

DECEMBER 16TH, 2025



GOVERNMENT OF
ST. CHRISTOPHER
(ST. KITTS) AND NEVIS

2026 BUDGET ADDRESS

INVESTING IN PEOPLE AND PROGRESS

PRESENTED BY:
**THE HONOURABLE
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PRIME MINISTER AND MINISTER OF FINANCE



2026

ST. CHRISTOPHER AND NEVIS

2026

BUDGET ADDRESS

Table of Contents

INTRODUCTION	3
INTERNATIONAL AND REGIONAL ECONOMIC DEVELOPMENTS	6
DOMESTIC ECONOMIC DEVELOPMENTS	7
<i>Output</i>	7
<i>Inflation</i>	8
<i>Fiscal Landscape</i>	9
SECTION I: FROM DIALOGUE TO DELIVERY – ADVANCING CITIZEN-CENTRED DEVELOPMENT	10
AGRICULTURE	11
CONSTRUCTION	13
HOUSING AND HUMAN SETTLEMENTS	14
TOURISM	16
CITIZENSHIP BY INVESTMENT	18
SOCIAL DEVELOPMENT AND POVERTY REDUCTION	19
EDUCATION AND SKILLS DEVELOPMENT	21
SPORTS	23
THE ARTS, SMALL BUSINESS GROWTH AND ENTREPRENEURSHIP	24
HEALTHCARE TRANSFORMATION	25
SECTION II: STRENGTHENING FOUNDATIONS – JUSTICE, SECURITY AND INSTITUTIONAL RESILIENCE	27
LAW AND ORDER & CITIZEN SECURITY	27
ENERGY	32
INFORMATION AND COMMUNICATION TECHNOLOGY	33
ENVIRONMENTAL SUSTAINABILITY	36
SECTION III: BUILDING TOMORROW TOGETHER	38
MEDIUM-TERM ECONOMIC MANAGEMENT STRATEGY	38
MEDIUM-TERM FISCAL AND DEBT OUTLOOK AND GROWTH TARGETS	38
FISCAL PROSPECTS	40
FISCAL MEASURES AND OTHER STRATEGIC INTERVENTIONS	45
CONCLUSION	49

Madam Speaker, I beg leave to move the second reading of the Bill shortly entitled the Appropriation Act (2026), 2025.

INTRODUCTION

1. Madam Speaker, Honourable Members, citizens and residents of St. Kitts and Nevis, it is with a sense of pride, gratitude, and steadfast confidence in our people that I rise today to present in this Honourable Chamber, the Bill shortly entitled the Appropriation Act (2026), 2025. We are meeting at a time when our country is navigating a complex and volatile global environment. Our St. Kitts-Nevis Labour Party Administration takes pride in the fact that we have risen to the many challenges that confronted us as a country in 2025. Notwithstanding the challenges, we are pleased to see our plans unfolding with progressive delivery of our commitments to the people over the last three years and with other landmark initiatives taking shape to be delivered in 2026.
2. Madam Speaker, we continue to be inspired by our bold vision for our beloved Federation and have therefore framed our focus for 2026 under the theme: **“INVESTING IN PEOPLE AND PROGRESS.”** This theme is not an abstract slogan. It is a lived reality, reflected in the progress we see around us today and the hope we continue to inspire in our people from every stratum of the society. Only recently, our Nation witnessed the arrival and commissioning of five (5) new custom-built ambulances at the Joseph N. France General Hospital. This is an investment that strengthens our healthcare system, enhances emergency response, and demonstrates our commitment to safeguarding the lives of all citizens, residents and visitors to our shores. This is a clear example of conversations about healthcare needs being turned into decisive action and benefits for all. We are on a clear path to investing in our people and progressing our Nation.
3. Madam Speaker, we must also acknowledge the significant reduction in criminal activities across our Federation. This achievement is the fruit of strategic investments in law enforcement, community engagement, and social protection. It demonstrates that when we listen to the concerns of our people and act with discipline and compassion, we can create safer communities and a stronger Nation. This reduction in crime is a statistic worth celebrating as it represents the lowest major crime rates experienced in the Federation of St. Kitts and Nevis in over two decades. When we move beyond the statistics the impact is seen and felt by real people. It means that families are sleeping more peacefully, businesses operating with greater confidence, and more communities thriving in peace and increased security.

