



GOVERNMENT OF THE
COMMONWEALTH OF DOMINICA

BUDGET

2022 2023 - 2024

**"Resetting to Ensure the Judicious
use of Government's limited resources."**

Presented by

HON. DR. IRVING MCINTYRE

Minister for Finance, Economic Development,
Climate Resilience and Social Security.

BUDGET ADDRESS

FOR THE FISCAL YEAR 2023/2024

***“Resetting to Ensure the Judicious use of
Government’s limited resources”***

by

**The Honourable Dr. Irving McIntyre
Minister for Finance, Economic Development, Climate
Resilience and Social Security**

**25th July 2023
House of Assembly
Victoria Steet, Roseau**

TABLE OF CONTENTS

INTRODUCTION.....	1
BUDGETARY PROPOSAL FOR 2023/2024	4
<u>EXPENDITURE ESTIMATES FOR 2023/2024</u>	
RECURRENT EXPENDITURE.....	4
CAPITAL EXPENDITURE.....	7
SOCIAL PROTECTION	
PUBLIC ASSISTANCE PROGRAMME	8
HOUSING.....	8
HEALTH	9
SPORTS	10
EDUCATION	11
PUBLIC SERVICE TRANSFORMATION AND MODERNISATION	13
NATIONAL SECURITY	15
PUBLIC SECTOR INVESTMENTS	
THE INTERNATIONAL AIRPORT.....	16
MARINA	17
AGRICULTURE.....	18
DEVELOPMENT OF THE BLUE ECONOMY.....	22
TOURISM	24
RENEWABLE ENERGY INVESTMENTS	27
THE DIGITAL ECONOMY	28
PUBLIC PRIVATE SECTOR COLLABORATION.....	31
CREATING OPPORTUNITIES FOR EXPANSION OF BUSINESSES ...	32
<u>REVENUE ESTIMATES</u>	
RECURRENT REVENUE	35
REVENUE MEASURES	36
THE TRANSITION FROM CREAD.....	42
CONCLUSION	43

“Resetting to Ensure the Judicious use of Government’s limited resources”

BUDGET ADDRESS FOR FISCAL YEAR 2023/2024

“Resetting to Ensure the Judicious use of Government’s limited resources”

I. INTRODUCTION

Mr. Speaker, I rise to deliver the Budget Address for Fiscal Year 2023/2024. This is my first Budget Address, therefore, permit me to begin by giving thanks. Mr. Speaker, I thank the Heavenly Father for giving me another opportunity to serve my country; I stand here before you today because of the confidence that the Honourable Prime Minister has placed in me. I am here in this Honourable House because of the solid support of the good and sincere people of the Roseau Valley Constituency.

I recognize the importance of the portfolio bestowed upon me and I assure the people of Dominica of my full commitment to the task at hand.

Mr. Speaker, we are all aware of the call by the Honourable Prime Minister in November 2022, for a ‘**National Reset**’ in Dominica. I wish to take the liberty to share with this Honorable House what that **National Reset** means.

To understand the need for a ‘**National Reset**’, one must appreciate our present-day circumstances and the environment that has led us to this point.

Mr. Speaker, there is general consensus that we are living in uncertain times, but I hasten to say, times filled with opportunities. Here in Dominica, we have been subjected to many natural disasters including more recently, Tropical Storm Erika and Hurricane Maria. Like the rest of the world, we too were impacted for a prolonged period by the Pandemic. When we all thought that the Pandemic was over and we were ushering in a period of recovery, then came the Russia-Ukraine war. This conflict has triggered inflationary shocks in many parts of the world, including here in Dominica.

We are also cognizant of the current geopolitics of the world. The reality is that countries are looking more inward rather than outward, and the support that

“Resetting to Ensure the Judicious use of Government’s limited resources”

we would have received in the past, is not as readily available as it once was, particularly at a time when climate change continues to impose hardship on our people. There are uncertainties ahead, and therefore, it is important for us as a nation, and as a people to implement the **National Reset** articulated by the Honourable Prime Minister. A **National Reset** which requires all of us to reorient our minds, to review our priorities and needs. We must change the way we operate, in order for us to sustain the investments and gains we have made, and to help us maneuver the numerous challenges confronting the world—none of which we as a nation have control over, but all of which we have to navigate.

So, it is in this context, Mr. Speaker, we have identified five fundamental pillars for a reset within the Government Service.

1. **More effective governance:** Strong governance is critical to the reset. Therefore, we will ensure that the following is in place:
 - a. Stronger oversight of the implementation of Government’s projects and programmes;
 - b. Become more accountable to and in touch with the needs of our citizens;
 - c. Modernization of the Electoral System; and
 - d. Reform of the Justice System.
2. **Public Service Modernization and Transformation**—a reset requires major improvements in the way Government relates with the public and how it conducts business. To achieve this modernization and transformation we will:
 - a. Implement measures to improve delivery of service to the public;
 - b. Maximize the human resources already available in the public service for greater productivity and efficiency;

“Resetting to Ensure the Judicious use of Government’s limited resources”

- c. Retool interns under the National Employment Programme with additional skills, such as digital skills;
 - d. Digitalize more services and systems; and
 - e. Improve public communication and awareness;
3. **Greater Focus on the Productive Sector**—including the allocation of more of Government’s resources to projects and programmes to facilitate sustainable economic growth and increase the number of permanent jobs available in the country;
4. **Strengthen Social Protection** with a focus on:
- a. The safeguarding of the vulnerable, particularly, senior citizens and the differently abled
 - b. Reform of our Education System; and
 - c. Enhancing the Health System and programs focusing on prevention, particularly with Non-Communicable Diseases (NCDs).
5. **Ensure Financial Stability**—Mr. Speaker a strong and sustainable fiscal position is required to adequately respond to the needs of our citizens and ensure economic stability. Therefore, the reset will focus on:
- a. Rationalizing public expenditure;
 - b. Debt sustainability; and
 - c. Increasing revenue.

Mr. Speaker, it is the view of this Government that all of these are essential prerequisites to securing a resilient Dominica and to ensuring that our country can withstand the external shocks and climatic impacts, amidst a very volatile global environment.

“Resetting to Ensure the Judicious use of Government’s limited resources”

II. **BUDGET PROPOSALS FOR 2023/2024**

Mr. Speaker, the IMF estimates that Dominica’s economy grew by 6.9 percent in 2021 and 5.7 percent in 2022. This strong performance was mainly due to an increase in construction activity, a rebound in the tourism industry, and a substantial rise in agricultural output.

This is indeed a significant achievement, given the lingering effects of COVID-19 and the far-reaching consequences of the Russia-Ukraine War. Growth of roughly 4.7 percent is projected for 2023 fueled in large part by major ongoing investment in agriculture, tourism and construction.

Mr. Speaker, during Fiscal Year 2022/2023, central government’s fiscal position improved owing to the economic growth performance plus our concerted efforts to reduce expenditure and increase collection of tax arrears. At the end of Fiscal Year 2022/2023 Central Government reflected a primary balance surplus of 0.9 percent of GDP, following primary deficits of 5.8 percent and 5.5 percent of GDP at the end of Fiscal Year 2020/2021 and Fiscal Year 2021/2022.

Mr. Speaker, while we have achieved much, we recognize that there is much more work to be done to strengthen Government’s fiscal position, including reducing the national debt in order to continue on the path to fiscal resilience.

To this end Mr. Speaker, Fiscal Year 2023/2024 Budget is being presented in the context of the need for a **National Reset**, and mindful of the current global environment and the unknown challenges which lie ahead.

A. **EXPENDITURE ESTIMATES FOR 2023/2024**

Recurrent Expenditures

Mr. Speaker, for the Fiscal Year 2023/2024, I propose recurrent expenditure, inclusive of those provided by law, totaling \$639.6 million. Table 1. presents the details of these estimates.

“Resetting to Ensure the Judicious use of Government’s limited resources”

Table 1: Recurrent Expenditure by Ministry/Department

Ministry/Department	Amount (000's m)	%
Office of the President	1.1	0.2%
Integrity in Public Office	0.5	0.1%
Public and Police Service Commission	0.5	0.1%
Legislature	1.2	0.2%
Audit Department	1.1	0.2%
National Security and Legal Affairs	59.0	9.2%
Elections	1.9	0.3%
Office of the Prime Minister	10.1	1.6%
Finance, Economic Development, Climate Resilience and Social Security	271.9	42.5%
Agriculture, Fisheries, Blue and Green Economy	8.7	1.4%
Education, Human Resource Planning, Vocational Training and National Excellence	71.5	11.2%
Housing and Urban Development	5.5	0.9%
Health, Wellness and Social Services	73.0	11.4%
Environment, Rural Modernisation and Kalinago Upliftment	12.0	1.9%
Tourism	15.9	2.5%
Culture, Youth, Sports and Community Development	13.3	2.1%
Establishment, Personnel and Training Department	10.3	1.6%
Public Works, Public Utilities and the Digital Economy	55.0	8.6%
Foreign Affairs, International Business, Trade and Energy	21.1	3.3%
Cabinet Office	3.8	0.6%
Labour, Public Service Reform, Social Partnership, Entrepreneurship and Small Business Development	2.1	0.3%
GRAND TOTAL	639.6	100.0%

The Ministry of Finance, Economic Development, Climate Resilience, and Social Security has received the largest allocation of the recurrent estimates totaling \$271.9 million, or 42.5 percent. Of this amount, \$106.6 million is

“Resetting to Ensure the Judicious use of Government’s limited resources”

allocated to debt service, while \$45.1 million is appropriated for retirement benefits. The non-contributory pension, which now extends to individuals 65 years and over, and insurance premiums for Earthquake, Tropical Cyclone, and Excess Rainfall perils with the Caribbean Catastrophe Risk Insurance Facility (CCRIF) are also included in the allocation for the Ministry of Finance.

