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Madame President this is the 9<sup>th</sup> National Budget to which I have had the privilege to make a contribution. I have spoken as a Cabinet Minister about Budgets presented to the Bahamian people and I have spoken, as I speak today, as a member of Her Majesty's Loyal Opposition. Like the Honourable Leader of the Government, I have been attending the House of Assembly as an observer and following National Budgets since the early 70s.

Since delivery of this Budget, I have spoken to numerous people in their 70s and 80s, on both sides of the political divide, all agree that they have **NEVER** seen a Budget that has imposed such hardship on the small man, on small and mid-sized businesses, on charities that aid children and the disabled, on school children, on young people's organizations and the list goes on. For example, check PRE 34 and PRE 290 of the Estimates. Never seen it. Such hardship on those who can least afford it. So much piled on them. All at once. When they can least afford it. When they just can't cope with it.

The small man gets mashed up while Fat Cats, even non-Bahamian Fat Cats get taken care of. Taken care of at the expense of the small man who has to pay the money back. For example, check pages CE2, CE3, CE10 & 11 and many other pages of the Estimates in this National Budget.

I too thank the public servants who have advised the Government. The reality is that advice is accepted or rejected. The political directorate makes the decisions. I will not allow them to blame public servants for their decisions. The buck stops at the feet of this Government. As the Leader on the other side said, "no passing the buck".

I start another Budget Debate from the premise that we Bahamians are more than conquerors.

We are descendants of Pompey, Poor Black Kate, Mary Ingraham, Georgiana Symonette, Lynden Pindling, Cecil Wallace Whitfield, Kendal Isaacs, Sir Orville Turnquest, Sidney Poitier, Amos Ferguson , and numerous other

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heroes who have excelled in EVERY field of endeavour.

Bahamians are Rhodes Scholars, Academy Award winners, and Olympic Gold medalists. ALL of these and other heroes knew sacrifice and knew how to sacrifice to achieve their goal, a large VISION.

Bahamians trust in the Lord and know how to rally and sacrifice to accomplish a vision. Bahamians rallied together to achieve:

- 1 1<sup>st</sup> political party, Progressive Liberal Party
- 2 Internal self governance
- 3 Majority rule
- 4 Independence
- 5 National insurance
- 6 Defence force
- 7 COB

Now we need a new vision. Why?

What is the existing state of affairs in The Bahamas?

- 1 On April 28<sup>th</sup>, 2010 Standard and Poor's ("S&P") said that the Government's "widespread review"... "stalled numerous investment projects, some of which have only recently moved forward" and S&P gave the example of the Straw Market Project, which started before May 2007 and which was stopped by the Government after May 2007. S&P previously observed that the Government had stopped \$80 Million in projects. Stopping these projects caused Bahamians to feel the pain of

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the worldwide recession more intensely than they otherwise would have. These are comments made a reputable international rating organization used by sovereign nations to attract investment. Check the website.

There is no point in burying our heads in the sand. We need to rise to the occasion and to improve our next rating.

- 2 The Tribune of 18<sup>th</sup> June, 2010 reports that the International Labour Organization says that The Bahamas tops the region's urban unemployment.
- 3 The CIA World Factbook shows that The Bahamas' economy has shrunk 8% over the past 3 years.
- 4 A World Bank Index on the ease of doing business has dropped The Bahamas' ranking from 59<sup>th</sup> last year to 68<sup>th</sup> this year.
- 5 Government admits that at the Department of Statistics' interim 2009 analysis:
  - o The national unemployment rate is 14.2%
  - o The Grand Bahama unemployment rate is 17.4%
  - o The national unemployment rate had almost doubled in 1 year (from 8.7% to 14.2%)
  - o The Grand Bahama unemployment rate had almost doubled in 1 year (from 9% to 17.4%)
- 1 We can safely deduce that:
  - o the unemployment rate for Family Islands is higher than Grand Bahama

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- o The 2010 unemployment rate in The Bahamas and Grand Bahama is higher than the 2009 unemployment rate
- 2 The Misery Index is at unprecedented levels
  - 3 Professor Alvin Rabushka has pointedly raised the alarm about continuing sizeable deficits. He points out the fallacy of comparing Bahamas debt to GDP with the debt to GDP ratio of the US; the UK or any other hard currency area. US government bonds are freely tradable and exchangeable. They are backed up by a strong economy and hard currency. Bahamas government bonds are backed up by the ability of the Government to further tax Bahamians. Bahamian dollars can only be spent in The Bahamas. We are now in the danger zone.
  - 4 The government since 2007 has caused at about 2000 people to lose their jobs.
  - 5 People are hurting more than ever before in living memory.
  - 6 In Grand Bahama, people with Masters Degrees are taking clerical jobs having searched for more than 6 months for a job.
  - 7 Families are being separated, just like in the contract days, with one parent living on another Island or another country so that the bills can be paid and to children taken care of.
  - 8 People are desperate for a job, any job.
  - 9 People who do have a job are stressed out worrying whether they will be the next people to be laid off/ down sized.
  - 10 Small and mid sized businesses are teetering on the brink of failure.
  - 11 The middle class is shrinking.

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Struggling Bahamians with a job and unemployed Bahamians have been told that they will have to pay more for electricity, more for gas, more to drive their cars, more, more, more.

Can you imagine, your electricity is off, you can't keep your baby's milk cool and fresh in the fridge, everyone is irritated because it is so hot and you can't turn on the fan, too many people in the family do not have a job and on top of all of this, you get the news about increased taxes and fees! You have to ask yourself, "is there another way?" and "when will it all end?"

Most Bahamians are struggling to make ends meet. They are not going to get their hair and nails done. Ask the hairdressers and nail technicians, they are struggling too.

What is the reality today for the small man and the small and mid sized business?

- 1 Many homes have no employed person – See Nassau Guardian 23/6/10
- 2 Other homes have an employed person on pins and needles waiting to see when they will be laid off
- 3 Most businesses are struggling
- 4 Over 5000 homes have electricity off
- 5 Electricity rates have gone up
- 6 National insurance has gone up
- 7 Car licencing and inspection has gone up
- 8 Driver's licence fees have gone up

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- 9 Jitney cost will increase as the owners will pass on their increased fees
- 10 Medical and life insurance premiums have gone up
- 11 Public servants are waiting to see what will happen to their medical insurance
- 12 Most people will not take a holiday as departure taxes have gone up
- 13 The Bahamas is a less attractive destination for air travelers, the ones who spend the most money, as room taxes AND departure taxes have gone up.
- 14 Hotel sector jobs are being cut back. Many people gratefully accept 2 or 3 days work rather than no work.

All of this is a BIG change from May 2007. A big change from a government who imposed no new taxes in 5 years and whose management style received rave reviews from S&P and the IMF.

