



REPUBLIC OF GHANA

SECOND SESSION OF THE FIRST
PARLIAMENT OF THE 4TH REPUBLIC

ADDRESS BY H.E.
FLT. LT. J.J. RAWLINGS,
PRESIDENT OF THE
REPUBLIC OF GHANA
ON THURSDAY,
JANUARY 6, 1994

12 November 2015



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FIRST PRESIDENT OF THE 4TH REPUBLIC OF GHANA*

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Mr. Speaker, Vice President, Chief Justice, Members of the Council of State, Ministers of State, Members of Parliament, Distinguished Guests, Countrymen and Women.

The first year of our 4th Republic is just coming to an end, and we have seen off another year in this last decade of the 20th century. We have much to thank God for in our country, because in spite of all the hardships of our existence, we live in relative peace and stability. Not even the tightness of our economic situation prevented us from making a little merry during the Christmas and New Year festivities.

We now have more holes in our pockets, of course, and as the children are soon returning to school, and school fees have to be paid, many of us are already beginning to wonder whether all the nice wishes we received for a happy and prosperous New Year are really going to change our fortunes!

For you Members of the 4th Republican Parliament, it has certainly been a hectic first year. You had to establish the basic facilities to enable you to commence your important duties. In spite of significant constraints you were able to commence your programme of work and maintain a busy pace throughout the year.

I hope the brief recess you had has refreshed you and also enabled you to obtain feedback from your constituents about the work you have done so far.

MR. SPEAKER: The initial thrust of the work of Parliament was to meet the constitutional deadline of establishing a number of Commissions and other bodies by 7th July last year. With close co-operation between the Executive and the Legislature, all nine Acts were passed within the stipulated period. Additionally, substantive Acts such as, the Parliamentary Service Act, the Presidential Office Act, the Serious Fraud Office Act and the Local Government Act were also passed.

This House has been able to handle a significant amount of other business, and Honourable Members are to be commended on their diligence over the past year. Few, if any, previous Parliaments have shown such a consistently high record of attendance and work rate. The House has often sat late, and a great deal of Committee work has been done, despite the fact that many Honourable Members have other onerous duties to perform.

I trust that the few who began their work last year thinking that their principal function was to make statements about the needs of their constituencies have now recognized that carefully planned programmes exist to systemically take care of these needs and that it is through the improvement of these programmes and policies and through appropriate legislation to facilitate them, that the aspirations of our people can be met.

The work of the lower courts has come to a virtual standstill, denying justice to thousands of people, because we cannot constitute the panels now required until the new District Assemblies come into being after the District level elections. As an emergency measure, a new Courts Amendment Act has been passed to enable the old magistrate and circuit courts to handle criminal cases until the community and circuit tribunals are constituted.

The recent narrow majority decision of the Supreme Court about the celebration of 31st December Revolution also raises fundamental questions about the scope of the Supreme Court's function vis-a-vis the legislative powers of Parliament and indeed the prerogative of the Executive. The experience of constitutional democracies teaches us that nothing is gained from confrontationalist or subversive attitudes from elements in any arm of Government.

We will respect the Constitutional position of the Supreme Court but we cannot allow that arm of Government to stage a coup d'etat against the other organs. (And come to think of it, I thought the Constitution had proscribed coup d'etats in any form!) In any case it is hoped that the year 1994 will see these two arms of Government complementing each other.

MR. SPEAKER: Whilst economic growth has held steady, 1993 did not see the rate of acceleration we had hoped for, and our major task for 1994 will be to see that this is achieved.

We still have to contend with adverse external economic factors. Our major trading partners of the developed countries including Japan are still struggling to come out of economic recession. The consequences of the recession in the developed world have left one out of every nine workers jobless in Europe, while in the United States one out of every fourteen workers is without a job. The global economic climate will continue to have serious effects on the pace of our economic recovery.

More than ever, it is important for us in Ghana to appreciate the linkages between our economic progress and the health of the global economy. We must also recognise the responsibilities that we have, through our activities, for the achievements of our economic objectives.

If we have to avoid a further rapid depreciation of the Cedi the way it did in 1993, we will have to find ways of increasing our foreign exchange earnings to sustain all the imports we want to bring in. We must also be prepared to support any Government measures against those who are creating the problem through unlawful expatriation of foreign exchange from the country.