The second largest budgetary allocation of \$73.0 million, or 11.4 percent is for the operation of the Ministry of Health, Wellness, and Social Services.

The Ministry of Education, Human Resource Planning, Vocational Training, and National Excellence will receive the third highest allocation of \$71.5 million or 11.2 percent.

An amount of \$59.0 million, or 9.2 percent of the total recurrent expenditure, is allocated to the Ministry of National Security and Legal Affairs.

The Ministry of Public Works and the Digital Economy will receive \$55.0 million, or 8.6 percent of the total recurrent expenditure.

Mr. Speaker, Table 2 below provides a summary of recurrent expenditure by economic classification.

Table 3: Recurrent Expenditure by Economic Classification (\$M)

Classification	Estimate FY 2023/2024	%	Estimates FY 2022/2023	%	Forecast FY 2022/2023	%
Personal Emoluments	164.5	26%	160.7	25%	150.0	23%
Goods & Services	229.8	36%	250.8	39%	242	37%
Transfers and Subsidies	133.2	21%	135.4	21%	132	20%
Refunds	5.0	0.1%	5.0	1%	7.2	1%
Investment Financing	0.6	0.1%	1.6	0.2%	1.1	0%
Sub-Total	533.0	83%	553.4	85%	532	82%
Interest	43.8	7%	37.3	6%	47.3	7%
Debt Amortization & Sinking Fund	62.8	9.8%	59.2	9.1%	69.3	11%
Total	639.6	100%	650.0	100%	648.5	100%

Capital Expenditures

“Resetting to Ensure the Judicious use of Government’s limited resources”

Mr. Speaker, I move now to the Capital Estimates. For the Fiscal Year 2023/2024, I propose total capital expenditure of \$701.6 million. Table 3 provides the breakdown of the capital estimates by ministry.

Table 3: Capital Expenditure by Ministry

MINISTRY	Total (in million)
Office of the President	1.0
National Security and Legal Affairs	5.2
Elections	0.7
Office of the Prime Minister	265.7
Finance, Economic Development, Climate Resilience and Social Security	11.1
Agriculture, Fisheries, Blue Economy	47.5
Education, Human Resource Planning, Vocational Training and National Excellence	23.6
Housing and Urban Development	69.1
Health, Wellness and Social Services	11.7
Environment, Rural Modernization, Kalinago Upliftment and Constituency Empowerment	35.9
Tourism	21.3
Culture, Youth, Sports and Community Development	25.7
Establishment, Personnel and Training Department	12.5
Public Works, Public Utilities and the Digital Economy	138.0
Foreign Affairs, International Business, Trade and Energy	19.7
Cabinet Office	1.2
Labour, Public Service Reform, Social Partnership, Entrepreneurship and Small Business Development	11.7
Total	701.6

Social Protection

Mr. Speaker, I must emphasize that, although the recurrent budget for this Fiscal Year has been reduced, all of Government’s social programmes which are currently in place to support the vulnerable, will continue—including the Public Assistance Programme, the Foster Care programme, the Care of our juveniles who come in conflict with the law, our Centenarian programme, the 65 and over Non-Contributory Pension Programme and of course, the *Yes We Care* Programme.

We will also continue to support the non-government institutions which care for our most vulnerable, particularly, senior citizens, and begin implementing the recommendations made by the recently appointed National Advisory Board for Health and Social Care of the Elderly, to improve their standard of care and quality of life.

In April this year, we passed into law five bills to protect the rights of women, children and the elderly, and victims of domestic violence, and to improve their access to justice. They allow the vulnerable to seek redress on a number of matters, guide the provision of childcare services, facilitate proper administration of the matters related to domestic violence and enhance the delivery of justice for the protection of children.

Mr. Speaker, we have also continued to address the housing needs of our people under various programmes. Currently 344 homes are under construction. This includes 256 housing units in eleven communities, namely, Grand Bay, Pointe Michel, Wesley, Scotts Head, Paix Bouche, Vieille Case, Penville, Woodford Hill, Canefield, Trafalgar, and Eggleston; and 88 houses in other communities. We will construct another 327 houses this Fiscal Year, including the relocation and resettlement of some residents of Good Hope, San Sauveur, Petite Soufriere, and Campbell. Under the Future Housing Development Programme, 50 homes will be constructed in Warner and Cotton Hill, to help more young professionals, the youth, and employees in the public and private sector to realize their dreams of owning a home.

Mr. Speaker, an impediment for many people, especially young people, who would like to build their own home is the affordability of land. Government has already implemented measures to help reduce those costs, particularly as relates to land transfer fees. Government will go further now and will

“Resetting to Ensure the Judicious use of Government’s limited resources”

make available at least 500 lots for sale in various communities, at reduced cost, to public officers. This, along with the favourable rates provided for public officers at the Government Housing Loans Board will significantly enhance the prospects for public officers to own their own homes.

I also remind all young people, 40 years and under, preparing to own their first home of the added benefit of a \$10,000 housing grant to assist with their ambitious undertaking. This Programme started during 2020/2021 Fiscal Year and to date, Government has disbursed grants amounting to \$1.9 million to 200 applicants. An additional \$1.5 million has been allocated to continue this Programme in this Fiscal Year.

Mr. Speaker, as relates to Health, Government is on a journey to promote the health and wellness of our citizens and residents. It is a journey that has witnessed the completion of two hospitals, several health and wellness centres; the commissioning of new-state-of-the-art equipment to improve and expand health services available in the country; the establishment of the Dominica Hospitals Authority; and the ongoing training of our patient care providers. All of these make more specialized and improved care available to the public.

There is no one who can dispute the fact that Dominica’s health system is far better now than it has ever been. One can now receive care at a hospital that is equivalent to that of developed countries. In Dominica, our main hospital has seven operating theaters, a state-of-the-art Emergency Room with its own operating theatre, a special Eye Centre, modern and private rooms for patients, an intensive care unit with isolation rooms, a fully equipped diagnostic department with modern diagnostic equipment, a cardiovascular imaging centre and telemedicine centre, plus a fully equipped laboratory which allow us to greatly expand our testing capacity.

In addition, this government has invested significant amounts to build our human resources in health. We have many more specialists than we ever had before. These specialists, along with the state-of-the-art hospital and equipment, have allowed an expansion of health services in the country, thus allowing us to avoid, in many instances, the cost and inconvenience of having to travel abroad for treatment.

“Resetting to Ensure the Judicious use of Government’s limited resources”

Mr. Speaker, we have taken note of some concerns expressed by the public about their experience with the healthcare system and will continue to work on the following this year:

1. Improving patient care and patient and family experience at our health and wellness centres, and hospitals. This will include the enactment of five bills, that will, among other things, govern and guide the operations and practice of our medical practitioners namely, the Medical Profession Bill, the Pharmacy Bill, the Nursing Profession Bill, the Medical Laboratory Bill and the Digital Health Bill;
2. Patient outcome in terms of their results after being treated at our hospitals; and
3. The welfare and wellbeing of nurses, doctors, and staff at our hospitals and health and wellness centres.

Mr. Speaker, the health and wellness of our citizens is one of the priorities of this Government. To ensure wellness we must engage in preventative behaviours and practice healthy habits. The **National Reset** also requires people to take better care of themselves to help reduce the high incidence of non-communicable diseases such as, diabetes, hypertension, cancer and cardiac disease. These diseases impact family life, livelihoods, productivity and by extension, the country.

Government has also been investing in sports to promote the health and wellness of our people, to foster community engagement, and to help advance our people. We have long recognised and positioned sports as an integral means to human advancement, and a vital enabler of sustainable development.

Mr. Speaker, sports is also a key component of our development agenda. This is why over the years the Government has made significant investments to facilitate the growth of sports and the sports industry. We continue to invest heavily in modern sports facilities and services to allow our people to fully explore their skills and talent. This year we will strengthen our sports programmes to benefit our youth to ensure that our student athletes are provided with the right support to perform at the highest level.

We will also focus on the construction of two major national sports facilities in Portsmouth—an Olympic standard track and field facility, and an indoor

“Resetting to Ensure the Judicious use of Government’s limited resources”

sports facility, all with the necessary associated amenities. We will also continue the upgrading of several hard courts and playing fields around the country including the installation of lights.

Mr. Speaker, it is imperative that, as a country, we continue to give support to the efforts of our sports personalities and organizations. In this regard, a framework for the establishment of a National Sports Council is being developed. Additionally, the National Sports Trust Fund which was promised by this Government has been established. Sports personalities, particularly, those who represent Dominica at the regional and international level will benefit from that Fund as a means of encouraging them to focus on enhancing their talent and skills and motivate them to continue to excel.

We are proud of the achievements of all of our young people in the field of sports, and I recognize at this time cricketers ---Alick Athanaze who is presently on the West Indies Test and ODI Teams; and Kavem Hodge who made his ODI debut in June 2023 when West Indies played the UAE. On July 1, 2023, they were both appointed Sports Ambassadors. Government will continue to support these two players as well as the two ladies who made the West Indies under 19 Women Cricket Team—Abini St. Jean and Earnisha Fontaine; young Earnisha Fontaine who was the leading run scorer in the West Indies Under 15 Cricket tournament; and Stefan Pascal, Dominica’s under 19 captain who was selected by Cricket West Indies to attend training in preparation for its under 19 tour to Sri Lanka.