4. Madam Speaker, as we pause to consider how we have successfully turned conversations into action, several initiatives come to mind but I am compelled to briefly highlight three (3) other major accomplishments of our Administration that will have far reaching benefits for our people. Before we took Office, our St. Kitts-Nevis Labour Party team identified people empowerment as a major issue to be addressed head-on. Our conversations with people from diverse backgrounds across our islands indicated that the issue of empowerment resonated loudly and has therefore influenced our Administration's policies since we took the reins of Government in August 2022. Today, we are proud of the steady progress made with the implementation of one of our flagship initiatives, the ASPIRE Programme. We have successfully approved 4,270 applications with the majority of these students already enjoying the benefits of having an ASPIRE savings bank account established to help secure their financial future. Madam Speaker, this means our Government has already invested over 4.2 million dollars to give our youth firm, foundational financial head start in their journey towards adulthood. In November, we witnessed the launch of the financial education component of the ASPIRE Programme which was met with heightened enthusiasm from both teachers and students. The financial education programme was launched at six (6) pilot schools (Basseterre High School, Washington Archibald High School in St. Kitts and Gingerland Secondary School, Charlestown Secondary School, Elizabeth Pemberton Primary School and Charlestown Primary School in Nevis). Roll out of the financial education component will continue in 2026 to cover all primary and secondary schools across the two islands and also the Clarence Fitzroy Bryant College. The investment component of the Programme will also be initiated in 2026. We are proud of the progress made to date, as we are giving thousands of our young citizens a better chance at succeeding in life.
5. Madam Speaker, in October 2025, our Government took yet another historic step towards building equity and inclusion with the handover of land titles under the Land Allocation, Normalization and Distribution Initiative (L.A.N.D.) Initiative and Land Regularization processes. One hundred and thirty-one citizens from St. Paul's, La Guerite, and Upper Monkey Hill are now official landowners with titles to their land, marking the start of a new chapter in their lives, in their communities and in our Nation's story. The land title handing-over ceremonies symbolized not only the transfer of land titles but the transfer of dignity and opportunity. That is the mark of a government **Investing in People and Progress**. Today, landless citizens stand as proud landowners — no longer dismissed as squatters, no longer living with uncertainty, and no longer at risk of removal from the very ground on which they built their lives. That land is now theirs: to keep, to build upon, and to pass on as a foundation for generational prosperity. For decades, too many families lived and raised children without the security of legal ownership. This St.

Kitts-Nevis Labour Party Administration has moved beyond conversation and delivered decisive action, correcting a long-standing historical imbalance. By transferring valuable plots of land free of charge to the rightful occupants, we have demonstrated in the clearest terms what it means to **Invest in People and Progress**. This Land Regularisation Project gives life to Pillar Five of our Sustainable Island State Agenda — Sustainable Settlements — creating communities that are stable, inclusive, and resilient. Through close collaboration among the Ministry of Sustainable Development, the Department of Constituency Empowerment, and the Ministry of Justice and Legal Affairs, every step of this process was guided by fairness, transparency, and respect for people. That, Madam Speaker, is the measure of a Government truly **Investing in People and Progress**.

6. Madam Speaker, the next people-centred empowerment initiative I wish to highlight is the issuance of a household retail bond on the Regional Government Securities Market (RGSM). St. Kitts and Nevis was the first member government to issue on the RGSM when it was launched in November 2002. Given the Government of Saint Kitts and Nevis' historical leadership in RGSM issuance and our people empowerment agenda, the invitation to participate in this inaugural event presented a strategic opportunity for collaboration in launching a retail bond along with Grenada as the first two pilot OECS countries. The Government of St. Kitts and Nevis' Household Savings Bond will be launched in the first quarter of 2026 and will provide a secure, accessible, and tax-free investment instrument for households. This initiative aligns with the Government's efforts to increase financial literacy, expand investor participation, and promote wealth creation for ordinary citizens and residents. It also aligns with the Government's commitment to promote financial literacy and encourage early investment practices among our youths through the ASPIRE Programme. I take this opportunity to encourage parents to continue to sign up your children or guardians for the ASPIRE Programme and the general public to take up the opportunity to invest in the retail bond when it is launched early in 2026.
7. Without the shadow of a doubt Madam Speaker, these milestones—new ambulances for healthcare, the reduction in crime for public safety, and the empowerment of our people—are vivid illustrations of our progress. They demonstrate tangible results and we are committed to continuing this most positive trend of turning conversations into action while we build our Sustainable Island State together.
8. Madam Speaker, this Budget is therefore a declaration of confidence of what we can achieve together. It reflects the vision and values of the St. Kitts-Nevis Labour Party Administration and the determination of this Government to place our citizens at the very centre of national development. It is a Budget of

optimism, discipline, and compassion. It is firmly anchored in the Sustainable Island State Agenda—our blueprint for resilience, sustainability, and shared prosperity. Over the past year, we have advanced boldly under this Agenda, transforming challenges into opportunities and laying the foundation for a stronger, more inclusive future. We have strengthened food security by investing in agriculture and fisheries, ensuring that our people can rely on local produce and sustainable livelihoods. We have expanded renewable energy initiatives and are setting the stage for reducing dependence on imported fuel and positioning St. Kitts and Nevis as a leader in clean energy within the Caribbean over the medium term. We continue to invest in healthcare and education, recognizing that the true wealth of our Nation lies in securing the wellbeing and expanding the potential of our citizens.

