REPUBLIC OF GHANA

SESSIONAL ADDRESS

By

H.E. FLT. LT. JERRY JOHN RAWLINGS

(President of the Republic of Ghana)

on the occasion of the

STATE OPENING OF THE FOURTH SESSION

of the

SECOND PARLIAMENT OF THE FOURTH REPUBLIC

At the Parliament House in Accra

on Thursday, 13^th January 2000

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SESSIONAL ADDRESS

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Honourable Vice President,
Honourable Mr. Speaker,
His Lordship the Chief Justice,
Members of the Council of State,
Ministers of State,
Honourable Members of Parliament,
Service Commanders,
Members of the Diplomatic Corps,
Niimei, Naamei, Nananom,
Distinguished Guests,
Ladies and Gentlemen,

* Let me extend to all the Members of this noble House and all gathered here, my warmest greetings as we begin a New Year, a new century and a new millennium.

The year 1999 will go down in history as a most difficult one throughout the world. It was a year of natural disasters - of floods, earthquakes, typhoons, epidemics etc. Ghana also had to cope with its share of the natural disasters, the floods in the Northern Region being the most visible. The extent of these global calamities combined with the fear of the consequences of the Y2K bug to create a mood of uncertainty and anxiety as well as expectation as the new millennium approached.

We thank the Almighty that the millennium rolled over without the catastrophies some had feared would come. The anxieties, the hopes and the aspirations with which we anticipated the coming of the event should be turned into a positive drive to achieve advancement for our nation and for humanity as a whole.

* Mr. Speaker,

* As we open the Fourth Session of the Second Parliament of the Fourth Republic, we should be conscious of the grave responsibility placed on us by the people of Ghana and their hopes and aspirations which we must endeavour to fulfil.

It is also significant that this is the last session of this Parliament. Later in the year, the democratic process will determine those who will carry on the task of governance from next year.

Important though the elections will be, we must not allow them to distract us from the work which lies ahead during the year. It would be unfair for any of us, and especially the Honourable Members of this
House, to neglect the duties which we have been elected to carry out in order to spend all our time campaigning. Indeed, it is my view that the time has come for us to define in our political calendar, a specific period for electioneering campaign leading to the Presidential and Parliamentary elections as is the case in many democratic countries.

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Mr. Speaker,

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It is especially important that we should get our priorities right when we consider some of the setbacks which we experienced during the past year and the need for hard work and concentration to keep our socio-economic programmes on a stable course in an uncertain world. I have always believed that this is the right strategy for our long-term development as a nation.

In my Sessional Address at the beginning of 1999, I reported that despite the difficulties of the previous year, which included a serious energy crisis, erratic weather conditions, poor commodity prices and global economic instability fuelled by currency speculation, Ghana had weathered the storm better than had been predicted.

Thanks to the hard work and determination of our people, especially our farmers, and helped by the relatively low world price of petroleum in 1998, we entered 1999 on a hopeful note, poised to make up for any short falls.

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Mr. Speaker,

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We are all aware of what happened during the year. Fuel prices soared whilst cocoa prices plummeted. A brief surge in the world price of gold, instead of bringing benefits, threatened the gold mining industry with financial crisis because of forward sales of reserves at lower prices.

Flooding in the north destroyed extensive areas of crops, as well as roads, property and precious lives.

Despite these shocks to our economy, we have maintained the producer price of cocoa to our farmers when neighbouring countries have reduced their producer prices and even resorted to burning cocoa.

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We also increased the emoluments of a wide range of public servants by some Twelve Billion cedis during the year in order to remove distortions and inequities from the salary system, and set up a body to resolve any remaining anomalies.

The economic constraints which currently face us are by no means as severe as some which we have overcome before through unity of purpose and determination.
Mr. Speaker,

These developments have reminded us once again of how important it is to re-structure our export base and make the country less vulnerable to the fickle movements of the prices of our traditional export commodities.

They also once again make it imperative that we consider adding value to our traditional exports through processing where adding value will not attract punitive tariffs but will reinforce our competitiveness.

There is the need to ensure a conducive environment for attracting foreign direct investment. This can be achieved through transparent policies, the elimination of bureaucratic impediments to investment and the creation of the necessary legal framework for the protection of property rights and business contracts.

Mr. Speaker,

In my address before this House last year, I reiterated the importance Government attached to achieving a balanced budget by the year 2001 as recommended at the National Economic Forum.

By June 30, 1999, progress towards the attainment of the balanced budget target was encouraging. Most of the macroeconomic indicators, including the decline of inflation to 9 per cent by mid year, pointed to better than anticipated end of year performance.

The outcome of the developments in commodity prices in the second half of 1999 is that the overall budget deficit for 1999 and 2000 will be higher than projected.

This will put at risk the possibility of attaining the balanced budget by the target year of year 2001. In the present circumstances, it would be appropriate to re-programme the targeted balanced budget to a date beyond the year 2001 to make it more realistic and attainable.

The current VAT registered trader population of 16,000 is more than double the initial projection. Trader compliance, measured by monthly returns submission, has grown steadily from 75% at the inception of the tax to 86%. Revenue yield from VAT as at the end of the third quarter of the tax stood at 14% above expectation.

The gains notwithstanding, there still exist pockets of businesses that
should register for VAT by law but have failed to comply. A good number of businesses in the distribution sector with annual turnover levels far in excess of the €200 million threshold remain unregistered a full year after the inception of VAT.

It is also common knowledge that some VAT registered businesses, particularly in the hotel and restaurant industry, are selective in charging the tax, contrary to the VAT Act. Many more also fail to issue the official VAT invoices.

As VAT enters its second year, the focus of implementation will be to consolidate the gains made, and institute measures that will further improve compliance.

The Bill to amend the VAT Act in order to further increase revenue yield to make up the unanticipated revenue shortfall is already before this House.

*[Mr. Speaker,*

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Cocoa production for the last season dropped slightly from 400,000 tonnes, as I predicted in my 1999 Sessional Address, to 397,742 tonnes.

Though a modest increase was expected in cocoa prices, they have rather hit historically low levels, due especially to the decision of chocolate manufacturers in Europe to increase the quantity of vegetable fat used in the production of chocolate.

