

Ecuadorean president implements IMF package amid COVID-19 pandemic



Quito, May 19 (RHC)-- Ecuador's President Lenin Moreno Tuesday announced a new package of economic policies that are aligned with the recommendations made by the International Monetary Fund (IMF) in 2019 to guarantee the payment of this South American country's external debt.

Among those are a reduction of \$940 million in wages for public workers and a decrease of \$1.3 billion in public investment. Moreno also announced that 10 public companies will be eliminated, among which are the railway company, the postal company, the Tame airline, the company for the storage of agricultural products, and the public media.

The Ecuadorian government will close its consulate in Venezuela, its office in the Andean Parliament, and its embassies in Malaysia, Iran and Nicaragua.

Public employees will have their salaries cut dramatically and a decrease in their workday to 6 hours. This measure would not apply to health workers, members of the police and army, and other security officials.

The Ecuadorian government argues that cuts to the number of public employees and the reduction of wages will help the country to renegotiate its external debt in better conditions. "We paid \$341 million USD and we will save \$1.3 billion. That allowed us to receive \$1.4 billion from multilateral organizations under very favorable conditions," Moreno said.???????

Hours before these announcements, through a Labor Ministry's document, it was known that some 12,000 public servants, which were hired under various modalities, would be fired. These measures were announced a day after the Moreno Administration could not get the National Assembly to approve a regulation that would have allowed it to collect "contributions" from workers to solve the fiscal deficit.

Instead of that option, the Ecuadorean government issues decrees whose result will be an average reduction of 25 percent of the public employees' salaries, as local media reported.

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