



BUILDING OUR INFRASTRUCTURE FOR A RESILIENT ECONOMY

2024/2025 BUDGET ADDRESS
TUESDAY 23RD APRIL, 2024



Hon. Philip J. Pierre
Prime Minister

opmsaintlucia.lc

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Section 1: Introduction

Mr. Speaker, as I present my 2024/25 Budget Address, I am honoured and gratified to be leading this country with the support of a dedicated team of men and women through a third budget cycle for this session of Parliament as the Minister for Finance. Mr. Speaker, I am encouraged by the overwhelming support of Saint Lucians at home and in the diaspora. This support has kept me focused and purpose-driven in dispatching my responsibilities to the people of Saint Lucia.

Mr. Speaker, my address contains reflections on my government's performance since assuming office a little over two and half years ago and its plans for the ensuing year. As has always been the case, our plans are rooted in the principles of accountability, transparency, truth, and integrity, the cornerstones of credible, trustworthy democratic institutions and governments.

Mr. Speaker, our task in building a better Saint Lucia has been made a little more challenging when the virtue of truth and its value in enabling public enlightenment and human upliftment seem to be totally lost on some individuals who wish to lead this country. Sadly, they shamelessly believe and avow that the truth is whatever you deem it to be and not what it is. By their belief and public pronouncements, they have demonstrated contempt and disrespect for the citizens of our country. It is their way of saying that the citizens of Saint Lucia do not deserve to know the truth. We must, therefore, as a government, fight this disrespect and contempt for the citizens of this country wherever and whenever it is manifested.

And so, Mr. Speaker, for our part, my government will continue to demonstrate its commitment to provide a truthful account of its stewardship to the people of Saint Lucia.

Mr. Speaker, the country's finances have improved significantly since July 26, 2021. Fiscal prudence and financial responsibility have returned to the management of our finances. Our

economy has emerged from the downward spiral that once threatened to destroy our economic prosperity. The economic indicators have returned to, and in some cases have surpassed pre-COVID-19 levels. Investor confidence and trust in the Saint Lucian economy have returned with new investments in tourism, ports infrastructure, manufacturing, and the blue economy.

Mr. Speaker, you can feel the positive change in the economy despite the challenges of inflationary pressures and the troubling crime situation. The positive changing economic landscape permeates the atmosphere as citizens go about their daily lives. Our social and economic policies have shielded the population from the full impact of inflation while providing new job opportunities for those seeking work, especially the youth and women. In addition to facilitating new job opportunities, we have purposefully supported the less fortunate and marginalised.

Section 2: Our Record

Mr. Speaker, my government has undertaken a series of initiatives that have already transformed the social and economic landscape of this country. As a precondition for reshaping the country, we have stabilised the finances of the country and placed the public debt on a sustainable path.

We have:

Established the Youth Economy.

Re-energised and re-positioned the tourism sector.

Expanded educational opportunities and scholarships for students, in keeping with our one university per household.

Provided tangible support to teachers, parents, public officers, farmers, fishers, pensioners, micro, small and medium-sized businesses.

Created employment for sportsmen through the semi-professional football league.

Improved the ease of doing business environment.

Expanded health care access for the elderly, pregnant mothers, diabetic and high blood pressure patients.

Equipped law enforcement with the appropriate training and operational equipment to combat crime.

Enhanced the protection of our national patrimony and the environment.

Advanced the digital transformation of government services.

Implemented tax reforms and tax amnesty to citizens and businesses and

Improved the tax refund processes.

Mr. Speaker, the people-centric policies of this government under the mantra: Putting People First- are well rooted in our philosophical belief in social justice and wealth creation. These principles, along with good governance, will continue to guide the thinking, actions, and developmental thrust of this government. We believe no one should be left behind, especially the less fortunate and marginalised, while our country advances toward greater economic prosperity. We will continue to deliver on our 2021-26 Party Manifesto promises to the people of Saint Lucia.

During my Statement on the Estimates for Revenue and Expenditure, I emphasised that this 2024/25 Budget aims to establish a strong foundation for sustainable economic growth. The investments and employment opportunities that will be provided across all major sectors of the economy will bring real hope to the people. We will continue to build upon our previous successes, which have resulted in impressive economic growth rates of 11.5%, 20%, and 2.2% in GDP, after a contraction of over 24.5% in 2020.

Mr. Speaker, permit me to place the 2024-2025 Budget in its proper context by presenting our scorecard on the last (2) two Budgets, and the reasons for our optimistic outlook. Here are some of the highlights of our numerous achievements:

1. Unemployment was reduced to 14%, the lowest level in 16 years. Serious inroads into youth unemployment were achieved and remained committed to its reduction as the Youth Economy builds momentum.
2. We provided over 11,700 new laptops to our students, putting us on track to provide every Saint Lucian student in a secondary school with a laptop under our one laptop per child policy.
3. We have reinvested heavily in TVET education and certification to close the gap between skills and jobs available in the private sector.
4. We introduced the highly anticipated Universal Health Care campaign (UHC), which offers senior citizens free medical care at hospitals and wellness centres across the island, as well as prenatal and postnatal care to mothers.
5. On August 02, 2023, we removed the 12.5% Value Added Tax on medical equipment for two years to incentivise medical practitioners to procure medical equipment and to reduce the cost of medical examinations.

6. We launched the 80- Plus Health Care programme in July 2023, which gives access to a package of free medical services at community wellness centres to persons 80 years and older. These services include prescription drugs, annual hearing tests, and access to the services at the Cuban Eye Clinic.
7. Since November 1, 2022, we continue to make significant progress on the reconstruction of the St Jude Hospital. We secured US\$75 million from the Saudi Arabian Development Fund to complete the Hospital and the rehabilitation of the George Odlum Stadium.
8. We launched the Micro, Small, and Medium-sized Enterprises (MSME) Loan-Grant Facility for \$10 million to support the post-COVID pandemic recovery and growth of the MSME sector.
9. In March of 2023, we paid \$11.5 million in outstanding back-pay to public servants.
10. We facilitated access to finance the operations of Millennium Heights Medical Complex in the amount of \$23.05 million, we paid \$11.5 million in August last year to honour commitments made by the last administration to Health City Cayman for medical consultancy fees.
11. We injected \$1 million into the re-instated Distress Fund to bring relief to fire victims with uninsured homes.

12. July 2023, we removed the 12.5% Value Added Tax on selected building materials, which included plywood, lumber, cement, galvanize and solar PV systems for a two-year period, to encourage home improvements.
13. In October 2023, we secured funding of \$26 million for the Saint Lucia Fire Service to procure new ambulances and fire appliances and for the reconfiguration of Fire Service administrative and training facilities.
14. In August 2023, we paid an additional \$600.00 to teachers for classroom materials which brought the allowance to \$1,400.00 per year.
15. We secured additional financing of \$20.5 million to support the Youth Economy Agency (YEA), which provides funding for an additional 3,000 young Saint Lucians to assist them in turning their talents, skills, and hobbies into viable business enterprises.
16. In August 2023, we secured a landmark development with Global Port Holdings (GPH) to develop the cruise infrastructure of Port Castries and Port Soufriere.
17. In May 2023, Saint Lucia became the fifth Member State of the Caribbean Community to accede to the Appellate Jurisdiction of the Caribbean Court of Justice (CCJ), making access to justice for our citizens more accessible and affordable.

18. We have commenced construction of the new Custody Suites to facilitate the police in crime fighting, and the preservation of law and order in the country.
19. We have also commenced construction of the XCD\$ 35 million Northern Divisional Police Headquarters in Gros Islet and have almost completed major renovations on the Southern Divisional Headquarters in Vieux Fort. Those facilities are expected to significantly improve the working environment of our police officers.
20. Throughout the year the Police were supported with strategic investments in technical training, tactical equipment, special operational assets, motor vehicles, motorcycles, and bicycles. In addition, the capacity of the Forensic Lab was strengthened with cutting-edge firearms identification and analysis equipment.
21. In November 2023, we made a one-time payment of \$600.00 to approximately 3,000 government pensioners, amounting to \$1.7 million, in addition to a \$500.00 payment in November 2022, amounting to \$1.4 million.
22. In December 2023, we began providing income support payments of \$1500.00 per person to 5,000 households and informal sector workers who were adversely affected by the COVID-19 pandemic.
23. This will continue into the new year with XCD\$ 5 million set aside for that programme.

24. The government paid over \$20 million in tax refunds to taxpayers in 2023, of which \$10 million was paid in December. By March 31, 2024, an additional \$10 million should have been paid in tax refunds.
25. In April 2023, we extended the 100% waiver on interest and penalties for individuals and businesses on all taxes, including VAT and withholding tax, provided that those taxes were settled in full by May 1, 2024.
26. We have removed withholding taxes of 10% on small contracts up to \$10,000.00 to provide more disposable income for small contractors.
27. After inheriting payables of \$160 million due to local businesses, the government settled 50% of those payables, effectively injecting \$80 million into the local business sector.
28. To assist with combating imported inflation the government continues to subsidise the 20 and 22 lbs cooking gas at an average of \$15.00 per cylinder, which amounted to \$8.1 million during 2023 and \$13.4 million in 2022.
29. Throughout 2023, the government heavily subsidised the price of flour, sugar and rice, amounting to \$11.5 million. In 2022, the subsidy on flour alone was \$8.9 million; of which \$5.6 million went to bakers and \$3.3 million went to the public.
30. We removed the 6% Service Charge on price-controlled products.

31. We removed VAT charges on sanitary products for women and placed those products under the price control list of items, which meant a further reduction in cost by the removal of the 6% service charge.
32. We launched a \$27.0 million project to assist farmers in building adaptive capabilities, harvesting rainwater, practising soil conservation and management, and developing green agro-processing facilities and parks.
33. We commenced work on the Choiseul Fishing Port and the Dennery Fish Landing Facility. We have also started work on other fish landing facilities and the construction of the Micoud Jetty and Fish Landing Facility.
34. Qualified fisher-folk with valid licences who are affiliates of registered fisher-folk cooperative societies now receive a \$2.50 per gallon fuel rebate, up from the previous \$1.50 rebate.
35. Construction work has started on the Laborie Market and Square.
36. Construction work has started on the La Ressource Health & Wellness Centre.

These, Mr. Speaker, are just some of the many initiatives undertaken by this government that have brought meaningful change to the socio-economic landscape of our country and the lives of ordinary citizens, who desire a better Saint Lucia.

Section 3: International Developments

Global Economic Performance

Mr. Speaker, the global economy grew by 3.5% in 2022 and in 2023 by 3.1%. These rates are below historical annual growth rates of 3.8% over the period 2000-2019. The global economy is expected to grow at 3.1% in 2024 and nudging up to 3.2% in 2025. The lower-than-normal global growth rates in 2024 and 2025 are the result of continuing supply chain issues and the war in Ukraine and now Gaza.

Global trade remains relatively weak with 2023 being the weakest outside a global recession in the past 50 years, a consequence of more restrictive trade policies being adopted by some countries.

The recovery in services is almost complete with tourism nearing Pre- COVID levels. However, the slowdown in the interest-rate sensitive manufacturing sector has been on account of higher product prices, reduced demand; tightening of credit conditions; unwinding of crisis policy support and geopolitical tensions in Russia and the Middle East.

