NATIONAL ASSEMBLY

FEDERAL REPUBLIC OF NIGERIA

JOINT SESSION

VOTES AND PROCEEDINGS

Tuesday, 13 December, 2011

1. The National Assembly met at 12.12 p.m. The Chairman of the National Assembly in the Chair.

2. **Opening Prayers:**
Senator Victor Ndoma-Egba said the Opening Prayers.

3. **The Chairman's Opening Speech:**
The Chairman welcomed the President as follows:

Protocol:

May I on behalf of my distinguished and honourable colleagues humbly and warmly welcome you and your entourage to this joint session of the National Assembly.

We are delighted to have you with us this afternoon as you perform one of your constitutional responsibilities.

Over the years, we have listened to very beautiful and impressive budget speeches eloquently delivered in this chamber. Unfortunately, the implementation has not matched the words as economic policies often lack continuity and projects are needlessly discarded or abandoned.

We have what it takes to be a great nation or a world power. But we have never challenged ourselves sufficiently to attain this desired goal. It is our hope and sincere belief that this budget will challenge us; and to take the challenge we must tighten our belts. To do so we must ensure that all sectors and every Nigerian irrespective of position or status is involved. Let me remind us that in the 2011 *Budget, the Legislature led the way by reducing our overhead and recurrent expenditure in order to increase investment in capital expenditure and to lead by example.*

We must lay emphasis on critical infrastructure, eliminate revenue leakages and corruption, grow the economy, generate employment, encourage local production and promote made-in Nigeria goods.

We on our part will ensure the comprehensive implementation of the 2012 *budget to the letter through our oversight functions.*

Let this budget be the one that will say "let there be light, and there is light; let there be security and there is security; let there be roads and there are roads; let there be water, and there is water; let there be employment and there is employment; let there be medicare and it is so; and let there be food and there is food.

With these few remarks, it is now my honour and privilege to invite Mr President to deliver his speech and lay the 2012 *budget proposals in accordance with Section* 81 *of the* 1999 *Constitution of the Federal Republic of Nigeria as amended.*

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Thank you and may the good Lord bless us all.

SENATOR (DR) DAVID A. B. MARK, GCON, fnim
PRESIDENT OF THE SENATE AND CHAIRMAN
NATIONAL ASSEMBLY

4. Presentation of the 2012 Budget Proposals by the President of the Federal republic of Nigeria, Dr Goodluck Ebele Jonathan, GCFR:

***PROTOCOL*:**

1. *I am delighted to present the* 2012 *Federal Budget Proposal before this esteemed Joint Session of the National Assembly. This Proposal comes at the end of a long consultative process with key stakeholders and it translates the development plans of government unveiled in the Transformation Agenda into concrete actions.*

2. *This budget is a stepping-stone to the transformation of our economy and country in our walk to economic freedom. This esteemed Assembly would agree that this path would neither be easy nor uncontested; but with a sharp focus, hard work, determination and making careful choices we will overcome.*

GLOBAL ECONOMIC DEVELOPMENTS

3. *In the past year, the global economic recovery slowed down significantly and downside risks are on the increase as many countries, particularly in the Organization for Economic Cooperation and Development (OECD), have faced serious challenges leading to fiscal retrenchment and austerity measures in the face of high and rising levels of sovereign debt.*

4. *The Euro Zone crisis in particular has time and again thrown financial markets into turmoil as several countries in this economic and monetary union continue to face difficulty in servicing their debts. On the other hand, although many emerging and developing countries, like India and China are experiencing relatively robust growth, downside risks remain as well. In fact, global growth projection has continuously been revised downward and is now* 4% *for* 2012-2013.

5. *These developments have implications for our economy as, aside from the impact on the inflow of Foreign Direct Investments, they could also lead to lower demand for our primary export commodity. We are living witnesses to the extent of volatility that can afflict the international oil market with prices plummeting from US*$147*/barrel in July* 2008 *to about US*$38*/barrel four months later. Thus, although the oil price is currently over US*$100*/barrel there is no guarantee what it would be in the future.*

6. *We cannot subject the well-being of Nigerians to such large fluctuations and must therefore protect ourselves by managing our finances prudently including by adopting a conservative benchmark oil price for our budgets.*

7. *There are also uncertainties in the area of international food prices which make it imperative that we take steps to safeguard our position through policies that would promote food security. So far, the Nigerian economy has weathered these storms well but efforts need to be reinforced to ensure macroeconomic stability and sustained economic growth.*

