



ADDRESS BY
RT HON PRIME MINISTER PHILIP DAVIS, QC, MP
TO THE 31st ANNUAL BAHAMAS BUSINESS OUTLOOK CONFERENCE
HELD VIRTUALLY ON
THURSDAY JANUARY 13TH 2022

“BEYOND RECOVER INTO GROWTH”

Good morning, everyone.

We are still at the beginning of a New Year, one that promises to bring much better times than in recent years.

And we are still very much at the dawn of our New Day Administration, from which those of you attending this 31st Annual Bahamas Business Outlook Conference can draw much hope.

In so many ways, the outlook for business, the outlook for our country, and the outlook for the Bahamian people is brighter and more optimistic

Ladies and gentlemen:

I'll begin as our Administration did, by inviting you to face up to some difficult truths.

We remain in the midst of a health crisis, spawned by the Covid-19 pandemic.

And we remain in the midst of an economic crisis, the genesis of which lies in some very poor economic decision-making during the past 4 ½ years, made worse by Hurricane Dorian and Covid.

Poor governance not only made a bad situation much MUCH worse, but shattered trust and confidence throughout many sectors of our community and among the Bahamian people.

Many Bahamians now doubt that their government, any government, is fit and able to set the country on the path to health and prosperity.

We are determined to do all that we possible can, to restore that trust and rebuild confidence in our future.

Our New Day campaign made some big promises.

We promised that we would take on the big challenges, address the urgent needs of the Bahamian people, implement an effective plan to deal with Covid, get the economy going again and put the country on a path to transformational growth.

In each of these, we have made a strong, credible, positive start, but having just past the first 100 days, there is so much more still to do.

When we came into office, the country was still under curfew, business activity was suppressed, and the health measures in place appeared arbitrary and ineffective.

Each time there was a new spike Covid infections, the government seemed unprepared and, as happened again last summer, hospitalizations and deaths soared, the healthcare system collapsed, and healthcare staff remained demoralised and overworked.

During the election campaign, we consistently made the point, that we would not be able to deal with the economic crisis, until we can successfully manage the health crisis.

This thinking continues to inform our approach.

In anticipation of a new surge in Covid cases as was likely with the onset of Winter in our major tourist markets, we therefore started to build capacity in both the physical and human resources in our healthcare system.

The subsequent emergence of the new Omicron variant, also meant that we needed to move into a new phase in Covid management.

And so we ended the use of the blunt instruments of curfews and lockdowns.

Apart from enabling us to kickstart the economy, the extended use of curfews and lockdowns was enormously psychologically damaging on the population.

It says something about the mental state of the country that, when the Prime Minister indicates he wishes to address the nation, people's

anxiety levels still soar, people still terrified of some new arbitrary announcement, apprehensive about a loss of a sense of agency over their own lives, loss of earnings, and loss of fundamental constitutional rights.

Our commitment to openness and transparency means we will continue to communicate regularly, and in time, this will hopefully create the expectation of the receipt of healthy information.

Apart from following the science, as we promised, we are working assiduously to rebuild trust and confidence with the Bahamian people.

We continue to make every effort to keep our promises.

We don't just rashly implement a plan, but we pilot it, then roll it out carefully and thoughtfully, so that the plan actually works.

This is why it's taken a little time to implement free testing, distribute medical-grade masks, to introduce the cut in VAT to 10%, to provide pension payments, to pay salary arrears, and to get schools repaired and ready for students to return.

But the important thing is that we've done them, all of them, ALL OF THEM, and practically, within the first 100 days of the administration.

These accomplishments alone would make any administration proud, especially when held up against the record of the previous administration, who borrowed \$10 billion without a single major item to show for it: not one new school, not one new major road, not one new hospital.

But I highlight these achievements for a different reason.

ALL of them have succeeded because of our success in engendering a partnership for A New Day with the Bahamian people.

Of course there is more to do, but it is because more Bahamians have stepped forward to be vaccinated, because Bahamians continue to wear their masks and by and large remain socially-distanced, because of their willingness to come together for the common good – these are the reasons behind our success.

Which brings me to my main theme for today.

My Friends:

My administration can and will play its part in enhancing the macro-economic environment of the country, but ultimately, it is only in constructive partnership with you, members of the business community, that the country will succeed.

With the debt-to-GDP ratio driven up to an unprecedented 100% by the previous administration, we have appointed a debt management committee, and already begun to take significant steps to manage the national debt, and enhance our reputation with lenders.

But what can you do to show investors and lenders that our Bahamas is a place where business is also conducted responsibly?

I leave each of you to determine your answer.

And I ask you further:

As we seek to diversify the economy, to facilitate and promote growth in the new Orange, Green and Blue sectors, what can you do to support the many Bahamians, especially those in the Family Islands, who continue to struggle with high levels of poverty and unemployment?

Our 'Blueprint For Change' heralds a number of bold measures that our New Day Administration will take, from the introduction of a liveable wage, to reducing energy costs, enhancing the ease of business and promoting a number of initiatives to increase growth and improve economic justice and dignity for all Bahamians.