Global Prices

Mr. Speaker, prices of most commodities have dropped from their 2022 peaks, but are still above pre-pandemic levels. Global headline consumer inflation fell, because of lower energy and food prices. Crude oil prices were volatile in 2023, averaging at US\$77 per barrel, 16 % lower than in 2022. In the case of food, improvements in supply chain constraints accounted for the reduction in prices. Global inflation fell from an average of 8.7 % in 2022 to 6.8 % in 2023. Despite the fall, prices remain about 40% above pre-pandemic levels and the industrial countries' rate of 2 %.

Growth in Advanced Economies

Mr. Speaker, growth in advanced economies slowed down from 2.6 % in 2022 to 1.6 % in 2023 despite a relaxation of fiscal policy. However, the US recorded the strongest recovery due to strong consumer demand.

Mr. Speaker, slower growth rates are expected in 2024 for the three largest economies, the US, China, and Japan. In the US, demand is expected to slow down, the lagging effect of tight monetary policy, gradual fiscal consolidation, and a softer labour market. U.S growth is projected at 2.1 % in 2024 from 2.5 % in 2023, while growth in China is expected to slow down to 4.6 % in 2023 and Japan down to 0.9% in 2024 from 1.9% in 2023.

In the Euro area, growth is expected to gradually recover from a low rate of 0.5 % in 2023 to 0.9 % in 2024. Consumer spending is expected to increase in anticipation of lower energy prices. Economic growth of 0.6 % is projected for the UK in 2024.

Banking Credit in Advanced Economies

Mr. Speaker, headline inflation in advanced economies fell sharply in 2023, prompting central banks to hold back on any further early reduction in interest rates at the end of 2023. Despite signs of softening, labour markets remained buoyant with historically low unemployment rates. Banks reported restrictive lending standards, slowing down bank credit growth. Corporate bankruptcies and credit card delinquencies were reportedly on the increase, while private sector debt service ratios rose but remained at manageable levels. The risk appetite for financial markets remained resilient despite higher interest rates.

Section 4: Regional Developments

Despite having to navigate the challenging external environment including a global economic slowdown, Caribbean economies continued to rebound from the pandemic, albeit at a slower rate in 2023 compared to 2022. Several countries surpassed pre-pandemic output levels in 2023 while economic activity continued to grow extraordinarily in Guyana. As a predominantly tourism-dependent region, the ongoing recovery of tourism was a key driver of the region's economic outcomes with the ending of COVID-related health restrictions. Total visitor arrivals were near pre-COVID-19 levels, bolstered by continuing improvements in airlift and the return of more festivals and sporting events across the region. Mirroring downward international movements, inflation rates eased although food prices remained high supported by rising consumer demand. This prompted some governments to provide relief to consumers from high food prices in 2023.

Section 5: Domestic Performance Development

Domestic Developments

Mr. Speaker, over the past three years the Saint Lucia economy has been growing. This growth is being experienced across many sectors with business confidence up and unemployment down. Construction is up by 19.2% over 2022, and tourism near pre-COVID levels and growing with March 2024 being Saint Lucia's best month on record.

Tourism

In March 2024, tourism arrivals were up on the same period last year by 13% (7% -2019) with the US up by 14%, UK by 4%, the Caribbean by 55% and Canada by 7%.

For the quarter January to March 2024, tourism arrivals were up on the same period in 2023 by 11% (5%-2019). The US was up by 10%, UK by 2%, Caribbean by 63% and Canada by 8%.

Mr. Speaker, current growth projections remain very encouraging with an increase in airlift, the island's hosting of ICC World Cup Cricket matches and the 2024 Carnival.

Mr. Speaker, cruise arrivals continue to increase and are expected to increase by 15% in 2024.

Mr. Speaker, the increase in construction activity was encouraged by the reduction in the price of building materials, the result of VAT exemption on certain building materials. Mr. Speaker, I will outline later in my presentation details of the increase in construction by sector.

Manufacturing

Mr. Speaker, manufacturing output increased by 11.9% over 2022, and by 4% in 2022 over 2021. These increases can be accounted for by improved performances in both the export and domestic markets. Mr. Speaker, the value of manufacturing output reached \$771.8M in 2023, an increase of 13.4% over 2022.

Fiscal Balances

Mr. Speaker, in my presentation of the estimates of expenditure, I explained that there was an improvement in the primary and current balance surplus in 2023-2024 with the current balance representing 0.9% of GDP. I noted, however, that there was an overall deficit meaning that there was still a need to borrow to finance budgeted capital expenditure.

Mr. Speaker, it is only by growing the economy and the prudent management of the country's finances that we can reduce our level of borrowing to finance capital expenditure. Let me reiterate,

having surpluses does not mean having surplus cash; it is a case of having to borrow less or reduce our debt commitments.

Public Debt

Mr. Speaker, public debt at the end of 2023 was \$4.7B increasing the Debt-to-GDP ratio to 72.9%. Interest payments increased by 17.2% to \$331.3m representing 25.4% of current revenue.

Mr. Speaker, it remains the government's policy to convert its borrowing from short to long-term instruments. However, we are carefully observing trends in interest rates movements for re-evaluation of the policy.

Mr. Speaker, I am pleased to inform Hon. Members that local payables for suppliers have been reduced from \$154m at July 21, 2022 to \$84m at April 18, 2024. Mr. Speaker, the government has fully paid up its NIC obligations in contributions and lease payments.

Financial Services

Mr. Speaker, in the global monetary system Saint Lucia's net foreign assets expanded by 52.5% to a high \$2.4 billion in December 2023, while its Net Foreign Assets at the ECCB increased by 20% to \$1 billion. Lending rates decreased marginally while interest on deposits inched up. Growth in deposit continues to outpace credit growth, resulting in high liquidity levels in the banking system.

The Capital Adequacy Ratio (CAR) in the banking sector strengthened from 15.9% in December 2022 to 18.5% by December 2023, above the regulatory minimum of 8%. Mr. Speaker, non-performing loans increased from 14.2% to 14.5% in December 2023.

Credit Union credit rose by 30.5% to \$1.1 billion in 2023, while Credit Union delinquency ratio fell from 8.6% to 6.8%.

In the insurance sector gross insurance premiums increased by 10.5% to \$293.9 million in 2023. This contributed to an improvement in the sector's operating profit of \$15.9 million in 2023 from \$10.8 million in 2022.

Imports

Mr. Speaker, there was an increase in the import bill resulting in the widening of the merchant trade deficit by 8% to \$2.2 billion in 2023. Non-fuel imports rose by 3.6 % to \$1.7 billion reflecting the expansion in economic activity coupled with increases in imported prices. The food import bill expanded by 1.4% to \$491 million.

Agriculture

Mr. Speaker based on preliminary estimates the agriculture sector declined by 17% following an increase of 4% in the preceding year. Lower levels of output were seen in all sectors including livestock, fisheries, bananas and other crops mainly due to supply-side challenges. The weakened performance was, in part, due to Tropical Storm Bret in June 2023 and financing difficulties faced by farmers related to the high cost of inputs.

Mr. Speaker, we will outline the government's plans to revive the agriculture sector later on in my presentation.

Unemployment

Mr. Speaker, in keeping with the increase in economic activity there was an improvement in labour market conditions. The employed labour force was estimated to have grown by 6.7% to 97,394 in

2023 due to an expansion in economic activity. This level of employment represented 86% of the labour force or 14% unemployed.

In 2023, higher employment was recorded for both genders with male employment rising by 8.5% to 54,387 and female employment by 4.5 % to 43,007 in 2023.

Youth unemployment rate was estimated to have decreased for the 3rd consecutive year to 25% in 2023 from 26.8% in 2022 and (38.2% in 2020). Mr. Speaker, we are still not satisfied with this youth unemployment rate and will do more to reduce it.

Available statistics suggest a labour force rising to an all-time high of 113,246 in 2023.

Mr. Speaker, the total number of active contributors to the NIC at February 2024 was the highest on record at 63,474.

Prices

Mr. Speaker, in relation to prices, domestic inflation is expected to lower to around 2 to 2.5 % in 2024. In the absence of any increase in geo-political risks, oil prices are expected to dip modestly in 2024 on account of the economic slowdown in the US and China. However, in the last quarter of the fiscal year 2023/24, crude oil prices inched up by 0.9 % over the same period in 2023/2024.

Aside from any further external shocks, domestic inflation is anticipated to gradually lessen in 2024 and 2025, settling at about 1.5 % per annum over the medium term.

Section 6: Downside Risks

Key external downside risks include lower economic growth in the economies of our main trading partners, increases in commodity prices, new bouts of global inflationary pressures, and an intensification of geopolitical tensions and wars. On the domestic front, natural disasters and low

levels of project implementation can reduce the desired level of economic activity planned for the fiscal year 2024/2025.

Mr. Speaker, allow me now to move from reflection to what lies ahead for the fiscal year 2024-2025. It is with a sense of relief that, following the trail of financial disasters left by the previous administration, the way ahead now looks promising, and there is real hope for a better Saint Lucia. Sadly, an indisputable legacy of the last administration is a deterioration in the level of mutual respect and civility among our people, especially when there is political disagreement.

I return to the importance of truth and trust because they cannot be overstated. These have become inconvenient values for men and women, deemed to be honourable, to uphold. And, so, the wider society has become more cynical and mistrustful of those who they thought were supposed to serve them. Mr. Speaker, we on this side have a job to restore the importance of truth and trust in a civilised society.

[Section 7: The Year of Infrastructure](#)

Mr. Speaker, this fiscal year has been named as “The Year of Infrastructure”. We have chosen the area of infrastructure - physical, social and digital - to improve the delivery of public services to make it more efficient, effective and responsive.

Mr. Speaker, we have skilfully managed the country’s public finances well enough to allow us the fiscal space to finance some of the initiatives required to meet the strategic objectives for the fiscal year 2024/2025.

Mr. Speaker, let me remind Honourable Members that the term infrastructure does not only refer to roads, bridges, drains, and culverts but extends to:

Digital public infrastructure – civil status registry, e-government services, telecommunication connectivity, government accounts.

Housing Infrastructure – housing and land rationalisation.

Health Infrastructure– hospitals, wellness centres.

Education Infrastructure- school facilities and sporting facilities.

Economic Infrastructure - hotels ports, airports, public buildings, innovation hubs.

Agriculture Infrastructure – fishing facilities, jetties

Social Infrastructure - citizen security, community centres

Section 8: Digital Infrastructure

In a world increasingly driven by technology, Saint Lucia is enhancing its digital infrastructure across all sectors by harnessing ICT to drive development, innovation, and global competitiveness.

Mr. Speaker, the government, through the Department of the Public Service, is undertaking a systematic review of its digital landscape. Current initiatives aimed at enhancing regional connectivity include the Digital Government Integrated Services Platform (DigiGov) Project, which streamlines public services through digital platforms; and the World Bank sponsored Caribbean Digital Transformation Project (Digital Caribbean), a major contributor to the country's digital evolution.

DigiGov

Mr. Speaker, this year, we are seeking to provide government services through a web-based” one-stop-government shop” through the Digi Gov project to improve the efficiency of public service delivery. The Integrated Digital Government Services Platform is geared towards simplifying procedures and processes while protecting users' privacy.

The Integrated Digital Government Services Platform (DigiGov) project will allow the department to provide, online, 154 services across 8 ministries through a single access point to enable effective and productive collaboration between connected government agencies, businesses, and the public.

