



REPUBLIC OF GHANA

**1995: GREATER MOMENTUM
FOR GROWTH**

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Sessional Address

by

H. E. M. - Lt. Jerry John Rawlings
President of the Republic of Ghana

*At the State Opening of the 3rd Session
of Parliament*

6th January, 1995



Flt.-Lt. J. J. Rawlings, First President of the 4th Republic of Ghana.



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FLASHBACK: The Vice-President, Mr. K. N. Arkaah in a hearty chat with Mr. Justice D. F. Annan, Speaker of Parliament during the Inauguration of the 4th Republic

1995: GREATER MOMENTUM FOR GROWTH

**SESSIONAL ADDRESS BY H.E. FLT. LT. J. J. RAWLINGS,
PRESIDENT OF THE REPUBLIC OF GHANA, ON THE OCCA-
SION OF THE STATE OPENING OF PARLIAMENT IN ACCRA
ON FRIDAY, 6 JANUARY, 1995**

**Mr. Speaker, Vice President, Chief Justice, Members of the
Council of State, Ministers of State, Members of Parliament,
Distinguished Guests, Ladies and Gentlemen,**

INTRODUCTION

**First of all, may I extend to you all my good wishes for the New
Year. I trust that we are all refreshed by the time we have been able
to spend with family, friends and constituents, and that we are ready
to address the business of 1995.**

**I have every confidence that the Members of the House will
display the necessary diligence and commitment in the exercise of
their responsibilities towards the people of Ghana in the year ahead.**

**I am aware that the exacting nature of their responsibilities is
taking its toll on the health of some of you. Within a short period of
time we have lost two honourable members of this House and I wish
to convey my heartfelt condolences to the bereaved families and
constituents.**

**Mr. Speaker, on this occasion last year, I expressed the hope
that I would be able to deliver the Sessional Address for 1995 in
Parliament's permanent premises. Although we are unable to hold
today's ceremony in the newly renovated premises, I am informed
that the renovation works are far advanced. It is therefore expected
that the Parliament of the 4th Republic will reconvene after the easter
recess, if not before, in its own premises.**

COMMITMENT TO DEMOCRATIC PRINCIPLES

Mr. Speaker, though the political scene was sometimes heated if not acrimonious, through our tolerance, patience and a spirit of accommodation we demonstrated our commitment to the democratic principles embodied in the Constitution. As we approach the election year of 1996, it behoves on all of us to guard against any tendencies to create political instability. We must bear in mind that the preservation of peace and stability is one of the pre-requisites for the level electoral playing field that we all cherish.

ELECTORAL COMMISSION

It is equally important that we all recognize the independence of the Electoral Commission, to enable it play its constitutional role as the neutral referee in the electoral process. In the circumstances, it would be appropriate for the conditions to be created for any political parties which have had cause to decline further participation in the proceedings of the Inter-Party Consultative Committee to return to the discussion table.

At the same time, it is important for the Electoral Commission to assert its constitutional autonomy and see itself as beholden to none but the Constitution. That will be the surest way to guarantee free and fair elections in 1996.

NORTHERN CONFLICT

Mr. Speaker, the relative peace and stability that I spoke about earlier were unfortunately marred by tragic incidents of land and chieftaincy disputes in certain parts of the country.

In particular the bitter conflict which took place in the North will forever remain a shameful blot on our history. Thank God, we were

able to contain it, but only after extensive damage had been caused with its attendant effects on development in the affected areas not forgetting of course, the loss of lives of innocent people especially women and children.

I would like to commend all those who have assisted or taken various initiatives in support of Government's efforts to bring lasting peace to the conflict areas. I am sure that our common prayer is for the factions to resolve to continue to keep the peace and to live together in a spirit of brotherliness and forgiveness.

VISION 2020—DEVELOPMENT OBJECTIVES

Mr. Speaker, Members of Parliament, Article 36, clause 5 of the Constitution of the Republic of Ghana stipulates that within two years of assuming office, the President shall present to Parliament a coordinated programme of economic and social development policies, including agricultural and industrial programmes at all levels and in all the regions of Ghana.

In accordance with this provision, I presented to the Speaker yesterday a document which we have called "**Ghana-Vision 2020: THE FIRST STEP**".

It is the product of consultation and collaborative effort, and builds upon existing programmes and policies, amending or adding to them where necessary, to provide a framework within which we can realize the long-term vision of raising Ghana into the ranks of the middle-income countries of the world.

Mr. Speaker, our efforts over the past 12 years were first directed towards halting the decline in our economy which characterized the 1970s.

In addition we had to embark on repairing the damage to our infrastructure. These included roads, schools, hospitals, railways,

ports, etc. We also had to ensure the availability of inputs, spare parts, and materials so that ordinary farmers, entrepreneurs and industrialists could obtain their most basic needs within a fair and equitable system.

All these measures cost money, and whilst they improved many aspects of our daily lives, few of them actually put extra money in the pockets of the ordinary man and woman.

Mr. Speaker, whilst the document which we have called "**Ghana-Vision 2020: THE FIRST STEP**" has been put before this House as a Constitutional requirement, the work and planning began when the NDPC was set up in 1990 long before the 1992 Constitution was promulgated.

The report before you is a comprehensive development policy document. We are honest about the current status of development in the country and we have not glossed over our shortcomings.

The main thrust of the programme, is to consolidate the gains already achieved and to lay the foundation for accelerated growth as we enter the 21st century. Laying the foundations for accelerated development does involve a critical review of our economic policies to ensure that they contribute fully to Ghana's future sustainable development.

Mr. Speaker, once the co-ordinated programme of economic and social development policies is scrutinised and approved by Parliament, the document will be circulated to the Ministries, sector agencies, the Regional Co-ordinating Councils and the District Assemblies, together with planning guidelines, for the preparation of sectoral and district (medium-term) plans. A workshop aimed at co-ordinating the various submissions will take place in the third quarter of 1995 and will involve policy makers in both the public and private sectors. The conclusions will form the basis for the preparation of the detailed national Five-year Plan for the period January 1996 to December 2000.

This development plan will be the reference document that informs the entire country as well as the international community of the enabling environment to be provided by government in support of private investment, initiative and innovation, and also informs non-governmental organizations about the priority social and economic activities in the various districts of the country.

Mr. Speaker, Honourable Members, I entrust the programme into your care. I am sure you will study it carefully and debate, thoroughly. I hope the document will also be made available to the general public to enable them contribute meaningfully to the discussions.

Mr. Speaker, Article 38 section 2 of the Constitution also requires that Government should submit to Parliament within two years of coming into office, a programme to achieve free, compulsory and universal basic education within the next ten years.

Although in the past decade, access to education has been greatly increased, and although tuition is free throughout the public education system, some children are still not within reach of basic facilities, whilst parents in the low income groups find even the modest charges for use of textbooks and other materials a burden on their resources.

In compliance with the Constitution, therefore, a document has been lodged with Mr. Speaker for discussion and debate by Members of this House.

NATIONAL INSTITUTIONAL RENEWAL PROGRAMME

Mr. Speaker, one of the factors which has impeded the country's development process has been the lack of urgency and efficiency in public sector management with the result that we have failed to reap maximum benefits from sound policies and pro-

grammes. It is in the light of this that the National Institutional Renewal Programme was recently launched. This programme alongside recent and on-going reforms in the government machinery including the Public and Civil Service will hopefully begin to bear fruit this year.