9. Madam Speaker, I wish to consider some pertinent aspects of the international and regional economies as we consider our own development plans for 2026 and the medium term.

International and Regional Economic Developments

10. Madam Speaker, the international economic environment continues to shift in ways that directly affect large ocean states such as ours. However, global economic outlook remains positive. The International Monetary Fund (IMF) in its October 2025 *World Economic Outlook* projects that global growth is projected to slow from 3.3 percent in 2024 to 3.2 percent in 2025 and 3.1 percent in 2026, with advanced economies growing around 1.5 percent and emerging market and developing economies just above 4 percent. At home, our labour market remains resilient. Latest estimates put St. Kitts and Nevis' unemployment rate at an estimated 5.0% in 2025. These figures reflect a labour market that is recovering and being strengthened by new public and private investments — from hospitals and schools to renewable energy and tourism — that are creating real jobs for our people and easing pressures on household budgets.
11. Coming a little closer to home, it is expected that the regional economy will continue to be challenged by the changing world economic and geopolitical developments. However, the forecast for growth remains positive. Economic growth in the Eastern Caribbean Currency Union (ECCU) is projected to reach 3 percent in 2025 and 3.3 percent in 2026. The main drivers of ECCU regional growth continue to be construction and tourism. Though not uniform, inflation continues to move on a downward trend across the ECCU as countries remain watchful for shocks that may reverse this trend.

Domestic Economic Developments

Output

12. Madam Speaker, the global landscape has undergone significant changes since I last appeared before this Honourable House to deliver the 2025 Budget Address. In just a year, we have seen the rise and fall of alliances, the reshaping of economies, and the testing of national resilience. Yet, amid this global state of flux, our small but awe-inspiring Nation has maintained its resilience. The economy is expected to achieve positive growth of 1.1 percent, reaching a value of \$2.3 billion in 2025, with an estimated average annual growth rate of 2.0 percent over the medium term. This steady expansion has been mainly driven by contributions from several key sectors. The leading sectors include Manufacturing (2.9 percent), Hotels and Restaurants (2.6 percent), Construction (2.5 percent), Wholesale and Retail (2.3 percent), and Financial Services (1.6 percent). Additionally, moderate progress in the Transportation, Storage, and Communications Sectors, as well as Real Estate, Renting, and Business Activities, has also supported this growth, with increases of 1.0 percent and 0.6 percent, respectively.
13. The growth within the Construction Sector can be ascribed to an increase in residential and government-led housing developments, as well as a rise in commercial construction projects. In the Hotel and Restaurant Sector, growth is attributable to a surge in tourist arrivals. This momentum is built upon the positive trajectory established in 2024, with visitor arrivals remaining extremely favourable during the first half of 2025, growing by 13.8 percent to reach 75,744 arrivals. Considering the projected medium-term growth rate of 2 percent per annum, it is anticipated that the number of arrivals will surpass this level by 2026. The Sector's performance was positively influenced by increased airlift into the Federation. Further, recovery in the Wholesale and Retail, Financial Services, Transportation, Storage, and Communication Sectors can be linked to the significant expansion seen in the tourism and construction industries. The increase observed in the Wholesale and Retail Sector grew mainly in line with the higher demand for imports of consumer goods and construction materials, resulting from the growth in both tourism and construction activities. The growth in the Financial Services Sector can be attributed to the moderate increase in loans and advances for residential and commercial construction and renovation projects during this period. While the increase in the Transportation, Storage, and Communications Sector was driven by a 22.0 percent surge in air transport, primarily due to the rise in passenger arrivals and a 1.9 percent increase in road transportation, fuelled by the demand for tours and taxi services.

14. Madam Speaker, according to the IMF World Economic Outlook, as of October 2025, global inflation is projected to continue on a decline though with variation across countries. Inflation is expected to continue declining overall, but this trend will vary by country: in the United States it is projected to remain above target, with risks skewed to the upside, while in many other economies inflation should be more subdued. However, Madam Speaker, for St. Kitts and Nevis inflationary pressure eased in 2024, as inflation dropped from a high of 3.6% in 2023 to 1.1% in 2024. As of August 2025, data shows that inflation decreased by an additional 0.5 percentage points to 0.6% over the period.
15. Madam Speaker, this significant drop was not coincidental, but rather a result of the strategic economic stabilization measures that our Administration designed and implemented in the first half of this year. After analysing global price trends, we recognized the need to act and provide the financial relief our citizens required to mitigate rising prices. This is the reason why our Government implemented both the VAT Relief Holiday and the Budget Boost Wallet initiatives over the first six months of this year. These measures helped our citizens improve their purchasing power and ensured that businesses remained economically viable. This, coupled with the increase in the Minimum Wage to \$500.00 per week, has significantly curbed inflation and safeguarded the purchasing power of our citizens throughout the year.
16. Today, we can say we weathered the storm; however, there is still much work to be done to ensure that our citizens can enjoy a decent standard of living. COVID-19 reshaped the retail and consumer landscape. Many items in our basket of goods and services have changed due to various reasons, including scarcity, shifting trade alliances, and, most recently, tariff arrangements. In light of the ongoing global shifts and the resulting changes within our country, our Government has pushed ahead with the assistance of longstanding partners such as Caribbean Regional Technical Assistance Centre (CARTAC) and Statistics Canada (StatCan), in rebasing the basket of goods and services used to compile the Consumer Price Index (CPI). I am pleased to report that, after a year of diligent work, the new basket will be launched in the first quarter of 2026. The new series will:
- Establish January 2026 as the new base period.
 - Revise weights across different categories of goods and services.
 - Update the list of goods and services to better reflect the current consumption patterns of consumers.