The Caribbean Digital Transformation Project

Mr. Speaker, the Caribbean Digital Transformation Project, is a project which seeks to improve the region's comparative advantage and to overcome its small size and vulnerabilities. Mr. Speaker, the Caribbean Digital Transformation Project has four (4) Priority areas:

1. Build resilience to external shocks and support the development of the region's digital economy through economic diversification and greater economic and physical resilience.
2. Strengthen and expand human capacity through world-class professional training, particularly to empower youth with digital skills and competencies in preparation for emerging employment opportunities.
3. Leverage the latest technologies that support private sector industry and create opportunities for expansion.
4. The project will also support the adoption of a regionally harmonised and modernised digital environment that will allow for a regional approach to areas such as cybersecurity, data protection, and privacy.

Government Integrated Network

Mr. Speaker, through the Government Integrated Network, connectivity will be expanded to various communities and businesses across the island. The Government Island Wide Network (GiNet) project will continue the modernisation and provision of broadband internet access to the

public free of charge.

Other Government Services

Mr. Speaker, the government will upgrade the current budget module to Questica, a modern web-based budgeting solution. This new module will improve the budgeting process for both the Ministry of Finance and line agencies resulting in more efficient delivery of government services.

Government will introduce a new financial management system (CLOUDSUITE), which will automate more processes, increase security, and improve report accuracy. This system will replace the current financial system, SMARTSTREAM.

Mr. Speaker, our tax administration system is also being upgraded. The goal of the Tax Administration Modernization Project is to improve revenue collection and reduce the compliance burden on taxpayers. This upgrade is expected to leverage linkages with other stakeholders, including government agencies and financial institutions.

Section 9: Housing Infrastructure

Mr. Speaker, the government has taken the decision to leverage the Citizens by Investment Programme (CIP) to bring more direct benefit to the people of Saint Lucia. This year, we intend to construct houses under the CIP programme, as has been done in other islands. Areas initially earmarked for housing development are Rock Hall, where land clearing has commenced.

In Cas en Bas, Gros Islet, the National Housing Corporation has received DCA approval for the construction of multi-family complexes with fifteen two-bedroom apartments with Construction to commence this year.

Mr. Speaker, we have secured financing of a US\$20M loan from the Import-Export Bank of the Republic of China on Taiwan (ROCT) for on-lending to Saint Lucians to construct new houses or

buy residential lots. A new line of credit will be established at the Saint Lucia Development Bank to manage this new line of credit.

NIPRO is currently in discussion with two (2) developers for the construction of 100 affordable houses in the Massacre area. The project has been modified to include the availability and sale of middle-income housing lots.

Preliminary road infrastructure work on this project will commence in the next quarter.

Land Rationalisation

Mr. Speaker, under the next phase of the Proud Project, we shall

1. Rationalise land and regularise tenure in unplanned developments and facilitate the sale of land at concessionary prices in these areas.
2. Sale of land at concessionary prices in these areas.

It is estimated that 430 lots will be sold in the newly rationalised areas and those currently occupied will be transferred to the new beneficiary at subsidised rates. The areas under this programme are Eau Piquant, Contonement and Pomme/Augier.

Another rationalisation project is intended for the displaced occupants of the Ti Rocher Micoud lands to be transferred to the Riche Bois Development. The required roads, water, and electricity will be taken up by the government. On completion, the rationalisation of tenure for twelve (12) households will be completed while the remaining house lots will be sold to the public.

Mr. Speaker, Invest Saint Lucia is undertaking a Land Rationalisation Project to regularise occupied lands owned by the Corporation. This project seeks to make the land available for

purchase at subsidies rates. Some of the areas covered under this project are Dennery North and Dennery South, Vieux Fort North, and Vieux Fort South.

Mr. Speaker, it has been said that one of the major social problems in Vieux Fort is land ownership. In the town of Vieux Fort, most residents do not own the land on which their houses are built. This year, the Government and the Parliamentary Representative for Vieux Fort South will embark on discussions with the landowners to address this issue.

Mr. Speaker, this year we will recommence work on the rationalisation of lands at Bagatelle, which was stopped by the last administration.

[Section 10: Health Infrastructure](#)

St. Jude Hospital Reconstruction Project

Mr. Speaker much to the chagrin of the opposition, funding for the rehabilitation of St Jude Hospital (SJH) has been secured and the construction work for the west wing, kitchen and admin, power, laundry & maintenance building, the new dialysis building, and the new physiotherapy building is ongoing.

Mr. Speaker, you may recall that the government negotiated a novel loan with the Saudi Development Fund which for the first time included a climate resilience clause. The loan of US\$75M requires competitive tender for supervision and construction of the remaining buildings. The tenders have been evaluated and sent to the Saudi Development Fund for No Objection response. Upon receipt of a No Objection response construction will commence.

In the meantime, discussions between the SJH Steering Committee are ongoing with the contractor and end users of the facility.

Mr. Speaker, it is expected that work on the George Odium Stadium will commence after completing 80% of the construction of the St. Jude Hospital, according to the loan agreement.

New Soufriere Hospital

Negotiations are well advanced with the investment partners Caribbean Infrastructure Development and New Generation Hospital. A proposal to construct a facility to house the New Soufriere Hospital has been approved by the Government of Saint Lucia. Consultations between the Department of Economic Development and the Ministry of Health have been completed. The BOLT Agreement, along with the amortization schedule, the artist impression of the facility and other relevant documentation have been submitted to the Attorney General's Chambers for legal review.

The BOLT will be for a period of seventeen (17) years with a two-year grace period and a repayment period of fifteen (15) years. The cost of the facility is USD\$31.6M (XCD\$85.3M). USD\$1M has been included in the BOLT to allow for the replacement of all medical equipment over a seven-year cycle.

The site has been cleared to allow for the following activities to take place:

1. Topographical survey
2. Geotechnical Analysis
3. Cadastral Survey including building layout.

A Social and Environmental Impact Assessment will be undertaken in the upcoming financial year.

The facility will provide for the following services, among others:

4. Primary Health Care Services consistent with a district medical facility

5. Maternity services
6. Public Health Services
7. Day surgery and post-operative care
8. Hyperbaric Chamber and related facilities

Old Victoria Hospital

Mr. Speaker, the former Victoria Hospital plant will house the Castries Urban Poly Clinic. Services will be augmented to include a range of services not previously provided at the Castries Wellness Centre.

Secondary Care Wing

A 12-bedroom secondary care wing with two (2) full bathrooms (including facilities for the physically challenged), a new space for pharmacy operations, remodelling of the nursing station and the installation of medication rooms will also be constructed at the refurbished Victoria Hospital site.

Construction on the Cuban Eye Clinic Centre will commence this year.

Construction of the La Ressource Wellness Centre is being undertaken and will be completed this year.

Health Services

Mr. Speaker, in our 2021 manifesto the Saint Lucia Labour Party pledged to pursue a health policy that is patient-centred, evidence-based, equitable, accessible and affordable.

The centrepiece of that policy was a Universal Health Care programme. Mr. Speaker, I am pleased to announce that the implementation of this programme is well on the way.

Mr. Speaker, I think it is important to inform this House that a framework for implementing a standard-based approach for adolescents has been developed for Saint Lucia. This framework seeks to enable the provision of adolescent health services at primary care facilities and within the school health programmes.

Mr. Speaker, the high cost of the provision of health services by third-party and private health service providers remains a matter of concern to the government.

We have sought to increase the capacity of local health providers by incentivizing the purchase of medical equipment.

In this budget, \$1M has been allocated for further study of the rationalisation of the provision of health services abroad with a view to reducing cost.

We have launched the maternal and child care aspect, the 80-plus- health coverage, and this year, we will incorporate cervical and prostate screening, chronic kidney disease screening and snake bite management as part of the essential package of health services. These services will be provided free to all registered individuals in our health management system. Free medicines for diabetics and hypertensive patients will also be available under the programme.

It is the intention of the government that all citizens will possess a health card to access health care services.

Mr. Speaker, we have launched the Performance Based Financing system at eight (8) health centres around the island. This system is intended to assess and reward health services provided by these centres. This program will be expanded this year.

Mr. Speaker, the Minister of Health will outline the progress in the provision of Universal Health Care and other developments at the Millennium Heights Medical Complex and in the area of health.

Section 11: Education

Mr. Speaker, “The fundamental cure for poverty is not money but knowledge” – this timeless doctrine espoused by Sir Arthur Lewis remains a guiding principle in the building of our country. We, therefore, need an educational system that is accessible, relevant and responsive supported by curriculum development, teacher training, improved leadership, infrastructural improvements, school security, student well-being, and technologically driven.

Infrastructure in Education

Mr. Speaker, this year we will undertake \$22.5 million in major repairs and rehabilitation of schools. This will include \$16.28 million from an Afreximbank loan. Major repair works will be undertaken at the following schools this year: Castries Comprehensive Secondary School, Bishop Charles Gachet Primary School, Entrepot Secondary School, Leon Hess Comprehensive, Dame Pearllette Primary, Fond Assau Combined, La Ressouce Combined, Grande Riviere Secondary, Beanfield Secondary, Dennery Primary, Augier Combined, Pierrot Combined, Reunion Primary, Plain View Combined, Vieux Fort Comprehensive and Soufriere Comprehensive School.

There will be repairs on other schools island wide which will be detailed by the Minister.

Mr. Speaker, we have commissioned a new facility for CARE in Cul de Sac financed by a \$1million US grant from the Government of the Republic of India. This hospitality and catering facility will serve to enhance the skill of students transitioning into the labour market.

ICT in Education

Mr. Speaker, the first phase of digital content development in six (6) subject areas has been completed. This process was facilitated by local teachers and local IT professionals. Following this, teachers were trained and the project is currently being piloted in the classroom. In the coming year, we will pursue additional subjects until the purchase of textbooks may no longer be required.

Mr. Speaker, we are pursuing smart classrooms at some primary and secondary schools. Over twenty (20) smart classrooms were commissioned, thanks to the Caribbean Digitisation Transformation Project.

Early Childhood Education

To ensure that our young generation is given the best possible start nine (9) state-of-the-art early childhood (Pre-K) classrooms have been commissioned, and we intend to construct more classrooms primarily in marginalised communities.

Work is progressing on the Patience Early Childhood Centre

Education Services

Education for matching skills with jobs

Four (4) secondary schools will be transformed into Technical and Vocational Education and Training (TVET) institutions

The Stanley Jon Odlum Secondary School will now serve as an institute of Arts, Media, and Design.

The Grande Riviere Secondary School is currently being transformed into an institute for Sustainable Agriculture, Culinary Arts, and Entrepreneurial Services.

The Anse Ger Secondary School will be the Institute for Engineering and Technology and;

The Piaye Secondary School will serve as the Institute of Construction and Heritage.

The government's policy of at least One University Graduate Per Household continues with partnerships with friendly governments, Monroe College and government funding. This year the opportunity of partnering with tertiary institutions will be pursued.

Mr. Speaker, the Ministry of Education is focused on fulfilling the mandate given to it by the people of Saint Lucia and continues to improve the quality of education to develop a cadre of well-rounded individuals equipped to live and work in Saint Lucia and beyond.

Curriculum Strengthening

Teaching of Mathematics

Mr. Speaker, we are losing our specialised teachers to management positions, to the detriment of our students and so we must address this problem if our students are to improve their performances in Mathematics. Government has invested \$550,000 to employ eight (8) Mathematics specialists

to assist the following schools: Castries Comprehensive Secondary School, Bishop Charles Gachet, Entrepot Secondary School, Leon Hess Comprehensive, Dame Pearlette Primary, Fond Assau Combined, La Ressouce Combined, Grande Riviere Secondary, Beanfield Secondary, Dennery Primary, Augier Combined, Pierrot Combined, Reunion Primary, Plain View Combined, Vieux Fort Comprehensive and Soufriere Comprehensive.