As I have already indicated, despite the unfavourable developments on the world market, Government decided to maintain the producer price at €2,250,000 per tonne to further reduce poverty in the rural areas where over 800,000 families depend on cocoa for their livelihood; and to fulfil government’s pledge to give our cocoa farmers their due share of the value of their produce.

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*[Mr. Speaker,*

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It is worth noting that the current producer price announced in June 1999 is 74 per cent of the FOB price. This is higher than our commitment contained in the NDC manifesto of paying farmers at least 60 per cent of the FOB price by the year 2000.

*[Mr. Speaker,*

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Liberalisation of the external marketing of cocoa programmes will be initiated. A new cocoa processing factory will be established within the
year to raise the total capacity of local processing from the current 84,000 metric tonnes to 100,000 metric tonnes in the short term and 150,000 metric tons in the medium term.

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Mr. Speaker,

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The Ministry of Trade and Industry will intensify efforts to operationalise policies and strategies with the objective of expanding and diversifying exports; emphasizing value addition to export products; enhancing the competitiveness of domestic manufacturing; and achieving international competitiveness of our export products.

Recently, during the Conference of the World Trade Organisation (WTO) in Seattle, the tensions in the world economy, not least the brinksmanship between the world's three largest trading blocs, were made manifest. This situation gives cause for concern over the future of globalisation, of free trade and the interests of emerging economies such as ours.

Nonetheless, as a country we must make the best out of the situation by taking advantage of whatever opportunities that exist to gain access to markets for our goods.

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Mr. Speaker,

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Even though some concrete measures were implemented to support local industry in 1999, the onslaught of global trade liberalisation continues to undermine the competitiveness of some key local manufacturing industries.

In pursuit of our commitment to support local industry, a further tariff review exercise has been initiated in addition to other policy measures to ensure a fair level playing field for local manufacturers. The key elements of these measures will be outlined in the Government's fiscal policy statement.

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Mr. Speaker,

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The Bill to implement the Export Development and Investment Fund (EDIF) Scheme which was withdrawn from the House last year has now been amended to incorporate proposals of Parliament to provide financial resources for the development and promotion of export trade. Meanwhile, a total of 45 single factory zones are now operational under the free zones programme, creating 5,000 job opportunities.
Government will continue in the Year 2000 to create the conducive environment to facilitate the efforts of the private sector in agricultural production.

A loan facility of US$202.2 million from the African Development Bank and another US $30 million from the City Bank have been channelled through the Agricultural Development Bank to be lent to private sector participants in agricultural production and marketing on friendlier terms to execute already identified and prepared projects.

These will be in addition to a total amount of ¢260 billion that the Agricultural Development Bank will extend to the agricultural sector in its normal traditional operations in the year 2000.

Mr. Speaker,

The Youth in Agriculture Programme, a brain child of our honourable Vice President, received an amount of ¢2.5 billion in 1999 which was distributed to 1,126 farming groups in 109 Districts.

In view of the success of the programme and the generally good harvest in 1999, it is intended in the year 2000 to expand the programme to reach more youth groups.

The Livestock and Fisheries sub-sectors will continue to receive encouragement to increase production.

A design study for small-scale and micro irrigation schemes development project financed by the Government of Ghana and the African Development Bank recommended the development in two five year phases of 37 sites totalling 4,077 hectares.

For the first phase, a loan has been signed by the Government of Ghana with the African Development Bank to cover an irrigation area of 89 hectares at 12 locations. The project estimated at US$10.3 million is expected to begin in 2000.

Last year Government launched the 10-year Natural Resources Management Programme, as well as the country's first National Land policy to curb the general indiscipline associated with the acquisition and disposal of Land. Government also restructured the administrative machinery of the
Land Title Registry and the Land Valuation Board.

Mr. Speaker,

This year efforts will be intensified to commercialize the activities of the scientific and technological institutions under the Ministry of Environment Science and Technology. As part of the programme the institutions will link up their collaboration with the District Assemblies to help in the effective dissemination of scientific knowledge. Of particular interest is the application of biotechnology in food preservation, health, manufacturing industry and environmental management.

The Environmental Protection Agency will among other measures, continue with its programme of providing various stakeholders with the training they need to ensure environmental stewardship.

Mr. Speaker,

In the tourism sector, government will continue to emphasize on Cultural Tourism development programmes.

In this regard, we will vigorously pursue the Slave Route Project to enable us widen our tourist market in the Americas, the Caribbean Region and Europe.

Mr. Speaker

Health infrastructure has seen unprecedented improvement within the last few years. The number of government health facilities increased from 674 in 1994 to 859 by the middle of 1999. Similarly the number of hospitals in the public sector increased from 62 in 1994 to 82 in 1999.

These improvements have been translated into overall improvements in our health indices. Our people are living longer and more children are surviving the critical childhood years.

Infant mortality rate dropped from 66.4 per 1000 live births in 1993 to 56.7 in 1999. Under-five mortality rate also dropped from 119.4 per 1000 live births in 1993 to 107.6 in 1999. Total fertility rate has gone down from 5.5 to 4.6, an indication of the success of our population and family planning policies.

Mr. Speaker,
The programme to eradicate polio by the end of this year is well on target. In 1998, there were 23 confirmed cases of polio in the country. In 1999, only 2 cases of polio were detected.

Guinea worm which was almost eradicated is suddenly showing signs of resurgence. Reported cases dropped from 180,000 in 1989 to under 4,500 in 1996 but increased to about 5,500 in 1999.

The fight against the disease will be intensified with renewed vigour.

Mr. Speaker,

Whilst the programme to control epidemics yielded successful results with diseases such as Cerebro Spinal Meningitis and Yellow Fever, we had outbreaks of cholera in the Greater Accra, Ashanti, Central and Upper East Regions. These have been the result of poor sanitation in these areas and the recent floods in the northern sector. However our preparedness to manage these cases led to a low fatality rate.

A Buruli Ulcer case search conducted last year showed 5,440 cases distributed throughout the country but concentrated mostly in the Ashanti, Central and Greater Accra Regions. The disease will continue to attract special attention.

