

**Remarks by H. E. President Ellen Johnson Sirleaf
At Official Signing Program for the 2012/2013 National Budget
C. Cecil Dennis, Jr. Auditorium
Wednesday, September 5, 2012**

Mr. Speaker, as you correctly said, all protocols have been duly observed.

As you said, Mr. President Pro- Tempore, this is a first of this type of ceremony for completing the budget process.

We consider this another milestone in our journey and our quest to transform our country. We are again taking another practical step to address the needs of our people.

On May 31st of this year, we submitted to the Honorable Liberian Legislature, through the Minister of Finance, a draft National Budget of US\$649.7 million for the fiscal year 2012/2013 that was based on a three-year medium-term expenditure framework for key investment programs.

The National Legislature, true to its constitutional mandate, spent the months of June and July reviewing the assumptions, intricacies and relevance of the budget. For nearly six weeks, the Joint Committee on Ways, Means and Finance of both houses of the Legislature engaged in a series of consultations and hearings on the draft budget. The result is a budget of US\$672,050,415 million for the fiscal year 2012/2013.

This year's budget attracted a lot of attention and interest; rightly so! The draft budget represented a paradigm shift in the way public expenditure has been executed. As a government, we have all agreed we are moving away from spending our meager resources on recurring expenditure, to making more investments in key infrastructure and institutions that will begin the process of much needed economic transformation.

This seismic change in the way we spend public money was a shock to our public administration and some traditional bureaucrats. Many in our rank and

file did not like the change even though they did not oppose the investments introduced by the change. However, in the wake of these conflicting positions, we had to choose a deliberate path to follow.

We decided, as a government, to follow the path of public investment that will transform our economy rather than the usual business spending, the way we did in the past.

This budget, which I will now sign into law after its enactment by the Honorable National Legislature, makes the right kinds of investment in the key infrastructure and institutions. The budget is a public document and will be made available through media and outlets for additional public scrutiny.

We recognize that we must now have this budget fit our national economic strategy and our human development strategy. We also know that what people earn will depend largely on what they learn and whether their economy is organized for change. The four central investments in the budget are: infrastructure that includes power, ports and roads; youth development; capacity building; and national reconciliation.

If you carefully examine the National Budget, you will appreciate that we are investing more than US\$106 million on infrastructure (US\$45 million in energy alone; US\$21 million in seaports and airports; US\$40 million in roads and bridges); US\$15 million in our young people; US\$7 million in capacity development; and US\$5 million in national reconciliation and healing.

Additionally, we continue our support to other core social services and functions of government by investing US\$81 million in national security and rule of law; more than US\$69 million in education; US\$70 million in health; and US\$15 million in agriculture.

As you can see, we have set our national priorities right! We are demonstrating that we know exactly what we want, and are prepared to make the sacrifices required to invest in people, processes and products that will lead to the transformation of the economy.

This budget also intends to support Liberian-owned businesses by allowing 25 percent of purchases of all goods and services, including furniture, from capable Liberian suppliers and producers. The Ministry of Finance has been authorized to vet all government purchases to ensure compliance with this important fiscal rule, intended to spur Liberian entrepreneurship and to fire up our nation's recovering economy by putting it more in the hands of Liberians.

Let me express our thanks to the leadership of the National Legislature for the level of support and coordination which we received, and to all the Cabinet Members for working with the Minister of Finance to ensure that they stayed within the budget that was submitted. I would like to thank the Minister of Finance and his team and colleagues for their hard work.

We also would like to thank, as the Minister of Finance has said, the Chairmen of the Ways and Means of the Honorable Senate and the House of Representatives for the manner in which they worked with the Finance Minister and his team, as well as all the Ministers who appeared before them, to be able to provide their performance report and to justify their allocations to them.

I know that our civil servants are not too happy about not seeing a pay increase for them in the budget. I call upon them to exercise restraint. Our civil servants payroll is marred by fraudulent activities that are causing the government millions of dollars. "Ghosts" and duplicate names are driving that. Therefore, the Minister of Finance and the Director General of the Civil Service Agency have been authorized, in keeping with an agreement between me and the leadership of the Legislature, to clean up the civil service bill, removing illegally employed, ghosts, duplicates and temporary personnel from the rolls. The leadership of the Legislature and I have also agreed that the savings from this exercise will be used exclusively to adjust compensation in the public sector.

Fellow Liberians, I can go on and on to list the key investment and support to our institutions that will help us transform. It is clear that this budget is

intended to work for the Liberian people. I believe it has the right combination of investment and support to achieve that.

The challenge now is for us – all of us as leaders – to demonstrate that we are prepared to deliver on the commitment enshrined in the allocation through this budget law.

I hope all of us will think, will determine what role we will play, to do all of our part to ensure that this transformation that we all seek will be put on a fast-track in the next fiscal year.

With that...

[President Johnson Sirleaf then signed the 2012/2013 National Budget]