BUDGET ADDRESS 2019/20
Delivered by Premier Hon Sharlene L Cartwright Robinson
“DELIVERING ON REAL PROGRESSIVE CHANGE”

Salutation

Mr. Speaker, Colleagues, Strangers in the Gallery, listeners by way of the various platforms, Good morning.

Mr. Speaker today is a good day in the Turks and Caicos: a blessed day. Mr. Speaker, I rise to present my Government’s third (3rd) Budget and I give God thanks for His many blessings on these our beautiful by nature Turks and Caicos Islands. Mr. Speaker, it is truly the hand of God at work in these Islands. Mr. Speaker through God’s mercies, we are able to continue to meet all of our financial obligations, address pressing and urgent recovery needs and address many of the issues that our people have told us are priorities.

My Speaker, we remain grateful to God for the opportunity to serve and for the people including our PDM family who have entrusted this great nation’s direction over these four (4) years and beyond to us. This we recognize to be no small honor or no small task. Mr. Speaker we have led during some difficult and uncertain times and Mr. Speaker at times we felt as if we were a crisis Government moving from one crises to another. And Mr. Speaker, we are so honored to say today that with the grace of God, we have been able to move pass and through them. Mr. Speaker, we have many challenges in our beloved country and much remains to be done and whilst we are happy with the progress towards real progressive change, we are not satisfied and will not be satisfied until we are able to deliver on all of the commitments made to our people. Mr. Speaker the Change Document is our contract with the people of this country and we have not shelved this but are led by it each step of the way and even though resources are having er requires a strategic partnership and a Strategy has been agreed by my Government. This year, we budget to counter this activity under the Containment of Illegal Settlements Program, despite the naysayers and gloom and doom spreaders, are feeling the winds of progressive change. Mr. Speaker and we will share on how we are positioning this country and its people while delivering on this promised progressive change.

REGIONAL AND DOMESTIC ECONOMY

Mr. Speaker, I turn our attention to the performance of our economy in 2018.

Mr. Speaker, data from our Caribbean neighbors reveal that in 2018, Antigua and Barbuda had an estimated growth rate of 5.3 percent, Grenada 4.9 percent, St. Kitts-Nevis 3.7 percent, Bahamas 2.5 percent and St. Vincent and the Grenadines 2.3 percent.

Mr. Speaker, the Turks and Caicos Islands Statistics Department, real GDP projection of 3.2 percent for 2018 has been revised downwards slightly to 2.5 percent, which is 0.7 percentage point below what was earlier forecasted. This revision takes into consideration the slow pace in the execution of the forecasted public and private sector construction projects in 2018. Real GDP Mr. Speaker is forecasted to grow by 3.8 percent in 2019 and see further increases in 2020 and 2021.

Mr. Speaker, the real estate sector and the construction sector are all expected to contribute positively towards the economic growth for the Turks and Caicos Islands in 2019 and 2020. Construction activity is expected to increase significantly in 2019 with even further growth prospects in 2020. Mr. Speaker, this activity will be propelled by foreign direct investment in large-scale tourism related and other projects. These will be complemented by increased public sector spending on capital works, as the government finds ways of ensuring that the capital budget is executed.

Mr. Speaker, although there are lags with implementation, the capital program is improving in terms of committing projects and a number of large-scale capital projects which were noted during the last financial year is now proceeding to the contract awarding stage. This sector, Mr. Speaker will be boosted by projects funded from the TCIG/Carnival Infrastructure Fund. The variation of these growth projections from the actual outturn will also depend on the strength of the US economy.
Mr. Speaker, these projections which are highly reliant on the tourism sector, also highlights the urgent need for more diversification within the TCI economy and less dependence on tourism. The average rate of inflation over the last five years was approximately 2.1 percent and is estimated to have been 2.2 percent in 2018 and forecasted at 2.2 percent for 2019, is in line with the inflation rate of the primary source markets for the Turks and Caicos Islands. As you are aware the TCI imports most of its merchandise from the United States. In 2018 the average inflation rate in the USA was 2.4 percent. If we were to provide a breakthrough by State, you will see that the average inflation rate is much higher in some States. Local prices are vulnerable to the changes in prices in the country of origin. But we still do not know what percentage of our inflation rate is directly attributed to the price change in imported goods.

It is for this reason Mr. Speaker that I have asked the Department of Statistics to look at the possibility of implementing an export-import price index, which will help us to get a better understanding of how much of the TCI inflation rate is locally driven and how much is directly attributed to changes in prices in the country of origin. This Mr. Speaker is important.

The government Mr. Speaker, will be working with Invest TCI and other government departments and agencies on devising a strategic approach to creating new areas of economic activity in the TCI. This strategy however, must take into consideration our “beautiful by nature” slogan.

Mr. Speaker, there is an urgent need to create a more diversified TCI economy which will not only increase the level of growth in the TCI economy but will also create better job prospects for the people of the TCI. Whilst we must find ways of growing this economy, we have to equally ensure that this growth is felt by all our people.

Mr. Speaker, the Department of Statistics has estimated that the unemployment rate stood at 7 percent in 2018 and will remain at 7 percent in 2019. Although the unemployment numbers are relatively low in comparison to some of our Caribbean neighbours, my government understand that there are unemployed persons out there, we know that some persons are underemployed and we are exploring ways to ensure that our residents are able to earn a decent wage which will ensure that they maintain a high standard of living.

Stay-over arrivals rebounded in 2018, with the tourist board estimating a growth in stay-over arrivals of 5 percent.

Mr. Speaker, cruise visitors increased by approximately 23 percent in 2018. We expect continued growth. Mr. Speaker, there is continuous work with Carnival on the initial/preliminary steps to facilitate the further development of the Grand Turk Cruise Center berth to accommodate Carnival’s XI. Class ships that will be coming online in 2020. Mr. Speaker we are excited about this and my Government is committed to this development.

Mr. Speaker, earlier we spoke about levels of growth experienced by our Caribbean neighbours in 2018 and there is no doubt that their GDP per capital would have improved. However, we are all aware that these high levels of growth do not necessarily trickle down to the residents of countries. My government aim is to therefore pursue an economic growth model which not only illustrates strong positive fiscal balances but which can help to bring about positive changes for the residents of the Turks and Caicos Islands.

Mr. Speaker, we are committed to finding ways of reducing the cost of living for persons residing within the TCI. Mr. Speaker, you will recall that during the last budget session I stated that my Government will be undertaking a cost of living assessment. Mr. Speaker, this work has already started and is being conducted in conjunction with the Country Poverty Assessment. So we will not only get an idea Mr. Speaker of the cost of living but also an idea of the levels of poverty which exists within the TCI. I am told Mr. Speaker that the cost of living survey will take approximately 6 months. However, Mr. Speaker this work will give my government a chance to devise strategies which will lower the cost of living and implement poverty reduction strategies which will help to reduce the level of poverty.

Mr. Speaker, not only must we reduce the cost of living in the TCI but we must also reduce the cost of doing business. Potential investors sometimes find it difficult to invest in countries because of the obstacles of setting up businesses. We will therefore continue to provide the necessary investment which will make government more efficient. Therefore, providing services to residents in a cost-effective manner as the government grows.

Mr. Speaker, the Government will continue to focus on short-run macroeconomic management, which complements its long-run development policy initiatives.
We must ensure that the economy performs for us all. You see Mr. Speaker; Franklin D Roosevelt was correct when he said that The test of our progress is not whether we add more to the abundance of those who have much it is whether we provide enough for those who have little." As we move towards real progressive change, we are determined to ensure just this.

OVERVIEW OF FINANCIAL YEAR "FY" 2018/9
1. Preliminary Results
2. Capital Program

FY 2018-19 FINANCIAL PERFORMANCE REPORT (PRELIMINARY RESULTS)

Expenditure

Total Expenditure Mr. Speaker for fiscal year 2018-19 of $228.0 million comprised Recurrent Expenditure of $222.0 million and non-recurrent of $6.0 million. Total Expenditure was less than budget by $17.4 million or 7.1% but more than the prior year by $9.1 million or 4.2%.

The main contributors to the increase in Recurrent Expenditure over prior year were increased Personnel Costs ($3.1 million), Subventions ($1.9 million), Grants and Contributions ($1.8 million) and Operating Expenses ($1.9 million).

Capital Expenditure for fiscal 2018-19 amounted to $17.6 million of which $9.3 million was spent on construction and renovation of buildings including $5.8 million on schools throughout the islands. $4.9 million was spent on road development and repairs and the remainder on smaller capital projects.

Revenues

We enjoyed strong revenue performance. Total Revenue for fiscal 2018-19 of $318.1 million comprised Recurrent Revenue of $306.9 million and non-recurrent of $11.2 million. Total Revenue exceeded budget by $38.5 million or 14% and prior

Recurrent Revenue increases in the current year were mainly driven through additional funds collected from Import Duties ($8.6 million), Hotel and Restaurant Tax ($8.0 million), Stamp Duty ($2.4 million), Work Permits ($4.7 million), and Fuel Tax ($1.8 million). Returns from Statutory Bodies: FSC ($6.3 million), Invest TCI ($2.4 million) and Ports Authority ($2.3 million) also contributed to the increased Recurrent Revenue.

The major contributors to Non-Recurrent Revenue was Civil Recovery Income of $2.3 million and EU Grants of $7.7 million. There were also no proceeds from insurance claims in the current year versus $15.3 million received in the prior year.

Operating Surplus

As a result of strong revenues and lower than expected expenditure, the Operating Surplus of $90.1 million for FY 2018-19 exceeded budget by $55.9 million or 163% and prior year by $26.8 million or 42%.

The Operating Surplus generated an increase in Net Cash Flow of $69.7 million after debt repayments, capital expenditure and other cash flow movements.

FINANCIAL PARAMETERS SET OUT IN THE FRAMEWORK DOCUMENT

1. Government Operating Surplus

The compliance target set for operating surplus is that it is to be positive in all years. The forecast is for an operating surplus in 2019/20 and the immediate forward years.

2. Debt Service

Debt Service: Debt servicing cost for the year should be no more than 10% of core revenue by the end of fiscal 2018/19. The Debt Service is defined as annual payments resulting from public borrowing commitment or any other forms of borrowing, including the entire public sector, any other debt guaranteed by the government. The Government has been compliant with the principles of responsible financial management ratio of 10 percent or less, since March 2017.
3. Government Net Debt

The compliance target is for net debt to be no more than 110 percent of core revenue by 2015/16 and 80 percent by 2018/19. Government Debt is all public-sector debt and those Statutory Body debts that have been guaranteed by the Government, less unencumbered cash balances, as a share of recurrent revenue. The targets were achieved in 2014/15, and Net Government Debt is forecast to be approximately negative 18.4 percent of recurrent revenue at the end of the 2019/2020 fiscal year. This means that we have cash flow in excess of the loan liabilities.

4. Liquid Cash Reserves

The compliance target requires that it is a minimum of ninety (90) days planned expenditure by the fiscal year 2018/19. Liquid Cash Reserves is including the TCNWF, if the Fund or a part thereof, will be easily converted to cash. The forecast is to have One hundred and ninety-six (196) days of planned expenditure as at fiscal year 2019/20. If the investment portfolio of the Wealth Fund is changed to long-term, then the liquid cash reserves will change accordingly.

Mr. Speaker I pause to address TCIG’s cash position and national cash reserves for the period ending 31st March 2019 and to explain the position against our obligations. Mr. Speaker, as you know our reserves (TCIG) are a critical resource for the Turks and Caicos Islands’ future. As a strategic asset, our reserves serve two key purposes:

(a) They provide a key defense for TCI in times of crisis. We cannot tell what crises – natural calamities or economic crisis which will hit us in future and what the scale of the damage will be. Our reserves are a strategic asset should a major crisis occur, allowing us to mount a decisive and effective response.

(b) The investment of our reserves also provides a valuable stream of income for the Government Budget, which can be spent or invested for the benefit of current as well as future generations.

Mr. Speaker, as of 31st March 2019 TCIG Cash and Cash Equivalents stood at $171.9 million.

Encumbrances in relation to cash flows were as follows:
- Development Fund $41.6 million
- National Wealth Fund $8.0 million and
- National Forfeiture Fund $5.2 million.

This resulted in a Free Cash Flow position Mr. Speaker of $117.1 million. It should be noted Mr. Speaker that all cash is domiciled within the Turks and Caicos.

With budgeted planned expenditure for fiscal 2019/20 at $294.3 million TCIG’s free cash flow position is well ahead of the 90-day threshold, requiring $73.6 million, by $43.5 million.

Mr. Speaker, I am pleased to say that the Ministry of Finance is considering all options of investment and will finalise its proposals once work has concluded on the major initiatives including large infrastructure projects, recovery efforts,
CAPITAL PROGRAM 2018/19

Mr. Speaker, we continue to experience challenges in the delivery of the Capital Program and this past year, I chaired monthly Capital Board Meetings to provide a closer and greater oversight of the Program. Mr. Speaker, I wish to thank Team Finance, the Deputy Governor and her Team in the Corporate Contract and Performance Management Unit and the Accounting Officers who came in to provide much needed updates. Mr. Speaker, it was a challenge and many times frustrating as I saw closer up the challenges, many of which remain. My Government has provided additional resources and there have been numerous attempts to fill critical posts. We are hopeful that these critical posts will be filled soon and that there will be more hands to deliver on the Capital Program. This year we will be conducting a full review of the Capital Program and will ensure that it receives the support it needs for improving its efficient delivery.

Mr. Speaker, I must say that FY 2018/19 had its challenges and even in times of doubt, “a single thread of hope is still a very powerful thing.” But Mr. Speaker despite the challenges, I am more than proud to share what has been accomplished by the small, dedicated team to advance this past year’s ambitious Capital Program. Mr. Speaker, this small team though given a huge Program was determined to deliver and Mr. Speaker they did.

Mr. Speaker, in reflecting on the Capital Program for FY 2018/19 which was $36.6m the priority areas set by my government for capital expenditure were as follows:
1. Projects linked to the recovery process and or enhancing climate resilience.
2. Projects linked to efficient and effective service delivery.
4. Healthy Lifestyle Promotion – Strengthening Primary Health Care
5. Social projects and productive employment opportunities.

In addition, Mr. Speaker, only projects over the threshold of $500,000 were included in the Capital Program. And Mr. Speaker, of the twenty-four (24) capital projects in the Development Fund Program for FY 2018/19, these were broken down further into a whopping ninety-one (91) sub-projects, and the value of contracts committed was $32,641,476.00 in projects which will be spread throughout each island in the Turks and Caicos Islands. Mr. Speaker, let me emphasize that these are locally funded projects and does not include the Statutory Bodies Capital Projects. Mr. Speaker, this is noteworthy when compared to the value of contracts committed in FY 2017/18 which was $17,733,052.00.

Mr. Speaker, against the criteria set in FY 2018/19, commitments are:

<table>
<thead>
<tr>
<th>Recovery Projects</th>
<th>Efficient and Effective Service Delivery</th>
<th>Strengthening National Security</th>
<th>Healthy Lifestyle Promotion – Primary Health Care</th>
<th>Social Projects and productive Employment Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>$14,214,014.01</td>
<td>$2,947,987.68</td>
<td>$4,459,893.33</td>
<td>$2,162,150.27</td>
<td>$8,857,430.48</td>
</tr>
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Mr. Speaker it is important to note that most of the projects even though captured under separate headings all contribute to productive employment opportunities.

There were 15 tender openings in the FY 2018/2019 Mr. Speaker. Included were projects for the Turks and Caicos Islands Airports Authority, the Turks and Caicos Islands Ports Authority and the Turks and Caicos Islands National Insurance Board.

A total of sixty-nine (69) contracts for capital projects (including the statutory bodies) were noted in Cabinet amounting to $41,482,991.87. The total budgeted amount for these Contracts was $45,462,868.56. Of these sixty-nine (69) projects, fifty-six (56) were capital projects, and thirteen (13) were Statutory Bodies capital projects.