Particular attention will also be paid to tuberculosis, HIV/AIDS and sexually transmitted diseases. By the end of the year 2000 we will aim at further improving the treatment success rate of tuberculosis to 65%.

The Specialist Outreach Programme has been expanded to cover seven speciality areas and involves all regional and selected district hospitals. Plans for the procurement of special equipment, instruments and devices to enable the specialists to stay longer and operate in the regions are being pursued and will be implemented in the year 2000.

Mr. Speaker,

Renovation of structures to serve as facilities for the School of Allied Health Professionals has begun.

A team of experts from the Ministry of Health, the Medical Schools and the Private Sector has been convened with clear terms of reference to develop modalities for setting up the long awaited local postgraduate medical college.
The implementation of cost recovery and exemptions policy continues to be improved. In 1999, directives went out to all regions and districts to exempt children under five for all services and to exempt entitled patients attending mission facilities at the district level. The total exemption budget for 1999 was ten billion cedis. It is regrettable however that although discretionary authority has been given to heads of facilities to exempt needy persons, the verification process continues to pose a major challenge.

A nation wide survey to examine the administration and management of the exemptions for targeted groups and the impact on the utilization of health services was undertaken. The results will be used to strengthen implementation.

In 1999, the Ministry of Health reviewed the pilot Health Insurance Scheme in the Eastern Region as well as other private and community based schemes. The results favoured a multi-scheme comprising of private, social and community based health insurance schemes.

Several community based schemes such as the ones in Nkoranza, Damongo, Bunkpurugu and Gonja West are already running and will receive support from government. The Dangbe West Community Based Health Insurance Scheme which covers the whole district will be supported to take off this year.

Mr. Speaker,

Government will continue to expand coverage and improve quality of services through continued development of the health infrastructure. The refurbishment of the Keta, Kibi, Yendi and Koforidua hospitals will be completed this year.

The construction of 26 new health centres under the OPEC and SAUDI FUND PHASE II will commence. Major refurbishment of the Bolgatanga Hospital and the upgrading of Tamale hospital will also start this year.

Mr. Speaker,

The persistent human resource problems of the health sector will be tackled. Intake into the pre-service training schools will be increased, starting with the nursing training schools, some of which will be provided with the necessary resources to substantially increase their intake by the end of the year.

Mr. Speaker,
A Technical Committee set up to advise on the modalities for setting up the Educational Trust Fund has submitted its report to the Ministry. The report is being reviewed in the light of the conclusions and recommendations of the National Education Forum which was held in November, 1999.

The provision of infrastructural facilities in support of the FCUBE continues to make satisfactory progress. The first Phase involving the construction of 512 Staff Houses, 81 Classroom Blocks and 81 four seater KVIP toilets, in 48 Districts are scheduled for completion by the end of March 2000.

Phase II of the programme involving the construction of 688 staff houses; 69 classroom blocks and 69 technologically sound toilet facilities will commence in April and is expected to be completed in November/December 2000. Additionally, 2000 classrooms will be rehabilitated and classrooms furniture provided in all the 110 districts under the same programme.

The $17.0 million Primary Education Rehabilitation Project will also come on stream during the year with the award of contracts within the first quarter of 2000. In all, 510 three-unit classroom blocks with furniture will be provided in 87 districts of the country by December 2001.

* Mr. Speaker,*

The successful implementation of Phase I of the Adult Functional Literacy Programme resulted in the reduction of the national illiteracy rate from 69% to 52%, of whom 60% were women.

The second phase of the Programme will take off in the first quarter of this year.

As in Phase I, the predominant target population will be learners aged between 15 and 45 years with a focus on women and rural dwellers and is expected to further reduce the illiteracy rate from the current 52% to below 40%.

* Mr. Speaker,*

Principals have been appointed to work towards the establishment of the Bolgatanga and Wa Polytechnics announced in my address last year. The first batch of students for the two institutions will hopefully be admitted in the 2000/2001 academic year.

Government has programmed a 12% annual growth rate for the universities and 15% for Polytechnics over the next three years.

This should bring total student enrolment for the 1999/2000 academic year in the Universities, Polytechnics, the Institute of Professional
studies and the Ghana Institute of Languages to 57,137. This figure is projected to increase to 74,137 by 2002. With the establishment of Private Universities and the participation of private estate developers in the provision of hostel facilities on University campuses, a significant increase in the admission of qualified candidates is expected over the years. It is noteworthy that the first intake of 200 Distance Education students at the University College of Education, Winneba have written their first Semester examinations and course development activities in the other participating Universities are at an advanced stage.

Mr. Speaker,

The process to achieve the objectives of the FCUBE programme will be accelerated in 2000 with increased attention being paid to supervision and management. We are working towards the achievement of a pupil/basic school textbook supply ratio of 1:1 in respect of the core subjects of English, Mathematics, Science and Environmental Studies.

The annual National Girls' Education Week will be organised this year as well and the Science, Technology and Mathematics Education Clinic for girls will be expanded to benefit more girls from Junior Secondary Schools.

It is projected to reduce the drop out rate for girls in the primary schools from 30% to 20% and at the Junior Secondary Schools from 21% to 15%.

To help address public concerns regarding low enrolment and poor academic performance in community and rural secondary schools, the Ministry of Education will rationalise the allocation of teachers and other school materials and resources, with particular attention being paid to the needs of under-subscribed and academically weak schools.

Following the approval by Parliament of the loan for the establishment of the 20 Technical Vocational Education Resource Centres, ten including the Accra Technical Training Centre and the Kumasi Technical Institute will have their workshops and classrooms rehabilitated to receive new equipment and tools. The remaining 10 centres will similarly be rehabilitated in 2001. It is expected that on completion the Centres will increase the enrolment of students on the respective programmes by over 50%.

The rehabilitation of the 38 Teacher Training Colleges which started in 1998 with funding support of KfW of Germany at a total cost of DM39 million will be completed in the course of the year.

To sustain efforts at ensuring the admission of well qualified candidates to these Colleges, the Teacher Training College Entrance
Examination will be re-introduced this year. District Assemblies will also be expected to sponsor candidates to Teacher Training Colleges to ensure the supply and retention of teachers in their communities.

