

A moment with the President

10th April 2012

Marceline Evenor: Good evening and welcome to 'A moment with the President.' We used to meet every month but for this year we have decided to meet every three months, when as usual the President will speak on national and pertinent issues which have an impact on the lives of the Seychellois people. We shall see how to cope with the challenges that come our way so that our society can continue to go forward. Good evening Mr. President.

Mr. President: Good evening Marceline.

Marceline Evenor: During those first three months that is January, February and March many things have happened which are occupying people's minds. These are related to the restructuring in the civil service which you announced in the State of the Nation Address. There is also the increase in the price of fuel as well as the cost of living in general. Perhaps we should begin with the restructuring. You said when you announced this that you wanted a team which can deliver according to the expectations of the public and of course in line with your vision for the new Seychelles. Now nearly two months after those appointments what are the new measures, the new proposals being implemented so that people can see the difference from a new team at work?

Mr. President: From the time the people of Seychelles have given me a new mandate based on my plans and my vision to create a new Seychelles I have been thinking, and after a lot of reflection, I have decided to restructure my Government, reallocate responsibilities and increase the number of ministers we need in order to accomplish our goals. I have also chosen a team, that is ministers and technicians, who will really deliver efficiently and take our country to the next stage of its development to create that new Seychelles. Now precisely, the new team has met several times and together we have discussed how to make this restructuring work. I think that in these three months all those who have followed the various programmes on the media have been able to see a new dynamism, a new way of doing things because in the new Seychelles we cannot continue to do as we did before. The world is

evolving and Seychelles has to evolve with the world. Whether we believe it or not, the world is in a recession and Seychelles forms part of this world and it too is in a recession, and this is what makes us feel the effects of those economic difficulties which the world is going through. However, here in Seychelles we can safely say that we are lucky in that our situation is not as difficult as in many other countries. To go back to the restructuring, my office has received the plans and targets which I asked the ministers to submit. In the coming week I shall ask all ministers and their chief executives to discuss on those plans and targets one by one and see what has been proposed to implement that vision of creating a new Seychelles. When those plans and targets will have been approved by me and endorsed by the Cabinet of Ministers, each minister will have the responsibility to implement and deliver them. They should get their Ministries to work, assume their responsibilities and ensure that we deliver and bring our country towards this new era which is the existence of this new Seychelles.

Marceline Evenor: Mr. President, if we look at the Ministry of Health in particular, when you announced Mrs. Larue as the Minister for Health, there were a lot of criticisms. During the last 3 or 4 years we have seen Mrs. Llyod, Dr. Athanasius and now Mrs. Larue as Minister for Health. What is your vision for this ministry which you see is not happening and which is causing you to make such frequent changes?

Mr. President: The changes made in the Ministry of Health have been more often than in other ministries. The rotation of Ministers and their different responsibilities is normal and I have done this after I have studied the situation in the Ministry of Health and in some other ministries and government agencies. It is desirable that people get different responsibilities and that ministers are able to contribute in different fields where they have certain competencies. It is not only in the Ministry of Health where there has been a change of ministers. There are other ministries as well and there are also changes at the level of Principal Secretaries. The Ministry of Health is a very special place and it is very important because it concerns the health of the nation. It is at this ministry that people judge the quality of health given to the nation. However I believe that in Seychelles we should not only focus on the hospital, the Ministry of Health itself as the one and only important factor with

regard to our health. Each one of us should be conscious of our responsibility to take care of our health. We are the ones responsible for our health. A person should realize that if he/she drinks all day long, this will have an adverse effect on his/her health. He/ She will have diabetes, his kidneys, liver will be affected and will end up with all sorts of health problems and even having a limb amputated. People should be conscious of all those facts. The Ministry of Health should not only repair and refurbish the hospital, deliver an effective service to make people regain confidence in the health system but this ministry has also a big task of educating the people on the danger of alcohol abuse, dangerous substances and also how to prevent and protect themselves against diseases and infections. I am looking at the Ministry of Health in all its entirety; that is education, sensitization of people to take their responsibility for their health and at the same time government will establish the structures, the mechanisms to deliver a better service in the hospitals and the clinics. This is where the new team which I have just appointed together with other professionals yet to come will continue to improve and perhaps change the way that the hospitals and clinics are functioning so that they can deliver efficiently. Again this does not depend on Government only, on the Ministry of Health only. It depends on us all to give a helping hand to ensure that we have a good health system.