We shall be providing support to these and other athletes to ensure their continued success. This government is committed to leading the way through its investments in sports, and in young people in sports.

Mr. Speaker, over the years this Government has made substantial investments in our children to provide them with the best possible start in life, and to take advantage of all opportunities for their advancement. We have ensured not only universal access to primary, secondary, and tertiary education, but access to early childhood education, as well, in our schools.

We went a step further and implemented a programme to ensure there is at least one university graduate in every household in Dominica, at great cost to the State I might add, Mr. Speaker. This is because this Government is committed to the advancement of the lives and livelihoods of our people. This program has resulted in thousands of Dominicans, coming from every

“Resetting to Ensure the Judicious use of Government’s limited resources”

stratum of society, from each community in Dominica, holding University degrees. No doubt, Mr. Speaker, this Government will be recorded in history as being the Government which has invested the most in the education of our people.

Our current education system has served us well over the years and has produced sound quality students, but the **National Reset** requires us to radically review our education curriculum, given the national and world realities. The world is changing dramatically, and we must adapt and adjust to keep pace with it. We must have a paradigm shift in our approach to the education of our people and simply put, the **National Reset** demands education reform. The reform will require the engagement of the entire country if we are to achieve the desired results.

It is Government’s intention to pursue an inclusive process, during this Fiscal Year, to develop a curriculum which is more responsive to the challenges and new realities, and that will prepare our children to take advantage of the opportunities which are available in Dominica, the region and the rest of the world. I speak for example about advancements in the use of artificial intelligence, the digital economy, geothermal energy and its potential application for use in developing green products, like green hydrogen, green ammonia and many others.

We need to equip our students and our people with the skills to take advantage of these new opportunities. We believe with the reform of the education system, we can create a curriculum that produces a holistic, well rounded child who is prepared for the future. A child who will not just survive, but one who can succeed and thrive in any condition, culture, or environment.

The education reform will be carried out with the support, guidance and advice of some of our regional and international partners. Presently, Dominica is one of four OECS member states benefitting from funding for sector development under the Programme for Educational Advancement and Relevant Learning (the OECS PEARL). The PEARL focusses on four major pillars, namely, Curriculum Reform, Early Childhood Education, Special Educational Needs and Leadership and Management. Work has already begun on a review of the primary school curriculum within the four participating member states. Therefore, our work here will help influence the outcome and new curriculum in Dominica.

“Resetting to Ensure the Judicious use of Government’s limited resources”

Mr. Speaker in this new approach, greater emphasis will be placed on the development of technical and vocational skills, and this is already in train. The new school at Goodwill, which will be constructed with the support of the Government of the People’s Republic of China during this Fiscal Year, has been specially designed to facilitate technical and vocational education. When completed, this new school shall be established and designated as a National Centre of Excellence for Technical and Vocational Education.

Once we have agreed on the blueprint for our new education system we will invest further in the training and development of our teachers and other education providers. We will also ensure that the appropriate resources are made available to the schools. Our aim is to empower them to deliver to the nation’s students, based on the new curriculum, teaching methodologies and testing requirements.

This year we will also continue to improve our education infrastructure at all levels. Mr. Speaker, work is advancing on the expansion of a new and modern Dominica Grammar School that will contain all the physical components necessary for the new education age of which I speak. We will also continue the refurbishment of the Dominica State College.

I am pleased to inform this Honorable House that the contracts have been signed for the construction of new primary schools at Bellevue Chopin, Calibishie, Thibaud, Tete Morne and Sineku and the secondary school at Goodwill which I mentioned earlier. We thank the Government of the People’s Republic of China for their solidarity and support in rebuilding these schools destroyed by Hurricane Maria.

In keeping with the Government’s policy to improve education at all levels, this year we will refurbish the dedicated spaces for Early Childhood Education in the Bagatelle, Castle Bruce, Jones Beaupierre and the Kelleb Laurent primary schools and complete the space at the Baroness Scotland primary school in Vieille Case. A new Early Childhood facility will be established in Salybia, and provision has been made for the establishment of early childhood dedicated spaces in the soon to be constructed new primary schools at Calibishie and Thibaud.

Mr. Speaker, we continue to look after the interest of the approximately four thousand permanent state employees engaged in the Public and Police Service. We appreciate deeply their commitment to the delivery of

“Resetting to Ensure the Judicious use of Government’s limited resources”

high-quality services to the public and at the same time, are cognizant of the State’s role in their personal development. This is why over the years this Government has implemented numerous initiatives to improve the livelihood of our public officers.

We understand that to advance our development agenda and provide high quality service to the public, we must have a Public Service that provides sound leadership for resilient, sustainable, and innovative development.

Over the last three years, Government has been undertaking an Organizational Review and Reclassification of the Public Service and the development of a Public Sector Transformation Strategy. As part of this process a Job Evaluation and Reclassification Exercise has been undertaken and in this new fiscal year, Government will proceed to implement the first phase of recommendations from the review, which include a new salary structure that will increase salaries for employees at all levels with the exception of Level I, which remains unchanged.

Overall, 2,940 public officers will benefit from the proposed Salary Structure in this first phase. The quantum of the increase by levels will vary. The proposed Salary Structure will result in an overall salary increase of 6.0 percent; however, some officers will benefit from up to 13 percent increase in salaries. This new salary structure will result in an initial increase in Government’s wage bill by an estimated \$6.1 million annually.

In addition to the revised salary structure, recommendations from the Job Evaluation Exercise will also be implemented in this fiscal year. A total of two hundred and sixty-one (261) positions were benchmarked and evaluated. As a result, seventy-three (73) positions will be upgraded. It is important to note that a significant percentage of the upgrades will be reflected in the essential services including medical doctors, nurses, fire officers, and police. For example, Mental Health Nurse and Nursing Attendant will move from Level II to Level III, Primary Care Nurse from Level IV to Level V, District Midwife/ Staff Nurse from Level V to Level VII, Senior Nurse, Ward Sister and Nurse Practitioner from Level VIII to Level IX. These and other upgrades within the Public Service along with the revised salary structure will take effect from September 1, 2023, and will increase Government’s wage bill by an estimated \$9.0 million annually.

“Resetting to Ensure the Judicious use of Government’s limited resources”

Mr. Speaker, I wish to emphasize that this is just the first phase. A special management committee has been assigned to monitor the implementation of the reclassification and make recommendations for other positions for further review and evaluation. A standing Job Evaluation Committee has also been assigned to conduct continuous review of positions beyond this exercise.

It is expected that all these initiatives will lead to increased efficiency and effectiveness and improved delivery of service to our citizens and residents.

I extend special thanks to the CARICAD team of consultants, the senior Public Officers and Job Evaluation Committees for their extensive work and effort throughout this process. The Public Service Union, Police Welfare Association, and Dominica Association of Teachers must also be commended for their active roles in supporting this review.

Mr. Speaker, we are placing sharp focus on the security of the people of this country. While Dominica continues to be a safe place, there has been a notable increase in crime in the region. This Government is implementing several measures to ensure Dominica remains a safe place for our citizens and visitors. We have increased the number of officers in the Commonwealth of Dominica Police Force to enhance the security of our communities; Police officers are continuously being trained locally, regionally and internationally.

We are strengthening community policing and have engaged a Community Police Consultant to spearhead that effort. Also, to facilitate easier communication with residents, particularly during and after disasters, every police station in Dominica is now equipped with High Frequency radio capability.

We have strengthened surveillance at our borders with additional scanners at our ports to detect and deter illegal imports, and we will heighten surveillance during this Fiscal Year. The Commonwealth of Dominica Police Force and the Customs and Excise Division will continue to collaborate with external law enforcement agencies which has proven to be very beneficial in fighting crime in the country. We commend the Customs and Police officers for their vigilance.

“Resetting to Ensure the Judicious use of Government’s limited resources”

Mr. Speaker, as we increase our efforts to deter crime, we must correspondingly strengthen our Justice System. Therefore, during this Fiscal Year, we will focus on strengthening the Magistrate’s Court to improve its administration and overall functioning to facilitate more timely, effective and just disposal of matters before the court.

As its starting point, during this Fiscal Year, the Government will initiate a thorough review of the administration and functioning of the Magistrate’s Court. The objective of this review will be to ensure that appropriate processes and procedures are put in place to enable all court users to have matters in which they are involved processed, tried and disposed of in a timely, efficient and just manner.

The Government will also take necessary steps to ensure the availability of sufficient and appropriate administrative staffing; enhancement of recording, video and other electronic equipment; improvements in case scheduling and case management; and, last but by no means least, re-doubled efforts to attract additional legally qualified magistrates.

A. PUBLIC SECTOR INVESTMENTS

Mr. Speaker as part of the **National Reset**, Government has taken a deliberate decision to increase its budgetary allocation to the productive sectors in order to facilitate the emergence of new businesses and the expansion of existing businesses; create additional jobs, expand the economy and contribute to the resilient and sustainable development of Dominica. This includes new investments in agriculture, value added and manufacturing, the blue economy, tourism, renewable energy, services for export, the digital economy and commerce.

The International Airport

Mr. Speaker, the development of our international airport has started.

