

Budget Transcript (final document)

Budgetary Proposals and Financial Statement 2023

Upward Onward Bajan Excellence - 2030

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Prime Minister and Minister of Finance,
Economic Affairs and Investment**

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Introduction

Mr. Speaker, Sir. Thank you for allowing us to proceed with this second reading speech, which truly is the essence of the Budget. The previous Prime Minister, under whom I served, was never tired in reminding this Honourable Chamber that the real Budget was actually the Second Reading of the Appropriation Act, with a schedule being the Estimates of Expenditure and Revenue. And I detailed this only because it is important for successive generations to understand that while we may have had events two and three months later called Budgets, they really did not deal sufficiently at the time of the passage of the Appropriation Act with that which needed to be financed.

Sir, since gaining our Independence and continuing into Republican status, every budgetary statement therefore has been a moment of interest for this country. A standard feature, some may even argue, of our democracy. Citizens at every level listen with keen interest, comment on and applaud the final statement and budgetary proposal as being relevant to their needs or indeed they dismiss it.

The general view is that each budget will bring new taxes and measures to raise additional revenues, contains some eases and giveaways for various sectors, as well as to present stimuli for growth, stability, jobs, the macroeconomic landscape, the

deficit for foreign reserves, the level of unemployment or employment in the nation, depending on which side of the House you used to be sitting. Now, I suppose it is the level of employment, not because we have one voice in here but because truly unemployment has been reduced in this country.

The deficit, the foreign reserves, the major foreign exchange earners and indeed the government revenue streams - all of these have been matters traditionally addressed in a Budget.

It is therefore the expectation of citizens and commentators alike that a Budget will seek to maintain and improve our physical infrastructure, underpin the finances necessary to give effect to the aspirations of our country. The extent to which it is regarded as a success or a failure is determined by how it is measured against these criteria.

Indeed, Sir, every Prime Minister and Minister of Finance or Economic Affairs has brought their style and their vision to the budgetary exercise, seeking to give effect to the general purposes which I have just outlined, but also reflecting the socio-economic and the policy priorities of the Government of the day. Please, do not forget that the choices we make are the choices that are driven by our convictions with respect to which we go to the people of this nation for and ask to be elected.

I think it is true to say that all Budgets have been intended as instruments and levers of national development, perhaps with different success, but all are intended since 1966 to have been that. Those who deliver therefore these budgetary proposals have been acutely aware that their time at the helm is brief, but development, my friends, is a continuum which is the work and duty of every generation of Barbadians and the ones that come after us. It is about passing a baton.

This year, although it, Mr. Speaker, will have some elements of the traditional Budget, I want to take the opportunity as Prime Minister and leader of Government to have a conversation with the nation, with the people of this country, and at the end of

the conversation, I want us to agree on what I have come to call **Mission Transformation**, to agree on the work necessary to ensure that when others look back they can say, "Mission Transformation, mission accomplished".

Let me just, however, at the outset, in case the public believes that I intend to give a lotta long talk today, to tell you straight up front and that those who feel that I gine keep the bad news to the end, let me come out straight out of the blocks: 'The good news is that there is no bad news! The good news is that there is no bad news!'

Sir, that is the T10 approach, not even the T20 approach. That is the T10 approach to the normal test match version of the Budget. So, those who have to rush off, we want you to engage on the matters that we will talk to you about. But let us be real, the last few years have been rough. They have been rough, and this country has held together.

As it relates to job cuts, there is no massive set of layoffs coming in the public service. But there will be adjustments in the SOE Sector which we have already started to discuss with the public since 2019, and which my predecessor, The Honourable Chris Sinckler, would have adverted to since 2010 — 13 years ago. I will talk to you later about that, but wherever those happen, there will be adjustments to accommodate those persons in almost every possible way, as far as we can.

Today, Sir, is about discussing where we are talking to the nation, and saying what is needed from each and everyone of us. In fact, let me indicate now that not only am I not adding new taxes in an attempt to ensure that the government collects outstanding monies — and cognisant of the challenge faced by the individuals and businesses during this rough period of COVID and other challenges — the Government, from this outset, is prepared to recognise and offer on the table that the principal owed at the Barbados Water Authority and the Queen Elizabeth Hospital, for bills owed by citizens of this nation and companies of this nation, will be reduced by 25 per cent so long as people pay between the 15th of March, tomorrow, and the 15th of September of this year. A reduction of the principal of 25 per cent.

Sir, when we were in opposition, this Barbados Labour Party launched its trust with

the people of this blessed nation with a Covenant of Hope. We launched it, I believe, on May 16, 2016, at Solidarity House. And on page 26 of that document, and I keep reminding Honourable Members of it, we told the nation that a government's powers go beyond tax and spend; that we as a Government, must learn to use the powers of legislation or facilitation or regulation or empowerment. It is not only taxing and spending that lies within the province of a government. And, Sir, this is what this Budget seeks to do, to give effect to that promise we made in a Covenant of Hope, on page 26.

Empowering all Barbadians, delivering dignity and opportunity for all, is what this Government is here to do and indeed, Sir, it is also my personal mission in or out of government.

This Budget is about national transformation, about building a global society and a world-class people by 2030. This Budget ought to be called "Upward, Onward, Bajan Excellence 2030". For those who are from Combermere, I didn't say "up and on", I chose the National Anthem instead, "Upward, Onward, Bajan Excellence 2030". And that is the mission. That is the mission.

And the question will be - what will it take to achieve these goals and how will we get the job done?

What is Mission Transformation?

Sir, it is our crusade to make Barbados truly global, to accomplish excellence that will redefine our national approach, typify our efforts in the international landscape and solidify the benefits for this and for future generations.

And what is this transformation? What is its nature? Sir, we will preserve our nooks and crannies, our gullies and our gaps, but we will also pull from them, the creativity, the culture, the resilience, the values, the determination that are embodied in our national spirit, that our ancestors showed us, against even greater tribulations than we have ever seen or will ever come to see.

Barbados must become a centre, a global centre and hub and indeed, Sir, Bajans must be world-class citizens with Bajan roots — global citizens Bajan roots. And these are not just words. As a country, we must strive by 2030, and remember I set this as a mission in 2020, the 2nd of January, not knowing that the pandemic would flatten us within two months. And we repositioned ourselves for this now as 2030 to demonstrate in our personal lives and our work lives and our community lives, and whatever we do, or whatever we say, and the way we engage each other, and with the way we engage with those who visit us, a level of excellence that has been seen in few populations in countries.

There are well known examples of the extraordinary success of small states. Singapore, Japan, and the name of Barbados must join that list, and Mr. Speaker, we can do it.

And who, you may ask, is this transformation for?

Sir, it is for all Bajans, all. To assure our young people, in particular, that it is possible for them to have a bright future in Barbados and not just on this planet.

And who will it involve?

It will be a national exercise involving every man, woman and child who wants to step up to the plate — every person, every Bajan and indeed, all those who love Barbados.

And why, Sir, are we doing it?

Mr. Speaker, simply to secure the stability of our people, to empower and enfranchise those who have not been able to make the train and get on that train to success, to access money and to create wealth which is intergenerational. To ensure redress and balancing out of the economic scales because of the history that we have had. Not to exclude, sir, anyone but to include all of us.

We are doing it to ensure that Barbados is capable of existing and succeeding in a

world in which we find ourselves. One that we didn't make but one in which our people and all micro-nation states must navigate, no matter how hostile, as we have seen in the last few years.

And, Sir, how will we do it?

One day at a time. One person at a time, united for a common cause and committed to turning Mission Transformation into mission accomplished. Today is but the start.

Last year I hinted that we were in a season to build. Today, we start the journey of Mission Transformation and I trust and pray that those who come to occupy this Chamber will remain focused on this goal for this country.

And, Sir, I ask when will we do it?

That is the question. I told you we are laying the foundation all like now and setting the corner stone, but it really depends not on Government's desire for success or a few other people's desire, but a whole of a nation approach to repositioning this country.

Mr. Speaker, I read it in history, but I have also seen it with my eyes as Prime Minister. Put Barbados in any race, any competition, and each time the same result will be obtained. And what is that result, Sir? Whenever Bajans come together as one, we succeed and Barbados wins.

Mr. Speaker, when we came to office, we called the nation and summoned the nation to believe that we must overcome the Mission Critical Agenda. Do you recall that we said we would, within six months, look to save the Barbados dollar and look to do a number of things that were Mission Critical — no buses, no garbage trucks, sewage running in the street. Mr. Speaker, we came together and we succeeded in Mission Critical.

And Mr. Speaker, when Mission Critical was done and we were positioning for Mission Transformation, what came? Mission Survival. Mission Survival. The first pandemic in 100 years, a 90-minute freak storm of biblical proportions with 46,000

lightning strikes. The first hurricane in 66 years called Elsa and indeed, Sir, unless we forget, the country fell under a cloud of darkness for seven days, when our ports of entry remained closed when La Soufriere erupted 90 miles away.

Mr. Speaker, this country, these people called Bajans, came together, regardless of where you stood in this society, and we came through this period better than most across the globe because, Mr. Speaker, we treated it as a whole of nation approach, and not a sectoral, governmental, private sector, labour, civil society — not a sectoral approach, but a national approach.

And while we lost lives and damage was sustained, and we deeply regret the loss of life, we came through better than most.

Sir, it is now on to **Mission Transformation. Upward, Onward, Bajan Excellence 2030**. Let us sleep it; let us dream it; let us live it; let us talk it; let us teach it; for the next seven years we are in a season to build.

And, Sir, let us remember that resilience is about becoming tougher and more flexible, to be able to better withstand external assaults and we know they have been coming. And, second, when such assaults do to take place, to recover from them well and in the shortest possible time. The global supply disruption, the war in Ukraine, cost of living gone up, energy prices still hurting us, but we have to be resilient to it.

And in being resilient, it is about ensuring economic activity, fostering social stability, building human capital, providing a framework for guarding our natural patrimony and our environment, the creation of the necessary infrastructure that this country has regrettably seen fallen — all of these must open a gateway to and for Barbados, which despite our national, small nation size, makes us a big player internationally and a big ocean State.

Mr. Speaker, my work and that of my Cabinet, which is done when we are on duty, sometimes have to travel outside of Barbados, is undertaken for the purpose of creating the new global Barbados, because this is where we will be able to show our

excellence and to create the opportunities for our people. And I want us to remember that excellence is not a habit for us to show the world; excellence is a habit that we all cultivate every day and in everything that we do or say. And that we must cultivate it until it is second nature to who we are. And sometimes you may fall or should I say fumble, but when you do you get back up and you recommit and you go fighting again because that is what great soldiers are made of. That is what those who have had to face the greatest tribulations in life have had to do. That is what the Bible tells us in so many stories.

So my friends, Mr. Speaker, there will be obstacles to our growth and development. There will be threats to our stability; there may even be, as we have had, periods of global challenge or national uncertainty that may derail us for some time, as has happened in the pandemic. But even when we bow under the burden of these, we must never fall, we must never falter; we must never surrender; we must never retreat. Our spirit, Mr. Speaker, must never be broken.

And we must look at our history not in vain pride of what we have achieved, because that doesn't help us. But, in taking strength from our forefathers on what they have built and left for us, in grounding ourselves in who we are as a people, while extracting and replicating that which has served us well as being uniquely Bajan. And those things which we need to change, we must be courageous enough to propel ourselves to a different level in changing them, rather than believing that they can carry us further, especially if they undermine our self-confidence and our identity as Barbadian people.

Mr. Speaker, Sir, I lay out the course therefore for this administration for which we have set this country. I will speak to the policy approaches and techniques that we will use to get the country to the head of the proverbial pack and to reach the next leg where the baton must be handed over.

Since 2018, this administration has been trying to construct a **Barbados Present and Future, a Place and People of Excellence**; a country where our people will, in the words of Rihanna, 'Shine Bright Like A Diamond'.

Mr. Speaker, as a place of excellence, Barbados is first and foremost for Bajans to enjoy and to live with dignity, social justice and equity. And I use Bajans here not only to mean those born here, but indeed those who choose to love or to be here. Indeed, Sir, the world has become so fast-paced and so competitive and so unforgiving of error, that knowledge and exceptionalism are to be found almost all over the world. So, we have to go harder and we have to go deeper and we must not believe that mediocrity can replace excellence. And I am spending this time, Sir, because if nothing else is taken from this Budget, it must be that no one owes us a living. And what we do and what we commit to, by habit each and every day, through commitment to excellence, through commitment to resilience, through ability to get up again and keep and stay focused, will define whether we win this battle or not.

Mr. Speaker, I therefore believe that the next seven years must be about training to be fit for purpose. It must also ensure not just within the Civil Service, the Public Service, but our entire population that people see: How can I learn to do better what I am doing now? How can I serve others better? How can I try harder? How can I deliver in a more creative way? How can I deliver even in a more effective and affordable way?

Mr. Speaker, I therefore want to urge now that this Government, in the process of national transformation, will do a number of things.

One, we are going to have a comprehensive programme to train supervisory management staff for improved management, improved productivity, accountability and transparency, so that we may equip supervisors and managers with skills that are beneficial and transferable.

And why? Much of what we complain about in the public and private sector lies within the province of those who must supervise others and who must be able to hold them to account, recognising that in a small society, it is difficult because people replace the sociology of smallness by feeling that if you hold people to account, you are being disagreeable and unfair to them rather than understanding that we focus

on the ball and not the player of the ball. Focus on the ball, not the man or the woman kicking the ball. And if we focus on the task, we will achieve a considerable improvement in productivity and a considerable improvement in satisfaction, and I am going to come to this because this Government chose deliberately to go on the road and month by month, to engage in Rubbing Shoulders and Parish Speaks with an unfiltered set of messages coming from citizens, so that we are always in tune with what people want.

So, when we stand here today and introduce these measures, it is because we are a conduit, not just of our manifesto, but of our expressions of the people of this nation that we have learnt parish by parish. And to the Honourable Member for St. Thomas, yours is the only one we have not reached yet and I look forward in two weeks time to coming to the centre of the island to end the process that we started in St. Joseph, one year ago.

TRAINING FOR SUCCESS

Mr. Speaker, Sir, we will also have training within the Public Service to be able to introduce which we have started already on a trial basis, a programme that requires granular decentralisation of paths, Commitment For Results. And we are working with the Commonwealth Secretariat and that training started 10 months ago, and will continue through this next fiscal year 2024 to 2025, we expect that Ministries will be able to lay in this Parliament what their granular objectives are and how they intend to be measured by during the course of the fiscal year, and not by just giving evidence in the well of Parliament, which has considerably increased the transparency of Government's performance to the people of this nation.

Mr. Speaker, sir, these training programmes will be sponsored by the National Training Initiative and the Barbados Institute of Management and Productivity, particularly the supervisory management ones. We encourage the private sector to fully embrace the training as well, because we do not believe that it is only the public sector that needs to improve how it performs and does business, but it is indeed the entire nation.

To that end, Sir, we are also going to introduce programmes in customer service, excellence, and in hospitality, in and out of the public sector working with NTI, the National Transformation Initiative; The Jean and Norma Holder Institute for Hospitality, and, in a recent memorandum of understanding, the Florida International University, (FIU) who will be establishing a campus in Barbados within the next 12 months.

New levels of training, Sir, must also be community based. And the Honourable Member for the City of Bridgetown, who has been chosen to lead our programme against crime prevention, a major threat to our national stability and our community harmony, we will now formally put in place, programmes of community training to help support parental training in particular, because we all know that not everyone that has a baby is ready to be a parent. And there is no shame in asking for help. Indeed, our societies for centuries have told us that it takes a village to raise a child. Our changing housing patterns have perhaps disrupted that support system, but we are not prepared to be a victim of it.

But this Government, as you will see, and I will talk about others later, will focus on parental training, and, in particular, conflict resolution for young children. Because, as I said, when I was Minister of Education, when a person only has a vocabulary of 30 or 40 words and cannot express how they feel, they are more likely to resort to physical violence than if they have the capacity to resolve conflict and not to believe that because somebody step 'pon my toe' or because somebody tell me about my parents, that I must now move to a different level of engagement that I may regret for the rest of my life.

And why did I start with training? Because, Sir, I have been in this job long enough now to know, and take it from me, if we don't get this right, you could pack up and go home. And I talking to everybody, not just the ones in here on the floor, all of us can do better, can learn better, can do better, including me. But I'm talking to the whole country. I talking to the shopkeepers, I talking to the vendors, I talking to the people in Bridgetown selling goods. I talking to the markets. I talking to the people at the airport, I talking to the people in the hotel, I talking to the people serving other

people. In short, I talking to the church, to the mosques, I talking to you who go to the community clubs and the supporting clubs, because we can all do better that which we are doing and all of us know it. And when you going this evening to talk about this Budget in the rum shop and say 'what she really say this evening'? Remember, if you don't remember nothing else, yes, I didn't put no new taxes on you, I give the Public Service \$50 million in wages at the end of the year in an IMF programme, in a BERT programme, and I will come back to that.

But more than anything else, study yourself and and work out how each of us can do better. And if we don't know quite yet how to do better, beg for help and come for a little training, because everybody must be busy. That is why this Government has spent money in the National Transformation Initiative. And in case the public of Barbados does not know, there are 5,000 courses are available to you online through Coursera, so that you can advance your skills and knowledge in order to be able to get the best possible job, not just locally, but as you will soon see, internationally.

ECONOMIC BACKGROUND

But, let me come to some of the more traditional hardcore economic issues and to the state of the economy that we have had to contend with.

During this year 2022, Sir, the Barbados economy continued to recover from the deep loss of 2020 and 2021. The resurgence of tourism activity has contributed significantly to the recovery, as evidenced by the labour market, returning to near pre-pandemic levels. You can feel it; you can go around the country, you can feel it. And while conditions in the international market remain turbulent, we have already seen a robust tourism winter season in which we believe that that sector will continue to contribute greatly to our growth for the remainder of 2023.

Mr. Speaker, I will not detail all of the numbers in my speech, but they will be available in an appendix to be able to encapsulate what is the fiscal situation in

terms of the out turn and in terms of our expenditure and revenue and our growth figures when we finish, Sir.