Not too many Bahamians, if any, feel that they are better off today than they were in May 2007.

A very keen observer of the economy said me “the Government shoveled us into this hardship, now they’re trying to jackhammer us into destruction”!

Yes, we have a bad world economy. We also have a poorly managed Bahamian economy. It didn’t need to be this way. We are suffering so much because of poor fiscal management. This is what Standard and Poor’s says.

So, what do we do about it?

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What do we need?

- 1 A vision that will create jobs
- 2 A vision that will stimulate not destroy Bahamian ownership of the economy
- 3 A vision that will prepare Bahamians for the future opportunities the result of today's sacrifices.
- 44 We need to create jobs
- 45 We need to stimulate Bahamian entrepreneurship
- 46 We need to prepare Bahamians for the jobs that will be created . The result of their sacrifices.

We need The Mayaguana Project which was stopped by the FNM after the I-Group had spent \$40M implementing the Heads of Agreement signed in on 7<sup>th</sup> March, 2006. This project created more than 100 jobs in Mayaguana. It could have created thousands of jobs. It could have transformed the Southern Bahamas. It is not too late to reinstate the Mayaguana Joint Venture Investment, which is 50% owned by the Bahamian people. The project IS real. \$40 Million had already been spent. Here is how the \$40 Million invested by I-Group was spent.

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## **SET OUT THE \$40M EXPENDITURE TOGETHER WITH PICTURES**

What is so strange is that the FNM has no problem at all with the Hawksbill Creek Agreement which gave one man almost 24% of the Island of Grand Bahama. It has a problem with the Bahamian people owning 50% of a Company to develop another Free Port area for the Southern Bahamas. One owned by the Bahamian people! One that comprises about 14% of the land.

Below is a table comparing the Hawksbill Creek Agreement with the Mayaguana Island Development Agreement. Keen economic observers have remarked that the Mayaguana Agreement was a good deal for Bahamians. Like the Hawksbill Creek Agreement, it was a plan for far reaching development, employment and opportunity. And every attempt was made to avoid the mistakes made in the Hawksbill Creek Agreement. They are also surprised that this Government would scoff at the idea of Government being involved with private enterprise in the Mayaguana Development. They are especially surprised because THIS Government trumpets its involvement in the Arawak Cay Port Project. And they wondered whether this Government didn't learn from the steps taken by the US Government in their stimulus plan. Some private enterprises were taken over by the US Government.

The MID Agreement encompasses 14% of Mayaguana, 9,999 acres. Parts of that Development comprise acreage that must be preserved, the land is conveyed in 2 tranches with stipulations to be met before land is conveyed and provisions for conveying and claw backs of land if further development stipulations are not met. Part proceeds of land sales were to go to the Mayaguana Island Development Fund, to be used for charitable endeavours. The Government did not have to put any money into the project, it put land, IF stipulations were met. \$40 Million had already been spent when this project was stopped by this Government. Stopped by a Government who spent \$100



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Million to dredged the Harbour and further develop Arawak Cay; GAVE this valuable land to the Arawak Cay Port group AND now in this Budget wants to give them a further \$16 Million!

When comparing this with the Hawksbill Creek Agreement note that 50,000 plus acres were given to Wallace Groves before he put one penny in the ground; his concessions were more than 20 years, and there were no claw back provisions if he did not meet all commitments.

At La Samana in St. Marteen is a resort advertised in the Bahamian newspapers and Miami Herald. Rightly so, no one is laughing at La Samana which is to be developed by the Orient Express Group. The I Group had already obtained a letter of intent from The Kor Group to develop up to 250 rooms. The Kor Group is the developer of The Tides in South Miami Beach & numerous Viceroy Resorts in the Caribbean and Mexico and other similar resorts. The Kor Group is same caliber of Orient Express, the developer of La Samana.

Mayaguana is nearer to the U.S.A. than St. Marteen. When the 11,000 foot runway that was built by the American Agency NASA is refurbished, flights will be able to fly non stop to Mayaguana from Detroit, Melbourne, St. Louis and further. It won't happen today. What a bold and wonderful vision for 10 years from now for the Southern Bahamas.

If you want to have an idea of what Mayaguana could look like 20 years from now, just look at Providenciales in the Turks and Caicos Islands.

It is a fact that in May 2007 anyone in Mayaguana who could work could get 2 Or 3 jobs. No one was "unemployed" in Mayaguana. Entrepreneurship was flourishing in Mayaguana. The I Group was training people to fill the jobs available and the jobs that were going to come on stream.

Not one Argentinean in sight.

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Ask Faisal and Ramadan from Mayaguana. The D8 was called Patti Labelle. Why? Because although she was getting on in age, she looked good, was well kept and she could sing.

**IT IS NOT TOO LATE TO REINSTATE THE MAYAGUANA ISLAND DEVELOPMENT PROJECT.**

**IT IS NOT TOO LATE TO PROVIDE IMMEDIATE JOBS FOR BAHAMIANS IN THE SOUTHERN BAHAMAS BADLY IN NEED OF JOBS NOW.**

**THE MAYAGUANA ISLAND DEVELOPMENT PROJECT SHOULD BE REINSTATED AS APPROVED AND IT SHOULD BE REINSTATED NOW.**

**COMPARISON OF THE HAWKSBILL CREEK AGREEMENT WITH MID**

	HAWKSBILLCREEK AGREEMENT  1955	MAYAGUANA AGREEMENT  2006
Administration	UBP	PLP

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<p>Land</p>	<p>50,000 acres on 99 year lease</p> <p>Plus about 1500 acres fee simple purchase</p> <p>Conditional lease purchase of sea bed</p> <p>Now have over 70,000 acres (about 24% of Grand Bahama)</p> <p>7 times more than MID</p> <p>ALL in the hands of a private developer</p>	<p>9999 acres (14% of the Island)</p> <p>50% owned by the Bahamian people</p>
<p>Purchasers</p>	<p>Wallace Groves</p>	<p>Mayaguana Island Developers (“MID”)</p>
<p>Composition of Purchaser Company</p>	<p>One individual – Wallace Groves</p>	<p>50:50 joint venture I-Group and Hotel Corporation of The Bahamas (“HCB”)</p>

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Money put in by Purchasing Company	Zero	<ul style="list-style-type: none"> <li>-1 \$2 Million to Government</li> <li>-2 \$14 Million MUST be spent in first 2 years (before any land transfer)</li> <li>-3 \$40 Million spent between signing Agreement and stopping by FNM in 2007</li> </ul>
Assets given to Bahamians from day one?	No	<p>Yes</p> <ul style="list-style-type: none"> <li>-4 All plans</li> <li>-5 All studies</li> <li>-6 Intellectual property in all work done</li> </ul>
Value at full build out stipulated?	No	Yes. \$1.7 Billion
Money contributed by Government	No	No