MR. SPEAKER: Improvements in our standard of living should come principally through the efficient participation of as many of our people as possible in the process of production. Income generation and the alleviation of poverty can only be sustained through meaningful and productive work. Any Government which sees itself as a charity will surely founder on the rock of non-sustainability. Our task is to create the conditions for sustainable initiative and growth.

It must be recognized, however, that there are vulnerable groups in our society who for want of appropriate skills or through other handicaps, cannot participate gainfully in the work process. The necessary funding to upgrade their skills and to open up more avenues for productive work, as well as to provide for those who are unavoidably dependent on the rest of society, must come from a judicious redistribution of income through Government expenditure and tax policies.

The main thrust of our economic programme for 1994 will be to further accelerate rural and sub-urban development, employment generation, to mount a programme of vigorous export diversification and promotion to build on the progress already made, as well as to attack waste and malfeasance in public finance management and expenditure.

The Auditor-General's Report submitted to Parliament last year revealed a painful and unacceptable catalogue of waste, irresponsible resource management in several Ministries, and malpractices in various Departments and Organizations. This would be unforgivable at any time, and more so when our resources are stretched thinly to cover our many responsibilities to the people of this nation.

The irregularities revealed by the audit will be followed up and appropriate action taken. Even more important, steps will be taken to prevent their recurrence in the future. The Ministry of Finance, as well as the heads of all sectors and organizations, have been charged to strengthen measures to ensure effective financial management within all government bodies, including otherwise independent bodies such as Commissions, Councils and Boards which depend on Government funds.

Accountability is not a mere watch word. It must reflect in the smallest actions of each of us. It is not enough to be satisfied with our own personal integrity and good intentions if those working under our authority and supervision dissipate resources, whether through laxity and carelessness or with selfish intent.

We have undertaken a review of the present structure of the Government machinery with a view to enhancing efficiency and avoiding waste. Accordingly, the existing Ministerial arrangements will be rationalised and functions amalgamated where this would not affect the focus of the sectors concerned. Likewise, the Public Services Commission has been requested to study and identify areas where there is duplication of functions among Public and Civil Service institutions, and to make recommendations which will help eliminate the waste.

MR. SPEAKER: We are witnessing today, a change in the world's economic landscape. The world economic scene is now marked by the European Community, the North American Free trade Area (NAFTA) embracing Canada, the United States and Mexico, and the Asian Pacific Economic Cooperation group (APEC). Latin American countries are also working towards the establishment of a more effective market,

These regional economic groupings are organized around one or two strong economies - Germany in the case of EC, the United States in the case of NAFTA and again the United States in the case of APEC. Africa, in spite of Protocols and the Declarations of intent, is being left behind by the forces of history. Yet Africa, with an independent South Africa, can become a powerful regional economic bloc.

The successful conclusion last month of the Uruguay Round of GATT multilateral trade negotiations, in which Ghana has been actively involved, puts us in a better position to press for improved market access for our goods. At the same time, however, we must compete effectively or lose our place to more efficient producers. The new situation promises both dangers and opportunities. It is up to us to avoid the dangers and seize the opportunities.

The combination of Trade with Industry under one Ministry has already proved its worth by enabling the Ministry, together with representatives of the private sector,

State-Owned Enterprises (SOEs) and relevant agencies, to identify and analyze the constraints affecting local industries, export development, and effective procurement and import management. Some of these constraints include high interest rates, tax and tariff anomalies, as well as imports of competing goods of dubious quality.

A number of measures to address these constraints - both legislative and administrative, are to be implemented early this year. The first steps have already been taken to implement some of these measures, and the Ministry of Trade and Industry will be announcing the details shortly.

MR. SPEAKER: The Government's divestiture programme remains on course albeit slowly. Out of 317 enterprises in which Government had a financial interest as at 1987, 49 have been liquidated, 33 have been sold outright, 10 have been reconstituted as joint ventures and 4 have been leased to private management.

This leaves 221, of which 200 are enterprises which Government either wholly owns or has majority interest. The detailed records of all the transactions are there for those who wish to know. Indeed, the rather slow pace of divestiture has been due to our insistence on transparency and accountability.

The recommendations put forward by the Government-Private sector round table group to further enhance the integrity of the divestiture process have been studied and the Divestiture Implementation Committee (DIC) is to act on them with despatch.

As we continue to privatize the economy, the responsibility for investment and job-creating enterprises is also incumbent on non-public entities. The TUC should take some educational responsibility in the equity holding of workers. And one would wish that the TUC's financial resources from dues paid by its members would find expression in investment in profitable and job-creating concerns. The GPRTU has shown that this can be done.

