

23 June 2018

## **MEDIA RELEASE**

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### **TITLE: Budget**

So, its very quiet from the media on the budget. But that's understandable. The simplification, I think, has caught everyone by surprise.

When you demystify the compilations then you really are setting forth policies. Gone are the discussions on detail. As one said, "why are there so many zeros?". We are now trying to see what our investments look like and how they can contribute to the overall revenue pool we are building.

This revenue pool is starting to show results from the State Owned Enterprises (SOEs) and the subsidies are being removed systematically.

Deficits should be rare. The essence of them is the overspend we allow when we should admit we can only do so much in a year and limit these to what we can afford.

The only other factor is revenue collection. When these are not collected they will mean we can't pay people. There are still those who try to cheat the system. Fooling themselves really but that's not new.

We're working on some tax reforms which may mean payments enforced at the border. This ensures we capture everyone particularly visitors.

But there are other issues we must deal with and that's to do with waste. We can get capital to fund these from various donors however, we need to pay operational costs and general maintenance so we need to raise taxes to help pay for the waste activities.

The formulas are quite tricky but it is doable. The locals will get tax relief to defray these costs.

This will be an interesting year.

**[ENDS]**

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