



NEW YEAR'S ADDRESS TO THE NATION

BY

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PRIME MINISTER

&

MINISTER FOR FINANCE, ECONOMIC DEVELOPMENT  
AND THE YOUTH ECONOMY  
AND MINISTER FOR JUSTICE AND NATIONAL SECURITY

ON

SUNDAY 08<sup>th</sup> JANUARY, 2023

AT 8:00 PM

Happy New Year 2023 to fellow Saint Lucians, living here and in the diaspora. I want to wish you peace, prosperity, and a blessed New Year.

Let us begin the new year in the spirit of kindness and unity; working together to build a better Saint Lucia for all. Let us strive for a Saint Lucia where every child will have an opportunity to realize their true potential with the support of family, community, and the State.

Let us pray for a just and safe society, but like Matthew 6:5 advised “... *when you pray, do not be like the hypocrites for they love to pray standing in the synagogues and on the Street corners to be seen by others*”.

Instead let us pray with humility, truthfulness, and good intentions for ourselves and our country.

On July 26, 2021, you elected a government that pledged to put people first. I want to assure you that our philosophy has not and will not change. My government remains steadfast in its commitment to providing opportunities for all, especially the less fortunate and marginalized in our communities.

The year 2022 continued to pose economic and social challenges locally, regionally, and globally. However, collectively, we have faced every challenge, matched every adversity, and assisted the more deserving and marginalized citizens in our country.

### **Battling the Covid-19 Virus**

It seems like a long time ago, but at exactly this time last year, we were preparing for the onslaught of the fifth wave of the Covid-19 Omicron variant in our country. It was a very difficult and uncertain period for our country, with an economy that had been severely affected for two years.

We persevered with the task of combating the Omicron variant and by the second half of 2022, the situation with virus spread and hospitalization of patients had improved to manageable levels which allowed us to remove the health restrictions, and for society to return to normalcy.

Let's take a moment to remember the many families who were left in grief over loved ones, taken from them too soon and with little warning by this Covid Virus.

I take this opportunity to once again thank all public servants - the frontline health, medical, and emergency services workers, and the police, in particular, for your hard work, dedication, and commitment to the national fight against the Covid-19 pandemic.

I want to place on record my thanks to the people of Saint Lucia and members of the Covid Management Committee for their support and cooperation in our battle with the pandemic.

### **The Economy**

The good news is, we ended 2022 in a much better place than where we started. We have entered 2023 with renewed optimism for the prospects of our economic growth.

On July 27, 2021, as a new government, we had to act quickly and decisively to save lives and livelihoods amid a global economic crisis that was fueled by the Covid-19 pandemic. In February 2022, the situation was further compounded by the start of the Russia-Ukraine War which triggered worldwide inflation and skyrocketing prices on supermarket shelves, and at fuel pumps.

As if we were not tested enough, we were again, in November, reminded that the dangers of climate change are real, when we experienced sudden heavy rainfall in the North of the island that resulted in millions of dollars in damages. The government assisted with direct support of over \$1M to affected residents.

Despite these difficult times and raging challenges, we have kept to our mantra of: “Putting People First”, and have delivered on many of our promises to you, as outlined in our Manifesto, and my maiden Budget Address in April 2022. Most importantly, we have nurtured the economy back from an unsustainable and potentially destructive path and have laid the foundation for renewed growth. We have done so by attracting solid and dependable investments in our tourism sector, stopped the irresponsible and reckless spending, primed and stimulated the economy to keep it afloat, and stabilized the country’s finances.

According to the economic projections of the Ministry of Finance and the Economic Commission for Latin America and the Caribbean (ECLAC), we are on course to record between 5 to 7 percent GDP growth in 2022.