The divestiture programme poses major challenges to our indigenous private sector entrepreneurs. This is the time for them to show initiative by moving away from the traditional business practice of entrepreneurial individualism for effective competition with foreign business interests.

MR. SPEAKER: The establishment of an Export Processing Zone has been under consideration for sometime. In the late 1970s and early 1980s an attempt was made to establish such a facility at Tema, but this was not successful. The Ministry of Trade and Industry is currently conducting feasibility studies on the establishment of Free Port facilities at Takoradi and Tema, an Export Processing Zone, the provision of refrigerated warehousing facilities and also the promotion of an Open Skies policy in respect of Kotoka International Airport. It is expected that practical steps will be taken towards these goals during the year, and that private sector investors will be quick to take advantage of the opportunities this will present.

The much-publicized Serious Fraud Office is expected to help create the enabling environment for accelerated private sector development. When investors know that you do not have to pay bribes to get things done; that there is an effective system to counteract official and bureaucratic corruption, that businessmen are free to come and go as they wish without untoward controls, they are quick to invest.

All we need to ensure about the effective and acceptable operation of this office

is that the officers discharge their duties judiciously and with regard to the legal right of elements they will have to deal with.

MR. SPEAKER: We received at the end of last year, both the reports of the Committee that undertook a review of disparities in remuneration within the civil and public service as well as the Committee that worked on the emoluments of certain categories of state officials:

These are being studied and Government's position will be made clear within the first quarter of this year. The two reports may not be able to meet the expectations of all working people in the country's public sector. But they do represent a good beginning upon which we can build for the future. Together, they present a framework for an effective incomes policy which we have lacked for some time.

Those of us who are in employment and will be affected by this incomes policy must however remember at all times that there are many Ghanaians who do not have employment. Our expectations must therefore be tempered by our concern for the creation of job opportunities for our less fortunate brothers and sisters. Each time that we accept new demands from public sector employees, we deny the needs of those who have no livelihood at all. It is time this is recognized by those who make incessant demands.

MR. SPEAKER: As the backbone of our economy, our rural people will continue to benefit from improved extension services, better rural infrastructure and amenities and programmes to provide more access to skills, credit and marketing facilities.

In my Sessional Address last year, I spoke about the under-utilization of installed grain drying and storage facilities and stated that this was being addressed by bringing District Assemblies into the operations of grain silos. Today, I am able to announce that the utilization of grain silos has improved tremendously following a nationwide campaign by the Ghana Food Distribution Corporation (GFDC) and the Ministry of Food and Agriculture on the prospects open to the private sector and I hope they will be quick to seize the opportunity.

MR. SPEAKER: As a result of Government's intervention in the cotton crisis last year and following upon my Sessional Address, most of the textile companies that were owing the local cotton production companies have settled their indebtedness. The Bank of Ghana and the Agricultural Development Bank injected substantial capital into the industry in 1993, thus leading to greater production.

More funds will be made available for the production and marketing of cotton this year due to a new credit facility that the Agricultural Development Bank has organized from the African Development Bank and the review of the agricultural diversification project to include the cotton industry. The crisis that marred the 1992/93 season is hopefully a thing of the past.

MR. SPEAKER: The restructuring of the COCOBOD will be pursued in earnest with the view to ensuring that a greater proportion of cocoa revenue will be available to our farmers and for national development. The privatization of internal cocoa purchasing has started off but there are some problems which need to be addressed to ensure fairness to our farmers and to streamline the arrangements.

MR. SPEAKER: The mining sector continued to maintain its lead as our highest foreign exchange earner.

The year 1994 is expected to register a record of 1.2 million ounces of gold. Three of the newly established mines alone will together register a total of 25% more than Ghana's entire production in 1983, whilst small scale production has doubled since it was regularized. The special effort of this sector during 1994 will be to promote investment in industrial minerals, rather than precious minerals, to link with other sectors of the economy such as industry and construction.

Government is forever mindful of the need to protect the environment from the consequences of the mining industry, and legislation to this effect is to be presented to Parliament early this year. Unlike minerals, our timber resources are renewable and sustainable and we owe it as our duty to future generations to ensure that they remain so in fact.

During 1993, timber exports rose by some 30%. Unfortunately, a large proportion of this increase consisted of round logs, being exported in an unseemly rush to beat the anticipated new restrictions on log exports.