Outside of the tourism sector, increased domestic demand has also stimulated economic activity in the wholesale, retail and business and other services sectors. Manufacturing has also benefitted from heightened domestic activity and increased exports to the region. The increase in the costs and quantity of imports, along with the downward revaluation of the investment portfolio due to rising interest rates, has placed additional pressure on the international reserves. But as you will soon see, those reserves continue to hold their own. Not because we weren't paying out but because through both earnings and through loans, which are necessary for a rainy day, we have kept them healthy, and confidence in the management of this country's economy remains strong. The access to the multi-lateral funding, as I said, has aided that and we are so far above the 12-week benchmark and way, way, way above the four weeks that we found when we came to office.

Indeed, Sir, as of yesterday evening, the Gross International Reserves stood at \$2.999 billion with another \$200 million due in three or four days from the Inter-American Development Bank.

Mr. Speaker, this will take our Gross International Reserves over \$3.2 billion almost for the first time ever in this country's history. And for those who say some of it is borrowed, think of all of the countries in the world that could not borrow a cent in the last three years because of a lack of confidence in the management of their affairs at a time when Barbados came in with only four weeks. This amount will help us achieve Mission Transformation, a far cry from what we found as we embarked on Mission Critical.

But we didn't get here because the Government alone did it. We got here because everyone of us, the Government, the labour movement, the Private Sector, the Civil Society, in working together, we placed this country in this enviable position.

Our full economic recovery, Sir, is still hinged on the external economic environment. And indeed, I have said to people over and over, we are back in an IMF International Monetary Fund programme not because we had to be back but because we chose to be back.

In a globally uncertain environment, it was still the cheapest money in town, and perhaps women are accustomed being called names, so when they call us names it doesn't bother me, so long as the money cheap and I can do for the people of this country, and that is what we have done. It has also opened up for us the possibility of the first long-term instrument of the International Monetary Fund, in the Resilience and Sustainability Trust where we will receive 20-year money with a five-and-a-half-year moratorium at bottom-basement interest rates. Never before has it been done in the history of that organisation.

Sir, the Government's price release initiatives have come to respond to the difficulty of price movements in the international environment and we, Sir, have tried to ensure that we could help Bajans as much as we can. We entered arrangements and I thank the ministers who were involved — Senior Minister from St. James South, and Senator Cummins, Minister for Commerce, the Member also for St. James Central, and the Senior Minister and member for St. James South who was also involved, the Honourable Minister of Commerce in the Ministry of Commerce — to allow us to put some voluntary brakes on prices in this countries on 49 food items. They tell me I travel a lot, so if I travel a lot, I must know what's going on in other countries.

I can assure you that Barbados is almost unique in the provisioning of these arrangements to shield its population. Not just what we do as Government ... and I will come to some of the things shortly, but in getting the Private Sector, and I want to salute them, and for getting the Labour Movement to encourage them to be able to say "All ah we is one, share the burden, share the bounty".

Mr. Speaker, Sir, we will continue to do all that is practicable to shield our people from the worse impacts of the global cost of living. And Mr. Speaker, I can assure you, that that is not easy. Will we be able to shield you from everything? No.

And all reasonable people know that we cannot. But where we can provide some level of buffer, we are going to do it. And a little later on you will see when I resume the protection and the capping on the fuel prices, what I am talking about.

As we continue, therefore, Sir, to navigate these challenges presented by the global economy, it is important that we remain focused on key areas that will accelerate economic growth in three areas, and from a financial perspective will need special attention. These areas include, and I will speak to it today, the further reduction of our debt, the lowering of commercial banking fees and the restarting in a more aggressive way our domestic capital markets.

Over the last four and a half years we have made significant strides in reducing our debt levels — that is what we came to do. At the end of 2018, domestic debt was restructured. There was some pain for all but we promised we would minimise it when we can. In 2019 December, external debt was restructured. Indeed, Sir, our debt went from 176.8 per cent of GDP at the start of the BERT Barbados Economic Recovery and Transformation programme in May/June of 2018 to 120.6, where it is today. We went back up during COVID and we have come right back down to 120.6 per cent today.

Mr. Speaker, we are also now paying 30 cents in a dollar in loan repayment. I remember when the former Prime Minister Owen Arthur stood in this chamber and gave a Budget Speech and told the country that we could not sustain debt service of 68 cents in the dollar. We are down, Sir, to 30 cents, as I said.

THE FINANCIAL SYSTEM AND GROWTH

I assure us that we are in a stronger fiscal position and what is more important, our productive sectors are performing better than before and are able to support now our repayment plans. We cannot, however, Sir, become complacent. It is imperative that we continue on this path and further reduce our debt to secure our long-term sustainability. And to achieve this, we will continue to prioritise prudent financial management, improve revenue collection, and to streamline our expenditure.

We will also continue to explore innovative financing mechanisms that help us reduce our debt burden, while also providing us with the necessary resources to invest in critical areas, such as infrastructure, education, and health care.

Many forget that when we came to office we were not paying fees for UWI students and we were about to see Community College and Polytechnic students put at risk. And I say that not as anything else but simply to remind us of how far we have come and what weight we were carrying in the last four and a half years.

Now, Mr. Speaker, we became the first country to have, in the Caribbean, innovative financing through the blue bonds where we repurchased some of our debt and put it back on the market so that the interest savings will help us protect our marine environment to the tune of US \$50 million in the next 15 years. And for those who say they don't matter, ask the people of Six Men's who use to live on the coastal side and who now only live on the land side of that community.

Mr. Speaker, we also indicated that whenever we have a fiscal bounty, meaning where we exceed our targets, that we will use it also to proactively pay back down some of our debt, thus lowering the debt even further than what we had predicted to do in the BERT (Barbados Economic Recovery and Transformation) 2.0 plan. Mr. Speaker, you will hear shortly how we propose to do that to ease the burden of some of our citizens. Stay tuned for those who've got debt.

SHARE THE BURDEN: SHARE THE BENEFITS

Sir, for the fiscal year 2022-23, I can now report that we will do better than we intended to do when we set out a year ago. That is true. And indeed, as a result, my Government, therefore, consistent with what we did at the beginning of the debt restructuring, will now make a partial principle prepayment of \$74.8 million to be made no later than the 30th April, this year, next month, to 5,407 individual bond holders of Series B Bonds, who are on the register as of 31st March this year and who will now each receive a payment of \$17,500.

Mr. Speaker, we took no pride in having to give those persons Series B Bonds when we inherited the difficult moment that caused us to go into debt restructuring. But we said then, even as we prepaid some of the pensioners in 2018 and 2019, that we will do right by you. And today, we state now, Sir, of that 5,407 persons, 2,627 of them are being repaid absolutely in full. This is what good stewardship of the people's money is. You make promises; you ask people to carry a burden; you remember them; you come back to them and you do right by them.

And I know that next week when people start to get the \$1,500 in their pocket.... You understand what I just told you? \$1,500 equates to six per cent for the people at the bottom of the Public Service. Don't mind the people at the top, the people at the top get tax allowances and they don't want to tell you that, but I will tell you that they get a lot of money back. Every Permanent Secretary, every Minister, all of them get tax credits back and get that space back. So, they can afford to have the equivalent of \$1,500 at the top because the people at the bottom must get a disproportionate share of their income with the \$1,500. But I ain't done there. I ain't done there.

Mr. Speaker, that \$1,500 ain't going just to the people who work in the Public Service, but there were people who came in as ash workers at the Ministry of Public Works and at the National Housing Corporation and in all those jobs during COVID, and the \$1,500 represents our thank you, I wish I could do more. I feel you feel it, just like me. I wish I could do more, but I know that I am doing right, both with the repayment of this debt and using the surplus that we have beyond our targets this year to (1) reduce our debt, and (2) to be able to boost industrial productivity by showing our workers that we care about them, (3) to be able to put something on the side next week for capital formation for the projects that we have to build out to make sure that those workers who are now going home can find jobs at places like the Geriatric Hospital, that the Senior Minister, Minister of Health, broke ground for me in the Botanical Gardens for yesterday, \$104 million, I think it is, over the next 18 to 20 months.

Also, other capital projects that we will vote for next week out of this year's estimates and not next year's.

So that we are financing part of the robust capital programme for that. So, (1) reducing debt; (2) doing right by our workers; (3) capital formation; (4) the State-owned Enterprise Reform that we have to finish, that I need something to be able to help stabilise as we work with the workers to make sure that the adjustment is not hard; and (5) finally, economic competitiveness and stimuli measures, some of which you will hear in this Budget going down.

Mr. Speaker, this has nothing at all to do with the 10 per cent increase in allowance, all allowances. The last Government did not touch allowances from 2009. And I told the country in 2018 when we gave the five per cent pay increase, I could not do it then because that pay increase came as we were setting out as a Government, in less than three months being in Government, but give me a chance and if we could get back there, we will. What we have now resulted in is this salary increase and the salary payment of \$1,500 per person, plus the 10 per cent allowance increase will cost us about \$52 million between now and the end of the fiscal year in two weeks' time.

The three per cent increase in salaries and the three per cent increase in allowances next year, 2023-24, and then the three per cent increase again and the three per cent increase in allowances will add another \$80 million to Government's wages bill on top of that \$50 million.

Action — not a bag of words!

Mr. Speaker, Sir, tell me which country does that while in an IMF International Monetary Fund programme. "Action, not a bag of words." Oh lord, I wish I could sing. Mr. Speaker, "Action, not a bag of words." I will get you to sing it for me. The member for St. Michael South Central says she will play the guitar and sing it for me on the next occasion. We are going to hold her to that on May Day.

I am saying to you, Mr. Speaker, all jokes aside, it is not easy but you have to judge us, and that is why I said at the beginning of my speech, by our convictions. Our actions tell you who we are and that's all that we are showing here with the reduction of debt to individuals. I could have gone for companies, but I went to

people who felt that they were innocent victims of what happened up to 2018 and became innocent victims of the debt restructuring. This is the same Government that excluded Savings Bonds from being restructured too, don't forget. So that we have put this country back on a level while trying to shield our people from the worst excesses of what is available to them.

Cost of Commercial Banking

In addition, Sir, there is the issue of the high cost of commercial banking fees. This has been a significant burden on the citizens of this country. And this is not the first time we are addressing it. This has made it difficult for small and medium-sized enterprises to access affordable financing, hindering their growth and development. Lowering these fees, we have believed to be essential to our journey to support growth of businesses, and generally the overall economy. We know that the banks change their business model and I am not here to vilify the banks but I am here to say to you, that there are certain things that we really can't carry because they not only act as an instrument of tyranny to households but also as an economic disincentive and a disincentive to competitiveness for enterprises.

Mr. Speaker, in December 2022, and may I salute the previous Governor for his service to this country and to the Central Bank, one of his parting shots was to issue a directive to all commercial banks which saw the removal of the fee for large deposits in this country, that which was hurting, in particular, credit unions who really are just the embodiment of poor people money.

Mr. Speaker, in addition, the current Governor of the Bank, who we are happy to have with us now in that position and whose story should stand as an inspiration to every single Barbadian young person, has been engaged as we speak with the commercial banks, seeking to ensure that we can find at least one savings account that will have fees removed from it in order to be able to protect the average Barbadian from the tyranny of fees eroding the little piece of money that they got in the bank.

Mr. Speaker, Sir, I told you that a Government's powers don't only relate to taxing, spend and legislation and regulation. It also relates to encouragement. I stand as Minister of Finance and encourage them to do as much as they can but recognise that ultimately the Central Bank Governor and the Central Bank have powers that they can choose to exercise, even if in a phased way.

Alternative Financing Mechanisms

Mr. Speaker, we must also explore the possibility of creating alternative financing mechanisms that will provide businesses with affordable access to financing in this country. To this end, there must be a restructuring of the Enterprise Growth Fund Limited, which I have discussed with the Minister, The Honourable Member for Christ Church East Central, if we are to be able to ensure that more innovative financing is available to all of our people.

Sir, in addition, with liquidity conditions in the domestic capital market now stabilising, following the debt restructuring of 2018/19, the Government and the Central Bank of Barbados will work closely together in the introduction of a series of measures aimed at strengthening and deepening the local capital markets.

Although the Government expects to have limited financing requirements in 2023/24, it will respond to the rising demand for Government paper by reintroducing small, yet regular issuances of Treasury Bills using new approaches, where appropriate, to provide enhanced access to retail investors in that market.

Sir, we will also make sure that we amend the Central Bank Act to allow them to be able to participate in that market again and I believe that will have a cap of some 85 million with respect to the Central Bank. May I remind this country that one of the first acts taken by this Government was to reduce the overdraft, the ways and means limit, from 10 per cent to seven and a half per cent and to put a cap on securities to 10 per cent of government expenditure.

Sir, I will tell you the truth today, we have had some hairy days and nights and there was a time when I thought that we would come back and temporarily raise that

limit to 10 per cent again. But we have so managed our affairs that we have not had to go there, in spite of facing triple crisis in the last few years. I can speak easily now about that, but we believed in ourselves and we believed in the commitments that we made.

In addition, Sir, the Government and the Central Bank will work on a series of measures, which we believe will help stimulate the secondary market and activity in Government Paper. We expect that one of these measures will be the roll out of periodic reverse options for Government Paper that will give current investors the opportunity to monetise their investments prior to maturity date by bidding competitively on an offer price, as happens in other markets.

It is expected, Sir, that this initiative, along with others currently in consideration, will eventually contribute to the development of a domestic yield curve for the Government of Barbados, which, once established, will provide a pricing benchmark for corporate and other non-Government issues in the Barbados dollar market.

Moving from Short Pants to Long Pants

Mr. Speaker, we've got to move from short pants to long pants. That is a simple way of putting it. Demonstrating increased confidence in the domestic capital market, a number of banks have already purchased a significant portion of the BOSS-Plus Bonds and have committed to further purchases in the coming fiscal year and rolling over of their holding of maturing securities as they become due.

Mr. Speaker, why is this important? Because these were the same banks, who regrettably, we did have to restructure their debt in 2018 and '19. And the fact that they are now back participating in the domestic market tells us all that we need to know about their sense of confidence in the future of this country and in the current economic management of Barbados. Put simply, Mr. Speaker, the philosophy of sharing the burden and sharing the bounty is one that works for this country and it is the core philosophy of this Government.

Sir, we believe also that once sustained, the reduced price pressure should aid also in our economic recovery. With a deterioration, however, of the pound Sterling, driven largely by the political uncertainty in the United Kingdom during the summer that just went, and I don't think any of us would ever have dreamt of it, and the expected supply challenges for fuel in Europe, driven predominately by the war in Ukraine, there is still some uncertainty in the international markets and we have to remain concerned.

This is the act of a responsible Government, which, in spite of the dire economic situation, when it took office and the unprecedented set of events that have occurred, we have maintained, as I said, that broad range of social protection measure. Grantley Adams, I am told, use to say that people have a short memory in politics. People forget that this Government last year put \$12 million in household mitigation. But if I were to only tell you of last year, you would forget that since 2020 we have put \$50 million in the pockets of Barbadian households at \$600 a month for people who could not afford to do it, and that is in spite of increasing the rates at welfare in the middle of a crisis and expanding the range of numbers of people benefitting from welfare, nothing at all to do with that \$50 million for the Household Mitigation Unit.

Mr. Speaker, we capped last year, the VAT on gasoline and diesel sales. And this has reduced the amounts that consumers have had to pay in this country by \$12.6 million. Mr. Speaker, we took the VAT off certain personal and critical care items and that has cost us \$5.8 million, but reducing the cost particularly to women and mothers for personal sanitary items and for families for vitamins and other things that were critical to their stability.

Mr. Speaker, we cap freight cost in this country last year for the purpose of calculating customs duties resulting in savings for businesses and individuals and that has cost us \$18.5 million, so that we did not pass that on in a way that had a deleterious impact on cost of living and cost of goods to individual families.

Mr. Speaker, we further exempted a basket of goods, essential goods. When we asked the Private Sector to hold strain on prices, and the cost of those zero rated

and exemption that we did, cost the Government \$5 million and would have been a reduced amount to households again because you know that those amounts would have had a compounded effect by the time mark-ups are done and what it could cost you in your pocket.

Mr. Speaker, we capped VAT on electricity bills at 10 per cent for the first 250 kilowatts, and we extended it again last month, in February, and between August last year and February this year, it cost the Government of Barbados \$10.7 million, shielding households again in this country. No, Mr. Speaker, for real, for real, for real.

We, Sir, today, will be approving revenues just under \$3.5 billion and expenditures of about \$4.2 billion, with about \$750 million in financing to come in the next year.

I believe, Sir, our focus on generating growth will help us also and I've spoken to you about how we will treat to the financing through the domestic capital markets, the continued engagement of the international financial institutions, to be able to ensure that we can seamlessly bridge this financing gap.

The BERT 2.0 programme makes this clear and sets out a critical equation, that I want all Bajan businesses and households to come to learn, to grow by the amount that we want to grow, between four to five per cent a year. Remember, I said at the beginning we got to do things differently. The Government has to move and increase its reach, to be able to have a capital programme that will carry us over \$400 million. We have not yet gotten there because we are still in a semi-comatosed environment nationally. It got to stop because that semi-comatosed environment comes out of COVID.

There are still companies and sectors that want to say that remote work is the order of the day. We can't make Barbados excellent through remote work alone. It is part of the equation but it cannot be the total equation for some sectors. Similarly, as the private sector, they must also see how they can move their level of investment from what is about 10 per cent of GDP, \$975 million a year, to \$2 billion a year.

And don't tell me it can't be done, because Government, through its housing policy alone, in making available houses to public servants and other people who are employed, can create and close that gap by at least a third. If 2,000 houses a year are built, and we are ramping up, we are not there yet, but we are ramping up to be able to reach that target through the HOPE programme that we've established.

And, Mr. Speaker, foreign direct investment must come in at about \$600 to \$700 million. And while there have been delays in the renewable energy market, there are other investments that are not fully dependent and that may require investment, including the hydrogen and the PV panels that we are dealing with, those who have come in with FDI.

Sir, we can do this, you know. We can do this. But we are not going to do it by me standing up here and saying we must do it. We will do it when everybody in this country decides to hold and lift some weight, and to do better, train better, believe better, invest more. Save and invest.