FINANCIAL PROGRAMME

Mr Speaker, with regard to economic performance in 1994, the government's objective was to stabilize the economy after two years of deficits, expansionary monetary growth and inflation. It was to set the stage for efforts to intensify structural and institutional reforms, and to contribute to accelerating growth in the economy.

The specific objectives of the financial programme included the generation of a budget surplus as well as raising the investment/GDP ratio; lowering inflation; and improving the overall Balance of Payments (BOP) situation. To achieve these targets, strict fiscal discipline was to be applied, and this was to contribute to the stabilization of the cedi.

The first weeks of 1994, however, saw a very rapid depreciation of the cedi against the major foreign currencies. Although it stabilized in the second quarter, the cedi started depreciating again in the third quarter of the year, partly reflecting the high liquidity in the economy, with attendant increased demand for foreign exchange and partly the distortion in the foreign exchange market. Matters were made worse by the slow disbursement of loans and grants.

The government is very concerned with the rate of depreciation of the cedi against the major foreign currencies. We need to understand however that the ritual of annual demands for salary increases if not checked will continue to undermine the exchange value of the cedi.

We also need to raise the competitiveness of our local industries and export more to enable us earn more foreign exchange. At the same time we must be willing to reduce our demand for and consumption of imported goods, as this remains a viable option for the stability of the current exchange rate of the cedi.

The Bank of Ghana is also expected to rigidly enforce the regulations on the operations of forex bureaux, a number of which are colluding with certain business interests which lodge huge amounts of cedis within them against future supplies of foreign exchange. In other words, the capital flight regulating from this practice is also undermining the stability of our currency. A few of such reports are currently being investigated.

Mr. Speaker, in brief, the main policy thrust for 1995 will be to regain the momentum in output growth, lower inflation and stabilize the cedi.

Well planned and executed expenditure programmes will help to ensure that a macro economic balance is attained throughout the fiscal year. Expenditure control will remain one of the tenets of our economic policies.

For the recurrent budget, the Integrated Personnel/Payroll Database (IPPD) which is currently being installed will enable us to ascertain and control the deployment of public servants and expenditure on personal emoluments, which consumes an unacceptable 43 per cent of the national budget.

Implementation of a revised accounting system, supported by new procedures derived from a revised Financial Administration Decree and Financial Administration Regulations, and a new chart of accounts will produce the essential financial information required by Government.

DIVESTITURE PROGRAMME

Mr. Speaker, during the year 1994, forty-two State-owned enterprises were divested. This consisted of 25 outright sales, two joint ventures, 8 sales of Shares in Listed Companies on the Stock Exchange, three sales of Government Shares in existing joint venture companies and 4 liquidations.

The results achieved in 1994 by the Divestiture Implementation Committee are a clear demonstration of the Government's commitment to accelerated implementation of the programme.

The successful floatation of the share of the Ashanti Goldfields Corporation on the Ghana Exchange in Accra and the London Metal Exchange has enhanced the awareness of investment opportunities in Ghana to both the local and international markets.

In spite of the progress made, we have taken note of the concerns raised with regard to the apparent slowness in the rate of implementation of the divestiture programme. Steps have been put in place to eliminate the bottlenecks as part of measures to enhance private sector investment and growth. The passage of the Ghana Investment Promotion Centre Act has removed constraints on both local and foreign investment and freed it from unnecessary bureaucratic controls.

WAGE POLICY

Mr. Speaker, the thrust of Government's wage policy is towards improving the conditions of our working people in general and addressing the disparities in earnings within the public and civil services. Government will however remain mindful of the need for systematic and careful approach if we are to avoid further inflationary pressures. The phased approvals and implementation of the recommendations of the Gyampoh Salary Review Committee reflects government's cautious approach to wage and salary administration and we hope that the other social partners on the Tripartite Committee will keep the long-term interests of the country in mind during any negotiations.



Despite erratic rainfall, our farmers were able to take advantage of rains during the minor season to avert shortages.

If there is one thing we must all bear in mind it is that we must be quick to seize the present opportunities and advantages we have as a nation to attract investment to develop our economy. As the popular saying goes, opportunity comes but once. Despite the recent international trade agreements, the global economic conditions remain unfavourable to countries like ours which are still exporters of primary commodities. Unless we are conscious of the challenges these pose in the present international economic environment, we could lose a lot from being partisan and short-sighted in our approach. And as I stated recently, the nation's economic growth of Ghana is pre-condition for our individual and collective prosperity.

TRADE AND INVESTMENT

Mr. Speaker, the Trade and Investment Programme, instituted in 1993, has contributed to an impressive increase in the value of non-traditional exports in the first six months of 1994. However, additional measures to stimulate growth in this sector will be pursued, in order to meet the 1995 target of US\$335 million.

Presently, our total export receipts pay for only two-thirds of our total imports. This trade deficit is increasingly financed by remittances, receipts from tourism and foreign investment. Even so, there is a gap which we must endeavour to close since we should not depend only on grants and loans to do this. We can close this trade gap by boosting exports, by exercising prudence in our imports and by patronizing local industries wherever possible.

A draft Free Zone Bill was submitted to Cabinet late last year, and it is hoped that 1995 will see the creation of Free Ports, Export Processing Zones and other free zones within which processing industries, commercial warehousing and goods handling firms will find attractive incentives for investment as well as increasing the efficiency of our international trade.

MANUFACTURING SECTOR

Mr. Speaker, the contribution of the manufacturing industry towards the national economy continued to grow in 1994, but not as rapidly as we would wish to see.

Whilst this has been due partly to genuine constraints, which the Business Assistance Fund has been set up to address, it has also been due in some cases to the lingering expectation of special protection by industrialists who are finding it difficult to come to terms with the competitiveness of an open market. Import restrictions do not provide the panacea but at the same time we as a government will not shirk our responsibility to ensure that local manufacturers are not undermined by unfair import practices.

Through the Federation of Associations of Ghanaian Exporters, the Council for Indigenous Business Associations, the Private Enterprise Foundation and especially the Private Sector Advisory Group, the Government has given the private sector a greater role in policy formulation and discussions, as well as access to State assistance.

AGRICULTURE

Mr. Speaker, 1994 was not a particularly good year for agriculture. Erratic rainfall during the early part of the year seriously affected major seasonal crops in several parts of the country. The Northern conflict also disrupted farming activities, destroyed stored grains and planting material, and even now affects the transport of produce from the growing areas to the major consuming areas in the south. Only cassava and plantain, among the food crops, showed an increase in production for the year.

However, what might have become serious food deficits were averted due to the valiant efforts of our farmers to take advantage of the rains during the minor season which enabled much of the deficit to be made good. In addition, prompt action by Government,

assisted by NGOs and various donors, to make farming materials available to victims of the Northern conflict, also produced a gratifying response.

As at the end of 1994, therefore, it was only the Upper East Region, which suffered drought followed by extensive floods, and which again had a serious regional shortfall for which food aid will be needed until the next farming season.

It is expected that the dam construction programme going on, as well as the simple soil conservation techniques being taught to farmers in the region will help to avert such situations in future.

Mr. Speaker, industrial crops such as oil palm, cotton and tobacco and non-traditional export crops such as pineapple, coconut and rubber, although affected by the poor rains, have had a satisfactory year.

COCOA SECTOR

The cocoa industry recorded several significant achievements in 1994, arising from sometimes painful but necessary policies, which are now showing positive results.

Even though *production fell to 255 thousand metric tonnes last year as opposed to 312 thousand metric tonnes the previous season*, government revenue increased from 28% of total proceeds to almost 40%, due to the increased efficiency of the restructured COCOBOD.