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<p>Assets contributed by Government</p>	<p>Yes. 50,000 acres of land given by way of long lease to Wallace Groves.</p> <p>No obligation by Wallace Groves to spend money before he got the land.</p>	<p>Yes. 9,999 in 2 tranches.</p> <p>First tranche is 5,825 acres. With \$14 Million to be contributed by the I-Group for the initial project (2 years)</p>
<p>Commitments of Government</p>	<p>GBPA established.</p> <p>Port in charge of licencing, Customs, Immigration, Utilities, Police etc.</p>	<p>Expedite approvals once applications submitted by Developer.</p>

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<p>Tax exemptions</p>	<p>Yes</p> <p>More than 50 years</p> <p>-7 No business licence</p> <p>-8 No property tax</p> <p>-9 No customs duty</p>	<p>For 20 years</p> <p>-10Duty free importation of Manufacturing Supplies</p> <p>-11Materials for development</p> <p>-12From Real Property Tax</p> <p>-13No taxes on income</p> <p>-14No taxes on dividends</p> <p>-15No business licence fees</p> <p>-16No stamp tax</p> <p>There is an option to apply for an extension after year 18</p>
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<p>Commitments of Purchaser/Developer</p>	<p>Dredging of the Harbour and Canals.  Attracting businesses of industrial nature.</p>	<p>In Initial Project:</p> <ul style="list-style-type: none"> <li>-17 AIRPORT PROJECT (international standards as measured by Homeland Security)</li> <li>-18 Not less than \$4 Million to be spent on Airport Project</li> <li>-19 NORTH BEACH DEVELOPMENT. A 19 unit boutique resort.</li> <li>-20 Layout of a 100 single family residential development</li> <li>-21 Etc.</li> <li>-22 Not less than \$3.6 Million to be spent on North Beach Development</li> <li>-23 MAYAGUANA HARBOUR DEVELOPMENT</li> <li>-24 10 slips for yachts up to 100'</li> <li>-25 Dredge channel to reestablish tidal connection between ocean and western side of Pirate's Well Creek</li> <li>-26 Villa</li> </ul>
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Land Use Plan	No	Yes
		-51 PERMANENT wet lands [not to be disturbed]
		-52 Seasonal marsh lands [not to be disturbed]
		-53 Conservation areas [not to be disturbed]
		-54 Nature preserves [to be properly managed]
		-55 Agricultural lands
		-56 Agriculture
		-57 Aquaculture
		-58 Ranch lands
		-59 Undeveloped lands
		-60 Public beaches
		-61 Areas for development by MID (including golf courses)
		-62 Areas that could be developed by other interested parties
		-63 Commercial activity areas
		-64 Information technology and communications
		-65 Light industrial



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<p>Was all of land transferred immediately</p>	<p>Yes</p>	<p>No</p> <p>Government got expert advice from a Canadian firm on transfer and claw backs.</p> <p>Intricate formulas are in the agreement for transfer and claw backs.</p> <ul style="list-style-type: none"> <li>-1 Two tranches</li> <li>-2 5,825 first tranche to be transferred in 2 tranches</li> <li>-3 Substantial completion of the airport 2,087 acres transferred</li> <li>-4 Upon substantial completion of Initial Project 2,087 acres transferred</li> <li>-5 upon certain conditions being met by the I-Group and SUBJECT TO reconveyance if certain conditions not met (para. 23)</li> <li>-6 Second tranche</li> </ul>
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	No	Yes
		<ul style="list-style-type: none"><li data-bbox="1045 701 1373 779">-7 Mayaguana Community Fund</li><li data-bbox="1045 821 1451 898">-8 \$1,250,000 by end of 5<sup>th</sup> year</li><li data-bbox="1045 940 1451 1018">-9 2 ½% of MID revenues each year</li><li data-bbox="1045 1060 1451 1220">-10 10% of the gross sales price of each residential lot to the Fund</li><li data-bbox="1045 1262 1451 1381">-11 5% of the gross sales price of each commercial lot</li></ul>

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<p>Obligation to provide for Customs etc.</p>	<p>Initially No. Originally, GBPA had its own Customs, Immigration etc. Bahamians had to leave Freeport at sundown</p> <p>After the “bend or break speech” amendments made to the Hawksbill Creek Agreement to take back Customs, Immigration etc.</p>	<p>Yes.</p>
<p>Environmental Impact Assessment Conducted</p>	<p>No</p>	<p>Yes</p>
<p>Economic Impact Assessment Conducted</p>	<p>No</p>	<p>Yes</p>

**THESE TYPES OF AGREEMENT ARE VERY IMPORTANT TO QUALITATIVE NATIONAL DEVELOPMENT.**

**I SUPPORT BOTH.**

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**We need a VISION** which encompasses and empowers the small and medium sized **BAHAMIAN BUSINESS and** a Government that will do everything to help them succeed.

We support the incentives given under the Hotels Encouragement Act. We support the marketing concessions still being given to Atlantis and Baha Mar and Our Lucaya and other. Tens of Millions of dollars. We note that the government is not making any attempt to STOP REVIEW AND CANCEL the Hotels Encouragement Act. We support that restraint.

The purpose of giving Hotels Encouragement Act concessions or any concession is to benefit Bahamians.

The concession given in the tourism sector (the main engine of our economy) resulted in Bahamian entrepreneurship.

44 Bahamian companies manufacturing mattresses

45 Bahamian companies manufacturing bedspreads

46 Bahamian companies manufacturing curtains

47 Bahamian companies manufacturing soap

48 Bahamian companies manufacturing souvenirs

The list goes on.

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These and other entrepreneurs were flourishing. A market of 360,000 is not a sufficient market to maintain that type of economic success. A market of 4 million people is a sufficient market to maintain that type of economic success.

We would not expect those Bahamian entrepreneurs to be destroyed in their own country. By the government. Destroyed while the big boys continue to receive Hotels Encouragement Act concessions. Concessions that will be paid for by the same small people that the Government is destroying.

The Industries Encouragement Act is an important economic stimulus tool. Many Bahamian businesses were successfully established because of that Act. Many people were employed in those Bahamian businesses. Depriving Bahamian businesses from duty free concessions under the Industries Encouragement Act makes no sense. It is causing and will cause further untold economic hardship. It is as nonsensical as the FNM's withdrawal of the concessions for first home ownership.

When these Bahamian entrepreneurs plan, the concessions to be given by the Government are included in the budgets that they give to their Banks and other financing parties. When the big boys plan, the Hotels Encouragement Act and Marketing concessions to be given by the Government are included in the budgets that they give to their Banks and other financing parties.

In one fell swoop, the small and mid sized Bahamian entrepreneurs were cut off at the knees.