What's Happening at the Domestic Level

I want to share with you, Sir, a few ideas of what is happening at the domestic level. I talked to you just now about housing. The truth is, that banks will give mortgages to people who are appointed in the Public Service. We know that. And people who have jobs that are secure. And when we look at the waiting list of the National Housing Corporation (NHC), which is in excess of 15,000 people, and this is the cleaned-up list, this is not the list that we inherited, then we know that so long as we have industrial systems for the generation of the construction of housing, we can make it.

We know that there will always be a category of persons who will not be able to afford a mortgage, and that is why the National Housing Corporation must retain that responsibility to use the funds from the Housing Credit Fund to purchase for those persons, and to provide 30-year rent-to-own properties, and that is the policy of this

Government. The financing for them is there because the Housing Credit Fund remains well capable of financing the NHC in the purchase of those units, once they happen. And, Mr. Speaker, we know the demand is huge but I assure you, we will not rest, Sir, until we wrestle it down, right down to the ground.

Sir, some of the wider domestic investments being undertaken in this year are as follows:

- **We expect the Health Services Levy to bring in over \$75 million this year.**

Tomorrow is actually the day when some monies will be paid in, so I can't give you the final outturn figures yet. But we expect it to come in on or about \$75 million minimum, and on top of that, we have provided the Queen Elizabeth Hospital in this year's estimates with a further \$139 million for its operations.

- **Without prejudice to that, Sir, we are taking from the excess that we have in this fiscal year, and providing next week in a supplementary \$5.5 million, so that the expanded uses of the Accident and Emergency can be completed. And this notion of having it spread over multiple floors can be removed, so that we can become more responsive to Barbadians' needs going into the Accident and Emergency.**

- **Similarly, we will ensure that \$5 million is provided to the Lions Eye Care Centre for its rehabilitation this next coming year.**

- **We will ensure that the funds for The UWI are placed there, although we want to have a discussion with The University of the West Indies to ensure that the areas of study are better matched to national development needs, and that conversation must happen.**

- **We are providing \$27.6 million in the CAF Road Rehabilitation Programme.**

That is the Latin American Development Bank and the Minister of Public Works assures me that they are ready and raring to move with that \$27.6 million next year, including looking at new ways of constructing roads.

• **Twenty million dollars will go to the Barbados Water Authority to upgrade its reservoirs and the water distribution network.** As you know, once, the Water Authority literally could not enforce against Bajans for bills, it meant that the last three years we have been having to carry and help the Water Authority with its Capital Works Programme, largely because of a reduction in revenue over the last three years.

The last two years we paid \$30 million each year, **this year it will be \$20 million, and why? Because they are smiling because they got a grant of BDS\$80 million** from the Green Climate Fund.

Tell me when in the history of this country anybody ever gave the Government of Barbados \$80 million in grant money for anything since Independence. Eighty million dollars and we will match it with \$20 million of our own because, you know what the Bible tells us: God helps those who help themselves.

• **Mr. Speaker, \$15.3 million, and this one excites me greatly, to the Ministry of Agriculture,** for the construction of a new Tissue Culture Laboratory, for us to ensure that we can provide the clean planting material and continue to do the research that's necessary, so that we can once again become an exporter of key products, like sweet potatoes and peppers, a prospect that was abandoned for too long in this country.

And I will come to measure the Minister of Agriculture by his performance in being able to boost these exports again outside of Barbados, while at the same time working with the private sector in the establishment of the Barbados-Guyana Food Terminal, to make sure that the value added that we put in place can indeed boost the level of exports.

And that is why the other critical component to training and investment is going to be, Sir, the commitment to international certification and standards, so that we can get access to markets that others are not now getting access to.

• **Mr. Speaker, this Government is committed to providing that support to the Ministry of Commerce, at the Barbados National Standards Institution,** to make sure that we can reach international certification on a range of matters.

- **Sir, we are also spending \$8.5 million on dormitories for the Barbados Youth Advance Corps.** This Government took a decision, even before the increase in the crime wave, that we cannot transform Barbados without being able to reach out to our young people and to provide them with stable, sober opportunities when they leave school.

The Youth Service before catered to 200 people. In order to transform, as I keep saying to everyone in the Cabinet, we have to have scale. You can only transform with scale, and that is why a 1,000 students per year, now that COVID has been put behind us for the most part, 1,000 students a year, for two years, working both in the programme, and with private sector support for employment in the second year. But in order for that to happen, we need to keep these youngsters initially into a dormitory-type arrangement, so that when people come in and say: I ain't meking up no bed. I ain't doing all these things.... After 10 weeks, 12 weeks, their attitude and their discipline and their habits change, because this is what is required of them. The residential component is essential to building strong citizens in the Barbados Youth Advance Programme.

Mr. Speaker, I'm not putting a figure here now, but **when we deal with The Child Justice and The Child Protection Legislation**, we know that there are going to be some other institutional facilities that will have to be built in the next year. That level of planning is not ready yet, but I'm just putting you on notice.

- And, Sir, **\$8.1 million to the Smart Energy Fund.**
- Sir, we are also putting monies in here to protect the vulnerable. **Welfare this year is getting \$32.5 million** again this year; **\$20.6 million for the Child Care Board.** And there is a new amount of **\$12.5 million for crime preventions programme**, and I've now added to that **\$2.5 million for the parental coaches, the life coaches and the psychological counselling**, which we are announcing in this Budget here, Sir.

- Sir, during COVID, we experimented with a new initiative to have support in a

community elderly programme. Our senior citizens must not be left alone in their houses. They helped build this country and we felt that if we can find a way of allowing people in communities to support them and to keep their brains active, and to do little messages or little things for them, then that is a way in which we can minimise the extent to which they depend on the institutional support in the Ministry of Health.

To that extent, Sir, we continue to provide **\$9.7 million to the Community Elderly Care Programme**, and not let that end with COVID, as some might have thought it should.

Private Sector Construction Boom

In all, Sir, you will realise, and when I get to some of the private sector construction of over \$1 billion, and half a billion dollars of Government construction, both on budget and off budget, you will realise that construction must be a major component of the Growth Programme, and it will generate jobs and wider economic activity.

This scale of investment in Barbados is truly transformational, Mr. Speaker, and to succeed, it will require an extensive training programme. We started it. I thank the Minister of Education for starting the **Construction Gateway Programme**, but it **must be doubled**, and Barbadians must come forward and go in the programme, because whether it is working in Barbados, or going to Guyana and doing welding and plumbing, there is enough work for all who want work in this country, once they have the skills.

And don't settle for labour work when you could go and become a mason. And don't settle for labour work when you can go and become a carpenter. Don't settle for labour work when you can go and become a plumber or welder. Don't settle for labour work when you can become a tiler.

The Member for St. Michael South Central, Saturday night, when I came back, I went for a piece of chicken by Freddy's and passed by the cricket on the outside. The truth is, there had so much people. Thank you VOB and a salute to John Doe and

Dennis Johnson of blessed memory.

Our fellow, I will tell you his name when I done, you know who I mean, from Carrington Village, called and say, look: 'I gine home from the Ash Programme, but I ready to do some serious work'.

That is the point that I'm making, and when I started to talk to him about the opportunities for training, why would you work for labour at \$60 or \$70 a day, when you could become a plumber or carpenter or master mason, working at \$150 and \$180 a day, not true? Simple.

But we have to talk our people through it, and believe you me, the little training that you going for, gine come and go just as fast. So let us do it.

I want to thank the Deputy Prime Minister. I want to thank the Minister of Housing. I want to thank them for making sure that the workers who are being retrenched, not only are they getting the \$1,500 and the unemployment benefit, but a number of them have been retrained from tree trimming to gabion building, to well cleaning, to a whole host of jobs that need to be done in this country.

And it is not just that you will do it as a public servant, because you can't carry it on the balance sheet so. But if I pay you money, and even to the cemeteries, so it would truly be ash to ash, dust to dust, ash to ash, because, Mr. Speaker, at our cemeteries, we are committed, both in providing the funding next week for some of it, but writing a programme for heritage foundations, because a country that disrespects its dead cannot salute its future.

And our cemeteries are in an abominable state, from Westbury Cemetery to Bushy Park to all over, our cemeteries need to be cleaned up so that people can go and pay respects to their families in decent environments, without feeling that only Coral Ridge and them so have a decent place to go and look at the tomb stones. It got to be all over, all the churches, all the cemeteries.

So believe you me, this country has 'nuff' work, but it doesn't have to only be as a temporary employee of government and that is what we are talking through. In the

same way, that the Member for Christ Church West Central will tell you, that in the 360 Programme or 720, we call it both, that they are working as self-employed people because they must be able to take the weed whackers or whatever and go and 'brek' a job in a private neighborhood and not only work on those things that NCC ask them to be able to do. Mr. Speaker, I simply say, young Barbadians, there is going to be enough work for everybody, but you must get a skill. You must get a trade. You must get some certificates. We are 'gine' work with you but work with us. I beg yuh.

Private Investment, Growth and Respect

Sir, I want to say something now. Because there will be a lot of investment and I'm going to speak to a few of them now. But I think it is important that we repeat. Look, investment is critical to growth. We are not going to grow or ease the burden on people without investment — Government investment, local private sector investment, foreign private sector investment. Investment vehicles for the small people and not just the large people, but investment must equally be respectful of our people, our national spaces and our traditions.

This administration has made it clear that growth is essential. Leading the way, we will soon see projects -- and I know Bajans say, but, dem hear bout that since the last administration. Well, the Minister who is now taking responsibility for planning, the Honourable Senior Minister and Member for Christ Church West, assures me that after the meetings that he will have in the next few days that we will have some clarity on the start but he expects it to happen within the next four to six weeks. Star, I holding you to it. But he look back at me and tell me when you hold me to that, remember I give you a start with **Hotel Indigo** in my constituency in Hastings. I say you got me. And he is correct. Because that has now come out of the ground and even though we did the ground breaking about six months ago, you see Hotel Indigo coming up.

Similarly, the Member for St. Peter is aware that we are in conversation with his constituents too, because the **Pendry Hotel** will take the place of the old Niki Beach

property and will **include Port Ferdinand**, and that will therefore require a slight realignment of the road, but all of the accesses to the beaches and to everything else is being protected. Is this the first realignment of a road in that parish? No, Mr. Speaker. The then Prime Minister Owen Arthur had a realignment of the roundabout at the top of Speightstown with Barbados Tourism Investment Inc (BTII). And the last Government, without talking to us, had a realignment and built a bridge by the same Port Ferdinand, by the same Niki Beach, and all we are doing now is making sure that we align that road properly so that we can get the best possible investment.

Mr. Speaker, we will also be meeting with **Pierhead Project** this Friday. And that is an investment being done here on the Careenage in Bridgetown and there will be implications for where the boats can dock and there will be construction on that part of Bay Street for the better part of the next 18 months to two years. It is going to mean traffic will be difficult in Bridgetown and the Deputy Prime Minister knows and her Ministry will come up with an appropriate traffic plan and public education plan because truly, when you have those buildings out, and BTII has accepted, I believe, a proposal for the **Treasury Building**, that will also be undertaken in the very near future, by the end of this year. It means that the next two years in the heart of Bridgetown will be a difficult place to navigate and we hope that some kind of alternative arrangements will be put in place.

Mr. Speaker, I have chosen to just refer to a few. We are going to see the **relocation of the Civic Centre in St. James, which is now on the beach there by Frederick Smith Secondary School to allow us to create more jobs for our people in the north especially, by ensuring another hotel can go on that site** and that that will also lead as well to a top class six-star brand being added to the country. We will hear more about that in the very near future.

Similarly, I have now had confirmation that the **Royalton Hotel**, which is on the previous Discovery Bay site, is expected to start by the third quarter of this year, having settled its financial arrangements.

Mr. Speaker, I assure you, I'm not telling you about the projects that are not yet

ready to start and that the Senior Minister has given me. I tried to just focus on a few. And, in addition to this, last year I would have told you about the **Marriott's Group, which is now the largest owner of hotel rooms in this country, undertaking a \$150 million refurbishment.** For various reasons, they had to push it back to this year. I met with the administration of Marriott both in Washington and in Barbados and the Minister of Tourism assures me that they will be starting later this year to upgrade these properties. I've seen the plans; I'm happy and it will bring a significant upgrade to the quality of their properties in this country.

I want to use this opportunity, Sir, to say that I hope that the owners -- because Barbados has always had a higher percentage of indigenously owned properties and hotels than most other countries... And one of the things that we have to overcome is that we really have not improved the volume of our hotel room stock since the days of Sir Harold St. John in the 1980s by any substantial measure. And I'm meeting with the owners of hotels tomorrow afternoon, because many of them may want to see how they will redevelop their properties in this season of building to have greater density in some instances and to command a higher average daily rate in order to ensure that Barbados repositions itself. And against that backdrop, please let me salute the hotel sector, the Barbados Tourism and Marketing Inc. and the Minister of Tourism and all the people who work in that Ministry for us winning the Green Hotel Tourism Prize in ITB Travel and Trade Show last week in Berlin. No. 1 not in the region. No. 1 where? No. 1 where? In the world. That is what I mean by becoming world class.

Sir, the truth is, this increased activity is all good and we have new legislation from Planning and Development that involved the input from the Honourable Member for St. Michael South Central helped to shape and the Honourable Member for Christ Church West. It may need some tweaking, the change management contracts are now being issued, but, as I said, this now requires dedicated daily attention and I am never too big to say that come, star, help me lift some more weight, hence the Member for Christ Church West being asked to take full responsibility for the planning portfolio in Cabinet from tomorrow.

Sir, successful development therefore is the art of balancing competing interests,

including access to land for various uses by multiple stakeholders. Such competing pressures include the need to keep land in agricultural production — we know the debate all too well — or should we use it for housing? Industrial, commercial or even recreational development sometimes. Coupled with that is the balance between development and the surrounding residents and the public in general. In terms of beach access, the shadowing and blocking of views with large expansive developments, the impact on water and sewage use and not to mention the traffic impact and the increased road utilisation. These and other factors, sir, must be balanced with the other side of the coin, such as investment and job opportunities and positive downstream benefits that these investments will bring to the community as a whole. Money in people pockets. Let us get real. These conversations must happen. They are healthy conversations and we cannot predetermine each time on which side of the coin it will land, but we must have the conversations and respect must be had on all sides.

As a Government, let me say this, we are committed to preserving the rights of all citizens in this country. And you don't have to ask, let me make it clear. We've said from a long time there will be no private beaches in this country. Barbadians must have access to the beach for all.

Transforming Urban Barbados

Indeed one of the conditions for the construction of the new Hyatt Ziva in Bay Street is a reconstruction of a facility, not just beach access, but a proper facility at the old Bridgetown Fish Market for those, and I was about to say next to Gasbros, but then I remember the people who don't know that don't know Gasbros neither, so the gray hairs showing in my words.

But just literally, below the Roman Catholic Cathedral, that open space there, one of the conditions is the Hyatt Ziva, one, must build a facility there; and, two, must contribute \$2 million into a fund for urban transformation by the time the hotel opens to be able to make sure that the people in the Orleans and the people in Chapman Lane and the people in Dunlow Lane and the people in Bay Street will have access to a low interest, and when I say low interest, I mean two per cent or lower, in order

to upgrade their housing stock in The City. Because when we upgraded Golden Square, when we upgraded Cheapside with the markets, and we are still continuing to finish now the Butcher's Market and we are now going to upgrade that, if you ever walk down there, the people call Georgetown and Kingstown outside between Cheapside and the River Bus Stand; we are upgrading there and also fixing the things that need to be fixed in the River Bus Stand, including the drainage problems that continue to bedevil the persons down there.

Mr. Speaker, you cannot invite investment into the centre of your town and leave your people lacking for it. And as to the taxi men who want somewhere to go, I heard you two Sunday nights ago when you stop me at the top of Nelson Street and Fairchild Street, there will be provisions for parking for you. The Deputy Prime Minister and her officials will meet with you. Clearly space is limited on that road, but we believe we can find accommodation for you so that you can ply your trade in good order in the same way that she found a solution for you with the increase of taxi rates after more than 20 years.

Mr. Speaker, I say to you that in addition to **no private beaches**, there will be issues that we have to confront as we are doing now. Where people may believe that their public rights of way or public easements or other prescriptive rights are being put at risk. I think you will know where this Government will land. We must respect those public rights but equally as people who want to own property, we must respect the right of owners of property to do on their land that which they want to do, so long as it does not offend those public prescriptive rights that I just referred to.

24 Hour Economy

And, Mr. Speaker, nobody said governance was going to be easy, but we are going to do it and we are going to have the conversations and we are going to treat to each other in a respectful manner, always. And I say that as a word to guide everyone as to what this Government's position will be. Because growing pains is hurt children. Growing pains is hurt a country and in the same way children can overcome growing pains and become big adults and fit adults, we can overcome growing pains as a country to become a successful world class country.

But to do that, Sir, we are also going to change some other things. We need a 24-hour economy. And we've been talking about it for too long. The ubiquitous technology allows us now to do that. And it is further justification for why tooling and equipping our people is a prerequisite for transformation and success. To that end, we must bring this objective to a closure. And what do I mean? The objective of having a 24-hour economy by the end of March 2024. This is sufficient time for the Social Partnership to establish and to have a tripartite subcommittee under the chairmanship of the Minister of Labour with the Minister in the Ministry of Finance and the Minister of Commerce, the Leader of Government Business in the Senate, working with representatives, the General Secretaries of the three major unions, CTUSAB, BWU and NUPW and with representatives of the Barbados Employers' Confederation and Private Sector Association and the Chamber of Commerce, or whichever third body they choose.

Sir, with the use of technology, in its various forms, we must make sure that we don't forget that we are still a country that likes to respect our religious values. And, therefore, the conversations must tolerate our cultural and religious conventions and commitments, but at the same time the technology has also made the streaming of worship services ubiquitous for all of us.

Social Inclusion

I want, Sir, to also deal with issues of programmes of Government social inclusion. And, therefore, I want to invite the churches and the social groups to partner with some of these issues that would affect all of us and to feed it into the 24-hour programme.