Have you identified what role your business will play?

Are you able to look beyond short-term, narrow profit to see the possibilities of broader long-term gain?

How can you help to drive down the cost of living to support the common wealth and the common good?

During the initial lockdowns of the pandemic, there was much talk by the previous administration of this presenting an opportunity to make fundamental changes in the way we do things, fundamental changes to our economic structure and practices.

It came to nothing, but the hunger for change among the Bahamian people remains.

Big change, real change, transformational change.

And what part can you play?

Our Economic Plan will work only if you too are committed to being a part of that change.

And the data shows, and I profoundly believe, that our Plan is nothing less than the collective desire by the Bahamian people to promote positive, compassionate national development, one that meets the needs and aspirations of the many, not just the few.

My friends, we must be willing not just to speak of change, but to boldly bring it about. There is no question that when people can better provide for themselves, they are likely to be more productive at work. They are more likely to use their earnings to drive the local economy.

And they are more likely to exercise active citizenship, that is, to take control of their lives and influence their society for the better.

How will you strive for a more just and inclusive workspace?

What measures will you take to do away with anti-competitive practices?

And how do you plan to ensure your business affords respect and dignity to all its workers?

Whether it is in establishing youth-targeted internship programmes, increasing the base salary for your entry-level workers, ensuring pay parity

in your workplace, or supporting social campaigns, there are countless first steps that the private sector can take:

Steps that you can take!

As we look beyond recovery into growth, I invite you to pay close attention to two particular pillars of that recovery:

Firstly, the new economies which I mentioned earlier; and secondly, and perhaps more importantly, at the business opportunities that exist as we seek to lift up the Bahamian people.

Let's consider this second pillar first.

What entrepreneurial opportunities can be explored to produce a more agile, better educated, and ultimately, more empowered population?

There are the headline-grabbing ones in technology, in bitcoin and blockchain.

But what of the more fundamental needs in improving literacy and numeracy? Businesses operating in free markets perform best when they offer products and services that meet genuine needs.

How can your business meet the educational need from the learning loss arising from the pandemic?

How can you positively harness the innovative energy of our young people, so many of whom are willing to work hard to make a better future?

I will leave it to you to fill in your own answers, but please understand that, within our New Day Administration, we are extremely keen to support ventures that at the same time support national development.

In this regard especially, we want to hear from you.

The first pillar of growth relates to the new Orange, Green and Blue Economies.

I hope that many of you have taken note of how The Bahamas has stepped up on the world stage to assert leadership on issues surrounding climate change and the environment.

Apart from the existential threat to our country, insofar as these issues underpin the Green and Blue Economies, they represent areas of enormous potential growth. The efficiencies and trillion-dollar potential of these industries are areas in which I would love to see Bahamian businesses become world-leaders.

I have recently appointed an 'Environmental and Climate Change Tsar', based in the Office of The Prime Minister, whose remit is to work across government to deliver the government's agenda not just in respect of environmental adaptation and resilience, but to support our economic priorities as well. Carbon credits, blue and green financing, insurance

against natural disasters, sovereign wealth – all of these issues and more, can benefit from this kind of expert, joined-up thinking and action.

So I ask again: What part can you play in helping to build a new, thriving sector for The Bahamas?

In a similar way, opportunities in the Orange Economy abound, and one of my policy advisors is specifically tasked with developing this remit.

We are working hard to ensure that many of those things which have been discussed for so many years, under this New Day Administration, become a living, breathing reality.

We want our culture to sit at the heart of our tourism offering, and at the centre of our national life.

The Orange ‘creative economy’ represents one of the greatest fiscal opportunities for our country. By weaving robust cultural policy into our national development plan, we aim to develop supportive frameworks which nurture Bahamian cultural workers and allow them to excel.

Our vision is to celebrate and market Bahamian culture – from sloop sailing to Rake n’ Scrape – as the main tourism product, nominating cultural ambassadors to promote the country around the world. A 52-week schedule with ‘world-class’ creative events promises to further invigorate both the national tourism industry and local island economies.

Of course, education and training will be crucial in this vision. The establishment of a tertiary School of Visual, Performing and Recording Arts will widen the base of trained cultural practitioners in our country while serving as a fruitful site of creative cross-pollination.

And so the question once again arises: What can you do to support those students?

How can your business contribute to and benefit from this vision?

If harsh truths govern our present, a simple, nobler truth is that our culture is our future.

It is who we are, today and tomorrow.

It is the future of our country, our islands, and our individuality.

Investment in the orange economy will be key if we ever hope to forge a reasonable future for ourselves.

Throughout today, experts will speak on several important topics from embracing change to a digital transformation already in motion.

Lend them your ear.

But do not stop there.

Lend them your hand, too.

Take a bold stake in your country's future.

Be an active citizen.

Partner with us to make our New Day a reality.

And when you lift your head to the rising sun of this New Day, look beyond
the horizon.

Look beyond recovery.

Look into growth.

And ask: What can I do?

Ladies and Gentlemen: Thank you.

END