



Office of the  
**Prime Minister**

## **Statement to The Honourable House of Assembly on The First Anniversary**

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**HON. PHILIP DAVIS, KC, MP  
PRIME MINISTER & MINISTER OF FINANCE**

**WEDNESDAY 28<sup>TH</sup> SEPTEMBER 2022**

## **1. INTRODUCTION**

Deputy Speaker:

What a difference a year makes!

It was just 12 months ago that the Bahamian people voted overwhelmingly for change.

They didn't like what was being done, how it was being done, and who was doing it.

And by any measure, the country was in a dire state.

The economy was headed for a fiscal cliff; two billion had been borrowed every year for four years, with no plausible plan for the growing debt.

Hospitals remained under extreme pressure, with patients treated in parking lots, severe shortages of doctors and nurses, and regular leaks and flooding in the buildings.

Schools were still going back and forth between in-person and online learning, with thousands of students not attending classes at all.

Bahamians were barred from leaving their houses in the evening.

In thousands of homes, not a single adult was working, with an economy that was on life support after a series of lockdowns.

Everything was stalled in Abaco and Grand Bahama; hope was in very short supply.

Civil liberties remained suspended since March 2020, and millions had been spent during the pandemic outside the normal procurement rules.

Deputy Speaker:

This was the state of the nation in September 2021:

A fiscal crisis. A health care crisis. An education crisis. And an economic crisis.

We got right to work, so that a New Day could dawn for The Bahamas.

And the accomplishments of the past 12 months have only been possible because the Bahamian people stepped up and stepped forward, and worked with us.

We are grateful for their trust and confidence, and the partnership we have forged bodes well for the positive national development of The Bahamas.

Deputy Speaker:

Yes, we have accomplished a lot in this first year, but there is still so much to do.

We are making good progress on many of the commitments which we made in our 'Blueprint For Change'.

But the war in Ukraine which started back in February, and COVID-related manufacturing and supply chain issues in some of the major markets, have combined to create a new and very serious emergency: a global inflation crisis, which has driven up prices across the world.

For a long time now, the cost of living in The Bahamas has been too high.

But with global inflationary pressures driving prices up across the board, life has become unaffordable for too many Bahamian families.

Deputy Speaker:

The government is working hard to help the country recover and to provide relief from these multiple crises.

At the same time, we are also working to bring about the big, transformative changes which will make us stronger, less vulnerable to future crises, and bring us closer to fulfilling our national potential.

## **2. FIRST YEAR ACCOMPLISHMENTS: A FOUNDATION FOR RECOVERY AND PROGRESS**

Deputy Speaker:

I'd like to review some of the highlights of what has been accomplished during the past year.

Having been so absorbed in the day-to-day, it is instructive to step back and look at the big picture.

## **Health**

Deputy Speaker:

Even before coming into office, we made the point that the economic crisis the country faced couldn't be fully tackled until the Covid-19 health crisis was being well-managed.

At the time, The Bahamas was performing very poorly on regional comparisons regarding the management of COVID.

We knew our country could do much better.

We introduced free testing (something the previous government said couldn't be done), distributed almost 1 million free medical-grade masks, hired more doctors and nurses, and began to upgrade local clinics.

Our commitment continues, with new industrial agreements with the Bahamas Nurses Union, which include salary increases and retention bonuses. This is simply the right thing to do for those who have done so much to save lives during the pandemic, often at great personal risk to themselves.

## **Public Service**

Deputy Speaker:

We also settled and are continuing to settle outstanding promotions and regularizations for public sector workers.

We negotiated union agreements, with The Bahamas Educators, Counsellors, and Allied Workers Union; The Bahamas Customs, Immigration and Allied Workers Union; The Bahamas Union of Teachers, The Bahamas Nurses Union, The Bahamas Educators Managers Union. It is important to note that these negotiations resulted in the largest-ever remuneration for Bahamian workers.

And we approved the return of annual increments for public servants along with an increase in public service pensions.

### **Cost Of Living**

Deputy Speaker:

As I indicated earlier, higher prices are squeezing Bahamian households.