Review of the Education Act

In January this year, the Department of Education, through the EQUIP, completed the final consultation on the review of the draft new Education Act. This new bill is expected to be tabled in Parliament in the new financial year.

School Security

Mr. Speaker, we are acutely aware of the influence that gangs are having in our schools. To complement the government's social interventions, particularly for males, the security of our school plant needs strengthening. An audit of the security at schools has recently concluded with recommendations for consideration.

The implementation of the adopted recommendations of this security audit will commence in a phased approach starting with the eight (8) most vulnerable schools. The interventions will include de-bushing, additional perimeter lighting, upgraded fencing and camera security systems.

Principal Assistant Programme.

Mr. Speaker, in the 2021 Manifesto of the Saint Lucia Labour Party, we committed to the reintroduction of the Principal Assistant Programme. In the new academic year, my government has allocated \$1.18 million towards the implementation of this programme on a phased basis across

the seventy-one (71) Primary Schools. Principal Assistants will provide Principals with the necessary administrative support to allow them more time for their supervisory roles in schools.

Scholarships

Mr. Speaker, as we seek to nurture global citizens, the government's policy of at least One University Graduate Per Household is being rolled out through partnerships with friendly governments and locally based universities. This year, an additional seventy (70) students benefited from full and partial scholarships. We continue to explore opportunities to partner with tertiary institutions in pursuit of this policy.

OECS Skills & Innovation Project

The "OECS Skills and Innovation Project which seeks to strengthen youth skills, employability, improve educational opportunities, and foster quality and innovation among OECS national colleges will be facilitated at the Sir Arthur Lewis Community College and the National Skills Development Centre.

Mr. Speaker, funds have also been allocated for secondary to post-secondary education for technical support and to identify and overcome the barriers men face in participating in post-secondary education. Total funding for the OECS Project is US\$ 19 million.

Section 12: Agriculture

Repairs to Fishing Facilities

Mr. Speaker, work continues on the maintenance of fish landing facilities across the country. This year upgrades and renovations will be done at Anse La Raye, Gros Islet, Dennery, Castries, Vieux Fort and Soufriere.

Construction of the Micoud Jetty is proceeding and will be expected to be completed this year.

Renovation works were undertaken at the Barthe Propagation Station in Soufriere to facilitate the production of cocoa seedlings, some of which have already been distributed to farmers' island-wide at a subsidized price of \$2.00 per plant.

Mr. Speaker, agriculture continues to be a very important economic sector and a significant contributor to employment in rural areas. Mr. Speaker, to ensure the future of the food and nutrition security of our country, we have taken measures to develop targeted innovative climate change resilience approaches to our agricultural production.

Mr. Speaker, Saint Lucia has committed itself to the target of reducing food imports by 25% by the end of 2025. In this regard, Saint Lucia seeks to diversify and expand vegetables and fruit production.

To encourage the participation of Youth in Agriculture, late last year, the Minister of Agriculture led a delegation to Guyana to observe and adopt modern agricultural production techniques using cutting-edge technologies. Given the new opportunities in this modern approach to agriculture, I have allocated one million dollars towards this enterprise, which will be managed by the Ministry of Agriculture in collaboration with the Youth Economy Agency.

For agriculture to reach its full potential there is a need to reverse the low level of capitalization and to encourage private sector investment in agricultural enterprises. In this regard, the agriculture sector will be listed as an area of enterprise in a Macro Investment Bill scheduled to be passed in the Parliament this year. This is intended to supplement the Agricultural Incentive Act and spur greater investment in the sector.

Mr. Speaker, in our agriculture diversification drive, several agriculture products have been identified, vanilla production, cocoa production, honey production and seamoss production. Mr. Speaker, these products offer novel opportunities for value-added agricultural products for export.

Mr. Speaker, in addition to the ongoing products there will be a new push towards vanilla production, aquaponics, hydroponics and a new irrigation system.

Bananas

Mr. Speaker, while the export of bananas to the United Kingdom no longer plays a major role in agriculture production, a vibrant and viable market exists in the region. Exports to the region have been increasing and the government is working with farmers to improve their marketing and to overcome bottleneck shortages in the supply of packaging materials.

Youth and Sports Development

Mr. Speaker, this government's history of youth empowerment is clear. We are the party of Universal Primary Education, Universal Secondary School Education, First Generation Scholarship, One University per household, Daren Sammy Cricket Ground, George Odum Stadium, Youth Economy, 758 Skills App, and a separate Ministry of Youth Development. We are a government that recognized and provided an increased subvention to the National Youth

Council, expanded scholarship opportunities, introduced the one laptop programme, paid facilities for secondary school children, and provided low-cost internet access to homes.

It is, now, no surprise Mr. Speaker, that we have introduced a semi-professional football league. This is our history, Creating opportunities for young people in the boundless world of sports. Mr. Speaker, the application of skills has no boundaries as long as one is good enough, and we expect that footballers around the island will receive financial rewards for playing in a professional environment. Mr. Speaker, the competent Minister for Sports will be pleased to give further details.

[Section: 13: Sports Infrastructure](#)

Mr. Speaker, the International Cricket Council (ICC) has announced Saint Lucia as one of the venues to host the ICC Men's T20 World Cup in June 2024. In preparation for this international tournament, a Local Organizing Committee (LOC) has been established with the National Lottery Authority (NLA) holding a seat on that committee.

Mr. Speaker, this event will attract global attention, with opportunities to further promote the Saint Lucia brand, bringing significant economic benefits to our island.

Last month, the GOSL guaranteed a Demand Instalment Loan of EC\$80 million from First National Bank Saint Lucia Limited for the National Lottery Association. This loan was granted after rigorous financial analysis and due diligence by the Ministry of Finance.

Mr. Speaker, I wish to reiterate that this loan will be used for funding the preparatory work for the hosting of the T20 Cricket World Cup, and the funding of the NLA's Island-wide Youth & Sports Infrastructure Programme.

Mr. Speaker, I am pleased that the upgrading and rehabilitation of the Daren Sammy Cricket Grounds, Mindoo Phillip Park and Gros Islet Playing field have all started, and works are ahead of schedule.

This project Mr. Speaker has provided employment for scores of contractors, who are being supervised by a competent local project management firm working in close collaboration with the NLA and LOC.

Mr. Speaker, the work being undertaken demonstrates the government's commitment to improving sporting facilities up to international standards and ensuring a legacy of quality sporting infrastructure for our youth.

National Aquatic Centre

Mr, Speaker, plans have been approved by the DCA for the National Aquatic Centre and construction will continue this year.

Innovation Hub

Mr. Speaker, in our demonstration of belief in our youth, we will initially provide \$500,000 for the establishment of a business Innovation Hub. This hub will implement programmes to attract and retain top engineering and entrepreneurial talent, who will be engaged in research and development to develop technologically-driven- business solutions. In addition, it will create an ecosystem that fosters collaboration among public and private entities and international agencies.

Community Centres

Mr. Speaker work has commenced on the Grande Riviere Community Centre and the Cul De Sac Community Centres.

A new community centre will be constructed at the junction of Bocage Morne Du Don and Agard to serve the communities of Castries North and Castries East. Total construction cost is estimated at \$5m for which \$1.5m will be provided from the ROCT Grant Facility.

Section 14: Equity and Social Transformation

In 2023, government assistance for social protection programmes was increased by \$6M to \$26M. This clearly illustrates the government's commitment to ensuring the provision of relief to the most vulnerable in our country. This year we will continue to expand existing social protection interventions with new initiatives.

Our interventions are intended to reach all demographics in the society in need. The basic life and employability training programme have equipped several unemployed at-risk youth with essential job-readiness skills.

The community after-school programme has been reinstated and over four (400) hundred children are receiving skill training and psychosocial support in preparation for everyday living challenges.

The SSDF in the Ministry of Equity has expanded the Home Care Programme ensuring that more individuals receive the care that they deserve.

Mr. Speaker, the Ministry of Equity continues to provide support to people affected by COVID-19, with over 2500 people from the informal sector expected to receive grant support of \$1500 each to assist them in their return to normal life.

The Ministry is also providing parenting programmes, to increase the number of persons working under the public assistance programme.

Mr. Speaker, the Minister, in his contribution to the debate will give further details about the numerous interventions in his Ministry. Allow me though to mention some programme which Honourable Members should be familiar with:

1. Our Boys Matter initiative
2. Koudmen Sent Lisi Programme
3. Hope Programme
4. St Lucia Human Capital Resilience Programme
5. BNTF 10
6. Shock Responsive Social Protection Programme
7. Offenders Reintegration Pilot Programme

Mr. Speaker, while we provide necessary resources to the police to combat crime, the Ministry of Equity is also involved in a Crime Violence Interruption Programme, aimed at reducing the incidents of crime and violence by addressing the risk factors faced by vulnerable young people.

There are three (3) components to this programme: skills training, positive parenting and mentorship. The Minister will elaborate in his contribution.

Mr. Speaker facilities for the upkeep and care of juveniles have been inadequate for ages. Government will be undertaking the establishment of a National Service Centre located at the former George Charles Secondary School to offer development and rehabilitative services to youth. The design and architectural drawings for the preparation of this Centre are currently being prepared.

Mr. Speaker, this is all part of my government's Article of faith to continuously "Putting People First".

Saint Lucia Social Development Fund

Mr. Speaker, one of the philosophical underpinnings of this administration is to address the needs of the most vulnerable and marginalised in our society. From the onset, our policies and programmes have been designed to ensure that successive generations are better off than those that have gone before. It is in this vein Mr. Speaker, that we have invested heavily in social intervention strategies, through the Saint Lucia Social Development Fund [SSDF], which seeks to provide Educational Assistance, Housing Assistance, HOPE, Short-Term Employment, Elderly Care and Human Resource Development and Crime intervention programmes. The highlights of these programmes are as follows:

1. Educational Assistance

In 2023/24 education assistance was provided to 5,557 households island-wide.

2. Housing Assistance

In 2023/24, 180 households received housing assistance.

3. Our Boys Matter

With the assistance of the private sector, 105 boys on the verge of dropping out of school and engaging in deviant behaviour received assistance.

4. **HOPE – Holistic Opportunities for Personal Empowerment**

710 persons received relief under this programme with 223 applicants still waiting to join the programme.

5. **Short–Term Employment Programme**

16, 373 persons benefited from this fiscal year

6. **Homecare Programme**

860 senior citizens have benefitted under this programme with 574 employees benefiting from UWI-certified workshops for clients with a range of degenerative diseases.

7. **Basic Needs Trust Fund 10**

The construction of roads at Goodlands and Bexon has benefited from this programme with more communities to benefit this year.

8. **Other Social Interventions**

In the years 2023/24, 2,342 people benefited from these interventions which included small-scale housing support, educational assistance, medical assistance, and burial assistance in addition to other social benefits.

Section 15: Youth Economy

The Youth Economy Agency (YEA) established by the Youth Economy Act No. 17 of 2022 was launched in November 2022. Its principal objective was to convert hobbies into entrepreneurship and skills into businesses, with the Agency providing access to finance, training and mentorships.

The initial capital of the Agency was provided by the Government of Saint Lucia. On June 18,

2023, the Board of Directors of the Caribbean Development Bank approved a loan to the Government of Saint Lucia of USD6,276,000,000 or EC\$16.8M and a Grant of USD 466,200,000 or EC\$1.25M for the Agency. The Board, impressed by the YEA initiative, agreed to finance working capital for enterprises operating under the scheme.