The fall in production was partly due to poor rainfall, and partly due to the unattractive producer price, leading to neglect of farms and increased smuggling.

The increase of over 100% in the producer price at the beginning of the current season has already had a positive effect on farm maintenance, whilst smuggling has reduced.

It is regrettable however that our cocoa farmers have not promptly benefitted from this because of the inability of the Bank of Ghana to provide adequate currency notes on time. This situation is being exploited by certain political interest groups to place the government in a bad light. We have always stated that we will not play politics with the welfare of our farmers. Our concern is to ensure that outstanding payments are met as soon as possible and that there will be no such recurrence in the future.

FISHING INDUSTRY

Mr. Speaker, overfishing in our seas threatens the sustainability of our fishing industry. The Fisheries Commission for the time being will therefore not register any new industrial fishing vessels. However, to ensure the efficiency of the existing industrial fleet, replacement of obsolete vessels may be permitted.

The potential of our inland fisheries still holds room for expansion, and substantial investment proposals to develop large-scale aquaculture are presently being examined. Similarly a programme to upgrade existing livestock will take off early this year. This is intended to improve the production of animal protein.

MINING SECTOR

Mr. Speaker, the mining sector continued to perform well with gold production for 1994 estimated at 1,420,000 ounces compared to a little over 1,260,000 in 1993.

Diamond production for 1994 is expected to reach 760,000 carats, up from 623,000 carats the previous year.

Bauxite and manganese production also increased substantially during 1994, with the Ghana Bauxite Company registering 425,000 metric tonnes, the highest output ever reached in the history of the company.

The divestiture programme of the State-owned Mines was advanced by the ratification by Parliament of the agreement between the Government and De Beers regarding the Akwatia Diamond Operation. As at the end of last year, final negotiations were going on between Government and potential buyers for the remaining State-owned mines.

It is clear that with such growth in the mining sector, the environment will suffer unless properly handled. It is in this regard that the Environmental Protection Agency and the Minerals Commission have taken joint steps to ensure optimum environmental standards within the industry.

Whilst it is relatively easy to ensure that a large mining company which has sunk capital, plant and equipment into a concession, complies with environmental standards, this is not the case with small-scale enterprises dependent largely on labour and simple tools.

The Environmental Protection Agency and the Minerals Commission will within the year prepare environmental guidelines to assist small-scale miners in their operations.

District Assemblies would be encouraged to be more involved in the management of the environment where such mining activities take place.

ENERGY SECTOR

Mr. Speaker, since the launching of the National L.P.G. programme in 1990 the demand for L.P. Gas has shown a steady increase. It has therefore become necessary to put in place a more effective distribution system, and to improve LPG storage facilities at the Tema Oil Refinery which is undergoing a far-reaching modernization in its 30-year history.

New LPG bottling plants have been commissioned in Takoradi and Tamale and additional ones will soon be commissioned at the Accra Plains, Kumasi, Bupe and Bolgatanga. These facilities will increase the country's capacity for L.P.G. storage by a total of 2,600 metric tonnes.

In my last Sessional Address, I indicated that negotiations were underway to establish a cylinder manufacturing plant in Ghana to improve the distribution of L.P.G. I am happy to announce that concrete steps have now been taken in that direction. A concessionary loan of eight million US dollars has been made available by the Government of the Republic of South Korea for this purpose and the agreement will soon be placed before Parliament for approval.

ELECTRICITY

Mr. Speaker, the Government's plan to extend electricity to the whole country within thirty years is well on course. The last session of Parliament approved the agreement covering the funding for all the remaining thirty-six District Capitals, the construction of eleven of which has begun and will be commissioned before the end of the year. Work on the last twenty-five (25) will start this year and is expected to be completed between 1996 and 1997.

The response of the donor community to the National Electrification scheme has been remarkable and as we approach the 5th year of the programme, we can foresee a reduction of the time table by at least 5 years.

Participation in the Self Help Electrification Scheme (SHEP) continues to exceed our expectation. More than 1,200 communities have expressed their willingness to participate in the next Phase of SHEP. The Government is seeking additional funding to enable it meet the expectations of these communities.

Mr. Speaker, as our needs for economic infrastructure expand in line with our development, the public sector alone cannot be expected to deliver these to meet our expectations. The Government therefore last year announced that meaningful participation by the private sector in the provision of infrastructural services will be encouraged. The reception of the idea of independent power producers has been so encouraging that we are confident we can meet our expanding needs in the future.

Studies have already been conducted on hydro sites on three western rivers, Tano, Ankobra and Pra, which will be given out as concessions to independent power producers for development to complement the Akosombo operations.

Even though the Volta River Authority is to develop a 300 Mega Watts thermal plant at Takoradi it is clear that in the foreseeable future considerable additional capacity from the private sector will be necessary to power the growth of the country's economy.

FORESTRY

Mr. Speaker, during the latter part of 1994, the new Forest and Wildlife Policy was approved, the Trees and Timber (Amendment) Act was passed and a draft Concessions (Amendment) Bill prepared ready for consideration by Cabinet.

These should facilitate, during 1995, the elimination of speculative timber felling and illegal chain saw operations, as part of a programme to ensure good management and sustainable utilization of our forest resources. the Forestry Department will further extend its programme for community and district involvement in the management of local forest resources.

In 1994, the country earned US\$222 million through the export of wood products of a volume of 983 thousand cubic metres.

This represents an increase of 29% in terms of value, and 22% in terms of volume over the last year's figures. Our aim is to actually reduce our total volume of exports whilst increasing the value through further processing.

TOURISM

Mr. Speaker, foreign exchange revenue from tourism continues to increase. The final figures for 1994 are expected to exceed US\$240 million, up from US\$205 million in 1993, whilst the projection for 1995 is more than US\$370 million.

In 1994, the provision of tourist facilities and services provided thousands of jobs, and this is expected to grow substantially in 1995 with several major hotel investments in progress.

In 1995, the provision of promotional material as well as the improvement of standards of service, through monitoring of facilities and the training of personnel, will be our priorities.

CULTURE

Mr. Speaker, we remain committed to the development of a humane and progressive national culture, deeply rooted in the traditions and noble heritage of our society.

Our goal is to enhance the creativity, confidence and pride of our people through exposure to our history, arts and crafts, and to reach out to the international African family, as well as to all that is best in other cultures.

In this regard, attention will be given to improving the administration and organization of the agencies involved in the promotion of arts and culture, as well as further develop their physical infrastructure.

The experiences of PANAFEST' 94 were challenging and instructive, providing lessons for the future.

EDUCATION

Mr. Speaker, during 1994, a massive injection of resources made possible the improvement of standards of primary education, which is the foundation of the entire educational system. Actions included improved supply of textbooks, support for improved teaching methods, provision of motorcycles and bicycles to headteachers and teachers respectively in remote areas.

Already, over a thousand headteachers' houses have been completed, and this incentive will continue. Work is in progress on a further 1,800 primary school pavilions in needy areas, and more will begin shortly.

The Educational Reform Review Committee established in July 1994 to review the performance of the Junior Secondary School and Senior Secondary School system has presented its recommendations, which are now under consideration.

More structures for existing community senior secondary schools will be completed by mid-1995, bringing the number of multipurpose buildings and staff houses provided under the programme to almost 500. Resource Centres are to be provided to give such schools access to Science and technology teaching facilities.