The International Airport is critical to the overall transformation of our economy and will facilitate the growth of all sectors of the economy, and in particular, our agriculture, tourism, and trade sectors.

The contractor has mobilized, and the works are ongoing on construction of temporary supporting facilities for workshop and storage, as well as for mixing concrete and asphalt.

“Resetting to Ensure the Judicious use of Government’s limited resources”

Over the next two years we will see significant progress. This Fiscal Year, the continued development of the site will include major earth works, construction of culverts and new roads and the installation of the perimeter fence. Work is expected to begin on the passenger terminal building in August 2024, and the runway, taxiway, and apron in October 2025.

Mr. Speaker, now is the time for us to begin preparations for the dramatic change that will take place in the economy. All sectors need to align themselves to maximize the many opportunities which will be derived from this very important project. We only have to look at the positive impact of the introduction of the American Airlines direct flight from Miami, to begin to understand the transformational impact of an airport that will allow direct flights from Europe, Canada and different parts of the United States.

Our hoteliers, tour operators, bars and restaurants, farmers and fisher folk will all benefit. This will open new avenues for the export of our products and result generally in the expansion of the economy and improvement in the lives and livelihoods of all our people.

Marina

Mr. Speaker, in the 2020/2021 Budget Address, Government announced its intention to construct a marina in the Cabrits as part of our development plans for the North and indeed the entire country. We also indicated at that time that work would commence on this project within the next two years.

Mr. Speaker, I am happy to report to the House and the people of Dominica, that the Government has signed an agreement for the construction of a marina at the Cabrits. The feasibility and environmental studies as well as the designs have been completed. We have been assured that construction of the marina will begin by November this year.

The Marina will provide dedicated slips for yachts with a length up to 60 ft as well as flexible spacing for berthing super yachts, a repair yard, fuel farm, customs house, administrative building, and commercial spaces to be leased to businesses desirous of offering goods and services to visitors.

Mr. Speaker, these significant investments in improvement of access to Dominica, is supported by the substantial efforts that the Government continues to make in the improvements of our road network. The \$127

“Resetting to Ensure the Judicious use of Government’s limited resources”

million East Coast Road—from Bois Diable to Hatton Garden via Castle Bruce and the Kalinago Territory is scheduled to be completed by December 31, this year. Though it is incomplete, residents of the area can already attest to the improvements in the comfort, safety and driving experience in the completed sections. We are investing to enhance economic opportunities for the people of the East. The road will benefit residents, tourism stakeholders and farmers in that area. We look forward to witnessing the expansion of activity and transformation of the eastern communities. Mr. Speaker, it is said that road connectivity is an integral part of development, and this is why this Government has prioritized the upgrade and development of our roads.

The Hillsborough to York Valley segment of the Layou Valley Road has been completed at a cost of \$20.0 million and work will commence on the segment from Layou Bridge to the Warner intersection this Fiscal Year. We recognize the importance of this road to the farmers, tourism operators and other residents travelling from the West Coast to the East.

Mr. Speaker, the Roseau Enhancement project will also continue this year. You will recall that under the previous phases of this Project, the Government constructed the new West Bridge, several retaining walls to protect Roseau and Pottersville from floods, rehabilitated the road along the River Bank and established the Roseau River Promenade—now the center of entertainment in Roseau. We will continue this year with the installation of sidewalks along Virgin Lane and the rehabilitation of Great George Street.

Resetting Agriculture to Contribute \$700M by 2030

Mr. Speaker, presently agriculture contributes \$274 million to Dominica’s GDP. Our goal is to develop a resilient agriculture and fisheries sector that becomes the leading contributor to economic growth—contributing at least \$700 million to GDP by 2030.

This goal is fully aligned with the main objective of the OECS *Food and Agriculture Systems Transformation (FAST) Strategy*, developed in response to the wider CARICOM Single Market & Economy 25 by 2025 Initiative which is geared at reducing the food import bill by 25 percent by 2025.

Mr. Speaker, Dominica is currently a lead contributor to food security in the OECS. However, much more is required from Dominica— from

“Resetting to Ensure the Judicious use of Government’s limited resources”

all stakeholders, government, our farmers and fishers, manufacturers, supermarkets and consumers-- if Dominica is to not only ensure its food security, but also play a larger role in the collective food security of the OECS.

As was articulated in the last Budget Address, our Agriculture 2030 Plan focuses on:

- i. Increasing production of agricultural produce, livestock, horticulture and fishing to eliminate the need for imports and to increase our exports;
- ii. Enhancing the Nature Island Brand and Expanding Market Share locally, regionally and internationally; and
- iii. Increasing agro-processing output to add value to our agricultural produce.

The first component—that is, increasing production, is being addressed by the Ministry of Agriculture, whilst components two and three are being dealt with by the Ministry of Trade.

Mr. Speaker, to achieve the 2030 goal, Government has decided to increase its investment in all three components of the 2030 Plan. To support production, the Ministry of Agriculture’s budgetary allocation increased from \$40.5 million in Fiscal Year 2021/2022 to \$55.0 million in Fiscal Year 2022/2023. This year, the Ministry’s allocation is proposed at \$56.2 million.

Mr. Speaker we have begun implementing our plan to increase production of agricultural produce, livestock, horticulture, and fishing. I will now present some of the initiatives currently being pursued.

To support the substitution of food imports, we have begun the expansion of strategic crops such as White Potatoes. To achieve this goal, 174 farmers cultivated 55 acres of white potatoes, yielding a harvest of 616,517 pounds and representing sixty-eight (68 percent) of our average annual imports.

It is our intention to achieve an eighty percent (80 percent) self-sufficiency rating in the production of white potatoes. We will also implement an import substitution strategy for leafy vegetables, tomatoes, onions, sea moss, pork, chevon, rabbit meat, mutton, poultry, prawns and tilapia. The National

“Resetting to Ensure the Judicious use of Government’s limited resources”

Abattoir will be fully rehabilitated and equipped to support our import substitution programme for pork and poultry. Our target is for the substitution of at least 15 percent of imports from local production by 2025.

The \$13.0 million tissue culture laboratory at Portsmouth is nearing completion. When completed, the lab will provide for the rapid multiplication of high-quality disease-free planting material which will support the expansion of target crops and improve the resiliency of our agricultural sector. We express our thanks to the Government of the People’s Republic of China and to the Chinese Agriculture Technical Mission for making this possible.

We have also signed a technical assistance agreement with the Government of the Republic of Cuba. Under this agreement we will receive twenty (20) technical specialists to provide technical support in tree crops and livestock expansion programmes at an estimated cost of \$800,000.

Mr. Speaker, an additional \$2.7 million will be spent to redevelop the Agricultural Centres at Portsmouth, Woodford Hill, Londonderry, and La Plaine to supply agricultural materials to farmers.

We will also upgrade priority agriculture infrastructure, such as, the Plant Protection and Quarantine Centre in Longhouse, the Agricultural Centres of Woodford Hill, Londonderry, and La Plaine, the Farmers Services Centre at Gaulette River, and seven fish landing sites at Scotts Head, Soufriere, Fond Cole, Newtown, Bioche, Mahaut and San Sauveur at an estimated cost of 11.4 million dollars.

We will make an additional investment of \$1.8 million in livestock development to import new breeds and improve existing breeds of sheep, goats, rabbits, and pigs; and operationalize the Central Livestock Farm laboratory to reproduce a consistent supply of young animals by artificial insemination.

Mr. Speaker our farmers have indicated that the scarcity of farm labour is their main challenge. Government has therefore appointed a fifteen-member Task Force on Farm Labour to address issues of access, cost, and availability of labour for agriculture, fisheries, and agribusinesses. The Task Force has advised on the adoption of an entrepreneurial approach to provide specialized farm services, and the introduction of a policy for the supply of migrant labour through an organized recruitment programme with support from the International Organization on Migration (IOM).

“Resetting to Ensure the Judicious use of Government’s limited resources”

We are also giving attention to farm roads. A \$5.8 million contract for the rehabilitation of the Chatwell Road connecting Bellevue Chopin to Pichelin was awarded, while sections of the La Plaine, Grand Bay, Cuba Road, and Bo-plan roads were completed. Twenty-five other critical farm roads have been assessed and as announced by our Prime Minister in last year’s Budget Address, we will tackle farm road development by rehabilitating a number of them each year until all are fully repaired.

Mr. Speaker, to ensure that we create the right environment to support the growth of the sector, we have reactivated the Agricultural Investment Unit with a new mandate to support large commercial producers and to provide management oversight of key agricultural investments.

There are also tremendous opportunities for adding value to our fresh produce, particularly our tolima and cassava, our freshwater prawns and tilapia, and sea moss. We shall continue to provide support to these cultivations for increased production, to generate alternative sources of income and wealth creation.

Mr. Speaker, we are calling on owners of idle lands to turn these investments into production by cultivating tree crops such as avocados, coffee, cocoa, coconuts, and citrus. We are targeting at least 2,000 acres of land to establish 2.5 – 10 acre-plots of long term crops.

In relation to Government’s investments to enhance the nature island brand and expand market share locally, regionally and internationally, we have established an Agricultural Produce Procurement Facility with DEXIA, valued at \$5 million. This allows DEXIA to purchase a wider range of farm produce to systematically supply the local market, particularly supermarkets and hotels, as well as export to the region and beyond. Last Fiscal Year, we began preliminary work for the establishment of the Buy Dominica depot in other countries in the region. This initiative is expected to significantly increase demand for Dominica’s produce and products, thereby increasing our exports.