DEVELOPMENTS IN THE DOMESTIC ENVIRONMENT

8. *This year marked another milestone in our democratic experience, with the successful elections and peaceful transition. We now need to build on the mandate that Nigerians have entrusted to us to deliver the dividends of democracy through stronger economic reforms to deliver growth and create jobs. I have created an Economic Management Team (EMT) that I chair, and an Economic Management Implementation Team (EMIT) chaired by the Coordinating Minister for the Economy and Minister of Finance, to help us deliver on this economic agenda.*

9. *The robust growth recorded in the first half of* 2011 *underscores the resilience of the Nigerian economy and the prudence of our economic policies. Our growth in the 2010-2011 period has been broad-based.*

10. *The economy recorded impressive growth of* 7.85 *percent in* 2010 *and* 7.72 *percent as of the second quarter of* 2011 *compared to* 5.2% *forecast for sub-Sahara Africa. Medium-term prospects are also bright, with real GDP growth projected to remain strong over the period. Furthermore, we intend to pursue a programme of greater fiscal discipline complemented with appropriate monetary policy in order to help stabilize our declining foreign reserve.*

11. *The non-oil sector continues to be the main driver of growth with increased crop production, growth in wholesale and retail trade and increased financial sector activities backed by the banking sector reforms. Contributions by the oil sector continue to improve as average daily oil production rose to* 2.45 *million barrels. per day in the second quarter of 2011 compared to* 2.35 *million barrels per day in the corresponding period in* 2010.

12. *At the same time, food inflation has been on a downward trend from* 14.1% *in October* 2010 *to* 9.7% *in October* 2011, *but it is still a matter of concern as our objective is to move to low or mid-single digit inflation.*

REVIEW OF IMPLEMENTATION OF THE 2011 BUDGET SO FAR

13. *We are approaching the end of a peculiar fiscal year for our nation. The* 2011 *Elections, the subsequent inauguration of a new Administration last May and the passage of the* 2011 *Amendment Budget in May* 2011 *all affected the implementation of the budget in* 2011. *Provisional data on the implementation of the* 2011 *Budget as at October* 2011 *indicate that revenue performance improved during the year over the situation in* 2010.

14. *Oil revenue receipts achieved the targeted levels as a result of relatively higher oil prices and production levels than benchmarked while non-oil receipts, though short of the projection for the period, are tending towards the set targets for* 2011. *As of mid-November, about* 67% *of the released funds had been utilized and we expect it to reach* 70% *by the end of December which is fairly good considering the circumstances. You will agree with me that* 2010 *and* 2011 *Budgets were relatively expansionary, and we must now inject a dose of caution.*

15. *With the support of the National Assembly, the Government is determined to pursue a programme of far-reaching fiscal consolidation so as to reduce our deficit and domestic borrowing to more manageable levels.*

16. *We have introduced measures to actualize this programme in the* 2012 *fiscal year both in the areas of improved revenue collection, recurrent expenditure reduction and increasing the share of capital expenditure in aggregate spending, in contrast with the trend of recent years.*

PRIORITIES OF THE 2012 BUDGET

17. *At a time when rating agencies are downgrading countries globally, the Outlook on Nigeria was recently upgraded from negative to stable by Fitch Ratings; this was largely a reflection of two things: (a) the new economic programme, including the Medium-Term Fiscal Framework that government has put in place with important reforms and a clear programme of fiscal consolidation; (b) the successful political transition following the* 2011 *elections.*

18. *In furtherance of its efforts, the government has significantly scaled up the flow of resources to key areas of priority including Security, Infrastructure renewal and development (including power and roads), human capital development and food security to give a more inclusive growth and attention to job creation. Yet, there is much that still needs to be done. The* ***Transformation Agenda*** *spells out the strategic direction of my Administration.*

19. *In this respect, being the first budget under this Agenda, the* 2012 *Budget has been designed with the theme:* ***fiscal consolidation, inclusive growth and job creation****.*

20. *To achieve the above objectives, we have established four main pillars, namely:*

(a) Macroeconomic stability;

(b) Structural reforms;

(c) Governance and institutions; and

(d) Investing in priority sectors.