In addition, there are some churches who have determined that they want to play a role in aggressively rebuilding social capital in this country. To that end, the Government wants to partner with them where they exist. I'm going to ensure that in the first instance **the James Street Methodist Church will receive some level of financial support for the crime and social intervention programme that is**

targeted in the constituency of The City of Bridgetown primarily, but benefitting, I suspect, constituencies surrounding The City, like St. Michael West, St. Michael South Central, St. Michael South, St. Michael North West, ensuring that it targets a programme for preteens and teenagers who are most likely to be vulnerable.

I spoke of “it takes a village to raise a child”. We must put our money where our mouth is if we want to turn this country from the horrid spectacle of gun violence that we saw in the last few months, in particular. The programme that the James Street Methodist Church is offering will see the establishment of an arts training programme in voice, musical instruments, dance, theatre and public speaking. And it is designed to give them the self-esteem and the confidence that they need. So that when somebody tell them 'bout their parent they ain't gine lash out at them, or when somebody step on their toe or even try to [cat call] at somebody that they like, they ain't gine lash out at them'. Things that we took for granted when we were growing up are now becoming major problems. And then you hear about IG wars.

Anybody know 'bout IG wars? You know what IG wars is, Mr. Speaker? Well, you would know 'cause you practise criminal law. IG wars is where people take offence on Instagram.

Now, Instagram can be hacked, can be erased, can be shared, but Instagram can't bring back a life, cannot bring back a life. So, how do we talk to our children and our teenagers and our young adults to get them not to take offence and not to throw away everything that they and their family have because of that lack of self-esteem and self confidence? Sir, I encourage other churches and social organisations to come forward to both the Ministry of Labour, which is the responsible Ministry for Ecclesiastical Affairs and the Third Sector and also the Minister for Crime Prevention, the Member for The City of Bridgetown. We can't give everybody everything but we will work with you as best as our resources allow.

BUDGETARY PROPOSALS

Let me come now, Sir, to specifically some more of the Budgetary proposals, Sir.

I want to highlight seven pillars on which we will be building. The first is

Engineering and Unlocking Growth. We've all said it, commentators have said it, we all know it. Barbados, and we told the last Government this: You cannot tax your way out of this situation. That's why there is no tax today, no new taxes. But we have to grow our way out of this. How do we unlock growth?

Sir, BERT 2.0, is fundamentally about growth. And the first thing I can announce today is some new institutional arrangements.

One: There will be **a new National Growth Council established in this country. And I want to thank a Barbadian who has given distinguished service in the private sector, as the head of Sagicor, Mr. Dodridge Miller, who has agreed to accept the Chairmanship** of the National Growth Council, to be able to allow us to have a laser-like approach to growth. And under them, to be able to have a programme that was shared with a number of private sector persons but led in particular by the **Chairman of Invest Barbados, Mr. John Williams, a programme that will look at removing the obstacles to growth, through a programme called, 'Barbados Delivers'.** Sir, we have to get it right.

And while we have done well by having certain services like Certificate of Character and other things digitised, while we have engaged private sector entities to help with CAIPO and develop the technology, there are still issues that remain bugbears and there is no sense quarrelling about them. Let us fix them and make Barbados a place to come and do business.

Yesterday, Mr. Martin Daly in Trinidad, I saw an article where he talked about the same problem in Trinidad and Tobago. And not just in the public sector but also the private sector, so this is not unique to us.

There will also be the establishment of the National Strategic Council, which will meet once a month and the National Strategic Council shall comprise of - I shall chair it, the Deputy Prime Minister and the four senior ministers, and equally, the

Head of the Public Service and the seven Directors General. There is no place in this country where the Heads of the Public Service, the leaders in the Public Service and the leaders in Cabinet sit down in one place, to unlock strategically, the things that are necessary to be able to propel growth. I trust and pray that it will be a successful endeavour, such that it comes to be a permanent feature of the governance of this country.

In addition to unlocking growth, Sir, we have **the Barbados Industrial Development Corporation undertaking an industrial park construction, the first one in a long time, of \$30 million at Newton in Christ Church.** And I have asked the Senior Minister for infrastructure to meet with the Member of Parliament for St. Lucy, because it is about time St. Lucy has again, jobs in manufacturing through a light industrial park, and that must be the second area for the construction of industrial activity.

Sir, it may mean that the Bridgetown Port and others will have to work with the Arawak Cement Plant on the jetty that is down there, to see how best we can strengthen that jetty as we go forward, in order to be able to ensure that things can come into St. Lucy and not just the Bridgetown Harbour.

I spoke about the **Tissue Culture Lab** already. We are also asking the Member of Christ Church West Central, to work on Mariculture Legislation. What is that? Fancy word for Ocean Fish Farming. The studies show that Barbados has great potential in this region to undertake that and the Minister of Agriculture will tell you, that his Ministry signed an agreement with an Egyptian company that wishes to do fish processing in Barbados, and we will be concentrating not just on the feed stock from Barbados but that which is immediately nearby.

Sir, we've also undertaken a programme of Cyber security training and job placement. And I want to thank the Ministry of Education, through **the Student Revolving Loan Fund, for taking the lead to provide these opportunities for Barbadians, 200 at a time, going up to 1,500 in the next 18 months, and once you finish that four-months training,** job opportunities will be made available to you internationally, not just here.

And let me say, Sir, while I'm on this point of Cyber Security, because it is important to say so, Cyber Security is a global challenge. The world has not even figured out how it is going to get around it properly. And anybody who wants to help this Government, will be allowed to help this Government. And if they have felt slighted, I apologise on behalf of the Government to all who feel slighted, but that is not the intention of this Government. And I want to make sure that **we build the capacity, because I can tell you that even with all that we have, that will be insufficient to meet the challenges of a Cyber Security environment**, where people are sitting down every day, trying to figure out how to game you and to outdo you in the system. So I shall ensure that we bring everybody to the table and we work as one nation.

Mr. Speaker, I spoke about the new National Quality Policy. I know that the Head of the Barbados National Standards Institution will be very happy to hear this, because we must focus on standards and certifications for Barbadian goods and services to allow us to have the currency for the export of our goods and services and to make sure that we can be competitive. We can't do large things, but we can do good and quality things.

As I said, our further efforts this year on growth, will be triggered on the Digital Economy Training, separate from the one that the Student Revolving Loan Fund is doing. There is a programme that is being utilised by the Minister for Crime Prevention and the Minister for Youth Affairs, the member for St. John, which will be called **'Start Wise' and once again it focuses on the soft skills**, but it also focuses on providing the software training and is going to ensure that they too are placed in global jobs, and we intend to focus on a thousand young Barbadians in the next year, starting with members of the Youth Advance Corps, those who have been rejected from Community College; those who have been rejected from the Samuel Jackman Prescod Institute; and those who are on the block but want to find meaningful engagement and jobs by coming into a training programme.

Mr. Speaker, we can turn this country around with Bajan roots and global excellence — global opportunities.

In addition, Sir, our efforts will be focused on the digital payments real-time automated clearing. The Minister in the Ministry of Finance will update the Honourable Chamber on this. We are getting there.

I spoke about the capital market operations. Sir, all of us know that we have seen the Africa Export Import Bank all about this country and all about this region in the last year. And the partnerships are unfolding and opening up major opportunities and I won't spend today focusing on that, but suffice it to say, that when it happens, we will have good announcements to make. Stay tuned.

The Food Security Partnerships: We met with the private sector from Suriname and Guyana on the opening up of northern Brazil; met with the Governor of Roraima and we'll be meeting with him again. We met with President Lula last month, and will be meeting with him again.

This country was the place that Brazilians came to before air travel. All on the south coast up to 1950. We are a one-and-three-quarter hours trot by air from Belo Horizonte; and two-and-a-quarter hours from Manaus in the State of Amazonia. For the people of Belo Horizonte to go to Sao Paulo or to Brasilia, it is five/six hours. Who're they closer to?

And the population of those two states is six million people. We have markets that are untapped and we will open up the routes just as Guyana is opening up the highway to be able to allow access to northern Brazil, right up into Georgetown to be able to reach a Caribbean port. Mark my words, Mr. Speaker, that is going to change the economics of the Southern and Eastern Caribbean forever. And Barbados will not be missing in that.

Mr. Speaker, I will shortly announce incentives for the establishment of **Barbados as a major film production domicile**, to be able to attract major companies here to produce their films. We believe that we can do the same thing that the Dominican Republic and Columbia are doing and we have the benefit of being an English language jurisdiction to do it in this part of the world.

And Mr. Speaker, **the ROAD Project — Reclaiming Our Atlantic Destiny, my passion project, Sir. My passion project.** The passion project I believe also of the Member for St. Michael East, where he has nurtured, and carried so many up to the Newton burial ground, where for 40 years, without the support of any major government expenditure, they paid tribute to 570 slaves who were buried on that site. I keep saying that a people who forget their history cannot appropriately plot out their future and Mr. Speaker, it is ironic that this country has not made an industry out of the **Heritage Economy**. This Government is here to change that. We can't do it all by ourselves but we gine give it the push off and then we are going to start talking to the people across the globe who helped put us in this position and who need to help us out.

Already, we have put aside \$15 million at the Barbados Tourism Investment Inc. because we know that we couldn't do it (at once). We are doing it like a “sou-sou”. We're doing it like a sou-sou but we gine do it. **And we are going to put another \$15 million, minimum.** And you know why? Within less than two months, we will start the process of digitising our archives down in town, in the Harbour Industrial Estate.

And we've met with the Conservationist people. Why? Do you know, Mr. Speaker, that Barbados has the second largest amount of transatlantic slave records in the English world, and possibly the world? And that the only body who got more than us is guess who? The British.

That is why King Charles, Prince Charles, as he then was on the day that we became a Republic, visited the Archives in the Lazareto. And I do not want what happened to the people of South Africa to happen with us - if some of those Archives are lost in fire or floods. And therefore, I've said to the Ministry of Culture, Senator Munro-Knight, that we need to make sure that that project gets off the ground and is completed in under three years, preferably two to two and a half, because we cannot take a chance. And those records go back to 1639 and tell a story that we have hardly started to scratch and uncover.

The Member for St. Peter will now tell us and regale us with the stories from Vice Chancellor of the University of the West Indies, about King Cuffy. And those who

believe that Buju Banton was the first to say: "**Murder I today, you cannot murder I tomorrow**", will understand that almost four centuries before King Cuffy said: "**Roast I today, you cannot roast I tomorrow.**"

Mr. Speaker, once we build the monument and digitise the Archives, it is the intention of Government, and we've hired a consortium to help us raise what will be a large sum of money internationally and the public will hear the details of that as we go forward. But our responsibility is to take care of the Archives and to build the monument.

And why are all of these things important in the establishment of a heritage economy, Sir? Does anybody remember their history? The Member for St. James Central will soon be smiling. And it is a complex history, and I hope that there is somebody in here who will help us lead this effort, but the reality is that this country will come to, and I use my words carefully, to mark and to reflect, to commemorate, that the first modern landing by the British took place in 1625 and that 2025 will be the 400th anniversary of it.

And that the first modern settlement by the British, notice my words carefully, will be 1627, 400 years in 2027.

And this wonderful capital city of ours, one that I have an umbilical link to, will celebrate its 400th Anniversary on the 5th of July 16, 2028 and the people of the Speights Bay — I didn't say Speightstown — came to settle, Mr. Speaker. I believe, and I want it checked, the member for St. Peter can guide me but I believe it is 1629 and hence 2029.

This country will have four years within which heritage reflection, identity, discussions, reparations, all of those things, will be at the centre, and **there is therefore opportunity for us to start to gather once again as a people in 2025.** We started it in 2020. We went from River Bay in St. Lucy, through the parish of St. Peter, and as we got to St. Thomas, COVID came and wrestled us down, but the spirit of St. Thomas is so dominant that it has sent a message saying to us: **2025, let Bajans from all corners of the earth gather again in 2025, parish by parish by parish by parish, so that collectively in December of 2025 the whole of us will come back together.**

I have every confidence, Mr. Speaker, that 20 months to 21 months is sufficient time for all of you in Brooklyn, and London, and Manchester and all 'bout the place, Toronto, where I would see some Bajans in two weeks' time for a Bajan Diaspora event, enough time for you to plan, not just to come home alone but bring home the whole family and the ones that ain't get to see 'bout here yet.

Mr. Speaker, in addition, we must not forget the people who were here before the British. And therefore, this Government will be investing in creating monuments and augmented reality to make sure (we appreciate) that this history was not created in 1627 or 1492. Enough said on that.

Sir, that heritage economy we believe, can unlock significant growth for us, just as it unlocked significant growth for the people of Ghana with the Year of Return and it will continue to do so for us. Especially, if we can partner with genealogical entities where people want to go and look for their (history). How many people knew that Gwenneth Paltrow had Bajan roots? And we can go on and on about the people who have had Bajan roots because we see it on TV when they're doing their research.

Sir, **we also hope to establish an EXIM Bank of Barbados**, in responding to the export needs and capacity building of our business community. **The EXIM Bank of Barbados will be established by the end of this fiscal year, to deliver a suite of trade, finance and insurance solutions and this export credit agency will facilitate further growth of our export sector by providing critical access to finance and risk manage.**

Sir, this is in conjunction with the restructuring of EGFL, and all of these entities. I came to public life when the Barbados Development Bank was top heavy, and run into the ground. These entities must remain nimble and agile, using the technology and not carry or pass on heavy administrative costs to their clients.

In addition, Sir, I had the honour of opening up the International Food Science Centre up at Newton a few months ago. It is a shared-use facility, designed to provide Bajans within the Agro Processing Industry with access to state-of-the-art

equipment, and with tools that an accredited facility should have, so that they can be able to reach not just the domestic market but the regional and international markets with their products.

It began operations, as I said, late last year and it is now going through the HASIT accreditation compliance and certification process and once that is completed, then we shall see so many more Bajan products on the shelves in Europe, in North America, in Africa, all over in Latin America.

In addition, sir, the **Cabinet of Barbados has approved amendments to The Offshore Petroleum Act, in order to facilitate the launch of a new offshore bid round.** Sir, there are those who may ask what are we doing. Sir, we have never said that we can abandon that which we have. And indeed, in my interviews internationally, I've made the point that we want to concentrate on gas as a clean energy bridge and that we can't ignore. Unless of course, there are countries or a country willing to pay us to keep our natural gas in the seabed. If that is the case, come forward and we will talk.

But until the international community is prepared to help us finance our way to net zero, then we cannot leave our natural gas in the sea and we see the natural gas as a means of propelling us through the production of hydrogen and other things, and we will speak in a more fulsome manner on this within the next month because amendments will have to come to this Honourable House in order to allow us to both do a bid round in a traditional way, but also to do five rounds of state-to-state partnership to be able to find a capital sum available to help the country through this difficult period in the next decade.

In addition to that, I say to you that in every instance the rights of the Barbados National Oil Company will be at the core of what is protected and what is projected. Sir, I expect that that new round will take place in the second week of April and this new push, therefore, will fast track both the processes and the direct state to state negotiations with the amendments to come to Parliament.

Sir, I will talk to you at a different time, and the Honourable Minister also visited Scotland, which has agreed that it will provide us with technical assistance working

with the International Finance Corporation on offshore wind, and that too will be undertaken by this country.

Sir, the **initial prospectivity suggests that there may well be as much as over 42 trillion cubic feet of gas or 13 billion barrels of undiscovered oil.**

The reality is, though, that while you may have that cumulative amount, the 3D seismic work will tell you what is immediately extractable. And therefore, I don't count my eggs before they are hatched.

Sir, we know that this potential to create new jobs can be significant and that is why we are walking in a very sure-footed way, because if it does work out a few years from now, and notice I said a few years from now, it would mean the need for drillers, foremen, health and safety officers, crewmen, welders, mechanics, geologists, engineers, and scientists, and suffice it to say that there will also be new businesses. Because like Guyana, there will have to be a strong local content law to make sure that Barbadians are not excluded.

Sir, one of the first things this Government had to do was to repeal the Fiscal Incentives Act when we came to office. Every Prime Minister, every single Prime Minister before me, seven of them had the luxury of being able to promote Barbados with the benefit of the Fiscal Incentives Act. I have not had such luxury. But we have come up, Sir, with the policy framework and the Honourable Member for St. Michael North is leading it.

The policy framework is completed and it is now with the drafters in the office of the Attorney General, to have a **Sustainable Industrial Development Bill** passed, which will be built on a platform of sustainability and which will allow us to focus on improving the economic social and environmental circumstances.

Notice I said: Economic, Social and Environmental circumstances of all citizens and residents.

Issues related to research and development, innovation design, production logistics, distribution marketing, all of these things, as well as after sales services are all covered, to ensure that Sustainable Development Goal Number Nine, which aims to create a world that recognises the importance of cleaner production, more efficient

resource management and reduction in waste and the production process, can be achieved.

Mr. Speaker, you have heard us speak about it before but this year; **we must establish a Unit Trust Corporation.** The mobilising of domestic savings into investment is a critical pillar, not just for growth but for economic enfranchisement of small people. What small people can't do alone, they can do what? Together! And therefore, the Unit Trust Corporation will have the specialised skills to be able to have people make sound financial decisions, just as they do in Trinidad and Tobago, just as they do in other parts of the world. But will allow those who have shares in the credit union and other small amounts to be able to benefit in the ownership of hotels, in the ownership of the same oil and gas blocks, in the ownership of other areas of investment in this country.

And, Mr. Speaker, I look forward to working with the Unit Trust Corporation of Barbados to make sure that we can explore these opportunities for quality investment products.

Sir, I never thought you would hear me talk about fashion in here. Well, **fashion is a trillion-dollar industry. I didn't say billion; I didn't say million,** and you only need to look at the Right Excellent Robin Rihanna Fenty to know that this is a trillion-dollar industry.

Rihanna's journey ought not to be unique, and the talent of the people in this country must be honed and must be given a platform to be exported. I want to be certain that Barbadians can be part of this industry. And you don't have to look at all the fancy outfits that others are using. In fact, the truth is most of the clothes that I wear now are made in Barbados, some in Trinidad and Tobago, some in Jamaica, but most in Barbados.