We are implementing multiple policies to address the issues which contribute to the high Cost of Living.

### **Price Reduction and Control**

Deputy Speaker:

The most direct tool we have to affect the cost is by reducing import duties and monitoring price controls.

In the past year, we have therefore reduced import duties on dozens of food items, including healthy options like fruits and vegetables.

We have lifted the import ban on Canadian beef, which will lower cost of meat to consumers.

We have expanded the list of food items on the price control list and have also hired new Price Control Inspectors to ensure compliance with price regulation requirements.

These are measures which bring some immediate relief, but we know we also must take big steps to reduce reliance on expensive foreign imports.

### **Agriculture**

We have committed millions of dollars in new investments for food security initiatives, which means we'll grow a lot more of what we eat right here at home, and create opportunities in Bahamian ownership and employment.

We have also introduced duty-free concessions for parts to repair fishing and farming equipment.

We are facilitating direct cash subsidies and concessions for poultry farming, to reduce the reliance on foreign imports. For the same reason, two new slaughterhouses have been commissioned for New Providence and Eleuthera.

And the re-opening of packing houses, after 4 years, will assist farmers with feed, fertilizers and other tools.

I will speak in a few moments, too, to the many new opportunities being created in agriculture.

### **Affordable Housing**

Deputy Speaker:

We have picked up the ideological baton begun under the Pindling era, and once again want to support Bahamians in owning their own homes.

In this first year, we made available 47 new affordable homes in Pinecrest's first phase of development.

New housing developments in New Providence and Abaco are underway, along with a new housing initiative at Ocean Hole in Rock Sound, Eleuthera.

We have expanded concessions to first-time homeowners, which includes the purchasing of land, building and purchasing a house, and renovating existing structures.

We increased the level of exemption for VAT on homes from \$250k to \$300k.

And we also implemented broad-based reduction of duties on building materials.

### **Energy**

Deputy Speaker:

As we all know, energy is a significant part of the monthly expenditure for households and businesses.

We have launched a programme to implement solar microgrids, rooftop panels and other solar devices, which are to be deployed across multiple Family Islands. This will benefit up to 17,000 Bahamians.

Alongside this we have reduced customs duties for solar products.

We have also reduced to 10%, the duty on electric cars which cost under \$70,000. And we are well advanced in negotiations of a 61 Megawatt solar facility to decrease the cost of electricity.

Bahamians deserve cleaner, more reliable, and more affordable energy, and we are working hard to build the solutions that will get us there.

### **Social Support and Empowerment**

Deputy Speaker:

Bahamians have really endured one tough year after another. The 2017 shock rises in VAT and other taxes, along with increased unemployment and reduction in support for the most vulnerable. Then Dorian, then COVID, and now a global inflation crisis. A great many families are finding themselves struggling, including many who were doing fine before this series of emergencies.

It has been a priority for my administration to offer both compassion and relief, via both social support and empowerment.

Our administration is providing substantial support to successful, local feeding programmes run by churches and NGOs.

The funding for social assistance increased by 50% compared to pre-pandemic levels.

We have extended tax breaks and concessions in Grand Bahama and Abaco Recovery Zones.

We made a \$500 lump-sum payment just before Christmas to the unemployed, to provide a little breathing room.

My government provided relief grants to vendors in Port Lucaya, Downtown Freeport Farmers' Market, Eight Mile Rock Fish Fry, and Lucayan Harbour and New Bight Fish Fry.

We also provided a financial stipend to surrey drivers.

Deputy Speaker:

We successfully re-opened schools after two years of online learning.

And we launched a free WiFi in the parks programme called – Park Connect Bahamas.

To date, 30 parks across the country have been outfitted with free Internet access.

We successfully relaunched Urban Renewal, including the Urban Renewal Band and the Urban Renewal Foundation, which will spearhead a list of social support and empowerment programmes. The Urban Renewal Small Home Repairs Programme is well underway in Abaco, Moore's Island, Bimini, Exuma, Cat Island and New Providence.

And the Disaster Reconstruction Authority launched a Home Assistance Repair Programme in Grand Bahama and Abaco.