Macroeconomic Stability

21. *Government is determined to pursue policies that will ensure a stable macroeconomic environment through a strong and prudent fiscal policy, manageable deficits, sustainable debt-GDP ratio of no more than 30%, and single digit inflation, thereby promoting real growth. We believe that these measures would engender a stable and competitive exchange rate and help to reverse the declining trend of our international reserves.*

22. *Our domestic debt profile has risen sharply in recent years, currently standing at about* 16.4% *of GDP. This cannot be allowed to continue and become a new burden on our children. So in addition to looking at the expenditure side of our national balance sheet, we are also paying strong attention to the revenue side.*

23. *In this regard, we have initiated steps to increase revenues by blocking leakages from various sources, improve corporate tax collection, and boost internally generated revenue. We also believe that we should be able to earn a lot more revenue from the maritime sector. As part of the on-going port reforms, government will work vigorously to increase our revenue from maritime and related activities.*

24. *Starting in* 2012 *for the medium term, we shall focus on cutting recurrent expenditure to sustainable levels through reducing waste, inefficiency, corruption and duplication in government. Recent reviews of public expenditures provide a basis for taking such measures. In order to make capital spending more effective, government is introducing a new template for analyzing the financial and other factors including the economic rates of return, job creation, and environmental sustainability.*

25. *Similarly, Government will continue to prioritize its expenditures while focus will be on the completion of viable on-going capital projects. It is our intention to fund and bring the large portfolio of on-going projects to completion in the next few years while also taking on flagship projects already identified in the Transformation Agenda.*

26. *From* 2012, *there will also be a robust programme to strengthen our oil reserves base, and increase oil exploration activities in identified inland sedimentary basins, outside the Niger Delta, with the requisite potential for the production of oil and gas, particularly the Chad Basin.*

Structural Reforms

27. *My Administration is pressing forward with key structural reforms. We are implementing the privatization of the power sector based on the Power Roadmap which I unveiled last year. We believe that the power sector can benefit from liberalization and privatization by attracting investors in the same manner as the telecommunications sector has done. In—the same vein, government will come up with policies to encourage investment in the downstream sector through liberalization so as to create jobs for our people.*

28. *We have also embarked on reforming our ports and customs and we intend to continue vigorously on this path so as to reduce the cost of doing business for our private sector actors. No longer are we going to be content for clearance of goods in our ports to take* 3-4 *weeks with attendant demurrage and costs while it takes* 48 *hours elsewhere.*

29. *In this regard, I have set up a Committee chaired by the Coordinating Minister for the Economy and Minister of Finance with a mandate to remove the bottlenecks at our ports and another Committee made up of private sector users of the ports to monitor implementation. We also intend to work hard to improve the infrastructure at the ports. Other impediments such as those arising from bureaucratic and costly paperwork will also be removed.*

30. *With regard to the petroleum sector, the Federal Government is conscious of the need to bring the Petroleum Industry Bill debate to conclusion so as to give investors the comfort and policy certainty that they require. My Administration is determined to bring this matter to closure by engaging with all stakeholders and I therefore call on the National Assembly to work with us in this regard.*

Governance and Building Institutions

31. *Our reforms can only endure if they are founded on strong systems and institutions that promote transparency and we are taking steps to strengthen ours. As you are aware} we have already resumed the publication of revenues allocated to the three tiers of Government as this will promote transparency and accountability in the management of public funds.*

32. *Similarly, the recent passage of the* ***Freedom of Information Act*** *has further strengthened the hands of citizens in monitoring the activities of government and I acknowledge the role of the National Assembly and civil society, in making this a reality. The fight against corruption is a collective responsibility and my Administration will strengthen our anti-corruption agencies such as the EFCC and ICPC to enable them discharge their mandate. Finally, we recognize that we can only succeed in our effort to transform the economy if we have a vibrant civil service and we fully intend to embark on reforming the public service for optimal service delivery.*

Investing in priority sectors: Creating Jobs

33. *Against the background of the above reforms, this Administration will promote job creation and inclusive growth by investing in critical infrastructure, human capital development and security including more support for the police, defence and counter-terrorism operations. We shall also give priority attention to Information and Communications Technology, Solid Minerals development, Manufacturing, Aviation and Creative industries in order to further develop these sectors that are known to be sources of growth and job creation.*

34. *Let me now comment on a few sectors. The* ***Agricultural sector*** *is being totally transformed to enable us move from traditional farming to modern agriculture as a business both for our small and large-scale farmers. Our objective is to ensure food security whilst also promoting exports in agriculture value chains where we have a comparative advantage. We intend to process and add value to different crops such as rice, cassava, sorghum, oil palm, cocoa, cotton, etc.*