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How are they being impacted-

- businesses are closing
- people employed by these businesses are being laid off
- families are losing assets that they used as collateral to secure financing for their businesses
- people are losing their homes
- people who worked hard to have a business in which their children and grandchildren can work have had their hopes and dreams shattered.

How can a prudent government, especially in these economic times justify giving the big boys tens of millions of dollars in Hotel Encouragement Act and marketing concessions while taking away of the Industries Encouragement Act concessions away from the small man and the small and mid sized business? The Industries Encouragement Act concessions I am told do not amount to even 50% of the tens of millions of dollars that continue to be given in Hotels Encouragement Act and marketing concessions.

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These are some of the ways that real people are being adversely impacted by mean spiritedness, arrogance and callousness.

There is simply tremendous arrogance on the other side.

Special interests flourish, not the ordinary Bahamian.

**We need a VISION** that clearly signals at all times that our Government is stable and that a deal with the Government will always be fully honoured. You will not wake up tomorrow and find that the Government has taken away all of your concessions. This is significant. When investors search for a jurisdiction in which to invest, they look for STABILITY. These actions taken against small and mid sized entrepreneurs in this budget have shattered the investment climate. Investor confidence has been shaken.

This is the message:

- 1 your budgets mean nothing
- 2 your planning means nothing
- 3 government commitments mean nothing.

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The reality is that the Government of The Bahamas can wake up one day and take away ALL concessions that they gave to encourage you to open a business and put your home on the line as collateral.

**We need a VISION** that DEMONSTRATES to small and Mid sized Bahamian businesses that they are the Bahamian economic gold medalists. They do not feel special right now. Travel along Market St. and Blue Hill Rd. and see the number of Bahamian businesses with dust in the windows and closed. Closed because of the Argentinean road project. Did you hear the Cabinet Ministers? Speak to those business people who felt the arrogance of the Cabinet Ministers. We saw their arrogance. Many were shocked to hear them. Too bad for you and your children. So what if you lose your house. These businesses are being destroyed – FOREVER. And most people are being wiped out financially. At the hands of the Government! These are real lives. These are real people. Real people hurting while their arrogant Government is grinning and laughing in the House of Assembly and in this place. This is NOT funny.

Most Bahamians, even the business people, agree that the Government must be able to plan roads. The questions are (1) right TIMING and (2) why invest in Argentineans rather than Bahamians. In these economic times, who would expect Government to be taking actions that will result in the closure of businesses and the laying off of employees? One would expect Government to be bending over backwards to encourage small and mid sized businesses to GROW and to sustain and grow employment.

Small and mid sized Bahamian businesses should be getting more concessions not less. Every effort should be made to ensure that they are “too big and too important to fail”.

We all know that Stanley Bethell, Bill Simmons, Emile Knowles and the Symonette family, all owners of Bahamian businesses can build roads. We



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drive on the good roads that they built every day. No pot holes. No water settling. No dips, they're properly graded. AND because they're Bahamian, we wouldn't have the whole Island dug up at one time; the businesses on Market St. would have had time to plan their future and our good borrowed money would have maximum multiplier effect right here in The Bahamas. That is true stimulus. Stimulating and growing Bahamian businesses, not Argentinean businesses.

Compare this with the US, where President Obama's stimulus package on roads invested in US manufacturers of heavy equipment; US manufacturers of asphalt and tar; US engineers and other technical experts; and US labour.

And if we really want to see how special interests get the lion share, we need only look at the Straw Market. I want to update the information that I gave during the Cruise Ship Incentives Act debate and the Mid Term Budget debate earlier this year.

The FNM is providing 430 stalls. 630 stalls are needed. New information coming is that 40 of these vendor stalls are for other craft. These other crafts are not straw related and are featured in the **main** central area of the FNM's design.

The wood carvers are actually thrown outside on the west (back) porch where they will get no-market exposure. This area was the service area in the Mackey and Solomon approved design.

To make matters worse the allowable vendor area is 12 square feet. (3' x 4') Our advisors have seen the architectural drawings. We have now been informed by

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drawing that the sitting area for the vendor is to be accommodated ***in the allocated 12 square feet of the stall.*** Thus the actual stall area is really for craft presentation is 8 square feet. (2'X4'). Needless to say, complaints by the vendors are rising as information is made available.

The **\$12M Cost Projection** does not include the cost of the BEC upgrade which is estimated at \$1.2 Million and other Services costs (Water & Sewerage, Batelco etc.) which are estimated in the area of half a million (\$500,000). The real price so far is estimated to be \$15 Million. The FNM's Market has no financial returns other than vendor payments which cannot sustain even the annual maintenance costs. The Mackey and Solomon awarded design had a projection of \$1.7 Million income to sustain annual maintenance costs. If payment from the Vendors of 60% was received, the net return could have been in the area of \$2.4 Million after maintenance costs were taken out. All of this would have been reinvested in a building and enterprise owned by the Vendors. And, the Market would have been paid for in 10 years under the Mackey and Solomon plan.

**UPDATED STRAW MARKET COMPARISON**

	SOLOMON AND	F.N.M. (2010)	
COST	\$23 MILLION	\$11.29 MILLION	
SIZE	180,000 SQ.FT.	37,000 SQ.FT	143,000 SQ. FT. LESS. ALMOST 5 TIMES SMALLER

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<p>CONSTRUCTION COST AS TENDERED</p>	<p>\$130 PER SQ. FT</p>	<p>\$305 PER SQ. FT.</p>	<p>CAVALIER'S BID ON THE PLP'S MARKET WAS THE LARGEST @ \$ 37M @ \$ 205.00 / SQ FT.</p> <p>CAVALIERS BID ON THE FNM'S MARKET IS \$ 100.00 MORE @ 305 FOR MARKET THAT IS 5 TIMES SMALLER @ 37,000 SQ FT.</p> <p>THE PLP'S MARKET HAD MORE AMENITIES</p>
<p>STRAW VENDORS ACCOMODATED</p>	<p>600</p>	<p><b>440</b> <b>CONFIRMED</b></p>	<p>190 LESS VENDORS</p>
<p>RESTAURANT CAPACITY</p>	<p>200</p>	<p>NO RESTAURANT</p>	<p>NO TOURIST ATTRACTION. NO REVENUE</p>

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LIVE BAHAMIAN CULTURAL REVUE	200	NO REVUE	NO TOURIST ATTRACTION. NO REVENUE
OBSERVATION TOWER	YES	NO	NO TOURIST ATTRACTION. NO REVENUE
CHAPEL	YES	NO	
POLICE STATION	YES	NO	LESS SAFETY
SEPARATE VENDOR AND CUSTOMER RESTROOMS	YES	NO AND NUMBER OF RESTROOMS DECREASED	LESS COMFORT FOR VENDORS AND CUSTOMERS
STORAGE AREA FOR VENDORS	YES	NO	LESS COMFORT FOR VENDORS
EATING AREA FOR VENDORS	YES	NO	LESS COMFORT FOR VENDORS

