

# Uluwatu

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The New Government

## GOVERNMENT PROPOSES A TAX REDUCTION TO ACCELERATE THE NATION'S DEVELOPMENT

**Purikali** - The new government coalition surprised the Parliament yesterday with a proposal of 10% reduction in the direct taxes (to products and services). Senator Yafet Aramwaruhi (Party of the Progress) that submitted the bill to the plenary said that “the measure is an important step toward the recovery of the nation’s economy, eroded in the last years”.

However, Senator Etimadan Lao, of the Socialist Party, had a different opinion and argued that “the government attitude, focused

on financial performance only, will cause a backsliding in the important social advances achieved during the last decade by the previous governments”.

According to analysts, these first actions of Wisnumatan’s government reveal clearly the priority to the economic development instead of the attention to social issues of its predecessors and are coherent with the promises of electoral campaign. On the other hand, they pointed out that the government will need to make severe adjustments in the public expenditures to avoid a deficit in the public accounts.

FICT

## FOREIGN POLICY

**Purikali** – Another change in direction made by the new government is in the foreign affairs. While Ruikawahi’s staff prioritised organisations such as FICT, now the emphasis seems to be on independent and bilateral relations, such as the recent approximation with Guelphia and Karstonia. This new tendency is reflected in the Kaupelanese proposal to reduce FICT yearly contribution of each member in 50%. The ambassador of Kaupelan to FICT and current Secretary General, Mr Aryanto Nuhusedim, already submitted the proposal to the Conference of Ambassadors. The expectance of

the government is to have it approved in the next General Assembly, still without a location and a date defined.

The minister of Foreign Affairs Elisbet Yemsawa said about this: “Currently 80% of FICT contribution is applied to FESD. Nowadays the Fund has around 200 million dollars to be loaned to the members to sponsor social and economic projects. With our proposal, the annual income to the fund would be reduced from about 130 to 50 million dollars, without jeopardising the contribution directed to FICT administration and institutes. We believe that this will be enough to keep FICT playing its role and operating perfectly”.

Kaupelanese Airlines

## MKA RESTRUCTURED

**Purikali** – The national airline company, *Makuwa Kaupelanese Airlines*, underwent a complete restructuring after successive financial losses in the last years that almost led to the bankruptcy. “The company changed its face and now the mainstream will be the regional flights”, the new CEO Singa Raiki said. Long distance flights to North America and Europe will be strongly reduced in favour of flights to East and Southeast Asia, and to Australia. Mr Raiki added that “the revenue is expected to be reduced but the profitability will increase”. The company is also downsizing its equipment, starting to operate with lower cost and more economic airplanes, such as Boeing 767 instead of the giant jumbos.

A new logo was developed for the company based on a typical bird of the region, the salmon-crested cockatoo (*cacatua moluccensis*).



A Boeing 767-300ER with the new logo and colours

## EXCHANGE RATES



US DOLLAR: KAH 2.4813 ▼



EURO: KAH 3.1998 ▼