The project involves the provision of financing to youth enterprises in the key economic sectors of agriculture, agro-processing, the blue, green, and orange economy, designing entertainment, modeling, music, sports, literary and performing arts writing and directing training and technology. As of March 2024, 597 grants, of which 56% were females, were disbursed to young people making a total of \$2.81M. Mr. Speaker, it will interest members to note that there are 1521 applicants in the system for grants, signalling the level of interest among the young people of Saint Lucia. Mr. Speaker, loan disbursements are expected to commence in 2024 with 409 loan grant applications awaiting processing.

Capacity Building/Training

The Youth Economy Agency (YEA) has 65 entrepreneurs participating in digital marketing training, 165 in the introduction to business planning, 35 in the mentorship programme, and 125 in investment training. From its inception, the YEA has worked closely with the Embassy of the Government of China on Taiwan (ROCT), which has provided a grant of \$1.2M to YEA under a Technical Agreement, which will be signed next month.

Mr. Speaker, the Youth Economy Agency has clearly been welcomed by the people of Saint Lucia and, with the support of the CDB, will continue to have a meaningful impact on opportunities for our youth. The YEA will increase its presence in other parts of Saint Lucia with the establishment of a desk in the South.

Section 16: Investment

Mr. Speaker, we are witnessing an unprecedented surge in local and foreign investment interest. This surge in investments has been enabled by the transparency in government negotiations with investors and the government placing the interest of Saint Lucia first. In this regard, I am pleased to inform this house that during the Financial Year 2024-2025, the government will place before parliament legislation aimed at attracting and facilitating ‘Mega-Investments’ through special incentives to businesses and sectors, which are likely to have a significant impact on the local economy.

Investment Projects

Mr. Speaker, Invest Saint Lucia our premier investment promotion agency has been working on several projects that will continue into 2025. These projects are expected to increase Saint Lucia’s high-quality room stock to meet the growing increase in stay-over arrivals.

1. The Courtyard Marriott at Pointe Seraphine is currently under construction. This hotel includes 140 rooms and suites, meeting rooms & facilities, a swimming pool, a fitness centre, food and beverage outlets, and rooftop terraces. This hotel will be open by the end of 2025. (Total investment - EC\$113M).
2. At Canelles Micoud, construction of two (2) luxury all-inclusive hotels has started and is ongoing. It is proposed that this development will provide 250 rooms and 380 residences. (Total investment - EC\$1B).

3. Cabot Saint Lucia at Gros Islet- I am pleased to report that after extensive discussions and renegotiations with the developer, this project is expected to provide mutual benefits. Considerable progress has been made with this development. The Golf course is completed and operational. The residences and clubhouse are slated for construction during 2024/25 and beyond (Total Investment - EC\$405M).
4. The Cas En Bas Beach Resort in Gros Islet – a 90-unit hotel to be managed by Hyatt. The first building will be completed by the end of 2024 and will be open to guests whilst work commences on the second building. Completion date for this hotel is scheduled in 2025. (Total Investment - EC\$31.8M).
5. Sandals - The new rooms at Halcyon Beach Club are complete and a new Village concept resort at Sandals Regency La Toc comprising 20 suites is under construction and is expected to be completed in 2024. (Total investment –EC\$68M).
6. “Secrets Resort and Spa Saint Lucia”. Work on the renovation, refurbishment, and revitalization of the former 334 room-St. James Club is continuing. It is expected that this project will be completed in the last quarter of 2024 or early 2025. (Total Investment – EC\$216m).

Mr. Speaker, please note the construction of all the above-mentioned projects, is ongoing. Mr. Speaker, there are more hotel projects that are being negotiated with many Sod turning ceremonies to be held by year-end. These include:

The Grand Hyatt Hotel in Sabwisha will finally begin with a new investor. Road works on a new by-pass road will begin next month and a formal Sod Turning Ceremony will be held by the end of May 2024 (Total Investment - EC\$810M).

A'ILA Resort & Spa Saint Lucia at Mount Pimard: This project comprises several phases of development. The master plan proposes a mix of resorts, adults only, and family, residential condos and villas, commercial and availability of public spaces that cater to the needs of the community and surrounding areas. The other component is The LifeCo Well-Being Centre, an international wellness company. The sod-turning ceremony is proposed for next month. (Total investment – EC\$ 2.3B).

1. “Cote de Reve” at Black Bay Laborie, an ultra-luxury resort with 80 keys and 40 villas and residences will be constructed. (Total Investment – US\$180million/ EC\$489M)
2. A resort development on the Reduit Beach - After months of protracted negotiations, Sunwing Group (Royalton) and Rex Resorts Group will finally begin construction of a 500-room ultra-luxurious resort offering both European Plan (EP) and all-inclusive accommodation options. Mr. Speaker, this is a bittersweet moment as 500 rooms will become unavailable on the market because the investor has informed me that Starfish Hotel will be closed at the end of April 2024 and demolition will commence by June 1st. Mystique will be closed at the end of July 2024 and demolition will commence by September 1st. Construction work will commence next year. (Total investment – EC\$540M).
3. Rodney Bay Marina Development (Pope Site) – on Sunday 21st April 2024 was the official Sod Turning Ceremony for Phase One of this project. This development will include the following – a 102-room hotel, 20 condominium units, bars and restaurants, offices, a

supermarket, Cineplex, jetties, and a boardwalk. The development will also host the Headquarters for Republic Bank. (Total Investment EC\$320M).

Other Investments

1. GPH/Government of Saint Lucia – Mr. Speaker, this investment will see the upgrade of Port Castries and Soufriere Waterfront. This project will require dredging at Pointe Seraphine, the building of a Boardwalk from San Soucis Bridge to the Vendors Arcade, rebuilding and expanding the Vendors Arcade, building of finger piers at the Arcade, demolition of the old Customs Building and rebuilding of a new Customs Building, creation of parking lots, constructing a Fishermen’s Village at Banan and the total upgrade of the Soufriere Waterfront. (Total Investment - US\$50m/EC\$135m).
2. Faye Gastronomie Restaurant in Vieux Fort has now fully expanded into its existing space in Vieux Fort as an artisan restaurant and food distribution outlet. The owners have purchased adjoining lands to build a modern storage and warehousing facility to complement the expansion of their main business. Construction is to commence this year. (Total investment - US\$2.8M/ EC\$7.5M)
3. In the BPO sector, IteLCX will expand its operations in Saint Lucia with the occupation of an additional building in the Freezone.
4. ASCENSION International Ltd, the island’s first locally owned BPO/KPO operation has opened in Soufriere, offering back-office support to US-based Corporation.

Mr. Speaker, you will agree that opportunities abound for employment and wealth creation for the people of this country. In my presentation, I have only mentioned major investments. Other investments will be outlined by the Minister in his presentation.

Section 17: Citizen Security

Mr. Speaker, the first responsibility of any government is the safety and protection of its citizens, because all their rights and privileges depend on it.

Mr. Speaker, the details of the nature and extent of police equipment and resources are a matter of national security and should never be compromised by careless comments by people who should know better.

Mr. Speaker, allow me to articulate the level of infrastructural support we have already provided to the Police. Note Mr Speaker, for national security and confidentiality reasons, details will not be outlined.

REPAIRS AND RENOVATIONS

Repairs to police facilities	-	\$2.7M
Purchase of firearm ammunition	-	0.37M
Furniture Equipment and appliances	-	0.55M
Vehicles	-	5.1M
Traffic Pilot Project and Police Visibility	-	0.580M
Body and Vehicle Camera Systems		
Equipment	-	0.585M
Musical Instruments – Police Band	-	0.70M

Major Repairs and Construction to Police Facilities

In terms of major renovations and additions, over \$4.5 million has been spent on the Southern Divisional Headquarters and \$ 3.7 million for the renovation of the Drug Squad building in the North. In terms of major infrastructural work, the Northern Divisional Headquarters is progressing smoothly. This project will be constructed in two parts: An Administrative Block and a Dormitory with gym facility and a lawn tennis court. The total cost is expected to be \$45M built through a BOLT agreement with NIPRO.

Custody Suites

Mr. Speaker, our police have long complained about the inadequacy of holding facilities for arrested individuals. After the last government's callous destruction of the Custody Suites holding facility, there is an urgent need to remedy this situation for the exercise of just treatment of accused persons. And, so, Mr. Speaker, we are now retrofitting one of the buildings on Upper Bridge Street, which previously housed part of the Central Police Station with nine (9) holding cells and other facilities at a total cost of \$4.5M.

Other Interventions

Forensic lab

Mr. Speaker, the Government continues to fight crime making use of the most up-to-date scientific equipment available. In June 2023, the government received a contribution of \$417,000 towards procuring a ballistic comparison microscope. The equipment was acquired in March 2024. This equipment will enable side-by-side comparison of bullets used in firearm-related investigations. In September 2023, the DNA Unit completed its ISO 1725 audit, and accreditation was awarded in December 2023, meaning that all testing activities at the Laboratory are now designated as

accredited services. In October 2023, the forensic lab was launched as a Centre of Excellence in forensic science.

Swift Justice

Mr. Speaker, the Swift Justice Project proposed in my first budget address is finally beginning to see some progress. I have been informed that a building has been identified to accommodate three (3) additional courtrooms, two (2) trial Courts, and one (1) chamber Court). Provision for the procurement of essential equipment and retrofitting of the building has been provided for in this budget.

Hall of Justice

Mr. Speaker, on Friday, April 19, 2024, four days ago, we turned the sod to signify the commencement of the construction of the Halls of Justice. Mr. Speaker, this building will be constructed under a BOLT arrangement with NH International as the contractor and financier with NIPRO providing project management services. The BOLT will entail a lease agreement with the Government of Saint Lucia. The expected cost of the facility is US\$54 Million. Mr. Speaker, this arrangement will not increase the national debt of the country, nor will it require a loan guarantee from the government of Saint Lucia. Mr. Speaker, the new structure will occupy the abandoned Court House buildings and the old abandoned Education building.

Mr. Speaker, the geotechnical survey for the site has been completed, and an environment and social impact assessment is in progress to inform ways of mitigating disruption during construction. Mr. Speaker, this building will certainly enhance the architectural aesthetic of the city.

Mr. Speaker, unlike the last administration, we engaged the St Lucia National Trust for guidance and their concerns, if any, about the demolition of the two buildings that will need to accommodate the new structure. An application has been made to the DCA for the demolition of the buildings.

New Police Headquarters

Mr. Speaker, work will commence this year on the new police headquarters which will be situated, at the request of the police, on Upper Bridge Street, the original location. A concept note will be prepared after discussion with the police and relevant Ministries. This concept note will be the basis of a BOLT arrangement, for which several developers have already expressed interest.

Police Training

Mr. Speaker, this government has reinstated the police training vote with \$450,000. Several police officers will continue to receive training aboard in the USA, Taiwan, United Kingdom, and the OECS Countries and Jamaica. Seventy (70) new recruits will be trained and enlisted this year.

The Saint Lucia Social Development Fund and government have partnered and contributed with social groups and NGOs on crime suppression initiatives. We intend to intensify this initiative this year.

The Alliance for Community Transformation (ACT)

Mr Speaker, the Alliance for Community Transformation (ACT) was launched in January 2024. The ACT initiative provides a practical framework for the holistic approach to crime risk reduction and prevention. This Agency brings together support services, counseling, educational interventions, community outreach, crime prevention programs, law enforcement, and economic opportunities that are easily accessible to the youth at the community level.