- Revise international classification using Classification of Individual Consumption by Purpose (COICOP) 2018 codes (the latest from the United Nations Statistics Division and IMF for CPI statistics)

17. Madam Speaker, I wish to pause and extend commendation to the consumers of this nation. In the face of rising prices, many households have responded with wisdom and resilience by adjusting their purchasing habits, opting for more affordable alternatives, and taking deliberate steps to safeguard their purchasing power and the wellbeing of their families. Your actions reflect both responsibility and strength. I must also acknowledge our wholesalers and retailers, who have heeded the call to provide lower-cost alternatives to the public. Equally deserving of recognition is the National Cost-of-Living Task Force, whose members have been working diligently, often behind the scenes, to mitigate the burden on our citizens. Many of us have benefited from their practical, data-driven guidance notes and informational materials on how best to optimize household spending.

Fiscal Landscape

18. Madam Speaker, I now move to give a synopsis of the Government's fiscal performance for the year 2025. An analysis of the 2025 fiscal data revealed that deficits were recorded for the Overall and Primary accounts of \$295.4 million and \$279.3 million respectively. Total Revenue and Grants summed to \$779.1 million, of which Recurrent Revenue was \$756.0 million and Total Grants were \$23.0 million. Tax Revenue of \$444.0 million was \$5.8 million or 1.3 percent lower than the Budget Estimate. Notably, Taxes on Income, Taxes on Property and Taxes on International Trade and Transactions all fell short of their targets. The below-target performance was tempered by stronger than expected receipts from Taxes on Domestic Goods and Consumption which surpassed the budget levels as well as the prior year's collections. Non-Tax Revenue collections were 48.3 percent lower than expected primarily on account of a slowdown in activity from the Citizenship by Investment Programme.
19. With respect to expenditure, Madam Speaker, Total Expenditure stood at \$1.1 billion for the second consecutive year, reaffirming the Government's firm resolve to support the people and safeguard stability amid ongoing domestic and international pressures. The records show that all categories of expenditure except for Transfers were contained below budget, reflecting the Government's disciplined approach to prioritizing resources in line with its National Agenda. Some notable initiatives include:

- Budgetary Support to the Nevis Island Administration (NIA) despite the significant contraction in CBI revenue. This consistent support facilitated the NIA in achieving its fiscal goals for that year;
- The highest level of financial support to the Skills Training Empowerment Programme (STEP) ensuring that citizens would have the latitude to obtain the requisite skills development and empowerment.
- Transfers to St. Kitts Electricity Company Limited (SKELEC) to cover fuel variation charges and payments for rental of a 6 Mega Watt generator. This expenditure ensured that electricity was reliable and affordable for citizens and residents.
- A significant increase in Pension and Gratuitous Payments due principally to the Government's decision to make payments to eligible Government Auxiliary Employees (GAEs); and
- Expenditure associated with the Livelihood Improvement for Family Transformation (LIFT) and ELEVATE Programmes have ensured that the most vulnerable citizens are not left behind.

20. Madam Speaker, these examples show the deliberate, strategic way this Government is supporting and uplifting the lives of our citizens and residents. We are committed to safeguarding and strengthening our social safety nets — prioritising family welfare, protecting livelihoods, and creating the conditions for steady, resilient growth. In plain terms: we are investing in people — building skills, security and opportunity so every citizen can prosper and every community can thrive. This Budget is another clear statement of purpose: **Investing in People and Progress.**

SECTION I: FROM DIALOGUE TO DELIVERY – ADVANCING CITIZEN-CENTRED DEVELOPMENT

21. Madam Speaker, permit me now to outline recent developments and forward-looking plans that advance our people-centred agenda for building a Sustainable Island State. I will highlight key progress and priorities across agriculture, construction, housing, tourism, health, social development, and education. These are the pillars that touch daily lives and shape national possibility. I will share salient highlights, while the full scope of achievements and plans in each area will be presented in greater detail by my ministerial colleagues when they address this Honourable House later in the Budget debate.