The proposed export ban on additional log species is one of the unfinished businesses on the agenda. We have since reviewed the policy and are now of the view that an absolute ban may not be in our best national interest. Instead, a package of incentives and penalties is to be introduced to encourage timber exporters to move from primary to tertiary processing. Various fiscal measures, including the use of discriminatory levies and strict quotas will also be used to control the rate of export of unprocessed raw logs.

A concession Bill will be introduced this year to spell out the details of the new concessions allocation procedure which I announced last year. A revised Forest and Wildlife Policy is now under Cabinet consideration. Under it, new laws and procedures will soon be introduced to rationalize the use and conservation of our renewable natural resources. It will also protect our rich heritage of biodiversity, the many living organisms whose balanced interaction protects our soils, provides genetic resources for agriculture, industry, medicine and other uses, and which enhance the scenic beauty of our land.

MR. SPEAKER: Tourism continues to make progress as a foreign exchange earner. If current projections are realized, we may expect tourism to soon overtake timber revenue, and the Ministry of Tourism will have to be made to work towards this goal.

MR. SPEAKER: Industry, trade, national development and social amenities depend to a very large extent on energy.

The countrywide network of facilities for storing of a total of 65.4 million litres of petroleum products is expected to be completed in June this year. A pipeline from Tema to Akosombo and the use of the Volta Lake to carry petroleum products from the south to the north will ensure that distribution becomes more efficient, making it unnecessary for every tanker to travel all the way to Tema to lift products.

Since the national LPG programme was launched in 1990, annual consumption of LP gas has increased from 5,300 metric tons to over 20,000 metric tons. Demand for LP gas is growing very fast as more and more people recognize that it is a cleaner, safer, cheaper form of energy which does not endanger the environment. However, one of the major bottlenecks to the LP gas expansion programme is the non-availability of gas cylinders. These cylinders are currently imported only under

the authority of the Ministry of Mines and Energy. Efforts are being made to reduce the supply bottleneck, while negotiations are currently underway to establish a cylinder manufacturing plant in Ghana.

In the meantime, some vehicle owners have converted their vehicles to use LP gas as a fuel source. There are, however, currently no laws regulating such conversions which, if improperly done, are not only dangerous but sometimes fatal. To regulate the use of LP gas as fuel source in vehicles and ensure maximum safety, a legislative instrument is presently before this House. It is my hope that it will pass through the necessary procedures quickly.

MR. SPEAKER: A major policy objective which has been pursued by the power sub-sector since the PNDC era is the National Electrification Scheme, which aims at providing electricity to all parts of the country within 30 years from 1990 to 2020.

The main focus of the first phase of the National Electrification Scheme (from 1990-1995), is to extend the national grid to all the 110 district capitals in the country in our District Capitals Electrification Programme. Since the inception of the Programme, 28 district capitals have been connected to the national grid. During the past two years, the Ministry has mobilized funds for electrification of the remaining 36 district capitals yet to receive power supply.

Construction works have already started on a series of electrification projects in the Ashanti, Eastern, Volta, Greater Accra and Western Regions to connect 11 out of the remaining 36 district capitals to the national grid by the end of 1995. This was made possible by concessionary funding made available by the Governments of Finland, Sweden, Japan and France under different financial packages.

Work on the remaining 25 district capitals as well as 500 towns and villages will take off in 1994 and will be partly funded from a US\$185 million loan provided by the Governments of Denmark, Netherlands and France, and the World Bank and the Nordic Development Fund. In addition, Wa, the only remaining regional capital that is as yet not served by power from Akosombo will also be connected to the national grid under a French Government loan. The local costs of all these projects is being borne by the Ghana Government through the National Electrification Levy Fund.

Alongside the District Capitals Electrification Programme, the Government is also running the Self Help Electrification Programme (SHEP) under which communities are to provide low voltage poles and communal labour. About 300 towns and villages were electrified under SHEP II last year.

The nation's expanding economy has manifested itself in the increased demand for electric power which has been growing at 15% annually for both domestic and industrial uses such that the critical issue, of additional generation capacity has emerged. Government is examining several specific options and will soon present its plans.

MR. SPEAKER: During 1993, 220 primary schools, 104 Junior Secondary Schools and 16 Senior Secondary Schools were opened. A Technical Institute was established at Wa, whilst the Non-formal Education Division is within measurable distance of its target of turning out one million functionally literate and numerate adults.