35. *This approach is central to our transformation strategy. Accordingly, this Administration has adopted enabling measures to support the development of private sector-driven marketing institutions, and push for policies that would promote our agriculture to create jobs.*

36. *To unleash the potential of this sector, the Federal Ministry of Finance has put in place a mechanism to share risks with the banking sector by guaranteeing* 70% *of the principal of all loans made for supply of seeds and fertilizer by the private sector this season. In addition, to get the inputs to farmers at an affordable cost, we are subsidizing the interest rate on these loans to bring it down from* 15% *to* 7% *per annum. The Minister of Agriculture and the Central Bank are collaborating to extend these services for credit availability for the medium term.*

37. *We are introducing further fiscal policy measures to support the development of the agricultural sector. In this respect, the duty on machinery and certain specified equipment for the sector will, effective January* 31*st,* 2012, *attract zero duty. We will further look at supportive fiscal policies for the rice and wheat sectors to stimulate domestic production.*

38. *Government is also introducing policies to encourage the substitution of high quality cassava flour for wheat flour in bread-baking. Bakeries will have* 18 *months in which to make the transition, and will enjoy a corporate tax incentive of* 12% *rebate if they attain* 40% *blending. With effect from March* 31*st,* 2012, *importation of cassava flour will be prohibited so as to further support this programme.*

39. *All equipment for processing of high quality cassava flour and composite flour blending will enjoy a duty free regime as incentive to bakers for composite flour utilization. Consultations with the sector to ensure a smooth transition are on-going.*

40. *It is common wisdom that the best way we can grow our economy and create jobs for our people is for us to patronize Nigerian-made goods. This is why we are introducing enabling policies to drive this process. In this regard, we are introducing fiscal policy measures that will encourage the purchase and utilization of locally produced commodities.*

41. *From July* 1*st,* 2012, *wheat flour will attract a levy of* 65% *to bring the effective duty to* 100%, *while wheat grain will attract a* 15% *levy which will bring the effective duty to* 20%.

42. *Similarly, there will be a levy of* 25% *on brown rice to bring it to* 30%. *In addition, to encourage domestic rice production, a levy of* 40% *will be placed on imported polished rice leading to an effective duty rate of* 50%. *Effective December* 31*st,* 2012, *all rice millers should move towards domestic production and milling of rice, as the levy of* 50% *will be further raised to* 100%. *Let me add here that no waivers or concessions will be entertained for rice and wheat importation.*

43. *We have also commenced implementation of the* ***Power Roadmap*** *which aims to create a robust power sector through the privatization of the generation and distribution of power as well as create an enabling environment for investment. Institutional arrangements have been made for a Bulk Trader company to intermediate between power producers and distributors in a market setting, thereby giving Independent Power Producers (IPPs) the confidence to invest in generation capacity.*

44. *Government, in collaboration with our development partners has created a credit risk management initiative to provide Partial Risk Guarantees (PRG) to give comfort to gas producers in respect of payment. Similarly, effective January* 31*st,* 2012, *equipment and machinery in the power sector will attract zero duty.*

45. *The Government recognizes the provision of affordable housing as a social need and, also, a veritable source of socio-economic development and job creation. Owning one's own home is a basic aspiration of every human being, and our people are no different.*

46. *To this end, based on a new housing policy, Government is working with our development partners to create an effective mortgage finance system in the country and to develop value chains in the building materials segment. This will give the necessary stimulant to the sector to accelerate its development and also help to reduce the cost of construction, thereby energizing the construction industry.*

47. *It is a well-known fact that government alone cannot solve the* ***infrastructure*** *problem, which is why we have invited the private sector and international investors to partner with us through the Public Private Partnership (PPP) arrangements.*

48. *As estimated in the First National Implementation Plan of the Nigeria Vision* 20:2020, *we need* ₦32 *trillion for the execution of capital projects over a four year-period, of which the private sector is to contribute* ₦13 *trillion. In this respect, we are creating the enabling environment to attract private investments by having a clear regulatory framework.*

49. *Government will, in addition to ongoing critical infrastructure projects, execute new flagship projects with positive multiplier effects across the country through PPP arrangements in the next three years.*