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<p>STALL SIZES</p>	<p>LARGE/ <b>VARYING FROM 6' X 6' (THE SMALLEST SIZE)</b></p>	<p>SMALL/ <b>12 SQUARE FEET WHICH IS 3' X 4' APPARENTLY THE SIZE OF ALL STALLS</b></p>	<p>LESS COMFORT</p> <p>FOR VENDORS/ <b>12 SQUARE FEET IS TOO SMALL FOR A STALL. VENDORS CANNOT PLACE THEIR GOODS IN A STALL THIS SIZE. THEY CAN HARDLY SIT IS A STALL THIS SIZE. THIS IS A RECIPE FOR:</b></p> <p><b>-312 FAILURE</b></p> <p><b>-313 FIRE HAZARD</b></p> <p><b>-314 GOODS SPILLING OUT INTO THE</b></p>
<p><b>WOOD CRAFTSMEN</b></p>	<p><b>INTERSPERSED THROUGHOUT MARKET</b></p>	<p><b>OFF TO THE SIDE IN ONE AREA. NO</b></p>	<p><b>SHUNTED OFF INTO A CORNER.</b></p>

**We need a VISION** that encompasses the small entrepreneur in the Family

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Islands.

The Minister of Tourism has spoken many times about Bahamas based cruises. Are we maximizing opportunities for Bahamians from these cruises? Cruise ships are incentivized to come to The Bahamas. Government pays cruise ships to come to The Bahamas. \$7.50 per passenger, must be paid by the Bahamian taxpayer to the cruise lines, **whether or not the passenger leaves the ship!** In this world wide recession, Government has paid over \$100 Million to a non Bahamian firm to dredge the harbour. Bahamian taxpayers pay the cruise ships to come to The Bahamas and Bahamian tax payers will have to repay the loan. But let's look at what really happens when the cruise ships come to The Bahamas.

Taxi cab drivers tell me that passengers who are going on a tour walk right past the taxis and go straight to the big boy's buses waiting for them at the dock. Merchants on Bay Street tell me that some days they make not one sale. Not one sale. People who live near the Cays "owned" by the cruise ships say that they have no access to those passengers. The small people who pay the bills have no access to the passengers.

At those Islands this is what happens:

- 1 The cruise ships have a captive audience for the water sports businesses owned by the cruise ships;
- 2 the food and beverage businesses are owned by the cruise ships
- 3 the few Bahamians who are given access to the Islands must pay the cruise ships rent to sell souvenirs.

You and I know that Bahamians can and so successfully run water sports businesses. Bahamians can and do successfully run food and beverage businesses.

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Let's figure out how much Bahamians really lose.

Let's assume that one ship has on it 4,000 people and 2,000 visit the Cay. If 2,000 people spent \$20 on the Cay, that would amount to \$40,000 spent at the Cay on that visit by one ship. Now 3 ships visit 3 Islands every week. That translates to \$360,000 per week. And let's assume that one third is spent on souvenirs. This means that \$240,000 per week goes directly into the pockets of the big boys, the cruise lines, at the expense of the Bahamian taxpayer. It also means that some part of the remaining one third (\$120,000) goes into the pocket of the cruise lines to pay rent for the stalls at which the souvenirs are sold.

It's time for Bahamians to run these businesses. I've spoken about this many times before and I shall not stop fighting for our people to have opportunity in The Bahamas.

Please read Mr. Pierre Dupuch's letter in the Tribune on 21<sup>st</sup> June, 2010 about cruise lines.

Successful small and mid sized Bahamian businesses are our business gold medalists. Government should invest in them, not run them out of business.

**We need a VISION** that does not throw the single mother head of household to the wolves. As if that destruction of the middle class entrepreneur and the employed ordinary woman who needs her job feed her family, were not enough, the Government laid off/fired/dismissed 250 people. And, the Government is about to dismiss/lay

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off/fire employees at ZNS.

250 people set out of a job at the hand of the government.

This does not include the 1300 that I spoke about in the last budget. I am shocked to hear members on the other side say that no public servants have lost their jobs. Tell that to the Customs Officer; the Immigration Officer; the Police Force members out of a job in 48 hours and other. Environmental Service and others. Weren't they public servants? All out of a job.

5,000 students are graduating. 15,000 have graduated since 2007. There is no summer employment programme this year. Their hopes for a few dollars dashed to the ground.

Bahamians continue to be laid off /fired/dismissed by Government.

Government sees you out of a job then increases taxes; increases national insurance; increases cost of electricity; causes the price of gas to increase; causes you to have to



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send your children to public school (where they have to jockey between learning, avoiding teacher sexual harassment, avoiding lesbian gangs, avoid getting stabbed); cost of banking up; cost of buying land up; can't take a holiday (departure tax up and room taxes up); cost of licencing and inspecting your car up; cost of new or used car up; cost of getting a driver's licence up; crime rampant and out of control etc.

What is so egregious is that the small man suffers while Fat Cat Cabinet Ministers sit on the small man's back.

	19 CABINET MINISTERS	SMALL MAN AND MIDDLE CLASS	SAVINGS EFFECT TO THE BUDGET OF CUTTING CABINET DOWN TO 9 PER THE CONSTITUTION
Salary	Cut by 5%	No salary as lost job OR about to be laid off	Save 10 salaries  Almost \$700,000

AMG BUDGET CONTRIBUTION 2010-2011

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<p>Car</p>	<p>2 government cars</p> <p>-2 Blue plate buy own gas</p> <p>-3 Red plate gas paid for by the taxpayer</p> <p>-4 Car insurance paid by the taxpayer</p> <p>-5 Licencing and inspection fees paid for by taxpayer</p>	<p>-6 Duty on cars increased</p> <p>-7 Gas prices up</p> <p>-8 Insurance prices up</p> <p>-9 Licencing and inspection fees up</p>	<p>-10 Save 20 cars</p> <p>-11 Save gas for 10 cars</p> <p>-12 Save insurance, licencing and inspection fees</p>
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<p>Medical Insurance</p>	<p>Paid for by the taxpayer</p>	<p>-13 Premiums up for private persons</p> <p>-14 Lost for other private persons</p> <p>-15 About to be lost for many public sector employees</p>	<p>-16 Save cost medical insurance for 10 people</p>
<p>Life Insurance</p>	<p>Paid for by the taxpayer</p>	<p>-17 Premiums up for private persons</p> <p>-18 Lost for other private persons</p> <p>-19 About to be lost for many public sector employees</p>	<p>-20 Save cost of life insurance for 10 people</p>