Agriculture

22. Madam Speaker, Agriculture remains one of the cornerstone sectors of our Sustainable Island State Agenda. It is both a shield for our food security and a pathway to economic empowerment for our farmers, fisherfolk, agro-processors, and our communities in general. Throughout 2025, our Government remained steadfast in its mission to modernize and transform Agriculture, enhance food security, and build resilience against global and local challenges. We advanced a comprehensive agenda that integrates capacity building, infrastructure upgrades, technological innovation, and community engagement—ensuring that the benefits of our work reach every farmer, every fisher, and every household across St. Kitts and Nevis.
23. Madam Speaker, our investment in people serving in this Sector has yielded measurable improvements. Farmers and officers were trained in pre- and post-harvest handling, reducing crop rejections and improving market readiness. Drone geo-spatial training empowered nineteen participants to map over 1,800 acres and produce high-resolution base maps, bringing precision agriculture into practice. Specialized workshops in meat and crop production, and apiculture boosted yields and improved quality standards. These initiatives are equipping our people with the skills to thrive in a modern agricultural business environment.
24. Madam Speaker, we are also focusing on the modernization of key agricultural facilities. The Basseterre Abattoir now features a new cattle chute, improving efficiency and worker safety. The Agro-Processing Unit has been renovated and equipped with professionally calibrated machinery, advancing our zero-waste vision. Twenty greenhouses are in the pipeline — six are already complete and await roofing, with work progressing steadily on the remainder; these facilities are expressly targeted at youth and women farmers, and fifteen new cold-storage containers have significantly expanded our capacity to preserve perishable produce. At Bayfords, the Layer Chicken Breeder Farm and Hatchery has hatched over 3,200 chicks, cutting our reliance on imports and strengthening national food security. These initiatives are practical, productive and purposeful: real investments that create jobs, bolster supply chains and put food on family tables. They are not promises — they are proof, clear evidence of this Government **Investing in People and Progress**.

25. Crop production has reached unprecedented levels. Pumpkin yields rose by 54 percent, watermelon surged by 193 percent, cucumber increased by 142 percent, and cantaloupe climbed by 216 percent. Through the National Planting Programme, the Department of Agriculture oversaw the planting of 60,000 banana and plantain trees, 150,000 pineapple plants, and 15,000 coconut trees. Our farmers are expected to harvest over one million pounds of produce in 2025 and this trend is expected to continue into 2026. We are diversifying further with soursop, avocados, and specialist pepper varieties for export. The SKN NATURE mixed-cropping project (≈200 acres including hot peppers for export) can be expected to support about 500 jobs across farm operations, processing, packaging and logistics — steady incomes that strengthen rural livelihoods and reduce household vulnerability to price shocks. This initiative has rightly been described as the most significant agricultural thrust since the era of sugar.
26. Madam Speaker, our livestock programme processed 540 pigs and over 32,000 pounds of beef, improved poultry hatch rates from 55 percent to over 80 percent, and expanded honey production. Soil laboratory operations continued to provide weather forecasting, soil testing, and analytical support. Farmers and agro-processors are now benefiting from new market linkages, both domestically and regionally. By scaling up the production of pineapples, coconuts, peppers, cash crops and poultry, we are better positioned to meet the demand from our hotels and restaurants while reducing imports. This aligns seamlessly with CARICOM's "25 by 2025 plus 5" food import reduction strategy, and St. Kitts and Nevis is recognized regionally for its significant progress towards this shared goal.
27. Madam Speaker, the Cannabis Industry continues to present a transformative opportunity. In 2025, the Cannabis Authority advanced its operational framework, drafting regulations and engaging stakeholders. In 2026, we will finalize the regulatory framework, issue cultivation licences, operationalize testing laboratories, expand farmer training, and establish export pathways. The development of a thriving Cannabis Industry still holds significant potential to create sustainable jobs, increase export revenue, and position St. Kitts and Nevis as a leader in the Caribbean's medical cannabis market.
28. Madam Speaker, agriculture is no longer the sector of decline it once was. It is rising, it is productive, it is modernizing, and it is delivering for our people. With clear policies, strategic investment, and the resilience of our farmers, we are building an Agricultural Sector that can feed our Federation, reduce imports, create jobs, and anchor the implementation of our Sustainable Island State Agenda. We will plant, we will produce, we will prosper. Together, we are building our Sustainable Island State.