There were five (5) non-recurrent projects committed which amounted to $1,134,818.

Mr. Speaker, we are indeed grateful to the small but committed Team that has pushed for this result. Mr. Speaker this last year’s (2018/19) Capital Program was 78.5% larger than the year prior (2017/18) with a Budget of $36.6m as opposed to $20.5m the year prior. Mr. Speaker I am pleased to report that the ambitious Capital Program has enjoyed 90.4% success rate with 56 contracts committed. Mr. Speaker this is real progress. Mr. Speaker what this simply means is that we will be doing plenty more in 2019/20.

Mr. Speaker, this Capital Program will further churn the economic wheels of our local economy and we are grateful to the Public Service for making it happen.
Mr. Speaker, we will be “doing plenty in 2019/20”.

OVERVIEW OF FINANCIAL YEAR (FY) 2019.20

Mr. Speaker on April 16th, 2019, in accordance with Section 115(1), of the Constitution, I laid before this Honourable House, the Estimates of Revenue and Expenditure for the Financial Year 2019-20 (Consolidated Fund) and the Estimates for the Self-Financing Statutory Bodies for FY 2019-20. On that occasion, I committed that in the medium-term, the fiscal strategy will continue to focus on credible management of government spending to ensure that there are budget surpluses over the course of the economic cycle whilst continuing to improve on the substantial fiscal position.

Expenditure Projections

Mr. Speaker, the Expenditure envelope for 2019-20 is $294.3m. Recurrent expenditures are planned at $247.5m, that is 84.1 percent of the total expenditures and 80.9 percent of revenues. The Recurrent Expenditures is the Government final consumption expenditure that will be used to directly satisfy your individual and collective needs as a resilient beautiful by nature Turks and Caicos Islands.

This allocation is mainly for the ongoing alleged corruption trials.

Capital Expenditure Allocation

$36.6m or 12.0 percent of revenue is being returned to the economy in the form of Government Investment. As a Government Mr. Speaker we are committed to setting aside more than 10 percent of revenue for the economic development of these islands. This year’s Capital Program continues its focus on recovery and rebuilding efforts, national security, improved physical working conditions for the Police and community based projects which include youth and community centers and community basketball courts.

Primary Surplus

Mr. Speaker, given our commitment to the future generation to remain economically independent, we continue to forecast a fiscal surplus – a position many countries are struggling to achieve. Mr. Speaker, the primary surplus is estimated at $11.5m, from which, $6.3m will be transferred to reduce our enviable debt portfolio of $9.4m.

Revenue Projections 2019/20

Mr. Speaker, revenue is being forecasted through existing revenue streams at $305.9m and is approximately, 26.2m or 9.3 percent greater than the approved estimates for 2018-19 and 12.3 percent lower than the unaudited performance. Mr. Speaker, once again my Government has taken the decision not to introduce a new tax. Nonetheless Mr. Speaker there is much work to be done in improving the taxes and fees that are on the Books and this review work is already underway.

Mr. Speaker, Import and other Customs Related duties are forecast to contribute $114.4m (38 percent) or approximately 2.5 percent greater than the 2018-19 outturn. Whilst, Accommodation Tax at $69.4m, will account for 23 percent of the receipts, -this is just about 3.25 percent greater than the unaudited outturn for 2018-19.

Work Permit and other Immigration Fees forecast at just above $30m is expected to contribute 9.9 percent of revenue required.

Stamp Duty on Land Transactions, Mr. Speaker whilst being very difficult to forecast is expected to generate approximately -$28.0m or 9.2 percent of Revenue.

- Vehicle and Driver’s Licences - $5.4m – 1.8 percent of Revenue
- Fuel Tax – $10.5m – 3.4 percent of Revenue
- Seaport Departure Tax – $3.6m – 1.1 percent of Revenue
- Excess Revenue - $7m – 2.8 percent of Revenue
  o Airport’s Authority – $3m
  o FSC - $3.5
  o Telecommunication’s Commission - $0.5m

All will collectively contribute approximately $612k.
Expenditure Breakdown

Staff Costs

Mr. Speaker, just about 32.8 percent of the revenues will be allocated to staff costs which is $96.7m with a further 2 percent which is $6.0m allocated to pensions and gratuities. Civil Servants have weathered-the-storm, and Mr. Speaker my government says to them, it’s payback time.

Mr. Speaker, over $2.0m has been allocated to reinstate staff increments – only this time Mr. Speaker, we are ensuring that there is value for money and it is being reinstated using a performance/merit-based system.

New Posts in the Public Service

Mr. Speaker, we wish to thank the Deputy Governor for approval to create 30 new positions in this financial year. The positions are distributed across the public sector which includes:

- A Change Manager for the Trade School and Vocational Program
- Staffing for the Inspectorate Unit for the Education Department
- A Change Manager for the about to be created Border Protection Unit
- 3 Police Officers for Tactical Unit and 3 seconded posts for Investigators return to the Police
- 6 for the newly created Housing Department
- Coastal Engineer
- Reef Specialist
- Work Flow Manager for the AG’s Chambers
- Assistant Director for the Premier’s Office, Providenciales
- Administrative Officer, Premier’s Office in Grand Turk

New Departments

Mr. Speaker we are equally grateful for the approval to create two new Departments that my Government determines critical to delivering real progressive change.

Trade Department - The Government is committed to further improve the trade and business environment in the Turks and Caicos Islands. The timeliness of this undertaking is especially significant given the anticipated impact on our access to the European market on account of the UK’s planned withdrawal from the European Union. We have commenced discussions with the UK Department for International Trade on participating in future UK free trade agreements should the UK cease to be a member of the European Union.

Housing Department – Following the Storms of 2017, the need for this Department became increasingly evident. This Department will be reestablished to assist in addressing the serious housing needs throughout the islands. More specifically Mr. Speaker it will help to formulate a Housing Policy that will seek to increase home ownership by improving access to housing through public and private ventures and will assist in keeping the housing stock in good state of repair.
Other Critical Spending

Mr. Speaker my Government remains committed to providing the best quality of life for the people of these islands.

... Therefore

- Transfer to the NHIP and the Hospital Charges will account for the second largest expenditure allocation at $54.9m (18 percent - RR)

Whilst also, providing:

- $5.6 m is allocated for Travel and Subsistence expense.
- Utility and communication allocation of $5.6 m or 2.2 percent of recurrent expenditure.
- Allocation for Rental of Assets is $5.2m.
- Subvention allocations (Excluding NHB) is $14.6 m is 4.8 percent of revenue and 4.5 percent of expenditure.
- A further $250k has been allocated to the Integrity Commission; $400K to the Financial Intelligence Agency; $500k to the Community College.
- Training expense across ministries, is now allocated at $787k.
- Maintenance allocation is $9.3 m.
- The Contingency Fund is now at $4.0m or 1.4 percent of the expenditure.
- Professional and Consultancy is forecast at $6.3 m, approximately 2.1 percent of expenditure. Included in the allocation are costs for: Fixed Asset Valuation, Population Policy, Digitization of records, establishment of a Delivery/Recovery Unit, Review of some of TCIG existing PPP contracts and review, audit of the Statutory Bodies, National Security Strategy and Efficiency Audit for the Public Service.
- Grants and contributions at $8.5m is allocated for payments to Regional Institutions and airline Subsidies.

Priority Areas for Funding

- The top ten or areas of spending in the budget are:

1. HEALTH - $79.9m or 27.1 percent of total expenditure. This is inclusive of the $33.0m allocation to the NHIP.
2. EDUCATION - $42.5m or 14.4 percent of total expenditure for the Ministry of Education, Youth and Library and Social Services
3. POLICING - $30.6m or 10.4 percent of total expenditure for the Royal Turks and Caicos Islands Police Force.
4. INFRASTRUCTURE - $28.3m or 9.6 percent of the total budget for the Ministry of Infrastructure, Housing, Planning and Development
5. $21.5m or 7.3 percent for the Ministry of Finance, Trade and Investment.
6. $16.2m or 5.5 percent for the Ministry of Immigration, Citizenship, Labour and Employment Services.
7. $14.4m or 4.9 percent for the Ministry of Tourism and Environment.
8. $11.8m or 40 percent for the Ministry of Home Affairs, Public Utilities and Transportation.
9. $8.9m or 3.0 percent of the total budget for the judiciary Administration including an allocation for the SPT legal aid programme is $5.0 m.
10. Finally, $6.8m or 2.3 percent of the total budget for the Attorney General’s Chambers.
- $16.1m for pensions and gratuities, Catastrophic Risk Insurance Contingency fund and Debt Servicing.
- $9.5 m for the Governor’s Office
- $3.3m for the House of Assembly
- $3.4m for the Office of the Premier, Local Government and Community Affairs
- $2.9m for the Deputy Governor’s Office
- $1.6m for the Director of Public Prosecutions
**Capital Program 2019/20**

Mr. Speaker, the Capital Program this year will have a heavy focus on community development and youth facilities around the Islands. Focus will also continue in the areas of recovery and national security. This and subsequent budgets Mr. Speaker will support economic growth and full recovery from the adverse impact of the Hurricanes without compromising fiscal sustainability and the attainment of fiscal management targets. At this juncture, Mr. Speaker the Turks & Caicos Islands Government (TCIG) will restrain the growth in recurrent expenditure/fixed costs, while efforts are made to expand capital expenditure to fast track the recovery of the Islands.

Mr. Speaker, I would now like to focus on the year ahead FY 2019/20. Mr. Speaker, the total Capital Program budget for FY 2019/20 is $41,385,735.00 which includes TCIG consolidated fund transfers of $36,585,735.00 and the re-introduction of the Infrastructure Development Account of $4.8m which is jointly funded by TCIG and Carnival Corporation LTD.

The projects contained in the Capital Program for FY 2019/20 will continue to focus on recovery that is geared towards building back better and ensuring that our infrastructure is more climate resilient to natural hazards. In addition to this, we will also focus on community projects aimed at creating recreational places and employment opportunities throughout the islands. The intention is through the Capital Program as employment increases, labor productivity will also increase, which will increase income in families throughout the islands and act as a stimulus to local economic activities.

The noteworthy projects for FY 2019/20 which will be funded by TCIG are:

- Renovation to the NJS Francis Building
- Police Building Repairs for all Stations
- School Infrastructure Projects Phase
- Construction of Youth Development Centre in Grand Turk
- Government Office Complex in Providenciales
- Central Storage for Government Departments
- Renovation of Governor’s Residence at Waterloo
- Road Development Phase 5 and Boat Ramps in Providenciales
- Removal of the Mega One Triton in Grand Turk
- Improvement of Basketball Courts across the TCI
- Green Parks
- Improvement of Fish Fry Site, Providenciales
- Customs Canine Unit, Baggage Scanners and Shelving for Warehouse
- Community Common areas – Regatta Village and Wharf in South Caicos

and the Salt Shed in Salt Cay

- Public Tank in Salt Cay
- Morgue in South Caicos
- Management and Control of Informal settlements
- Homes for Domestic Violence
- Detention Center Upgrade
- Specialist Classroom for Adelaide Omeler
- Replacement furniture and Vehicles
The noteworthy projects which will be funded from the Infrastructure Development Account are:

- GDT Library
- Tourism Booth at Grand Turk Cruise Center
- Governors Beach
- Downtown Tourism Building
- Demolition of South Base Buildings
- JAGS McCartney Memorial Park
- Removal of Vessel
- Animal Pound

Mr. Speaker, My Government is determined to improve its capacity to implement capital projects in a timely and efficient manner. This budget commits additional resources and administrative enhancements towards achieving this important goal. Through the establishment of the Delivery Unit under my Office, it is envisaged that the implementation rate of the projects will increase in the medium to long-term.

Mr. Speaker, I would like to turn our attention now to other donor funded technical assistance projects that are also progressing in 2019/20. The Transport Infrastructure Master plan, the Climate Resilience Coastal Protection and Management and Solid Waste Management technical assistance projects with support from the Caribbean Development Bank continues to progress in this financial year. Mr. Speaker, these studies are highly technical studies and though they have been mentioned before and one may think that nothing is happening, the results from these studies will only be available after their studies are completed which is twelve months.

Mr. Speaker under EDF 11 Programme, the TCIG received full disbursements under the Education Sector Reform Contract of €10.8m. The final disbursement of €5.52m is expected during the third quarter of FY 2019/20.

DEPARTMENTS UNDER THE MINISTRY OF FINANCE

Mr. Speaker I turn our attention now to the work of Departments and Statutory Bodies under the Ministry of Finance.

ACCOUNTANT GENERAL’S OFFICE

Mr. Speaker, under the Accountant General’s TCIG will be moving to IPSAS Accruals Basis of Accounting. The Ministry of Finance is working towards the adoption of the International Public Sector Accounting Standards (IPSAS) Accruals Basis of Accounting and presentation of its Consolidated Annual Public Accounts on this basis by the end of the financial year.

Mr. Speaker, a five-year plan has been established by the Accountant General Department to facilitate the successful adoption of the IPSAS. The plan is broken down into a number of smaller projects all of which are critical to the overall success of the exercise. Prior to adoption of the Accruals Basis of Accounting there are a number of Asset and Liability categories previously not accounted for and disclosed on the Statement of Financial Position which must be addressed.

REVENUE DEPARTMENT

Mr. Speaker, we are equally as excited about the initiative under the Revenue Department. In the 2019/20 budget year, Revenue Department will continue administering programs in the areas of compliance, audit, and taxpayer services to enhance voluntary compliance by reducing cost of compliance, providing taxpayer assistance and education, and detecting and addressing non-compliance.
Compliance field work Mr. Speaker will continue around the islands to ensure that non-filers are identified and informed of their obligations and active businesses are in compliance with relevant ordinances and regulations. Furthermore, Mr. Speaker compliance drives will be carried out with the focus of identifying and notifying Vacation Rental by Owner (VRBO) and other businesses that are operational but not yet registered. Compliance teams Mr. Speaker will also be performing system purge in order to identify accounts that are inactive for more than one (1) year and an end date will be assigned to these accounts. Finally, effective administration of the Amnesty Program that has recently been legislated and maximizing collections will be the major priorities in the 2019/20 financial year.

To detect and deter non-compliance, Revenue Department will be initiating compliance audits in the financial services sector including financial services providers, insurance providers and money transmitters as capacity building activities regarding auditing of this sector are ongoing. Furthermore, Revenue Department is planning to increase audit coverage on outer islands especially in North Caicos as taxable activities has grown significantly in these outer islands over the past 3 years in line with the overall economic growth. Compliance visits throughout Providenciales are also scheduled to increase in line with observed increase in the number of advertisements for short term accommodation rentals posted on hosting sites such as Airbnb, VRBO, and HomeAway. In an effort to assist new taxpayers, the audit section will be continuing to carry out limited scope audits of newly established entities within the first 6 months of registration.

In an effort to further improve registration compliance, Revenue Department will continue administering several compliance programs and initiatives aimed at improving taxpayer services. These activities will mainly focus on improving voluntary compliance and addressing non-compliance with respect to Business Licensing Ordinance. Compliance initiatives Mr. Speaker will include scanning ads/brokerage pages, participating in taskforces such as JLIST, NIB, NHB, Planning, Tourist Board, and FSC. Finally, customer education initiatives will continue to be addressing issues such as delinquencies, late registration and non-cancellations.

Lastly, Revenue Department, with assistance from CARTAC, will be conducting a feasibility study of transforming into a Revenue Authority in line with TCI Government’s objective of enhancing government’s capacity in raising and sustaining revenues. The ultimate objective of this transition is to increase autonomy in revenue administration with the intention of improving performance by removing impediments to effective and efficient management while maintaining appropriate accountability and transparency. If formulated and used effectively, this transition can be a catalyst to enable broader revenue administration reforms. In this regard, several technical assistance sessions with CARTAC are expected to take place in 2019/20 budget year to determine the most effective course of action and the effective date of this transition which is expected to be spanning into 2020/2021 budget year.

