

UU LEN NYK BAS
MIS:AUSTERITY

1988

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~~1987~~ AUSTERITY MEASURES FOR CUBANS SPELLED OUT IN PRESS

H BY LIONEL MARTIN

HAVANA DEC 31, REUTER - FEWER HOURS OF TELEVISION TRANSMISSIONS, HIGHER BUS FARES, LESS MILK, STEEPER ELECTRICAL RATES, THE ELIMINATION OF SNACK BARS AT GOVERNMENT AGENCIES AND OTHER AUSTERITY MEASURES FOR THE YEAR 1987 WERE SPELLED OUT IN A TWO PAGE ARTICLE IN TODAY'S GRANMA.

THE TWENTY-EIGHT AUSTERITY MEASURES FOR THE NEW YEAR WERE MENTIONED WITH FEW DETAILS IN CUBAN PRESIDENT FIDEL CASTRO'S DECEMBER 24 SPEECH TO THE CUBAN NATIONAL ASSEMBLY. CASTRO SAID THAT CUBA FACES A TENSE ECONOMIC SITUATION IN 1987 AND THAT EXPENDITURES FOR IMPORTS FROM THE HARD CURRENCY AREA WOULD FALL FROM 1.2 BILLION DOLLARS IN 1986 TO HALF THAT AMOUNT IN 1987.

THREE OF THE AUSTERITY MEASURES WILL GO INTO EFFECT ON JANUARY FIRST, GRANMA SAID. THEY ARE A FIFTEEN PERCENT REDUCTION IN THE OUTLAY FOR TRAVEL TO THE HARD CURRENCY AREAS, AN INCREASE IN THE PRICE OF CERTAIN NON-RATIONED CONSUMER ITEMS +WHEN CIRCUMSTANCES DEMAND IT+ AND A REDUCTION IN DAILY TELEVISION TRANSMISSIONS THAT IS EXPECTED TO BRING A SVIINGS OF TWENTY THOUSAND TONNES OF PETROLEUM ANNUALLY BY CUTTING ELECTRICAL CONSJMPTION.

A TWENTY PERCENT REDUCTION IN THE QUOTA OF GASOLINE ASSIGNED TO GOVERNMENT ADMINISTRATIVE AGENCIES AND THE ELIMINATION OF SNACK BARS IN GOVERNMENT OFFICES WILL GO INTO EFFECT JANUARY 5. GRANMA SAID THAT THE DISAPPEARANCE OF THE SNACK BARS +WILL FAVOR LABOR DISCIPLINE, THE BETTER USE OF THE WORK DAY AND A SAVINGS IN RESOURCES.+

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DURING THE NATIONAL ASSEMBLY SESSION A LAW ON STATE ECONOMIC AND SOCIAL DEVELOPMENT FOR 1987 WAS ALSO APPROVED. THE LAW PROJECTED AN ECONOMIC GROWTH RATE OF BETWEEN 1.5 AND 2.0 PERCENT FOR 1987 AND AN OVERALL RISE IN EXPORTS OF FIVE TO SIX PERCENT. THE GOAL FOR THE ECONOMIC GROWTH RATE IS THE LOWEST IN RECENT YEARS.

IN HIS SPEECH TO THE ASSEMBLY FOLLOWING THE APPROVAL OF THE BUDGET AND THE ECONOMIC AND SOCIAL PLAN FOR 1987, CUBAN PRESIDENT FIDEL CASTRO MADE A LENGTHY SPEECH IN WHICH HE ANALYZED THE DIFFICULT ECONOMIC SITUATION OF CUBA. HE READ OFF A LIST OF AUSTERITY MEASURES THAT WOULD BE IMPLEMENTED NEXT YEAR WITH THE GOAL OF REDUCING HARD CURRENCY EXPENDITURES AND BALANCING THE ISLAND'S DOMESTIC BUDGET.

AMONG THE AUSTERITY MEASURES ARE A TWENTY PERCENT CUT IN GASOLINE CONSUMPTION BY GOVERNMENT AGENCY, A RISE IN PRICE OF GASOLINE, THE REDUCED USE OF GOVERNMENT OWNED VEHICLES FOR PRIVATE PURPOSES, A RISE IN ELECTRICAL POWER RATES AND IN LOCAL AND INTER-PROVINCIAL BUS FARES.

THE CUBAN LEADER ALSO ANNOUNCED THAT LESS IMPORTED SKIMMED MILK WILL REDUCE THE AMOUNT OF "LIQUID MILK" DURING CUBA'S DRY SEASON WHEN NATIONAL MILK PRODUCTION GOES DOWN. HE ALSO SAID THE FREE LUNCHES AT WORKERS CAFETERIAS WOULD BE ENDED AND THAT THE SNACK BARS IN GOVERNMENT AGENCIES WOULD BE SHUT DOWN. IN THE PAST, CASTRO HAS OBSERVED THAT TOO MUCH TIME IS WASTED BY OFFICE EMPLOYEES AT THE SNACK BARS IN DETRIMENT TO PRODUCTIVITY

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