And why? When you are in this job, you can't really go and buy off the rack and then bounce up somebody wearing the same clothes when you get to an event. So, I ain't fooling you, it's not. And you know it is not easy for women in this job either, because a man, I keep saying, can wear the same suit, change the colour shirt, change the colour tie - blue, purple, red - and get away with it. I would try with a scarf but I still can't get away with it. Trust me. Some call for allowances but that is not the issue,

trust me.

The point is that we are sitting on an untapped gold mine and we have to put our money where our mouth is. **This Government will put \$2 million out of those excesses that we will have next week into the BDC, to work collaboratively with the National Cultural Foundation to push the fashion industry.**

We have a 12-page plan that has been prepared from the time when I was Minister in Economic Affairs. We talked about building out factory space and buying the equipment and the computer-aided technology to allow many of our people to come in and do micro-leasing. Most of the people who have talent, don't have the money to go and buy the machines on their own. But if we create the space in there, if we create a building with a green screen, in the IDC as I have been calling for, then what we do is create opportunities for Bajans.

In addition to building the fashion industry, Sir, and that \$2 million I am betting on our young people. We have given a lot. Yes, it's been rough for the performing artistes and we have given quite a bit to them. But we must also focus on another part of performing arts in our culture. People who understand instruments and musicality can go into any genre. I always remember the Mighty Gabby saying that the sign of an excellent composition is when you can take a song and play it in any genre, and we know it with "Emmerton" in jazz - as a chorale piece, kaiso, reggae — that song transcends, no wonder it was regarded as the song of the century in this country. Not to mention the emotion that underpinned it.

This Government, Sir, will put our money where our mouth is with our primary school children, and **we will have a Strings Project in 68 primary schools**, from St. Lucy to St. Philip, making sure that those kids in our primary schools, for the next seven years, will be exposed to strings, in the same way that the last project I did as Minister of Culture, on the day that I was moved in 2001, was to put at that time it was \$40,000 in Joy Knight-Lynch's hands for a project that she wanted to do with the National Cultural Foundation, and that they continued year after year. Hence, all of the string players that we have in Barbados now and some of them make a living in events and have gone overseas. Well, **we are going to amplify those numbers by having this project in every single primary school and \$600,000 a year** will be

proved for this project.

Mr. Speaker, we have already on a 'Sou-Sou'. You see that is the problem with culture and heritage. We had to do everything in culture and heritage on a 'Sou-Sou' because if I do it up front, they going to say that because I like it that is why I put it up front.

I had to deal with the essentials before I deal with the desirables but **we have been putting aside money for the redevelopment of Queen's Park, and that project will start under the management of the Barbados Tourism Investment Inc. And we expect to finish it fully by the end of 2024.** Queen's Park must be and the people of Barbados will give it its new name, not me.

Queen's Park will be this country's hub of creativity with facilities for production, rehearsal, vending and live and digital performance. It will have a small amphitheatre, so that people can stand in the same place as Marcus Mosiah Garvey, and speak on a Saturday, or Sunday, or whenever they please.

Mr. Speaker, it must be the home of creativity and advocacy in this country and it must also provide accommodation for artistes and residents, so that there is a synergistic opportunity to determine what is possible in this Caribbean civilisation because when artistes determine the possibilities, governments can then execute what is probable and certain.

Mr. Speaker, given the realities of financial liberalisation and the continuous innovation and the provision of financial services and instruments, as I said earlier, we will focus our attention on the development of the financial sector, to ensure that we have a sector that will open up and create opportunities through the design of regulatory structures designed to ensure its stability.

A multi-faceted financial system therefore includes the full range of non-bank financial institutions, offering a highly diversified range of products. I spoke to you about having the secondary market developed, I spoke to you about the Unit Trust Corporation, I spoke to you about bringing T-Bills market going again. I have spoken to you about the banks going back into the domestic capital markets. **It is time for**

us to ensure that the finance is made available, so that this economy can fire on all cylinders, Sir, and that we have the appropriate regulation, appropriate to risk.

There are some who quarrel with us for not going on the front end of Fintech, and I have said to them that there are certain conflicts of interest and certain things we need to be wary of. Look where we might otherwise have been because the same company that collapsed came to Barbados first. Let's be very clear.

Sir, those are the non-traditional ones and there must have people that say, she forgot about tourism? She forgot what pays the bills? No, we haven't, and deliberately, Sir. While we build out and forge new areas, and I have not even spoken to the **pharmaceutical industry**, only because I have said many times and the **Senior Minister, Minister of Health, is working on ensuring that the framework for the pharmaceutical industry, which will start with the work to develop a Barbadian Food and Drug Agency, which is already started with the sponsorship from the Susan Buffet Foundation providing us with the services, will become a reality**. And we expect, that with the project manager, to be able to roll out and update the country within a few months as to the specific steps on the pharmaceutical industry.

Mr. Speaker, but with **tourism**, airlift, while enhanced, continues not to be the easiest thing to manage. Last year, summer tourism was not the greatest. It is no secret. **We intend this year to target strategically the slow summer period as an area of growth. And while other destinations will experience reduced airlift, this summer Barbados will maintain its daily service with British Airways and Virgin Atlantic from London.**

Similarly, other airlines have put on special marketing campaigns for Europe, taking advantage of the connectivity out of Heathrow. We are also, however, going to ensure that the BTMI can have a massive supporting advertising campaign with its airlines partners.

In addition to the resources already held by the Barbados Tourism and Marketing Agency, which is in excess of \$20 million, we will add a further \$5 million to allow them to manage marketing and air support, not for this

summer alone, but for this and future summers, because it takes time to be able to sustain marketing.

To increase business out of the USA, **service will continue with American Airlines, double daily from Miami**, while in the summer, we will be welcoming a **Jet Blue double daily service from New York**. This will bring **an additional 12,000 seats** when compared to 2022.

There will also be **more business out of Canada**. The number of **flights will increase from three days per week last year, to a daily service for the summer**.

And critically, both the Minister of Tourism and the Chairman of the BTMI Barbados Tourism Marketing Inc. have been working and have informed me that our business with our Caribbean neighbours shall increase. **Air Antilles** will expand its service from three days per week to daily, between St. Lucia, Dominica, Antigua, Guadeloupe and Martinique.

Caribbean Airlines will also be expanding its service between Trinidad, Guyana, St. Lucia and Barbados. **interCaribbean** has already started flights from St. Kitts, and we believe that there would be additional services to St. Lucia, Grenada, Dominica, St. Vincent, and Guyana, and yes indeed, Jamaica.

Mr. Speaker, the expanded services, I am told, will result in **an additional 37,800 seats to Barbados from our Caribbean neighbours**, and I hope that the Barbados Hotel and Tourism Association will join with the BTMI - Barbados Tourism Marketing Inc. - to create the appropriate packages to ensure that this increased airlift is fully exploited by all who want to resume travel in the Caribbean.

In addition to that, Sir, we are going to announce **a reduction on the fees for CARICOM travel for six months starting, Sir, from [July 1] until December 15th, reducing the CARICOM fee from \$37.50 to \$20.00 per person**. Notice will be given to IATA to ensure that we are in compliance having this happen from [July 1]. It is meant to be a specific tax reduction holiday to help boost the travel back to where it used to be before.

In addition, Sir, transformation is not just about ushering in the new, it is also about

innovating what you have, and product quality audits, and feedback from the travel trade markets suggest that we have to do what I spoke to you earlier about, Sir, reinvigorate Barbados' tourism plant. I do not want to hear people say that it is looking tired. They used the word mature as a euphemism just as I suppose it is used with people. We need to do better. And it is therefore critical if we are to retain our competitiveness and our product quality as a destination, while commanding a higher average daily rate.

But, as we do it, greening, digitisation, training and synergies with other agricultural, manufacturing and cultural sectors are key to a reinvigorated Barbados tourism product, in the same way that we sent that message when we established the BEST programme, in the height of COVID.

I also say this, Sir, it is my judgment that the shortage of hospitality workers globally, not just Barbados, coming out of COVID, is as a result of people needing to take stock again.

I want to urge hotel owners and managers, along with workers, under the sponsorship of the Ministry of Tourism, and their workers' representatives, the Workers Union and others, to put aside a special day for a colloquium, to discuss heart to heart, the issues that may be impacting our getting the best out of this industry, because of a failure of each other to appreciate the efforts of each other.

We are a mature country and we must be able to come together and have difficult discussions, especially if we have consequences that will inure to the benefit of others.

Sir, the second area is the **blue and green economy**. Renewable energy continues to be a major plank but it is no secret, Sir, that there are constraints at a global level. Last year, we announced things, and we are constrained by the ability to access the electric cars and the access batteries. **We cannot permit the transformation equally of this country to be hampered by a tiresome cat and mouse game between the Barbados Light and Power and the Fair Trading Commission. Bajans cannot be the losers in this game and this is what will**

happen if the cat and mouse game does not stop.

After 100 years, the Barbados Light and Power, as a monopoly provider, should know that it has to trust this country and its people a little more, and does not need to delay the procurement of things in a difficult supply chain environment, such that when we resolve the issues, you can't even find the things to buy for under two, three, four years.

Similarly, the Fair Trading Commission must understand that delay is the obstacle to progress in this world, especially where commodities are difficult to access. Only last week, the Financial Times wrote an article saying that in some instances across the United States of America, it is taking three years for people to get connected to the grid, even after they have put their panels down. This is a matter that we will continue to manage in a fine, very, very, very granular basis.

The FTC - Fair Trading Commission - rendered a decision on 15th February on rates. I am told that the Light and Power has appealed for certain action to be taken. The matter is sub judice, I say no more on that. But suffice it to say, that the process needs deconstruction further again. And if we continue to be the subject of delay, the only losers will be the country and the people of Barbados. We don't produce the materials necessary to participate in this. But having said that, we believe we can still set the ambitious targets and we intend to meet our policy objectives.

We have to create space to encourage investment by foreign service providers because all can't come from local. But we said enough to let you know that we are creating space for Bajan householders, Bajan companies and Bajan SOEs.

Similarly, we have to ensure that the price of electricity doesn't go too far

out of whack so that it is uncompetitive. I don't have children but I pay taxes to ensure that every child in this country can go to university if they want. And one of the things that we have done, if we wanted the cheapest electricity rate, we would offer it to a single provider because of how small we are and probably foreign capital that is achieved at a far cheaper price than what might have been achieved locally.

But, what we want is balanced development. Because Bajans cannot be tenants in their own land. They have equally to be owners. And, therefore, we accept that the electricity rate might be a little higher in order to create the bounty that can come to individuals to be able to help us with a housing resolution, to help us with the sugar industry reform, to help us with State-Owned Enterprise reform, to help homeowners have an extra piece of money in their pocket when the month come by being able to sell back to the grid.

Sir, we began on the 6th of March, a process of **updating our national energy plan to evolve it into a National Energy Investment Plan.**

And we will be meeting with investors along with the utilities to iron out the bottlenecks in the system. If it means changes to the legislative model, we will be brave enough to do it. But let us sit down and discuss how this system is working for us or not working for us.

Light and Power has invested a significant amount of money, \$100 million dollars in the electricity network, including critical installations to support a clean energy bridge. A further investment is now needed by

them in the grid, modernisation and storage. Storage has now become the bottleneck. And indeed, it is become the bottleneck because of the access to lithium batteries not being there or not being quick to order. Storage rate decisions are expected from the Fair Trading Commission imminently, but both the sole utility and the independent power producers will be encouraged to come forward, as part of a pooled procurement of energy storage investments, if we are to help each other to beat the challenges of the market.

In addition to batteries, I am being informed that a feasibility study is being undertaken into pump storage in the Scotland District and this will ensure that we get a better return on and more affordable investment by extending the amortisation period for the pump storage in the Scotland District than currently relying only on seven or 10 year batteries, which you have to amortise your cost in that seven and 10-year period as opposed to 50 years. I am told, however, that the fuel, the pump storage will not be sufficient and you will still have to rely on batteries, but the blended cost will still help bring down the cost of the electricity in the end.

Sir, in addition, six months ago this Government applied for and was awarded funds to pay the **Green Climate Fund** experts to whom we must submit all proposals to the Green Climate Fund to access, and to ask the Green Climate Fund **to give us \$30 million** alongside an investment of \$20 million Barbados that we will make in order **to help create a Blue-Green Investment Bank.**

These applications are normally complicated and normally take years. I am assured, however, that several organisations across the world have expressed a keen interest

in joining the capital racing for the Blue-Green Investment Bank if the Green Climate Fund invests, and we should know that by the middle of this year. And that those organisations are the Caribbean Development Bank, the InterAmerican Development Bank and the International Monetary Fund who want to find a way of better leveraging the resilience and sustainability trust that we have.

These are investments in the equity of the bank, Mr. Speaker. There are not loans and debts to the Government. The Blue-Green Investment Bank, Sir, is an example of the creative actions of this Government in social investment that does not increase government debt. And it would be remiss of me if I did not thank Professor Persaud and Mrs. Thorington-Powlett, who have been leading and carrying this almost single handedly. We expected, as I said, to go to the Green Climate Fund Board, no later than July this year and with the Government share holding of around 25 per cent, **we hope that the Bank can become operational before the end of the year, possibly September, with approximately \$100 million of capital, but with a lending capacity of \$500 million.** The currency I quoted is Barbados in both instances— a \$100 million in capital, but with a lending capacity of \$500 million dollars to help facilitate blue-green investment, not just in Barbados, but I suggest that we also do it in the Eastern Caribbean as well.

This financial fire power will allow this Government to fulfill over time, its long term aspiration of helping to provide 10,000 homes, along with the existing commercial banks in this country. Mr. Speaker, it will also finance much needed adaptation projects for which capital is not readily available in the tourism sector.

With respect to agriculture, Sir, farmers, small farmers, in particular, may want to

come forward with greening their farms but don't have the capacity to do so. Sir, **we are going to provide the Barbados Agricultural Society with a \$2 million fund, some to establish a revolving fund to provide small loans to farmers** to assist livestock farmers in particular to engage in sustainable practices in agriculture at the level of their farms.

Sir, we are not leaving out the public service vehicles. We are going to **establish a \$3 million low interest revolving fund to be managed at Fund Access for the acquisition of, or for the conversion to electric or plug-in hybrid vehicles, CNG or solar-powered passenger vehicles for the public service vehicle sector.** Sir, we want the PSVs to come along in this transition to a green economy, that is why we start with \$3 million dollars. It will be low interest and if we need to increase it, we shall increase it.

Sir, **we are also going to introduce for the benefit of postal workers, effective April 1, 2023, a \$25,000 loan limit to acquire electric motorcycles in this country.**

I know that they have been calling for an increase in limit, and, Sir, I feel particularly happy to be able to announce it, since the first introduction of loans for postmen for motorcycles was as a result of my initiative in 1994 to Mr. Arthur as Prime Minister then. So, I am happy to be able to ensure that you can also move into the green and not have to spend significant sums of money on gas.

Sir, when this Parliament passed the Public Finance Management Act in 2019, we signalled at Section 38 this Government's commitment to utilising unclaimed assets

for the use in marine conservation or any other public interest purpose related to achieving to environmental sustainability.

The Accountant General has signalled that there is approximately \$7,000,000 in unclaimed assets in the Consolidated Fund. With the establishment of the Barbados Environmental Sustainability Fund, which we did last year when we did the blue bonds, where the debt savings, as I said, will be diverted to the tune of US \$50 million dollars over the next 15 years to help us with marine spatial planning and marine conservation, it is my Government's pledge to augment further, with the diversion of 50 per cent of new unclaimed and undistributed assets from the Consolidated Fund, and to escheat funds at the Central Bank of Barbados to the Barbados Environmental and Sustainable Fund as of April 1, 2023, to further support the marine conservation efforts of this nation.

Sir, I describe us as a large ocean state not just a small island developing state.

Last year, Sir, we introduced a **two-year Excise Tax and VAT holiday from April 1, 2022, to March 31, 2024, for the electric and plug-in hybrids along with CNG and solar-powered vehicles**. I just told you about the difficulties with respect to the global logistics. Accordingly, I **now extend that two-year holiday for an additional two years to March 31, 2026**.

And, Mr. Speaker, we have to have a serious discussion and I hope that we can do so with our neighbours because Barbados may have to look at other options, including LNG, and particularly with us having the privilege of having the first LNG ship being launched here off Speightstown on Thursday, enough to be said more about that shortly.

Sir, I've heard the pleas of the nursing profession and we will now agree to add **all nurses to the schedule of the Public Officers Loan and Travel Allowances from April 1, in two weeks time**. Any nurse in Barbados can go and borrow from the POLTA, as it has come to be known. And don't forget that I increased the limits in the POLTA for electric vehicles last year, so that that is also available to you.

In addition, we agreed in the salary negotiations to the establishment of 22 Master Teachers, with respect to the teaching profession. We agreed to the establishment of 10 specialist nurses. **After consultation with the Senior Minister, Minister for Health, we will now increase that from 10 to 18 specialist nurses in this first instance** to make sure that there is an appropriate process for -- what is the word? I getting tired. What is the word? For being promoted.

You have to forgive me. I am told that I have a chronic sinus infection and I am on antibiotics now, but nevertheless.

So that will be done for the nursing profession in this country, sir.

In addition, we are also **looking to assist small entrepreneurs with a low interest \$3 million revolving loan fund** at Fund Access to provide loans for the acquisition of or conversion to electric plug-in hybrid, CNG or solar powered passenger vehicles, I mentioned that already. That is the PSV, sorry.

And, Mr. Speaker, I want now to deal very briefly because everyone asks: What? What is this Bridgetown initiative? And why the Prime Minister travelling so much on this blue-green fund? Let's be very clear. This Government hosted last year a team of people from around the world. We take climate justice very seriously. It is not

buzz words. I only have, as I said, to go in Six Men's and other parts on the West Coast and see the extent to which the erosion is taking place. The Minister in charge of water will tell you, and her predecessors, that often we are told that we have to watch the solidity in the wells at this place or that place because if they become too saline you have to stop pumping. Indeed, the former Minister of Water under the last administration would have told us that too.

Last year, we had a range of people come to this country, heads of NGOs, philanthropic organisations, academics, and out of this came the birth of the **Bridgetown Initiative**, which identified five main objectives, but fundamentally about revisiting the Bretton Woods Institutions, which were created when we did not even exist. And therefore, may not see us sufficiently, hear us sufficiently, or feel us sufficiently.

