

## **SECTION NINE: IMPLEMENTATION CHALLENGES**

### **Maintaining Macro-Economic Stability**

1. Mr. Speaker the 2007 Budget Statement identified a number of challenges that could adversely affect our macro-economic stability and our transition from stability to growth. These include the following:
  - Maintaining debt sustainability as part of debt management strategy
  - Public sector reform and high wage demands.
  - Unpredictability of fuel prices and supply constraints in power.
2. Mr. Speaker, the Government promised to manage these challenges to ensure that Ghana still maintained macro-economic stability.
3. Mr. Speaker, the overall macroeconomic developments in Ghana in 2007 have been favourable, notwithstanding all the above challenges. This positive outcome reflects sound and good macroeconomic management.
4. The above challenges will still have to be managed to ensure that significant growth is achieved. The trade-off between expectations of the Ghanaian populace and maintenance of prudent fiscal stance required for the realisation of the twin goal of stability and accelerated growth will continue to pose a challenge for the country which the Government will need to monitor and address.

### **Meeting the Millennium Development Goals – Improving under-five Child Mortality Rate**

5. Mr. Speaker, though Ghana is performing creditably well in most of the MDGs, the target of reducing under-five Child Mortality rate continues to pose a major challenge.
6. Reduction in poverty levels has been found to have a direct positive impact on reducing under-five mortality rate. Despite Ghana's success in reducing poverty coupled with a number of interventions (viz NHIS, intensification of immunisation against the 5 killer diseases, introduction of insecticide treated nets, etc) believed to impact positively on Child Mortality, progress on this goal has been slow over the past 3 years.
7. The Ministry of Health has been focusing on these areas to identify the causes of this stagnation to guarantee that appropriate interventions are implemented to ensure that Ghana by 2015 achieves the goal of reducing by two-thirds the under-five mortality rate and maternal mortality.

### **Election Year and Fiscal Management**

8. Mr. Speaker, in 2008 the country will be holding its fourth Presidential and Parliamentary elections under the Fourth Republican Constitution.
9. Election year comes with its own challenges. There are always enormous political pressures on government to undertake developmental projects. However, in the 2004, government was able to break the past record of fiscal slippage in an election year and is resolved to continue to exercise the same discipline and prudence in fiscal management to ensure that the nation does not derail her accomplishments for electoral benefits.

## **Towards Fair Wages**

10. Mr. Speaker, government committed itself to reform the pay system and administration of the country to rationalize Public Sector wages in a comprehensive manner. The Fair Wages and Salaries Commission Act, Act 737, has since been enacted and the Fair Wages and Salaries Commission (FWSC) established to administer a new comprehensive pay structure.
11. Mr. Speaker, the reform process is on going and the major challenge is managing labour expectations especially in an election year.
12. The FWSC will begin the necessary consultations with key stakeholders and also educate public sector workers, management and organised labour on its recommendations, in order to facilitate the task and implementation of the new conditions of service including pay policy. In the interim, government will ensure that the real income of workers is protected.

**SECTION 10: CONCLUSION**

13. Mr. Speaker, Government has made major strides in ensuring sustainable growth and development and considerably reducing poverty levels in the country. We have come a long way since January 2001 and we all know that a great deal has been achieved.
14. It has been a challenging but rewarding journey thus far. Many successes have been chalked and considerable progress made, and we should all be proud of these laudable accomplishments. Indeed the future looks bright and promising for all of us.
15. Mr. Speaker, we believe that we are closer to our dream of attaining our desired and cherished goal of reaching middle income country status. We have moved from a state of economic fragility to a stabilised and robust economy, halved extreme poverty from 36.5 per cent in 1991/1992 to about 18 per cent in 2005/2006, and improved the business environment for a thriving private sector. Likewise, we have increased the real minimum wage from less than US\$0.50 to US\$2.1 as at today.
16. Mr. Speaker, with regard to the provision of infrastructure, significant investments are being made in the energy and road sectors to further accelerate economic growth. We have reconstructed several major roads, such as Mallam – Kasoja, Pantang – Mamfe, Tema – Sogakope, Ofankor – Nsawam, the Asafo Market-UTC Roundabout Interchange and the Tetteh Quarshie Interchange.
17. We have expanded educational facilities at all levels and fostered rapidly increasing enrolment through the capitation grant, school feeding programme and subsidies to senior high schools. We have also created 31 model senior high schools.

18. Mr. Speaker, we have created a more health conscious population with our shift from curative to preventive health. Ghanaians now have improved access to better health facilities through the National Health Insurance programme, launched the effort for early detection of breast and prostate cancer.
19. Mr. Speaker, we want to encourage lifestyle changes especially in our eating habits, so as to improve our life expectancy. Let us pray to do all we can to live longer to see the fruits of our labour.
20. On governance, through a number of various interventions government has provided a much more open, transparent and accountable government. The creation of more districts and the increase in the DACF allocation will deepen the decentralisation process, facilitate more participatory governance, and increase funding for the development of our communities.
21. Government is resolved to do what it takes to get us even closer to our goal and I am confident that the policies and programmes being implemented will get us there. However we also believe that we need to address and change certain critical issues to hasten our journey.
22. These critical issues include our work ethic, time management, general attitude towards state property (our collective assets) and our maintenance culture. It is our conviction that equal, if not more attention should be paid to these soft developmental issues as they set the context for all the policies we are implementing.
23. Mr. Speaker, we are of the opinion that progress is underpinned by a sense of purpose. With a population of 22 million Ghanaians, any minute wasted is 22 million minutes wasted. We

should therefore ensure that we manage time effectively to make maximum use of this important resource.

24. Mr. Speaker, I wish to call on all Ghanaians to rededicate ourselves to the achievement of our goals and the dreams we have for ourselves and our country. We should work harder and strive for excellence in all our endeavours and show respect to our country men and women. Let us look into the future with hope and a sense of anticipation because the future is certainly bright.
25. I believe that the coming years hold good and bright prospects for all of us. We should have high expectations of ourselves and not be content and complacent with our accomplishments. We wish therefore to encourage all Ghanaians to give of their best in all areas of our lives because the future is bright.
26. Mr. Speaker, it is also my expectation that when we put in a little bit more effort, with belief in ourselves and our country we will definitely create an improved lifestyle for ourselves and our children through hard work and perseverance. We signed a contract with our society the day we entered Primary One classroom.
27. I want to take the opportunity to express my gratitude to all Ghanaians for our fortitude and determination to succeed. I want to make special mention of those who provided memoranda and inputs into the 2008 budget process. We appreciate your invaluable support and wish to thank you for taking the time to respond to our invitation.
28. Mr. Speaker, this country belongs to all of us and it is bigger than anyone of us. Therefore we should always act in the best interest of this nation and be accountable for our deeds.
29. May God bless us all as we continue this journey into a brighter future.
30. Mr. Speaker, I beg to move.

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