STATISTICS DEPARTMENT

Mr. Speaker, the Statistics Department continues to provide much needed data and support for my Government and Mr. Speaker we remain grateful. Mr. Speaker, I pause however, to share some useful information to demonstrate the importance of having data. I turn my attention to the number of deaths occurring among our residents, during the first quarter of this year, as there are talks among the general population that the number of deaths this year is unusually high. We understand that death is inevitable and that we all will have to walk that road at some stage but as a government we must be concerned, if it seems that there is an unusual increase in the number of deaths among our residents. So I asked the Department of statistics to give us an idea of the breakdown of the number of deaths this year in comparison to the others.

Preliminary numbers from the Statistics Department reveal that for the first quarter of 2019 there were approximately 28 deaths. Representing a decrease of 12.5 percent over the number of deaths during the first quarter of 2018.

Mr. Speaker, if we examine the numbers by age we will see that less than 11 percent of the deaths during the first quarter of 2019 occurred to persons under the age of 30. We do not take this lightly even though this only represent 3 deaths because 1 death is one death too many. Approximately 30 percent of the deaths occurred to persons over the age of 70. Fifty percent of the deaths occurred to persons over 60.
Not included in these numbers Mr. Speaker are the deaths of the Haitian Nationals in our waters during the first quarter and TCI residents who would have died overseas. We will recall that approximately 15 Haitian Nationals drowned in our waters during the first quarter. This has not been included but has been included in the numbers on the Statistics Department’s Website. Mr. Speaker, whereas we understand that the Statistics Department have to record all deaths I have asked them to publish data on the deaths of TCI residents separately so that as a government we will be able to track these statistics.

Mr. Speaker as a Government, we will be doing whatever is possible to minimize the number of deaths among our residents and we ask all residents to play their part in this endeavor. Our new focus on primary health care, sports, agricultural plans including the “eat what you grow campaign”, the School Nutrition Program are all initiatives in our attempt to address the high level of lifestyle diseases and the deaths resulting from poor lifestyle choices.

It is so important to be informed and to be guided by accurate data when creating policies and we rely on the Statistics Department in this vein.

The Statistics Department this year:

- Will make data more readily available to the public through its recently launched new Website.
- Will continue current work being undertaken with UNICEF on the MICS (Multiple Indicator Cluster Survey) which will ensure that the TCI is able to report on a number of the Sustainable Development Goal (SDG) indicators.
- Will be releasing the 5 years Balance of payment (BOP) series to the public.
- Will complete a full household and population listing exercise on the Islands of Grand Turk to North Caicos and a partial listing on Providenciales.
- Will progress work on the cost of living exercise and the country poverty assessment.

CUSTOMS DEPARTMENT

Mr. Speaker, I am happy to report on the successes and achievements of the Customs Department for FY 2018/19, as well as the Department’s plans for FY 2019/20.

Mr. Speaker, the Customs Department had a revenue yield of $126,106,732.00, which was 11% above the budgeted $114,099,147.00. The favorable variance may be partly attributed to economic activities such as the increased tourist arrivals which resulted in increased imports and therefore increased collections in Import Customs Duty, Customs Processing Fee and Aviation Fuel Royalty.

During this FY Mr. Speaker, and as a part of the government’s commitment to resilience after the impact of the two hurricanes of 2017, a duty exemption on the importation of selected building materials, furniture and appliances were approved for all residential home owners affected. This exemption extended beyond the FY, and expired on the 30th of April 2019. The total revenue foregone through the exemption was $361,745.68. As a result of the exemption the Department saw an increase in the volume of imports. Mr. Speaker in November 2018, my Government further approved for the month a waiver of all storage fees associated with imported goods deposited into the Customs Queens Warehouse, for those importers who would have paid their Duty and Customs Processing Fees prior.
Mr. Speaker Financial year 2019/20, is anticipated to be another successful year for the Customs Department, not only in revenue collections, Mr. Speaker but also with Enforcement and Trade Facilitation two of their other key functions. Mr. Speaker my Government in its commitment to ensure that the Customs Department performs these two functions to their maximum potential, have approved through the Capital Program, funding for two Canine dogs, ammunition, and money detection dogs, the building of a Kennel to accommodate these dogs, and the purchase of vehicles to transport them to the different location where they will be worked. We have also approved funding for baggage/cargo scanners, which will be placed at different customs control areas, to allow for the better detection of illicit goods such as drugs, and weapons, as well as contraband. Mr. Speaker this is in line with my government’s plans on enhancing border security, and thereby protecting the Turks and Caicos Islands residents and visitors alike, frs fixing it. Mr. Speaker, my Government has reduc

Mr. Speaker, I would like to further highlight that as a means of empowering Turks and Caicos Islanders to own a home, my government has recently implemented a Home Owner’s Policy, which came into effect on the 1st of April 2019. This policy includes a possible duty exemption on the importation of building materials, furniture and appliances, of up to $20,000, for first time homeowners building a dwelling home or who own an existing first home, who wish to carry out refurbishment works or renovations.

Mr. Speaker my Government is committed to fostering so far as is possible, a safe environment for all Turks and Caicos Islands residents, as well as the promotion of good health. To this end, Mr. Speaker effective April 15th and May 1st 2019 we have approved a ban on the importation and distribution respectively of single use plastic bags. Mr. Speaker additional work has already commenced to further implement a ban on other plastic, Styrofoam/polystyrene products, and to impose an age restriction on the importation of vehicles.

Mr. Speaker, my Government holds the success of all Departments as a serious priority, the Customs Department being one of those, and we appreciate that there is a collective responsibility on the part of all of us to ensure this continued success.

EXCHANGE OF INFORMATION UNIT

The Turks and Caicos Islands (TCI) is an active member of many of these regulatory organizations such as the OECD/Global Forum on Tax Transparency, member of the BEPS Inclusive Framework and the Caribbean Financial Action Task force.

Mr. Speaker, the TCI continues to exchange tax information on request with our treaty partners and automatically to the United States Internal Revenue Services (IRS) under the provisions of FATCA. In 2018, TCIG exchanged tax related financial account information automatically as a non-reciprocal jurisdiction with more than 50 participating countries under the Common Reporting Standard (CRS).

A second round assessment Mr. Speaker of the Exchange of Information by Request (EOIR) in practice was carried out in July 2018 with an onsite visit. The Peer Review Group (PRG) met in February 2019 to examined the Report that was prepared by the Assessment Team. A team from TCI which comprised of the Director of the Exchange of Information Unit, the Attorney General, the Managing Director of the Financial Service Commission, the Senior Legislative Drafter and the Exchange of Information Officer was able to successfully defended the Report in Paris which led to a Largely Compliant rating. Mr. Speaker we are extremely grateful.

Mr. Speaker I am pleased to report that on the matter of the EU – European Union list of non-cooperative jurisdictions for tax purposes, Mr. Speaker TCI passed the required Companies and Limited Partnership (Economic Substance) Legislation on 31st December, 2018 along with other tax reform measures, which resulted in Mr. Speaker TCI being removed from the EU’s 2019 list of non-cooperative jurisdictions and avoided blacklisting.
Mr. Speaker, the Exchange of Information Unit is currently working on a number of Guidance Notes to assist the business community with implementations of the new legislations and regulations for Economic Substance reporting and Country by Country Reporting. The staff capacity within the Exchange of Information Unit is also increasing to addressed the challenges of these new standards and directives.

**COSME AND TRADE**

Mr. Speaker, the Competitiveness of Enterprises and Small and Medium-sized Enterprises (SMEs), more commonly referred to as COSME, is an EU funded program that supports the growth and competitiveness of SMEs in Overseas Countries and Territories (OCTs). The COSME Programme provided assistance to OCTs with a view to:

1. strengthening the capacity of the Governments of the Caribbean OCTs to service the business sector;

2. improving the capacity of Business Service Organizations (BSOs) to engage in public-/private policy and administrative reform dialogue with Governments and provide services to their constituency of SMEs; and

3. promoting stronger collaboration, trade and investment relations among the EU, CARIFORUM and the Caribbean OCTs.

Mr. Speaker, by virtue of our relationship with the United Kingdom (UK) the Turks and Caicos Islands benefitted from a number of initiatives organised by COSME during the program’s 54-month term. Of note Mr. Speaker, are the reports on proposed national policies and strategies such as, the Diversification Strategy & Implementation Plan, Vacation Rental Development Plan, SME Policy Report, National Quality Infrastructure Report and the report on the Turks and Caicos Islands Consumer Protection Ordinance 2016.

**Diversification Strategy & Implementation Plan**

The Diversification Strategy & Implementation Plan underscored the dominant role played by tourism in the economy of the Turks and Caicos Islands. As such, the importance of economic diversification in the context of external shocks and natural disasters was emphasized. In so doing, alternative industries with the potential for economic growth were identified namely agriculture, fishing, health services, ICT and professional services. The export of services was identified as the best avenue for major economic growth with respect to small island economies. Mr. Speaker, we will continue to progress work in this area.

**Vacation Rental Development Plan**

The Vacation Rental Development Plan proposed a set of recommendations to address the regulatory challenges faced by the Government in its efforts to effectively police the vacation rental by owner’s industry. It was recommended thus: (i) to motivate inhabitants of the Turks and Caicos Islands to become active in the vacation rental industry and affiliated businesses; (ii) to charge higher taxes to vacation rental accommodations owned by foreign entities; (iii) to investigate how websites can be taxed for making bookings in the Turks and Caicos Islands; and (iv) to introduce variable taxes for non-local investors and operators. Mr. Speaker, we have not concluded our work in this area and are working assiduously to do so.

**SME Policy Report**

The SME Policy report highlighted the need for greater access to finance for SMEs. It also identified the dearth of information on SMEs that operate in the Turks and Caicos Islands and therefore advanced the need for a mechanism to record SME activity. Effective representation of the interests of SMEs was also mentioned as an area for development. It was recommended then that efforts should be made to encourage the establishment of a SME Association.
National Quality Infrastructure Report

The National Quality Infrastructure report served to promote the formulation of a National Quality Policy and present models for implementing a National Quality Infrastructure in the Turks and Caicos Islands. A National Quality Infrastructure would allow for goods and services to be tested, certified and accredited in accordance with internationally accepted principles and requirements. The report gave way to the establishment of a National Quality Infrastructure Steering Committee and the conduct of a national workshop on the subject.

Report on the Consumer Protection Ordinance

Mr. Speaker, the report on the Consumer Protection Ordinance of 2016 emphasized the need for a sound institutional and regulatory framework geared towards a consumer market that is accessible, fair, efficient, responsible and sustainable. The report advanced various models that may be adopted to assist with the process. Mr. Speaker much work is ongoing in this area and we are now drafting the many other supporting documents needed before this Ordinance can be brought into force.

Capacity Building Activities

The Turks and Caicos Islands, Mr. Speaker also benefitted from an array of COSME funded capacity building workshops and other training activities for the purpose of equipping the Centre for Entrepreneurial Development (CED) with the tools necessary to further support SMEs. COSME also provided direct funding to CED in the amount of $21,000.00 for the purchase of technical equipment and other supplies.

Post COSME

Following the conclusion of the COSME program Mr. Speaker, the Government intends to give life to much of the proposed recommendations and strategies. In fact, thus far we have:

1. Commenced work on the development of a SME Database.
2. Approved the establishment of a Department of Trade, Industry and Consumer Affairs to facilitate the development and growth of trade and business in the Turks and Caicos Islands.
3. We established a National Quality Infrastructure Steering Committee.
4. Drafted proposed amendments to the Consumer Protection Ordinance.
5. Improved our working relationship with the CED to ensure ongoing support for SMEs.
6. Explored the development of trade agreements with new and existing trading partners.
7. Commenced work on and have produced the first draft of a National Concessions Policy aimed at stimulating the growth of the business sector in particular SMEs.

The Government is committed to further improve the trade and business environment in the Turks and Caicos Islands. The timeliness of this undertaking is especially significant given the anticipated impact on our access to the European market on account of the UK’s planned withdrawal from the European Union. We have commenced discussions with the UK Department for International Trade on participating in future UK free trade agreements should the UK cease to be a member of the European Union.

ONGOING CRITICAL INITIATIVES UNDER MoFIT

Mr. Speaker, there are a number of other initiatives continuing at the Ministry’s level and I take this opportunity to report on this critical work.
Access to Credit: Partial Credit Guarantee Scheme

Mr. Speaker research on the feasibility of a Partial Credit Guarantee Scheme continues. In this regard, some may say we ought not interfere in the market; rather we should allow market forces to interplay; but whilst this Government would want the market to recognize this missing market function and be able to adequately identify opportunities geared at ameliorating the much talked about ‘lack of access to finance or businesses’, addressing the challenge requires a systems approach.

A systems approach is holistic approach that considers interventions that will increase financial education and literacy; will establish relationships with traditional and non-traditional operators; will enhance access to technical support and professional services and would actively look for outside players in the financial markets who may be supported and encouraged to expand in the TCI.

Mr. Speaker good information is often a precursor to systems change. So a survey is being administered throughout the country to gather information on the issues faced by small businesses from Salt Cay to Providenciales. Mr. Speaker we need to build an Evidence Base of the micro-ecosystem of enterprise in the TCI and we need to build it with both supply side and demand side data. So I would encourage the small businesses sampled, to provide as much information as they can; and on the other side of the spectrum, lending institutions have been asked to indicate what it will take to give would-be entrepreneurs a fighting chance at qualifying for credit facilities at existing institutions.

Again our relationship with the Caribbean Development Bank pays dividends as we are able to benefit from a grant of $119,000 to progress this initiative representing 78% of the cost with the remaining 22% to be covered by TCIG.

Enactment of the Credit Union Legislation

Mr. Speaker, still under the Government’s policy focused on augmenting access to credit, during the past year this Government has ensured the completion of the Credit Union Regulations and plans are underway to conduct public consultations on both the regulations and prudential standards in the first two weeks of May 2019. The Credit Union Legislation facilitates another savings and lending service offering to the public. Credit Unions are not a panacea to the woes of access to finance in the Turks and Caicos but they do have their benefits over commercial Banks. It is hoped that the customers/members of the Credit Unions, will reap the benefits of lower fees, better interest rates, and more customer friendly services that credit unions are known for in the region and around the world.

Mr. Speaker, I am pleased to announce that this week, consultations will begin in relation to the completed Regulations needed to enact the Ordinance. Mr. Speaker I will use this opportunity to invite persons to respond positively to the invitation which will be jointly extended by the MoFIT and the FSC. Mr. Speaker we are well on track to welcome applications for Credit Unions as early as next month.

COMPUTER INFORMATION AND TECHNOLOGY UNIT

Mr. Speaker, the Computer is busy with new and exciting initiatives and I am pleased to offer the following report:

Other Ministries/Department Support

CITU is working with the Ministry of Border Control and Labor along with the Joint Regional Communication Center or JRCC on implementing the Advanced Information and Passenger System (APIS). The JRCC was established with the responsibility to collect, process and disseminate Advanced Passenger Information (API) data for and on behalf of Member States, based on CARICOM APIS Legislation. The objective is to improve Border Security processing and screening of travelers transiting Member States. CARICOM Legislation states that Aviation and Maritime Privates/Commercial Carriers are legally required to submit APIS files prior to Arrival/Departure traversing Member States, if not they are eligible to be fined.

The digitizing of immigration records is also a project to be on-stream this year where we along with BGE we will have digital representation of all immigration documents and proper archiving of the current library which is used.

CITU is also working with DECR and The Centre for Environment Fisheries and Aquaculture Science (CEFAS) to assist with the development of an App which will be used to save the fishermen’s gears (transactions) and the selling of catch data into the app.