A quick review of 2022 would reveal that:

1. Public Servants received their well-deserved back pay in December after the payment of salary increases earlier in the year;
2. NIC pensioners received a monthly increase of 4% on their pensions while government pensioners received a one-off payment of \$500.00 each;
3. Former LIAT (1974) Ltd and Majestic Industries employees were paid \$4.4 million in bonds and \$ 1.95 million in cash respectively, to settle long-standing severance payment claims;
4. We made available to public servants a \$10,000 duty reduction on vehicle purchases and extended the duty waiver for front-line workers initiated by the last government;
5. We obtained financing from the CDB's Special Reserve Fund to support households affected by the Covid-19 pandemic;
6. We completed negotiations with the CDB for the island's micro, small and medium enterprises sector (MSMEs), and secured an additional \$9 million for their development and growth;
7. The Public Assistance Programme was expanded to include additional families, and \$7 million was allocated to the Home Care Program to ensure the most vulnerable elderly among us get the care they need;
8. We commenced a Housing Repair Programme to improve dwelling conditions for our elderly citizens and persons with disabilities. This programme will continue this year;

- 9 In education, our one university graduate per household vision is progressing with an increase in the number of scholarships from friendly countries;
- 10 The one laptop per student was recommenced in 2022. Every student in the Secondary School system is now equipped with a government-issued device;
- 11 We continue to make strides in agricultural diversification with seamoss and honey production increasing. Our vegetable and fruit production, according to figures from the Caricom Secretariat, is increasing;
- 12 We continue to provide fertilizers to our farmers to increase the quality of their produce;
- 13 Saint Lucia registered record growth in tourism arrivals from its two main international markets, the USA and the UK. The USA market surpassed 2019 figures for eight (8) months in 2022, while the UK market surpassed for seven (7) months over the benchmark year of 2019. The average length of stay per visitor surpassed 2019 resulting in increases in average spend per visitor;
- 14 With the support of the World Bank, we have, in a realistic way, began the drive to provide affordable, equitable, and quality health care for our people with the ultimate aim being Universal Health Care;
- 15 We continue to subsidize 20 and 22 lbs cylinders of cooking gas. We have not attained our total budgeted projected revenue figure for fuel taxes set at \$4 by the previous government. I am pleased to announce that from tomorrow January 9, 2023, the cost of gasoline and diesel at the pumps will be \$17.00 per gallon, a decrease of 70 cents. Let me assure Saint Lucians that government will continue to monitor and make the necessary adjustments for the benefit of the people.
- 16 Our subsidies for basic foodstuffs were increased last year as we continued the battle against worldwide inflation. From January to December 2022, the

government subsidized the price of flour by approximately \$8.9 million; flour subsidies to bakers were \$5.6 million and \$3.3 million to the general public.

The stark reality facing our country is that the economic challenges are being experienced the world over. Your government has been responding with our limited resources to combat globally imported inflation while at the same time growing the economy.

## **CRIME**

Bear with me as I now turn to the monster in the room - the vexing issue of crime.

One definition of crime is an action, committed or omitted, that constitutes an offense and is punishable by law. To be more specific: crime is anything injurious to public welfare. If as a people we can all adopt a zero-tolerance attitude to crime, whether it involves running a red light, knowingly driving a vehicle unfit for the road, tossing garbage and broken furniture into the river, child molestation, or peddling untruths on social media, chances are we will think a lot harder about arming ourselves with illegal weapons, to kill, injure or rob our fellow citizens.

It goes without saying that no country, especially one small and with limited material resources such as Saint Lucia, can hope to prosper when it is overwhelmed by lawlessness and anti-social behaviour at all levels. And I speak of such behaviour in all its forms, from deliberate lying by public figures, student-on-teacher violence, pickpocketing, and cheating on our taxes, to rape and murder.

It is worth reminding ourselves that in today's world what is considered the most basic weapons in the war on crime must include dedicated crime fighters,

appropriately equipped forensic labs, trained manpower, vehicles, detection equipment, border patrols, adequate police housing, and witness protection. In Saint Lucia with our limited resources, we are trying to improve our capabilities in all these areas.

Notwithstanding, I truly believe that if we can agree to set aside our differences and work in unity toward a common goal if we can permit ourselves to see that where crime thrives all of us become victims of our own devices, that there can be no rampant crime if not supported by tacit public approval, we'll be well on our way to reducing, if not eliminating the problem.

We cannot allow ourselves, as public figures, to be perceived as aiders and abettors of crime, if only by neglect. We, and I speak of members of Parliament as well as other public servants, must always be seen to be of exemplary conduct in our private and professional lives. When criminals have friends in our police force, and in the very departments established to deter crime and bring criminals to justice, what can the regular citizen expect?