Mr. Speaker, last year, thirteen contracts worth over ₵12 billion for civil works alone were awarded for the rehabilitation of structures in our universities at Legon, Kumasi and Cape Coast, as well as the University College of Winneba and the six existing polytechnics.

Last month, a number of vehicles were made available to tertiary institutions. As part of the programme to improve and modernize facilities in our tertiary institutions three hundred (300) computers will also be supplied in 1995. In addition, US\$12.5 million

worth of laboratory and workshop equipment will be delivered as from June this year.

It is expected that this year, two new polytechnics will be established in Koforidua and Sunyani, and there are plans for the establishment of similar institutions in Wa and Bolgatanga.

Mr. Speaker, I have spoken at length about education, because it is the key to both personal and national development. I would like to take this opportunity to point out that whatever programmes and funding Government provides at all levels, this costly but vital sector cannot produce the results which we hope for without the commitment of parents and teachers.

Responsible parents must ensure that their children obtain the maximum benefits from the opportunities open to them, even if it means making little personal sacrifices in both time and money.

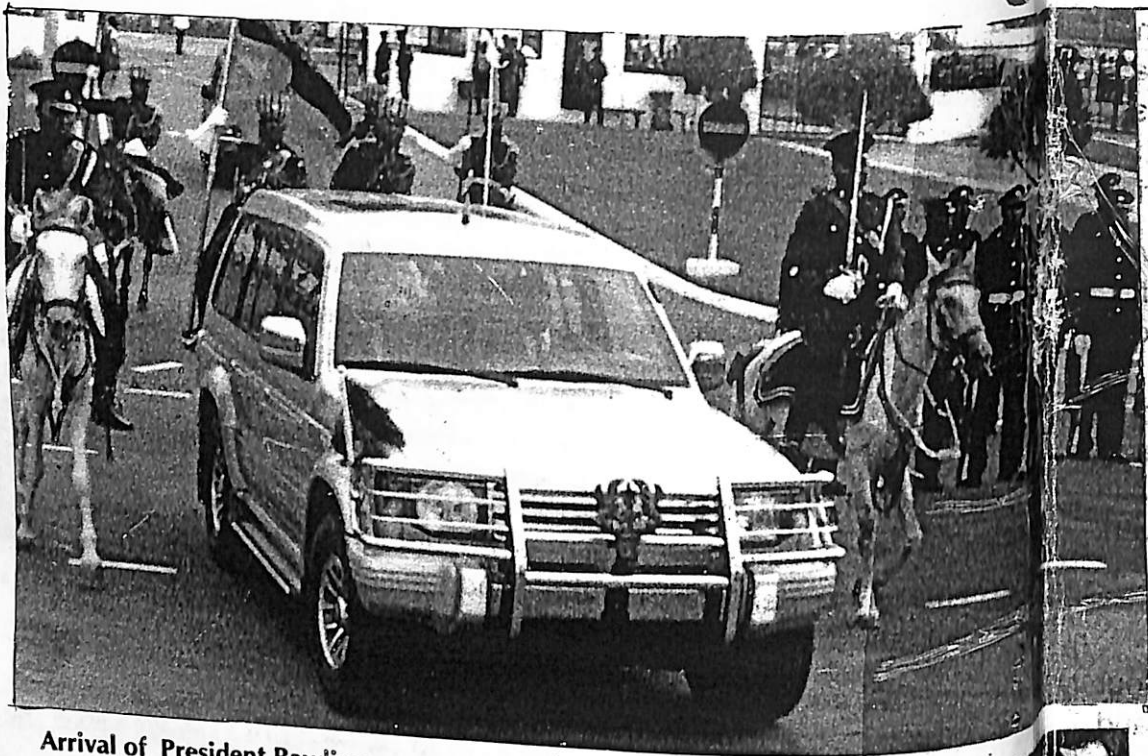
As regards our teachers, it is hoped that national awards for the dedicated ones amongst which are to be instituted would serve as an additional incentive.

HEALTH SECTOR

Mr. Speaker, last year, our priorities in the health sector included the rehabilitation of existing health facilities, involving Korle Bu and Komfo Anokye Teaching Hospitals, Effia Nkwanta and several health centres throughout the country.

Twenty-four (24) new health centres and clinics were completed and four others are under construction. Work is expected to begin this year on new Regional Hospitals at Ho and Cape Coast.

To strengthen District Health Management teams, 12 new District offices were completed and 12 more will be built this year, whilst 30 bungalows for District Medical Officers will be completed, furnished and occupied.



Arrival of President Rawlings

**STATE OPENING OF THE THIRD SESSION
OF PARLIAMENT**

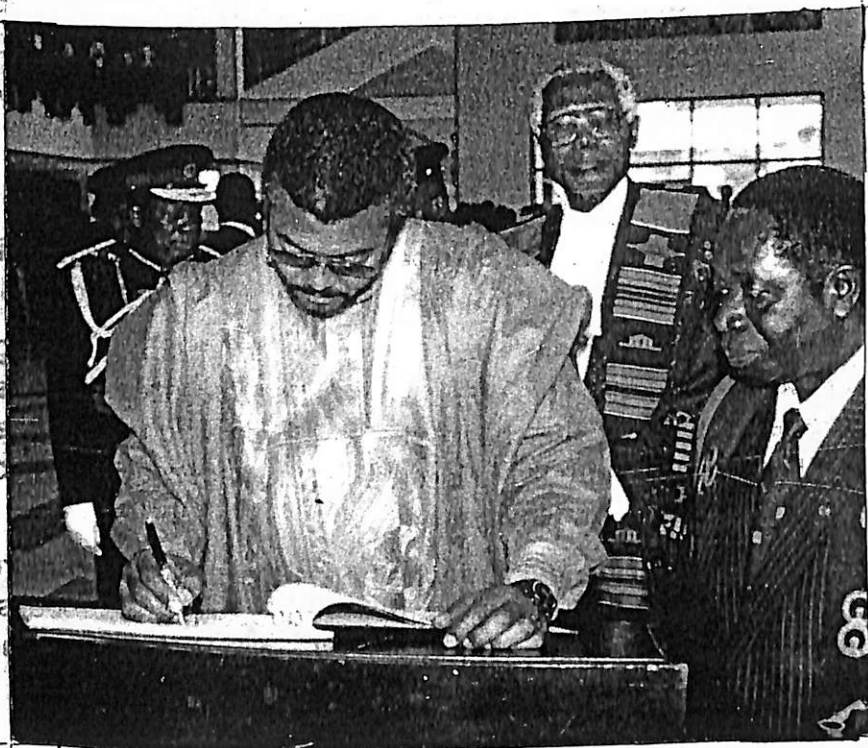


→ Mr. Justice D.F. Annan, (left), Speaker of Parliament receives the Sessional Address from President Rawlings.



Invited guests at the third session

Below: President Rawlings signs the Parliamentary Register



The District and sub-District Health systems are vital in promoting preventive health measures especially among mothers and children. For this reason, direct budget allocations to district-based health programmes was increased by over 500% in 1994. It is expected that \$2 million worth of hospital equipment for the districts will arrive in the first quarter of the year.

The drug procurement, inventory and distribution system has been improved and better transport management has resulted in substantial savings. While noting these positive developments we are aware of the increasing cost of medicines even for the most common ailments. It is our view that the National Health Insurance Scheme is an imperative if we are to cater sufficiently for the health needs of our people. A draft legislation is in preparation while work on the Ghana Health Service has been set in motion.