CEFAS a world leader in marine science and technology, providing innovative solutions for the aquatic environment, biodiversity and food security
CITU is also working with the Ministry of Health, Agriculture and Human Services in finalizing the roll out of the Electronic Immunization Registry. This will allow for a child’s immunization record to be accessed electronically from any participating clinic on any Island in the TCI.

Mr. Speaker this began in 2017 and there was a setback after the hurricanes but we look to have the Welfare Case Management System completed in 2019. CITU is working with Ministry of Home Affairs Transportation and Communication in implementing a Welfare Case Management System. This is replacing the existing systems that use excel spreadsheets. This is a cloud hosted solution for multiple Island locations that are not in traditionally connected government offices to access and enter case data for the Department of Social Development.

Security & Disaster Recovery

We have procured two mobile satellite units for Grand Turk and Providenciales for the business continuity. This is important in the event of natural disasters where communication is lost from current ISP’s, we can then bring these systems online and establish phone services at both sites and network resources. There have been successful tests between sites which CITU conducts bi-annually.

And Mr. Speaker we look to purchase another this year for the Island of South Caicos and eventually having units in each Island to ensure communication services are available.

CITU is also currently backing up all servers to its AZURE cloud environment to have availability of all its systems in the event of failure at on premise datacenters. This in combination with the satellite systems will ensure business continuity in the event of service providers in ability to function after natural disasters.

CITU has also received approval and begun the acquiring of a containerized solution for the Grand Turk Datacenter which was wiped out after the hurricanes. This will allow for mobility of the datacenter to secure location with a fully outfitted Datacenter with networking gear, uninterruptible power supplies, generators and cooling equipment.

**STATUTORY BODIES UNDER THE MINISTRY OF FINANCE**

Mr. Speaker, I turn our attention to the Statutory Bodies under the Ministry of Finance and critical work undertaken under Mr. Speaker, the single largest liability for TCIG is the National Health Insurance Plan (NHIP) which established in 2009 under the National Health Insurance Ordinance and the Subsidiary Legislation (the “Ordinance”). The overall goal is to facilitate the provision of accessible, affordable and quality health care services to all its beneficiaries as specified under the Ordinance. The National Health Insurance Board (“NHIB”), established under the Ordinance, oversees the NHIP. To this end the NHIP covers the cost of health care for various Inpatient, Outpatient, and Overseas services. The ensuing provides a status update of the NHIP/NHIB in the following areas as of March 31, 2019.

Mr. Speaker, the Minister of Health and I continue periodic meetings with key staff and board officials to provide a keen oversight. Mr. Speaker critical changes have been made and much work continues to be undertaken to improve the Program and its delivery. We are pleased Mr. Speaker to have the top three management positions filled and these individuals are committed to the tasks at hand. Mr. Speaker, my Government has taken a serious look at the Program and are at a place where not only critical changes need to be made but drastic changes must be made to address its unaffordability and general delivery of the Plan. Mr. Speaker there will be critical consultation and public dialogue moving forward.

Overview of Performance

Mr. Speaker, in the financial year (FY) 2018/19, the organisation realized a deficit of $116k against a budgeted surplus of $836k. Key performance indicators include the following:

**Table 1:** Key Performance Indicators.
<table>
<thead>
<tr>
<th>Description</th>
<th>2018/19</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Operational Income</strong></td>
<td>Under budget by 2% ($1.2m)</td>
<td>Total Operational income was under budget by 2% for the financial year 2018/19 and investigations into this area will determine the course to take.</td>
</tr>
<tr>
<td><strong>Total Personnel Costs</strong></td>
<td>Under budget by 40% ($1M)</td>
<td>Total Personnel costs was under budget by 40% due to vacant positions, which exist at NIH, but were budgeted for.</td>
</tr>
<tr>
<td><strong>Healthcare Costs</strong></td>
<td>Over budget by 5% ($1.5M)</td>
<td>The Health care costs were higher in the financial year 2018/19 by $1.5M than what was budgeted due to high cost cases and unexpected emergencies.</td>
</tr>
<tr>
<td><strong>Payments to InterHealth Canada</strong></td>
<td>Equal to what was budgeted</td>
<td>Budgeted cost for InterHealth Canada (IHC) for financial year 2018/19 was $29,750,998. Actual amounts paid to IHC was $28,003,473, the difference of $1,747,525 being accrued will need to be paid sometime in the future.</td>
</tr>
<tr>
<td><strong>Payments to InterHealth Canada - Utilities</strong></td>
<td>Under budget by 10% ($401k)</td>
<td>Budgeted cost for the utilities for IHC for financial year 2018/19 was $4,000,000, while actual payment for the period was $3,598,960.</td>
</tr>
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<table>
<thead>
<tr>
<th>Description</th>
<th>2018/19</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operational Fees and Sale of Goods</strong></td>
<td>Under budget by 3% ($1.2m)</td>
<td>Total Operational income was under budget by 3% for the financial year 2018/19 as receipts from the Self-Employed Sector contributions were $1.3m less than budgeted.</td>
</tr>
<tr>
<td><strong>Release of Government Grants</strong></td>
<td>Under budget by 1% ($334k)</td>
<td>TCIG made subvention payments of $32.7m during the 2018/19 financial year, which was 1% less than budgeted.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Transactions between Specialty</th>
<th>FY 2017/18</th>
<th>FY 2018/19</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ophthalmology</td>
<td>316</td>
<td>263</td>
<td>-16.8%</td>
</tr>
<tr>
<td>Cardiology</td>
<td>328</td>
<td>238</td>
<td>-27.5%</td>
</tr>
<tr>
<td>Oncology</td>
<td>75</td>
<td>60</td>
<td>-20%</td>
</tr>
<tr>
<td>Orthopedics</td>
<td>58</td>
<td>39</td>
<td>-32.8%</td>
</tr>
<tr>
<td>Vascular Surgery</td>
<td>68</td>
<td>84</td>
<td>+25%</td>
</tr>
</tbody>
</table>

**Overseas Healthcare activity**

The number of overseas referrals decreased by 2.6% between FY 2017/18 and FY 2018/19. There was also a 24% decrease in the use of air ambulances with a concomitant increase in the use of Chartered flights. This is partly due to efforts being made to, whenever practicable, transfer patients via chartered flights as opposed to the more expensive air ambulance transfers. Air ambulance transfers are also associated with a delay in transfer because there are no air ambulance providers based in the Turks and Caicos Islands. Commercial flights also decreased by 10%. The decrease in the number of overseas commercial flights is likely to be related to the overall decrease in overseas transfers.
These contributed to a 14% decrease in total overseas travel cost for FY 2018/19 ($3,787,836.00) when compared to FY 2017/18 ($4,166,476.00). The specialties of Ophthalmology and Cardiology accounted for the most TAP consultations (Table3). There were 263 ophthalmology (246 adults, 17 paediatric), 238 cardiology (188 Adult, 50 paediatric), 84 vascular surgeries, 60 oncology, and 13 neurosurgery referrals during FY 2018/19.

However, there was an overall decrease across the board, with the exception of vascular surgery, which went up by 25%. This is related to the increase in chronic Non Communicable Diseases (NCD’s), particularly diabetes, throughout the Caribbean and elsewhere, which leads to conditions such as vascular disease and renal failure requiring vascular surgery intervention.

All overseas treatment claims for the FY 2018/19 have not yet been received. However, based on recent trends, it is expected that total overseas healthcare claims (including travel, treatment, and subsistence costs) for FY 2018/19 will not exceed FY 2017/18. Overseas treatment costs in particular are projected to have reduced by 5% between the two financial years (FY 2017/18 and FY 2018/19). It is also projected that once all claims for FY 2018/19 are tabulated, there would be at least a 2% reduction in the average TAP claims cost per overseas referral (from approximately FY 2017/18 $16,000 to $15,600 FY 2018/19).

**Local Healthcare Activity**

During FY 2018/19, local medical claims amounted to $1,045,599.00 and this Mr. Speaker is an increase of 13% from FY 2017/18. This was accompanied by a 5.2% increase in total number of local medical visits, from 27,312 in FY 2017/18 to 28,808 FY 2018/19.

Pharmaceutical costs increased by 14% compared to the previous financial year from $3,133,599.00 in FY 2017/18 to $3,518,759.00 in FY 2018/19. This is likely to be related to the reported increase in local medical visits. The cost of medications is also increasing, as is the use of more expensive drugs to treat cases when other options have failed.

The total local travel claims cost was $783,377.00, an increase of 10% compared to FY 2017/18. This could be related to an increase in travel between Grand Turk and Providenciales to access services that were not currently available/offered in Grand Turk.

**High Cost Cases**

The plan continues to have a relatively small number of high cost cases that have a significant impact on the cost of care. There were 39 beneficiaries in FY 2018/19 with claims greater than $100,000.00. These beneficiaries had catastrophic events, which accounted for around 45% of total treatment expenditure ($9,129,973.00); costs incurred by 10 of the 39 totaled $5,141,909.00.

Mr. Speaker, we are currently at a place to understand our liabilities, and receivables. As Minister of Finance, I receive weekly cash flow reports and the multiple years of outstanding Audits are being carried out.

**Actuarial Review**

Mr. Speaker, in 2017, the long overdue actuarial review was commissioned for the period April 1, 2014 to March 31, 2017. The primary purpose of this review was to assess the financial condition of the NHIP and the adequacy of the contributions to support the benefits offered by the plan. Mr. Speaker, coming out of this actuarial review are various recommendations that have been suggested for the NHIP to implement in order address the projected estimated accumulated deficit. This Report is to be discussed in Cabinet shortly and then laid on the Table of this Hon House. Mr. Speaker, it is my Government’s plan to engage the Opposition and the people of this country in a comprehensive series of Meetings.

Nonetheless Mr. Speaker, the FY2019/20 budget caters for sums to implement two of the recommendations, namely the development of a Funding policy and a Risk Management policy. There are also other initiatives that will move forward that are aimed at creating fiscal space for health while simultaneously making efforts to ensure the sustainability and viability of NHIP going forward.
Mr. Speaker, there are other critical initiatives that are ongoing that are worthy of mention:

1. Information Technology (IT) Challenges - The New Executive Management Team (NHIB_EMT) continues to explore options to identify gaps and build/strengthen IT Capabilities which will aid in debt prevention.

2. Benefits Package Review – Mr. Speaker, we are at a place where we must review the benefits package. Mr. Speaker, NHIP recognizes the importance of conducting a Redesign/Objective Setting Exercise to explore options for changes to the NHIP Benefits package. However, the NH Ordinance requires that an actuarial assessment be conducted before adding new benefits. Hence, the process of ascertaining the cost and other pertinent details of such an undertaking to inform the process going forward needs to be embarked upon. Mr. Speaker, to this end, provision is being made in the 2019/20 Budget for the conduct of this NHIP Redesign/Objective Setting Exercise, which would involve stakeholder engagement, and inform the Benefits Review process going forward.

3. Staff Vacancies Updated (1 April 2019) – Mr. Speaker, my Government has agreed critical changes to staffing and the NHIB continues the organisational restructuring in key areas as evidenced by the ongoing recruitment and employment of key personnel at the executive and operational levels. These personnel include a new Executive Management Team, which is now installed, as detailed earlier.

Mr. Speaker, my Government is committed to addressing this challenge head on and with the full information. Mr. Speaker, we recognise that this is a matter that requires the widest consultation and we commit to doing so. Mr. Speaker, we will of course reach across this aisle on this matter as this remains a challenge that we must address. In the interim, we will continue to strengthen compliance and management while embarking on an aggressive public relations program.

NATIONAL INSURANCE BOARD

Mr. Speaker, the National Insurance Board remains committed to its mission to provide social security protection for the people of the Turks & Caicos Islands.

Mr. Speaker, the NIB has been in existence for 27 years and has built a reserve of over $300M to date. The fund remains strong and is viable for at least the next thirty years. The Actuary assessed the accrued long term liability of the plan as at March 31, 2018, as being 43% funded. This means we had 43 cents for each dollar of accumulated pension obligation.

Mr. Speaker, the benefits cost is expected to continue to increase as the plan matures. More contributors are becoming eligible for pensions, and at higher rates. Mr. Speaker, the 8th Actuarial Review of the plan recommended that the NIB considers increasing the contribution rate to ensure the plan remains viable and able to meets its benefits obligations as they become due.

Mr. Speaker, in addition to its pension obligations, the NIB has also seen an increase in benefits due to Non-Communicable Diseases (NCDs). Mr. Speaker, because many of these cases are persons in their productive years, they serve to negatively impact the fund as contribution income will be lower due to the increasing number of sick days and benefits payments will increase. Mr. Speaker, this is a serious concern for my Government and the NIB is already considering remedial initiatives and will be seeking to forge partnerships with other entities to encourage the populace to adopt a healthier lifestyle.

Contribution Income

Mr. Speaker, Contribution Income for the financial year ending March 2019 is expected to exceed $36M; this figure is 3% greater than the $35.1M budgeted for the year. Based on the economic indicators available, the NIB budgeted $37.1M for contribution income for the 2019/20.
**Contribution Compliance Activity**

Mr. Speaker, compliance activity during the financial year 2018/19 has resulted in 68% for all active contributors paying for the full year as at December 2018. For the financial year ending March 2019, the NIB expects the targeted compliance rate of 70% to be attained. Mr. Speaker, as part of its efforts to encourage customers to pay on time and to address accounts in arrears, a target of 3,000 compliance visits for the financial year 2018/19 was set. The NIB has surpassed this target having completed 4,783 visits. Mr. Speaker, the NIB will continue to use the various tools at its disposal to enforce compliance and efforts range from serving notices to pay outstanding contributions, to the issuance of a Director’s Certificate or prosecution through the courts.

**Investment Income**

Mr. Speaker, the National Insurance Board (NIB) Investment portfolio at the beginning of the year in April 2018 had a market value of $288,033,565. Mr. Speaker, at the close of business on March 21, 2019, the market value of the NIB’s investment had increased to $301,213,740. For the period April 2018 to February 2019 the fund had a net return of 0.67%.

Mr. Speaker, the NIB continues to publicize and encourage participation in its local domestic investment portfolio. Mr. Speaker, as at February 2019 there was $24.9M that was available for local investments. To further encourage participation in this investment product the NIB has committed to review the Investment Policy Statement to see how to make these funds more accessible to local investors while at the same time ensuring the security and protection of the National Insurance Fund.

**Benefit Expenditure**

Mr. Speaker, the NIB at the end of the 2018/19 paid over $17.5M in benefits, an increase of 6.7% over the $16.4M paid in 2017/18. $11.6M of that amount was paid for retirement pensions.

**Benefit Adjudication Process**

Mr. Speaker, the NIB, as part of its commitment reduce the processing time of short term benefits claims, will increase its public education drive to inform customers about the supporting documents required for the various benefit applications. Mr. Speaker, the NIB is also considering the printing of benefit cheques on the island of Providenciales in the new financial year.

**Administrative Expense**

Mr. Speaker, as part of its strategic efforts to contain administrative cost, the NIB regularly reviews its systems and processes to find the most cost effective and efficient methods for the delivery of its products and services.

Mr. Speaker, for the financial year ending March 2019, the NIB had a strategic benchmark of 13% of Administrative expense to contribution income plus benefits. Mr. Speaker, the administrative expense for the NIB for the financial year ending March 2019 based on the preliminary numbers available is expected to be below the strategic benchmark.