Those five main objectives we felt could be achievable within an 18-month period. The **drawing in of \$5 trillion dollars in private savings for climate mitigation**. Mitigation will take place anywhere on the planet earth for us to stay alive with 1.5. It doesn't have to be here; it doesn't have to be America; it doesn't have to be Samoa; it don't got to be China. It can being anywhere.

Similarly, Mr. Speaker, **widening access to concessional funding for the climate vulnerable**. You have heard me say all along that Barbados and Bahamas in the middle of the climate crisis can't get to borrow. It is only recently, this January, that we have just gotten our first climate loan; and during the pandemic we are able to get exceptional access for a pandemic public policy-based loan. The reality is that did not come without advocacy and fighting hard for it, because we were told that we

are too rich, our per capita income of our people, Bajans are too rich to be able to borrow. Don't mind China is seen as a developing country and other countries are seen as developing countries.

Three, **Expanded Multilateral Development Bank lending for climate and SDGs by one trillion dollars**. The truth is that we need to be able to make sure that we can have more money available, because there is just not even enough public money to fight the battles that we have to fight in this climate crisis.

Four, **Funding Loss and Damage**. Why? We are not the ones who are causing it. We should not have to pay for it on our own. Barbados has used an interesting concept of natural disaster clauses, knock wood, that if we really get hit bad, there is no company, country or anybody who is going to give us the equivalent of 19 per cent of GDP. Mr. Speaker, the equivalent of \$2 billion dollars over two years, if we have to help rebuild this country and all who have been affected by it. We are now the world's largest issuer of bonds with natural disaster clauses, but I have confidence that we may see one or two G7 countries issue before the end of this year, because of the sense that it makes.

Grenada is the only other country I know of, but Barbados' issuance is larger.

And then, five, **making the financial system more shock absorbent** because of all of the problems that are being done.

Mr. Speaker, what this got to do with any of us? When we go in the Parish Speaks and the people come and tell me about the brown water in St. Lucy and St. Peter or

the roads and bridges in St. Andrew, that is what gives us the fiscal space and the policy space and we can choose as we must to bring down our debt at a gradual level to change the metrics of debt sustainability, so that we can also have enough money to put in crime prevention and education and health care, so that we don't have to so reduce down our debt that the body don't have the capacity to walk, run or do anything else.

Mr. Speaker, as I have said over and over, we can lose weight at two pounds a month, three pounds a month or six pounds a month, the important point is to lose the weight. But if we are losing the weight too fast and the body can't respond, you going to lose a generation. You are going to lose social capital. You can bring back down debt overnight; we have shown it, but you can't bring back social capital that is lost in under a generation when people start to get in reprisals and all kinds of madness.

We're talking about losing a generation if you don't try and go and work with those people. And this is probably not unique to Barbados. That is why the CARICOM Heads of Government will be having a special Heads of Government Session on April 17 and 18 on Violence as a Public Health Disease, because the United States of America has over 100 mass killings for the year already and we ain't finish three months. Where you think the guns coming from? Before fellow would hit a fellow with a two by three and he survive. Before the fellow [used to] do a one shot, but when you start using automatic weapons, it is carnage in the place. It is unintended victims in the place.

Mr. Speaker, the purpose of the Bridgetown Initiative is to help Bajans have more policy space and more fiscal space to pursue development, but we can't do it by staying on the ground locally. We have to do it by having the conversations and changing how the world operates and how the world sees the global south. And I thank God that we will have the summit in June in Paris with President Macron on the new global financial pact for the people of the global south and the people to be on the same path across this world.

Let me come to the issue of **safe and healthy Barbados**. Sir, you will notice that these are the missions that I kind of talk to you all about in November, and the only reason I haven't called them missions in this Budget is that we are still in the consultative process, and we hope by May 1 to be able to complete this process after consultation across all the sectors. The Social Partnership has been deep in it since the end of last year. We are going to other people.

But, I just finished talking about the **crime**. And what are the facts? This Government takes it seriously and the numbers plainly show it. From coming into office, we moved the amount given to the Police Service in the first full year that we provided for them from 2019 to '20, from \$107.6 million right up, Mr. Speaker, to this amount in 2023, '24 of **\$131.2 million and that has nothing to do with the \$12.5 million plus the \$2.5 million going into crime prevention.**

Sir, we put our money where our mouth is. And one of the things that has bedevilled us in recent times has been the delays in the justice system. We came back and told you that. We set up five criminal courts immediately, from two, upon coming into office. We then had, COVID disturb us, that we could not have jury trials for almost two and a half years to three years.

And Mr. Speaker, we had a backlog of 10,000 cases when we came into office. So, when I tell you that 80 per cent of the murders that are still before us, probably down to about 75 per cent now, relate to before we came to office. Believe you me. Now we didn't sit and say, oh, too bad, COVID come, five courts. No!

The end of October last year, I came and told you that the Attorney General was being given another three criminal courts in this country to carry it to eight because we will not let the backlog get on top of us. It meant as well that we had to create additional prosecutors. Seven of the eight courts are fully working now and the eighth will work, I am told, by the beginning of April.

It meant, Sir, that we had to create a Deputy Criminal Registrar, to be able to handle criminal justice matters. And Mr. Speaker, the National Security Council met last

week and signed off on a paper on **Criminal Justice Reform, which will be rolled out the first time** and I know criminal law, I practise criminal law. The first major introduction of serious Criminal Justice Reform in this country will happen under this Government.

We know that justice delayed is justice denied. And we know, Sir, it is not simply a question of doing just between the injured and the person who inflicts the injury. It is also about doing justice to the society as a whole. And that is achieved when incidents of criminality, no matter how grave, are dealt with swiftly and we have said that they must set a target of six to nine months for all new cases that are murder and serious gun offences, while having the old backlog treated to as we go forward in the other courts.

Mr. Speaker, therefore, I believe that **these changes will make a huge difference between the time the person is indicted by the DPP and the eventual trial**. We have also provided support for the Barbados Police Service with respect to being able to strengthen their skills on an ongoing basis with the preparation of cases and with the initial case files that have to be done.

Sir, I am going further for us. I am also told, Sir, that on this matter of police training and let me say, that we asked the Commissioner to make sure that a Service which was established as a Force in 1835, almost 200 years ago, needs to modernise all its rules and all its systems. And to that extent, a former Deputy Commissioner of Police is being engaged along with others and **we have made requests of our friends in Canada and the UK and the United States of America to assist to modernise every aspect of the Police Service**.

We have also committed to the first time in 30 years in filling the entire establishment of the Barbados Police Service over the next two years. Young men and women, it is a good career opportunity. There are opportunities for training; there are opportunities for a career and we encourage all of us to encourage people in our communities to come forward to be able to be members of the Barbados Police Service. We know that there are some issues and that is why the

improvement in allowances, and I was the Attorney General when Flexible Responsibility Allowance was first introduced in this country.

So a person who help you then ain't gine turn around and not help you now? But let us also understand that we also have to maintain relativities across the system, and that is why the importance of the exercise to be undertaken in the Public Service shortly, **the regrading exercise which will take about two years, is so critical to us getting the right values in place.**

In addition, Sir, I am told that the training in police techniques and management but also in other areas that are of vital importance today, such as gender sensitively, believe you me, it is important; dealing with domestic partner violence, it is important; it can't just be brushed way. And anything like that we have to better be able to prepare and train our officers to be sensitive in those circumstances.

We have begun to deal with this training deficit at the **senior management level through an intensive emerging programme with the Durham Constabulary out of the United Kingdom.** That programme involves in-person training in Barbados, followed by a six-week stint with the Constabulary in Durham. And while invaluable, it is evident that we need to increase the training of all ranks of the Police Service and in a continuous, sustained way. That is why we have approached our friends in the United Kingdom, United States of America, and Canada to assist us to ensure that we can do *in situ* training in Barbados all year round and to allow us to train trainers and to allow you to make sure that we are in a position to continuously upgrade the quality of the Police Service in this country.

The fuller roll out of technology is also key and we have been supporting it. That is why our budgetary commitments to the police have increased from 2019 onwards because you cannot ask police to operate without the full use of technology. Once again, I know, I was Attorney General when we gave police the Motorola Project for \$26 million back in 2001.

As a result, we provided, since being in office, the police with over 700 handheld devices for use in day-to-day policing, with the intent that officers will transition completely away from the use of the old notebook to using the handheld devices.

We are also, Mr. Speaker, seeking to ensure that we buy transcription services from within the private sector to transcribe those statements that have been recorded to ensure greater efficiency within the Police Service, rather than having policemen take a long, long time in writing long hand statements and take away from their time to be effective in investigation and maintaining law and order.

Mr. Speaker, we have determined that more immediate support is generally needed, as I said, on the case movement of the cases and that is being done. So, Sir, let us work together because the police who keep us safe are our brothers and our sisters, our fathers and mothers, our uncles, our aunts, our friends, and they risk their lives when others are not prepared to do so. We salute you and we will continue to work with you.

NCD Epidemic

Mr. Speaker, how many times have you heard me say that Barbados got a diabetes epidemic? In a country where 80 per cent of our deaths are due to NCDs and 80 per cent of the population have risk factors, we have no choice but to take health incredibly seriously. We are going to give effect, Sir, to the Barbados School Nutrition Policy, which was completed and launched earlier, addressing the chronic use of high salt and sugar in our population. We know that these measures are known to be effective and therefore, last year, when I called for a working group to work on the sodium tax having established the sugar tax, it did not happen. I have asked now that this work be completed by September 30, and we will come back to the country with a policy.

I just came from Buenos Aires in Argentina and they do not have salt and pepper shakers on the table unless you ask for it. We're playing with our lives.

We're playing with our lives. The rate of diabetes in this country is simply too high and chronic NCDs, and I am committed also to work with the Ministry of Health and the population to do that which is necessary. That is why we have a Minister in charge also of chronic NCDs and wellness.

In addition to that, **Cabinet has agreed that trans fats, the elimination of industrially produced trans fats must take place no later than December.** And the new strategic plan for NCDs from 2023 to 2028 will be guiding us. The hosting of the Small Island Developing States High Level Ministerial Summit on NCDs will take place in Barbados this year.

One of the things that is not in the budget because I only just discussed it with the Minister of Health before coming into the Chamber. **There is a machine that allows you to put a monitor on your arm and to monitor your blood sugar. It alerts you when you're too high and when you're too low. And out of the excess that we have next week, we will make available to the Ministry of Health and the Queen Elizabeth Hospital the sum of \$2 million to buy those machines to give to their out-patients and to people who are on the welfare list. They cost \$300.00. No Barbadian should be risking worsening health conditions because of a failure to access a \$300.00 instrument. We will help those who can't afford it and encourage those who can to buy it so that they can monitor their diabetic state at all times.**

In relation to other matters of health and well-being, I told you the **new Geriatric Hospital, the ground was broken yesterday**; the continuation of the community health care programme will be done. We spoke and heard in the well of Parliament a commitment to provide the funding for \$130 million capital investment programme in the QEH which ought to cover its equipment needs for five years with most of the equipment being bought up front. And to that extent, I have said to them if they need to pull out the CT Scan machine and order it immediately because of the delays in procurement, do that. But this country must not be held to ransom because of a piece of equipment not working.

In addition, Sir, we all know that the other epidemic that we are facing in the world is the mental health epidemic. And part of it, more and more actually, is being related to social media as well as to the pandemic. In those circumstances, Sir, Barbados has established a new Mental Health Reform Commission and we look forward to the unfolding of the policies as well as the conversations that must happen in

families and in communities so as not to stigmatise people who may be having some form of anxiety, right back up to schizophrenia.

Bajan Identity and Culture Confidence, Sir. Sir, I warned you this was an entreaty for us to 2030. So those who can't watch it in whole, watch it in stages.

Active citizenship: What you are hearing this evening is not just the work of this team as I have said. This is the work of the town hall meetings we have had in the Parish Speaks that have involved all 29 constituencies and only St. Thomas remains.

I know very few other countries where leaders of Government sit down and listen and take questions in an unfiltered manner from its citizen. We do it because we understood that when you gave us the results that you gave us, not once but twice, that you expected us to behave and comport ourselves in a certain way. This opportunity has led us to also establish a form of citizen engagement that is new.

In effect, Sir, the Budget is as much a national response to our sustained and filtered engagement with ordinary Bajans, as it is an instrument for national economic development. When you hear me talk about the programme to purchase **equipment for small roads**, that is because of the people in St. John in Rubbing Shoulders, and in Parish Speaks making the point, and we responded.

Mr. Speaker, it is against that backdrop and I know, while the public has fallen in love with us and we with them, in any good relationship you got to continue to do what? To listen, to respond, to talk with each other, to be guided by your partner's wishes. What I am saying, Sir, that we don't claim to be omnipotent or omniscient and that's why even on the cyber security matter, I say come let we talk. We claim, however, to govern through continuous engagement with the people who we govern.

So, as I stand here today, I don't speak only as the leader of the Labour Party. I speak as Prime Minister, who has been at the behest of the citizens of this country, rubbing shoulders and listening with you all with Parish Speaks.

And the Department of Citizen Engagement now has four persons in it because they are responding. Every day I get mail; every day I get phone calls; every day I get e-mails from all over this country and from outside. And we do our best to follow-up and very shortly, we shall be ensuring that there is an appointment of a new ombudsman where the post has been vacant for the last few months.

Sir, **the recurring themes, you know them already, but this country's main thing was roads — roads, water, bridges, access to public services, drainage, garbage collection - not so much that, Accident and Emergency at the QEH and some specialised services like the ... knee and hip surgery which has started back, and also the reducing of the backlog in the cataract operations. This is what ordinary Bajans are interested in every day.** And our duty is to address it and to fix it and even if the problem is tall, we will take our time and chisel it away; chisel it away; chisel it away.

Sir, this country has 1,940 kilometres of roads and 2,500 kilometres of water mains. The British put down those mains when they had an empire, we have a country. Pick sense from that. **The maintenance of the dense roads and water infrastructure in a climate crisis will always put pressure on us.** And the fact that there was insufficient infrastructure maintenance - and don't talk about the bridges at all.

The Deputy Prime Minister, when she speaks, and the member for St. Andrew, when he speaks, will tell you how long bridges in this country have not been touched. In some instances, over 50 years. And we run the risk of having people cut off in their communities because we are cleaning up. I have come to call this Government Electrolux, a vacuum cleaner, clean up, clean up, clean up. The bottom line, Mr. Speaker, is that ... the absence of work in 10 years has placed greater challenges on our resources.

We must equally review our road engineering and other infrastructure standards because if you are having heavier rain fall in shorter periods of time, if you have

gutters and culverts at the same levels as they were before, they will not be able to handle the volume of water coming down.

Sir, in **this year we are providing \$126.4 million dollars in non-statutory expenditure for the Ministry of Public Works** and to ensure that the island's infrastructure and public transport are well maintained and serviced.

The largest chunk is for **road network services at \$70.8 million** and I have no doubt that if we get more room during the year, more will be applied because we are playing a catch-up game.

In addition, sir, I told you about **the CAF programme, the \$27 million. The people who live in Christ Church and those southern parts of St. Michael want to know about Highway 7. Highway 7 will be done in the same way that we started the first part of Highway 1.**

Phase One, I am told will be Rendezvous to the Independence Arch, and this artery I am told is only second to the ABC highway, in terms of traffic volume and has approximately 14,000 vehicle trips daily.

This corridor as you know is also the fulcrum of the south coast tourism product and therefore is urgent, just as we did with the others.

Barbados equally, Sir, has 135,000 vehicles on our roads. That is a “mobbaton” of vehicles. In keeping with our commitment to reduce carbon emissions by 2030, we will continue with the **electrification of the Transport Board fleet.** We are not satisfied with any distinction of being the largest operators of electric buses in the region. We haven't got where we need to get. And we have 49 now, **we have another 10 coming in August under the Smart Energy IDB programme, and we will look to purchase another 21 to bring it up to 80.** We will be talking and when we get to SOEs on mass transit authority, that will be the subject with the workers' representatives and others and to ensure that we can empower what effectively we inherited, which was already a Public Transport Sector that was largely privatised.

As it comes to the issue of water and drainage, we will continue the work on the five-tanks project which will increase water supply resilience and reduce overall outages

for customers in the areas of St. Andrew, St. Joseph, St. John, Christ Church, and generally the north of the island. The project is about 70 per cent complete and we anticipate its completion soon.

Sir, you know what it was to be told that most of your reservoirs will not withstand a category one hurricane? And that supporting over 20,000 people in Fort George or Lodge Hill would be cut out completely after a hurricane? This Government had to spend and find emergency money to stop that from becoming a calamity.

In addition, Sir, to an active mains replacement programme, which at the moment is currently concentrated in the north because of the brown water, **the Water Authority will be introducing and installing a filtration system at Allendale to assist in alleviating discoloured water problems, particularly for those people in the north - St. Lucy, St. Peter.**

Another frequent complaint related to delays and blockages is accessing basic responses and services from the government. I have already said the Water Authority cannot carry forward 7,800 unrepaired service lines every year. And we need to find a way to ensure that those numbers can come down significantly, and I have every confidence that under the new leadership of the Board, the Minister will be able to work with them to be able to ensure that we turn it around.

We have also entered conversations with the Kingdom of the Netherlands to work with us in a meaningful way because, as you know, the Netherlands has been one of the global leaders in water management over centuries.

Mr. Speaker, we are not asking anything complex of our citizens. We can do this. And we must do this. It is not that when I was growing up, we were taught the golden rule, to treat people how we want to be treated. To do unto others as would you have them do unto you. If we get these small things right, you could understand what 'bout here gine be like to live? And I call them small things, but they are large. They are large to the citizen. They may be small to the institution and we have to bridge that gap to make sure that the same way I go telling people internationally,

see people, hear people, feel people. I'm telling us locally, see people, hear people, feel people. Let us **respond to each other how we expect to be treated.**

We recognise that if we are going to be successful in Mission Transformation, then it means that you have to broaden the numbers of players in the mission. Not just labour, not just private sector, not just civil society, not just government. But there must be active citizenship. The people in the Orleans, the people up in St. Philip in Harlequin, the people all 'bout the place **in White Hill, who got the roads started today, the member for St. Andrew smiling from ear to ear after how many years? Promise made, promise delivered.**

Mr. Speaker, I started to talk to this country about it because if there is one thing I will leave public life in this country telling you, Bajans must work together, if we work together we secure the mission. We did it with Mission Critical, we did it with Mission Survival, we can do it with Mission Transformation.