Mr. Speaker,

The issue of relevance of some Tertiary programmes to national development objectives has been identified as one of the major causes of the rising trend of graduate unemployment in this country. To help address the problem, an assessment of the structure of tertiary programmes and their relationship to labour market demands will be conducted by the National Council for Tertiary Education in collaboration with the National Development Planning Commission.

Mr. Speaker,

The expansion of infrastructural and academic facilities in our tertiary institutions will continue to receive priority attention of Government. To this end, additional funding support will be provided for the completion of the University of Ghana Chemistry block, the clinical students hostel at Komfo Anokye Teaching Hospital, and the new Central Library Complex at University of Cape Coast.

On the completion of these projects, the University of Ghana should be able to increase substantially the intake of science students to achieve the 60/40 Science/Arts ratio, while the School of Medical Sciences of KNUST should also be in a position to increase its total enrolment from 593 to 700 as from the 2000/2001 academic year.

1999 witnessed very turbulent industrial unrests in both the private and public sectors. Whilst the public sector unrests were mainly due to the implementation of the Ghana Universal Salary Structure, many of the industrial actions in the private sector were due to misconceptions of rights and responsibilities of both management and workers.

If past experience is anything to go by, we can anticipate that in an election year such as this, we are likely to experience increased agitation on the labour front. The Ministry of Employment has therefore been directed to be more pro-active this year and to ensure that no delays occur in salary negotiations especially those concerning the public sector.

In this connection, the Central Management Board will serve as the chief negotiator on behalf of Government and all public services workers organizations including the Civil Service. Indeed, the Board is already
doing this and it is my hope that the negotiations would also help to address some of the problems associated with the Ghana Universal Salary Structure.

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At the same time, MR SPEAKER, I would like to urge all workers and union executives and stake holders to appreciate the need to moderate demands during this difficult period the nation finds itself. We should not use the current constraints as a pretext for demonstrations, protests and more demands. Instead, we should stand shoulder to shoulder in a common effort to mitigate the effect of the crippling external factors on the national economy.

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Mr. Speaker,

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As Ghana strives to attract more investors, the need for a flexible Labour Market free from Government intervention is more imperative now than ever before.

Government intends to place before Parliament this year a Bill which will establish a new framework for developing a more satisfactory system for the resolution of labour disputes and the protection of the interests of workers and employers to ensure a better environment for business and for progress.

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Mr. Speaker,

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This year, we intend to double the intake of the NVTI Centres which have steadily increased by 70% in the last two years in order to provide employable skills for our youth.

A national disability policy has been formulated to improve services and the responsibility of society towards persons with disability. In this direction Government in 2000 will place before Honourable Members a Bill to establish a National Council on Disability to promote the rights of people with disabilities, while ensuring that opportunities exist for them to receive education and training, to gain employment and have access to social services.

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Mr. Speaker,

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In the road sector, priority will continue to focus on maintenance and rehabilitation works as well as maintaining broad equity among geographical locations.

We shall also continue to work closely with our development partners to secure funding for road reconstruction so as to obtain the necessary regional balance in the provision of roads.
A total amount of ø371.95 billion is proposed to be spent this year on maintenance works on trunk, feeder and urban roads.

28 bridges will be constructed and 1,200 kilometres of non-maintainable roads will be up-graded.

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Mr. Speaker,

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The following projects among others will be undertaken in the Year 2000:

- Surfacing of Ekyemanfrom – Amankwakrom road
- Improvement of Kwamepong Nkwanta – Dunkusen road in the Afram Plains.
- Surfacing of Huhunya – Boti Falls road
- Rehabilitation of Dzolo – Kpedze – Todze road
- Rehabilitation of Dadieso – Kwasuo – Frantaline road
- Rehabilitation of Wiase – Yiziisi – Tantala road
- Rehabilitation of Gbidire – Nabule road
- Rehabilitation of Zebilla – Kamensa road and the Rehabilitation of Atronie Junction – Mim road.

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Mr. Speaker,

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Under Urban Roads 10.64, kilometers will be regravelled, 50 kilometres resealed and 41 kilometres resurfaced while 21 kilometres will be rehabilitated. 60 kilometres of drainage works will be undertaken. Maintenance of drainage structures will continue in the Ga District and the five major cities covered by the Department of Urban Roads operations.

Some major road projects which will be completed this year include:

1. Gyato Zongo – Atebubu – Yeji road
2. Awaso – Bibiani – Nobekaw road
3. Nobekaw – Bediakokrom road
4. Awiankwanta – Kumasi road
5. Sawla – Bole Section of the Wa – Bamboi road and
6. The overlay of Yamoransa – Takoradi Road.

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Mr. Speaker,
The Accra – Yamoransa Road Project will start this year. Other projects which are scheduled to be started are:

1. the Apedwa – Bunso Section and the Bunso – Anyinam Section of the Achimota – Anyinam Road.
2. Asankragwa – Enchi road
3. Bamboi – Bole road and the

Mr. Speaker,

Bridge projects to be continued include 3 bridges over River Go, River Kusu and River Tano on the Tepa Junction – Goaso road 6 bridges over River Ankobra at Hiawa, River Anumeri at Jomoro, River Afram at Aframso, River Pra at Ofoaso, River Suskuliga near Gambaga and River Tintaraga at Gbintre.

The bridge over river Tano between Elubo and Asemkrom in the Western Region will be completed. The Gbefi Bridge over the River Dayi to link Hohoe and Kpandu will be rehabilitated. The Mishio Bridge to integrate the West Mamprusi District of the Northern Region will be completed.

Mr. Speaker,

The restructuring of Ghana Ports and Harbours Authority to convert it from a service providing Port Authority into a facilities provider will continue under the Gateway Programme.

Government will continue to pursue funding for dredging and construction of a new quay at Tema.

Mr. Speaker,

In the air transport sector, emphasis will be on programmes to advance the "Liberalised Skies" programmes of the Gateway Project. The provision of basic infrastructure services for the Airport City will be completed for main constructional work by the Private sector to commence. The phase II rehabilitation programme of Kotoka International Airport involving the extension of the runway and improvement of terminal facilities will be continued.

Mr. Speaker,
The Government in 2000 will continue to rationalize the water sector to make it more responsive to the demands of our people.