EMPLOYMENT, LABOUR AND SOCIAL WELFARE

Mr. Speaker, we provide education and health care to our people so that they may have more options for a productive and fulfilling life.

This means work.

Ideally, every adult should be able to engage in useful, satisfying work which provides at least the resources to live in modest dignity.

In the government fiscal statement for 1995 we pledged to create 50,000 jobs. This objective has been realized not by setting up agencies for the artificial creation of jobs in which government will pay people to idle about, but by creating the necessary conditions for economic growth and investment.

The results are evident whether in the booming construction industry, in mining, in the expanded production and processing of industrial crops such as cotton and oil palm, in tourism or in other growing service industries.

These are real and productive jobs, not political inventions at the expense of the State.

Although new job opportunities are not yet enough to resolve our problems of unemployment and under-employment, job creation through genuine economic growth continues to be our strategy.

To enable new entrants to the labour market, as well as existing unemployed, to take full advantage of job opportunities, a Policy for Sustained Employment Generation was developed in 1994.

This includes the establishment of systems to link potential employees with opportunities in the labour market, outreach programmes to schools and tertiary institutions on career opportunities as well as self-generated jobs. In addition a programme has been launched with the assistance of NGOs to train and equip street children for productive work.

Mr. Speaker, the disabled or otherwise disadvantaged, need our special assistance to become useful and integrated into the society. Whilst there is a law requiring employers to take on a proportion of disabled persons, I would ask all employers to be guided by their social conscience to offer more jobs to the disabled

HOUSING SECTOR

Mr. Speaker, the total number of housing units delivered last year by the joint efforts of SSNIT, the State Housing Corporation and members of the Ghana Real Estate Developers Association showed a marked increase over the previous year. Conservative estimates indicate that at least 5,000 units were completed.

Whilst this is rapidly increasing the nation's housing stock, as well as providing thousands of productive jobs in the construction sector, relatively few of such developments provide low income housing and rental units, which represent the most urgent need of

the average Ghanaian. In the year ahead, all agencies involved in the housing sector will be called upon to examine ways to make their services more responsive to the needs of low income earners.

WATER SUPPLY

Mr. Speaker, many water supply projects, both rural and urban, and both large and small, were completed in 1994. In the rural areas the emphasis has been, and will continue to be, the involvement of communities in water and sanitation management projects, which has provided hundreds of simple clean water sources and improved public toilets.

Extensive drainage improvement works have also been carried out in Accra, Cape Coast, Sekondi-Takoradi, Tamale and Ho. Among major projects nearing completion are the Techiman and Konongo water supplies, started over two decades ago and then abandoned. A "Promotion of District Capitals" Project Credit is being negotiated with the government of Germany for improvement of water supply in Nkoranza, Ejura, and Kintampo.

In 1995, work will continue on the rehabilitation of Accra and Tema water and sewerage systems, as well as the improvement of supplies in regional and district capitals and other towns and villages.

Mr. Speaker, it is gratifying to note that public awareness of environmental issues continues to grow. This concern must be guided and encouraged into practical action in all our districts and communities.

In this regard, the Environmental Protection Council has been transformed into the Environmental Protection Agency, with increased powers to set, monitor and enforce environmental standards, following the enactment of an Act by Parliament.

Mr. Speaker, a Bill will be laid before Parliament to make the Council for Scientific and Industrial Research more responsive to national needs. At the same time the application of science and technology in rural development is being strengthened under Rural Enterprise Project, which has initially taken off in Ashanti and Brong Ahafo.

DECENTRALIZATION PROGRAMME

Mr. Speaker, Government vigorously pursued the implementation of the 8 point Local Government improvement programme which I announced in the 1994 Sessional Address.

Sanitation continued to receive considerable attention from Central Government and District Assemblies. Each District Assembly was provided a Tractor Mounted Cesspit Emptier, while efforts are continuing to acquire more refuse trucks for the urban centres.

The Environmental Health Division has been transferred to the Ministry of Local Government and Rural Development and work to integrate it into the District Assemblies is in progress.

Rehabilitation and construction of infrastructure in five towns and cities have been pursued under the Urban II Credit.

Detailed engineering designs to improve roads, drains, markets lorry parks, solid and liquid waste management systems in the 11 Project Districts under the Urban III Credit have been completed and actual construction works are scheduled to commence this month.

Mr. Speaker, the sum of ₵34.00 billion was earmarked for disbursement to the District Assemblies Common Fund during 1994. This was equivalent to 19.6% of the total Development Budget for the year. It also represents a very large increase in resources now available to the District Assemblies which together generated ₵9.4 billion in local revenue in 1993.

Government will continue implementation of the decentralization programme during the year with special emphasis on strengthening the capacities of the District Assemblies and the Sub-District

Councils in the development and management of facilities and services. In furtherance to this, the Council and Unit Committees will be inaugurated in the first quarter of this year.

In addition a number of bills will be laid before Parliament in the course of the session by the various Ministries to transfer authority in respect of those decentralized functions to the District Assemblies.

A Local Government Service Bill will also be laid before Parliament in accordance with Section 37 of the Local Government Act, 1993, Act 462, to establish the Local Government Service which shall work to the District Assemblies and the Regional Coordinating Councils.

The critical functions of co-ordinating and monitoring have been noted to be weak links in programme implementation. The Offices of the Regional Coordinating Councils will therefore be strengthened to improve coordinating and monitoring of programmes both of Central Government and District Assemblies.

Mr. Speaker, funding and effective financial management are critical factors in decentralization. The Ministries of Finance and Local Government and Rural Development have been directed to conclude on-going work on fiscal decentralization to provide an appropriate framework for regulation of financial relationship between the Central Government and the Regional Co-ordinating Councils and District Assemblies.

Mr. Speaker, government will seek additional funding to address the increasing environmental sanitation problems in the five cities of Accra, Kumasi, Sekondi-Takoradi, Tema and Tamale. Under this project infrastructure and management arrangements to improve solid and liquid waste management and drainage, especially storm drainage, to eliminate the annual flooding of parts of these cities would be implemented.

An additional local Government Development Project to cater for improvement of basic infrastructure services and management in the remaining twenty-three urban towns which were not covered by previous programmes is also envisaged.

ROADS

Mr. Speaker, in 1994, programmes of the Ghana Highway Authority, the Department of Feeder Roads and the Department of Urban roads proceeded according to plan, improving communication in many parts of the country. 60Km of new asphalt roads and 65 Km of new bitumen surfaced roads were completed. 137Km of main highways were regravelled, and 180 Km resurfaced, whilst over 1.800 Km of gravel roads were graded. In addition the Department of Feeder Roads reshaped 3,000 Km of roads by direct labour. It also reconstructed 400 culverts and rehabilitated 1,000 Km of roads. I do not need to list all the locations of work completed and those in progress. They are there for all of us to see.

However, it is worth mentioning that in addition to major roadwork in Accra, Kumasi, Sekondi-Takoradi and other towns, another section of the Wa-Bamboi road was completed, as was the Sefwi Bekwai to Sefwi Wiawso road. Major ongoing works include the Hohoe-Jasikan-Yendi and the Elubo-Asemkrom roads.

Work on the long-awaited Tamale-Bolgatanga road will begin, after some unforeseen delays last year.

TRANSPORT AND COMMUNICATIONS

Mr. Speaker, during the past year, City Express Services put an additional 50 buses on the road, whilst the GPRTU has begun to take delivery of 150 mini Tata buses.

