

to success and prosperity

should grow organically alongside traditional industries.

The basis for this breakthrough can and should become a large-scale computerisation of society.

I talked about modernisation — our first direction. Now, I talk about informatisation.

It happened so that information technologies have become the engine of the world economy in the last two decades. They have completely changed the face of modern civilisation.

In the IT-sphere around the world, thousands of businesses have grown — from small businesses to huge corporations with multibillion turnovers that have created tens of millions of jobs.

Of course, Belarus is involved in this rapid flow of information revolution. But we have used marginally its benefits that have already provided other countries a breakthrough in the economy and technologies.

The country has launched a project for the construction of data transfer networks of new generation — LTE Networks of 4G standard.

Unfortunately, we are not ahead of the whole planet here, but just catching up. In many countries, these networks operate successfully, and we only proceed to their creation. Of course, it is better late than never. But the bad thing is that the Government has not seen this timely, and if it has seen, there were not any proposals. Well, if you suggest today, you'll have to implement this yourself tomorrow. Ultimately, the initiators of the project are not the Government and the Ministry of Communications and Informatisation, but other officials and structures.

It is obvious that a small country can't do everything at once. Belarus needs its own niche in the global knowledge economy. The world has been pointing to the high quality of our education in the field of IT-technologies for a long time.

But we have found ourselves in a strange situation, as a shoemaker without shoes. Belarusian programmers work on the West, while Belarus itself is lagging behind in IT-sphere.

Informatisation should become a large-scale national project. It should cover all, without exception, spheres of our life — from online education and telemedicine to computer systems of calculating fuel consumption.

Information technologies, as the nervous system, have to tie everything together — from the economy and education to management and security.

Informatisation is able to provide a number of strategic breakthroughs for the country, including:

- to solve fundamentally the problem of red tape reduction at the expense of large-scale introduction of electronic public services, or in other words, 'e-government', as the world calls this;

- to create a new system of accounting and control in the country — from monitoring financial flows to control the movement of goods. To provide additional effect in energy saving;

- to implement a technological breakthrough in the areas of trade, education, health and safety;

- to give a significant boost to the

development of the internal market of services. It is important to understand the peculiarity of IT-sphere — it gives high returns with minimal material costs.

At the same time, the world experience shows clearly that the successful computerisation can be held not separately in individual agencies, but only centrally according to a single plan and from the single centre.

In this regard, I assign the Government together with the Administration of the President and Operational and Analytical Centre to think over and propose concrete structure with all necessary powers, at which all these processes will close. I really hope that this won't last long.

The success of Belarusian competitiveness in the global economy depends on whether we bet on the new, energetic, creative generation of young Belarusians.

The importance of young people was great in every society and in every historical era, but this value has increased considerably in the 21st century.

The main cause is simple: acquired knowledge and skills are becoming obsolete very fast. In this regard, the psychology of people is also becoming outdated. Nowadays, new spheres of science and sectors of economy appear that have never existed before.

Decades and even centuries had passed before an innovation was implemented. Therefore, an older man was almost always more experienced and more skilled practically in all spheres of life.

Today, we have become the eyewitnesses of an amazing thing. The younger generation turns out to be more professional and more experienced in many knowledge fields and specialisations.

In fact this is a natural process. The appearance of absolutely new knowledge makes the starting conditions equal for young specialists and those of older generation. As a matter of fact, they all start mastering many things simultaneously from the scratch.

All these facts should make us reconsider the role of younger generation in our society.

We have always tried to support the youth and involve them actively in nation-building, but I believe it's time for new, more fundamental decisions.

I entrust the Administration of the President collaboratively with the Government and Belorussian Republican Youth Union, our major youth organisation, to think over a new system of searching young talented people and their promotion to significant positions both in governmental institutions and enterprises. However, the statement stays essential that the combination of youth and experience is a must. We should more actively involve the youth in this process. If the manager is experienced, then he should feel those trends from of youth and adapt them in manufacturing.

All declared strategic projects — the modernisation, the computerisation, the promotion of young managers — are ultimately made to improve the lives and the welfare of each individual.

We have always tried to make the state policy taking into consideration interests of millions of citizens, not a

narrow stratum of elite.

Today, I would like to focus on pressing issues that bother the majority of our people.

Population incomes

The growth of population welfare is one of the major goals of our policy and citizens' incomes continue to rise.

We supported and will continue to support people who are in restrained life circumstances. The number of low-income households is falling both in cities and villages.



Yes, in recent years, a considerable gap has formed between payment for labour in the budgetary sphere and the national economy as a whole. Today, this correlation stands at around 80 percent while it should be no less than 90 percent.

You would agree with you that a teacher or a medical worker shouldn't feel 'defective' before employees from other spheres.

It has been stipulated in this year's budget that the first grade wage rate of the budgetary workers, as well as pensions and allowances, will be enhanced several times.