Some key programmes that are planned for execution during the year include the rehabilitation of about 33 major water supply systems countrywide.

Rehabilitation works on the water systems at Cape Coast, Kwanyako, Asikuma and Dunkona are progressing satisfactorily and are expected to be completed in the course of the year. Government is also working to secure funds for the rehabilitation of the Baifikrom Water System.

The second phase to expand the capacity of the Kumasi Water Supply System has started. Work has also commenced on the systems at Effiduase-Asokore, Juaben Kona, Mampong and Tepa.

The second phase of the planned rehabilitation works on the Sunyani Water System as well as work on the Berekum and Dormaa-Ahenkro systems have also commenced.

The expansion works on the Tamale Water System has been completed and commissioned. Major expansion works envisaged for the Tamale Water System have been developed and are currently being evaluated whilst financial arrangements for early commencement of the project are being pursued.

Construction works will begin this year on the expansion of major water treatment plants at Kpong, Weija, Barekese and Abesim whilst the rehabilitation of the Akwapim Ridge Water System will commence subject to the completion of a loan agreement between the Governments of Ghana and Spain.

Mr. Speaker,

For the 2000 financial year Government intends to provide 660 new boreholes, 350 new hand-dug wells; 40 mechanized community pipe systems and 30 new gravity pipe systems. The rehabilitation of 1000 boreholes and 500 hand-dug wells countrywide will also be undertaken.

The Community Water and Sanitation Agency will also construct 1300 new household places of convenience, 100 new institutional places of convenience, as well as train 2000 caretakers, 400 area mechanics and 100 artisans to manage rural water and sanitation facilities.

The programme of Sea Defence along Ghana’s 590 kilometres coastline, Ecological Restoration of Lagoons and the Management of drainage systems will continue this year.
In the 2000 fiscal year, Government will spend 19 billion cedis to continue work on the critical area at Ada, Aklabanya, Prampram Ningo, La Phillip Quaicoe, Elmina, Nkontompo, Ngyiresia, Diccove, Komenda, Axim, New Amanful/Funkoe, Butre, Price Akatakyie and Senya Breku.

Actual construction of the Keta Sea Defence Project will commence in the first quarter of this year. Work on the Korle Lagoon Ecological Restoration Project including sanitation measures in the vicinity of the Lagoon will also begin this year.

Government has also planned to spend 12.47 billion cedis to continue works on most of the primary drains in the national capital this year. Some critical Regional and District drainage works will also be undertaken.

* Mr. Speaker,
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The programme of land acquisition and servicing to support housing development already started at Katamanso, West Dunkonah, Amanfro and Ayi-Mensah in the Greater Accra Region will be stepped up.

In the 2000 fiscal year, government has planned for the acquisition of about 10,000 acres of land and the facilitation of the construction of 20,000 rental and 90,000 home ownership housing unit as well as the servicing of 5000 plots.

The enactment of a Code of Practice and Regulations to guide Estate Development in Ghana and the implementation of the National Housing Infrastructure Programme to accelerate housing delivery and safeguard home buyers' interests will be pursued this year.

Work on the second phase of the programme to convert the Old State House Complex for use by Parliament will commence and hopefully be completed this year to give Honourable members the needed environment to enhance good democratic practice.

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Government to execute the project.

Work on the European Union Electrification Project in Western Region will also commence during the year. This will connect about 70 communities in the Western Region to the national grid. Funds in the amount of 10 million ECUs have also been secured and the project is expected to be on tender during the first quarter of 2000.

Work will commence on the electrification of 107 Volta Lake Resettlement towns and villages during the year. The project is estimated to cost 30 million US Dollars with 90% of the financing provided by the Chinese Government.

The electrification works in about 50 communities in the Upper East Region under a Spanish Credit Facility which started in late 1999 will continue this year at an estimated cost of US$10 million.

On-going electrification projects in about 480 communities nationwide under Phase 2 of the SHEP-3 project will be completed during the first quarter of this year.

In the course of the year, 570 towns and communities under the SHEP 3 Programme throughout Ghana will be connected to the grid.

Fresh surveys will also be conducted during the year to ascertain the requirements of those communities that have applied to be considered for electrification under the SHEP-4 Project.

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Mr. Speaker,

During the year 2000 the programme for reforming the energy sector will continue with the divestiture of the distribution utilities, Electricity Company of Ghana and the Northern Electricity Department of the Volta River Authority.

The West Africa Gas project remains a critical component of government’s energy programme. As the project enters its final phase it is expected that funding countries and their commercial partners will work together to deliver gas in the year 2002.

Activities preparatory to the construction of the Bui Dam will also continue.

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Mr. Speaker,

As I stated in the 1999 Sessional Address the justice delivery system has a vital role to play in the realization of our national development.

It must therefore be re-invigorated and properly focused to cope with the dictates of a modern and dynamic society where issues must be resolved in the simplest, speediest and most just manner possible.
I also made critical observations about the delays that have characterized our system of justice.

I am glad to note that there has been some improvement since I last addressed this House. For instance, in the area of Legal Aid, more than 2,500 cases were handled by the Legal Aid Board. This compares significantly with the total of 2000 cases handled by the Board in 1998.

Proposals are under consideration for newly qualified lawyers to be assigned to the Attorney-General’s Department for a limited period as is the case with other professions and their sector Ministries.

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Mr. Speaker,

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In our fight against corruption and protection of public and private property and lawful investment, the Serious Fraud Office in 1999 extended its search light to a number of institutions in the country. 37 cases of serious fraud investigated by the SFO in the areas of contract fraud, embezzlement, tax evasion and misappropriation involved an amount of about ø9.5 billion out of which about ø2.2 billion has so far been recovered. We expect that the Serious Fraud Office will intensify its prosecution of the cases where they have recommended prosecution of alleged culprits. Government on its part has extended an invitation to the World Bank to collaborate in conducting a diagnostic study on corruption in Ghana and how this can be mitigated, if not eradicated.

