prime Minister requested Cabinet to approve that the Office of the Prime Minister be allowed to continue with an interim arrangement to provide food to the Programme we started last year in Kunene, part of West Omusati and this year in Aminuis and other areas which are seriously affected and of course, also the marginalised communities which we are supplying with food. The Cabinet approved what the Prime Minister has recommended.

After that the Prime Minister wrote a letter to the Governors, sending copies to the churches, to the Chief Executive Officers, in actual fact to all the regional leaders or stakeholders, to tell them that for the interim almost every Region will have forty thousand bags for distribution to the people who request food. In the meantime we are carefully getting exact

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numbers of people affected in the whole country and exact numbers of what are the needs before the President is advised to declare a drought, so that we can have the situation handled nationally and internationally. That is where we are and I think it is going to work, let us just remain calm.

It is also important for Parliament to liaise with the Office of the Prime Minister or the Prime Minister himself so that you are given this information individually so as to inform the communities in your Constituency.

Honourable Moongo, Honourable Shixwameni and some others touched on the disability issue. We are talking about two issues here. The Office of the Prime Minister has inherited an office which was previously in the Ministry of Lands and Resettlement that is a coordinating office for disability, but throughout the country you have different entities that run disability institutions, such as churches and sometimes also Non-Governmental Organisations. They take responsibility. But the office we are talking about here is an office within the Office of the Prime Minister that is occupied by an individual or individuals who are supposed to listen to people with disability throughout the country. Of course, I fully agree and we all agree that there is a need to give more attention to those institutions in terms of knowing exactly what is going on in those institutions, but you first have to capacitate this office and the Comrade who is there is working hard, I can tell you. He is fighting to get his office capacitated so that he can do the job.

Honourable Shixwameni and others also mentioned the issue of marginalised communities vis-à-vis minorities. I personally and I think Government prefer to talk about marginalised communities for several reasons. The minorities in Namibia are the richest people whereas in many other countries when you talk about minority, you are talking about the poorest people.

Let me tell you a story. Somebody told me the Ovatues are the minority there in Opuwo and they are the most marginalised people and after a few months of work, I was introduced to one of the most trodden-on people, the Ovahingona. They do not even come close to the Ovatues and the

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Ovatues do not want them near them. So, those are some of the situations we are experiencing.

Yes, we agree that these people are spread all over Namibia and we are calling on communities, specifically churches, Traditional Leaders, house owners to make sure that they inform Government where these people are so that we can reach these people and define what kind of assistance we can provide.

I also read about this family, I talked to the Councillor there and now people what to make stories for themselves. Why do you wait until the news media comes there to announce that somebody does not have food? You are nearer to the Councillor, the Governor, the Government office, yet you wait for the television and boast that you are the only one who is assisting. We call on communities; specifically those in leadership capacity, to make sure that the existence of these people are reported to Government so that we can assist those people.

As regards the decentralisation of funds from Disaster Management, I have mentioned the bags of food rotting in stores. You need a proper management system to ensure you are not losing out during the process of disasters.

Honourable Tjongarero, the Law is being amended and is going to the Office of the Attorney-General. However, I have a comment on this. Namibia is a funny country, we should look at ourselves very carefully. In my view, it is not only the officials, this disease is experienced overall, starting from politicians downwards and we should not only talk about the officials. This disease is experienced through the country. I think the problem we have is lack of work ethics and responsibility. That lacks in 90% of our people. However, the anomaly is that we are very good at talking – like Moongo. Honourable Bezuidenhoudt asked questions about NIPAM, they cater for all those things and that is why NIPAM is so important because our answers lie in training, in talking to ourselves, it lies in realising that we are bringing down this country simply because we like talking and we forget that talking simply does not mean anything, it is only work that does something for development and for changing things.

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I fully agree that there are some Civil Servants who really do their job and there are some who do simply do not care. Who supervises them? Those who are employed to supervise them are supervising them, but if you cannot supervise yourself, how do you supervise others? First you have to supervise yourself by disciplining yourself in what you are doing, then you will be able to supervise others. But the Law alone will not change the situation and I think with this Law that we have, we can do the recruitment and everything the others mentioned. We can do those things now, it is not the Law which will do the things. We can have the best Law, but we still need to do things better than what we are doing now.