Legislative

Mr. Speaker, we have strengthened our laws regarding gun violence and the illegal possession of guns. We urge law enforcement personnel to make maximum use of these existing laws including the Gang Law and to leave no stone unturned in ensuring the enforcement of the law. Mr. Speaker, it is our belief that there should be a societal approach to crime prevention. While we continue to provide resources to the police in their fight against crime, we will continue to work with civil society groups to deal with the root causes of crime.

The Inter-Agency Intelligence Committee (IAIC) which formerly comprised representatives from the Police, Customs, and the FIA is in the process of being formalised and restructured to include representatives from the Prison, Ports, and Inland Revenue Department in order to ensure a more effective and greater collaborative approach to fighting crime.

Bordelais Correctional Facility (BCF)

Mr Speaker, we will continue with the improvement to the physical infrastructure of the Bordelais Correctional Facility, and in addition, we seek to improve the general conditions of workers and prison facilities to allow for effective rehabilitation of inmates.

My government is fully committed to ensuring that all citizens are able to enjoy a safe environment so that they can realise their full human potential.

Mr. Speaker, while the first responsibility of the government is the safety of its citizens, it is not their exclusive responsibility. As a country, we have a collective responsibility to provide for the safety of each other. When the safety of our country is compromised on account of crime, we are all negatively affected and therefore a collective response is required. Those on the front line in

the fight against crime must, therefore, have our fullest support and cooperation. Those who seek to do otherwise cannot be deemed to have the best interest of our country.

This is why my government has been heavily supportive of the work of the police. To assist with the effectiveness of crime reduction strategies, I have appointed a Minister with responsibility for Crime Prevention, with the objective of working with all parties including political parties, to prepare a multi-faceted and comprehensive national plan to address the growing citizen security challenges.

Mr. Speaker, in addition to our local law enforcement we have drawn on the support and services of international partners like the USA, UK, and Republic of China on Taiwan. We have also drawn on the resources and expertise of the Regional Security Services which has cost the Government of Saint Lucia over \$700,000 between March 2023 and August 2023.

Mr. Speaker, I have publicly stated that I am ready to accept all advice, discussion, and information to help curb the surge of violence in Saint Lucia. There are some in the society for their own political reasons who pretend that they have all the answers and that simple consultations are a remedy to the crime issues in Saint Lucia. The issues are complex and the distinction must be made between enforcement and operations which is the purview of the police and other interventions which are the responsibility of civil society working with the police.

Tactical and strategic criminal operations by the police cannot be a matter for public discussion. Once more, I call on the population to assist the police in the execution of their duties, and the police in turn to earn the population's trust and confidence.

Section 18: Infrastructure – Roads

Mr. Speaker, when we announced 2024 as the Year of Infrastructure, we made it clear that it was not only about roads. However, roads are an important part of the infrastructure of the nation. Mr. Speaker, the road network in the country needs an upgrade. A preliminary costing from the Ministry of Infrastructure indicates that over \$400m will be required for a comprehensive upgrade and repair of our road network. Mr. Speaker, the road network problem is compounded by most developers' failure to meet their obligations to build roads that are of the required standards. Mr. Speaker, Gros Islet, the most populous region, will require road repairs and upgrades costing over \$100M.

Mr. Speaker, funding these roads from local revenue or traditional loan funding sources will negatively impact our debt-to-GDP ratio. Hence, the government has entered negotiations with a Private Sector Developer to fund, in the first instance, \$200m towards our National Road Development Programme. Mr. Speaker, you may ask, how could that be funded without borrowing?

Mr. Speaker, the Minister has skilfully used our CIP programme started in 2016, when the people of Saint Lucia made up their minds that same year to change the government of the day. In 2016, Saint Lucia was not actively engaged in the CIP programme. Between 2016 and 2021 the rules governing our CIP had changed. Saint Lucia's only significant project under the real estate option was the Range Hotel. That hotel failed to materialise, costing the taxpayers \$12 million, and is now located in another island.

Mr. Speaker, in December 2023, this government introduced an infrastructure option to complement the other funding options. The new infrastructure option requires developers to raise the financing needed to undertake approved projects in a number of selected areas and recover their expenses through CIP. This means, Mr. Speaker, that improvement in the road network, community development projects, and housing can be implemented to improve the lives of our people without increasing the debt burden of the country.

In the first instance, Mr. Speaker, we intend to start work immediately on the Beausejour Road, Vieux Sucre, Chaussee Road, Bagatelle Road, and Zabo to Belle Vue Road. All roads constructed will be supervised and certified by the Ministry of Infrastructure. Other details under this programme will be given by the Minister.

[Section 19: Other Funding](#)

Mr. Speaker, during my presentation of the estimates, I indicated that because of the government's prudent cash management and the vibrant performance of the economy, the government paid \$60m, to settle DFCs obligations before the due date for settlement in the 2024/2025.

Mr. Speaker, the usual maintenance of roads, clearing of culverts, and desilting will continue this year at a sum of \$16M for which an allocation has been made in this budget.

Mr. Speaker, plans for the reconstruction of the Gros Islet Highway, recklessly abandoned by the former Government, will recommence this year. We have allocated a sum of \$8.5m while we await final approval from the Kuwait Fund.

Mr. Speaker, a sum of \$3M has been allocated to commence preliminary work on the Choc Bridge. There are several new innovative ideas and options for the construction of the Castries Gros Islet highway, which are being explored.

Millennium Highway

Mr. Speaker, I have expressed on many occasions my dissatisfaction with the progress of work on the Millennium Highway. This slow progress of work has become a source of national embarrassment, especially, with the bridge built by JICA over a year ago, and is yet to be commissioned. Mr. Speaker, it is with some guarded relief that work is progressing on the Cul De Sac roundabout and Millennium Highway.

Works on the second phase of this project - Cul De Sac to Anse La Raye - has commenced and will require the construction of 31 retaining walls along the route between the two locations.

Phase three of the project, the construction of the new Anse La Raye Bridge, has commenced.

Mr. Speaker, it is intended that the rehabilitation of road works from Anse La Raye to Soufriere will be part of an additional two phases. Mr. Speaker, let me inform the Honourable Members that the contract for this road was negotiated, tendered, and awarded under the last government. However, I have been informed by officials of the Ministry of Economic Development that “the project has exceeded its initial costing therefore, a financing gap of approximately EC\$27.12M exists”. Meaning that at present prices there is already a cost overrun of \$27 million on this project.

Mr. Speaker, given the experiences of projects, quality and time, a planning and design unit will be established to provide additional support staff to ensure better oversight of projects to allow for an improvement in the rate of implementation and the quality of project outputs. This Unit will also provide technical assistance and support to the existing staff of the Ministry of Infrastructure.

Hewannorra International Airport

Mr. Speaker, last year I informed that we had taken a decision, to construct a scaled-down version of the existing design to obtain a single structure consisting of a terminal building with a reduced footprint on the already constructed foundation. The final design for the terminal building, including detailed drawings, has been completed with tenders to be invited soon.

Mr. Speaker, construction of the Air Traffic Tower is in progress, and work on the seventh floor of the tenth-floor building is ongoing. Mr. Speaker, the last government approved the direct award to the contractor, which included a payment of an 8% fee for securing the financing, and without bill of quantities for the project. Mr. Speaker moving forward there is still need to carefully examine these arrangements. Mr. Speaker Saint Lucians will no longer be exposed to the recklessness associated with the construction of arguably the largest infrastructural project without an agreed bill of quantities which would have indicated the likely cost of the project. Mr. Speaker, the designs for the rehabilitation of the runway is expected to be completed this year. Other works will include the modernization of the airfield drainage system, navigation system, and airfield and ground lighting system.

Let me assure you Mr. Speaker that the government is committed to the improvement of the Hewannorra International Airport terminal and runway. As we speak there are works going on to help improve the situation at the existing terminal.

Disaster Vulnerability Reduction Project

Mr. Speaker, the Disaster Vulnerability Reduction Project (DVRP), the largest World Bank financed investment undertaken by the Government of Saint Lucia has ended. It is worthy to note that this project started under the Labour Party Administration in 2014 and has now come to an end in 2024.

Over 100 projects costing US\$76.04 million were executed. Some of the major achievements of these projects were: construction of Piaye Bridge, Piaye and Roblot Community Centre, Slope Stabilization works, strengthening of school facilities, health centres, application of a flash flood guidance system, reconstruction of the and Blanchard Community Centre.

National Northern Cemetery Project

The National Northern Cemetery project will be located at Deglos, to address the very limited burial space available at Choc Castries. \$1.5M will be spent on this project this year.

Saint Lucia Fire Service

Mr. Speaker, while Fire Service personnel performed beyond the call of duty during the COVID-19 crisis, it became clear that the capacity of the Fire Service needed strengthening. The CDB-funded Fire Service project has commenced and is intended to improve the capacity and efficiency of the Fire Service and First Responders to reduce the vulnerability of the population in cases of natural and man-made disasters.

The programme comprises the following:

1. Engineering and construction related services and Infrastructural works on the reconfiguration and retrofitting of the St Lucia Fire Service practical training ground to satisfy TVET standards.
2. Purchase of appliances: one (1) aerodrome truck, five (5) domestic fire trucks, four (4) quick response vehicles, four (4) ambulances, equipment, and tools for nine (9) fire stations, including two (2) crash fire halls at George FL Charles Airport and Hewanorra International Airport and the purchase of Information Communication Technology (ITC) equipment and furniture for the Saint Lucia Fire Service.

3. Gender based institutional training and development.
4. Mental Health and Psychosocial Support for firefighters and first responders. Development of an Operations Manual to guide fire chiefs and officers to improve operations.
5. Capacity-Building: Technical training for 329 fire officers in the use of fire appliances, quick response vehicles, aerodrome trucks, and breathing apparatus.

These activities are being undertaken through a loan of US\$9M and grant funding of US\$230,500 from the CDB's Special Reserve Fund (SFR). This project is expected to be completed by December 2025.

West Coast Fire Service Sub Station

Mr. Speaker, this year we will retrofit an existing building to serve as a West Coast Fire Service Sub-Station to serve the people of Anse La Raye, Canaries, and surrounding areas.

Section 20: Tourism

Mr. Speaker, tourism continues to be Saint Lucia's main economic driver. To encourage and enable wider participation of Saint Lucians in the tourism industry, we have undertaken several initiatives focusing on certification, training, and research. We continue to build the legal enabling environment for this industry with the enactment of the Community Tourism Bill, and the Tourism Development Bill.

In the upcoming fiscal year, the Saint Lucia Tourism Authority (SLTA) intends to undertake several strategic initiatives aimed at enhancing and sustaining Saint Lucia's competitive presence on the international stage. These will include the use of Artificial Intelligence (AI) in our marketing campaigns to determine visitor preferences and behaviours in the various sub-sectors of the industry.

Mr. Speaker, the Community Tourism Agency aims to strengthen the capacity of our communities to achieve the stated objective of spreading the benefits of tourism to as many communities and people as possible. Three projects, the Castries Box Park, the Choiseul Arts and Crafts and Gros Islet Beach Park are expected to be completed this year.