**Information Technology**

Mr. Speaker, the NIB continues to utilize its information technology platform to ensure the efficient delivery of services to its customers. During the financial year 2018/19, the NIB automated two manual processes. This included the automatic generation of clearance certificates and the electronic submission of contribution statements by large companies. Mr. Speaker, during the 2019/20 financial year, the NIB will be introducing online payment via its new web portal which is currently being developed.
Public Relations

Mr. Speaker, in order to keep its contributors aware of their rights and obligations under the NIB Ordinance, the organization is committed to increasing its public relations efforts by implementing its citizen engagement plan. New brochures on the various benefits are currently being produced. Mr. Speaker, the NIB also has a Facebook account and have redesigned its website which is scheduled to be re-launched at the beginning of the 2019/20 financial year.

Mr. Speaker, the NIB has also launched a PR campaign to engage the public in discussions about the funded levels of the Plan and possible reform measures needed to extend the longevity of the Fund.

Mr. Speaker, my Government supports greater transparency and the NIB is committed to greater transparency and has since last year started to post Board Meeting summaries on its website.

2017 Storm Damages

Mr. Speaker, the Hon. L. Headley Durham Building here in Grand Turk suffered damages during the 2017 storms. The NIB expects to conclude the procurement process and conduct repairs early in the 2019/20 fiscal year. The backup generator at the Iilly Ewing Building was also damaged during the storms and will be replaced in 2019/2020.

Mr. Speaker, the NIB remains committed to improving the efficiency and effectiveness of the institution to ensure the continued feasibility of the plan. The hard-working team, including the Board of Directors, Management and staff, are committed to the mission of the Plan. Mr. Speaker, the NIB will continue to engage the public in an effort to ensure we are all better informed about the operations of the Fund.

TURKS AND CAICOS ISLANDS AIRPORTS AUTHORITY

Mr. Speaker, the Airports Authority continues with its mission which is “To Protect the Revenue of the TCIAA in an effort to satisfy Legislative obligations, as well as to develop and improve the Aerodromes in the TCI to Facilitate the safe movement of Aircraft and Passengers.”

Financial Year 2018/2019

Mr. Speaker the Airports Authority enjoyed a successful year and I am pleased to report that airlift and routes increased, passenger arrivals increased and the number of capital projects and investment also increased.

Mr. Speaker we continue to enjoy 11 scheduled operational Airlines: American Airlines, Delta Airlines, Air Canada, Bahamas Air, British Airways, Southwest Airlines, United Airlines, JetBlue Airlines, WestJet Airlines, Caicos Express and InterCaribbean Airlines.

Mr. Speaker, I am pleased to report that this year, we welcomed new routes:

International routes
American Airlines has introduced a Chicago Route and a seasonal route to Washington while Delta has introduced a Boston route.

Mr. Speaker we continue to collaborate with American Airlines on new routes but currently Mr. Speaker, we are actively reviewing interest from two other carriers one being European.

Regional routes
We equally celebrate with our local airlines:
Caicos Express has begun flights to Puerto Plata.
InterCaribbean now has increased its regional routes and now have flights to Havana, Antigua, St Lucia, Saint Maarten and Dominica.
**Overall Performance 2018/19**

The Airports Authority have seen a continued growth in passenger numbers from the 436,269 enplaned of the last year, trending a 6% growth. This increase in passenger numbers continues to place capacity constraints on the existing terminal during the peak passenger hours particularly on the busiest days of Saturday and Sundays. Based on our master plan, forecast and actual activity we it is time to embark the next development phase, construction of the new terminal in Turks and Caicos and ground work will be laid in this financial year for this critical project.

Mr. Speaker, the Airports Authority is trending to exceed budget revenue by circa $20.3M and an under-budget expense of circa $2.2M – unaudited profit, before adjustment. In addition to this we are in a position to fund all projects as forecast.

Staff numbers have remained stable, with areas of fluctuation being in security and fire services. With the employment of a Facilities Manager, we are now able to apply more focus and better oversee and management of projects.

**Capital Program 2018/19**

Mr. Speaker I am even more thrilled to report on the Airports’ Authority Capital Program. Last year, we had an aggressive program and today Mr. Speaker, I am able to announce the critical projects that were able to successfully complete the tender process and contracts are now being prepared for the following:

1. GDT Terminal Rehabilitation – Mr. Speaker after many challenges, we were able to move forward the repair works of the JAGS McCartney Airport. These works Mr. Speaker are funded by proceeds from the Insurance Claim and will be
2. GDT Fire Hall – Mr. Speaker the fire fighters on Grand Turk who were in a container since Hurricane Ike will soon see construction commence on their new Fire Hall. Mr. Speaker, we are excited by this Project and a contract is being prepared
3. South Caicos Tower Repair – Mr. Speaker repairs to the South Caicos Airport Control Tower moves forward and a contract is being prepared for the successful bidder.
4. Salt Cay Aerodrome Rehabilitation – Mr. Speaker the people of Salt Cay sees evidence again of my Government hearing them and making investment in its critical infrastructure. We are now able to move to contract on this project and one is being prepared for the successful bidder.
5. PLS 6x6 Fire Vehicle – Mr. Speaker a new Fire Vehicle is also being purchased.

Mr. Speaker the Airports Authority will be doing plenty in 2019/20.

**Capital Investment 2019/20**

Mr. Speaker, the Airports Authority will be doing plenty in 2019/20. But Mr. Speaker, not just in carrying out these projects moving to contract but with its proposed Capital Program for 2019/20.

Mr. Speaker regrettably several projects did not proceed in 2019/20 because of no bids received and in one case, the Project did not meet the procurement requirements for tendering.

Mr. Speaker, we will retender the following projects that did not receive any bids:

1. South Caicos Airport Fencing
2. JAGS McCartney Airport Fencing
3. TCIAA Providenciales Head Office Building
4. South Caicos Airport Terminal. Mr. Speaker the South Caicos Airport Terminal Building was unable to meet the requirements to proceed to Tender in this past financial year. Mr. Speaker, I am pleased to advise that the proposed investment has been increased to assist in meeting these requirements.

So Mr. Speaker the South Caicos airport terminal will go forward.
Mr. Speaker, the Airports Authority will increase its vehicle fleet by 5. Further investments will be made in Aviation and Security Equipment, Air Condition units, and Computers and accessories.

**INVEST TURKS AND CAICOS AGENCY (Invest TC)**

*Projects Pipeline*

Mr. Speaker, over the past 2 years, over $1.2 billion in new projects have been recommended for construction and Government support in each of last two years. Mr. Speaker, this has the potential for adding over 1800 permanent jobs in each of last two years. But Mr. Speaker Invest TC continues to manage a growing number of new interests.

Mr. Speaker, Invest TC at the close of 2018-19 ended with a capital pipeline of over $1,700 million. Mr. Speaker I am pleased to report that we are currently enjoying serious interest from top Cruise Lines, World Renown Resorts and developers in More specifically Mr. Speaker, there are 7 Refurbishment Projects in the Pipeline for $149 million in expenditure and 10 new construction projects for $1,442.4 in expenditure, for a total of $1.59 billion. These projects are active, and come from Invest TC is also considering 10 additional projects now under evaluation at a value of $726.6 million. Mr. Speaker there are currently 2 major projects under construction at a rate of $299m in expenditure and an approved new construction project

*MSME Performance*

The MSME Program continues to grow. Mr. Speaker in 2017, recommendations were made for improvement to the Program. We have successfully made legislative changes to increase participation by broader range of locally owned

Over its life, the Program has:

- Distributed over $600,000 in direct assistance to locally owned MSME businesses, with a significant focus on micro-enterprises; of which $130,000 was committed in FY 2016/17; $240,000 in FY 2017/18, and $324,700 in 2018/
- Mr. Speaker the grants continue to increase.
- Focused on promotion of business technical training and MSME funding on the Family Islands.

*Refurbishment Policy*

Mr. Speaker, last year my Government introduced the Refurbishment Policy as a major initiative to support enhancement works to existing properties in the tourism sector.

Mr. Speaker, my Government’s Refurbishment Policy has been a success thus far and has generated new investment while enhancing the physical structures and improving our brand. It has attracted a number of applications from our lead Resorts. A total 4 projects for $7.2 million was realized under this program last year with 7 new projects in the application process at

*New Staff*

Mr. Speaker last year, we restructured the Budget for Invest TC and introduced 3 new Posts: Budget Analyst, MSME Intake Officer and Research Econometrician.

In FY 2018-19 The Agency grew by one permanent position filled to 10 persons, and in FY 2019-20 to 11 positions filled out of 13 approved, with 11 funded under FY2019-20 Budget.

Mr. Speaker, Invest TC will be doing plenty in 2019/20.
PORTS AUTHORITY

Mr. Speaker, I am pleased to report on the Ports Authority which continues to achieve steady growth in revenue due to increased economic activity in the TCI. Revenue for 2019/20 is being projected at $6,626,670. This represents Mr. Speaker, an increase of 9.8% compared to budgeted revenue for 2018/19 ($6,035,953), where the expected outturn is $6,222,130. With an expense outturn of $2,901,248, the Ports Authority did not fully spend its recurrent expenditure allocation during 2018/19. This was due mainly to several vacancies not filled.

Mr. Speaker, recurrent expenditure will continue to be strictly prioritized during 2019/20. The Ports Authority aims to consolidate recent gains in the areas of public awareness, partnerships and collaboration and staff development programs made during 2018/19. The recurrent expenditure estimate for 2019/20 is 3,480,597 which represent a modest increase of $222,973 compared to the budget for 2018/19 ($3,250,624).

Mr. Speaker much has been going on at the Ports Authority and we are proud of the past achievements, ongoing and new initiatives.

Mr. Speaker, 2019/20 will be the first year of implementation of the new Ports Authority Strategic Plan for the period 2019 to 2022. The 2019/2020 budget is therefore prepared within the context of developing sustainable financing strategies for the Ports Authority. Mr. Speaker, these will enable the Ports Authority to carry out its core security and safety functions, maintain its infrastructure and; importantly to expand the infrastructure throughout the ports system to support prosperity on all the Islands of the TCI.

Mr. Speaker, in order to increase revenue necessary to remain self-sufficient, monies must be spent to fund maintenance, develop human resources and rehabilitate and expand infrastructure to facilitate the forecasted increase in the volume of cargo, shipping and demands for other port services.
Accordingly, results prioritized within the budget 2019/20 include:

1. Building staff capacity

2. Increasing maintenance of assets

3. Completing post-hurricane rehabilitation projects

4. Securing financing for strategic projects to build the port network throughout the TCI

Firstly Mr. Speaker, the new Ports Authority Strategic Plan takes cognizance of results of a recent port security audit. It also foresees the Ports Authority fully carrying out its mandate. These have implications for capacity development. Accordingly, the budget for staff training and capacity development programs is being increased from $82,200 to $96,888. This would enable a variety of local and overseas training programs, staff exchanges and attachments to be undertaken for all staff. During 2018/19, the Ports Authority trained and certified twelve (12) staff trainers who would lead on local training. Funding is also being allocated to build the oversight capacity of the Board and to expose Directors to developments in the international shipping and ports industry, through visits to regional ports and attendance at conferences. It is expected that approval would be received to fill the position of Projects Manager. Filling this position is critical as the number and complexity of capital projects being s fixing it. Mr. Speaker, my Governme
Mr. Speaker secondly, a significant increase in maintenance is forecast, moving from $108,900 to $196,900. This will enable preventative maintenance of the expanding assets base of the Ports Authority. In the long-run this would be cost effective by extending the life cycle of port assets and making assets more environmentally sustainable and climate resilient. Mr. Speaker this would also reduce the opportunity cost of having to implement capital projects, and contain costs for rehabilitation following hurricanes or other unforeseen natural disasters.

Turning attention Mr. Speaker to capital projects, there was a delay in the tendering of capital projects during 2018/19. The outturn for expenditure on capital projects during 2018/19 is $1,392,302. However, by the end of the financial year, all remaining post-hurricane rehabilitation projects were tendered. In line with the third result for 2019/20, there would be increased activity implementing post-hurricane rehabilitation projects early in 2019/20. And these projects include:

1. Installation of CCTV system
2. Installation of port lights at Conch Ground South Caicos and South Dock, Providenciales
3. Repairs to Navigational Lights to improve safety of navigation in the territorial waters of the TCI
4. Refurbishment of Security Gatehouse, South Dock, Grand Turk to improve working conditions for the Ports Authority security staff

Mr. Speaker, consistent with the Medium Term Infrastructure Investment, several strategic projects, throughout the ports network, commenced or were tendered during 2018/19. These projects included:

1. Grand Turk Ro/Ro Project,
2. Consultancy for Redevelopment and Modernization of South Dock, Providenciales,
3. Port Dredging, South Dock, Providenciales
4. Pavements and access road grading, South Dock, Providenciales
5. Environmental Impact Studies to guide rehabilitation of South Caicos Port and improvements to navigation channels on North Caicos; and

In line with the FOURTH (4th) result for 2019/20, priority would be accorded to completing these projects.

Mr. Speaker and finally, one of our proudest achievements by far is the redevelopment of South Dock, Providenciales which is long overdue. During 2018/19, the Ports Authority commissioned a study for the Redevelopment and Modernization of South Dock, within a 20 year planning context. The study was successfully completed, with inputs from key port users and stakeholders, from both the public and private sectors. My Government has accepted the recommendations for the redevelopment and modernization of South Dock. As it stands now, the redevelopment project would be implemented in phases, over the next few years. The port will remain operational during the construction phase to support developments on Providenciales. To support implementation of this project, effective 2019/20 my Government has allowed the Ports Authority a five-year moratorium on transfers to the TCIG. The Ports Authority will also seek funding sources of approximately $10m. The Ports Authority will undertake a publicity program on the scope or requires a strategic partnership and a St

Mr. Speaker, the Ports Authority too will be doing plenty in 2019/20.
FINANCIAL SERVICES COMMISSION

The Financial Services Commission is responsible for regulating all financial services businesses in the TCI, supervising designated non-financial businesses and persons, and managing the Companies Registry. The Commission's core mandate continues to be the maintenance of public confidence in, and preservation of the stability of, the financial sector in these Islands. Mr. Speaker, while the Financial Services Commission is under the Governor's portfolio, my Ministry enjoys an understandably close relationship with the FSC and I am pleased to report on a few of its critical initiatives.

Mr. Speaker, it is the Commission's assessment that during 2018 the financial sector remained relatively stable. We are pleased to have completed the review as promised of the Financial Services Sector and I wish to thank KPMG for such a thorough job, the FSC, the Attorney General's Chambers, the MoFIT in particular EOI Unit and the private sector for all of its work towards the final document and my Government is committed to carry out those recommendations that will grow and protect this sector.

The FSC in furtherance of its core mandate, the Commission's 2018/19 work program centered on promoting enhanced risk management by licensees, protecting the jurisdiction's reputation and brand through compliance with international standards, and contributing to financial sector development via risk-based supervision and risk appropriate legislation. During the year Mr. Speaker, the Commission introduced a Beneficial Ownership Register in response to international commitment and launched the much-anticipated online filing platform, K-Registry. We also saw the development and passage of key pieces of legislation on both ends of the company life cycle, with the coming into effect of a modern Companies Ordinance 2017 and introduction of an Insolvency Ordinance. Both pieces of legislation represent significant progress for the Turks and Caicos Islands.

Mr. Speaker, the Commission successfully hosted and chaired the meeting of British Overseas Territories' regulators in the Caribbean. These meetings, which are convened annually, serve to promote and foster greater regulatory cooperation among the British Overseas Territories in the region.

Mr. Speaker, a key part of the Commission's work program was preparing itself and the Turks and Caicos for, and participating in, two major international assessments of the jurisdiction's risk management frameworks; assessments conducted by the Caribbean Financial Action Task Force (CFATF) and Global Forum on Transparency and Exchange of Information for Tax Purposes. These were rigorous and involved processes and TCI await the formal results of both assessments with cautious optimism. The Commission's strong focus on anti-money laundering was evident in the increase in the number and intensity of examinations of this risk.