## **Better Government**

Deputy Speaker:

In furthering our commitment to promote better government, during the past year, my government made notable progress on a range of issues.

We eliminated the travel health visa which was such a burden to so many Bahamians.

We enacted legislation concerning the 'Presumption of death', in order to allow survivors to more quickly settle the affairs of loved ones, who go missing after circumstances of peril, such as hurricanes.

A Family Island Help Desk was set up in the Department of Local Government to assist local government personnel in navigating red tape, and addressing relevant issues.

The Revenue Enhancement Unit was re-established to collect over \$1 billion in tax arrears through more efficient collection, more effective compliance measures, and enforcement of laws.

New carbon credits legislation was passed, which will enable The Bahamas to be compensated for the role that our mangroves and seagrasses play in eliminating carbon from the atmosphere.

## **OPPORTUNITIES**



## **Investments**

Deputy Speaker:

In our 'Blueprint For Change' we committed to making The Bahamas a more attractive investment proposition, for Bahamian and international investors.

We also launched 'Bahamas Invest' to reimagine National Investment Policy and the National Investment Promotional Strategy, to create a fertile environment for domestic and international investment.

The focus is improving the ease of doing business, implementing faster processes, focusing on strategically-developed industries on each island, and providing for better, more fine-tuned concessions.

## **Tourism**

Deputy Speaker:

Advances made during the past year in Tourism bode well for robust growth and development of the industry.

A successful RFP was issued for the Grand Bahama International Airport redevelopment.

We were successful in negotiating the introduction of new direct flight services to Grand Bahama from Orlando, Charlotte, and Raleigh-Durham, and the resumption of the Sunwing service from Canada.

Negotiations for closing on the sale of the Grand Lucayan are on track to close in November.

Carnival Cruise broke ground on a new cruise port in East Grand Bahama which will result in 1,000 local jobs.

My government commissioned and built a new airport terminal in Ragged Island and the Great Harbor Cay Airport terminal was completed.

A Memorandum of Understanding was signed with the United Arab Emirates to explore joint initiatives in tourism.

We brought back festivals, regattas and water sports.

And we helped secure the safe re-opening of the straw market and surrey carriage industries.

Deputy Speaker:

We applaud the significant increase in passenger arrivals via cruise ships, which includes the historic arrival of 20,000 cruise passengers in a single day at Nassau Cruise Port.

Other welcome developments include the launch of the TSA pre-check at LPIA, which is the first such facility to be established outside of the United States.

We also launched global Tourism & Investments missions, to promote the re-opening of The Bahamas and strengthen our ability to draw visitors from around the world. We now have missions in Latin America, Europe, the Middle East, the United States, and Canada.

Our 'Sports in Paradise' was also re-launched, and the refurbishment begun on sporting facilities to host events.

### **Food Security Opportunities**

Deputy Speaker:

Growing more of what we eat here in The Bahamas is not just about lowering food bills, as important as that is. It's also about creating opportunity.

I am glad to be able to say things that The Bahamas is finally moving forward on this important front.

BAMSI was further established as an education and research institute.

\$1.3 million in grants was approved for farmers and fishermen via the Small Business Development Centre.

The process to obtain a fishing license was digitized. Most fishing licenses can now be obtained online reducing the need for travel from the Family Islands.

And community kitchens are being established in the Family Islands to help farmers prepare, process and package their food products.

This is just the beginning, Deputy Speaker.

A lot has been done, but there's still a lot to do.

## **Training**

Deputy Speaker:

As we grow and diversify our economy, it is critical that the Bahamian people have access to the training they need to take advantage of these expanded opportunities.

During the past year, a partnership was formalized between the Bahamas Maritime Authority and the LJM Marine Academy to offer more training opportunities for Bahamians in the Maritime Sector.

The Bahamas Technical and Vocational Institute through the Ministry of Education and Technical & Vocational Training (BTVI) launched the Smart Start programme to support secondary school students impacted by the pandemic.

The Public Service-Professional Engagement Programme now provides paid training for entry level civil servants, with clearly-defined career tracks, and employment offers for successful trainees at the end of the programme.