Construction

29. Madam Speaker, public infrastructure is essential to our vision of a resilient, connected, and sustainable St. Kitts and Nevis. Throughout 2025, we have not only delivered on our mandate to improve the daily lives of citizens and residents, but also advanced projects of long-term national significance to prepare our country for an accelerated pace of development and future climate shocks. Madam Speaker, as we stand at the threshold of a new era for St. Kitts and Nevis, our commitment to providing durable public infrastructure is resolute; we are not simply laying concrete and asphalt—we are laying the foundation for a brighter, more resilient tomorrow for every citizen.
30. In 2025, our Public Works Department, especially the Quarry Division, achieved historic progress. We have invested heavily in modern machinery through the commissioning of new primary and secondary crushers and upgraded screening equipment. These strategic upgrades have strengthened our resilience, stabilized local production of construction materials, and reduced our dependence on imported raw materials. This is action that demonstrates real, tangible progress that empowers our people and drives our economy forward.
31. Madam Speaker, the Roads Division has been equally dynamic, focusing on the construction of climate-resilient roads in vulnerable communities, upgrading drainage, and raising safety standards. We have embarked on the largest road infrastructure expansion in the history of our country. We are investing over \$80 million in critical roadworks across Basseterre Bay Road (East), George Street, Trafalgar Village, Shadwell, Boyds, Sandy Point, Racecourse Housing, Harris' Village, Ottley's Village, and New Road (East). In 2025, we have invested in 13.2 miles of new and upgraded roads. These are not just projects, they are the results of conversations transformed into action, promises kept, living standards lifted, communities connected, and futures secured. A signature achievement is the Rehabilitation of St. Peter's Main Road and F. T. Williams Highway East. With an investment of \$31 million, we resurfaced nearly 4 kilometres of roadway, constructed a modern roundabout, added sidewalks, retaining walls, and advanced drainage and safety features. The official commissioning of this road marks a new standard for infrastructure—built to last, built for generations.

32. Madam Speaker, alongside our road and quarry work, 2025 saw a stepped-up programme of major public infrastructure: airport upgrades on Nevis, the commissioning and testing of the country's largest desalination plant to help restore 24-hour water supply, the start of a modern Basseterre High School, site readiness for the new Joseph N. France General Hospital, and the completion of the Conaree Football Stadium. These projects — many moving from designs and clearances into active construction during 2025 and into 2026 — strengthen resilience, improve essential services and protect our communities against future climate shocks.

33. Equally important is the private investment pipeline now under way. Our cultural renewal — including the Symbol of Love Museum and the Fort Thomas monument project — is expected to create approximately 250 jobs, blending construction, conservation and tourism roles that place Kittitians and Nevisians at the centre of our cultural economy. Luxury resort and marina developments, on the Southeast Peninsula and significant marina upgrades at Christophe Harbour, sit alongside proposals for large mixed-use developments and renewable energy ventures (including geothermal capacity expansions). These upgrades and associated works are estimated to yield about 250 jobs, strengthening local marine services and delivering year-round employment that supports families and reduces reliance on expensive imports. Taken together, public and private construction now on the books represent hundreds of millions in real economic activity — creating construction jobs today and sustainable employment tomorrow — and are being coordinated to deliver infrastructure that is climate-smart, community-centred and aligned with our Sustainable Island State Agenda. This is development that turns conversation into action — practical proof of **Investing in People and Progress**.

34. Madam Speaker, this is our pledge: to turn every meaningful conversation into action, every challenge into opportunity, and every investment into a legacy of resilience and prosperity. The Construction Sector is not just about building roads and facilities—it is about empowering communities, protecting our environment, and raising the standards for generations to come. Together, we are building a safer, greener, and more connected St. Kitts and Nevis.

Housing and Human Settlements

35. Madam Speaker, since assuming office, our Administration has made significant strides in addressing the nation's housing needs. Our objectives in Housing are aligned with those set for the Construction Sector as activities in Housing contribute directly to growth in construction. We recognize that access to safe, modern, and affordable housing is not simply a policy objective, it is a cornerstone of our sustainable development model and is now akin to a fundamental human right. Housing and human settlements shape our social, economic, and environmental landscape, and our efforts are firmly aligned with Sustainable Development Goal 11, which calls for inclusive, safe, resilient, and sustainable communities. In 2026 therefore, we will build momentum in the rate of construction of resilient and affordable housing for our citizens.
36. During the past year, the Ministry of Housing and Human Settlement, in collaboration with the National Housing Corporation, has pursued a two-fold approach: expanding the housing stock for low- and middle-income families and revitalizing existing communities to improve the overall quality of life. Our work goes beyond building homes; it is about creating communities that foster safety, dignity, and opportunity for wealth creation.
37. The East Street Housing Project has already delivered modern apartments to eight families, with construction continuing on additional buildings that will enable the delivery of twenty units by 2026. West Street is also undergoing transformation, with a four-storey building consisting of eight apartments nearing completion, alongside new one-bedroom units and studios. These revitalization projects are part of a wider initiative to modernize housing in the context of climate resilience, while promoting improved quality of life for our citizens and residents.
38. Madam Speaker, the 2026 Budget will also set the stage for the introduction of a Fencing Improvement Project. This activity will focus on replacing aged, galvanized fences along major thoroughfares, improving both aesthetics and public safety and increasing value of properties. In parallel, the Ministry of Housing and Human Settlement will continue to develop appropriate strategies for the resolution of issues associated with a number of dilapidated properties in Basseterre and other urban centres. These strategies will promote urban renewal and create safer, more attractive neighbourhoods that reflect our vision for dignified, thriving communities across the island.
39. The National Housing Corporation continues to lead the expansion of affordable housing through its dynamic Housing Programme. Stapleton Village became the first community to benefit, with nineteen of