This year we will keep our promise to strengthen the laws relating to integrity in public office and provide the Integrity Commission with much-needed resources to effectively deal with defaulters.

On the much-discussed matter of the Special Prosecutor, suffice it to say this government is determined to find the answers to several bothersome questions



relating to possible misuse of public funds. Because this is obviously an extremely delicate matter, I will withhold further details until a more appropriate opportunity.

The government, consistent with its pledge to pursue good governance and anti-corruption policies, has reached an agreement with an international forensic accountant, Robert Lindquist, for his resumption of an incomplete investigation into the awarding of a contract in 2009, for a project to redevelop the Hewanorra International Airport. Robert Lindquist was first retained in 2012 by the Government of Prime Minister Dr. Kenny Anthony, to conduct that investigation. The investigation was stopped in 2016, as the UWP administration which came into office that year, did not authorize its continuation.

Robert Lindquist is a renowned financial investigator who has conducted high-profile investigations for corporations and Governments around the world. Mr. Lindquist will also be asked to assist in the investigation of other matters of suspected misuse of public funds. In 2023, the results of several forensic investigations are expected to be completed and recommended action pursued.

It is regrettable that all matters relating to Operation Restore Confidence in 2009 that resulted in the IMPACS Report have still not been resolved. However, thankfully, certain departments of the police have recommenced receiving assistance from the Government of the United States.

I wish to remind citizens that under the separation of powers principle, the Executive cannot be seen to be interfering in the work of the independent, judicial branch of the government.

We believe the public has a constitutional right to know the operations of its elected officials and the various government departments.

Let me assure you, I am as concerned, as I know so too is the rest of the country, about the backlog of cases long awaiting resolution. The Swift Justice Programme mentioned last year will be implemented this year to ameliorate this situation.

Concerning the increase in gun-related criminality, it is my sincere hope that newly enacted laws by my government will have the desired effect.

I am confident that recent discussions with the US and French Governments and their promised assistance in resolving the issues relating to illegal drugs, gun trafficking, and unsolved homicides will be provided to our country.

In recent weeks, you will have heard of or read of the several successful police raids that resulted in the confiscation of dozens of weapons, high-powered automatic firearms, and ammunition. The raids will continue this year with increased intensity.

The government acknowledges and thanks the successful special efforts by the police under its new Commissioner that resulted in a peaceful 2022 Christmas. I have no doubt that our police will prove similarly effective throughout 2023.

Crime must be everyone's concern. As your Prime Minister, I took an oath to keep all who live in or visit our country safe. I fully intend to do everything necessary to deliver on that pledge.

My family and I have been victims of crime. I know only too well how traumatic it can be to have one's home violated or attempts to tarnish one's reputation. All Saint Lucians must come together to defeat this crime pandemic. It's a life and death-situation that we cannot afford to lose!

### **2023 OUTLOOK: PRIORITY AREAS**

This year, 2023 we will continue to prioritize the health, safety, and security of our citizens. Additionally, ensuring Saint Lucia's economic and financial stability remains an important and immediate goal of this government. We believe the stability of the country's finances is critical to restoring an enabling environment that will spur private-sector investment and economic growth.

I can assure the young people that the exciting prospects for the Youth Economy have been set in motion with the establishment of the Youth Economy Agency (YEA) which will soon open its doors for business in February. Through the interventions of this Agency, the hobbies of our young people will be transformed into entrepreneurship and their skills into business with support in finance, marketing, training, and mentorship.

The launch of the Youth Economy Agency has taken some time but this was due to the careful and detailed planning to assure the success of this ambitious venture.

From January this year, workers earning up to \$25,000.00 a year will not pay any income tax. Between 10,000 -14,000 workers will benefit from this new tax

exemption which amounts to an additional \$12-14 million dollars of disposable income for these workers.

Investors are showing a high level of interest and confidence in Saint Lucia's tourism industry and economy. The value of approved tourism investments between January and August 2022 stands at over \$320 million and the Government will endeavor to create the best environment possible to convert these approvals into reality.

Presently, Sandals has started expanding its Halcyon property. The relocation of residents at Choiseul is nearing completion to herald the construction of a new hotel at Sabwisha in Choiseul.