And Persons living with disabilities now have better recruitment and training opportunities in the public sector.

## **Digital Economy Innovation**

The Digital Economy is an area where we especially want Bahamians to be able to take advantage of the opportunities for jobs and wealth creation.

And so, in our first year, we passed new legislation concerning digital assets, and expanded promotional efforts to attract leading Fintech, crypto and blockchain firms to the country.

This led to The Bahamas being rated a #1 jurisdiction for crypto-regulation.

Deputy Speaker:

Our government also partnered with The Central Bank of The Bahamas to increase the circulation and use of the Sand Dollar. It is expected that this will make small business transactions faster, less costly and more secure.

### **Grand Bahama and The Family Islands**

As the representative for three Family Islands, I am always mindful that our efforts in national development do not leave them behind.

In the past year, we have made a start on several initiatives to stimulate family island economies.

In Grand Bahama, many Bahamians were hired in the Ministry of Grand Bahama's Beautiful Grand Bahama and Grand Bahama Clean Initiative, to increase employment and revive neighborhoods.

Empower Grand Bahama was launched to provide micro-grants to assist entrepreneurs.

The launch of the Family Island Development Trust Fund means that more of the taxes collected in the Family Islands will stay there to be used for infrastructure and investment.

And new incentives were implemented to bring emerging technologies to the Family Islands.

### **Empowerment of Business Owners & Improved Ease of Doing Business**

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Deputy Speaker:

Improving the ease of doing business, and empowering Bahamians, are continual, ongoing, multi-faceted efforts, not single-step exercises.

We have allocated \$50 Million to support the development of small businesses through The Bahamas Development Bank, Bahamas Agriculture and Industrial Corporation, The Venture Capital Fund and The Small Business Development Center.

We have also strengthened the National Trade Policy and offered it for public consultation. It is anticipated that this will provide strategic direction on reducing the trade deficit, lowering imports, and creating opportunities for Bahamians in the international trade of goods and services.

Deputy Speaker:

We have worked hard to implement policies and initiatives which positively and directly touch the lives of many Bahamian people.

We have been able to reduce the turnaround time for the licensing of new watercraft to under 30 days.

We have facilitated taxi drivers in receiving their own license plates.

We expunged the records of minor offenses, to allow those Bahamians affected to become gainfully-employed, productive citizens.

We created a Cultural Artist Registry, to which more than 300 cultural and creative artists have already signed up.

More than 60 small Cultural Grants were given for cultural projects and cultural exchanges.

Seed funding for Junkanoo in the Family Islands was almost tripled.

A special joy came from the Summer Cultural Arts Camp Programme, in which more than 700 people participated.

A new School for the Creative and Performing Arts is in development.

And work is underway to launch a National Youth Guard to support our community during times of emergency.

## **Safety and Security**

Deputy Speaker:

Years of severe economic disruption have caused great harm to our country, not least in terms of the impact on the safety of our streets and communities.

We are implementing a broad range of policies to increase safety and security.

We have expanded the reach of Urban Renewal.

We have dramatically increased recruitment into the Defence Force, Police Force, and Department of Immigration.

\$6 million has been allocated for new Defence Force vessels, to better protect our borders.

A new Coastal Radar was commissioned at the Coral Harbour base.

The 'Marco's Alert' system was launched to activate an urgent bulletin in child abduction cases, and get information to the public sooner.

Use of the Spot Shotter technology was expanded across New Providence and into Grand Bahama to tackle gun-related crimes.

Deputy Speaker:

We launched our 'Second Chance programme' to give young people productive pathways away from crime.

We also expanded the use of body cameras and dash cameras by police officers, to support them in providing greater accountability and more accurate monitoring of officer-citizen interactions.

In Grand Bahama, we acquired a fire truck and we are implementing new training opportunities for the service.

Saturation patrols are a priority in areas where they're needed most.

We understand that poor lighting impacts crime and therefore are launching an extensive streetlights project to ensure our communities are better-lit.

### **3. THE WAY FORWARD**

Deputy Speaker:

In this first year, we have built a strong foundation for Recovery and Progress.