Mr. Speaker, the Commission's 2019/20 work program will continue its focus on supporting the financial sector in the management of the evolving risks in the sector and in navigating the ever changing international requirements. Key priorities are continued containment of domestic risk through risk-based supervision and judicious enforcement action, continued publication of statistics and analysis on the financial sector, the development of a crisis management and response protocol, establishment of systemic risk and macro-prudential indicators, greater use of technology, enhanced data management and security and improved stakeholder engagement. These initiatives will be pursued within the context of compliance with international standards.

Financial Performance and Projections

Finally, Mr. Speaker, during the 2018/19 financial year, the Commission operated within judicious budgetary limits, generating a positive budget variance of $3.2m and an operational surplus of $4.7m.

Mr. Speaker, as it relates to the for the financial year 2018/19, the Commission is projecting total revenue of $8.7m and total expenses of $7.2m, compared to the actual performance in the 2018/19 financial year of $10.5m and $5.7m respectively. The projected variances are based on the assumptions that 2018 was an unusual year for land share transfer duty which drove the revenue in 2018, and the Commission will fill the vacant positions which resulted in the positive variance on staff cost. The Commission is also projecting capital expenditure of $2.6m, which includes an electronic regulatory database and the acquisition of a building.
Mr. Speaker, the FSC too will be doing plenty in 2019/20.

OFFICE OF THE PREMIER, LOCAL GOVERNMENT AND COMMUNITY AFFAIRS

Mr. Speaker, the Office of the Premier has been busying itself with a number of critical initiatives and commitments made under the Change Document for which there is no ministerial responsibility.

Office Renamed and Community Enhancement Program announced

Firstly, Mr. Speaker, I wish to draw attention to new name of the Office of the Premier: Office of the Premier, Local Government and Community Affairs. Mr. Speaker, this signifies the main focus that will come to this Office. Mr. Speaker, my Government will complete the Local Government model in our effort to strengthen the area of Island Administration and will include Grand Turk. Additionally, Mr. Speaker, under a structured Community Enhancement Program, my Government will re-establish and strengthen communities through programs and projects.

Strengthening Local Government

Mr. Speaker, my Government is making tremendous strides in our efforts to strengthen local government throughout the Turks and Caicos Islands. Mr. Speaker, in the coming weeks, we will be advancing the strengthening of local Government. The local Government Review and Modernization Committee appointed by Cabinet includes a cross section of Government and District Administration experience. The Committee is tasked with performing a comprehensive review of local government administration in order to formulate a report that will guide the establishment of the most suitable model for local government for the Turks and Caicos Islands. The Committee will:

- Review the current structure, in light of single constituency and all island elected representatives;
- Review other regional models;
- Engage in community consultations to ascertain the concerns of the populace in relation to local government and
- Make recommendations to the Premier for the modernization of TCI’s model via a report that will be submitted to Cabinet for consideration and implementation.

Mr. Speaker, throughout the Islands, including Providenciales for the first time in decades, District Boards have been appointed to effect impactful change on a community level. District Boards have their finger on the pulse of their respective communities and are empowered along with the District Commissioners to identify challenges, develop strategies and implement solutions to effectively address them.

Mr. Speaker, high on the priority list of initiatives is increasing the availability of essential services; minimizing the need for residents to commute between islands to access these services. Mr. Speaker, the District Boards and District Commissioners are embarking on a series of beautification projects and partnering with the National Trust for the preservation of historical sites throughout the Islands. In addition to the budgetary provisions within the various District Administration Budgets, projects will receive additional financial support from the Office of the Premier’s "Community Enhancement” budgetary allocation.

District Board of Providenciales

Mr. Speaker, within the last year, my Government has made continuous strives on ensuring that the needs of residents within the family islands - we would have seen this through the introduction of the District Board of Providenciales. Mr. Speaker, I am proud to say that All major communities are represented on the District Board and it is evident that my Government is meeting the needs of the residents of Providenciales through their local District Board. Mr. Speaker this is progress.

Environmental Programs

Mr. Speaker, my Government is working to ensure that the Turks and Caicos Islands remains beautiful by nature. We are partnering with the wider community and offering increased opportunities for environmental stewardship through various policies and programs.
**Adopt a Highway and Adopt a Roundabout**

Mr. Speaker, The Adopt a Highway Program, which has been approved by Cabinet, is an initiative that will provide an avenue for individuals and organizations to play an active role in the reduction of litter and the beautification of medians and roadides along sections of selected roadways. The Program will initially commence in Providenciales and subsequently expand throughout the length and breadth of our archipelago. Mr. Speaker my Government will embark shortly on the Adopt a Roundabout Program under the Road Beautification Program.

**Ban on Plastics and Other Harmful Products**

Mr. Speaker, my government is committed to preserving the natural beauty of this archipelago. Plastic bags are one of the most visible signs of the pollution problem that extends across our Islands and causes a myriad of environmental and public health issues. The pristine marine life of the Islands is threatened as marine organisms ingest toxins from the trash and these toxins make their way into the food chain, affecting multiple organisms.

Mr. Speaker, my Government is taking aggressive action to protecting our environment. On April 15, 2019, residents of the Turks and Caicos Islands were not allowed to import single use plastic bags as defined by the ordinance entitled: Plastic and other Single Use Products (Use and Waste Management) Bill 2019. The total ban implemented prohibits the use and distribution of plastic bags. Mr. Speaker, plastic bags are one of the most visible signs of the pollution problem that extends across our islands. The volume of trash in these islands is more than just an eyesore; it brings a myriad of environmental and public health issues. The pristine marine environment that surrounds TCI is threatened. The litter from the streets has both indirect and direct effects on the ecosystem. Trash not only threatens the local eco-system; it can adversely affect the human population. Trash in the streets promotes disease and pestilence. Plastics have a huge environmental cost, and this ban is one simple step we can take towarder requires a strategic partnership and a Strategy has been agreed by my Government. This year, we budget to counter this activity under

Mr. Speaker, many other non-biodegradable single-use items such as Styrofoam (polystyrene) or plastic food containers, and cups, such as those used by take-out food establishments, cause environmental problems like those described for plastic bags. While the Plastic Bag Policy deals with single-use plastic bags only, the structure of the policy and regulations have been crafted in such a way for the addition of other single-use non-biodegradable items to the “Banned List”.

Mr. Speaker, my Government has embarked on an initiative to ensure that resident and visitor concerns are not only heard but acted upon. It is my Government’s intention to Ban styrofoam importation on November 1, 2019 and prohibits its use and distribution effective April 1, 2020. Mr. Speaker, the Health of a Nation is the wealth of a nation”. The necessary provisions and policies must be put in place to ensure that Turks and Caicos Islanders and visitors to our shore’s health are safeguarded.

**Climate Change Program**

Mr. Speaker, the Turks and Caicos Islands is committed to Climate Change adaptation. Though not a major contributor to the causes of Climate Change, the Turks and Caicos Islands has experienced and will remain vulnerable to its effects if we do not take a firm stance in the global political arena and challenge the international community to partner with us and other small Island nations in implementing strategies to mitigate its effects.

The Climate Change Policy Statement which speaks to my Government’s initiative and commitment to mitigating the effects of climate change in these Islands is complete. Mr. Speaker, my Government passed a Climate Change Policy to ensure that climate change adaptation provisions are included in all national policies, programs, strategies and action plans.

Mr. Speaker this policy will serve as a dynamic work plan that is efficiently and effectively executed. By updating the Climate Change policy every five years, we will continue to ensure that the policy will not be a static document and that the Turks and Caicos Islands remains proactive and responsive to the continuously evolving threat of Climate Change. Mr. Speaker, over the next few months, the Office of the Premier and Climate Change Committee will be hosting several sessions to inform the residents about the adverse effects of climate change and will announce its first Annual Climate Change Conference in the not too distant future.
Ban on Old Cars/Tires (10+years)

Mr. Speaker, my Government is developing and advancing a Motor Vehicle Importation policy. This policy has multi-pronged approach to addressing the issues of derelict vehicles throughout the Islands and decreasing the volume, age and fuel emissions of vehicles imported to the Turks and Caicos Islands.

Mr. Speaker, the Turks and Caicos Islands currently does not have in place an effective and enforceable regime for the disposal of imported vehicles at the end of their working lives. As a result, Mr. Speaker, vehicles are abandoned and left at mechanical workshops or remain on the owner premises or in make shift grave yards. It is not uncommon to see abandoned vehicle in vegetated areas along streets and unpaved roads throughout the Islands. Mr. Speaker, in these conditions this defacement of the environment has become ‘eyesores’. Mr. Speaker, this also becomes a health hazard as it further becomes a breeding ground for mosquitos, rodents and pests. Mr. Speaker, when vehicles are disposed of, they are deposited at public ‘dumpsites.’ The accumulation of derelict vehicles and car parts results in crowding of public dumps by competing for space with other wastes. This sometimes result in wastes being deposited on roads leading to dumps, which further brings down community aesthetics.

There is a concern that these older vehicles have a much shorter life span and after short periods become derelict. Mr. Speaker, this creates a financial liability for the government to dispose of these vehicles, and may have a potential to create environmental issues, particularly where there is no environmental impact levy imposed within the Turks and Caicos.

Mr. Speaker to this end, we will be seeking to ban cars at certain age and will seek simultaneously in lowering the import duties on newer cars as an incentive. Mr. Speaker this work is well advanced and the people of this country will hear more on this initiative soon. Meanwhile Mr. Speaker, I wish to assist the Minister of Home Affairs and the Road Safety Department by encouraging Turks and Caicos Islanders to enter the public transportation sector whether as bus and/or community cab

Engagement with Canadian Government

Mr. Speaker, the Turks and Caicos Islands has had a long-standing informal relationship with Canada. This imperative role has played a pivotal role in the economic development of the Caribbean region through advancing commerce through mutually beneficial trading for nearly 200 years. Mr. Speaker, my Government will be exploring various initiatives as it relates to corporation with the Canadian Government. Mr. Speaker, over the next months it is my Government’s intention to engage with the Government of Canada and hear from various experts and conduct productive exchanges on shared goals in the financial services industry, public financial management, law enforcement and justice issues, parliamentary engagement, enhancing mutual prosperity, Public Private Partnerships (PPP), the promotion of academic scholarships, collaboration on health issues, and cultural and professional exchanges.

Youth Live Event and Special Audiences

Mr. Speaker, our Youth deserve a voice. Mr. Speaker, for the first time - My Government held a Youth Live Event for the purpose of listening and addressing the concerns of our Youth. Mr. Speaker, we have seen many of these initiatives incorporated within this year’s Budget. Mr. Speaker, my Government will ensure that the Youth Voice is heard. Following on from this, my Government will continue to engage special groups so that we can hear first - hand not only their concerns but also their ideas.

Town Hall Meetings

Mr. Speaker this will not take the place of our commitment in our Change Document to hold quarterly Town Halls. Mr. Speaker, we have continued with our periodic Town Hall Meetings and have found them a useful tool to hear from those who attend and to also in that setting present reports while fulfilling our commitment to be a Government that governs closely with transparency and accountability as hallmark features. Mr. Speaker as usual, our next series of Town Hall Meetings will take place following the passage of the Budget.

Beautification Projects

Mr. Speaker, my Government has embarked on many beautification initiatives throughout the country two of which are: (i) the redevelopment of the Providenciales Airport Roundabout and the main road in Grand Turk and (ii) Island “Welcoming” Signs on each Island as part of the Government’s Road Beautification Program. Mr. Speaker, provisions are made for community signs for traditional communities in Providenciales in this year’s Budget as we seek to begin the reestablishment of communities. This work will continue year to year as we mark and identify all communities.
**Legislative Agenda**

Mr. Speaker, my Government continues to manage a busy Legislative Agenda despite loss months after the Hurricanes of 2017. Mr. Speaker, we are indeed thankful for the Attorneys in the Drafting Department of the Attorney General’s Chambers.

Over the past years we have successfully passed 67 Ordinances and 247 pieces of Subsidiary Legislation in just over 2 years.

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2. Credit Union
3. Consumer Protection Legislation
4. Sports Commission
5. Environmental Bills
6. Real Estate Amendment Bill
7. Freedom of Information Bill
8. Data Protection Bill
9. Cemetery Bill
10. Equal Pay Bill
11. Employment Ordinance

**PUBLIC SERVICE**

Mr. Speaker the success of this Government could not be realized without the many hardworking and dedicated public servants who embrace collective responsibility and understand its role as critical to national development.

But Mr. Speaker the success of any organization, in this case the Turks and Caicos Islands Public Service is directly linked to recruitment, selection and placement of new staff and equally important, targeted training and capacity building opportunities for existing staff.

Mr. Speaker I am happy to report on these activities as reported by the Deputy Governor’s Office. Mr. Speaker, at the commencement of financial year 2018/2019, funding was approved for 50 new posts together with 80 existing vacancies which resulted in 130 employment opportunities. Due to this, the Public Service Commission (PSC) in partnership with the Human Resource Management Directorate (HRMD) along with all the various Ministries, Departments and Agencies gave approval to appoint 126 vacant positions. Many of these new appointments were existing Public Officers progressing into more senior roles.

The promotion and upward mobility of Public Officers can be directly related to the various training and capacity building opportunities offered by TCGI. For instance, the Training Department within HRMD delivered eleven (11) different training courses that trained a total of 749 Public Officers. Programs included: Leadership Training, Performance Management, Leadership and Emotional Intelligence, Public Financial Management, Preparing Cabinet Papers, and Protocol and Diplomatic Courtesy. In addition Mr. Speaker, the Professional Development Fund (PDF) which was established to provide Public Officers with financial assistance for continuous development programs such as short courses, workshops, accredited programs, secondment, online degree programs and professional certificate programs exhausted its $250,000 annual
Civil Service Association

This year my Government called for the reestablishment of the Civil Service Association (CSA) acknowledging its value but also recognizing that it has a constitutional role to play as well as the need for a single body to be involved in various working groups, particularly in regards to reviewing salary, allowances and other benefits within the Civil Service including the reinstatement of gratuities and pension.

Mr. Speaker we are advised by the DGO that the Office has engaged the Executive members of the CSA several times during the course of the year to offer assistance with the nomination and election of the next President and Vice President of the CSA. My Government is aware that the nominations process had been opened and closed and regretfully nothing has transpired since Mr. Speaker, my Government considered it important to hear the CSA on matters relating to the Public Service especially as we considered our 3rd Budget. Mr. Speaker, we made a request to meet with the Civil Service but have not been able to as yet. We are hopeful that these Meetings will be arranged soon.

Nonetheless Mr. Speaker, my Government is aware of many of the concerns of the Civil Service and we have sought to address them over the two years that we have been in Office and certainly in this our 3rd Budget.

Manpower Provisions

Manpower resources for critical areas and in support of priorities that we have set for the year have been provided. Mr. Speaker my Government also took the position to pay attention to little known Department that for many years remained overlook.

Many Departments continue to express gratitude to my Government for these gains and Mr. Speaker as we give, we ask that these Departments continue to work efficiently and effectively for the good of this country.

Mr. Speaker this is why we continue to debunk the notion that my Government has not provided manpower for policy decisions and critical needs areas. But Mr. Speaker we must also be honest enough to thank the Deputy Governor who has to approve all posts and under whose office lies management of the Public Service.

Equipment and Tools

Equipment and tools with which to carry out their work are also being provided and Mr. Speaker vehicles are a huge part. Mr. Speaker, we continue to steadily replenish Government’s fleet that was badly hit by the two Storms. We ask only that the vehicle users follow the Vehicle Policy and care for them given the cost of having to replenish the stock while also addressing new need requests.