To increase agro-processing output to add value to our agricultural produce, Government is approaching this on several fronts aimed at assisting agro-processors to upgrade their businesses and increase production.

“Resetting to Ensure the Judicious use of Government’s limited resources”

This year, Government has allocated an amount of \$1.0 million to provide operating space for agro-processors in several communities including Roseau and Portsmouth.

A sum of \$1.0 million has also been allocated to provide grants to juice producers.

Mr. Speaker, the \$27.8 million concessional loan facility at the AID Bank will remain available to our farmers and agro-processors; and Government will continue to provide small grants and technical support to help with their cost and product certification.

Mr. Speaker, while farmers and agro-processors continue to work hard to produce, to bring in foreign exchange, to assure us of food security, to create jobs; and the government continues to mobilize significant funds and make available technical support in collaboration with bilateral partners and multilateral organizations, the true success of agriculture rests with the consumers of our country. For agriculture to reach its optimal, Dominicans must consume what we produce in this country. In short, the success of agriculture and our \$700 million goal depends on all of us.

So, Mr. Speaker, I have just presented to the House highlights of the Government’s investment in agriculture. It is anticipated that the Ministers with responsibility for Agriculture and Trade will give further details in their presentations. Suffice it to say that there is no doubt that this government is serious about agriculture.

Development of the Blue Economy

Mr. Speaker, in 2019, Government announced its vision to develop a regenerative Blue Economy which will support the health of our people, safeguard the natural environment and protected areas, increase investment opportunities, create more jobs, help more citizens to generate wealth, and build further resilience in our economy.

We will invite community participation to ensure that our development is properly adapted to the local ecosystem, culture and economic circumstances.

The sustainable use of our marine resources will include adopting healthy lifestyles in harmony with nature, promoting sustainable production and consumption patterns, and building resilience that will reduce disaster risks and allow for mitigating or adapting to climate change.

“Resetting to Ensure the Judicious use of Government’s limited resources”

In 2022, Government invited the National Geographic Pristine Seas team, working with Dynamic Planet to assess Dominica’s economic opportunities in the blue economy and make recommendations on how these opportunities may be explored. Mr. Speaker, these experts have already made preliminary recommendations to us that will help improve the health and resilience of our coastal ecosystems, increase coastal fish stocks, improve inshore fishing, and grow the ecotourism industry of the ‘Nature Island’ in order to build a sustainable blue economy in Dominica and increase local economic benefits.

We expect the final recommendations to be presented to us in November of this year, but acting on the preliminary recommendations, during this fiscal year Government will undertake several measures to advance the blue economy

Mr. Speaker, the jewel of Dominica’s waters is its sperm whale residents. To help preserve Dominica’s sperm whale population and increase the economic benefits of ecotourism, we shall establish the first Sperm Whale Reserve in the world.

Currently, there are no established shipping lanes in Dominica, so cruise ships and cargo ships sail all over the critical habitat of the sperm whales, with high risk of strikes. To address this, we propose to use the Particularly Sensitive Sea Area (PSSA) mechanism prescribed by the International Maritime Organization (IMO) to implement a ban on the sailing of cargo ships and cruise ships in the sperm whale reserve area. These large ships would approach port following dedicated shipping lanes thus reducing encroachment on the habitat of the sperm whales. This mechanism is used in many parts of the world and does not result in undue costs to the shipping industry – but would have enormous benefits for Dominica’s blue economy

Mr. Speaker, we will propose regulations regarding the number of vessels and people that can visit with the whales at a given time. We will also establish the appropriate fee structure to maximize economic benefit, without increasing the human footprint on the whale families. Part of the fees would then be reinvested in best-in-class whale tourism management.

Mr. Speaker, in our two current marine protected areas, the Soufriere/Scott’s Head Marine Reserve and the Cabrits National Park, we will increase the level of protection of these marine reserves to increase fish abundance, maximize the economic benefits from scuba diving in the reserve, and enhance coastal fisheries around the reserve because of fish spillover.

“Resetting to Ensure the Judicious use of Government’s limited resources”

Surveys have shown that Macouba fishing Bank harbors an abundance of marine life although at a lower level than expected for an offshore seamount. We will therefore create a Marine Protected Area around the Macouba Bank, banning bottom fishing but still allowing Dominican fishers to use surface line fishing.

The economic benefits of these combined actions far exceed their costs and are a triple win for all Dominicans. A Sperm Whale Reserve will be a huge marketing tool for Dominica’s destination as an ecotourism mecca if managed well. This will also require a marketing campaign for us to feel as proud of our sea and whales as we are of forests, lakes and rivers.

To support these initiatives, we will implement the National Action Plan to prevent, deter, and eliminate illegal unreported and unregulated (IUU) fishing in collaboration with the Caribbean Regional Hub on IUU to strengthen cooperation in the use of innovation and digital technology to fight fisheries crimes.

In addition, we will take to Parliament the required amendments to the Fisheries Act of 1987 in order to facilitate the regulation of the dive sector, recreational fishing, whale watching and water sports activities in Dominica.

Mr. Speaker, the blue economy is on course to become another major pillar for Dominica’s sustainable, and resilient economic development. It will be pivotal in promoting the marine component of Dominica as the Nature Island of the Caribbean, building collaboration and cross-linkages between tourism and agriculture. Government is very excited about Dominica’s economic prospects in this area and the opportunities it will bring for nationals.

Expanding Tourism to Achieve Greater Macroeconomic Yields

Mr. Speaker, despite the significant global challenges from 2020 to 2022, the Tourism sector has shown strong recovery evidenced by estimated growth of 85.9 percent of GDP in 2022 and further growth of 13 percent is projected for 2023. Importantly, there has been a notable year-on-year growth in stayover arrivals, and we are on course to surpass our pre-COVID tourist arrivals by the end of this year.

Destination Dominica continues to receive numerous accolades. We were recently named the number one Caribbean destination by Travel + Leisure,

“Resetting to Ensure the Judicious use of Government’s limited resources”

in the top destinations by Forbes and Lonely Planet, and one of the World’s Greatest Places by TIME magazine. In addition, we were highlighted in the 2023 Sports Illustrated Swimsuit Edition, showcasing our beautiful black volcanic sand beaches. These accolades affirm the appeal of our destination, elevating our global image, and driving economic growth.

Mr. Speaker, we plan to build on this momentum to increase the awareness of Dominica while making it increasingly easier for visitors to arrive at our shores. We are set to expand the sector to increase stay-over visitors, increase visitor spend, increase employment and resilient livelihoods. We’ve set an ambitious target: to increase stay-over visitor arrivals to **500,000 by 2030**.

The road to 500,000 visitors requires strong investments in tourism. In Fiscal Year 2023/24, we will embark on several strategic initiatives that will boost visitor arrivals, transform our tourism infrastructure, and create sustainable employment opportunities for our citizens. This year we continue to focus on four key areas to enable us to achieve our desired results:

- 1) **Marketing:** Government will continue to implement initiatives to ensure that our targeted visitors are **aware** of all we have to offer;
- 2) **Access:** We continue to make investments to improve and expand our current air access capabilities making it easier for more visitors to visit while our international airport is being constructed. We will also continue to develop strategic relationships with key partners who can help us improve access and fully utilize our expanding capabilities.
- 3) **Visitor Experience:** Once visitors arrive here, we need to ensure that we can deliver the experience that they desire—one that is uniquely Dominican. To do this we need to ensure that our people on the frontlines of the industry are properly trained and able to deliver on our promise.
- 4) **Product Development:** We need to maintain and develop the many attractions and activities that Dominica offers to visitors. We have many natural attractions, but we need to ensure that we make them easily accessible and safe for our visitors to enjoy.

“Resetting to Ensure the Judicious use of Government’s limited resources”

Marketing

Mr. Speaker, provisions have been made in this year’s recurrent budget for marketing Destination Dominica. This is to ensure that we continue to tell our authentic story about all Dominica has to offer. We will also continue the target destination marketing approach which we started last year. This will allow us to reach those in key source markets who are looking for the exposure and experiences that we offer.

Access

Mr. Speaker, we can all see the positive impact the direct flight from the US continues to have. It is therefore incumbent upon us to do everything possible to retain and grow this service. We are therefore continuously making improvements to our main airport facilities, enhancing both the capacity and visitor experience. A key project for us in this period involves improvements to the runway at Douglas Charles Airport. This initiative is a necessary precursor to the construction of our International Airport. It will truly place Dominica on the global tourism map in advance of the commissioning of the international airport. We must keep the momentum and embrace the current high demand for destination Dominica in order to achieve our visitor arrival target and contribute more significantly to the local economy.

Recognizing the potential of marine tourism, we are actively pursuing the commencement of the construction of the marina in Portsmouth, a project that will greatly enhance our appeal to yachting enthusiasts and contribute to our stay-over arrival goals. This project will improve our capabilities and visitor experience for those who seek the enhanced services that this marina will provide.

Visitor Experience

Mr. Speaker, we are focusing on preparing our people to be better able to deliver the services that this industry demands. While Government continues to work on putting in place the necessary infrastructure, visitor experience also depends on the service that we deliver as a people. It has to begin at our ports, continue with our taxi service, service at our hotels, restaurants and guest houses, our vendors and how they present themselves and products, and how we interact with the tourists on our streets.