We will continue to build on this foundation, to provide Relief, Opportunities, and Security for all Bahamians.

Our legislative agenda will continue to follow the priorities set out in my government's 'Speech From The Throne' last year.

We will introduce measures to reform the provision of healthcare in The Bahamas, particularly in relation to mental health.

This includes a \$10 million new Catastrophic Care fund to help medical patients, and a new Wellness programme from the Ministry of Health.

We have launched new 'Orthopaedic Clinic and Wound Care Services' at the Princess Margaret Hospital.

We are especially excited at the prospect that a new hospital in Grand Bahama will soon break ground.

Deputy Speaker:

We will also re-introduce RISE, a social services assistance programme, to help alleviate poverty within those families who meet certain health and education criteria and to support the dignity of our people.

In addition, we will open a new Women's Shelter, which will help women and children who need a safe harbour.

The Abaco Centre, a Community Centre and state-of-the-art Hurricane Shelter, will be constructed.

And a Contributory Pension Plan will be introduced for the Public Service – to take better care of future retirees.

We intend to introduce fiscal reforms to improve the management of public finances, along with a number of amendments to deal with some practical issues arising from statutory requirements.

Deputy Speaker:

Ever mindful of the increasing challenges surrounding issues connected with climate change and the environment, we intend to introduce new legislation and update

existing legislation to improve the various ways in which our natural resources are protected, managed and commercialised.

As part of our determination to fight crime in The Bahamas, we will also advance legislation to strengthen our prevention efforts. Alongside this effort also sits our commitment to improve anti-corruption measures. We will provide more details in due course; we take seriously our commitment to rebuild trust with the Bahamian people by improving our system of governance.

Deputy Speaker:

I am grateful to have the opportunity to talk to people from all walks of life. It is impossible not to be struck by the tragedies involving so many of our boys and young men.

The crime statistics portray a stark picture of violence, gang-related activity and general criminality, which has become the fate of many hundreds.

Low attainment levels by boys and young men at all stages of education, is a serious cause for concern.

In families and communities, I hear the stories and I see the pain caused by a range of social, psychological, and economic issues.

In conversation with some of my fellow leaders in the region, they also have detected similar worrying signs in their countries.

Deputy Speaker:

I raise the point here to say that this is a matter around which the government will explore a number of policy options, which may or may not require legislative action to implement.

I also raise the point to invite Honourable Members to consider issues specific to boys and young men in their constituencies, and to share any findings of note with the government, that we might come to solutions which are best for the whole country.

We are in danger of losing a generation, and it is incumbent upon us all to ensure that that does not happen.



#### **4. A WORD ABOUT GOVERNANCE**

Deputy Speaker:

While our focus remains to build on the strong foundation we've laid for recovery and progress, it is equally important to be mindful not just of what we do, but how we do it.

In this case, I'm not talking about strategy.

Instead, I'm raising issues connected with governance, more specifically how we in this parliament conduct ourselves as we go about our work for the people.

In this moment of reflection, I think it important that we remind ourselves of the fundamentals of why we were sent here.

I have said it before and I'll say it again: it is a great privilege that the people of Cat Island, Rum Cay and San Salvador have trusted me to represent them in this Honourable House.

And it is the utmost honour of my life, that I am also able to serve as Prime Minister.

When I received my instruments of office, I made a specific commitment to upholding Integrity and Accountability in this Administration.

And I now re-affirm that commitment to the whole House.

On our side, these are standards that have been and will continue to be enforced in our caucus.

I have every confidence that the Leader of the Opposition will do the same with his.

I am pleased that we have toned down the shouting, the insults, and demeaning personal attacks which were too often on display in the last parliament.

I could count on the fingers of one hand the number of occasions when I was allowed to participate in debate, without being shouted down with vile smears.

It did not serve the public well.

#### **5. CONCLUSION**

Madam Speaker:

Against so many criteria, and in so many ways, The Bahamas is in a much better place than it was a year ago.

Truly, what a difference a year makes!

Much has been done, but there is still much to do.

We are grateful for the opportunity to serve the Bahamian people, and by the Grace of God, pray success in all that we do.

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