Recreational Beach spaces will be revitalised as the Ministry aims to remedy overcrowded beaches. These upgraded spaces will focus on Reduit, Buckeye Beach Park, Anse Ferre Look Out Point, and Marigot Bay. Under the UBEC project, the construction of an Underwater Sculpture Park along the west coast is being proposed. Redevelopment of the Morne Layby will commence next month. Other projects for the communities include the Praslin Seamos Experience, the revival of the Dennery Seafood Fiesta, and the Martyr's Shrine at Minor Basilica.

Mr. Speaker, the construction of the Marchand Artisan Village, Amphitheatre at Serenity Park and the improvements to lookout points in Soufriere, Canaries and Anse La Raye are all designed to enhance the experience for locals and visitors alike.

National Conservation

Mr. Speaker, the National Conservation Authority (NCA) has been transferred to the Department of Tourism to facilitate efforts to improve the recreational and environmental health and safety of our beaches for locals and visitors, alike. This year, there will be several targeted initiatives to enhance the work of the NCA.

Mr. Speaker, the Rangers Unit will be reinstated, deploying specialised officers at key touristic sites like the Rodney Bay Strip and Gros Islet Street Party, to address security concerns and visitor harassment. These measures are intended to create a safer and more enjoyable environment for all locals and visitors, while ensuring the long-term preservation of Saint Lucia's natural beauty.

In addition, Roving Teams will be established, tasked with maintenance and beautification in targeted areas.

As part of enhancing the recreational experience of locals and cruise passengers at our public beaches, vending and toilet facilities will be established at Reduit Beach and Mount Pimard. This initiative will be ongoing with the intention of including all major beaches in Saint Lucia.

Creative Industries and Culture

Mr. Speaker, we remain committed to the development and modernisation of our creative and cultural industries. Our current cultural policy needs updating, requiring innovative ways of harnessing our creativity for the sustainability and preservation of our culture and traditions. In concert with updating our cultural policy, we shall enact new legislation that will provide the framework for Saint Lucia's creative and cultural development.

This year an increased allocation has been given to the Cultural Development Foundation to broaden its programme of activities. Special attention will be given to the following:

1. Rebuild the interest of our youth in steelpan. As part of the development of youth interest in Steelpan, the Ministry will provide facilities for the revival of the Diamond Steel Pan Orchestra in Marchand, Castries.
2. Training will, also, be available in lyric writing to assist writers in improving their word craft and their composition of calypso and Soca tunes.
3. Develop advanced technical knowledge and skills in choreography and dance.

Mr. Speaker, we shall continue to maintain the uniqueness of our culture by giving greater prominence to our Flower Festivals, Emancipation Celebration, and the display of our Visual and Literary Art in public spaces.

Blue Bonds

Mr. Speaker, last year, I informed this Honourable house that Saint Lucia was embarking on the issuance of a blue bond to support projects aimed at achieving Sustainable Development Goal 6 (Clean Water and Sanitation) and SDG 14 (Life Below Water). I am pleased to report at COP28 in December 2023, the Honourable Shawn A. Edwards, Minister for Education, Sustainable Development, Innovation, Science, Technology and Vocational Training, launched our Blue Bond Framework before the international finance community.

The Framework is among the first to be aligned with the recently launched Global Practitioner's Guide for Bonds to Finance the Sustainable Blue Economy. The Framework benefited from the technical assistance of the Global Green Growth Institute and Ocean Stewardship Coalition of United Nations Global Compact.

Saint Lucia's Blue Bond Framework will enable it to issue blue bonds in the near future that will deliver environmental, social, and economic benefits that align with our National Adaptation Plan, Nationally Determined Contributions, and the SDG targets.

In 2024, we aim to complete the blue bond issuance process to operationalise our blue economy ambitions and to sustainably leverage our ocean-based resources to support post-pandemic recovery and economic diversification in accordance with our National Oceans Policy.

Mr. Speaker, we are working closely with our legal, financial, and technical advisors to identify key projects that can be funded using the bond proceeds, including a much-needed wastewater treatment plant for the Castries Basin.

Section 21: Commerce and Industry

The private sector must be the main driver of economic activity with the government playing a supportive role. Through the Ministry of Commerce, the government will ensure an enabling environment where business enterprises operate free of unfair competition, high transaction costs, and in low levels of bureaucracy.

Mr. Speaker, Honourable members are aware that the government cannot create sufficient employment opportunities for the population. Some categories of businesses face special challenges in securing the necessary financing to grow by virtue of their size. This is why the government secured a loan of \$10M from the Caribbean Development Bank to provide COVID financial relief to Micro Small and Medium Enterprises (MSME). Under the loan arrangement, MSME owners from 31 – 60 years stand to benefit from the loan grant facility available through the concessionary grant of 70% grant and 30% loan.

MSMEs in agriculture, agro-processing, agro-tourism, manufacturing, beauty, wellness, and creative industries are eligible for loan grants ranging from \$10,000-\$20,000. The project is being implemented over a 24-month period and was launched in March 2023.

As of January 31, 2024, 193 applications have been approved for disbursement by the Saint Lucia Development Bank of which 172 applications have received disbursements totalling \$2.8M.

To provide technical assistance to these MSMEs, the Organisation of American States partnered with the Ministry of Commerce to provide training and assistance in business plan development and assessment.

Cannabis

Mr. Speaker, the Regulated Substance Bill intended to create the legal framework for the commercialisation of cannabis was enacted in November 2023. Regulations to support the Cannabis Bill are being developed. Mr. Speaker, several foreign companies have reached out to the cannabis task force expressing interest in the industry.

Mr. Speaker, we urge local interested entrepreneurs and businesses to ensure that they are not left behind in this emerging industry. The draft Cannabis Bill has been completed and is available for discussion from interested parties.

Mr. Speaker, a regulated substance regime will introduce an environment of safety and regulations for several substances. Cannabis cultivation is expected to benefit from medicinal for a wider healthcare industry.

The positive effects of cannabis are expected to be realised in many forms within the healthcare industry where many will benefit.

Cooperatives

The Cooperatives Sector is also receiving assistance and this year, the non-financial sector will benefit from a solarization project aimed at the conversion to renewable energy to reduce operating costs. The Cooperative Societies Bill 2022 was tabled in Parliament and is expected to be debated and enacted in this new session of Parliament.

Export Saint Lucia

Export Saint Lucia, Mr. Speaker has devised and received approval for a National Export Strategy aimed at coordinating export promotion across government agencies and private sector

organisations. Moreover, priority export sectors have been identified and have received the necessary support to enhance outputs. The National Export Strategy (NES) has successfully expanded Saint Lucia's exports.

Export gains have been made in value-added agriculture like seasmoss, coconut, biofertilizers, and apiculture, which have created additional employment and foreign exchange for the island. Mr. Speaker, Export Saint Lucia has been successfully and actively targeting new markets through its trade mission and continues to be well placed.

Saint Lucia Marketing Board

Mr. Speaker, last year the Saint Lucia Marketing Board was provided with a subvention by the Central Government which helped in rebuilding critical infrastructure, re-establishing procurement relationships with sectors, businesses and hotels, launching a certification programme for staff and training farmers to improve quality standards towards obtaining HACCP certification.

The Saint Lucia Marketing Board is well on its way to positioning itself as a premier supplier of quality products, increasing demand for local products.

Citizens by Investment Programme

Mr. Speaker, you may have heard about the commotion surrounding the signing of the Memorandum of Agreement (MOA) by Caribbean countries with the exclusion of Saint Lucia. Let me state that Saint Lucia fully supports the action of the four countries, which signed the MOA.

Our commitment to regional cooperation and collaboration is genuine. We agreed with every provision of the MOA except for the immediate increase of the minimum investment level. Mr. Speaker, we have just signed contracts that will significantly enhance our infrastructure including

roads, housing, and community facilities. These contracts, which require developers to secure financing for execution in advance of recouping their expenditure, were based on arrangements that predated the signing of the MOA. We cannot in good conscience change these contractual arrangements in any fundamental manner. Mr. Speaker, the islands that have signed the agreement have been able to build roads, houses, community centres and reduce their public debts from their CIP. And I am pleased that they were able to do so. But we are the last to have adopted the programme and have benefited the least.

Mr. Speaker, my first priority is to the people of Saint Lucia, and, so, I need to do what is in the best interest of the country and its people. Mr. Speaker, in the spirit of compromise, we had requested a grandfather clause to allow us to fulfil our existing obligations as I earlier articulated, but this was refused.

Mr. Speaker, Saint Lucia still believes that the best approach to solving our regional challenges is through collaborative action, and we will continue to work in that spirit. Let me assure you Mr. Speaker, that our CIP programme is anchored by robust due diligence processes at every stage and complemented by robust due diligence processes by the financial institutions involved in facilitating the CIP. We will continue Mr. Speaker to strengthen processes where necessary and aim to be the first in the ranking of global citizen programmes.

[Section 22: External Affairs](#)

Foreign Policy 2024-2025

When this SLP Government came into office, we announced that in our international relations, we would be pursuing a foreign policy that would support our developmental priorities through a

reaffirmation of our ties with our traditional friends but at the same time through the establishment of new friendships. We continue to adhere to this policy.

Our South-South relationship has become very important recently manifested by the establishment of loan agreements between Saint Lucia and Saudi Arabia Fund for Development and with the African Export-Import Bank.

We will be unveiling a new strategy towards the African continent and to bring to fruition a new policy of economic diplomacy, we will be appointing a number of Trade Ambassadors.

Regional integration through the OECS and CARICOM is and will continue to be a cornerstone of our foreign policy.

During the last year, Saint Lucia joined the sister CARICOM member states in the initiative to find a solution to the constitutional and security crisis in Haiti.

Our former Prime Minister Dr. Kenny Anthony chaired the Eminent Persons Group (EPG) to assist the Heads of Government to finally broker, with Haitian stakeholders, a solution to the political crisis.

We shall continue to pursue close cooperation in the areas of health and security with our neighbouring French territories of Martinique and Guadeloupe.

Saint Lucia holds its friendship and relationship with the government and the people of the Republic of China (Taiwan) in the highest esteem and will continue to support the Government and People of Taiwan in their struggle to be accorded their rightful place in the international community and we call for the removal of the US embargo on Cuba and Venezuela.

Finally, as we affirm our relations with our traditional friends, during the forthcoming fiscal year, Saint Lucia will open a High Commission in Ottawa, Canada.

Saint Lucia will continue to support the call for reparations for the transatlantic trade slave.

Diaspora Investment Bill

Mr. Speaker, the Diaspora Investment Bill spoken of last year which intends to encourage first and second-generation people of Saint Lucian descent living in the diaspora to invest in Saint Lucia will be enacted.

Section 23: Fiscal Policy

Mr. Speaker, as we contemplate the World Bank review of our economic ratings, the government continues to take measures to strengthen the economy and reduce the overall deficit. We have successfully returned to primary and current surpluses. To further achieve fiscal sustainability, we will undertake the following policy measures:

To enhance the collection of tax revenue by ensuring higher levels of tax compliance and efficiency. This year the operations of the Inland Revenue Department (IRD) will be modernised through the innovative use of new ICT.

We have enabled greater transparency in our debt management by enacting the Debt Management Act on April 1, 2024.

In addition, we shall streamline our public procurement system to ensure greater efficiency and accountability.

We will implement the Public Debt Management and Finance Act, and we have approved the Public Financial Management Regulations to enhance the budget process, revenue projection, budget reports and financial management operating procedures.

We will modernise our banking system and the Credit Union Sector through new legislation.

Climate Change

Mr. Speaker, given the implications and impact of climate change, we have adopted a comprehensive approach to addressing mitigation, adaptation, and loss and damage by enacting the Climate Change Bill. Embedded in this bill is consideration for conceptual sectoral policies.