However, this shouldn't be simply indexation of price growth or 'imitation' of salary growth.

This March, I've put a task before the Government to reduce the gap in labour payment among those working in the budgetary sphere and those working in the national economy. After the first six months I'm waiting for the report on the adopted measures aiming to change the situation.

Meanwhile, I'd like to underline that there shouldn't be any populism. I've said about medical workers and teachers. However, I could have said the same about others. Unless they begin to optimise themselves (ministers are present here), there can't be any conversation about high salaries.

We've spoken with teachers and their rate is 18 hours per week. What if they work slightly more — 20 hours per week? Meet us halfway in this respect, as happened with the state apparatus where I made the decision to make redundant 25 percent of the staff. The nation will soon understand if we use this situation to raise salaries for state officials. Why can't they do the same with these two hours in order to show this to people?

Why hasn't the Education Ministry cleared our educational structure from all types of 'hangers-on'? There're so many various methodical and other groups there who don't bring any benefit to education. They only demand from teachers to write

plans. What's the essence of these plans?

Unless you do this, don't even start talking about salaries, and don't dump this issue either on the Government or the President. If you don't do this in the nearest time, you will follow in the footsteps of notorious ministers. I won't speak to you about this anymore.

Don't nurture illusions that objective differentiation in labour payment will disappear. I refer only to elimination of distortions.

Of course, it would be nice if everyone's salary rises as quicker and more often as possible. However, there're no easy solutions here and empty printed money immediately leads to price growth. This brings to nothing any rise in salaries and incomes.

So, my requirement remains unchanged — salaries should be earned! Their growth depends completely on us. If we manage to modernise enterprises, enhance labour productivity and beneficially sell our goods, we'll be paid more and, accordingly, the incomes of budgetary workers will increase, as will pensions and allowances.

No one will expand incomes at the expense of money emission!

The Head of State gave an important task to the Government and the National Bank: the growing earnings of the population should be effectively used for the country's benefit.

Saving money in Belarusian Roubles should be as attractive as possible. Moreover, this refers not only to deposits but also to savings for building homes and developing land plots. In other words, this should be done for the sake of resolving day-to-day and future life problems.

Prices

The Government and the National Bank, alongside local authorities, were strictly demanded to perform price regulation more efficiently.

At present, there're no and there can't be any grounds for price rises. Any facts of their increase above the forecast level, especially what concerns consumer goods, should become the issue of immediate and strict investigation.

The domestic market should be decisively protected from all those who try to make money out of surplus profit while using their position.

We should also monitor prices in the sphere of housing and public utilities in the same way. It's necessary to control estimates of expenditures of almost each structure in the housing

and public utilities, power engineering and gas branch. The feasibility of expenditures at each stage of price formation should be controlled in the strictest way. In practice, it's vital to be guided by a well-known rule: prices grow quickly where someone misuses their offices on the market and who calculate these prices carelessly and irresponsibly.

My requirement towards the Government and the National Bank remains unchanged: the growth of consumer prices within a year shouldn't exceed the forecast figures. It would be better if this rise stands at about 10 percent.

Is 10 percent little? After the financial mess in the country I've always supported the Government that prices should be equalled, because prices in Russia and in the West are different and we shouldn't work uselessly while selling our produce for trifling sum. No more of that! We need to stop. When I was talking about this in March at the governmental session many began to speak in the society: 'The President said this but Myasnikovich with his team will do what they want...'

Firstly, according to April data, the situation with prices is rather stable in the country, so I'd like to say those who 'yap' in this way: if the President says something, there will be so. Sooner or later, but it will be so. This depends not only on Myasnikovich but on each employer on their working place. Harness and pull, then we'll be wealthy. Each citizen of the country or its guest who live here temporarily should think each evening before going to bed what they've done today to require tomorrow from Lukashenko higher salary, pension or allowance? What I've done today to ensure better living tomorrow and more welfare for myself and my country? When you ask these questions and answer them sincerely at least by 50 percent, you won't have any claims towards the President.

Housing

Each family should have their own flat, a house and a roof over their heads. This is why in the past years we've injected colossal funds into housing construction even in violation of the laws of macroeconomics.

Hundreds of families have acquired their housing due to very powerful state support and we built 5m sq.m. of housing per year on average. Moreover, over half of these were for those in need to improve their living conditions. We outstrip all CIS states in these positions.

Direct state support of citizens in ensuring housing is being currently preserved and will be preserved in future. However, it's becoming more targeted while taking into account real financial opportunities of citizens. We'll be providing state support only to those who really need it. To everyone who needs it!

Upon my instruction by this April the lists of such families have been adjusted. As a result, 85,000 citizens were struck off the list; these hadn't right to be among those on the waiting list.

We also set strict requirements for renting of housing which was constructed using the state support.

These people have built housing using privileged loans and then of-