Marceline Evenor: Mr. President, could we move on to the second part of our interview that is the rise in the price of fuel. At the beginning of this month we have seen an increase, a big increase indeed as compared with increases before. The International Monetary Fund has stated that on average, the price of fuel is expected to increase by 30%. What mechanisms SEPEC and Government are envisaging to absorb this shock?

Mr. President: Well, it is true that there has been a big increase in the price of fuel at the stations and as a result we have an increase in the price of electricity. Luckily, due to certain mechanisms we have introduced, the price of bus fares remain the same. We have no choice. We have to increase the price of fuel at the stations as well as the price of electricity. At this point I would like to explain to the people of Seychelles that as their president who is responsible for a government which is working for the wellbeing of the people, I have not allowed the increase in the price of electricity because I wanted to.

We have discussed a long time, looked at different options, mechanisms to minimize the impact on the consumers. I called an extraordinary meeting of the Cabinet where we debated the price of electricity nearly the whole day because I was aware of its impact on our population. We looked at all possible means of alleviating this impact. We studied different options and finally, together with the technicians, experts and colleagues in Cabinet we have had no other option but to put an increase of 15% across the board. The Government has its economic reform programme and it cannot afford to subsidize the price of petrol. It is not the norm either that Government should subsidize the price of petrol in such a way that it does not become sustainable for the economy of the country. Today the situation in the world dictates that we too should take certain measures like other countries to be able to survive this difficult situation. In Portugal, for example, unemployment is also a big problem, as in many other countries. Here in Seychelles, luckily, there is employment. We have more jobs than people who are able to work and we have many foreigners working here. As we are a society, a government who takes care of our people, we know that this increase in the price of electricity will affect people who are failing to make ends meet. They are the ones being assisted by the Welfare Protection Agency. At the same time we have to increase the weights used by the social agencies to assess social benefits and we have taken certain measures to help people who are renting houses so as to make it easier for them to make ends meet. This is in relation to the increase in the price of electricity and in certain commodities. It is important that we continue to support people who are more vulnerable. Those whose salaries are higher, who own a car and other means are more able to absorb this increase than those who are finding it difficult to put some food on their children's plates. We have to weigh things and give help to those who most need it; at the same time we have to learn to make savings which will help us in difficult times. We have to learn to manage our budget. Most importantly, Government should set the example. We have to cut down waste which may still exist in Government. It is for this reason that I am not giving any extra money to government ministries to pay for the increase in electricity. The Government has to learn to manage with the budget that has been allocated and economize. When people have finished working, they should switch off the air condition and the unnecessary lights. All this will help reduce the

consumption of electricity. We are all aware that the electricity which we consume every day is produced by imported fuel which is constantly going up.

Marceline Evenor: Mr. President, I would like to go back on one or two issues that you have just pointed out. Let us, for example take those people with a higher salary whom you said are better able to absorb those increases. Perhaps there are people who are finding this not fair because if I have a higher salary and a car, I still have to change my lifestyle. The people we say are more vulnerable don't have to change their lifestyle; they don't have to make sacrifices, especially in our system where we see abuses of welfare. What is stopping us from tightening things a little bit to ensure that Government is helping those who really need it? As has been stated by Mrs. Pierre, "there are people on welfare who travel three or four times a year. There are people who are working and don't travel even once a year."