Energy Policy

Cabinet has approved a National Energy Policy, with the objective of increasing renewable energy generation and decarbonization of thermal and transport systems. The National Energy Policy will be supported by new relevant legislation.

Insolvency

This year we will enact the Bankruptcy and Insolvency Bill to address distressed businesses and the management of non-performing loans, and insolvency proceedings.

Section 24: Micro, Small and Medium Enterprises

To improve access to finance and the types of collateral security available, we have enacted the Security Interest Immovable Property Act, which will reform the institutional framework for the use of immovable property as collateral and the establishment of an immovable property registry.

Within the management framework Mr. Speaker, we intend to continue to reduce waste, deter corrupt practices, and improve productivity levels. Mr. Speaker, this initiative is all designed to place the welfare of the people first.

Mr. Speaker, we are determined to maintain this growth trajectory as preliminary estimates show that Saint Lucia's GDP grew by 2.2% for the year 2023. Mr. Speaker the growth rate for 2022 has been revised from 18.5% to 20% and in 2021 to 11.5%, an indication of three consecutive years of growth.

[Section 25: Economic Policies](#)

Mr. Speaker, we intend to pursue the following policies to continue to achieve sustainable economic growth and wealth creation for our people.

New Macro Investment Bill

Mr. Speaker, foreign direct investment has returned in an impressive way; we are, however, concerned that the granting of approvals for significant investments are too lengthy. This year we will enact legislation that will fast-track the approvals of large investments in all sectors, which meet certain economic, environmental and social criteria.

Urban Renewal

Mr. Speaker, this government intends to revive the city and encourage urban renewal. The construction of the Halls of Justice is expected to provide the impetus for this renewal process. Special incentives will be made available to businesses and property owners in the city to renovate and refurbish their properties. Mr. Speaker, allowing the city of Castries to decay will create social problems that will further destroy the aesthetics of our capital city.

We will also explore means to discourage the practice of abandoned and unkempt properties, especially those that pose security risks and a hazard to people and the environment.

Mr. Speaker, I intend to meet with the Chamber of Commerce, National Insurance Corporation, Castries Constituency Council, churches, and other relevant authorities to formulate strategic interventions for the city's revival.

Project Implementation Unit

Mr. Speaker, to augment the effectiveness of our infrastructure programme, we will create two (2) Project Implementation Units, one at the Ministry of Infrastructure and the other at the Office of the Prime Minister. We are confident that these units will increase the rate of project implementation.

Minimum Wage

Mr. Speaker, part of the core values of the Saint Lucia Labour Party are equity, respect for the rule of law, and inclusiveness. The governing principles of the Saint Lucia Labour Party are rooted in its history. It is the political party that has enfranchised the working class in Saint Lucia. The Saint Lucia Labour Party has always demonstrated that it is the political party that cares and respects the dignity of the Saint Lucian people.

Our party founder and first Chief Minister of Saint Lucia, Sir George FL Charles, was the architect of adult suffrage and a representative of workers through the trade unions. It was his vision that led to the creation of the Protection of Wages Ordinance and Holidays with Pay Ordinance in 1959.

Mr. Speaker, a true historical account will indicate that Sir John Compton and the late Maurice Mason, between 1964 and 1969 were both influential figures in support of Sir George FL Charles' legislative agenda on the rights of workers.

It is our responsibility, Mr. Speaker, as the party in government to continue pursuing our founder's vision to keep improving the wages and conditions of the workers of this country. This is why in 2022, we appointed a Minimum and Equal Wages Commission comprising representatives of the Trade Unions, private sector, and government. I am pleased to report Mr. Speaker that this Commission has completed its preliminary report, and the way forward will be as follows:

In compliance with the provision of the Labour Act Cap 16.04, the Commission shall proceed to prepare the draft order containing a recommended minimum wage for publication in the gazette and to present its recommendations to the representatives of employees and employers as prescribed by the Labour Act.

Mr. Speaker, Section 77 of the Labour Act prescribes the manner in which the Commission is to seek comments, and I quote "When there is such a referral, the Commission by publication in the gazette and submission to organisations representing employees and employers invite comments and objections relating to the making of a Minimum Wage Order within twenty-one days of the publication".

And on the issue of objections, Section 87, reads as follows – "Objections to the making of a Minimum Wage Order shall be submitted to the Minister stating (a) the grounds of objections, (b) the nature of that person's interest in that matter and (c) such additions, modifications or amendments to the draft order that person may think fit".

Mr. Speaker, it is our hope and our desire to follow the rules and that Saint Lucian workers will have a new Minimum Liveable Wage by August 1, 2024.

Early Childhood Education

A one-off payment of \$2500 will be made to each of the ninety-three (93) privately registered Early Childhood Centres to assist with the purchase of educational supplies. This payment will be made from August 1st, 2024.

Relief for Banana Farmers

Banana farmers recently affected by the shortage of boxes and packaging material will be entitled to a shared compensation package made available by the government of \$500,000. This compensation package will be administered by the Ministry of Agriculture.

Housing Relief for Public Servants

Public servants will be entitled to 100% residential mortgages under the US\$ 20 million Republic of China on Taiwan EXIM Bank's new credit line facility being managed by the Saint Lucia Development Bank. In addition, the government will assist every successful applicant with a \$1000 payment towards their legal cost.

Import Duty on Hybrid Vehicles

Mr. Speaker, in keeping with our commitment to climate change adaptation and mitigation, we have received the approval from CARICOM for the derogation of the import duty on Hybrid and electric vehicles (EVs). This means that the import duty on these vehicles will continue to be 5% until November 20, 2025. We will continue to review concessions and incentives available for all renewable forms of energy.

Increase in Pensions

Mr. Speaker, are you aware that there are government pensioners and other pensioners who currently earn \$300.00 monthly. Effective August 1, 2024 the minimum pensions payable to government pensioners will be increased to \$725.00.

Government pension payments in the future will be linked to union-agreed negotiated salary increases for civil servants but not beyond the covered period of those negotiated settlements.

At a request from government, the NIC in consultation with their actuaries have also decided to increase its minimum pension to \$500 per month. About 2400 pensioners will benefit from this increase effective from 1st August 2024.

This means Mr. Speaker that from 1st August, 2024, no government or NIC pensioner in this country, will receive less than \$500 per month.

Waiver of Stamp Duty on House Mortgages

Mr. Speaker, as part of the government's policy to encourage the construction and renovation of new residential homes and renovations to existing homes, stamp duty on mortgages up to \$400,000 taken for any of the two purposes will be waived.

Continuation of Tax Amnesty

Mr. Speaker, you may recall in my budget address of 2022, I announced a tax amnesty which was further expanded and extended in 2023 to May 1, 2024. Unfortunately, the programme has not been fully operationalized and therefore more time will be required to allow taxpayers to benefit from the tax amnesty programme. Taxpayers are encouraged to make arrangements this fiscal year to take advantage of the benefits of the waiver of interest and penalties on outstanding taxes up to May 1, 2025. Waiver of Residential Land and House Tax has also been extended to May 1, 2025.

Sandbox Regime /Innovation Hub Legislation

Mr. Speaker, we are living in a digital revolution. Innovation and technology, including blockchain and artificial intelligence, are clearly showing that the future belongs to countries that can harness the opportunities of the digital revolution.

Mr. Speaker, we intend to work with interested parties during this fiscal year with a view to introducing sandbox regime and innovation hub legislation to create the enabling environment for new technologically-driven businesses.

Introduction of Sovereign Wealth Fund

Mr. Speaker, for the last two years we have been speaking about the creation of a Sovereign Wealth Fund (to create a multigenerational plan that would safeguard future generations). We are pursuing this initiative and have employed experienced advisors to assist. A memo is to be considered by the Cabinet to approve the way forward. I will update members on the progress of this initiative.

Section 26: Budget Financing

Mr. Speaker, a summary of the budget financing is as follows:

		\$
Current Revenue	-	1,465,281,800:
Capital Revenue	-	2,873,500
Grants	-	108,062,351
Total Recurrent Revenue and Grants	-	1,576,217,951

Total Expenditure	-	1,894,110,800
Less Tax Refunds	-	10,014,000:
Less Amortization	-	92,900,800
Overall Deficit	-	214,978,349

NET FINANCING REQUIREMENT

External Borrowing	-	243,813,204
T Bills and Bonds	-	64,065,945
Total loans	-	307,879,149

[Section 27: Conclusion](#)

Mr. Speaker, we are about to enter the beginning of our fourth year in government and we fully expect to hear absurdities from frustrated political aspirants who refuse to accept the very loud verdict of the Saint Lucian people on their lack of stewardship and bad government between 2016-2021.

Mr. Speaker, we walk in the knowledge that the better we do, the louder they will criticise. We walk in the knowledge that these failed politicians are driven not by a desire to serve the Saint Lucian people but by a burning hunger to serve themselves, their families and their friends. Mr. Speaker the latest actions by the Opposition and their surrogates as it relates to our CIP Programme is a strong case in point.

Mr. Speaker, there has not been one issue with our CIP programme. No one has raised any negatives regarding the due diligence of our programme. Our programme is now well poised to deliver infrastructure in the form of roads, community centres, and hotels to our people without increasing the national debt.

What is the opposition's response? – Its leader and his surrogates are all over the world spreading falsehoods and misinformation, encouraging adversaries of our island to denigrate our country. They do not care how these actions affect the prospects of employment for our youth, the implementation of Universal Health Care, the level of investment, or the impact of gun violence; this does not disturb their sleep or trouble their consciences. What matters is their own selfish desires to be in control, to victimise and to be in power.

Mr. Speaker, thanks to my team in government, we have remained focused on the development of our country. This is all we have, our Saint Lucia, a place we call home, and will continue to protect it by putting our people first. We are products of Saint Lucia.

We have experienced three (3) years of sustained economic growth. We have reduced unemployment by 8% and youth unemployment by 12%. We have reversed the lack of investment in our country and ensured that the benefits of tourism are being felt by the many and not the few.

Mr. Speaker, in 2021 we aimed at transforming our economy to empower our people. We returned hope, good governance, integrity and economic growth to our country – our people are more confident and hopeful with a renewed faith in government as an instrument for good.

In 2022, we tackled the neglect in health care and alleviated the social conditions of the poor and underprivileged, while improving citizens' security.

Mr. Speaker, in this year of infrastructure, I am satisfied that we have undertaken sufficient policy initiatives and interventions to realise the objectives of greater efficiency, effectiveness and responsiveness in our physical, social and digital infrastructure. Alongside the realisation of these infrastructural objectives, we can look forward to growth in major sectors of the economy, new job opportunities, with youth employment on the rise, increased social protection for the vulnerable, and growing confidence in the good governance of our country among potential investors and the international community. By the end of this fiscal year, Saint Lucia is expected to be in a much better place.

Mr. Speaker, we are not turning back, we want a better future for the next generation. It is our duty to ensure that our children have better opportunities to generate wealth and improve their standard of living – we need to be united as a country to achieve these goals. I call on all citizens of goodwill to join in the fight against violence, unemployment, envy, and hatred.

My government is ready and willing to work with all people of goodwill to achieve these objectives.

“Let your eyes look straight ahead. Fix your gaze directly before you.

Give careful thought to the path of your feet and be steadfast in all your ways.” Psalms

“Do not turn to the right or to the left, keep your foot from evil.” Proverbs

Thank You.