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Mr. Speaker,

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As I have had the occasion to point out before, one of the critical barriers to our rapid economic development has been the unequal terms of trade between our developing countries especially those in Africa and the advanced economies of the developed world. We in Ghana have been recently reminded of the extent to which our economic fortunes can be affected by the unilateral pricing mechanisms of this relationship, when we saw our gold and cocoa prices drop to unprecedented low levels.

At the same time, we are acutely reminded of the reality that no African country, by itself, can change these centuries-old economic relationship in its favour without presenting a common front with other countries in similar situations.

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Mr. Speaker,

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It is for this reason that we have decided to step-up our efforts in
this direction by the appointment of a Minister in charge of Regional Economic Co-operation and Integration to infuse a new dynamism into our Regional Integration efforts.

We will therefore closely work with other brotherly countries in West Africa to ensure that ECOWAS becomes the effective sub-regional economic grouping that the founding fathers envisaged for it, by enhancing its capacity to hold its own against the other regional and sub-regional blocs of the world.

In addition, the ECOWAS should become one of the propelling forces in the new momentum to revive the idea of African Unity as was decided at the recent Extraordinary OAU Summit held in Libya. Having decided that the pursuit of our long standing Pan African Agenda should now be stepped-up, Ghana owes it to itself and to the rest of the continent to be in the forefront of the struggle for its attainment. After all, it was our own illustrious First President, Osagyefo Dr. Kwame Nkrumah, who lived and died for the unity of the continent. We owe it to his memory to assume that leadership role in the new quest for African Unity and economic Integration.

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We will also continue to work together with other nations of the world to enhance South-South and trade arrangements and the promotion of sustainable development with action to tackle the global environmental threat.

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Mr. Speaker

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The military establishment has continued to demonstrate its ability to safeguard and defend the sovereignty and territorial integrity of the nation.

Political conflicts in neighbouring countries that threaten spill-over effects in Ghana vindicate the Government's policy enshrined in the NDC manifesto to promote co-operation and integration of the Ghana Armed Forces into the nation's development processes in a manner that enhances their role to maintain peace and stability.

The prompt reaction and vital roles played by the Airforce and ground troops in support of the National Disaster Management Organisation during the recent devastating floods in the North bear testimony to the important role of the Armed Forces in national development. The Armed Forces have also been effective partners of the Police Service in the maintenance of internal security and in the fight against crime.

Externally, our Armed Forces continue to bring honour to the nation through their participation in peacekeeping missions even in the face of manpower limitation and logistic constraints.

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Mr. Speaker,

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The first phase of the Ghana Armed Forces Housing project which commenced in 1998 in four of the Garrisons namely Accra, Takoradi, Tamale, and Ho is near completion. These houses will be commissioned by the end of the first quarter of this year.

Even though the 22 housing projects involved do not resolve the problem, they should provide some relief to the troops, whilst Government seeks a permanent resolution of the accommodation problem.

Aware of the transportation problems of the Armed Forces, Government last year set in motion a process for procuring vehicles for the Forces in a phased programme that is expected to show positive results this year.

Government will seek to improve the state of combat readiness of the forces by improving equipment availability by 30% by the end of the year and by increasing manpower strength. Government will further seek to improve the human resource capacity and utilisation by expanding training infrastructure and through joint military - civilian seminars, workshops and courses as well as assistance to civil authorities.

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Mr. Speaker,

We have all witnessed the spate of criminal attacks on some police stations and on several occasions the murder of our policemen in the course of carrying out their statutory responsibility of maintaining law and order. At the same time, the apparent increase in armed robberies and unexplained murders among other crimes, during the early part of the last year created the impression that some criminal elements were determined to undermine social peace and political stability as well as the reputation of our Police Service.

Our working people, women and children are the biggest victims of crime and as a concerned government we will continue to demonstrate solidarity with them by making a concerted attack on crime and drugs. Fortunately, the period towards the end of the year saw the security agencies responding to the challenge with the arrest and prosecution of a number of criminals. The breakthroughs in investigations of a number of high-profile criminal cases is most re-assuring and on your behalf I commend the Police for their efforts despite the severe logistics constraints.

I wish to seize this opportunity to call on the public to be alert and vigilant at all times and co-operate fully with the Police in tracking down criminals and ensuring a secure environment for all.

As part of the strategy to fight crime, the Government will ensure that the Police Service is provided with an effective communications system within the context of our planned integration of the Communications System of the Security Services.

Amendments to the Police Service Act and Regulations to give effect to the Government Statement on the Justice Archer Report will be submitted to Parliament. A new draft Scheme of Service for the Police to replace the current one will also be put in place in 2000.
Mr. Speaker,

In my address to the parade of security agencies and the progressive voluntary organisations last week. I appealed to the nation to unite in order to build a better nation.

Unfortunately, however, the leading institution which should lead in this national effort, is itself fraught with divisions and conflicts. We have, in recent times, witnessed too many bloody conflicts in chieftaincy matters, resulting in loss of lives and property.

Mr. Speaker,

This situation is unacceptable and has to be arrested immediately. Chieftaincy matters are largely out of the hands of Central Government, but we cannot allow it to degenerate to a complete breakdown of law and order with its resultant destruction of our cherished chieftaincy tradition.

I have therefore directed the newly-appointed Minister responsible for Chieftaincy Affairs to move quickly to facilitate the resolution of disputes in chieftaincy matters in collaboration with the Regional and District Security Committees.

Let me assure this House that while respecting the provisions of the constitution in respect of the sanctity of our chieftaincy institution, Government will not hesitate to do what is necessary to ensure law and order in the country. Our security agencies will remain vigilant and move quickly to forestall any person or group which will transgress the law in pursuit of their chieftaincy ambitions.

Similarly, the law enforcement agencies will act against any person or group of persons whose actions or utterances are calculated to whip up ethnic tensions or provoke conflict and ill-feeling among religious groups. We will not tolerate abuse of religious freedom nor will we tolerate irresponsibility towards others and society as a whole.

Mr. Speaker,

As promised in my Sessional Address last year the Government statement on the Justice Archer Report on the Police Service was released in January 1999.

Some decisions in the Government statement including the introduction of 9-months instead of 6 months Cadet Officer training at the Police College and the establishment of an Intelligence Unit within the
Criminal Investigation Department have been implemented.