Mr. President: We are doing a lot and precisely with this restructuring we are putting things in order. Together with the new Ministry that I have created, the employment issue will be tackled. Its main task would be to put people in employment. People who are on welfare and who are able to work will have to work. Let us not forget that there are people on welfare who cannot work for several reasons. We cannot let them die of hunger or live in misery because they cannot work. We are not a society or a nation which will allow our people to live in poverty when we have the means, a safety net to help them. We are going to be very strict and as Mrs. Pierre has rightly stated, we are going to scrutinize those who take welfare and go overseas. All this will have to stop. People will have to learn to take their responsibilities. We have to put a stop to abuse as much as we can. It is not fair that people who are working are contributing to pay taxes which are used to pay welfare for people who don't want to work. On top of this, I am asking the Ministry of Employment to look into certain schemes which would allow people who are already in employment and who wish to do so, to have a second part-time job. This will help many to make ends meet. I would like to take this opportunity to explain the concept of the Social Protection Agency. It is not only people who don't work who should be assisted. If you work and you feel that at the end of the month the money you earn is not enough for you to live, to make ends meet, and you have children, you need assistance and the Social Protection

Agency is there to top-up what you are earning to allow you to have a better life. Naturally there will have to be an assessment to find out whether you really need this top up or you just want some more money. More than this, our present policy is that people who are in employment and who need to be assisted are better assisted by the Social Protection Agency. This is a system which exists in Singapore and which works very well. It encourages people to work first and then to be assisted. If you don't work, you don't get anything. You have to work first and then you will be assisted. What is important in all this is the responsibility of a people. In spite of our difficulties we have to continue to work, continue to produce and continue to create wealth. This is why in all the reorganization taking place the Seychellois will have the opportunities to undertake small businesses. They will have the facilities to create their own businesses and thus create wealth. With the creation of wealth, there is more money to help those in need; those are the conditions for people to improve their lives. Work is the important thing. Let us all work, work hard. Government has to create the possibilities for people to develop and improve the economy.

Marceline Evenor: Mr. President. Concerning the tax levied on fuel which is a lot, about eight rupees, why does Government not reduce it a little? According to the last Economic Council Meeting the point that Government should tighten the loopholes where there are leakages in taxes on revenues, came up. Perhaps if Government does this it will be able to reduce the tax on fuel and this will improve the situation.

Mr. President: We must not forget that we are in the economic reform. We have certain obligations under the agreement which we signed with the IMF where we have to meet certain targets at the end of the year. We have certain fiscal targets that we have to meet, that is we have to have a surplus and IMF has agreed to decrease it a little because of the economic problems in the world. However, there are certain targets that we have to respect and this of course includes the revenue that we have to collect in relation to the expenses that we have to make. This is why as long as we foresee an excess in revenue, we cannot reduce tax because it will affect our target at the end of the year. What is important, and which we have discussed at Cabinet Level and in the Economic Council, is the fact that we need to tighten Government expenses.

We have to do our utmost to reduce government's expenses so that we will be able to meet those target although the revenue side because of the world recession, this will not be easy. Let us not forget that the world recession has a great impact on many things. For example, it has a great impact on importation especially. This is where the revenue from tax on importation becomes less and this is where most of our revenue comes from. Removing the tax on fuel is not as simple as it looks and this will not solve our problem. We have to look at the economy as a whole. We have to consider all the plans and targets that we have agreed with IMF in our reform programme. We have to ensure that we meet our targets. We don't want to go back to the way it was before 2008 when the shops had nothing. We have to maintain what we have achieved and I think we have achieved a lot. We have succeeded in many aspects. To-day our economy is stronger than in many other countries. For us to make a regression would be the greatest error we could make. We have to hold on and hold on tight. We should all make certain sacrifices so that our economy remains strong and when we get out of the recession, we will be in a better position to make better progress and the people on the whole will continue to benefit.

Marceline Evenor: Mr. President, a while ago you spoke about wastage in the Government. You said that Government has to look at its expenses and not spend too much money. If Government does not want to spend too much it would have to look closely at certain things such as fuel coupons and other allowances. Is something being done to that effect?