Physical Working Conditions

Mr. Speaker civil servants have complained of physical working conditions and we continue our strategy to reduce large rental costs by purchasing buildings and carrying out critical repairs under our Maintenance Policy. Mr. Speaker the Immigration Department, Customs and Road Safety Departments in Providenciales will relocate to the former Sammy Been Plaza once works there are completed in custom made premises. Mr. Speaker as will the Police as well to the refurbished former Carlos Simons Building in Providenciales. This year Mr. Speaker we continue work on the Government Complex in South Caicos already under contract and begin the critical work for the Government Complex in Providenciales. But while these works are ongoing, we have set aside in this Budget over half a million dollars for new rents to temporarily relocate.
**Increments Reinstated**

Mr. Speaker my Government is advised that subsequent to the implementation of the Pay and Grading Review (P&G) in April 2015, the Deputy Governor’s Office established a working group to review and determine the financial impact of the reinstatement of salary grade increments which have been frozen since 2010. The Findings of this working group were submitted to my Government for consideration and has indicated that the estimated cost for implementing increments would be approximately $2.4 million. We are more than pleased to have favourably consider this proposal which saw the reintroduction of increments effective April 1, 2019.

Mr. Speaker we know that the Public Service had also called for the return of increments and Mr. Speaker, my Government has delivered for them. My Government is grateful for the guidance of the Deputy Governor’s Office on this issue as well as the hard work of the Budget Office and Permanent Secretary Finance to facilitate this major commitment.

**Pensions and Gratuities**

Mr. Speaker, the Deputy Governor has informed the country and my Government that the Working Group’s work on public service salary, allowances and other benefits including pensions and gratuities remain outstanding since 2015 and has sought funding to secure a consultant to assist with progressing this work. Mr. Speaker I am pleased to say that my Government has agreed this funding so that this critical work can move forward in 2019/20

Mr. Speaker, it has been my Government’s intention to move this issue forward so that there can be no repeat of individuals seeking to make this matter an election issue or to use again the civil service association as a door to a political office. Mr. Speaker, we wish to make it clear that my Government has always and continue to see decent salaries and other benefits as an attraction and retention tool for the public service. We will not engage in a political fight with anyone on these issues as it will not be a matter of will power but affordability and how we can move it forward.

Mr. Speaker this year we continue in our commitment to the public service to provide the resources where we are able to, be it manpower or equipment or other. We remain committed to new and innovative means of increasing efficiency and effective delivery of services. Mr. Speaker, we remain open to suggestions for legislative support through new or amending Bills and/or Regulations. Mr. Speaker we remain committed to creating better physical working environments and to the funding of training and developmental programs. And yes Mr. Speaker, we support the reintroduction of gratuities and a civil service pension. The latter Mr. Speaker will be a matter for the public service.

Mr. Speaker all we ask from the public service is an honest day's work for an honest day’s pay, for committed service and for its hand in a partnership to move this country forward. My Government is driven by the principle of collective responsibility to the people of this country when we consider proposals from the public service. We understand that we are held accountable when the public service does not perform. We are asking the public service to take pride in their work and country and give of your best in service. It is a matter for you as well as elected Government and an enlightened people do know that we are not on one accord in many respects. I make an appeal now to those serving in the public service to accept this partnership that is critical to moving the country forward and to see us as partners and nothing else. Many of you continue to serve with distinction and a serious undying commitment but many of us as well know that you can and should be doing more. It is my hope in this year there will s fixing it. Mr. Speaker, my Govern
Recruitment and Training

Recruitment, selection, placement and capacity building is the primary objective of the Office of the Deputy Governor. The most important of any organization are its people and it is the DGO’s responsibility to ensure we have the right people in the right jobs at the right time to effectively implement the Government’s policy.

To encourage capacity building, we are advised by the Deputy Governor’s Office that the Civil Service will continue to utilize the Professional Development Fund to offer grants as well as the Training Department will continue to grow and expand the training opportunities provided to Civil Servants. The following new opportunities will be made available in upcoming year and my Government welcomes training in:

1. Occupational Health and Safety
2. Forensic Document Examination and External Fraud Prevention
3. Public Policy Analysis and Management & Project Cycle Management (CDB modules)
4. Conducting Investigations to Support the Disciplinary Process (in collaboration with RTCIPF & HRM)
5. Business Writing (In collaboration with the Education Department)
6. Human Resource Management for non-HR Managers
7. Supervisory Management
8. Certified Administrative Professional
9. Development and implementation of a Succession Planning Program for Senior Management (PS, DPS, HOD’s DHOD’s)
Mr. Speaker, we look forward to working with the Head of the Public Service as we seek to introduce e-governance and a more joined up Service to enhance the delivery of services.

Mr. Speaker, we are advised that the DGO will continue with its Public Sector Reform and we see great opportunity to work closer to improving our entire Public Service.

**CRITICAL NATIONAL, REGIONAL AND INTERNATIONAL ISSUES**

*Recovery Board*

Mr. Speaker, Climate Change and building resiliency to its effects is at the forefront of my government’s Agenda. To this end the National Recovery Task Force has been working tirelessly in partnership with the Caribbean Centre for Development Administration (CARICAD) to produce a National Recovery Plan for the Turks and Caicos Islands. The short, medium, and long term initiatives of every ministry within the Turks and Caicos Islands Government have been identified and prioritized in order to make critical infrastructure resilient to natural hazards, retrofit public buildings to promote resilience to natural hazards and to create and maintain a culture of risk reduction throughout the Islands. This report which is of critical national importance is near completion.

Mr. Speaker, on January 15th, 2018, my Government officially received the Post Hurricanes Irma and Maria Recovery Plan from the Executive Director of Caricad, Mr. Devon Rowe during a Handing Over Ceremony. Mr. Speaker we are pleased to report that much of the work already ongoing have been identified in this Report. Mr. Speaker the Recovery Board will now rely on the Recovery Unit which will be established in this year’s Budget to map the way forward. Mr. Speaker, the Report will be discussed nationally so that our people are fully aware of the proposed plans to rebuild and to do so stronger and better.

Mr. Speaker, yet again I say how pleased we are to be at a place where we are better able to understand the economic impact of the Hurricanes on revenues and then to be able to plan its policies and repairs with the guidance of the recovery plan which is now completed. Additionally, we were pleased that we have been able to address the urgent recovery needs through Budgets and Supplementary Appropriations Estimates in the past year.

**JOINED UP GOVERNMENT**

*National Security Strategy*

Mr. Speaker my Government has taken on a critical task in our vision for a more joined up Government where resources are used in a more strategic way.

I am therefore pleased Mr. Speaker to say that this work has advanced in 2018/19 and we will receive a draft Document on May 24\textsuperscript{th}.

Mr. Speaker the importance of this Strategy cannot be stressed enough. With an agreed outline that looks at not just enforcement but strengthens prevention, intervention and rehabilitation, we plan to strategically allocate resources under a PIER Approach: Prevention, Intervention, Enforcement and Rehabilitation.

Priority areas of focus will be:

1. Community Safety
2. Border Protection Air & Sea
3. Environmental Security
4. Economic and Cyber Security
5. Hazardous Threats to TCI
6. National, Regional and Global Partnerships

Mr. Speaker this critical work is being led by the Joint Law Enforcement Team (JLET) and recommendations will be made for the following: Implementation Plan, Governance and Delivery, Legislative Framework, Resource Plan, Key Issues and Timeline.
Mr. Speaker when completed, TCI will be proud as we strategically move forward the total area of national security.

Mr. Speaker my Government is grateful to the National Security Council and JLET for the advancement of this work.

**Border Protection Unit**

But Mr. Speaker even ahead of the final Document, my Government this year is moving critical initiatives forward in the furtherance of our vision to bring together critical Departments, scarce resources for greater efficiency and effectiveness in service delivery.

This year, Mr. Speaker we bring on board a Change Manager whose sole function would be to carry out my Government’s vision to create an Intelligence led Border Protection Unit. This Unit will pull all lead enforcement agencies together in an effort to join up resources: resources will be shared in this separate Unit with dedicated personnel.

This Mr. Speaker is real progress.

We remain grateful to the UK for the Security Needs Assessment Team, the Border Force Team and the Maritime Team, all of whom their visits and findings remain extremely helpful for the way forward.

This Mr. Speaker will make a big difference in the way we manage our borders whether on land or at sea.

Mr. Speaker, it is important to move critical initiatives together as we continue to realise the 12 Points of the 12 Point Law Enforcement Priorities.

Mr. Speaker I take this opportunity to report on the 12 Point Law Enforcement Priorities that my Government has committed to in the Change Document. Mr. Speaker to refresh our minds, I present it here again:

The PDM will create a substantive National Security Strategy (NSS). To this end we share our 12 Point Law Enforcement Priorities. We will ensure:

1. A Comprehensive Training Policy

2. A Proper Succession Plan

3. Capacity Building within the Police Force

Mr. Speaker we look forward to receiving same from the Police Force.

4. Resources/Equipment Program

Mr. Speaker my Government has provided the police with much needed resources since coming to Office. I note the larger investments that were resourced: Cars $1.1m; CCTV $2.5m; Plane just under $3m; Manpower in just 2 Budgets.

5. Comprehensive Crime Prevention Initiatives
Mr. Speaker this will follow the ground work of the NSS already underway and near completion.

6. Comprehensive Border Protection Initiatives

Mr. Speaker this is ongoing even ahead of the completion of the NSS. And Mr. Speaker, I pause here to thank the UK Government and the Bahamas Government for their rendered assistance which is ongoing. I must also celebrate members of the local enforcement bodies who this year continued to do extremely well in the protection of our borders. I mention again those Officers that responded to the sloop landing in Salt Cay and those who recently responded to the deaths at sea. But a little known fact Mr. Speaker is that a young man who gave selflessly of himself as he dove the bodies of perished Haitian nationals that died at sea and for also saving the life of one who had lost grip of the floating device and had plunged. He did not have to Mr. Speaker but he did and may God bless him for this.

7. Comprehensive Community Initiatives

Mr. Speaker as we reestablish communities in this financial year, we continue the work already started on a structured Program after consultation with the communities, their leaders and Law Enforcement.

8. Offender Management Program

Mr. Speaker under this heading, the Change Document referred to funding for the best care and rehabilitation of offenders for successful reintegration into society, enforce nondiscriminatory policies for those with tainted police records and introduce alternative sentencing. Mr. Speaker we are well on our way as we rebuild and resource the prison to improve the physical plant but also to resource rehabilitative programs. Mr. Speaker the Chance for Change Program supports this point.

9. Safer Communities Project

Mr. Speaker, plans are well advanced in this initiative and we will move forward soon to share with the public for consultation. This will include Neighbourhood Watch Programs and closer working relations with the Police and Communities.

10. National, Regional and Global Partnerships

Mr. Speaker we enjoy a number of symbiotic relationships and partnerships and we are grateful for these many partners.

11. Pay and Retention incentives

Mr. Speaker whilst the work for the Police Reregrading Exercise remains outstanding since 2015 pending a report from the Police, my Government has included the Police in the Increments Program pending their creation of a policy in support.

12. Reengagement of local law enforcement expertise locally.

Mr. Speaker this remains ongoing but will be structured shorty.

Mr. Speaker, Safety and Security is a serious area of concern for our people and we see and hear the fear of people and are working to deliver on our 12 Point Law Enforcement Priorities that presents a comprehensive approach to crime under the lead agency, the Police Force.
Mr. Speaker, whilst Policing remains under the constitutional remit of the Governor, the time has far passed for elected Government to be more involved in the strategic direction of the Police Force. Mr. Speaker, the argument against us holding greater responsibility had largely to do with the operational matters for which we do not see the need for government involvement. But Mr. Speaker, elected Government and Police as it stands now operates in silos and Government is not aware of any policing plans, strategic programs or policies that will allow the Government to plan resources ahead. Nonetheless Mr. Speaker we are more than pleased with what we were able to offer in our short time in office, have an enviable record in the provision of resources to the Police Force. And Mr. Speaker, while we remain committed to provide these resources, this year we have focused our assistance from equipment procurement in the Capital Program to repair all Police Stations. Mr. Speaker, the conditions of the work environment for these men and women who put their lives on the line is unacceptable. Mr. Speaker, we are grateful to the hardworking and brave men and women of the Police Force and we pause here to salute them.

This year Mr. Speaker, we provide 6 posts for the Police: 3 new constable posts for strengthening the Tactical Unit and a return of 3 seconded posts of investigators from the Financial Crime Unit.

Undocumented Persons and Illegal Settlements

Mr. Speaker we cannot effectively police this country we know who is here and until we alleviate illegal communities. Mr. Speaker, critical to implementing a National Security Strategy then is a strategy to address both areas and whilst work remains ongoing under Operation Guardian for the removal of undocumented persons, I pause to salute the Deputy Premier and Team particularly his Task Force and Police Partners for successfully removing just under 1000 persons under regular operations and not slop landings. Mr. Speaker this is a big deal and it came at a big cost. Mr. Speaker, we are seeking assistance in this area and have already received support from two of our sister Overseas Territories. This request continues to be pursued following my earliest request of Baroness Anelay, former UK Minister. Mr. Speaker we continue to see many illegal settlements around the TCI particularly in Providencias where hundreds of persons have created illegal communities and erected illegal homes and buildings. This matter requires a strategic partnership and a Strategy has been agreed by my Government. This year, we budget to counter this activity under the Containment of Illegal Settlements Program.

Mr. Speaker, many major initiatives are ongoing this year and Mr. Speaker all moves this country strategically towards the continued realization of the promised progressive and real change.

UK MATTERS

I turn our attention now to matters directly being addressed with the UK: the matter of Brexit, the Constitution and Crown Land.

Brexit

Mr. Speaker, my Government is seriously concerned about the situation in London as it relates to Brexit. This level of uncertainty is not good for any country and worse for the country that has constitutional and political responsibility for us as an overseas territory. Mr. Speaker, this matter is fluid and remains as uncertain today as the first day after the vote to leave the EU.

I again use this opportunity to update this Hon House and the people of this country.

Mr. Speaker, at the European Council meeting on 10th April the UK and the EU reached agreement on an extension to Article 50. The Article 50 period was extended to 31 October 2019 at the latest, with the UK given the option to leave the EU earlier in the event that a deal is agreed and ratified by the House of Commons.

Mr. Speaker, the Prime Minister has stated that her preference is to have a deal ratified by 22 May so as to avoid the UK holding EU Parliamentary elections on 23 May. If a deal is not ratified by 22 May the UK must hold European Parliament elections on 23 May or leave the EU without a deal on 1 June.

Mr. Speaker, in order to reach an agreement that will command the support of the House of Commons the Government is in ongoing negotiations with the Opposition. The EU, Mr. Speaker, has ruled out any renegotiation of the Withdrawal Agreement and will review progress of the UK’s ratification process at the European Council meeting on 20 - 21 June.
Until the House of Commons ratifies a deal, the default legal position Mr. Speaker is that the UK will leave the EU on 31 October without a deal and will hold EU Parliament elections on 23 May. If the UK ratifies the Withdrawal Agreement the provisions for a controlled exit from the EU, including a transition period, will apply.

Mr. Speaker with respect to our relationship with the EU, the position for now remains unchanged. Indeed, until the UK formally leaves the EU the UK Overseas Territories will continue to benefit from the Overseas Association Decision, including access to EDF 11 funding streams, and remain Overseas Countries and Territories of the EU.

In the event of a no deal Mr. Speaker, HMG has guaranteed the funding of EDF 11, Horizon 2020, BEST and Erasmus + projects already in place before the UK leaves the EU. And Mr. Speaker we are currently benefitting under the EDF11 Program. The UK Overseas Territories will also continue to benefit from non-reciprocal, tariff-free access to the UK market.

**Constitution**

Mr. Speaker, during December last year, I further engaged the UK on the Constitutional Proposals that were submitted by the former Administration and was told that there would be no further dialogue on these Constitutional Proposals. Mr. Speaker, you will recall that the Opposition had pulled out of Constitutional Talks for several reasons and following several emails to the Leader of the Opposition since January 2nd, I am sure the people of this country will be happy to hear that there are now fresh proposals before me submitted last week by the Hon Leader of the Opposition. Mr. Speaker we will seek to review our positions together, meet with the people of the country and push forward to the UK. It is regrettable that we have loss so much time and with the uncertainty of this UK Government, time is of the essence. Mr. Speaker we as a country will be at a loss if we were to have to begin dialogue again with a new Minister. We have always treated this matter with urgency and we will continue to do so.