Honourable Muharukua, we will be taking the Right Honourable Prime Minister to Epupa Constituency to inaugurate the facilities that we have created there through the self-employment project for the Ovatue and the Ovatjimba, very wonderful facilities and I have already invited some of the Members of Parliament to be there so that they are convinced that things can be done and we are doing much better than what they believe and Honourable Tjihuiko will definitely be there, if he wants to.

Comrade Nambahu, I see you went into the Law and all the other things. However, I fully agree that we need to link to the background of how they have been living.

Honourable Bezuidenhout mentioned business plans, syllabus, income generation, strategic plans. They really have all and maybe it is good that one day we invite the Parliamentarians to go and visit the institution there. They are now in full swing and you may be missing some of your staff members who are attending regular training. Mine have reported that the training is quite good and we are encouraging them to move towards generating more income for themselves rather than depending on Government.

Comrade Amathila, the Minister of Agriculture, Water and Forestry is doing exactly what you mentioned. It is true, we must ensure that we do not in lose these very important materials that we have built up the process and the example of the ostrich eggs is a living example we have.

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Comrade Van Der Walt, thank you very much and I want to thank all those who have commended the Programme of the Prime Minister. Those interactions are very important and maybe Parliamentarians should also come in and ask questions. Thank you, Honourable Members.

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

Vote 04 – "AUDITOR GENERAL" put for Discussion and agreed to.

Vote 30 – "ANTI-CORRUPTION COMMISSION" put for Discussion and agreed to.

I will report progress and ask leave to sit again.

ASSEMBLY RESUMED

Progress reported and leave given to sit again.

<u>HON SPEAKER</u>: The Secretary will read the Second Order of the Day.

RESUMPTION OF DEBATE: MOTION ON AIR NAMIBIA

SECRETARY: Resumption of Debate on Air Namibia.

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MOTION ON AIR NAMIBIA HON TJIHUIKO / HON VON WIETERSHEIM

HON SPEAKER: When the House adjourned on Wednesday, the 27th of February, the Question before the Assembly was a Motion by Honourable Von Wietersheim. Honourable Tjihuiko had the Floor and he may now continue.

HON TJIHUIKO: Thank you, Honourable Speaker. Honourable Speaker, yesterday we had an opportunity to discuss the Air Namibia during the Budget and I, therefore, do not see the necessity to continue. All I wanted to say, I said yesterday. I thank you very much.

<u>HON SPEAKER:</u> Thank you. Any further discussion? None. Does Honourable Von Wietersheim wish to reply?

<u>HON VON WIETERSHEIM</u>: Honourable Speaker, to do justice to the issue, I would like to adjourn this Debate to the next available opportunity.

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

RESUMPTION OF DEBATE: MOTION ON FINANCIAL ACCOUNTABILITY

SECRETARY: Resumption of Debate on Financial Accountability.

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HON SPEAKER: When the House adjourned on Tuesday, 19 February, the Question before the Assembly was a Motion by Honourable Maamberua. The Honourable Minister of Finance adjourned the Debate.

HON MINISTER OF FINANCE: Honourable Speaker, I rise to make my contribution to the Debate on the Motion moved by Honourable Maamberua on the 20th of February 2013.

Honourable Maamberua called in the said Motion for the establishment of a Budget Committee and for a Mid-Year Budget performance status Report to be tabled by the Minister of Finance, starting this Financial Year. The Member motivated his Motion on, amongst others, the basis that a local daily had reported on the 18th of February that Government had run out of cash and the Member then argued that the institution of such Reports will ensure that Parliament will not have to hear about the performance of the Budget through the media. He proposed that the Mid-Term Report should, amongst others, examine cost increases and propose measures to deal with them, arguing that this will be in line with Article 126 of the Constitution.

Article 126 deals with the tabling of the Budget. Section 1 of that Article requires the Minister of Finance to present for the consideration of the National Assembly estimates of revenue, expenditure and income for the prospective year. Section 2 of the said Article requires the National Assembly to consider such estimates and pass, pursuant thereto, such Appropriation Acts as are necessary to meet the financial requirements of the State. The details of the financial management policies are contained in the State Finance Act.

In terms of Section 27(1) of the *State Finance Act*, the Auditor-General shall, after the end of the Financial Year but not later than the end of the following year, transmit a Report on the accounts of Government to the Minister who, in turn, shall cause it to be laid on the Table of Parliament within 30 days. Our laws, therefore, adequately provide for the allocation

of State resources and the accounting thereof, with specific tasks assigned to specific institutions of the State and appropriate target dates set for the carrying out of such tasks.