And I say, Sir, that that training in the Public Service to improve productivity and in the Private Sector will be critical.

I told you about May 1, 2023, already, when we hope to come together as a nation and launch these missions and be reminded about them from St. Lucy to St. Philip, from St. James to St. John because that is fundamental. I told you about the charters for commitment. I told you about the road project, we have to build a Barbados for our young people. We must take care of our older people as I said in Golden Square two years ago. But we must build it for our young people so that they do not leave these shores. The prospect of a country that at 2050 can have one in every two people over 65 cannot work.

We must take care of our older people, as I said in Golden Square two years ago, but we must build it for our young people so that they do not leave these shores. The prospect of a country that at 2050, can have one in every two people over 65 cannot work, and that is why this Government is working harder than ever to reform every aspect of national and economic, social and economic endeavour.

Within two weeks or less, you will hear us address education reform. The Minister of

Education has been meeting with the social partners in her sector since August, and is ready. Cabinet has signed off on it. It will be rolled out shortly.

You already have the Child Protection Bill and the Child Justice Bill. We are also looking to be able to make sure that we can have population reform and immigration reform, because one in every two over 65, is a national security problem. And what we have is a declining and ageing population that must be arrested. It is all the hallmarks, mind you, of a developed country, while still being called a developing country, and we have to get it right. We have to reform the criminal justice system.

But the other area that we will reform is our social services. And that's why the Honourable Member for St. Michael South has come up with the one family initiative. And to give full tangible effect to our philosophical position, we believe that if you say to us that one out of every five families are below the poverty line, what does that mean? That four out of every five are above it. One nation under a groove. One nation under a mission. The people who are old in here will remember Funkadelics One Nation Under A Groove. The people like the younger members will ask me what I talking 'bout.

This **One Family Initiative**, Sir, aims to fundamentally change the way social services are delivered. And you know why this is special to me? In 2006, late 2006, early 2007, when the then Prime Minister established a social council, in fact the Member for St. Michael South was one of the public servants serving under me then when I chaired that. I recognised the talent in him then and made up my mind that I was going to court him and secure him at all costs; not like the others who want to court and secure him.

Suffice it to say, though, that this issue has taken too long to come to fruition in this nation, and we believe that this reform must be people-centred and not service-centred. It must be people-centred and not institutional-centred. That it is joined up service delivery. That person don't need childcare here and then you find out that they need welfare there and then you find out that they need training there or they need mental support services there, or polyclinic services here. They is one family.

When you feeling bad, you feeling bad, you ain't know whether it is your stomach that hurting you, your head that hurting you, it is stress. **You can't divide up human problems according to institutions.** Just like Gline Clarke reminded us that you can't legislate out of culture. You cannot divide human problems according to institutions and, therefore, I want to salute him for the work that is being done.

They have been meeting with the Member for The City before he left that Ministry, was working with him, is now working with him still from the long term perspective of how do you build social capital to bring about crime prevention? Still working on the same mission.

But David Thompson was correct, the former Prime Minister, that **this country must focus on families first**, and must focus on parental education. That's why as Minister of Education, the Member for St. Thomas and myself put money in PAREDOS for the first time. The child protection, the security treatment facility that I spoke to earlier, we have started the planning for it; we are not yet at a stage to allocate the resources for it, but we knew from when the Deputy Prime Minister was Minister of Education, that the schools indicated that there are some children that we are going to find a non-traditional approach to deal with. We have now settled the legislative framework; we must now settle the infrastructural framework for it to happen.

And I spoke to you about giving the **Community Life Coaching Programme**, which is about helping people in high risk communities with life coaches, parental coaches and a programme to support psychological counselling across 10 communities in the first instance. **\$2.5 million is being allocated** to that from the excess that we have next week, in order to make sure that we can get that programme off the ground. We need to have an engagement also with the commissioners to see how best we can fine-tune how they work with the communities with this programme.

Similarly, Mr. Speaker, the **National Disabilities Unit proposes to establish a sheltered workshop for people with disabilities on its compound.** The focused activities of the workshop would be to train people with disabilities in small engine repairs, specifically lawnmowers, weed wackers, blowers, along with the repairs of

wheelchairs and similar devices. There is already a workshop for the blind. Up to two weeks ago, I sent chairs to get caned that were mashed up and they've been doing that excellent work for decades. We want to make sure that we can create this other workshop to broaden the opportunities, and this comes on top of what we did in our amendments to the procurement legislation to allow Government to favour, through procurement, people with disabilities, just as we seek and want to favour people who are under 30 to have a portion of Government's procurement expenditure.

In the mission economy, you will hear more about that as we go forward.

How can we, Sir, not treat to **Empowerment and Enfranchisement** as a core platform? That is pillar No. 5. I said when we introduced a minimum wage in the middle of COVID, people said we were mad and it wasn't going to work, and look how the country still standing and people earning with dignity. That is a Labour Party for you.

In our continuing work to both promote and ensure decent work and to address some of the less undesirable practices that have been observed, this Government has moved to improve on a number of areas of labour legislation. We expect to receive shortly the Trade Union Recognition Bill that I announced last year. And I'll admit that there is a shortage of draughtsmen across the Commonwealth, and therefore that is hampering us in some respects, especially with the level of reform of acts coming out from Ministers and Ministries.

In addition, Sir, most recently, Chapter 349, I want you to listen to me very clearly. The Labour Clauses (Public Contracts) Act of 1952 legislation, passed by Sir Grantley Herbert Adams, when he was fighting some of the worst excesses of worker exploitation in this country, that legislation has now been occupying our attention because the public purse must not be used as an accomplice to worker disenfranchisement in this country.

Grantley Adams set that model. **Minister of Labour and others have recently engaged with representatives of employers and workers on inconsistencies in the construction industry, where some practices have developed that would**

cause your hair to stand up, on rates of pay and other terms and conditions of workers, that must be adhered to by organisations executing contracts paid for by the taxpayers of this country. Mr. Speaker, we've started with the construction industry, but we have not ended there.

The Schedule to the Act allows for the establishment of rates of pay and conditions of work for contractors and any subcontractors. Main contractors are responsible for the adherence to the established rates and conditions of their subcontractors. Those who are genuine or those who are forced to become subcontractors because they want to avoid their obligations as an employer.

Mr. Speaker, after consultations, rates and conditions have been established and communicated to the Ministry of Finance, Economic Affairs and Investment. These rates are subject to change as negotiations on a new collective agreement have subsequently been concluded with the industry. These rates include the amounts to be paid for persons in various occupations, including truck drivers, trades people, equipment operators, among others. **Implied in the provisions would be a role for the labour inspectorate, to ensure among other things: 1. compliance with hours of work; 2. overtime rates; 3. safety and health at work; and, 4. social security provisions.**

Mr. Speaker, **all ministries, departments and agencies must use these established rates and conditions when considering goods and tenders for government work.** The notion of people underbidding and unfairing workers to secure a contract must be put out to sea, never to return to shore again in this country. Grantley Adams set that tone.

A ministerial statement will shortly be given and I hope before the end of March on this matter.

On other matters relating to the enfranchisement of workers in the well of Parliament recently, when the Ministry of Tourism and International Transport was giving evidence, I indicated that **the Government's policy is to facilitate the expansion of Barbados as a major logistics hub**, which is our next platform. But I want to address it in the context of the enfranchisement of workers first. We believe that for

us to be that major logistics hub, we must anchor the ownership of our parent holding companies of the Grantley Adams Airport and the Bridgetown Port, in government workers and the National Insurance Board, if it agrees, the National Insurance Fund.

The work must start and be completed in the next year. The parent companies of both ports will then be free to participate in appropriate joint ventures with local and international parties, or indeed as in the case of the Grantley Adams International Airport, a management concession to be granted. We will talk more about that in the near future because we are in the process of concluding those sensitive discussions. Discussions are yet to commence with the workers and their representatives on this position as it relates to ownership in the ports. But once we engage them, we will update the public, as we said.

Mr. Speaker, we also will have the Ministry of Labour and People Empowerment unlock employment opportunities for persons with disabilities through the **First Jobs Initiative**. This will be an expansion of the original mandate given to them.

Mr. Speaker, we can't continue to ignore the cries. For Income Year 2023 the Personal Income Tax Allowance for pensioners in this country will be increased from 40,000 to \$45,000. When we made the Income Tax adjustments in 2019, we had not adjusted that, it was an omission, we are doing it now.

Similarly, Sir, we will be establishing a working committee. **We have a report now on reverse mortgages**. We will be establishing a working committee which will comprise the Ministry of Finance, Central Bank, and the commercial banks, other financial institutions and the Barbados Association of Retired Persons to implement recommendations for reverse mortgages in Barbados, **no later than January 2024**. This is an essential part of some families being able to unlock equity in their properties and their clear measurements of risk that have to be maintained and adhered to. We are going to do this in a surefooted way, but we shall do it.

And then, Mr. Speaker, we will have an introduction of a **Management Trainee Initiative**, that I'll speak to more in the public service, to facilitate the mentoring of a cadre of young people being prepared for leadership and management.

Sir, in indicating what opportunities there are for worker enfranchisement, I indicated that it was the desire to make **Barbados a global logistics hub** of choice. Our geography gives us that natural advantage, and whereas others used it for centuries for nefarious purposes, we must now use it for our growth and our development.

We will promote and facilitate, as I said the introduction of a **dedicated incentive regime for film production**. I will identify the summary of these incentives in the summary of the Budgetary proposal at the end.

I indicated earlier that we will also have a **47 per cent reduction in taxes for CARICOM travel of \$37.50 being reduced to \$20.00**, effective, I said the 15th of June, it should have been the 1st of July, because they've indicated that it will be a little tight to get the three months by the 15th of June. So it will be the 1st of July to the 14th of December. We anticipate the cost of that will be \$2.2 million.

Mr. Speaker, let me come to the issue of Customs, which is critical to dealing with our place as a logistics hub. As you know, the Customs and Excise Department of Barbados has been undergoing a significant change. We enacted a New Customs Act in 2021 and the new initiatives under the umbrella of the BERT Programme to modernise processes and systems, as well as provide improved trade facilitation measures, to support this country's trade and investment agenda being followed.

Sir, the bottom line is, when we came to Government, Customs was Hollywood, and we have had to literally work from the ground floor trying to rebuild it and bring it to a state where it can be one of the best Customs Departments in this hemisphere. We've had help from CARTAC; we've had help from the Canadians. We are not over; we have not gotten where we want to get. I had a long meeting with them as recent as when it was? Two Fridays ago when we were trying to deal with issues of overtime and the fact that private sector companies are utilising them for overtime, but not making any prepayments, so workers are left out to sea. We need to do better.

Similarly, Sir, we know also that the Government is of the view that many of the concessions that have been granted under the duties, taxes and other payments, Order Chapter 67B, should cease being a conferment of a concession, but must now become the establishment of a contractual engagement. You say you want a tax concession; you say you are going to provide X jobs and Y foreign exchange and Z technical transfer know how, well then stand by it. Offer, Government accepts; consideration, you deliver and there is a timeframe within which the concessions must be delivered.

Mr. Speaker, we cannot continue to have these tax concessions, and I'll come to some of the numbers soon being given as a conferment, and people not necessarily adhering to the particular rules.

In addition, Sir, for it is a misuse and abuse we know in duty-free shopping procedures. Sales to bona fide travellers and alcohol and tobacco are controlled according to best practice, by delivery to the place of embarkation under Customs control. Other goods such as household appliances and clothing are sold directly to the customer from the shop, often without sufficient rigour in ensuring that the customer is not a resident, or that the person is a bona fide tourist.

There has been a deliberate disregard to the purchaser's status. The truth is that you can't live and let live all the time so. You have to be able to start to adhere to some of the rules. And the Member for Christ Church East Central has been adamant in my ear on trying to make sure that these things are resolved.

These situations create opportunities for significant revenue losses. You know how much they are, Sir? And since 2018? Tax expenditure constituted \$769 million, \$769.9 million. In 2022, \$753.9 million. Mr. Speaker, it is simply unsustainable. And what it means is that too few people are left carrying the bag.

Sir, we have to do better, and to remedy this, my Government proposes the following to be able to start from the next fiscal year. **All ministries and agencies with delegated authority to grant concessions, in collaboration with Customs, will conduct audits. This does not mean that we will not agree with the Barbados**

Hotel and Tourism Association to facilitate legitimate processing, but that legitimate processing will still be subject to audits, as will other government departments.

We will also ensure that **persons who are benefitting are compliant with the Barbados Revenue Authority, the National Insurance Scheme, Corporate Affairs and any other relevant labour laws, by the end of June of this year.**

Entities not in compliance will be given three months within which to become compliant.

If after the initial three-month period the entity is still not compliant, then the entity will be required to pay 50 per cent of any existing concession for a six-month period.

And if after that the entity is still being non-compliant after nine months, then the concession will be revoked. There can be no fairer opportunity for people to do the right thing by giving them an opportunity to get themselves in good form and if they don't, you pay a little something and it will still be recalcitrant, well, you got to lose it.

For entities that have benefitted from one-off concessions or those involved in manufacturing or agriculture, the provision and production of export data will be required in order to assess overall compliance. As I said, for tourism related entities, proof of their foreign exchange earnings being brought into the system will be a key feature of compliance. We cannot have the country suffer from not receiving the foreign exchange, but at the same time losing the tax dollar because you were supposed to create jobs and bring in foreign exchange.

Mr. Speaker, **Customs will initiate reregistration of the warehouse and duty-free shopping sector on a rolling three-year cycle.** And further queries can be made to the Minister in the Ministry of Finance for more details as to how this will be done.

Customs will also conduct field audits of the warehouse and duty-free shopping sector. And based on recent public comments, it is clear that others on the other side in Government also know that we have to deal with this matter. I told you already that **Government can't only be about increasing taxes and laying off people.** We have to take a different tack, and we will therefore conduct post clearance audits in collaboration with delegated authorities, of the exception regime,

to **reduce the tax expenditures over the next two years, which are now \$750 million, to reduce it at least by \$150 million.** But we start slow this year, expecting at least \$30 million in this first year, while we take to get this system off the ground.

Similarly, Sir, **effective the 1st of April of this year, all entities receiving concessions will be required to participate in business surveys conducted by the Barbados Statistical Service and the Central Bank of Barbados,** to better measure economic activity. And why? We ain't trying to humbug people, but if you don't give us the data, we can't measure the volume of economic activity in this country, and if we underestimate GDP, it means that our debt to GDP will be higher, which means that the cost of borrowing is higher.

So help us with the simple things. Fill out the forms and submit them. And when you do that, in any event, the student service and the international agencies are seeking to remeasure the Barbados economy now, because we genuinely believe that there is still some understatement as to what our true GDP is. The last time it was remeasured was in 2010 under Prime Minister Thompson.

There will also, Sir, be the introduction of an **Omnibus Financial Guarantee for warehouse and duty-free shop operators to protect duty liability.** This will lower their cost of doing business. And, Sir, as with Customs, **the Government now will introduce transfer pricing legislation in the coming financial year, and this will allow the Barbados Revenue Authority to safeguard inappropriate tax practices within corporate groups and multi national companies.**

Mr. Speaker, the Ministry of Finance is currently reviewing the draft Customs Regulations that will support this new Act and is aimed at providing improving compliance and further facilitating business in this country. **During the coming, fiscal year, warehouse and duty-free shop operators, as I said, will by required also to install customised warehouse and inventory management software in order for Customs to better manage and monitor the operations within this sector.**

Sir, in 2018, one of the observations of the earlier mission of Customs was the absence of a data culture in the department. What gets measured gets done. We all know that. Though there has been some improvement since the introduction of ASYCUDA World, it needs to be further developed. To enhance the development of a strong data culture within the department, the Ministry of Finance and Customs Department will work with the Shridath Ramphal Centre to provide a Masters in International Trade Policy degree programme at The University of the West Indies, to sponsor six talented Barbadians over the next two years to constitute a data analytics, Research and Policy Unit within the Customs Department.

We are sending the signal to all players; data matters. More broadly, we will establish an MOU with that Centre to conduct ongoing research to support our international trade facilitation agenda and to build greater capacity within the Ministry of Finance, as well as the Ministry of Foreign Affairs and Foreign Trade.

In February, Customs held stakeholders' consultations this year on draft Regulations and on a new 2022 Customs Tariff. These recommendations, I'm told, have been accepted and it is expected, therefore, that the new Customs Tariff will take place from the 1st of April 2023.

Mr. Speaker, I've spoken about the opportunity to get more people working through increased numbers of BPOs - Business Profession Organisations - operating in this country. The truth is, Invest Barbados has extended its engagement with several significant international companies to establish operations in Barbados. As a result, **Invest Barbados and Export Barbados will be building out part of the Newton Industrial Park as a future home for BPO activities with turn key facilities for these industries.** We know that a number of our people in this country rely on these BPOs as a perfect opportunity for employment.

And I'm aware that Invest Barbados is currently in advanced stages with a **major BPO operator**, who has several regional and international operations, and **is targeting the last quarter of 2023 to start up operations here. Once up and running, this will start with a minimum of 100 jobs** in Barbados.

The seventh pillar, Mr. Speaker, **Building A Smarter Society** in Government, (**Reform of The State Owned Enterprises**). I told you at the beginning, Sir, that this will be a major plank of the Government's work on reform. We have been talking about this since 2010. SOEs were really created for the purpose of more efficient and effective delivery of critical important public services. Instead, they have grown to now represent the opposite of what we expected, and this is not just Barbados, from Jamaica and Bahamas, right back down to Guyana and Suriname. From Barbados to Belize, the example of SOEs in the post-Independence era has been regrettably not the shining example that it was intended to be.