Our programme to improve public transportation envisages that materials will be imported for the assembly of 250 additional buses for the GPRTU.

Vehicle testing and driver licensing procedures will be tightened to enhance road safety, while a new vehicle numbering and licensing system to conform to international standards and practices especially within the ECOWAS will be implemented.

The rehabilitation of the Eastern and Central railway lines is expected to be completed this year. This together with the planned provision of more engines and rolling stock should give us a more efficient railway system.

Improved facilities at our airports have brought more international airlines and cargo flights. Ghana Airways has responded to this competition by opening new routes, notably to New York and Johannesburg. It is my hope that Ghana Airways is now beginning to realize its potential. I also hope that the separation of the Ghana Posts Corporation and the Telecommunication Division of the former P & T will make for greater efficiency and costs effectiveness while increasing the availability of telecommunication facilities throughout the country.

INFORMATION SECTOR

Mr. Speaker, to give effect to our aim of promoting private initiative in creative endeavors such as film production, the Ghana Film Industry Corporation is being restructured to allow more efficient management and competitive drive in the film industry. We also expect our growing independent and private film production industry to take advantage of the facilities of the GFIC to improve upon production quality and content.

Government has also decided that the Ghana Publishing Corporation in its present form does not allow for effective management and efficiency in the delivery of services. Consequently the Corporation is being restructured with the Assembly Press and Victoriaborg being amalgamated to serve as the Government Printer, while the Tema Press is to become a limited liability company to allow for private participation.

Mr. Speaker, recently government's policy on private broadcasting was outlined before this House. While the National Communication Authority Bill will address some of the regulatory issues, it is the considered view that there is the need for a well-defined set of guidelines for independent broadcast services.

The Government will introduce a Bill to this effect once a consensus is arrived at by the relevant bodies.

Mr. Speaker, a new Bill to replace the Cinematograph Act of 1961 will also be presented to the House. The Bill will take into account new dimensions in our video and film industry, as well as taking into consideration new developments and technical advances in the industry. Similarly a Bill designed to create a more efficient information service machinery to enhance the channels of communication between government and the people will be laid before Parliament for consideration.

ARMED FORCES

Mr. Speaker, whilst our Armed Forces have continued to win respect at home and abroad for bravery, commitment and professionalism, whether in Rwanda or in our own Northern Region, whether in Liberia or UNIFIL operations in Lebanon, or in road and bridge construction, provision of internal air links, as well as medical care here at home, I believe that it is time that we faced the fact that we have not been fair to the military.

Even as our military responds to international calls for their services, and plan to extend internal services to assisting in the protection of our forests, beaches and other areas of environmental degradation, we have starved them of funds.

The state of barracks and office accommodation has deteriorated, and equipment is at a bare minimum.

If ever an army operated on a shoestring, performing miracles on minimum input, it is the Ghana Armed Forces. I believe we should take a serious look, this year, at our under-resourced military.

POLICE SERVICE

Mr. Speaker, our Police, in 1994, recruited almost 500 personnel to help alleviate their serious shortage of manpower which I noted last year.

300 vehicles as well as communications equipment are expected to arrive soon, to enhance police effectiveness, whilst the Public Order Act should enable the Police to perform their duty of taking precautionary measures to maintain peace and security.

Similar efforts will be made to improve the other Services namely Ghana Prisons Service, Fire Service, Customs, Excise and Preventive Service, and Immigration Service. Already the Fire Service has been provided with modern equipment. As a correctional institution the Prisons Service, in 1995, will focus its attention on the improvement of existing agricultural Camp Prisons in order to decongest the urban prisons and reduce feeding costs.

Mr. Speaker, government recognizes the need for an efficient legal system administered by an adequately resourced legal and judicial machinery. In this direction, we have embarked on a programme to provide vehicles and equipment, and renovate buildings, including twelve new High Courts which were recently opened in selected District Capitals.

Funding has already been secured for the provision in 1995 of computerized records for the courts and for the Registrar General's office, as well as for the electronic recording of court proceedings. The capacity-building of both human and material resources in the legal sector will continue during the year and will include the creation of a new division within the Attorney-General's Department to handle international agreements and commercial arbitration.

SPORTS

Mr. Speaker, our sportsmen and women continue to make us proud. In some areas they won victories, whilst we failed in others.

The Government will continue to support, within the budgetary constraints, the development of sporting talent at all levels. At the same time we welcome the growing efforts of the private sector to sponsor and promote sporting events and to provide high quality training facilities.

FOREIGN RELATIONS

Mr. Speaker, in our capacity as Chairman of ECOWAS, we have done everything possible to bring about a negotiated peace in Liberia.

we have held several meetings in Ghana and in Liberia, as well as consultations with other ECOWAS Member States, in our efforts to give the people of Liberia the peace which they so much desire and need in order to rebuild their country.

There have been setbacks and disappointments, and we pray that the most recent agreement reached in Accra on 22 December will be respected by all the parties so as to bring an end to fruitless violence and enable Liberians to work towards a positive future.

Mr. Speaker, last year saw improvements in our relationships with our neighbours in the sub-region, particularly La Cote d'Ivoire and Togo. We expect these developments to continue, in line with our commitment to good neighbourliness and regional integration.

Mr. Speaker, our first batch of diplomats will soon leave for South Africa, to open Ghana's High Commission in Pretoria. This must be cause for satisfaction and great joy among all those who have struggled for the transformation of South Africa. Ghana's new climate of economic opportunity and growth requires a new style of diplomacy.

With the creation of a Trade and Investment Bureau within the Ministry of Foreign Affairs, our missions abroad are building the necessary linkages to launch an aggressive campaign to inform potential investors, tourists and Ghanaians abroad of the new opportunities available here. We expect this programme to yield significant results in the year ahead.

CONCLUSION

Mr. Speaker, Members of this Honourable House, there is a great deal of work ahead of us in the coming year. All the policies, legislation and programmes planned for 1995 have one single end in view - the present and future welfare and well-being of our people.

The Government of the Progressive Alliance will get on with the job as it has been doing all along. We shall attend to the business of our people, working for practical, visible results, and refusing to be diverted from this task by being drawn into unproductive arguments and confrontations.

The year ahead will not be easy. But however busily occupied we may be in our own Districts or sectors, it is essential that we make an extra effort to inform ourselves about government policies and programmes.

Each one of us, whether Ministers, Members of Parliament, Civil Servants or Party functionaries, must look beyond our specific sphere of responsibilities within our sector or constituency, and invest time and effort to study and apprise ourselves of broader government positions and policies.