In terms of the Constitution, estimates of revenue and expenditure and income are drawn up by the Executive arm of Government through the Minister, of course, who presents them to Parliament and then Parliament considers these proposals put on the Table and passes an *Appropriation Act* on the basis thereof.

The controls over and management of the utilisation of appropriated funds is done by the Executive in terms of the Law through the Treasury with the assistance of accounting officers, while the Auditor-General is to perform the watchdog function of monitoring and reporting on the use of the appropriated funds to the National Assembly after year-end.

Significant progress has been made to improve the timeliness of the Auditor-General's Reports to the National Assembly, with the Report on the Accounts of Central Government being submitted on time now, while the backlog on reports of Regional and Local Authorities have been significantly reduced.

Further, in terms of Section 5 of the *State Finance Act* which empowers the Minister to determine the form in which estimates of revenue, expenditure and income shall be presented to the National Assembly, additional information is provided to the National Assembly at the time of Budget tabling, which considerably improves financial management, transparency and accountability.

Such information includes the Medium Term Expenditure Framework which outlines in great detail Government estimates of revenue, income and expenditure over a three-years period. It also includes, the Government Accountability Report on the use of appropriated funds and the results there from. This Report also indicates challenges encountered in meeting the said objectives and measures adopted to overcome them.

Government has also recently adopted a performance audit as a

supplement to the financial audits conducted by the Auditor-General in order to enhance transparency and accountability for Public Funds.

I must highlight that in terms of Medium Term Expenditure Framework, Namibia is more advanced than many of its peers who are still on a single year framework for the Budget. In Namibia's case, the financial plans are unveiled two years prior to the tabling of the *Appropriation Bill*. Further, the expenditure plans are based on detailed medium term plans contained in the MTEF and the National Development Plans. This means that Government's priorities and the proposed allocations of Public Resources to address them are determined well in advance of the Budget tabling and this is done in a very inclusive manner, with sectoral planning boards and development committees existing in all the Regions.

The National Planning Commission itself, as the coordinator of national development, is constituted on the basis of the Public-Private Partnership principle, with its members drawn from across the wide spectrum of society.

In regard to the proposal to require the Minister to submit a mid-term review Report from this year, I have outlined in my Budget Statement the efforts that are being made to enhance Public finance management, including transparency and accountability both in terms of the use of Public Funds and the outcomes achieved from their use. The reforms that we are undertaking will also culminate in more robust performance monitoring systems, including regular reporting to both Parliament and Cabinet on the implementation of the Budget as well as the outcomes there from. This includes a Mid-Term Review in the future. Submissions of such progress Reports should, however, not be used to reintroduce Supplementary Budgets as we have consciously moved away from that as a way to improve financial management. We must live within the means of our State as determined by expenditure limits set within the main appropriation.

Further, the financial systems make adequate provision for dealing with urgent needs. It is, therefore, not necessary to approach Parliament any time a Ministry cannot live within the expenditure limit set under its Vote

as Treasury is adequately empowered to deal with this and where a situation cannot be dealt with in terms of these provisions, then Parliament will be approached However, even in this case we cannot avoid that there are media reports on this before Parliament is briefed, as we live in an open society.

I will urge Parliament to support these efforts that we are making in a systematic manner, rather than making ad hoc decisions that may not only yield the desired outcome, but may divert us from the progress that we are making.

Now I wish to comment on the allegations that Government ran out of cash and that resources earmarked for capital expenditure will now have to be diverted to fund the additional funding requirements for old-age grants and the 8% salary increase.

First on the issue of Government having supposedly run out of cash: The Ministry received a request from the Ministry of Labour and Social Welfare for an additional N\$216 million for old-age and disability grants. This came about because the Ministry took on board additional beneficiaries for which no appropriation has been made following an intensive campaign to roll out the pension benefits to qualifying citizens. As the Ministry had not made provision on the Budget for these funds, they had to be raised from other sources. This does, however, not mean that Government has run out of cash. In terms of the State Finance Act any anticipated unutilised balances may be used to meet anticipated shortfalls elsewhere. The required funds were, therefore, raised by virementation of funds as provided for under the State Finance Act and its Treasury instruction and this was via the contingency provision where money was raised from the medical aid provision under the Vote of the Ministry of Finance to the contingency provision and then further to the Ministry of Labour and Social Welfare.

