INTHENEWS

For welfare’s sake

The revised State General Budget for 2011 earmarks RO1bn in additional funding for welfare measures such unemployment payouts, cost of living allowances, enhanced pension and social security payouts. A report by Muhammed Nafie

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n the previous issue, *Oman Economic Review* rightly observed (A Crippling Burden, April 2011) how the Royal Directives announcing various social welfare measures in the aftermath of recent unrest in the country had placed an enormous and unexpected financial burden on both public and private sectors. OER’s findings were corroborated by the revised State General Budget for 2011 which was recently unveiled by Minister Responsible for Financial Affairs, HE Darwish bin Ismaeel al Balushi, earmarking RO1bn in additional funding towards employment generation, unemployment pay-outs, cost of living allowances, enhanced pension and social security pay-outs, among other welfare benefits.   
  
The enhanced burden would translate to an expected increase in the projected budget deficit of RO850mn for 2011. As a result of the new financial commitments by the government, public expenditure will burgeon to about RO9.1bn during fiscal 2011, up from RO8.1bn announced in the State Budget unveiled at the start of the year. Consequently, the budget deficit is set to rise to RO1.9bn, compared with a previously estimated deficit of RO850mn, says HE Darwish.  
  
Elaborating on the details of the additional expenditure, HE Darwish says RO444mn is allocated for providing employment to 40,714 people, RO90mn for unemployment allowance, RO43mn for pension of social security households, RO89mn for pension for retired civilian and defence employees, RO251mn for cost of living for employees in military and civilians, RO25mn for students allocation and fare for schools bus, RO25mn for pension for Omanis in private sector and RO14mn for support to sports and youth sector.

Al Balushi also stresses that the RO1bn in additional funding will largely come from oil revenues earned above the $58 per barrel benchmark set by the government in formulating the 2011 State Budget. OER had perceived that with crude prices hovering at the $100 per barrel mark, Oman should comfortably end up with a surplus budget despite the additional expenditure.   
  
“The budget deficit is expected to be offset by higher oil revenues expected to range from $75–80 this year. Consequently, the government will neither have to dip into its financial reserves, not resort to any borrowing, says HE Darwish.  
  
In his address, HE Darwish also underlines the government’s commitment towards the execution of developmental projects set out in the approved 8th Five Year Development Plan 2011-2015. Of the RO12bn in allocations towards projects outlined in the Plan, RO6.4bn is earmarked for ongoing ventures launched during the previous plan. The balance RO5.6bn is the outlay towards new projects listed out in the 8th Plan.

Business leaders,  
young achievers honoured

Now into its sixth consecutive year, BizPro Business Leader Awards 2011 has   
become a benchmark for recognising and rewarding Omanis who have excelled in their professional domains

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he BizPro Business Leader Awards 2011 were presented to business leaders and young achievers at a gala function in the presence of hundreds of luminaries from the corporate world, and Khalid bin Sulaiman al Siyabi, the first Omani to scale Mount Everest, as the guest speaker. More than 100 Young Achiever nominees had been filtered down to 3 by the expert KPMG panel that took them through the evaluation process.   
  
Emerging as winners in the Young Achievers’ category were Ammar Sulaiman al Kharusi, supervisor at Omran; Aliya Abdullah al Zadjali, C&A engineer at Mott MacDonald and Company; and Khalid Mohammed Ahmed al Barwani, Team Leader at Ahli Bank. The winners will become role models and mentors for their peers and to the younger generation. Samir J Fancy and Stephen R Thomas, Chairman and CEO respectively of Renaissance Services, presented the awards to the winners. Each young achiever got RO2,500 as a scholarship sponsored by Renaissance Services.   
  
Sayyida Rawan Ahmed al Said, MD and Group CE of ONIC Holding was announced as the new Business Leader for the year 2011 by HE Khalil Abdullah al Khonji, chairman, OCCI. Sayyida Rawan who is the first Omani woman to hold the position of chief executive in a publicly listed company holds an MSc in Economics and Finance from Loughborough University, UK, a Post Graduate Diploma in Investment Analysis from Stirling University, UK and a BA in Economics and Political Science from the American University, Cairo. She is on the board of a number of companies and financial institutions in Oman and has over 23-year experience in the field of investment.   
  
The main objective of these awards, now into the sixth consecutive year, has been to reward and promote the achievements of the Omani Business Leaders and Young Achievers by acknowledging their contribution to the corporate sector in Oman. The National Training Institute has instituted the BizPro Awards to be a definitive thrust towards recognising the role models and mentors of the business world.   
  
The Business Leader for 2011 and the   
three Young Achievers, who were chosen from among six finalists in each category, made individual presentations at the   
award ceremony to prove their true   
ability to deserve this kind of prestige   
and honour.