50. *In our continuing effort to improve on our human development index, we are conscious of the need to avoid the trap of focusing on economic growth as an end in itself, but rather, a means to improved human development through ensuring better* ***health care, education and wealth creation****.*

51. *To this end, my Administration will continue to invest in these sectors to improve on the quality of education for our children especially young graduates from our educational institutions, support Public-Private Partnership arrangements for skills development and improve the quality of our health service delivery.*

52. *Fellow Compatriots, we recognize that we can only achieve the developmental goals in a secure and peaceful environment. Accordingly, safeguarding the sovereignty, independence and territorial integrity of the country is at the heart of ongoing reforms in the security sector. As you are aware, we have since commenced strategic programmes to upgrade the skills of officers in the security agencies while modernizing security infrastructure across the country.*

THE 2012 BUDGET

53. *The* 2012 *budget is based on a set of assumptions reflecting Government's determination to maintain prudence in the face of continued uncertainties in the external environment. Accordingly, the budget is based on the following*:

- *Oil production of* 2.48 *million barrels per day (mbpd) up from* 2.3*mbpd for* 2011;
- *Benchmark oil price of US*$70/*barrel, a cautious revision from the US*$75/*barrel approved in the* 2011 *Amended Budget*;
- *Exchange rate of NG*₦155/*US*$;
- *Projected GDP growth rate of* 7.2%; *and*
- *Projected inflation rate of* 9.5%.

2012 ***Revenue and Expenditure Profile***

54. *Based on the above assumptions, the Gross federally collectible* ***revenue*** *is projected at* ₦9.406 *trillion, of which the total* ***revenue*** *available for the Federal Government's Budget is forecast at* ₦3.644 *trillion, representing an increase of* 9% *over the estimate for* 2011. *Non-oil revenue is projected to grow significantly in* 2012 *as recent efforts to reform revenue collecting agencies and the implementation of initiatives to further develop non-oil sectors are expected to yield results.*

55. *The aggregate* ***expenditure*** *proposed for the* 2012 *fiscal year is* ₦4.749 *trillion, which is a modest increase of* 6% *over the* ₦4.484 *trillion appropriated for* 2011. *I am pleased to note, however, that the declining share of capital is being reversed so it will account for about* 28% *of total expenditure in* 2012 *compared to* 26% *in* 2011. *We intend to continue on this path so that by* 2015, *it will have risen to almost* 33%.

56. *This underscores the need to intensify our efforts to curtail recurrent expenditure, which we have already embarked upon under the policy of fiscal consolidation as evident from the Medium-Term Fiscal Framework. The share of recurrent expenditure in the* 2012 *Budget proposal is* 72%, *down from* 74.4% *in* 2011, *and we intend to continue on this downward trend up to* 2015.

57. *The aggregate expenditure comprises* ₦398 *billion for Statutory Transfers,* ₦560 *billion for Debt Service underscoring the real need to address the rising domestic debt profile, and* ₦2.472 *trillion for Recurrent (Non-Debt) Expenditure. We are conscious of the need to control the cost of governance. Government will streamline agencies with overlapping mandates as a way to realign public expenditure.*

58. *In this respect, I have received the preliminary Report of the task force which I set up for this purpose and we shall implement relevant recommendations. We are also pursuing the biometric verification of workers and pensioners as part of our effort to control cost.*

59. *Capital expenditure has an allocation of* ₦1.32 *trillion representing a* 15% *increase over the amount approved in the* 2011 *Budget. The emphasis is on the completion of critical infrastructure projects.*

60. *Based on the above, the fiscal deficit is projected at about* 2.77% *of GDP in the* 2012 *Budget compared to* 2.96% *in* 2011. *This is within the threshold stipulated in the* **Fiscal Responsibility Act, 2007** *and clearly highlights our commitment to fiscal prudence as a way to create more space for the private sector.*

61. *This will also have a salutary effect on our domestic debt profile, which has risen significantly in recent years. We are determined to rein in domestic borrowing, and through this, ensure that our debt is at a sustainable level.*

62. *As I mentioned earlier, government has made significant progress in putting the finances of the nation on a sound footing and laying the foundation for rapid and sustainable economic growth.*