Mr. Speaker, one area that we have already singled out is culinary arts. The development of a Culinary Art Institute at the Dominica State College is a key initiative, and we will be intensifying training and development in culinary-related fields.

“Resetting to Ensure the Judicious use of Government’s limited resources”

Additionally, as part of our digital transformation, we will be introducing e-gates at our major ports of entry and assist in providing technology for cashless transactions by select tourism service providers.

Mr. Speaker, in consultation with the vendors and tourism stakeholders, we have concluded jointly that the vendors arcade will enhance visitor experience and increase income opportunity for our vendors. Therefore, this Fiscal Year, Government will proceed with the construction of a Vendors Arcade. This arcade will afford vendors adequate space for displaying and selling their products, as well as space for restaurant and entertainment.

Product Development:

One of the major projects is the construction of the cable car to the Boiling Lake. This project, which has already created significant local employment during its mobilization phase, will continue to offer long term sustainable jobs when completed. This world class project will provide visitors with a unique experience and perspective of our beautiful island and its natural wonders, providing an unmatched tourism experience.

Mr. Speaker, as the world becomes increasingly conscious of the negative environmental impact of mass tourism, we recognize the importance of sustainable tourism. Therefore, we will continue to create new sustainable products with our natural resources including opportunities in the blue economy, agriculture, sports, services and our natural environment.

Renewable Energy Investments: Commercializing our Geothermal Resources

Mr. Speaker, the Government of Dominica made major strides during the last fiscal year in its geothermal development project. This is one of our transformative projects with three critical objectives:

- (i) to reduce the cost of electricity in Dominica;
- (ii) to generate 100% of our electricity from renewable sources; and
- (iii) to create new commercial activity based on our abundant geothermal resources.

“Resetting to Ensure the Judicious use of Government’s limited resources”

Over the last 8 months, two additional geothermal wells required to operate the planned 10-megawatt power plant in Laudat were drilled and tested. This Fiscal Year, our focus has shifted to the two remaining components:

1. The construction of the power plant; and
2. The building of a new high-capacity transmission network. To ensure greater resiliency, the transmission lines from Laudat to Fond Cole, will be placed underground.

We are investing in developing the skills of our people so that they can play a major role in the ongoing development of our energy infrastructure. Over the last year, our nationals have benefited from various forms of skills training, including internships during drilling, and participation in a 6-month geothermal training program in Iceland.

We acknowledge that this has been a long journey but this Government has remained committed to this project because we understand the long-term, permanent and positive impact the fully commissioned geothermal plant will have on the cost of doing business, on the electricity bills of consumers, and the huge potential for attracting foreign direct investment because of the reduction in the cost of energy.

The Digital Economy

Mr. Speaker, Government continues its mission to drive economic growth through digital transformation. Evidence has shown that the increased use of digital technology and digital platforms helps to streamline operations and reduce costs, save time, increase productivity, make goods and services more accessible, enhance customer experience, and help make timelier and evidence-based decisions. These benefits increase efficiency and demand, save money, and in the case of businesses, result in increased profitability. They also improve the ease of doing business, thereby making Dominica a more attractive destination to do business.

There has been notable progress in Dominica’s transition to a digital economy both in the private and public sectors. In the private sector, we have seen the emergence of platforms for online banking, online bill payment, and online shopping, while many businesses have fully digitized their operations.

“Resetting to Ensure the Judicious use of Government’s limited resources”

Government has been playing a major part in this transformation. We have been leading by example by making new digital services available to the public and the public service every year. As of June 30, 2023, Government had commissioned the following digital services:

- ✓ E-payment for a range of Government services
- ✓ E-filing of Customs Declarations
- ✓ An accounting software which connects Treasury Division, Audit Department and Village Councils to facilitate public support payments at the Councils
- ✓ The Online application for birth certificates
- ✓ An e-portal service which allows government employees to access their monthly pay slips and view their personnel information including leave balances online
- ✓ Government mail is being delivered using a similar platform as courier services
- ✓ Completion of travellers’ immigration declarations online;

In addition, Mr. Speaker, next month we will launch a single window trade facility called ‘Tradestream’ to facilitate the importation of goods into the country. Tradestream will allow importers or their brokers to apply to the Plant Quarantine Division and the Ministry of Trade for import permits and licences, as well as pay Customs duties online all in one system. This means that an individual could ship his goods to Dominica, apply and receive his permit from Plant Quarantine, apply and receive his licence from the Ministry of Trade, submit his customs declaration and pay his customs duties in a single system which could be accessed from anywhere in the world. This is a significant achievement for this Government—and the first system of this type in the OECS. Tradestream will reduce the time for clearing goods at the Customs, it will save costs, and increase efficiency at the Customs.

During this fiscal year we will begin work to include the payment of the Dominica Port Authority charges and the issuance of permits by the Bureau of Standards on Tradestream. We will also continue to review our processes at the ports of entry to further streamline the structures and procedures to further reduce import clearance time and enhance trade facilitation.

I am pleased to report to this House, that in addition to these policy initiatives, during the course of last Fiscal Year, this Labour Party Government established 15 state-of-the-art innovative hubs across the country at a cost of \$3.1 million. These hubs are located in Newtown, Canefield, Grand Bay,

“Resetting to Ensure the Judicious use of Government’s limited resources”

Roseau, Trafalgar, Layou, Mahaut, Capuchin, Cottage, Vieille Case, Thibaud, Bense, St. Cyr, Delices and La Plaine.

Mr. Speaker this Fiscal Year we will develop and begin the implementation of a number of major platforms to improve our services to the public and increase efficiency, effectiveness and productivity within the Government. These are:

- ✓ A Health Management and Information System which will facilitate the management of all processes within the health system, including patient administration, clinical management, accounting and billing, store and inventory, birth and death notification, and data analysis. The new systems will reduce medical response time and save lives, improve records management, make records and data more easily accessible, generate management reports, make more convenient for patients by issuing electronic results and reports, in order to improve compliance, and save costs;
- ✓ We will also commission an electronic entry permit mechanism and immigration kiosks at all ports of entry to facilitate the ease of arrival of individuals in Dominica;
- ✓ A new system will be developed for the Inland Revenue Division to allow for online application for registration, return filing, and payment as well as simplify and enhance tax administration; and
- ✓ A new Unified Identification Citizen Authentication and Civil Registry System will be commissioned. This system will provide every resident in Dominica with a unique identifier to facilitate easier access to services. For example, a patient being admitted to the hospital will simply provide that number to the staff at the hospital and all of his biodata, such as your date of birth, gender, marital status, will be retrieved. That identifier will be available from birth and will facilitate the generation of birth certificates.

We also intend to take new legislation to Parliament which will ensure that digital and online transactions are adequately protected by law. We will begin taking these new bills to Parliament later this Fiscal Year.

Mr. Speaker, to further support investments in the digital economy, Government will directly invest in the future of our young people by providing grants of up to \$27,000 to support digital technology. This will provide young people an opportunity to unlock their potential and equip themselves with skills, resources and tools to thrive in this digital age.

“Resetting to Ensure the Judicious use of Government’s limited resources”

We will begin the application process and the disbursement of these grants during the first quarter of this fiscal year. I urge the young people to apply and take advantage of these opportunities.

Mr. Speaker, one of the immediate benefits of Government’s investment in the Digital Economy is the creation of online jobs, and better paying jobs, for several young people. To date 181 Dominicans have been trained and 109 have been engaged in online jobs in the global space. An additional 60 are engaging in another 12-week training programme. This Government is building the capacity of our people and creating better job opportunities for them.

Public Private Sector Collaboration

Mr. Speaker, as a Government we understand clearly the value of collaboration with the private sector. It leverages the strengths of both parties to achieve common goals. The benefits are evident in increased employment, economic growth, and innovation.

The most recent examples of successful collaboration include the construction of several hotels and other projects under the Citizenship By Investment (CBI) Programme and the expansion of Clear Harbor to Portsmouth. All of these investments have created hundreds of jobs and contributed to the growth we have seen since the pandemic.

One year ago, during the Budget Address, the Prime Minister informed the House that Government had entered into partnership with CSOM Holdings Limited for the operation of the American Canadian School of Medicine at the government-owned medical school campus at Picard in Portsmouth.

Since then, the Government has worked closely with the school to ensure that all of the prerequisites to begin operating were met. The owners of the medical school have taken over the facility and have made significant improvements.

Mr. Speaker, Several Dominicans have already received employment. The curriculum has been developed, the teaching staff are in place, and the school has received accreditation which allows it to start receiving students. The American Canadian School of Medicine—Dominica will commence operations in September 2023.

“Resetting to Ensure the Judicious use of Government’s limited resources”

Mr. Speaker, we are thankful that this Government’s unwavering commitment to restore this essential institution with creditable partners, has been rewarded.

Creating opportunities for expansion of Businesses

Mr. Speaker, after considering the many investments that the Government has made and continues to make, one can only conclude that this Labour Party Government is fully committed to the sustainable development of the economy, and the growth and empowerment of the people of this country. We are creating an abundance of opportunities for new sustainable jobs, and for the expansion of businesses.

Our small businesses continue to receive significant technical and financial support from this Government. Last year we fully operationalized the *One Stop Shop* at the Small Business Unit and businesses have already begun to receive greater technical support, including training in operational management, marketing, and financial management. The one-stop-shop is particularly valuable for small businesses as it provides access to a range of services and expertise all in one place.