The University of Development Studies - Tamale, and the University College of Education - Winneba, both began work in 1993. In 1994, special attention will be given

to Primary Education. Work has begun on almost 2,000 head teachers' bungalows and primary classroom pavilions as part of the 4-year Programme which I announced in my Sessional Address last year.

It is intended to resume work on the long-abandoned Amankwakrom Technical Institute in the Afram Plains during 1994. It is also envisaged that work will start this year on the gradual establishment of Science Centres and Computer Centres in the 110 Districts.

Equipment and services being procured for the Tertiary Institutions will start arriving in June and will continue into 1995. Studies are being carried out with a view to the establishment of Polytechnics in the rest of the regions namely Brong Ahafo, Upper West, Upper East and Eastern Regions, so that every Region will have this facility.

MR. SPEAKER: Primary Health Care achieved modest increases of between 2 and 3% in coverage, especially in antenatal care, delivery and family planning services. Coverage for fully immunized children increased from 43% to 52%, whilst guinea worm infection and leprosy were further reduced by 20%.

However, some of the old diseases have also come to attention and efforts have been made to bring them under control. The good news I want to share with you today is that I have been informed that the buruli ulcer disease is containable after all. A lot has been achieved in this direction and I wish to say a word of gratitude to all who have helped in finding answers to the problem. I wish in particular to recognise the efforts by the Ghanaian medical personnel, and the British and Spanish experts as well as the contribution by the Cuban medical team which arrived recently.

Last year equipment for five District Hospitals was provided, whilst 14 other health institutions and hospitals in the North will be supplied with equipment this year.

We will pursue action on the construction and rehabilitation of some regional hospitals. In the year under review offices and staff bungalows were constructed in 13 Districts.

Priorities for 1994 include strengthening the disease surveillance system, streamlining the procurement and distribution of drugs and supplies, beginning a major rehabilitation of Korle Bu, Okomfo Anokye, Effia Nkwanta, Tamale and Tetteh Quarshie Hospitals, decongesting the Accra Mental Hospital and setting up mental health units in regional hospitals, and continuing to promote the development of traditional and herbal medicine.

MR. SPEAKER: A recent countrywide survey of uncompleted houses revealed that some €10 billion have been sunk into about 4,000 housing projects - both government and private - which will take some €70 billion to complete. Ways will be examined to finance their completion so that they can be put to use.

Meanwhile, over the past two years, over 4,500 housing units have been delivered by SSNIT, State Housing Corporation and members of the Ghana Real Estate Developers Association. This, in addition to the work of individual developers is beginning to have meaningful impact on the availability of housing, as well as expanding job opportunities.

Numerous water projects - both large and small - were completed during 1993, whilst others are ongoing; and studies are under way for new ones. Of particular

importance is the acceleration of rehabilitation work on the Accra West and East water supply systems.

MR. SPEAKER: The new Ministry of Environment spent much of 1993 developing appropriate capacities to deal with its task, establishing links with other Ministries whose responsibilities relate to environmental quality and creating awareness among the public of the importance of environmental issues.

In conjunction with the Ministry of Energy and Mines, steps were taken to bring some order into sand-winning and small-scale quarrying. In June, a five-year Environmental Resources Management Project was launched as part of the National Environmental Action Plan.

Ozone depleting substances have been completely phased out in the manufacture of plastic foam, whilst refrigeration technicians have been trained in techniques to check the escape of ozone depleting gases.

In 1994, policies and regulations on water management, human settlements and land degradation will be developed in conjunction with the relevant Ministries and Organizations. To this end more will be expected of the District and Metropolitan authorities in the war that must be waged against the fouling of our beaches and urban surroundings.

I must emphasize the point that the effectiveness of legislative and administrative measures towards the achievement of a cleaner and healthier environment, is also dependent upon our cultivation of the culture of cleanliness in our homes, work places, public places and in our habits. We recall the olden days when the fear of legal sanctions for bad sanitation in our homes ensured our adequate hygiene. Why can we not recapture such recommendable old habits?

MR. SPEAKER: During the past year various remedial actions were taken to prevent the accumulation of waste, especially in the urban areas. Government began a programme to provide each District Assembly with a cesspit emptier. Efforts will continue to be made to provide them with other appropriate equipment, especially refuse trucks. In a bid to strengthen the sanitation management capacity of the District Assemblies, it was decided that the Environmental Health Division of the Ministry of Health should be transferred to the Ministry of Local Government as one of the decentralized departments of the District Assemblies. The decision will be implemented this year.