63. *Allocations to some critical sectors of the economy are as follows: Security —* ₦921.91 *billion; Power [including Bulk Trader, Nelmco, and Multi-Year Tariff Order (MYTO)] —* ₦161.42 *billion; Works —* ₦180.8 *billion; Education [excluding Universal Basic Education Commission, Petroleum Technology Development Trust Fund (PTDF) and Education Trust Fund] —* ₦400.15 *billion; Health —* ₦282.77 *billion; and Agriculture and Rural Development —* ₦78.98 *billion. Others are: Water Resources —* ₦39 *billion; Petroleum Resources —* ₦59.66 *billion; Aviation —* ₦49.23 *billion; Transport —* ₦54.83 *billion; Lands and Housing —* ₦26.49 *billion; Science and Technology —* ₦30.84 *billion; Niger Delta —* ₦59.72 *billion; Federal Capital Territory Administration (FCTA)* ₦45.57 *billion and Communications Technology —* ₦18.31 *billion.*

Fiscal Policy

64. *Fellow compatriots, you will agree that the budget is not an end in itself but rather, an instrument for the promotion of economic growth, wealth creation, poverty reduction and service delivery to the citizenry. Government desires that we should begin to experience a commensurate increase in gainful employment and social well-being of Nigerians with the rate of economic growth.*

65. *This Budget seeks to act, not only to create jobs, but to also lay a solid foundation for sustainable economic growth which would deliver the dividends of democracy to our people. In this respect as you may recall, I hosted a retreat in October this year with the organized private Sector COPS) at which a number of issues including fiscal policy were extensively discussed.*

66. *I wish to reiterate here that the principal objective of my Administration's fiscal policy in the area of tariffs and trade is to promote industrialization and the growth of the manufacturing and agricultural sectors of the economy and above all to generate employment for Nigerians.*

67. *As part of the process to realize this objective, we have commenced the review of the* 2008-2012 *Customs and Excise Tariffs to correct identified anomalies and introduce policies that will help in the promotion of industrialization in the country when the review is concluded. In addition, to ensure a level-playing field for businesses, this Administration, beginning from the* 2012 *fiscal year, will where necessary, only grant concessions or waivers on a sectoral basis. The focus of any concessions will be on expanding domestic production for local consumption and boosting exports, development of value chains, and boosting employment.*

68. *The Export Expansion Grant (EEG) scheme has, over the years, contributed significantly in the diversification of the economy through the promotion of non-oil exports. Efforts have therefore reached an advanced stage to review and streamline the Scheme to make it more effective as an instrument for the promotion of non-oil exports. We shall also aggressively pursue economic diplomacy within the framework of ECOWAS to ensure that the ECOWAS Trade Liberalization Scheme (ETLS) achieves its objective of promoting intra-ECOWAS trade and that it is not used as a vehicle for dumping goods in the region. In particular, we shall review the application of the ECOWAS Trade Liberalization Scheme (ETLS) to the oil palm and other sectors.*

69. *For some time now, especially with the advent of the consolidated salary structure, there has been agitation over the lopsided nature of the Personal Income Tax Act and the fact that the tax free allowances were inadequate. I am pleased to announce that I have signed the Personal Income Tax Amendment Act* 2011 *into law which amongst others has the benefit of reducing, on the average, taxes paid by low income earners and providing a more equitable tax structure for individuals. This law also provides for Tax Appeal Tribunals to listen to, and address concerns of individual taxpayers as a cost-effective administrative intervention prior to recourse to the courts.*

70. *Other fiscal changes to be gazetted shortly, include tax waivers on all bonds and related instruments issued by corporate and other tiers of Government, tax rebates as incentive to companies that create jobs, regulations to support taxpayers' self- assessment, and regulations to support the growing quest of those involved in social and community development to get tax incentives for those donating to their causes.*

71. *As you may recall, Government initiated a new multifaceted National* ***Job Creation*** *Scheme with the provision of seed funding of* ₦50 *billion in the* 2011 *Budget. Implementation of this programme has commenced in earnest.*

72. *This Administration believes that it is time to give Nigerian youths an opportunity to enjoy the dignity of a job, the support for innovation, the confidence to be an entrepreneur and, the sheer optimism to be an employer of labour along with the security of an income that can contribute to our economic development. We are conscious of the fact that we have the task of transforming the huge potential of our youths into real, tangible outcomes which all of our people can experience and call their own.*

73. *In this respect, Government is focused on stimulating entrepreneurial activity and setting a framework for young people with creative tendencies to showcase their business acumen, build capacity and create jobs. In this spirit and to move beyond the conventional paradigm of job creation, the Government, partnering with the organized private sector and our development partners, took bold steps to initiate the* ***Youth Enterprise With Innovation in Nigeria (You Win)*** *programme which I launched in Abuja in October and has since been launched also across the six geopolitical zones.*