Agreements have been reached to procure from Spain and the USA fire tenders and other accessories worth 23 million US Dollars to beef up the equipment holding of the Ghana National Fire Service.

Apart from provision in the national budget to alleviate accommodation difficulties, efforts are being made to secure funding to meet set targets for housing units for the Police, Prisons, Immigration and Fire Services.

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Mr. Speaker,

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The Prisons Service Bill which could not be submitted to Parliament will be done this year. The Fire Precaution Regulations to ensure compliance with fire safety requirements in building plans will also hopefully be passed by Parliament.

It is expected that the Immigration Service will be computerized in the course of this year to enhance its capacity to meet the obvious challenges posed by the new Citizenship and Immigration Acts. A Civil Registry and Population Database system will be established to support efforts at implementing the provisions of the Citizenship Act.

The scourge of drug abuse and illicit trafficking are still prevalent. Consequently, preventive drug education in the District Assemblies by the Narcotics Control Board will be intensified, as will efforts to counter drug dealers.

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Mr. Speaker,

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Our policies in the telecommunications industry continue to be justified by the rapid developments in the sector. Over two hundred per cent increase in telephone line availability over the last three years has increased access of our people to telecom services. The deployment of payphones in both urban and rural areas has assured that access to telecom services are not restricted to a privileged few, but are available to the mass of our people.

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However, the programme to expand telecom services has not been without its problems. Increased access to telephone and increased access to Internet use have resulted in an increase in telephone traffic of nearly 500%. Traffic has shot ahead of systems expansion resulting in congestion. We expect the measures being put in place by the Ministry about a marked improvement.

The second network operator WESTEL, last year, successfully commenced deployment of its telephone system. It is set to expand its network to Kumasi and Takoradi this year and subsequently to all the regional capitals.

A feasibility study for rural telephone network in Brong Ahafo,
Northern, Upper East, and West Region has been completed and presented to the Ministry of Communications for consideration. Under the project which will continue this year, rural communities in the four regions will be connected to the national telecommunications networks using wireless technology.

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Mr. Speaker,

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Private participation in broadcasting continue to prove of extreme benefit in attracting investments into the industry. Only recently, World Space Digital Broadcasting Service was launched in the country making high quality news, information and entertainment available to our people. All these developments are encouraging.

Unfortunately, the prerogatives of the market and thereby profit is increasing becoming a defining factor in the broadcast industry to the extent that there is very little circumspection in what is broadcast to the listen to the voice of reason and measure up to their responsibility to well as our cultural values.

Above all they owe a responsibility to use the medium to promote unity, stability and social cohesion and of gratuitous insult to other Ghanaians.

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It is expected that these and other concerns of the public will reflect in the guidelines to regulate the industry which will be placed before this House.

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Mr. Speaker,

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Government remains committed to modernizing the facilities of the Ghana Broadcasting Corporation (GBC) to enable it fulfil its mission not only as a public service broadcaster but also as a standard-bearer in our world of broadcasting. Measures will be put in place to improve GBC's management and service delivery and revenue generation and utilisation. Government will support GBC with resources to undertake economical and competitive rehabilitation of its facilities.

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Mr. Speaker,

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Legislation to operationalise the new National Youth Policy will be submitted to the House in the course of the year. The programme to convert the abandoned administration block complex at Nalerigu into the Northern Regional Youth Leadership Training Centre will commence this year. This will bring to 8 the number of these regional centres.

Two more Youth Leadership Training Centres at Wassa Amenfi in the Western Region, and in the Central Region in the year 2001, will enable
each Region to have a Regional Training Centre, fulfilling the 1996 Manifesto promise of the NDC.

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Mr. Speaker,

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In the course of the year, the National Youth Council in collaboration with the National Board for Small Scale Industries, will begin a programme to offer enterprising young men and women a package of entrepreneurship training supported with credit facilities to equip the Youth with basic skills and cede money to set up their own business.

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Mr. Speaker,

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In a previous Sessional Address to Parliament, I underscored Government's determination to accelerate Sports infrastructure development to upgrade sports as a major factor in our national development effort.

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A 30-room Hostel Block for the Centre for Excellence in Sports and training pitches will be completed this year and will be used as the camping sites for the training of our National Teams preparing for international assignments. The facility will also be available on rental basis.


Six Training Pitches are also being renovated to ensure a successful hosting of the impending tournament. I wish our National Football Team, the Black Stars all the best in their bid to recapture the continental diadem.

Work on the National Youth Centre Complex, formerly known as Kaneshie Sports Complex will be completed this year to provide the youth with recreation and counselling facilities, among others. About 75% of work has been completed on the Cape Coast Stadium project, which can now be classified as the third best in the country.

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Mr. Speaker,

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My Sessional Address last year promised amendments to the Local Government Act, operationalisation of the Institute of Local Government
Studies, preparation of a Local Government Service Bill, fiscal decentralisation and improvement of management of the District Assemblies Common Fund.

All but one of the promised Bills have been finalised and are already in Parliament for your attention. Fiscal decentralisation, which is a process, is in progress. New Guidelines have been issued to the District Assemblies which will improve budgeting and accounting for the use of the Common Fund. The Institute of Local Government Studies was commissioned in May last year.

Legislation to transfer some functions to the District Assemblies in the spirit of Article 254 of the Constitution will be placed before Parliament. The integration of the decentralised Departments into the organisations of the Regional Co-ordinating Councils and District Assemblies as part of the Local Government Service shall be pursued.

We shall expand training for local government capacity building at the Institute of Local Government Studies to include programmes of training to promote public-private partnerships in district economic development and the enhance women's participation in local government and economic development.

Government shall increase the financial resources allocation through the District Assemblies Common Fund for development and add operation and maintenance resources.

* Mr. Speaker,

* Implementation of urban infrastructure rehabilitation projects which I also promised is in progress. In Accra, work has just commenced on the reconstruction of the Odaw Drainage Channel, Mukose secondary drain and four others all of which empty into the Odaw drain.

We have, in collaboration with the World Bank, completed the planning of an Urban V project in 25 urban centres in 23 Districts for investment of a loan of US$100 million to be financed by the World Bank, the Nordic Fund and the French Agency for Development. Parliament shall be called upon during the year to ratify the Credit Agreements when they are negotiated.