MR. SPEAKER: Government is concerned about the extent of infrastructural problems in our towns and cities. Although much has been done, there are still major deficiencies in critical infrastructure such as roads, drains, markets, lorry parks, solid and liquid waste management systems, public standpipes and street lights. Under the Urban I and II Credit Projects, major infrastructural rehabilitation works have been undertaken or are in progress in Tamale, Sekondi-Takoradi, Kumasi, Accra and Tema.

Last month, an Urban III Credit, co-financed by the World Bank and KfW of Germany was successfully negotiated by the Ministry of Local Government. Under it, a credit of about US\$46 million or about €36.8 billion has been secured for rehabilitation and improvements of roads and drains, lorry parks, markets and waste management systems for Bawku, Bolgatanga, Wa, Techiman, Sunyani, Koforidua, Ho, Agona Swedru, Keta/Anloga, Cape Coast and Elmina.

Part of the credit will also be used to strengthen the institutional management capacities of the District Assemblies, as well as improve their revenue generation and mobilization capabilities and systems. The Urban III project is expected to begin this year.

MR. SPEAKER: In order to have the entire structure of the Local Government system in place, and as provided for under Article 247 of the Constitution, Government will in this First Session of 1994 lay before Parliament the Legislative Instrument to establish the Urban, Zonal, Town and Area Councils and Unit Committees in all but the three Metropolitan Assembly Area. This instrument will replace L.I. 1514, some of whose provisions have been affected by the Constitution.

Three new Instruments will also be laid before Parliament this Session to regulate the management structures of the three Metropolitan Assemblies of Accra, Kumasi and Shama Ahanta-East. With the enactment of these four Instruments which by virtue of their peculiar status require a different set-up, we expect to see the speedier establishment of all the sub-district structures, thereby making the local government system complete.

The District Assemblies' Common Fund, established in 1993, will be operationalised this year. I expect disbursements to commence as soon as Parliament approves the formula to be presented by the Administrator. This should strengthen the financial base of District Assemblies considerably.

MR. SPEAKER: Lack of commitment to decentralization by some bureaucrats, foot-dragging and an unwillingness to loosen control over the decentralised departments continue to hamper the programme. The Civil Service Law, 1993, PNDC 327, and the new Local Government Act, have now removed all legal obstacles to effective decentralisation. The Oversight Committee on Decentralisation which operated in the PNDC era will be reconstituted and given wider powers to ensure the implementation of the provisions of the two enactments.

The decision of the Supreme Court to the effect that the present District Assemblies were not competent to approve District Chief Executives proved a temporary setback to district level administration and development. I expect the new District Assemblies to be established after the district level elections to make the business of the approval of the substantive District Chief Executives one of the priority items on their agenda. In this regard our Assemblymen and Women must see beyond the present state of petty jealousies and politically motivated squabbles which hinder local development, and in which the real losers are the people.

MR. SPEAKER: We have continued with our efforts at construction and maintenance of roads, bridges and culverts. 120km of asphalt roads were completed, whilst the Ghana Highways Authority maintained trunk roads by regravelling 170km, resealed 134km and resurfaced 120km.

Fifteen major roads are still under construction and the Tamale-Bolgatanga road will be added when it is awarded on contract early next year. The Department of Feeder Roads is continuing its programme to rehabilitate some 2,500km of feeder roads between 1992 and 1996. Over 40km of major urban roads with associated drainage were completed in 1993 in Kumasi, Sekondi-Takoradi, Tema and Accra.

MR. SPEAKER: Government's policy on transport rests on the fundamental goals of promoting economic growth, and ensuring a reasonable level of personal

mobility. Government will continue to encourage increased competition in this sector, with the aim of ensuring value for money in transport services. In furtherance of this, the state-owned bus companies increased their fleet considerably during the last year, enabling them to offer better service to the public.

STC took delivery of 50 buses, City Express has 150-knocked down medium sized buses, whilst OSA took delivery of 95 chassis. A guarantee was also provided to import 150 Tata buses for the GPRTU.

Nine locomotives were added to the Ghana Railway Corporation's stock, and freight haulage has now almost reached 100,000 tons. Passenger traffic is expected to reach 4 million a year by 1995. This will be assisted by 17 more locomotives, 100 wagons, workshop machinery and signal and communications equipment which are expected this year.