**Crown Land**

Mr. Speaker we have had no response to the Crown Land Proposals before the UK and responses have been promised. Mr. Speaker we maintain that much of the management, Policy and Law as it exists under Crown Land, is insulting, regressive and not in the best interest of TC Islanders.

Mr. Speaker you will recall a few Parliamentary Sessions ago in response to a Question, the Hon Attorney General offered the following information: Mr. Speaker less than 90 parcels of land had been given in the last near 7 years, I seem to recall a figure of 87 or so.

Mr. Speaker, people are subject to a raffle system: a game of chance to own a stake in their country and that if you have a dream for a business, your application gives rise to a tender process that invites other bidders and Mr. Speaker, the process is long, tedious and discouraging. But Mr. Speaker this stifles development and we see this process has certainly seen a decline in land and home ownership for TC Islanders.

Mr. Speaker, with my Government’s vision to empower TC Islanders through home ownership programs, we need a more favourable land policy that will help to position our people and not by chance.

Mr. Speaker perhaps more insulting than all this is the fact that our people are told that their elected Government cannot oversee a process that has to be brought to an end in Cabinet. Mr. Speaker, this must change. There are many successive governments that have managed lands well and will do a better job if given the portfolio. The mere fact that land management is tagged under an already busy Attorney General’s Chambers demonstrates that there must be an effort to now divest any lands for our benefit.

Mr. Speaker, this land policy and laws must change and the status quo is simply not working and must change.

Now Mr. Speaker that the Opposition is back at the Table, we again welcome them to join in jointly making representations to the UK.
Mr. Speaker, I am also grateful that the Leader of the Opposition has responded positively to my invitation to advise me of his Party's position and that of the Official Opposition on the matter of the recent Foreign Affairs Committee Report. With our position and theirs in hand, we will formulate a national position to send ahead of the UK Government's response to the Report of the House Committee. I had issued a Statement Mr. Speaker nearly three months ago and I wish to share it again to refresh the minds of our people from this Hon House having been quoted in the Parliament of our sister OT British Virgin Islands.

The Foreign Affairs Committee issued its recent Report on Thursday, February 21st, 2019. Persons will recall that its work was announced some time ago and whilst there were few written submissions from TCI, we were represented at specially called Hearings. The compilation and release came after months of hearings which included appearances by myself (supported by the Deputy Premier) and other Overseas Territories Leaders, Turks and Caicos would recall that I appeared on behalf of the country on December 4th last year where a myriad of issues were raised.

As a background, I explained that the FAC is one of many committees of the House of Commons (Parliament) and as such it is not a Government Committee. The recommendations will be presented to the Government who determines whether it would accept the Recommendations or not.

Mr. Speaker, I addressed the most topical of the recommendations: legalisation of same sex marriage by Order in Council, if necessary and reciprocity for the British in full citizenship rights, and offered the following reminder: I wish to remind some of us that neither of these issues are new and we have successfully defended our position on numerous occasions over the years.

In early 2000 I served as chair of the Legislative Council's Select Committee on The White Paper "Progress through Partnership". While buggery was decriminalise, there was a loud outcry from OTs who resisted the legalisation of homosexuality. The matter never progressed. In this White Paper, the issuance of British Passports featured highly in our discussions. The country welcomed the ability to obtain British passports with the right to reside but rejected reciprocity.

We have successfully fend off the "enlargement of the franchise" in one form or another over the years. In 2003 an Observer Election Report raised it and more recently the UK funded Electoral and Constitutional Advisor, Kate Sullivan did as well.

TCI made counter proposals including All Island seats, the latter which enlarged seats and was accepted.

Mr. Speaker, Today this Report raises these very same concerns though guised differently. These two matters were raised during my appearance before the Committee in December. In all the times it has been raised before we have rejected it and

Whilst it remains a matter for the UK Government to decide whether it accepts the recommendation or not, I will communicate in writing a clear response to the Committee. The Leader of Opposition has now advised that he will join me in a meeting to discuss joint efforts going forward. In addition, I have spoken to several Overseas Territories Leaders during the course of the morning and we are of one mind: We cannot and must not allow other’s cultures and values to be forced on us and neither will we accept the unbridled influx of British citizens to be added to our voting population.

Some of the recommendations of the FAC Report released yesterday is rather unfortunate and the response already throughout the OTs to such a threat to our cultural norms and values speak volumes. This again shows the mixed message too often given: we are one but in too many of British citizens’ minds, UK is the greater of the one and knows best. The tone of the Report in many respects is unfortunately a message I got loud and clear in my exchange with a member of the Foreign

If this is the approach to resetting our relationship post Brexit, then no thank you. The unfortunate thing is we watch Brexit unfold and know this was birthed from feelings based on wanting control of one’s own country and immigration matters included. Like the British we have our own identity and the attitude too often to think its role in “partnership” is to lord over us as if we have no identity of our own is unacceptable and must be met with fierce rejection as in times past. We may be an Overseas Territories but we are first and foremost Turks and Caicos Islanders. We have our own identity, our own aspirations, our own beliefs and values and our own democracy. We cannot and must not let anyone force their values and

As we unite with our fellow OTs we too must unite at home and put aside differences that pale in comparison to these matters that goes to the heart of who we are.
We remain strong in our stance to fiercely reject the enlargement of our franchise in any way other than agreed by and administered by our people. We equally stand on our values and cultures in respect of marriage which is embedded in our

This is a fight we won before and must not retreat now but boldly take to those who seek to believe that it is okay to trample on the rights of an entire people.

Mr. Speaker, the UK Government has not as yet responded and we anticipate their response.

REPOSITIONING AND POSITIONING TCI AND TC ISLANDERS

Mr. Speaker my Government is embarking on some big initiatives this year that will have far reaching implications and we do it with our people at the foremost of our minds.

Mr. Speaker we enjoy surpluses and we will not seek to hoard cash but to spend wisely on major infrastructure projects, protecting our borders, ensuring our communities are safe under our touted National Security Strategy and in positioning our people to enjoy the good of the Land.

Mr. Speaker our priorities as set out will include:
1. Trade and Vocational School
2. Border Protection Agency
3. Revenue Authority
4. Prison Redevelopment
5. National Security Strategy
6. Recovery and Delivery Unit
7. Recreational and Community Projects
8. SME Sector Survey with a view to providing support to small businesses
9. Promotion and Marketing of the new Investment Policy Statement which repositions Turks and Caicos Islanders in our economy
10. New Local Government Model to decentralize functions and bring Government closer to the people
11. Implementation of Financial Services Recommendations to strengthen this sector in an effort to diversify our economy
12. Major Environmental Policies

Mr. Speaker, we are delivering on critical progressive initiatives that is and will position our people to be leaders in our country and to be more than spectators of a strong and growing economy. But Mr. Speaker, George Bernard Shaw was correct when he said "Progress is impossible without change, and those who cannot change their minds cannot change anything."

Mr. Speaker, the opportunities must be presented to ensure that our people are not left behind. This is my Government’s responsibility and my Government’s pledge. And Mr. Speaker likewise, our people must reach up and grab the opportunities.

Know what is going on

Mr. Speaker, today I call on the citizens of the Turks and Caicos Islands to become intentional citizens. We must want to know what is going on. Recently NIB carried out a series of Town Hall Meetings: about 23 in GT and 6 or 8 in Provo. The NIB is a critical Fund and despite the widely circulated Notice, this was the turn out.

Mr. Speaker my Government and I continue to be criticized for the number of releases and the use of social media as a tool to keep our people informed but Mr. Speaker we are committed to being a Government that will empower its people with information. Mr. Speaker, however we need the intentional citizen to keep up his end of the bargain and receive it, challenge it if you must but listen and participate.

Mr. Speaker, the intentional citizen craves credible, reliable information.
Respect Laws
Mr. Speaker the intentional citizen wants to see a law abiding society. This citizen does not willingly or otherwise participate in national security breaches by harboring and employing undocumented persons, creating or selling fake documents nor is he the one that will seek to approach the authority to make his or her undocumented worker or newly pursued worker an exception. Mr. Speaker we recognize the need for workers in certain categories and whilst we continue to safeguard our border and control numbers, we are seeking to create a holistic approach in labor sourcing. The intentional citizen respects our laws.

Build Up Each Other
Mr. Speaker, the intentional citizen does not continue to tear each other down and fight each other while every other nationality moves about in unity.

Remain focused and consistent in your passion
Mr. Speaker, the intentional citizen is always engaged; always a citizen and always passionate. This citizen’s passion is not timed, neither can he afford to take long breaks on issues and neither does it matter where he or she lives.

Know How Your Government Works
Mr. Speaker, the intentional citizen knows how his Government works, abides by its laws and never join hands with others to go contrary.

Protect the Environment
Mr. Speaker, an intentional citizen protects the environment and has pride in his surroundings.

Do not waste resources and works
Mr. Speaker the intentional citizen does not inflict self-harm by wasting scarce country resource or by destroying resources, he does not renege on critical duties, sees the bigger picture always and gives an honest day’s work for an honest day’s pay.

Protects and cares for the next generation
Mr. Speaker intentional citizens protect our greatest asset, our children and not abuse or misuse our future. He is deliberate in his attempt to raise the next generation to be even more progressive than his.

Holds Government into account
Mr. Speaker, yes – the intentional citizen holds its government into true account.

We welcome these intentional citizens, Mr. Speaker and this Mr. Speaker, are those that will see and be a part of the change that is needed. I believe that God will remove stumbling blocks as he did in the days of Moses. This country is poised for greater and greatness and it is being held back by many of us who continue to act contrary to our greater good.

Mr. Speaker one time I heard the saying, “there is no time like the present and no excuse for not being present”. Mr. Speaker, this country has a lot to restore and a lot to catch up on, we do not have the luxury of time and as such Mr. Speaker, we need all hands on deck.

Mr. Speaker we have embarked on the blame and complain game when much of the change we seek requires each of us to take up our responsibilities and not just our rights. Mr. Speaker, Theodore Roosevelt stated ”The first requisite of a good citizen...is that he shall be able and willing to pull his own weight.” We all Mr. Speaker must pull our own weight.
Mr. Speaker I am grateful for those who serve alongside me especially on the front bench. Mr. Speaker I could not ask for better team mates. Mr. Speaker likewise I am grateful for those that serve opposite me recognizing that their roles when patriotically performed is to truly keep my Government sharp, Mr. Speaker, we welcome this but we ask only that it is done truthfully. We understand the politics but at this period in our history, if we are to drive our people to frustration, let it be based on a truthful indignation that drives them to want to engage positively and carry out an active role in nation building. I recognize Mr. Speaker, that each of us in the Honorable House were allowed by God to serve and so there are some things that we must do together. Mr. Speaker, you do not have to like me, just like these Turks and Caicos Islands. Some issues ought never to be political and I welcome the Opposition to the Table on the Constitution, Crown Land changes, Vision Document, the Foreign Affairs Committee for these men and women who put their lives on the line is unacceptable. Mr. Speaker, we are grateful to the hardworking and brave men and women of the Police Force and we pause here to

Again, Mr. Speaker, I say “there is no time like the present and no excuse for not being present”

15 people cannot do it and our actions must inspire others to do good and do right and just do.

VISION DOCUMENT
Mr. Speaker, as I close Mr. Speaker, the Bible tells us without a vision, the people will perish. Mr. Speaker, we have been delivering on the progressive change and have empowered our people with information, during consultation processes and otherwise and through opportunities.
Mr. Speaker, my Government has completed consultations on the Vision Document during this past year with Members of the House of Assembly and other critical stakeholders in the public and private sector. Mr. Speaker, there has been public consultation through Town Hall Meetings and Radio appearance. My Government is ready to conclude this critical task and await the final input of a critical stakeholder. Mr. Speaker, this Vision Document when rolled out will guide the development of our country under a vision statement that was crafted by members of the House of Assembly and accepted by the public with an overall objective. And Mr. Speaker, that one overriding goal that characterizes the vision we will pursue over the period to 2040, can be framed as:
“*A high quality of life enjoyed by citizens, residents and future generations.*”

Mr. Speaker, we can as a people unite around this Vision and Plan and I am excited to roll this out and I am even more excited

Mr. Speaker we need to move the Vision 2040 forward but Mr. Speaker while wholeheartedly embrace the Documents’ Vision Statement for the country, my vision is for this time which is for tomorrow: -
Succinctly put, we must empower and position our people economically, socially and politically to lead whether it be their own lives or others to be more than spectators in one of the best little countries of the world but to be real beneficiaries and participants.
This Mr. Speaker this drove:

1. Our long running Post Hurricane duty exemption
2. Our ambitious Capital Program for contractors and workers
3. Our firm stance for 100% service charge for the hard working hospitality workers
4. Our position to ensure that the cost of service study is done and informs us in an application to a rate increase by Fortis
5. Our Home Ownership Policy for Turks and Caicos Islanders only
6. The restriction of the lucrative community cabs aka jitney Industry to Turks and Caicos Islanders only
7. Our Investment Policy Statement that will aid all levels of the business community and reposition our people and our economy
8. Our move towards a Concessions Policy to further support businesses
9. Our eagerness to introduce Credit Unions
10. Our changes to the MSME Program that allows expanded opportunities for Islands outside of Providenciales and for greater technical assistance for would be business owners
11. Our plan to create a Local Government model to increase participation and for the appointment of citizen staffed District Boards

12. The reinstatement of increments for the public service

13. Our Chance for Change Program and amendments to the ROO Ordinance to allow for a clearer application to expunged police records

To name only a few.

Mr. Speaker much more is being done and Mr. Speaker, we if we are doing plenty in 2019/20, imagine what is to come in 2020/21? Mr. Speaker, I am excited. Mr. Speaker, my Government is excited and Mr. Speaker, the people are excited and have great expectation. Many see the progressive change and many more will continue to feel it as we work hard to deliver real progressive change for our people.

Mr. Speaker, this is a brief synopsis of the Ministry of Finance initiatives and the Office of the Premier. Mr. Speaker, my colleagues will set out their Ministries reports and I will look forward as usual to winding up this debate.

Expressions of Thanks

But Mr. Speaker, I will not close without acknowledging those who help us to achieve all that we have and are achieving.

Mr. Speaker, I wish to at the outset express my sincerest thanks to the very hardworking Team in the Budget Office, the Director of SPPD and the PS Finance. Mr. Speaker, we had somewhat of a roller coaster ride this year and they simply responded with drive, urgency and the kind of commitment that kept them at work all day and sometimes in the Office until 1 and 2am in the morning. We say thank you.

Mr. Speaker, the Premier’s Office is my guiding compass and keeps me organized and I am grateful for the small but dedicated staff. But Mr. Speaker, we must celebrate the entire Ministry of Finance, my Deputy Secretaries, HODs and Staff who continue to work hard, smart and with purpose. But the compilation of a Budget is the sum total of many others and I wish to thank all of the AOs across all Ministries, my Cabinet colleagues, the entire Civil Service and Statutory Bodies, the UK Government, the European Union, the Governments of St Lucia, Jamaica, Bahamas, regional organizations such as CDB, CARTAC, CDEMA, CARICAD, regional and international law enforcement agencies and the local and external donors. We are where we are because of these Bodies. And we say thank you not just on my Government’s behalf but also on behalf of the people of the Turks and Caicos Islands whom you likewise serve.

God continues to bless these Turks and Caicos Islands and our collective response ought to be "Praise Be to God". All He ask of us is that we serve with humility as unto God.

I thank you Mr. Speaker.