Mr. President: The Government is looking at many things to make as much savings as possible. The fact that it will not increase the allocation for fuel and electricity, will force the ministries to cut down on abuses which may exist. The Minister for Finance which has a lot of experience on how the IMF functions will be in a better position to see how we can manage this situation. We have to ensure that we stay within the parameter which we have agreed upon with IMF and at the same time continue to see how we can continuously cut down on abuses and wastage in Government.

Marceline Evenor: Mr. President, we have spoken a lot on the cost of living which has gone up and has made the economical environment to do business become more difficult. We all know that when the economic situation

becomes more difficult the social aspects are affected. We have spoken about those people who need social assistance. Among other problems we have, there is the issue of criminality which is on the rise. We know that there is a campaign on the social renaissance which has been launched. There have been discussions in the districts too. When you addressed the forum on this campaign you said that Social Renaissance will form the base of our work for the next 5 years. What did you mean? Can you elaborate?

Mr. President: Well, first of all let me go back to the economy. We are indeed going through a difficult period which will have a negative impact on businesses. However, now is the time that we have to be more innovative and look for new ways of encouraging small businesses. What the Ministry of Finance is doing with the new organization that has been set up is to help small businesses and find ways how to obtain more credit so that the environment for people to continue to undertake businesses improves. Secondly, you have said that the situation can have a negative impact on the social situation, yes, but everything interacts. What is more important is to get people to work. Instead of stealing people should go to work to earn their living. This is where the police force has to be more active to ensure the security of the citizens. Society in general should encourage people and there should be new ways and means of placing people in jobs. Everyone should make it their business to deal with criminality and the degradation in the social system; and my declaration that the social renaissance will form the base of my plan for the future. We have succeeded in placing our economy on a strong foundation in spite of the challenges which the world is forcing upon us. All that we have achieved will disintegrate if we don't address the problems in our society, especially the degradation of the traditional values we had, values which bind us as a united people who understood and helped each other and where those undesirable tendencies do not exist. We have to succeed, to have this social renaissance, in our country. We will have those good values back where people will stop getting involved in things they should not and they will go to work and earn their living honestly. All this will help create a good community, a good society because my plan is based not only on the economic development but also on human development; the development of the person, the development of children, on the development of maintaining the dignity of the old people, on the development and empowerment of the

workers. All this depends on the good values which we should have and keep. This forms part of the social development plan. It is the social renaissance plan which will help us to maintain our economic success and the success of our society.

Marceline Evenor: To conclude Mr. President, at the beginning you said you would touch on two principal subjects; the increase in the price of fuel which brings about the increase in the cost of living and the restructuration which you announced. In relation to this restructuring, there is talk, lately that there is some misunderstanding between you and the Vice-President and some others in the party. What is your comment?

Mr. President: There is some misunderstanding between me and the Vice-President? Where did you hear that?

Marceline Evenor: People are talking.

Mr. President: As far as I know, there is no misunderstanding between me and the Vice-President. The two of us have never been closer and we have never worked better together than now. This restructuring has allowed other ministers to have more responsibilities and now the Vice-President is by my side to really help me to oversee the work of Government and to bring that new dynamism. We form an excellent team. I have always had confidence in my Vice-President and that is why I chose him as my running mate. We are working very well together. We are going to deliver and together we will create this new Seychelles. As for Parti Lepep, this party has never been so strong as it is to-day. It has never been better structured. What has happened to the Party after the last congress and the election of the New Central Executive, there is a rejuvenation of the Party where some young and dynamic people have been elected, not chosen by me. They have been elected by the Congress which represents all members of the party. The Congress has decided that the time has come to create this New Seychelles where not only do we have a more dynamic Government, but also a more dynamic party. At the same time we want to bring a new sense of belonging, a new restructuring in the party for us to continue to consolidate our strengths and stay strong. In this way we will continue to work for the creation of the New Seychelles.

Marceline Evenor: Thank you Mr. President. We have come to the end of our programme. Our next rendezvous will be in 3 months time. Good evening.