AMG BUDGET CONTRIBUTION 2010-2011

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Pension	Paid for by the taxpayer	-21 Cost up for private persons  -22 Lost for other private persons  -23 About to be lost for many public sector employees	-24 Save cost of pension for 10 people
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<p>Travel</p>	<p>-25 Free trips throughout The Bahamas</p> <p>-26 Free accommodation throughout The Bahamas</p>	<p>-27Departure tax etc up, too expensive to travel</p> <p>-28Hotel room tax up, cost of rooms too high</p>	<p>-29Save cost of at least 20 people (10 plus their support staff) travelling free throughout The Bahamas</p> <p>-30Save cost of at least 20 people (10 plus their support staff) living and eating and per diem</p>
<p>Chauffeur</p>	<p>-31 Paid for by the taxpayer</p>	<p>-32None</p>	<p>-33 10 people redeployed to other areas and police chauffeurs back to fighting crime</p>

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Bodyguard	-34 Paid for by the taxpayer	-35 None -36 Can't afford to engage one even though crime on the increase	-37 Redeployed to crime fighting
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**We need a VISION** that does not choke childrens' charities and other charities that make it possible for disabled people to fully participate in society.

**SHOW HERE THE RANFURLY HOME STORY AND ADVERTISEMENT**

**We need a VISION** that does treasures and promotes the importance of every child developing to the maximum amount possible his or her God given talents.

Economists say that comparing "subsidies" to government schools with "subventions" to private schools is like

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comparing apples and oranges. Government builds, equips and maintains government schools and pays all of the expenses associated with operating a government school. A subvention paid to a private school is a small support to that school in recognition of the tremendous value that its operations bring to our country.

While on the subject of education, it is shocking that the government is afraid to account for how the second largest sum in the budget is spent. Why shouldn't Bahamian taxpayers see the result of their investment in education? In the UK, every year, League Tables are produced so that citizens/consumers can see the ranking of every Primary School; schools by GCSE results; schools by A Level results and University ranking by subject areas.

**SHOW HERE WHAT HAPPENS IN THE UK.**

**We need a VISION** that causes Government to tirelessly

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work to ensure that Bahamians, especially young

Bahamians are prepared for the new jobs that will come on stream the result of legislation and promotion.

Where is the allocation in this budget to BTVI to ensure that Bahamians are trained to occupy the jobs now available in Freeport; the jobs that will become available at Atlantis Phase IV and at Baha Mar?

In the 20<sup>th</sup> century we ought not still to be importing any construction worker because Bahamians are not qualified.

The only way that a non-Bahamian should be able to get a job in construction is that all Bahamians already have a job who want to work rather than because we simply don't have enough bodies to fill the positions.

Now just to add icing to the special interest cake, the government now admits that it did not advertise at least one public service position (I understand that there are more and at least one more) at the benefits actually to be paid to the non-Bahamian holder of the post.

The non Bahamian holder of the post will be paid:-



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Salary	\$75,000 (as in the budget)
Scarcity Allowance	\$30,000
Rent allowance	\$25,000
Car and Gas	
Full health coverage	

The Government recently announced that it hired a non Bahamian engineer as Director of Public Works.

People will ask whether these are retrograde steps.

Can we be surprised when Bahamians express alarm because the post was not advertised to Bahamians at the same benefits at which it was given to the non Bahamian? How can we expect young Bahamians to come home after university when they see Bahamian professionals being treated with such disrespect?

Bahamians do not object to non Bahamians holding a post so long as the post was advertised for Bahamians at the SAME terms and conditions as for the non Bahamian and that a TRANSPARENT process shows that no Bahamian is available to fill the position.

This administration needs to work overtime to restore trust. It IS a matter of

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trust. Citizens should be able to trust their Government.

- 1 Can we trust a government that does not maintain fidelity when advertising government posts?
- 2 Can we trust a government that undermines the system by paying junior officers more than senior officers?
- 3 Can we trust a government who, when faced with glowing IMF and S&P reports about the economy, tries to rewrite history by saying that the previous administration did nothing in 5 years?
- 4 Can we trust a government that refuses to answer questions put to it by the Opposition on behalf of the Bahamian people?
- 5 Can we trust a government who in the midst of one of the worst recessions in over 100 years lays off people/causes people not to have a job while increasing taxes and the cost of living?
- 6 Can we trust a government that tries to rewrite history? I attach a schedule to this speech which reveals the untruths told by the FNM about the PLP's development strategies. The schedule shows that developments were in the ground on every major Island.

I will speak to law and order and financial services in other debates later this week.

People have asked me whether they can trust this government when it comes to its commitment to restore law and order.

All that I would like to say for now is the following:

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- 1 This is administration that tampered with the Commissioner of Police's constitutional role
- 2 This is the administration that in the middle of rampant increase in crime ordered officers who had served for more than 30 years, with unblemished records, on the Royal Bahamas Police Force
- 3 This is the administration that had 4 Attorney Generals in 3 years!
- 4 This is the administration that has a junior officer appearing before Senior Justices knowing that the Junior Officer is making more in salary and benefits than the Senior Justices. This is not how the system is designed to work. According to the system, that junior officer is senior to the Senior Justices because that junior officer makes more money than the Senior Justices.
- 5 This is the administration that has failed to review in accordance with the law the salaries of judges.
- 6 This is the administration whose Attorney Generals refuse to answer questions put to them on behalf of the Bahamian people.
- 7 This is the administration that has not told the truth about the backlog of cases.
- 8 Although requested in this place to do so, this Attorney General has refused to:
  - o abide by the principles of accountability and transparency by laying on the table of this Senate all contracts to rent spaces to house judicial facilities?

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- o lay on the table of this Senate and post on the internet, when signed, the Agreement for Sale for Ansbacher House.
- o advise this Senate who owns Ansbacher House?
- o lay on the table and post on the internet all of the existing rental contracts for the Department of the Registrar General facilities?
- o advise this Senate of the progress of the former City Market Building which the government said would be built quickly to accommodate the entire Registrar General's Department?
- o let Bahamians see how their money is being spent and with whom. Let Bahamians analyze for themselves whether in these perilous economic times government is spending their money wisely.

What could the Government do differently? How could the Government remove the hatchet from the taxpayer's neck?

In the true custom and spirit of the Westminster System, we offer some suggestions.

1. Reinstate the Mayaguana Project. This will immediately create hundreds of jobs. It will transform the Southern Bahamas. It will create a significant portion of the 10,000 plus permanent jobs that we need and it will diversify the economy.
2. Get Atlantis Phase IV and Baha Mar approved and started.
3. Incentivize small and mid sized businesses. Give them more concessions, not less. Prepare them to benefit from Atlantis Phase IV and Baha Mar and all other foreign direct investments. E.g. decrease in business licence

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if they hire stipulated numbers of people. This will also shift the burden of employment from government to the private sector. Make it easier for them to do business in The Bahamas.