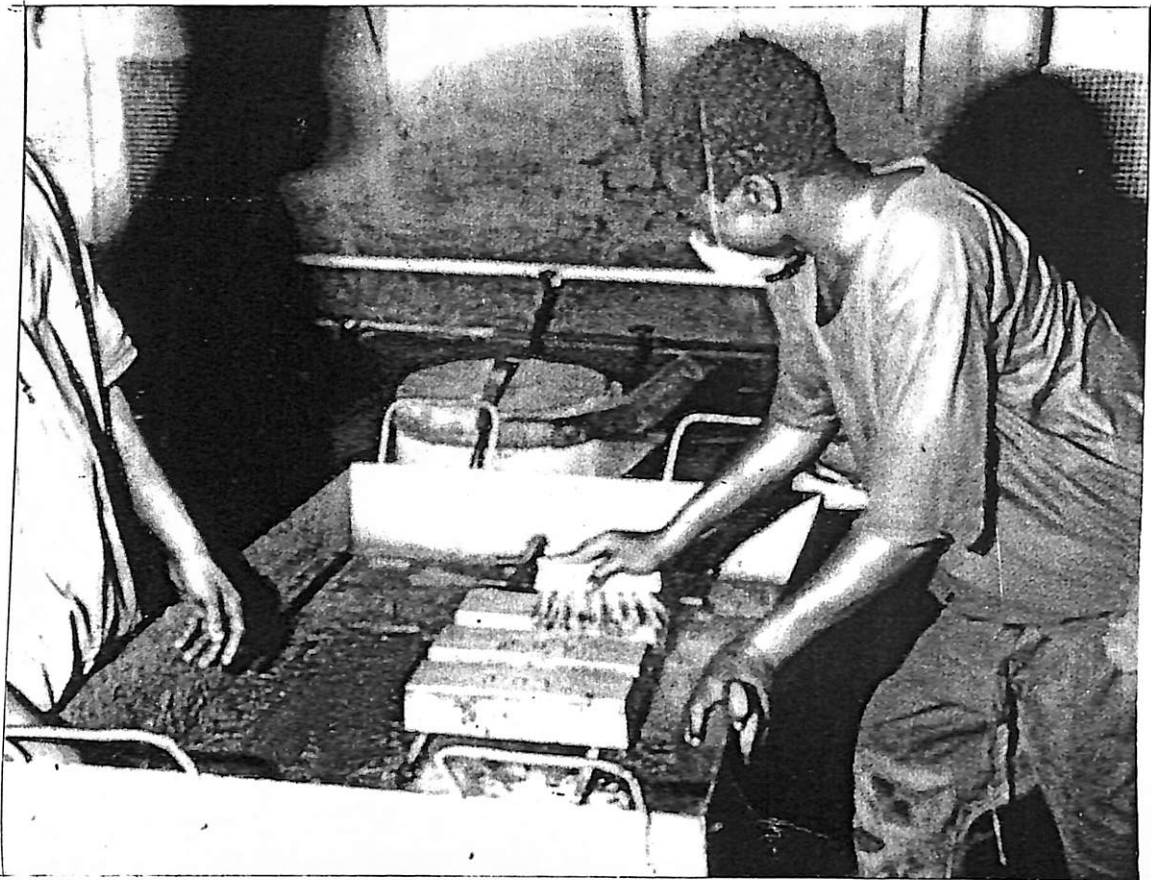
Only then can we ensure that our actions are consistent with a coordinated vision of the future. And only then will we be able to articulate and propagate that vision, so as to carry the mass of our people along in the arduous task of nation-building.

If we fail to invest in this additional effort, then we have no business occupying our positions.

The task of this House in 1995 is to produce results which can be felt by the average Ghanaian as significant improvements in his or her life.

I hope you can do this. I wish you God's blessings and strength in the year ahead.

Thank you.



**Gold production for 1994 increased to 1,420,000 ounces
compared to 1,261,424 in 1993**



A class scene at a J.S.S. Workshop.



Housing Delivery: Marked increase over the previous year.



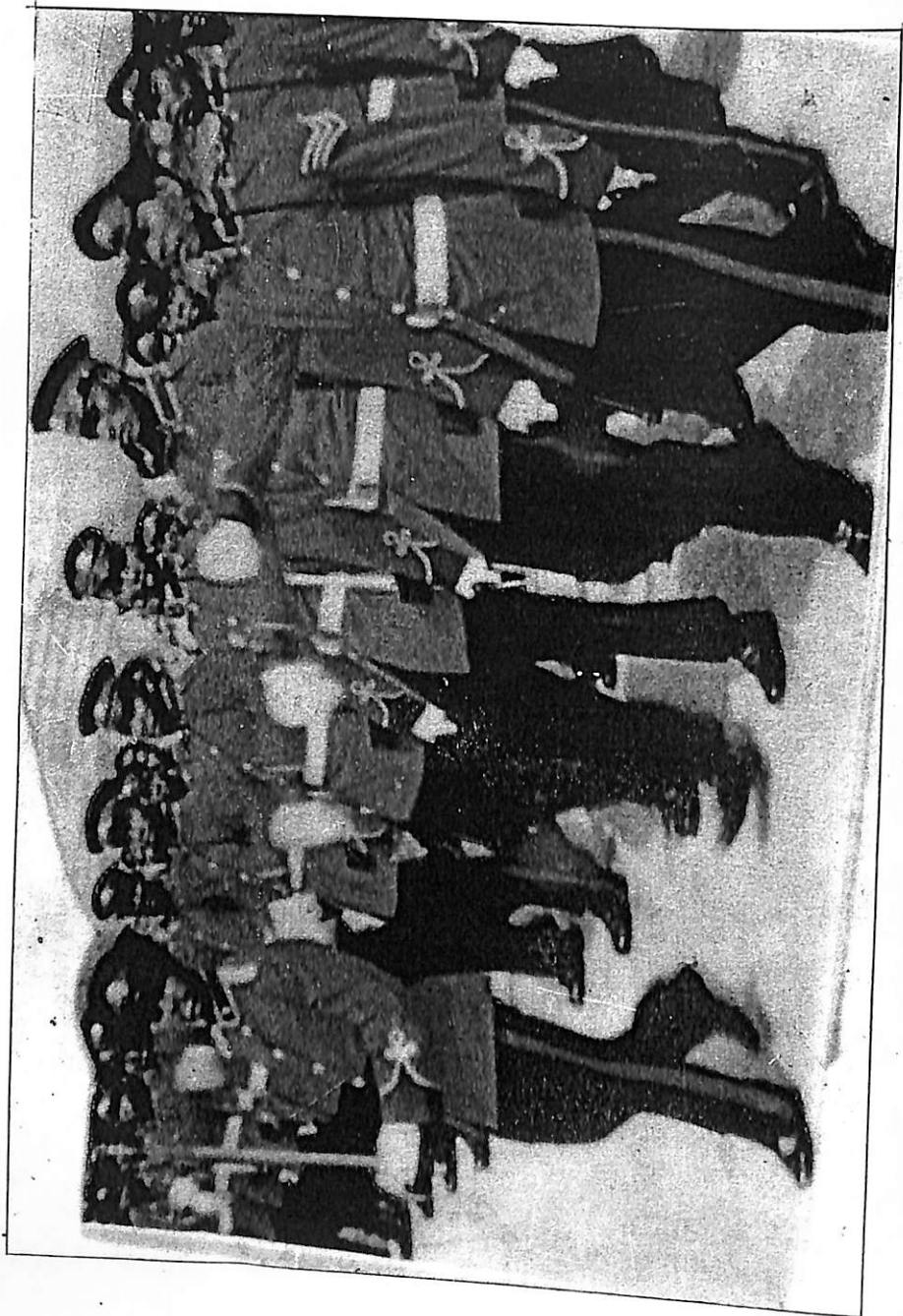
The President Flt-Lt. J.J. Rawlings being decorated with a garland on his arrival in Harare for an official visit.

