

**June 20<sup>th</sup> 2025**

## **GOOD NEWS NATIONALLY AND ON THE GROUND ITSELF**

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### **SVG DOING WELL**

Nearly two weeks ago, on June 6, 2025, at a town-hall meeting at High Wycombe, of Vincentians living in the United Kingdom, Prime Minister Dr. Ralph E. Gonsalves made public the summary of a Report that the Western Hemisphere Department of the International Monetary Council (IMF) had delivered to his government a few days earlier, on June 3<sup>rd</sup>, on the current conditions of the economy of SVG. The Report is a good one emphasising the enormous progress that our country has been making and cautioning about the challenges or down-sides to be aware of.

Among the headlines of the IMF Report, in its own words, are the following:

1. The External Environment to the economy of SVG is increasingly uncertain: (a) the near-term global and USA growth are weaker than at the time of the IMF's World Economic Outlook (WEO) of January 2025; and (b) the presence of higher USA inflation but lower oil and food prices than in the January WEO. [Note: The lower oil prices noted were prior to the very recent Israeli military attack on Iran which has sent global oil prices increasing again].
2. In SVG, Despite the Severe Physical Damage from Hurricane Beryl, the Economy Continues the Robust Rebound from Multiple Shocks:
  - (a) Economic Growth in SVG is supported by expansion in tourism, recovery in agriculture, strong reconstruction efforts, and very large public and private infrastructure investments;
  - (b) The recovery is stronger than the Eastern Caribbean Currency Union (ECCU) and the tourism-dependent Caribbean;

3. The Tourism Sector has continued to expand:
  - (a) Stay-over arrivals have surpassed pre-pandemic levels by 20 per cent in 2024;
  - (b) Cruise and yacht passengers bounced back close to pre-pandemic levels
  - (c) The outlook remains favourable given recent and planned increase in airlift and room capacity (expected to reach at least 50 per cent above pre-pandemic levels by 2029.)
4. Inflation is Moderating, though with Upside Risks amid Trade Tensions and elevated Global Policy Uncertainty:
  - (a) Headline inflation has eased to 1.2 per cent as of March 2025;
  - (b) External factors are the key inflation contributors;
  - (c) IMF's inflation model projects inflation to bounce back to slightly above 2 per cent in 2025 due to higher US tariffs, before returning to target by the end of 2026.
5. Formal Employment Surpassed Pre-COVID Levels, Supported by Expansions of Construction, Tourism, Official, and Information Telecoms Sectors:
  - (a) Workers close to retirement increase their work life;
  - (b) There remains a scarring effect on middle aged female workers.
6. The Financial Sector Remained Stable, Well Capitalised, and With Relatively Low Non-Performing Loans (NPLs), but albeit with Pockets of Vulnerability.
7. The Current Account Deficit (CAD) on the External Accounts is Expected to Narrow Steadily over the Medium Term.
  - (a) The CAD widened in 2024 due to higher construction-related imports but is expected to narrow steadily as these projects are completed and tourism receipts increase;
  - (b) Foreign Currency Reserves held up well amid recent compounded shocks and are expected to continue at adequate levels.
8. And the IMF data showed that Real Growth Gross Domestic Product (GDP) has been experienced after the 2019 and 2020 COVID and volcanic eruption years, in the years 2021 (2.2 per cent growth); 2023 (5.5 per cent growth); 2024 (5.2 per cent growth); and 2025 (4.5 per cent predicted). For

the five-year period (2021-2025), the real economy has grown by more than one-fifth.

### BERYL MONIES

Last year, the government paid out from its own resources \$600 monthly, from August to December, to nearly 5,000 persons (heads of households) affected by Hurricane Beryl. Monies were paid to nearly 10,000 fishers, farmer, and farm workers as income support. Farmers and fishers were also paid production support. All told over \$25 million was paid in these respects.

This year, 2025, the government has thus far (January to May) paid the \$600 monthly as support for 5,301 head of households affected by Bery; from monies borrowed from the World Bank on highly concessional terms. The constituency break-down shows absolutely no political bias in the distribution of these monies. Of this 5,301 households' heads, the most by far of the recipients came from the Southern Grenadines (1,557), followed by West Kingstown (578), South Leeward (557), Central Kingstown (333), North Leeward (286), Noth Central Windward (267), East St. George (283), Central Leeward (241), North windward (227), South Windward (224), East Kingstown (221), South Central Windward (183), West St. George (140), Northern Grenadines (129), and Marriaqua (95).

In May 2025, \$1,000 is being paid to nearly 3,000 very small farmer who did not earlier receive income support. And next week, the government is purchasing nearly \$200,000 worth of plantains from almost 2000 plantain farmers nation-wide.

Meanwhile, monies are being processed for a number of fishers who had their fishing boats either lost or damaged.

### ON-SITE PLACEMENTS

Arrangements have been concluded for another group of young persons fort the ON-SITE with a start-up date imminent, shortly. Of this 172 young persons, 10 have university degrees and are each being paid a \$2,200 monthly stipend; there are 95 college graduates being paid a \$1,500 monthly stipend; 54 are secondary

school graduates being paid monthly, \$1,000 each; and primary school graduates are being paid \$800, each monthly. Again, the distribution of the ON-SITE selectees shows no political bias. Topping the list is East St. George (21); Central Kingstown (18); South Leeward (17); West St. George (14); West Kingstown (13); Central Leeward, Marriagua, and South Central Windward (12 each); East Kingstown, North Leeward, and North Windward (10 each); South Windward (9); Northern Grenadines (4), and Southern Grenadines (1). The selections were done on the basis of the proportion of applicants from each constituency and relevant qualification criteria.

Meanwhile, 226 households (nearly 1,000 persons) are in temporary accommodation on St. Vincent paid for by the government. Most of these households are from the Southern Grenadines. The government pays for the rent, electricity and water. Between July 1, 2024 and November 19, 2024, the government paid over \$615,000 for rent and utilities. Between November 19, 2024 and April 2025, the government paid over \$4.5 million for rent and utilities. As the houses of these persons are repaired or rebuilt, they are being asked to return to their homes; some do not want to return, but most do.

Further, between July 1, 2024 and November 19, 2025, the government paid over \$2 million for the ferry service to and from the Southern Grenadines.

Moreover, millions have been paid for food allocations and to operate the two kitchens in Union Island which provide free food daily to workers, shut-ins, person in shelters, and other needy persons.

## HOUSING

Over 4,000 of the nearly 6,000 houses to be repaired and rebuilt, have been repaired and rebuilt throughout SVG. So far, on housing, the government has spent over EC \$80 million and the Ian Wace Gumbolimbo Group less than EC\$20 million. Much more is to be spent by the government in the complete rebuilding of nearly 2,000 houses.

## SUMMARY

All this information shows that the ULP government has done and is doing a magnificent job in the relief, recovery and reconstruction after Beryl. The ULP

government has proven to be the best in the world in assisting affected persons after a hurricane or other natural disasters, And the ULP government makes it look so easy. The opposition NDP complains or criticizes, without any merit whatsoever, on this or that issue in the overall exercise of rebuilding. But they are out of their depth, blowing in the wind fruitlessly, and looking silly; they are getting more and more desperate and confused as elections draw near.

Dated the 20<sup>th</sup> day of June, 2025.