Delivering clean water to every household, getting to Bajans around this country in a timely and safe manner, ensuring that every Bajan receives the health services and their garbage is collected routinely, are all dependent on us getting these SOEs right. I've said enough to let you know that we are not going to be a hostage to fortune and that we will embrace our future, but we will do right by our people.

This is the Government that gave two wage increases in 10 years. This is the Government that increased allowances. This is the Government that put a minimum wage in place.... This is the Government that continues to see people first. But if your toe is sore and you are diabetic, you can't keep it because you run the risk of losing the whole foot and if you lose the foot, and you don't do it then, you might lose the leg or you might get sepsis. We are going to have to make some difficult decisions. But in every instance, we are going to find ways to cushion people and to make sure that in most instances their packages are appropriate and there are opportunities for reengagement are available where we can find that.

We gine talk through these steps, Mr. Speaker. For the year ending March '22, commercial SOEs generated in this country, and we had to pause, remember we had the poll back in 2018 as to which ones were essential, which ones were highly desirable, which ones were optional.

The year ending March '22, when we had to pause, the commercial State Owned Enterprises in Barbados generated losses of \$402 million before the government subsidies of \$383 million. For the corresponding period in the previous year, the losses were at \$470 million, before the government subsidies of \$325 million.

For the same period ending March 2022, the non-commercial State Owned Enterprises generated losses of \$127 million before subsidies of \$155 million, compared to losses of \$152 million in the previous fiscal year. Government subsidies decreased moderately from \$171 million to \$155 million.

The SOEs must be revamped to give Government and the public greater value for money. It has been done before and we are in favour of giving our people a stake in these entities, where appropriate, and empowering them to help themselves and their families through the delivery of services as a major plank of this reform.

Smart Government also means recognising that we have to make the public sector ready again to be one of the most competitive advantages of Barbados' brand. It is against this backdrop, Mr. Speaker, that **this Government will commence a Management Trainee Initiative offering contracts to young professionals between the ages of 25 years old and 35 years old, to enhance their professional careers and to gain vital work experience in the public service, while also contributing directly to the country's development thrust to become world-class by 2030.** This will not only generate jobs for young people, but it will enhance their skills, their competencies and creativity, and all of this is required for an efficient public service.

The initiative will take the form of a two-year full time paid work programme, where trainees will be paid a monthly salary of \$6,000, just at the top of the Z1 scale, and be trained to prepare ultimately for senior leadership roles within the public service. And why in the Public Service, Sir?

The reality, as I said, that this is what made us competitive in the past. The Government — I end where I started — must re-prioritise the building of skills, if we are going to be able to become world-class and we must find, develop and empower

our young people with high quality skills, and give them an opportunity to grow, to lead and to contribute.

Yes, young people, we have heard you loud and clear. We have Future Barbados; we are doing this now; you want the opportunity to contribute to our country moving forward. And I have to say, I came to public office in the Senate at 25; I came to Cabinet at the age of 28; I came to be an Attorney General at the age of 36; I came to be a Deputy Prime Minister in this country at 38; a Leader of the Opposition at 42. I cannot be that person, therefore, that leads a Government that does not see, feel or hear young people, and we will accommodate you in every respect. But you must give back, from nursery to tertiary.

Sir, the **Government of Barbados now pays more than \$70 million a year in rent for government buildings**. Anybody who has heard me speak will know that rent is dead money. From the time it leaves your pocket, it is dead. **We will be advertising for three Public Private Partnerships, including the first major addition to Government Headquarters in over 50 years**, to reduce the \$70 million rental.

At the end of 25 or 30 years, the building will belong to the children and grandchildren of people of this country, so that they start with something rather than having to start with nothing. Bottom line is, Sir, there is no headquarters for the Treasury, there is no headquarters for the Barbados Revenue Authority, and there are a number of other agencies. We will pay the same money, not as rent, but as a contribution to a PPP, which will bring ownership to us.

Similarly, the Deputy Prime Minister has advised that the **cashless system for the Transport Board is being introduced this year** and we hope that the other public sector vehicles will soon embrace it, especially the TAP programme, so as to ensure that there will be greater security and greater efficiency in the public transport system.

Mr. Speaker, in today's world, Government must be in a position to use data to drive sound policy making. And as I said earlier, we are going to have to ensure that we

make provision to be able to have access to data from private sector entities, but **it is our intention to establish**, and I want to thank both the Member for Christ Church East Central and the member for St. Michael South Central and the **independent Data and Analytics Authority** that will bring together our statistics and our data, and the member for St. Michael West Central. If you cannot manage big data, if you cannot manage the data, we cannot have good policy making.

Similarly, Sir, I want to ensure that we continue to use the trust loans scheme to empower Barbadians.

We had to pause for obvious reasons. The scale of the funding; we also saw some increased noncompliance and that has dropped again, or I should put it the other way, that there is greater compliance since COVID has gone with the loans, but we must continue to take a chance, a first chance on Bajans that other people don't take a chance on. And the reason why it is called Trust Fund is because we are trusting you. We want to reposition this in a way that the Student Loans Scheme was also established, to further empower Bajans.

Barbados must evolve into being a leading start-up nation for small economies in the world and definitely in Caribbean.

I propose that we review aspects of the Trust Loans Fund, and to see whether there is not a way to mimic aspects of the Student Revolving Loan Fund by providing Barbadians start-up capital, that is patient capital, while they grow.

In other words, **you pay no interest, 0 per cent interest for the first three years**, and then we can then focus solely on growing the businesses without diluting the early stage funding with debt repayments. We need to meet with the Small Business Association and the other interested parties to refine this proposal and it will lie somewhere between the Trust Fund and Fund Access, but this country must be forgiving and must give people a first chance to be able to build enterprise in this country.

The Fund also will facilitate early stage startups with a start-up accelerator in order to receive funding up to a maximum of \$25,000, with that repayment grace period of three years, that I just talked to you about for the venture to be able to go. This will serve as perceived funding to help the company validate its business model and be placed in a stronger position to accept our engaged investors later in its development.

Mr. Speaker, there is also an overall push towards a new initiative in the Ministry of Business called **'Scale Up' Barbados**, which is **focusing on Barbados' business environment. Preparing an average of 50 companies for investment and 100 companies both in goods and services for export**, included within the region.

'Scale up' Barbados will provide a critical pipeline for Export Barbados, and utilise our foreign trade partnerships. The eligibility criteria will be made clear by the relevant Ministry. The businesses will range from early stage ventures fed by the same Trust Loans to existing export businesses in key sectors.

Sir, we have to expect to earn our way and one of the things I hope will happen by 2030 is that instead of only measuring Gross GDP that we will start to measure Gross National Income as well, not just Gross Domestic Product, because we must start to measure not only what we produce locally but what we export as well and what we are earning from, as a small island that can be literally flattened by a hurricane.

It matters what we can earn from outside and not only what we earn internally.

Mr. Speaker, in the distributor sectors, large businesses will be encouraged to help small businesses with growth potential, a scale by providing shelf space in their retail and distribution channels for locally made goods.

If we don't have a ticket, you don't have a chance. If you don't put the goods 'pon the shelf, how the people gine buy them? **So we have to be able to buy Bajan, support Bajan, buy CARICOM, support CARICOM.**

Mr. Speaker, for the avoidance of doubt, let me let me go through these **full budgetary measures:**

1. Reduction in the principal owed to the Barbados Water Authority and the Queen Elizabeth Hospital by 25%, conditioned on full payment of outstanding debts between March 15 and September 15, 2023.
2. Effective April 1, 2023 Government will reinstate the dollar amount of VAT payable on gasoline, which is capped at 47 cents per litre for six months.
3. Effective April 1, 2023 Government will reinstate the dollar amount of VAT payable on diesel which is capped at 37 cents per litre for six months.
4. Introduction of Transfer Pricing Legislation in the coming financial year.
5. Establishment of a Unit Trust Corporation to mobilise private savings.
6. Introduction of a dedicated incentive regime for Film Production as follows:-
 - a. 25 per cent transferable tax credit on eligible expenses directly related to the preproduction, production & post-production of their films, which include all local costs and foreign cast and crew if paid via a Barbadian Production Company.
 - b. Suppliers such as studios and film equipment rentals that are registered as exclusive film providers are exempt from Value Added Tax.
 - c. Eligible expenses include both above-the-line and below-the-line expenses, with the exception of distribution and marketing costs, finance costs and bank charges, and completion bonds and foreign insurance policies. Payments to foreign cast and crew, if made via a Barbadian company, are subject to only 1% Withholding Tax.
 - d. The requirements are
 - i. Single Shooting Permit issued by the Film Commissioner.
 - ii. Minimum spend in the country of USD\$500,000.
 - iii. A signed production services agreement with a local production services company.
 - iv. Contracting legal, accounting and auditing services from pre-approved firms in Barbados.

- v. A local general liability insurance.
 - vi. At least 15 per cent of the total crew and cast members must be Barbadian nationals or residents.
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7. Establishment of a \$2 million Revolving Fund at the Barbados Agricultural Society to provide small loans to assist livestock farmers to engage in sustainable farming practices.
 8. Reduction of the Air Travel and Tourism Development fee for CARICOM travel by 47 per cent (from \$37.50 to \$20) effective July 1, 2023 until December 14, 2023. Cost \$2.2 million.
 9. Provision of \$5 million to BTMI before the end of fiscal year 2022-23 to supplement the resuscitation of Air travel especially in the summer months for 2023 and 2024.
 10. New 2022 Customs Tariff to be laid in Parliament and to take effect April 1, 2023.
 11. Customs to initiate re-registration of the warehouse and duty-free shopping sector on a rolling three-year cycle.
 12. Customs to conduct field audits of the warehouse and duty-free shopping sector.
 13. Customs to conduct audits in collaboration with delegated authorities of the exemption regime to reduce tax expenditures by a minimum of 20 per cent of \$150 million over the next two fiscal years - in the first instance by \$30 million (4 per cent) during FY 2023/2024.
 14. Effective April 1, 2023 all entities receiving concessions will be required to participate in the business surveys conducted by the Barbados Statistical Service, Ministry of Labour and the Central Bank of Barbados to better measure all economic activity.
 15. Introduction of *Omnibus Financial Guarantee* for warehouse and duty-free shop operators to protect duty liability which will lower the cost of doing business upon successful re-registration.
 16. Establishment of a \$3 million low-interest Revolving Fund at the Fund Access for the acquisition of or conversion to electric, plugin hybrid, CNG or Solar Powered passenger vehicles for the PSV sector.

17. Effective April 1, 2023, introduction of \$25,000 loan limit for postal workers to acquire electric motor cycles.
18. Extension of the Excise Tax and VAT holiday on the purchase of electric vehicles by an additional two years until March 31, 2026.
19. Effective April 1, 2023, inclusion of nurses in the schedule for Public Officers Loan and Travelling Allowances.
20. Ministries of Labour and People Empowerment to unlock employment opportunities for persons with disabilities through the First Jobs Initiative.
21. Government to provide \$20 million capitalisation of the Blue Green Bank in collaboration with the Green Climate Fund and USAID.
22. Effective April 1, 2023 diversion of 50 per cent of unclaimed and undistributed assets from the Consolidated Fund and escheat funds from the Central Bank of Barbados into the Barbados Environmental and Sustainability Fund to support marine conservation efforts.
23. Government to initiate a partial principal repayment of \$74.8 million to be made no later than April 30, 2023 to those eligible 5,407 individual bondholders of Series B Bonds, on the register as at March 31, 2023, who would receive a principal repayment of up to \$17, 500 each.
24. Government will restart capital market operations with the introduction of new instruments such as Reverse Auctions and a Bonds-on-demand facility at commercial banks authorised to sell securities to the public.
25. For income year 2023, the personal income tax allowance for pensioners is increased from \$40,000 to \$45,000.
26. Government to establish a Working Committee to implement Reverse Mortgages by January 1, 2024.
27. Establishment of the National Strategic Council, Fiscal Council and the Growth Council to improve governance; accountability with respect to fiscal affairs; and to ensure sustainable and inclusive growth.
28. Government to issue RFP to enter into PPP arrangement for three Government Buildings at Warrens to reduce the \$70 million annual rental bill.
29. Introduction of the Management Trainee Initiative for the Public service.
30. Establish a working committee on the social partnership to implement a 24-hour economy.

31. Provision of \$9.6 million to the National Sports Council in FY2022-2033 for the creation of 17 mini-stadia across Barbados.
32. Provision of \$3 million to National Sports Council for support of community sporting programmes via the National Federations in FY2022-2023.
33. Creation of posts of Life Coaches, Parental Coaches and a programme to support psychological counselling across 10 communities that are most challenged in the first instance. A budget of \$2.5 million will be allocated to this measure.
34. Establishment of a \$2 million fund at Barbados Industrial Development Corporation/Export Barbados to support the fashion industry
35. Provision of \$600,000 annually to support the introduction of a National Strings Programme in the 68 public primary schools.

Mr. Speaker, you have not heard me address the **Global Minimum Corporate Tax**. Not because we are not ready or started the consultations, but we are deep in them with the Barbados Revenue Authority speaking to the entities that are located here and there is still much evolving on both sides of the Atlantic and I anticipate **we will come back to the country within six months on this issue**.

Similarly, you would have seen that the Barbados Revenue Authority has taken steps to ensure that it is able to work with Bajans without forcing Bajans to go to banks and credit unions to enter arrangements to help pay down the sums that you owe. We feel it; we hear you. But equally if we are going to sustain a safe, healthy, prosperous country, everybody must play their part.

The work of transformation, Sir, will challenge us to be our best selves. I've said it. We will not always get it right the first time. I want to repeat myself. I want to repeat myself for the little child in Jordan, St. George. I want to repeat myself for the little child in Black Rock or Bush Hall. I want to repeat myself for the one in Ivy or Licorish Village because we ain't forget you and Belle View and Belle, as I heard you say in here the other day. Not you, Mr. Speaker, I meant the other person who talks these matters.

We ain't forget you, because what the member when he spoke forgot to tell this Honourable Chamber was that in 1999, the day before elections when ... The Right Honourable Owen Arthur, of blessed memory, was walking in Licorish Village and the then late Joseph Tudor, of blessed memory too, but then of Democratic Labour Party memory, when the two of them bounced up in one of another, I was holding the hand of the member for St. Michael East when **we made the commitment that we will deal with them fairly with respect to the squatting and the access to water.**

Mr. Speaker, my evening word is my morning word; my morning word is my evening word. Stand and wait for it. I tell the people, give me the vote and watch me. I tell you, give me the time and watch me. The Deputy Prime Minister has been instructed that that must happen in Belle View, in the Belle, in Bailey Ally. How do you live next to a reservoir in Golden Ridge and don't got water for decades and nobody in this country ain't see nothing wrong with it? Well, this Government see something wrong with it and will correct it.

And when we done, because we can't do all at once, when we done and my dear, Mr. Speaker, we are looking for the money because **how do you live in Chapman Lane, next to the sewage system and don't be connected to it?** Mr. Speaker, that is a colonial mentality that cannot be part of the new republic and when we ask our people to be active citizens, we must rise to the occasion to also get to them.

Mr. Speaker, this Government will change how it does business. When I talked about the reform, I didn't mention just now the **Parliamentary Commission or the Constitutional Reform Commission.** And you shouldn't call names in here but the **Thorne Commission, the People's Assemblies** that I expect to become live and direct with the assistance of the Honourable Member for St. Michael South and the Honourable Member for St. Joseph who is the Senior Minister in charge of Governance.

In the same way that **from April in the new financial year, we expect that the three sub-committees, standing committees on Governance, on social and**

environmental matters and on economic matters will come to start sitting to allow Bajans to have a greater say from next month in all legislation coming to this Honourable Chamber.

So, Mr. Speaker, when I talk to these little children and these young people in these different districts of Barbados, I want you to know — you see all of us, we don't always get it right on the first occasion. You see Gary Sobers, I sure he ain't get it right on the first occasion but it is practice and commitment and willingness to stay the course.

Indeed, Sir, in our darkest days of restrictive movement and ash fall in this country, I chose to share with the people of Barbados a song that was keeping me buoyant in those dark days. I chose to share with you the words of the great Black Stalin, now of blessed memory, "We can make it if we try". And this is what helped me through these dark days and many of our people here.

They still apply on this journey of Mission Transformation. We will not always get it right; we may even fumble but to fumble is to be human. I'm not sure what "to Freudel" is, but we must get back up.

In demonstrating that we are equal to the task, I say to you, Mr. Speaker, look at what we are, and who brought us here; look at where we were born; look at what we've accomplished, look at what a small island state with limited resources has accomplished; look to the legacy of our leaders and in particular, ordinary people and equally our National Heroes.

Barbados today has two living National Heroes, both represent Bajan excellence, both born within a mile of Bridgetown. One in the Bayland and one living, if not born in Westbury Road. The Right Excellent Sir Garfield Sobers embodies the finest of Barbadian traditions. Indeed, when the Senior Minister and myself met with the President Nominee of the World Bank on Saturday morning, when he came to see us at Heathrow, when we were in transit, he could not help speaking about Sir Gary Sobers and then reminded us of Bishan Bailey and Sunil Gasvaskar, at which point I tried to sing, "Gasvaskar, The Real Master".

Sir Gary's example showed us that we were the equals of former colonisers and what we could achieve as a people when the country was defining itself as a newly independent nation.

The Right Excellent Robyn Rihanna Fenty, is an example of how, despite the competition, the personality, the discipline, the creativity and the drive of the modern Bajan can define and indeed dominate the world stage today. You saw her Sunday night? You saw her Sunday night! More than anything else, her successes clearly show the capability of Barbadians to enter and to transform a global space and there are more young people coming behind the two of them. We see it with Zane Maloney in motor sports. We see it with others who distinguish themselves. I want to commend the living examples of these two national heroes to the young people of our nation and to all of us and to remind each of us that we were nurtured in the same country by the same values as these two living national heroes.

Mr. Speaker, Sir, from Mission Critical to Mission Survival to Mission Transformation. All Barbadians need to get on board so that we can say in seven years' time — Mission Accomplished. Upward and onward, Bajan excellence. Upward and onward we shall always go. Bajan excellence 2030. It is to each and every Barbadian that this charge is now given.

Mr. Speaker, I beg to move that this Appropriation Bill be now read a second time.