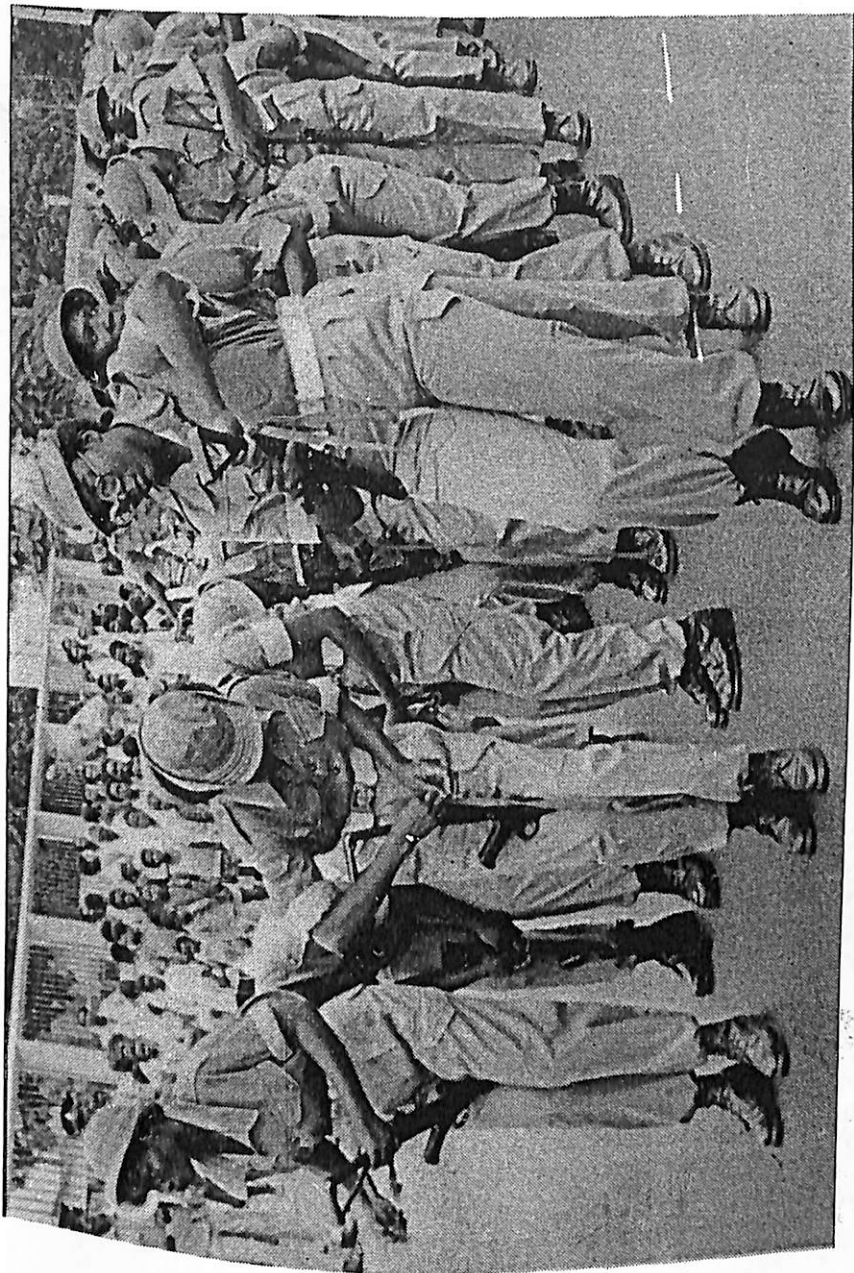


1993: President Rawlings (3rd left), in discussion with Mr. Tsutomu Hata, (left) then Japan's Deputy Prime Minister. Right are Mr. Totobi Quakyi, Minister of Information and Mr. Tsatsu Tsikata, Chief Executive of GNPC.



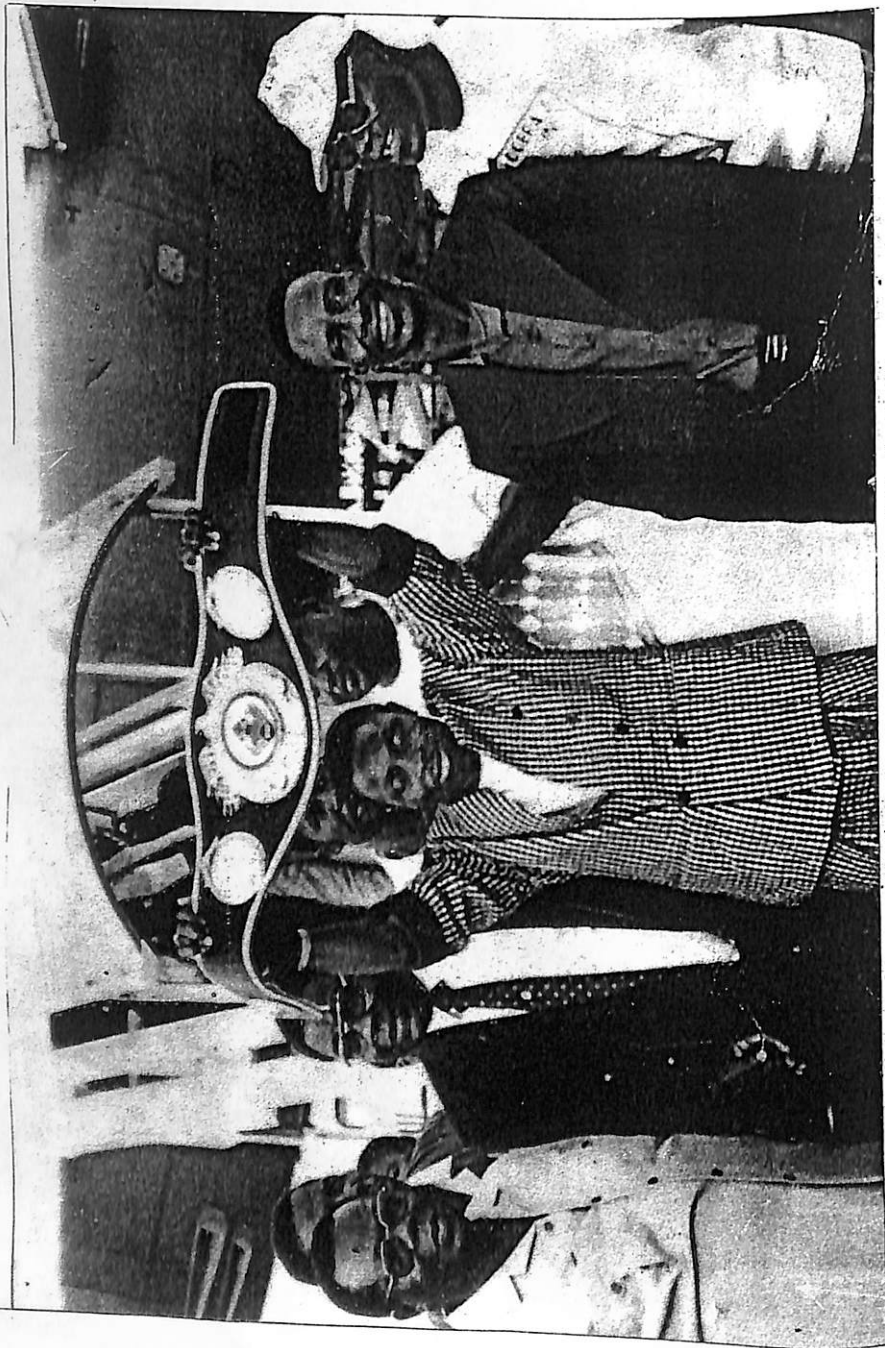
The Ghana Armed Forces: Effective peace-keeping role world-wide







Ghana's Ike Quartey, won the WBA Welterweight Boxing Title in 1994.



Alfred Kotey, won the WBO Bantamweight Boxing Title in 1994.