74. *This programme is targeted to, not only create a new generation of innovative real sector entrepreneurs in Nigeria, but, in the medium term, also generate jobs for youths across the country.*

75. *I believe that this move will drive the future technological and socio-economic development of our country. You Win will lead to the creation of about* 100,000 *jobs through support to our young entrepreneurs.*

CONCLUSION

76. *Mr Senate President, Mr Speaker, Distinguished Senators, Honourable Members of this esteemed Assembly, the Proposal I lay before you this day seeks to .sustain sound macroeconomic growth that will translate to achieving socia-economic transformation, and gainful employment for our people. But, we can only progress in this course and turn our possibilities into reality when we diligently adhere to the implementation of well thought-out and articulated developmental policies.*

77. *The* 2012 *Budget, as our collaborative effort, has taken the welfare of Nigerians as top priority. In an environment of global uncertainties and domestic challenges, the strong support of the National Assembly is invaluable for us to achieve our set developmental goals.*

78. *As we collectively resolve to create a brighter and enduring future for all Nigerians - a future of hope and prosperity not lack, fear or hatred, we must prepare to overcome any adversity that may arise. Accordingly, we must all be determined and committed to follow through with the difficult but balanced choices that we make in piloting the affairs of this great nation.*

79. *Finally, I wish to appreciate the enduring partnership between the Executive and the Legislature in discharging our shared responsibility for nation-building and I note, with thanks, the patriotism, commitment and support that Distinguished and Honourable Members of this esteemed Assembly have consistently demonstrated.*

80. *Once again, I encourage us to dialogue openly, frankly and in good faith over the challenges that face us as a nation. It is my hope that the National Assembly will consider and pass the* 2012 *Budget Proposal expeditiously; and I foresee even more productive collaboration to the benefit of all our people.*

81. *I am indeed grateful for your kind attention.*

82. May God bless you all, and bless the Federal Republic of Nigeria.

5. Vote of Thanks by Mr Speaker:
Mr Speaker, on behalf of the National Assembly made the following remarks:

Protocol:

Listening to you just now Mr President, we are moved with a feeling of a new spirit to remove the annual budget presentation from the realm of sheer rhetorics to one of a comprehensive presentation of a workable document. I must, however, note that the budget proposal is again coming rather late in the day.

2. *On our part, we wish to assure Nigerians that we shall do our best to ensure that we complete work on the budget within reasonable time so that implementation can start early. We hope that this time around, we shall break the jinx of low budget implementation. The truth is, there is no better signal that a government is alive to its responsibility than through its strict adherence to its own budget proposal.*

3. *It is note worthy that the executive has made the completion of all ongoing projects a critical aspect of this year's budget. The sheer number of uncompleted and mostly abandoned projects and programmes in this country boggles the mind, It is the single most obvious sign of shoddy government implementation of the national budget over the years. Let me emphasize that selective budget implementation has no place in our constitution and the legislature shall not abdicate its responsibility in ensuring full budget implementation through the instrumentality of oversight.*

4. *This country is today facing some of the toughest challenges in our history; we face daunting security and economic problems and our people look up to us for assurance that we understand the immensity of the task; that we know how to tackle the problems; that we are, in fact, tackling the problems. Nonetheless, we are a resilient people and there is no doubt that we shall weather the storm. It is important to remind ourselves that, with the benefit of hindsight, Nigerians will believe our deeds and not our words.*

5. *Let me assure Mr President, and indeed all Nigerians, that the Legislature is fully committed to the primary duty of government of security of lives and property of the citizens and their welfare as entrenched under the Fundamental Objective and Directive Principles of State Policy and so long as the Executive is acting pursuant to this, you can rest assured of our full support.*

6. *Mr President, on behalf of the entire membership of the National Assembly, I thank you for your visit here today and hope that the* 2012 *budget will lead to the revitalization of our economy and repositioning of the country on the path of true development*

Thank you.

6. Closing Prayers:
Hon. Abubakar Umar Sade said the Closing Prayers.

7. Adjournment:
At 1.30 p.m. the Chairman adjourned the Joint Session of the National Assembly *Sine Die*.

Sen. (Dr) David A. B. Mark, GCON, fnim
Chairman