

MPs push for more funding of production sectors in next budget

By Moses Mulondo

Ministers and Members of Parliament on the presidential advisory committee on the budget have resolved that more funding be allocated to the production sectors in the next financial year to improve the economic welfare of Ugandans.

This decision was reached yesterday during a budgeting meeting in which the members agreed to allocate more funds to agriculture, tourism, trade and industry sectors as the best way for taking the country's economy to greater heights. This would in turn lead to the achievement of the middle income status.

The Public Finance Management Act requires government to present a draft budget for the next financial year before the end of every December.

Fighting poverty

While presenting a paper, the committee chairperson, Amos Lugoloobi, said without giving the production sectors significant portions of the national budget, poverty, unemployment and other economic problems would continue.

Lugoloobi, who headed the presidential advisory sub-committee on the production sectors, said they have proposed that in the next budget, the Government develop the Source of the Nile to international levels "because it has enormous potential to attract so many tourists to Uganda".

The sub-committee also urged the Government to fulfill its promise of sh500b to capitalise Uganda Development Corporation (UDC) as an investment arm of government to establish factories.

Rugunda promises

The meeting was opened by the Prime Minister, Ruhakana Rugunda, who assured the participants that their proposals would help the Government in coming up with a well-guided national budget which will take Uganda forward.

Rugunda suggested that the best solution to challenges government faces lies in allocating more resources towards production sectors such as tourism and agriculture.

Lugoloobi raised concern that whereas the portion of the national budget allocated to agriculture was still small, even what the sector was allocated by Parliament in 2016/2017 had been cut by sh108b. Agriculture minister Vincent Ssempiija expressed

disappointment over the cutting of the sector budget, yet it is the backbone of the economy with potential to generate more revenue for the country.

"As a result, we were not able to provide the hoes, tractors and other services we had planned to provide to Ugandans," he said. "You cannot deny money to a sector where the country has comparative advantage to compete in the international trade," Ssempiija argued.

Finance blamed

Trade minister Amelia Kyambadde also blamed the finance ministry for not being committed to funding UDC and co-operatives.

MP Syda Bbumba and the chairperson of the Parliament committee of national economy said since the country has limited resources, time has come for the Government to choose a few core activities to fund in the national budget for boosting the country.

BETWEEN THE LINES

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Bbumba's proposal was backed by sports minister Charles Bakabulindi, who said it makes no sense for government to continue spreading the little resources the country has into every sector.

Finance committee chairperson Henry Musasizi said since 2018/2019 will be the third year for the current five-year mandate of the NRM party to lead the country, the next budget should ensure that most of the pledges in the 2016-2021 manifesto be incorporated.

Cutting budgets not good

The natural resources committee chairman, Alex Byarugaba, condemned the finance ministry for always cutting budgets approved by Parliament.

The deputy secretary to the treasury, Patrick Ochailap, reminded the ministers and the MPs that the power to allocate resources in the national budget is with the Cabinet and Parliament and that for them as the finance ministry, they only implement what they have been allocated.