



Budget comments

GENERALLY the budget is quite positive and I join the other hundreds of Namibians in welcoming it. It is particularly good for the Government to reduce direct tax on individuals.

Although I consider it positive, and congratulate the Minister and his staff, I still feel he did not fulfill all our expectations. The following points need to be attended to by Parliament in their deliberations:

- The Minister has widened the definition of sole breadwinner to include divorced parents with sole custody of their children and unmarried mothers who do not receive legal maintenance. This statement is sexist and discriminates against unmarried fathers who live with their minor children without contribution from the maternal side. Believe it or not, this is true in some cultures. I am not saying there are as many unmarried fathers with sole custody of their children as there are such mothers, but the legal definition should refrain from sexism.

- I have been expecting legislation to change to grant 'dependent rebate' to those who take care of children not their own and other disabled adults. Some of us look after children who attend school but who are not our biological or adopted children, but we get no rebates for them. I am not saying there should be a rebate for a foster child, but at least a dependent's rebate would alleviate the burden.

The Minister referred to the South African tax laws. If they allow a rebate for dependents, why can't we do the same? May I repeat legislation does not take account of the multi-cultural nature of our society.

- We have learned that contributions to an edu-

cational insurance policy are tax deductible.

There are obvious reasons for this but it leaves many questions unanswered. What relief is there for those currently paying for their children's university education and young adults paying for their own education? Such payments should be tax deductible as well.

- It is worrying to note that the Government has introduced taxation of parastatals. Since the Government is the sole shareholder, why should parastatals pay tax instead of enacting a law that compels them to pay all their profits to the state after transferred specific amounts to reserves? I do not think the state will collect more from parastatals by charging 38 per cent tax. The main concern is that parastatals are Government arms that are commercialised to remove the burden from the state. An introduction of tax signals a move towards total privatisation. We should be careful of this since we have seen what is happening at places like TransNamib. What will happen if it is privatised? How many of our people will lose jobs to foreigners?

To come to the question of sales duty, I think we should welcome it since there is tax relief on necessities. But I feel the Minister should consider classification of items falling into the top category and those in the second bracket of luxury items.

Some electrical equipment are basic necessities like furniture, and are not luxuries. Liquor and cigarettes should be in the top bracket of luxuries to induce people to consume less of these in anticipation of reduced health risk and crime rate.

Last, I call upon the Government to implement the long-awaited policy of rationalisation. All efforts to raise revenue for the state will be in vain before the question of overstuffed and inefficient civil service has been attended to.

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