We have also commenced the planning of an Urban VI project for the Accra-Tema-Ga conurbation to enhance the capacity of the Greater Accra Metropolitan Area (GAMA) as the development, administrative, financial and diplomatic centre of Ghana.

The Urban VI project credit, will be submitted to Parliament for approval.

* Mr. Speaker,

* I am happy to share with Parliament my satisfaction that our
democratisation of government through the decentralisation policy and programme of Local Government reforms has become a model not only in Africa but in other regions of the world. Indeed, the UNCHS HABITAT decorated Ghana for democratisation of governance and promotion of integrative and participatory development for reduction of poverty in 1999. The Consultative Group Meeting held in Accra in 1999 also recognized the quality of the decentralisation policy and local government programme and is considering premising the next Donors' Conference to be held in the year 2002, on "Poverty Reduction through Decentralisation."

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Mr. Speaker,

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The National Population and Housing Census to be undertaken this year is an important national exercise to which we must all be committed. All of us must be involved in the public education exercise to ensure that every person in Ghana on census night is counted. Let me emphasize that the census is aimed at counting every person in Ghana on census night, not Ghanaians only. To get our planning right, we must get our census right. As the census logo states: "Get Involved, Get Counted". For once let us depoliticise an important national exercise and let us all work to make it successful.

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Mr. Speaker,

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At the end of this year we shall be going for elections. This year's elections will be the real test of transition, as it marks the end of my second term of office.

We should approach this exercise also in a spirit of unity and nationhood. We must all work to ensure, free, fair, transparent and peaceful elections, devoid of violence, devoid of insults and devoid of acrimony.

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Mr. Speaker,

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By virtue of the constitutional provisions, this will be my last Sessional Address to the Second Parliament of the Fourth Republic after our successful transition to constitutional rule from the PNDC era in 1993.

It has been eighteen long years for my colleagues and I and also my wife, Nana. It has been a difficult but rewarding eighteen years. We have overcome many attempts to destabilize the process we initiated to bring about the political stability that has made Ghana what it is today. We have succeeded thus far because we have been vigilant, pragmatic and level-headed in our relations and dealings with the ordinary people of this country.
Vigilance, level-headedness and pragmatic economic policies are the legacy that I leave for the Honourable Professor Atta Mills or whoever my successor may be.

Mr. Speaker,

We entered the Ghanaian political scene at a time when we were least prepared for it. Indeed, it had never been part of any plan of mine to enter politics. But my baptism of fire into the political realm was a product of the anger and frustration of the people and the times. We should never forget those times, because, if we do, we shall be caught unawares.

Too many of us are taking the people for granted. We are almost lapsing into the old delusions of election equals democracy, equals security. But this is wrong. Beyond elections are the aspirations of the people and the quality of life they are able to live.

Mr. Speaker,

Our people are complaining that whilst they are making sacrifices in the face of the difficult economic realities, those of us who are elected to political office seem to think of ourselves first.

In complaining, they do not just complain about "Government". They complain about minority Members of Parliament as well. They allege that their elected representatives and office holders seem more concerned about their "perks" of office than about the welfare of their constituents.

It is important for all of us, Government and Opposition, to join forces and listen to the complaints of our people and fashion responsible responses that will address their genuine problems. We cannot be complacent in the face of the impatience of the people. If we are, we stand not only the risk of political apathy and indifference, but creating conditions that could lead to a stormy upheaval.

Mr. Speaker,

We have come a long way on the economic front. Eighteen-year old Ghanaians of today have no knowledge of "kalabule" "gyenabu", "hoarding", "profiteering", "selling above controlled price", the economic vocabulary which characterized the 1970s and early 1980s.

Our newly enfranchised eighteen-year olds must be made aware of our history so that they vote to ensure that never again do we return to such corrupt and exploitative conditions.
We rather introduced new vocabulary to the socio-economic and moral aspects of the country's life—the watchwords of which are probity and accountability. Despite what the critics say, we have never departed from our commitment to probity and accountability. We cannot however deny that this commitment may appear to have waned slightly since the end of the PNDC era.

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Mr. Speaker,

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As we come to the end of our second term in office, we will continue to pursue our vision for Ghana, where there is freedom and justice, equality and equity, progress and development.

We will continue to champion our development agenda to see a Ghana with economic and social infrastructure extended to every part of the country.

We will continue to work for a Ghana where every child completes basic education and as many adults as possible proceed to tertiary and other higher level institutions.

We will continue with our policies to see a Ghana the health of whose population can be taken for granted.

We will continue with measures to ensure a Ghana where the enabling environment is conducive to further stimulate private sector growth and investor confidence.

We will continue with our programmes to create a society of opportunity for all and put within the power of each of us to fulfil our true potential.

To achieve these, we must admit that we have a job to do. We have problems to confront. We have an agenda to complete. That agenda must go even beyond the year 2020—which is the target we have set ourselves in our medium-term vision.

We need to have a vision of what we would like Ghana to look like in the next 50 years. Indeed in the next 100 years. We need to lay the foundations for a solid nation-state to bequeath to our children, our children's children and to generations yet unborn.

We could not have turned the country round, nor come this far, without taking some difficult, painful, unpalatable but necessary decisions. In the process, we have offended some people. We have upset some people. We have hurt some people. To all such person, I say we are sorry.

Consider your personal offence, upset or hurt the small price you have
had to pay for the greater collective good.

Friends we have lost, relationships that have been broken, acquaintances that have been shattered must all be considered part of the process. What is more important is the desire to restore these relationships and hopefully a determination on all sides to do so.

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Mr. Speaker,

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We set out to make a revolution. Without that revolution, we could not have arrived at the situation we are fortunate to find ourselves in today—with a stable political order and democratic Constitution. It is said that you cannot fry an egg or they say make an omelette without breaking an egg. We could not have achieved what we have without stepping on some toes.

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Mr. Speaker,

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WE MUST MAKE COMMON CAUSE TO SECURE THE FUTURE OF OUR NATION. I pray that God continues to guide each and every one of us in the discharge of our onerous duties.

Thank you and God bless us all.