One hundred and thirty-four (134) small business owners were provided with training. The training to date has given these businesses a better awareness on legal business ownership structures and as many as 96 percent have already formalised their business registration; while a number of them have received certification for their products by the Bureau of Standards and are now in a position to offer their products for sale at our supermarkets.

We also provided several opportunities for small businesses to showcase their services and products, network, gain new customers and secure new market opportunities. These included: a Business-to-Business Forum held at the end of August last year; the *Ti Vilaj Kweyol* in the Botanic Garden last October 2022; and the Health and Wellness Small Business Trade Show at the Windsor Park in June this year.

“Resetting to Ensure the Judicious use of Government’s limited resources”

Decentralizing Training: Presently most of the training for small businesses are delivered in Roseau. This limits the opportunity for participation of small businesses in other parts of the country. From this fiscal year we will begin decentralizing more of our training and mentoring activities. This will facilitate the certification of more businesses and an increase in the number of market-ready products in the country.

Operating Space for Small Businesses: Mr. Speaker, with the steady growth in the small business sector over the past few years, we have been advised by many business owners that currently their main challenge is finding sufficient space to operate. They believe that additional space would allow further increases in production, and expansion of their operations. Therefore, in this year’s budgetary proposals, we have allocated a total of \$1.0 million for the lease of buildings in some identified communities including Roseau and Portsmouth which we will rent to small businesses at subsidized rates in the first instance. Priority will be given to small businesses engaged in the production of goods and services as we want to boost indigenous industries.

Mr. Speaker, the Government continues to make financing available to small and medium businesses to meet operational cost and expand their businesses in order to increase their contribution to the economy. In March 2022, Government procured a \$27.8 million loan from the Caribbean Development Bank for on-lending to small and medium businesses at concessional rates through the AID Bank. As at June 30, 2023, the AID Bank had approved 277 loans at a total value of \$16.5 million broken down as follows:

- The service sector accounted for 133 loans valued at \$5.5 million;
- The tourism sector received 28 loans valued at \$5.4 million;
- The transportation sector received 26 loans totaling \$2.2 million;
- The agriculture sector accounted for 80 loans amounting to \$2.1; while
- 10 loans valued at \$1.3 million were given to business engaged in manufacturing.

In addition, Mr. Speaker, over the last twelve months, Government provided small grants to 120 small businesses.

“Resetting to Ensure the Judicious use of Government’s limited resources”

With all of these investments in small businesses, we anticipate there will be more local goods and services for domestic consumption and exports, more new jobs, the elevation of many more small businesses into medium and large businesses, further wealth creation and ultimately, a greater contribution of this sector to the economy.

Mr. Speaker, there is no question that small business constitutes the backbone of this economy. Quietly, they collectively contribute significantly to innovation and job creation. Truth be told, collectively they are the largest employer in the country; not only that, they also drive commerce as they add tremendous value to our many natural resources and agricultural produce; thereby converting them to high value products that have received accolades internationally.

It is as a result of the ingenuity, industry and resilience of this much needed sector, that I feel compelled to acknowledge their tremendous contribution to our economy. This Government will continue to do all in its power to support them.

In terms of our large businesses, we continue to support them with their major investments mainly through tax relief, for example, income tax and some customs duties. We recognize with the numerous planned investments by the Government, there will be even more opportunities to expand. We will establish a large business liaison office in the Ministry of Labour, as a central point within the Government to troubleshoot any bottlenecks which may persist or any burning issues which retard business growth or operations and require Government’s attention or intervention. In addition, the office will present opportunities for greater collaboration in areas of mutual interest and shared values.

Mr. Speaker, we appreciate the investments made by our local businesses, large and small. Government alone cannot build this country. We as a Government and a people must continue to patronize our own—buy locally and help these businesses to continue to grow, employ more Dominicans and flourish. It takes every citizen and resident to play his or her part in nation building. Together we can, together we must build a strong, more resilient Dominica.

“Resetting to Ensure the Judicious use of Government’s limited resources”

B. REVENUE ESTIMATES FOR 2023/2024

Mr. Speaker, the expenditure estimates which I have just presented will be financed by tax and other sources of revenue, loans and grants together totaling \$1.3 billion and broken down as follows:

- Recurrent revenue totaling \$1.06 billion
- Capital revenue of \$5.5 million
- Grants amounting to \$138.4 million
- Loans at \$94.0 million

Table 1 shows a breakdown of Recurrent Revenues

Item	Estimates FY 2023/2024	%	Estimates FY 2022/2023		Forecast FY 2022/2023	%
Tax Revenue	414.3	39%	382.5	43%	385.5	43%
Personal Income Tax	31.9	3.0%	31.9	3.6%	30.8	3.6%
Corporate Income Tax	33.0	3.1%	26.3	2.93%	31.6	2.9%
Taxes on Property	9.0	0.8%	8.9	1.0%	8.7	1.0%
VAT	171.8	16.2%	161.9	18.1%	157.3	18.1%
Other Tax on Domestic Goods & Services	71.7	6.8%	66.4	7.4%	67.9	7.4%
Int'l trade taxes	96.8	9.1%	87.2	9.7%	89.1	9.7%
Non-tax Revenue	645.5	60.9%	513.8	57.3%	649.3	57.3%
Total Revenue	1,059.8	100%	896.2	100%	1,034.8	100%

Mr. Speaker, as indicated when I began my presentation, Dominica’s economy is recovering following a number of climatic and exogenous shocks. However, government’s fiscal standing has not yet recovered from the adverse impact of these shocks, particularly, the two-year COVID-19 Pandemic, which occurred just two and a half years after Category 5 Hurricane Maria.

“Resetting to Ensure the Judicious use of Government’s limited resources”

We recall the devastation of Category 5 Hurricane Maria and Government’s extensive response in support of the thousands of families who had been dislocated. This was in addition to the Government having to clean up and restore access in the country, and build back with resilience at a time when tax revenue collections were well below average.

The COVID-19 Pandemic followed quickly, less than three years after Maria, exacerbating Government’s already weakened fiscal position. During that two-year pandemic Government’s expenditure spiked, as Government was forced into extraordinary expenditure to save and protect our people and cushion the impact of the pandemic on the population. We commissioned a new hospital to care for COVID-19 patients; we engaged more healthcare professionals; we spent significant amounts to quarantine those affected or exposed to reduce the spread of the virus; we spent millions of dollars on COVID tests; we gave concessions to cushion the impact of the pandemic to protect livelihood. You will recall that during that same pandemic period, there were times when Government was forced to shut down most of the country to protect our people, which resulted in sharp declines in government’s revenues on each occasion. Given the magnitude of both events, we thank God for sparing us, and for helping us and our economy to bounce back.

However, Mr. Speaker, some of the scars from the shocks have remained—our debt to GDP, which was at 68.3 percent in 2016 moved to an estimated 97.7 percent at the end of 2022. Meanwhile, debt servicing moved from \$67.5 million in Fiscal Year 2015/2016 to \$116.6 million in Fiscal Year 2022/2023.

As we have mentioned on several occasions, fiscal resilience is critical to Dominica’s resilience and sustainable development. Therefore, as part of our **National Reset** we must give attention to Government’s fiscal position to ensure fiscal stability and resilience

As a consequence of the foregoing, I wish to propose a few measures to raise additional revenue in order to help improve Government’s fiscal position bearing in mind the need for Government to return to a sustainable fiscal position to withstand and respond to future shocks.

Stamp Duty on outbound transfers through Money Services Business

Mr. Speaker, with effect from November 1, 2023, Government will introduce a 2 percent stamp duty on outbound money transfers through money services businesses, such as, Western Union, MoneyGram, JN Money Transfer,

“Resetting to Ensure the Judicious use of Government’s limited resources”

covered under the Money Services Businesses Act, Chapter 78:82 of the 2017 Revised Laws of the Commonwealth of Dominica. This means that persons transferring money out of the country, through these businesses will pay a 2 percent Stamp Duty on the value of these transfers with effect from November 1, 2023.

Increase in Licence Fees Paid by Financial Institutions

Mr. Speaker, security threats within the global environment have forced jurisdictions to increase regulation of financial institutions, as evidence has shown that these institutions are prone to be exploited by criminal elements.

As a result, a number of jurisdictions have established standards for the operation of the financial services sector. Although Dominica may not have been engaged in the crafting of some of these standards, we are forced to comply in order to be able to do business within the international financial space.

Therefore, Government has had to put systems in place to enhance supervision of our financial institutions to ensure they meet international standards.

We have had to increase staffing—at the Financial Services Unit, the Inland Revenue Division, the Registrar of Companies and the Financial Intelligence Unit. We have also enhanced our procedures and processes, commissioned new IT and security systems and enhanced staff capacity.

In addition, critically, we have had to defend Dominica’s position in terms of its implementation of the standards, and supervision of these institutions. Just in 2023, we fought to ensure that Dominica was not placed on the European Union ‘negative list’, commonly known, as the ‘EU Black list’—our efforts were successful.

Then in May 2023, we sent a delegation of 16 public officers to Trinidad to defend Dominica’s Mutual Evaluation report—a report on the assessment of Dominica’s performance in relation to meeting the international standards on money laundering and terrorism financing—set by the Financial Action Task Force (FATF). Again, Dominica received a favourable report.