The Accra and Kumasi Airports and a number of airstrips around the country have been rehabilitated. This has enabled the Ghana Air Force to extend its air-link services as well as providing the basis for air taxi-service by private operators. Above all, the airstrips have improved the delivery of emergency humanitarian assistance by the Air Force.

The rehabilitation work at Tema and Takoradi ports is being consolidated, while the Volta Lake Transport Company is rehabilitating ferry ramps, constructing additional transit sheds and expects to take delivery of two new passenger vessels later this year.

The Black Star Line and Ghana Airways Corporation continue to live perilously close to bankruptcy and tough measures will have to be implemented to salvage them. The Black Star Line hopes to acquire three new vessels and a number of containers to be financed from the sale of old vessels. This will only remain a hope unless the management and that of Ghana Airways take courageous decisions. Otherwise with only a handful of ships and aircraft the two organisations could bleed to death.

Another Bill to establish the National Communications Commission to regulate national and international communication services in the country will also be introduced.

MR. SPEAKER: In my Sessional Address in April last year, I requested the Electoral Commission to hold the district level elections within that year. For reasons that we are all aware of, this was not made possible. However, the processes towards holding the elections did begin and nominations have recently been called for. After the elections, the Commission is expected to turn its attention to the compilation of a new Voters' Register.

We are opting for a fresh Voters' Register instead of a combined National Identification Card System and a Voters' Register because of the prohibitive cost involved in the latter. Initial estimates show that whereas the National Identification Card System will cost about ₵20 billion, compiling a new Voters' Register will cost much less. Besides, our efforts to mobilize substantial external funding for the National Identification Card System have not been successful but some modest support is likely to become available for a new Voters' Register which will come alongside Voters' cards as used elsewhere.

MR. SPEAKER: Contrary to the picture painted by those who do not wish to acknowledge the truth, our Ghana Armed Forces continues to be among the most

cost effective military organization in the world. With a defence budget of less than 1% of Gross National Product, our military maintains internationally acknowledged high professional standards comparable to those of nations which spend a far higher proportion of their national income on defence, and in addition provides transport, medical and civil engineering services to the civilian population.

Our officers and men know this, and yet they have maintained their loyalty and steadfastness in the face of taunts and provocation.

The Police Service, with all its manifold responsibilities, is seriously understaffed and under-equipped. To illustrate the gravity of this situation, if we were to muster the entire Police Force, from the Inspector General of Police to the newest recruit, we could not provide one Policeman or woman for every polling station during an election.

Due to limited resources, recruitment has barely matched retirement, and it is perhaps their resilience that has enabled the Police Service to cope with the maintenance of law and order. Even under these difficulties, our small contingent which assisted during the elections in Cambodia, distinguished itself.

During the year, we will look at ways to maximize the effective utilization of our Police Service and perhaps devolve some of its activities to private security organizations. Under the present circumstance the Police should be at the service of the community at large, and not available for hire.

MR. SPEAKER: The major thrust of Ghana's foreign policy continues to be Africa and African concerns. As an essential part of this policy, the Government will continue to focus on activities that foster friendly and mutually beneficial relations with all our neighbouring countries. In 1993 this policy was sorely tested by events in Togo, La Cote d'Ivoire and Liberia. In all three cases, a level-headed approach was required to handle what could easily have led to actual conflict situations.

Progress in resolving the longstanding conflict between the PLO and Israel and the imminent end of apartheid in South Africa opened up prospects of Ghana establishing or re-establishing diplomatic relations and economic cooperation with these countries in the very near future. Let us however hope the democratic and peace processes underway stay on course.

The collapse of Eastern Europe continues to have profound repercussions. While on the one hand the end of the cold war has lessened the threat of nuclear conflict and enabled the resolution of some regional tensions, on the other hand, it has created new dimensions in insecurity arising out of ethnicity, nationalism, racism sectarianism and xenophobia.

Meanwhile, the threat posed by the resurgence of neo-colonialism to the smaller countries in the developing world is very real. We must sit up and watch the developments carefully.

In the years ahead, we shall re-orientate our Foreign Service Officers and Ambassadors to become more effective agents for trade and investment and to pursue the vital interests of Ghana in our relations with the rest of the world.

MR. SPEAKER: I wish to take this opportunity to congratulate our sportsmen and women who continue to make us proud in international competitions. The nation recognizes their efforts and we will continue to encourage them in all possible