

Ministry of Economic Affairs

This is your role:

You are a member of the Oil Production Work Group of the Ministry of Economic Affairs. The Ministry of Economic Affairs is in favour of borrowing from China. With the proceeds from the sale of oil, the loan can subsequently be repaid without any problems and the Ghanaian economy will benefit greatly from oil production.

These are your group's tasks:

1. Read all the documents your group has received.
2. Select a Minister of Economic Affairs from the work group. This person will represent the work group on the panel at the hearing.
3. As a member of the work group, you advise the Economic Minister. You know that the issue of borrowing is controversial. That is why you and your colleagues will consider convincing arguments for the hearing. Prepare a maximum 3-minute introductory statement. Also consider how the objections of the other groups could be invalidated.

Information for the Ministry of Economic Affairs:

The Ministry of Economic Affairs sees oil production as the engine for a gigantic economic upturn in Ghana.

In your opinion, economic development will be reflected in the following areas:

Growth in government revenue

An oil production bill has already been submitted, which provides for three quarters of oil and gas revenues to flow into the state budget. The rest is to be saved. In addition, the law stipulates that all payments made by the oil companies to the Ghanaian state are to be disclosed.

Emergence of new companies

The government has presented a bill according to which companies producing oil must award 90 percent of their contracts to Ghanaian companies. This would benefit the construction industry in particular, a cement industry could be created, and road construction would be boosted. Many other economic sectors would benefit, such as services, trade, the hotel industry, tourism, and gastronomy.

Jobs and wages

The Ghana Oil and Gas Service Providers Association (GOGSPA) estimates that the industry can create 100,000 jobs for Ghanaians. The Energy Ministry is more cautious, estimating 10,000 new jobs.

Ghanaians earn an average of 500 cedi, about 200 euros. Investors announced that a minimum wage of the equivalent of 2,800 euros per month will apply on the oil platform - that would be 14 times this salary.

Training skilled workers

There is a great demand for skilled Ghanaian workers. The courses have already begun and are taught by experienced engineers in the industry. Students report that the lessons are extensive, the equipment is good, and the teachers are competent.

However, the course fee for a three-month course is very high: 3,000 US dollars (2,394 euros). But if you look at the expected wages, this is not much. According to information from the Ministry of Labour, 813 Ghanaian specialists became qualified before oil production even began.