twenty-seven homes completed and the remainder scheduled for completion in 2026. Across St. Kitts, an additional eighty homes are planned for construction, with foundations laid in Halfway Tree and Ottley's Villages, and progress underway at Gillard's Meadows, Sandy Point, and Newton Ground. This Programme prioritises low- and middle-income families, persons with disabilities, and individuals who have been excluded from traditional financing, ensuring that access to safe, decent housing remains within reach — a practical expression of our commitment to **Investing in People and Progress**. It is also important to note that a number of homes are also being constructed on private lots through the Building Assistance Programme, further expanding opportunities for home ownership. Our housing expansion and urban renewal programmes will also drive employment — conservatively estimated at around 800 jobs across construction crews, site supervisors, tradespeople and allied suppliers — translating directly into income for households and easing day-to-day cost pressures.

40. Madam Speaker, sanitation remains a key priority under the Sanitary Assistance Programme. Over a quarter of a million dollars has been invested to improve access to proper sanitary facilities by vulnerable households, enhancing health, dignity, and living standards. Our Government remains focused on the living conditions of our most vulnerable households and has allocated funding in the 2026 budget to continue this programme thereby ensuring that more citizens benefit from these critical services.

41. Madam Speaker, we have had some setbacks and we have learnt lessons along the journey to design and implement the right mix of housing solutions to match needs of our people. The experiences over the last three years have left our team more resolute and unswerving than ever and we will not rest until our original objective for a housing revolution in this country is accomplished. At this juncture, we are satisfied that through the ongoing combined efforts—housing expansion, urban renewal, climate resilience, and improved sanitation—the Federation is creating thriving, dignified, and resilient communities. One block at a time, we are laying the foundation for sustainable, inclusive neighbourhoods that reflect national pride, strengthen social cohesion, and provide a safe, secure, and welcoming environment for generations to come.

Tourism

42. Madam Speaker, Tourism continues to be the engine of growth for St. Kitts and Nevis, fuelling economic development, community upliftment, and international recognition for our Federation. Guided by the National Development Planning Framework (NDPF) and the Sustainable Island State Agenda (SISA), the

Ministry of Tourism and Tourism Authorities remain committed to developing the industry in a way that is innovative, inclusive, and sustainable—balancing economic benefits with the preservation of our environment and culture.

43. Madam Speaker, the year 2025 opened with exceptional performance, setting new benchmarks for the Tourism Sector. Over the 2024–2025 peak season, more than 102,000 stay-over visitors were welcomed, surpassing pre-pandemic levels and reflecting the success of our global campaigns such as *Venture Deeper*. Cruise tourism rebounded strongly, with over 778,000 passengers arriving between October and April, representing an 8.4 percent increase from the previous season. These gains translated into tangible impact, with US\$24.3 million worth of business transacted online in the first quarter alone, including more than US\$12 million contributed by U.S. travellers.
44. Madam Speaker, we continue to expand airlift into the Federation so that we can attract more visitors to our destination. In 2024, the Government introduced Cape Air with a new regional air service, now operating alongside other regional air carriers such as Inter-Caribbean, Sunrise Airways, Caribbean Airlines, and LIAT. This move expanded regional connectivity and revitalized access to the Federation from the USVI, which has long served as a consistent destination and visitor hub for Kittitians and Nevisians due to strong diaspora connections. On the international front, Delta Airlines commenced its inaugural direct service from JFK to the Federation, complementing the existing flight from Atlanta. Furthermore, negotiations with American Airlines have led to the commencement of double Saturday flights originating from Miami beginning in November 2025, with scheduled services extending into the summer of 2026. United Airlines and Air Canada also resumed winter services from Newark and Toronto starting in November 2025. Given this excellent sector performance, we anticipate that stayover arrivals will significantly exceed pre-pandemic levels by the end of this year.
45. Madam Speaker, our source markets have performed impressively. The UK recorded a 20 percent increase in arrivals, supported by new tour operator partnerships and bold marketing campaigns. Canada achieved an 89 percent load factor on Air Canada services, while the United States—our largest market—sustained strong demand through integrated campaigns at major airports and media activations. Cruise tourism remains resilient, with 450 calls scheduled for the 2025–2026 season, including several inaugural visits. On October 23, we welcomed the *Star of the Seas*, the world’s largest cruise ship on its inaugural call, a powerful endorsement of our destination.