### **Global Port Holdings**

The Government has entered into a Memorandum of Understanding with Global Ports Holdings (GPH) to redevelop the cruise facilities at Port Castries and Soufriere. A Concession Agreement between SLASPA and Global Ports Holding is being developed for the modernization and expansion of the cruise facilities at these ports. All relevant parties, including vendors, will continue to be consulted on this initiative. Let me assure the public that port Castries or the Soufriere Waterfront has not been sold to any entity.

### **Hewanorra International Airport**

The government remains committed to the redevelopment of the HIA in a sustainable and fiscally prudent manner. Following the findings of the independent HIA Review Committee, an international consultant, recommended by the International Finance Corporation (IFC), confirmed that in its present trajectory, the airport would cost taxpayers between US \$398 Million and US \$439 Million.

Already there are cost overruns at the foundation stage. The government considered all the options of the consultants and I am pleased to announce that work on the HIA will re-commence later this year, albeit with a modified structure and management plan. Meanwhile, work on the control tower has been approved and will continue.

### **St Jude Hospital Re-construction**

On 1<sup>st</sup> November 2022, we took concrete action for the completion and commission of St Jude Hospital. On that day, work on the original site, to clean and sanitize the buildings, and to fence off the hospital buildings on the compound. This first phase of work is expected to be completed in March 2023, and other construction works will continue shortly after.

### **Universal Health Care (UHC)**

A key component of our people-centric, healthcare delivery system is the establishment of Universal Health Care (UHC). The foundation to achieve this important health milestone has been set in 2022. The roadmap to guide its implementation is at an advanced stage of development. We expect that there will be further progress this year towards attaining this dream of every Saint Lucian being able to access good quality and affordable health services.

### **Cost of Living and Inflation**

It is expected that the cost of living disruption triggered by the increased cost of imported goods, we experienced in 2022 will continue well into 2023.

To cushion the price of bread to the public we continue to subsidize the cost of flour to bakers by \$16.00 per bag and by \$35.91 to the general public.

We have further maintained the suspended 6.5% Service Charge on basic food commodities thus subsidizing the prices of these items

We will continue to work with the private sector to source suppliers of more affordable items for public consumption.

### **Citizens Security**

We will continue to empower and provide the Police Force with the equipment and modern technology, the training, the facilities, and the human resources that are required to efficiently and successfully pursue its mandate of maintaining law and order in the country. At the same time, the police must appreciate their role and must fully commit themselves to their oath to serve and protect our country.

The Customs & Excise Department is expected to work closely with the Police to manage our borders and to stem the entry of firearms and ammunition into the country.

This year, we will introduce more diverse social programmes for youth engagement, conflict resolution, youth skill training, and employment, in conjunction with the private sector, churches, faith-based organizations, civil society, and community-based agencies.

We will engage in national outreach to invite every individual and agency who can assist, to join the government in implementing measures to reduce the crime situation which is afflicting our country and when possible provide some level of financial support to civil society groups engaged in crime prevention initiatives.

### **Housing Development**

This year, I expect to make some exciting announcements on our housing development plan, especially in relation to affordable housing for our people and the provision of land for home construction.

### **Conclusion**

I want to express my gratitude and thanks to all the development partners in the public and private sectors for their support and confidence in these difficult times. Our diplomatic allies and particularly the Government of Taiwan must be acknowledged and thanked for their assistance to the people of Saint Lucia.

I am optimistic about the future because I am fortified by the cooperation, advice, and gestures of goodwill from so many citizens and civil society groups.

I sincerely believe in the resourcefulness and resilience of the people of Saint Lucia. To the people of Castries East who have again demonstrated their confidence in me by repeatedly returning me to office, I say thank you for your understanding and patience.

I believe that the majority of citizens understand that there are challenges and that together, with the help of God, we will overcome them and make our island one of the best places in the world to live and visit.

This is the time for all of us to unite and renew our faith in each other as we strive for a better future.

I end by reflecting on the words of the poet Rudyard Kipling: I quote

“If you can keep your head when all about you

Are losing theirs and blaming it on you,  
If you can trust yourself when all men doubt you  
If you can wait and not be tried by waiting  
or being lied about, don't deal in lies  
Or being hated don't give way to hating  
But make allowance for their doubting  
.... .Yours is the Earth and everything that's in it,  
And which is more you'll be a Man, my son!"

I THANK YOU