4. Help all households, especially single parent households to have at least one employed person in every house.
5. Properly fund and equip BTVI so that it can launch intense training programs for jobs to come stream and existing jobs where people are still saying that they can't find qualified Bahamians.
6. Straw market. Do everything possible to reinstate the Solomon and Mackey features that made this a DESTINATION on Bay St. Even give consideration to the alteration of the structure. The Nassau St. Magistrates Court was altered to bring greater efficacy to its operations.
7. Cut the Cabinet down to the Constitutional minimum of 9. Pay the money saved to the Ranfurly Homes or other Charities rather than cut their much needed funding. OR give the money saved to private schools as their subventions.
8. In advancing Bahamian enterprise, government should engage banks and encourage them to invest in the future. Banks should be encouraged to note the actions of the US and UK government together with their regulatory authorities in causing interest rates to decrease to stimulate the economy. The Bahamas's Bank Rate has remained the same at 5.35% from 2007 to date. Contrast this, over the same period, with the EU where the rate has dropped from 3.5% to 1.25%; the US where the rate has dropped from 6.25% to 0.5%; and the UK where the rate has

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dropped from 5.25% to 0.5%.

9. Tax remittances of foreign currency.

10. Cruise ships must be encouraged by Government to

contract with Bahamian entrepreneurs to provide water sports and food and beverages at the cruise ship owned Cays.

11. Postpone the \$16 Million contribution to the Container Port and the \$15 Million acquisition of land. Use that money for essential services for the small man e.g. jobs; health care; treatment for cancer which is almost at epidemic proportions in The Bahamas; health insurance; a hospital in Grand Bahama; education especially BTVI; Urban Renewal Community efforts like Marching Bands; etc.

We on this side do not agree support this Government's strategies. We know from experience that investment in the economy will bring sufficient inflows to enable Government to prudently manage the economy and grow small and mid sized businesses and to support employment of all who wish to work. We have the unemployment at an "irreducible minimum".

We do not support this Budget.

## **SCHEDULE**

23<sup>RD</sup> JUNE 2010

**EXCERPTS FROM AMG'S SPEECH TO PLP CONVENTION 2005 – THE REFERENCES TO PHOTOS WERE PHOTOS ON THE SCREEN IN THE CONVENTION HALL.**

“Tonight I am here to tell you that your government’s plan of transforming The Bahamas one Island at a time is working...as we speak... for YOU.

The A rating of international rating agencies speaks to the strength of our economy. The IMF in its 2005 Article IV Consultation Staff Report says that real growth increased to 3% and unemployment declined in 2004. The IMF attributes the strength of the economy to the many large tourism related projects and predicts future growth in the economy.

Investors speak to the strength of our economy with their dollars. Not just rhetoric but real dollars.

We are building on a solid foundation. Carefully and meticulously laid. Everyone knows that proper planning must take place before the foundation is laid. Everyone knows that in most cases you don’t see the foundation when it is being built. The foundation is underground, and sometimes you can’t even see it after it is built. I assure all Bahamian’s within the sound of my voice that your PLP Government has laid a strong foundation and we are building on this strong foundation.

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Tonight I only going to talk about projects already UNDERWAY. ONLY about projects already started ... UNDERWAY.

The projected value of projects underway is \$4.6 Billion.

The total capital invested in projects already started is \$1.3 Billion.

The total paid to Bahamian contractors in projects already started is almost \$418 Million.

The total new jobs in projects already started is 6000.

By any measuring stick the commitment to put \$4.6 Billion in the ground is a strong vote of confidence.

By any measuring stick to have already put \$1.3 Billion IN THE GROUND in 3



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½ short years is a strong vote of confidence.

When they saw that you would not be fooled by their lies and distortions, they tried to convince you that the Christie administration is doing nothing for Bahamians.

In 3 ½ short years ...after we took time to clear up the mess they left behind...remember we had to borrow money to pay for the massive hidden debts that they left behind,

- 1 \$418 Million in contracts awarded to Bahamian contractors. LIST OF ENTREPRENEURS IN HAND.
- 2 3000 NEW jobs created by developers
- 3 3000 NEW jobs created by Bahamian contractors

Now ALL Bahamians want a job. I am here to tell you that the trees are being cut down. The wood is being made. Bahamians are working. Your turn will come AND SOON.

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Dear delegates, let me assure you that this unprecedented confidence in our economy is due to the visionary leadership of our Rt. Hon. Prime Minister. He is not about bragging about the unprecedented interest in our economy. He IS about ensuring that these investments improve the quality of lives of Bahamians.

Check out The Abaco Club at Winding Bay. Speak to Joe who told me when I was last there about how Peter de Savary gave him a chance to start up his own business. Talk to the many other Bahamian entrepreneurs who have been awarded almost \$16 Million dollars worth of contracts. Speak to the Bahamians who have been given one of those over 300 NEW jobs.

And dear delegates, when you look at the Abaco Club project on the screen, know that those buildings that you see on the screen were built by Bahamian contractors.

Now they tell me that at Guana Cay, over \$1 million has already been spent with Bahamian entrepreneurs and that over 100 new jobs have already been created. Look at Baker's Bay on the screen...Bahamian men working...NEW

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jobs.

I felt so happy when Brother Forbes and Sister McKenzie told me about their family members working at Chub Cay. Almost \$25 million in contracts have been awarded to Bahamians. Over 400 NEW jobs were created at Chub Cay and that is only part of the almost \$25 million in contracts awarded to Bahamians and of the over 400 NEW jobs in Andros. In the meantime, look at those new buildings on Chub Cay... all of those buildings were built by Bahamians.

Obie Wilchcombe, when I went to Bimini and visited under the tree with the Dominoes players, they admitted that anyone in Bimini who wants to work can get a job. In fact dear delegates, almost \$19.4 million in contracts has been awarded to Bahamian entrepreneurs and over 200 NEW jobs have been created.

Dear delegates, you will have read in Our Plan the Prime Minister's vision that a Free Port should be created in the Southern Bahamas...economically, a once thriving area of The Bahamas. That vision is in its embryonic phase.

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Alfred Gray, when I was in Mayaguana over 18 months ago, Reverends Black and Brooks told me how enthusiastic they were about the I Group project. They and others were concerned though about the amount of land involved, room for community growth and access to beaches. An agreement in principle has been signed with the Developer and the various contracts are being negotiated. The agreement in principle initiates another of the Prime Minister's visions for the way forward i.e. joint ventures between government and specified developers. Unlike the Grand Bahama Port Authority that is privately owned, the Mayaguana Development Company will be 50% owned by the I-Group and 50% owned by the government/people of The Bahamas. The Developer understands that all Bahamians will be encouraged to move to and set up business in Mayaguana, special effort will be made to attract Mayaguanans and those of Mayaguanan descent to Mayaguana to live, work and open businesses there.