With regard to the funding for the 8% salary increase, Ministries have been requested to use anticipated unutilised balances on their Budgets to meet the obligations related to this increase. This is because the salary increase was agreed upon after the Budget was already approved and there

was thus no provision made for it on the Budget.

Following a review of the expenditure of Ministries, it was found that most of them can meet the cost of the increase from approved Budget as there are anticipated balances to remain at year-end which would not have been utilised. Given this, Cabinet decided that such balances be used to meet the salary increase payment.

There had, however, not been a directive to suspend or deliberately delay any planned capital projects in order to realise savings to pay for the salary increase. Further, Cabinet is aware that the situation of funds remaining unutilised at year-end is undesirable. I have already indicated on numerous occasions some of the measures being pursued to address this situation, which include strengthening the engineering capacity through the recruitment of additional staff at the Ministry of Works and Transport, delegation by Offices, Ministries and Agencies of some project implementation to the Regions and Local Authorities and streamlining of project planning, including discontinuing budgeting for multiple phases of projects, that is feasibility studies and design phases together with the construction phases of projects.

Further, under the reformed procurement regime which will apply once the new Bill is enacted, adjudication of smaller tenders will be done by Ministries themselves, with some to be delegated to Regional and Local Authorities. The Central Tender Board will only approve the award of large tenders.

While it is agreed that funds are better spent for what they were initially appropriated, for now, while efforts are ongoing to address the bottlenecks to full utilisation of appropriated funds, Cabinet has decided to utilise these balances to address the funding requirements for salary increase in order to avoid having to borrow additionally for this, at a cost of course, whereas there are funds that have already been borrowed also at a cost. Therefore, it could have been inefficient for the Minister of Finance to just come to Parliament and ask for an additional appropriation to go and borrow additional amounts when there are already existing amounts on the Budget.

For the future, the correct way is to make adequate provision for all planned expenditure in the Budgets of Line Ministries and for Ministries to only take on that expenditure for which appropriate provision has been made in the Budget. If the funding requirements of the Ministry change mid-year, then that would have to be dealt with in terms of the standing procedures, which means the Ministry is supposed to approach the Ministry of Finance and inform them that they are anticipating a shortfall so that the Ministry can trigger the appropriate provisions of the Law, instead of just taking on commitments without the necessary arrangements having been made. The concerned Ministry has reiterated its commitment to ensure that for the future that will be so.

With regard to the salary increase, Government and the Labour Unions were able to agree to implement some of the agreed adjustments only after budgetary provision is made in this year's Budget. I believe that with continuous engagement, the two parties would cooperate to avoid the challenges that we faced this year where some of the aspects that were agreed upon had to be implemented in the last Financial Year whereas there was no budgetary provision.

We should as a country persist with the progress that we are making to reform our Public finance management. Expenditure and revenue forecasting is an important aspect of Public finance managing. We have achieved much over the years. Over-expenditure, although it is still experienced in some Ministries, has reduced significantly. This means we are now better able to live within what we have committed ourselves to under the Budget. This is important for Fiscal sustainability, especially under the current conditions of economic slowdown. We cannot want to go back to having Additional Budgets just because it is possible under the Law. We should move forward and build further on the successes that we have already realised.

Finally on the contingency provision and whether it should have covered this additional expenditure, the contingency provision was allocated to cover urgent unanticipated emergencies. Normal foreseen expenditures ought to be provided for under the Budget. We should agree that this should remain so and that the amount for contingency provision should

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remain limited. For now, to deal with this issue, I have indicated we have had to virement funds from the medical aid provision to the contingency provision.

With this, I appeal to Parliament that we do not proceed as proposed under the Motion, that is to just direct the Minister to come, starting this Financial Year, with a Mid-Term Review under which we will, amongst others, see where there are shortfalls and we will make additional appropriations. I appeal against that. We should, rather give support to our ongoing Public finance reform. The outcomes of these reforms will yield the same improved management of our Public Finances and, hence, Public transparency and accountability that we all desire I thank you.

<u>HON SPEAKER</u>: I thank the Minister. That does it for today. We shall resume our Business on Tuesday at 14:30.

HOUSE ADJOURNS AT 13:3 UNTIL 2013.04.09 AT 14:30
