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LDS OBJECTS TO PUC TARIFFS INCREASES; CALLS FOR PERFORMANCE AUDIT

Linyon Demokratik Seselwa (LDS) expresses its objection over the increases in tariffs for utilities announced by the Public Utilities Corporation (PUC) this week.

The steep increases will add considerably to the cost of living, going contrary to recent declarations from Government to work towards the opposite, to bring down costs. Utilities are one of the most prominent items on the list of monthly expenses for all households. The increases will be a major blow to them.

The cost of living issue has been under constant reference from Government and the Opposition in the National Assembly. It is regrettable that Government has not taken any steps on recommendations made already, for example with regard to the Seychelles Trading Company (STC) where very specific measures which may have a positive impact have been proposed.

Regarding PUC itself, LDS acknowledges the need to ensure that services are modernised but PUC must explain its strategy with more clarity and also justify the tariffs it applies. LDS believes that reforming business practices and cutting unnecessary costs must be the first preoccupation of all state-owned entities before any increases in tariffs or in budget demands are made. In line with this, LDS calls for a thorough performance audit of the Corporation and a review by the National Assembly to verify PUC's justification of its operating costs. Likewise, the Corporation's plans for investment must be carefully examined.

Utilities tariffs are already high in Seychelles, for households as well as for businesses. PUC has been able to declare a profit in recent years, amounting to R227 million in 2017 and R311 million in 2016. If a performance audit can indicate significant possibilities for cost cutting without lowering services and to ensure maximum collection of revenue, the result may give more reasonable options for financing PUC development, and avoid additional burdens on the consumers.

The National Assembly LDS leadership will take up the matter with a view to examining the issues concerned and finding the best means of defending the consumers.

Roger Mancienne
Party Leader.

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