“Resetting to Ensure the Judicious use of Government’s limited resources”

Mr. Speaker, given the significant increased expenditure to the Government as a result of all of the obligations, we are of the view that some of these costs should be recovered from the financial institutions which are currently regulated by the Government of Dominica. Therefore:

- **Increase in Licenses for Offshore Banks:** Mr. Speaker, with effect from January 1, 2024, the annual licence for the operation of an offshore bank covered under the Offshore Banking Act, Chapter 73:02 of the 2017 Revised Laws of the Commonwealth of Dominica, will be increased from **US\$8,000.00 to US\$25,000.00.**
- **Increase in Licence Fees for Insurance Companies:** With effect from January 1, 2024, the annual licence fee for insurance companies operating under the Insurance Act Chapter 78:49 of the 2017 Revised Laws of the Commonwealth of Dominica will increase to **EC\$50,000.00.**
- **Enforcement of Licence Requirement for Credit Unions:** Mr. Speaker, the Financial Services Unit Act, Chapter 63:03 of the 2017 Revised Laws of the Commonwealth of Dominica prescribes the principal functions of the Director of the Financial Services Unit including supervising and regulating the operations of credit unions as defined under the Cooperatives Society’s Act, Chapter 78:03 of the 2017 Revised Laws of the Commonwealth of Dominica.

The Financial Services Unit Act has also deemed these credit unions as financial institutions carrying out financial services business. Furthermore, the Financial Services Unit Act requires credit unions to obtain a licence to operate. Presently, credit unions are operating without the licence prescribed by the Act.

Therefore, with effect from January 1, 2024, all credit unions which qualify to operate under the Cooperatives Society’s Act, Chapter 78:03 of the 2017 Revised Laws of the Commonwealth of Dominica, must obtain a licence to operate. The licence will be renewable annually on or before December 31 every calendar year for the following year.

“Resetting to Ensure the Judicious use of Government’s limited resources”

The fees for the license are as follows:

- For credit unions whose total assets are below \$25.0 million the license fee is \$10,000 per year;
 - For credit unions whose total assets are below \$50.0 million but more than \$25.0 million the licence fee is \$20,000 per year;
 - For credit unions whose total assets are below \$100.0 million but more than \$50.0 million the licence fee is \$40,000 per year;
 - For credit unions whose total assets are below \$500.0 million but more than \$100.0 million the licence fee is \$60,000 per year; and
 - For credit unions whose total assets are \$500.0 million or above, the licence fee is \$100,000 per year.
- In addition, we will increase the license fee for Money Service Business covered under the Money Services Businesses Act, Chapter 78:82 of the 2017 Revised Laws of the Commonwealth of Dominica as follows:
 - Money Transmission businesses will pay a licence fee of \$15,000 annually; and
 - Pay day advances businesses will pay a licence fee of \$15,000 annually.

These licence fees will take effect on January 1, 2024.

“Resetting to Ensure the Judicious use of Government’s limited resources”

Debt Repayment Fund

In the 2022/2023 Budget Address, the Honourable Prime Minister announced that Government will allocate some of the CBI revenue to debt repayment similar to what is done for the Vulnerability Risk and Resilience Fund. Government established the Debt Repayment Fund in April 2023 and will begin capitalizing that Fund during this Fiscal Year. In this regard, Government will impose a levy on the investments raised by the developers of CBI-funded private sector developments. The levy will be charged at a rate of **US\$5,000.00 per investor** in the CBI Programme. This levy will take effect from September 1, 2023 and will be payable after approval of the citizenship and prior to the issuance of the Certificate of Naturalization to the investor and his/her approved dependents.

Increase in licences for CBI Agents and Promoters

Mr. Speaker, we will implement a new licence regime for the agents and promoters of the CBI Programme. In this regard, Government will issue new licences to qualifying agents and promoters with effect from October 1, 2023. The fee for these licences will be as follows:

- US\$15,000 annually for non-resident agents; and
- US\$10,000 annually for non-resident promoters.

Increase in Excise Tax on Alcohol and Tobacco

In addition, Mr. Speaker, during our pre-budget consultations, a number of participants recommended increases in the tax on alcohol and tobacco to assist Government in maintaining the health system. Therefore, government will increase the current excise tax rates on alcohol and on tobacco by 25 cents per litre and per kilogram, respectively. This increase will take effect on September 1, 2023.

Discontinuation of the Return Filing requirement for Government Employees whose total taxable income is from employment

As already mentioned, Government is also implementing several measures to reduce the operating cost of the public service including bulk procurement

“Resetting to Ensure the Judicious use of Government’s limited resources”

for commonly used items; and a reduction in the use of paper. Cabinet has decided to ‘go green’ by November 1, 2023—that is, there will be no more paper submissions to Cabinet—all submissions will be made electronically through a secured system.

In addition, we will bring to Parliament the necessary amendment to repeal the return filing requirement, in the Income Tax Act, Chapter 67:01 of the 2017 Revised Laws of Dominica, for individuals whose only source of income is from employment. This measure will be implemented in phases to allow sufficient preparation time for the private sector. The first phase will apply to Government employees with effect from income year 2024.

Mr. Speaker, this means that a Government employee who receives only income from the Government will not be required to file an income tax return for income year 2024, which would have been due by March 31, 2025. The Inland Revenue will put the necessary administrative arrangements in place to ensure that qualifying employees continue to benefit from the tax deductions prescribed by the Income Tax Act.

Increase in Fees for Marriage and Birth Certificates

Mr. Speaker, presently the fee to obtain a birth certificate and a marriage certificate is \$5.00 while the cost of the paper for each certificate, plus the cost of printing is in excess of \$30.00. With effect from August 1, 2023, the cost of birth, marriage and death certificate will be \$20.00.

Review of Tax Policy on Petroleum Products

Mr. Speaker, the current tax policy on petroleum products has been in place for approximately 20 years, but for the change in name of the taxes when we introduce the excise tax in March 2006. Prior to the introduction of the excise tax, the consumption tax plus the sales tax on gasoline amounted to the same \$3.00 excise tax per gallon of gasoline that we pay today; and \$2.38 per gallon of diesel which we currently pay. Additionally, in July 2008, Government removed the 45 cents excise tax and the customs service charge on Liquefied petroleum.

Mr. Speaker, we are of the view that the time has come for a review of the tax regime on petroleum products. Therefore, Government will appoint a task force to review the current rates and system of taxation as well as provide

“Resetting to Ensure the Judicious use of Government’s limited resources”

recommendations for the implementation of a modern tax regime that is equitable and fair.

We intend to report to Parliament, the findings and recommendations of this exercise, by January 2024.

III. THE TRANSITION FROM CREAD

Mr. Speaker, in accordance with the Climate Resilience Act of 2018, the Climate Resilience Execution Agency’s (CREAD) tenure is due to end December 2023. CREAD was created in the aftermath of Hurricane Maria that devastated the island in September of 2017 to provide coordination and leadership to the country in its pursuit to rebuild the island as the first climate resilient nation in the world.

Mr. Speaker, our Government is proud of the many accomplishments of CREAD, particularly in the manner in which it has worked with the communities, international agencies and line ministries within the Government. CREAD has performed remarkably over the past four (4) years. Many international bodies and agencies have indicated a very strong interest in the work of CREAD and have also documented its work through the use of multi-media and in writing. Most recently a delegation from Providencia, Columbia spent a week in Dominica to learn of Dominica’s resilience journey.

We thank our international and regional partners who assisted us with the establishment of CREAD, as well as, the multi-lateral organizations, well-wishers, advisers, and staff who have supported CREAD. Our sincere and special thanks are extended to the Governments of Canada and the United Kingdom who assisted with the funding and supervision of CREAD. The level of success attained could not have been achieved without their leadership and support.

The work of the Agency remains very relevant and important to achieving our ambition to be the first climate resilient nation in the world by 2030. Therefore, some of CREAD’s activities are being systematically handed over to other Government agencies and the private sector. The remainder of CREAD’s activities will continue in a Resilience Unit within the Ministry responsible for economic planning.

IV. CONCLUSION

Mr. Speaker, as I conclude, I wish to thank our many foreign partners and multinational institutions who have been providing critical assistance to this country. I thank the Honourable Prime Minister for his mentoring and support as well as my colleagues for the cooperation and encouragement. Last, but not least at all, the entire staff of the Ministry of Finance, Economic Development, Climate Resilience and Social Security, my constituents, well-wishers and family.

Before I end Mr. Speaker, permit me to reiterate our Government’s call for a **National Reset**. The world has changed and so must our mindset. We must come to terms with the present-day global reality and be mindful of the possible global challenges which may lie ahead. It is imperative that we act responsibly with our choices, priorities and policies, in how we manage our lives and our resources. We have worked hard, and I am calling on us, in this Fiscal Year, to work even harder. We must secure current gains and lay a sound platform for the future.

We are a resilient people. We have encountered numerous challenges and have learnt many lessons as a country. Following each event, we have demonstrated our ability to overcome and to rise. Furthermore, every event has guided us on how best to prepare for the next.

This is why we must seize the opportunity now, while we can, and before the occurrence of the next event, in order to better withstand the next shock—which is inevitable. Mr. Speaker, this is exactly what this budget seeks to do, this is exactly what this **National Reset** does, and this is exactly what resilience means.

This is why all of us, individually and collectively need to quickly embrace this critical **National Reset** to secure the gains we have made and continue on the path to resilient and sustainable development.

As a Small Island Developing State, our survival is in our hands. By the Grace of God, we will thrive!

God Bless Dominica!
God Bless the People of Dominica!
God Bless the Government of Dominica!

Thank you, Mr. Speaker.