And Alfred, last week when we were in Mayaguana I saw significant steps forward in Development. The Development Company has created 15 new jobs, set up its plant and equipment and spent \$7 million dollars. The young men on the site are so enthusiastic about this project and its prospects that they call their machines by name. One was driving a D8 that he called Patti LaBelle ...because though she is getting on in age she still looks good and that smooth, well kept engine can sing. And you all should see Junaid, Faisal and Ramadan with the rest of the team. This is real family in action.

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In the photos of Mayaguana, you will see the men at work for the Development Company. The rock crushing plant, the foundations etc. are all being run by Bahamians.

Mr. Speaker, much of the blood in my veins comes from Eleuthera. Eleuthera has for too long been in the wilderness. The Prime Minister promised that as quickly as possible, we'd ensure that persons would no longer have to leave Eleuthera to get jobs, medication etc. To my family and friends in and from Eleuthera, I am here to tell you that Projects worth \$465 Million have ALREADY started in Eleuthera. To date \$66 Million dollars has been spent and of that \$22 Million has been spent with Bahamian contractors. These have created over 700 NEW jobs in Eleuthera.

Tonight I want to focus on the fulfillment of one of the Prime Minister's dreams, the significant ownership of the Bahamian tourism product by Bahamians. Mr. Franklyn Wilson and his group own the majority in Eleuthera Properties Ltd. and dear delegates you will see on the screen Bahamians are building as we speak.

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On the Power Point you will also see the Pineapple Fields resort...Bahamians built and are building that too...

Anthony Moss in Exuma \$130 Million in contracts have been given to Bahamian entrepreneurs and that almost 1000 new jobs have been created.

I want you to especially look at the Grand Isle Power Point slides. The project was about 90% Bahamian including the finishes. \$27 Million in new contracts was awarded to Bahamians and about 250 new jobs created.

Our Prime Minister is so concerned about Bahamians benefiting from our efforts that he commissioned me to negotiate with the Bahama Sound developer to mount a special program for Bahamians to buy those affordable lots. The program has been agreed and will soon be announced. Bahamians who buy those lots will get financing provided they qualify. These investments will provide housing for people moving to Exuma. This is another example of your caring and progressive PLP government ensuring that Bahamians enjoy the full benefits of our policies.

While we are in Exuma, let me tell you that again at the initiative of our Prime Minister, joint ventures (Bahamian/Bahamian and Bahamian/non-Bahamian)

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were formed IMMEDIATELY after we took office to work at the Four Seasons project. It gave me such joy to visit the building site and see Bahamian contractors, working together, running their site.

As I told you dear delegates on Wednesday morning your Government does not intend to give business licenses to non-Bahamian companies to build houses in The Bahamas. No one can build houses better than Bahamians. Remember now, I also told you to prepare yourselves for the harvest. When it is time to harvest, if there are not enough people to bring in the harvest, then the farmer has to get more people.

As I also told you and confirmed by Minister Alfred Sears, the Prime Minister sent us to negotiate with developers to have apprenticeship programs started ON THE JOB. So Developers help with training at BTVI and on the job training. I encourage young Bahamians to take full advantage of this very unique opportunity to get paid as you get trained.

Grand Bahama I share your pain caused by the devastation you suffered after 3 hurricanes and the loss of so many jobs. As Ministers Griffin and Shane Gibson have told you, we will leave no stone unturned in our efforts to bring relief.

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I can confirm and Obie Wilchcombe, Claxon and Mable and many others can confirm that at Old Bahama Bay of the \$70 Million invested to date, \$9 Million has been spent with Bahamian contractors, creating over 200 NEW jobs.

Delegates, as you look at the slides on the screen, know that Bahamians built those buildings that you see there at Old Bahama Bay.

Now we come to New Providence/ Paradise Island, where the majority of our population lives. As the Prime Minister will speak about projects about to start, I will not speak of Baha Mar except to confirm that \$15 Million has been spent to date with Bahamian contractors.

Again dear delegates, the figures that I give are DO NOT include Baha Mar.

Of the \$385 Million invested to date, \$189 Million has been awarded to Bahamian entrepreneurs and just over 3000 NEW jobs created.

Let me focus on Paradise Island.



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Dear delegates, Phase 3 of Atlantis is larger than Phases 1 and 2 put together.

Tonight I just want to caution the FNM about playing politics with investment. However, you know that I cannot allow them to get away with lying on our hard working team. When we came to office, we DID NOT find a Heads of Agreement in place on Phase 3. The FNM knows that.

Dear delegates, the Prime Minister's policy of ensuring that Bahamians benefit from investment is paying off. As you look at the Atlantis slides you will see that of the \$264 Million invested to date, \$138 Million has been awarded to Bahamian entrepreneurs. This is the first time that more than half of the value of major contracts awarded is to Bahamian entrepreneurs. On those slides you will also see:

- 1 Phase 3 is coming out of the ground. The foundation has been laid.
- 2 About 1200 new jobs have been created
- 3 Bahamians are working on site as we speak

Also on Paradise Island, at the Ocean Club residences you will see on those slides:

- 1 Of the \$55 Million invested to date, \$32 Million has been with Bahamian

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entrepreneurs. Again more than 50%.

- 2 About 250 new jobs have been created
- 3 Bahamians are working there as we speak.

Let me give you a snap shot of projects already started across The Bahamas:

- 1 \$4.6 Billion projected investment
- 2 \$1.3 Billion has been invested to date
- 3 \$418 million has been invested with Bahamian entrepreneurs (almost 50% of \$1.3 Billion). LIST OF ENTREPRENEURS IN HAND.
- 4 Over 6000 new jobs have been created

On investment I want to make a few final points. In pursuit of our Prime Minister's mandate:

- 1 We will continue to be vigilant about Bahamian entrepreneurship
- 2 We will vigilantly monitor applications for licences to build second homes. No one builds homes better than Bahamians.

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- 3 We will continue to work with the Real Estate Association to ensure that where sales involve a real estate agent, a Bahamian MUST be involved.
- 4 We have already started meetings with Developers so that we may increase the number of Bahamian light industries benefiting from these investments. Kerzner buys ALL its beds in The Bahamas. We are moving towards the day when ALL supplies at ALL developments are bought in The Bahamas.
- 5 We are also meeting with hotel operators to determine how they can increase the amount of goods that they purchase through Bahamian retailers. If Operators can buy direct and import under the Hotels Encouragement Act, why can't Bahamian retailers do the same thing?
- 6 We have already started meetings with the Clearing Banks to find ways for them to lend money to entrepreneurs with contracts from Developers. This will enable some businesses to grow stronger and others to start a business. We think that banks should invest more of their profits in The Bahamas in Bahamian businesses.”