46. Anchor events continue to drive tourism and economic activity. The 2025 St. Kitts Music Festival reached unprecedented success, generating global coverage and record occupancy across accommodations. We also stand on the threshold of the 2026 St. Kitts Music Festival, a cultural beacon that continues to grow in stature and impact. This Festival is more than entertainment; it is a driver of tourism, a showcase of our creative talent, and a symbol of national pride. It reflects how conversations about diversifying our economy and celebrating our culture have been transformed into action that generates jobs, attracts visitors, and strengthens our global identity. Restaurant Week and Sugar Mas also attracted significant visitor interest, celebrating our culinary and cultural identity. These events are more than entertainment—they are engines of growth, pride, and visibility. As tourism expands—with new airlift, cruise calls, resort and marina development and stronger anchor events—we conservatively estimate the sector’s growth will create about 1,000 direct and indirect jobs, supporting hospitality, transport, craft and services and helping to bring down household costs through increased incomes and local supply linkages.

47. Madam Speaker, looking ahead, our achievements reflect our strategy is working. We will continue to expand the reach of our destination through bold marketing, to diversify our product with authentic and community-centred experiences, to strengthen regional and international partnerships, and to position St. Kitts as a leader in sustainable tourism. With record performance, renewed confidence from partners, and the creativity of our people, the future of tourism in St. Kitts and Nevis is not only secure—it is exceptionally bright.

Citizenship By Investment

48. Madam Speaker, the transformation of our Citizenship by Investment Unit over the past year is not just an administrative milestone—it is a living example of how modern governance can serve the people with vision, integrity, and purpose. Guided by its Board of Governors, the Unit’s transition into a statutory body has set new global standards. We became the first nation in the world to introduce blockchain-verified certification for due diligence, ensuring that every step of our process is secure, transparent, and aligned with international frameworks to combat money laundering and terrorism financing. This innovation, together with the launch of the *Saturn* digital platform and the Unit’s leadership role in establishing the Eastern Caribbean Citizenship by Investment Regulatory Authority, has fortified the credibility of our Programme. For the fifth consecutive year, St. Kitts and Nevis stands proudly at the top of the CBI Index, and in 2025 we were honoured with the Caribbean Investment Summit Efficiency and Heritage Excellence Awards. We are developing strategies to capitalize on the renewed confidence

generated in the CBI marketplace from these recent achievements and the reform initiatives undertaken by the Government to date.

49. Madam Speaker, let it be clear, our vision has never been limited to rankings or accolades. We have expanded our global footprint to secure the financial future of our Federation. Through thousands of direct engagements and participation in major events, the Unit has ensured that St. Kitts and Nevis remains at the forefront of the investment migration industry. This outreach culminated in the Investment Gateway Summit, which welcomed close to 200 citizens and investors to our shores.
50. Most importantly, Madam Speaker, the success of the CIU is now being felt directly in the lives of our people. Our continued leadership in the CBI Sector not only enhances our international standing but also contributes significantly to our national development. The funds generated through the CBI Programme have been instrumental in financing infrastructure projects, healthcare, education, and climate resilience initiatives. Madam Speaker, in support of our grassroots economy, the CIU recently launched the first Micro and Small Business Grant Programme, awarding EC\$10,000 each to 36 local businesses. These grants are empowering our entrepreneurs—snackettes, creative studios, beauty and wellness services, trucking and logistics companies, agriculture and fisheries operations, digital service providers, and community-focused enterprises. As this Administration moves forward, we remain committed to upholding the integrity of our CBI Programme, ensuring it serves as a catalyst for sustainable growth and a testament to our Nation's commitment to excellence on the global stage and the growth of our economy. In 2026, again, we will have the opportunity to follow up on some of the conversations already started particularly, the national conversation on the CBI Sector and the opportunities for diversification within our economy. We have an opportunity to turn these conversations into action that can further our progress in building our Sustainable Island State together.

Social Development and Poverty Reduction

51. Madam Speaker, at the heart of any strong and sustainable nation are its people. A society is only as resilient, as innovative, and as prosperous as the individuals who live within it. Our Government believes that true development is not measured by GDP alone, but by the well-being, dignity, and inclusion of every citizen—from our youngest children to our eldest seniors, from those with disabilities to our youth brimming with ambition. Social Development and Inclusion is not just a policy priority; it is a moral imperative.

52. This past year, a key milestone was achieved with the creation of a single-window School-Based Assistance Programme, combining uniforms, early childhood subventions, book loans, and CXC fee waivers. In its pilot year, 2,100 Expressions of Interest were received, streamlining access for families. This new arrangement with the School Based Assistance Programme will bring efficiency gains for the Government and parents and guardians. It allows parents to utilise one portal to apply for the various school-based assistance programmes, while helping to sustain the use of public resources with better targeting of assistance to vulnerable families. In 2026, the Ministry will undertake the review of existing programmes to assess their impact and undertake improvements to enhance efficacy. Further, the Livelihood Income and Family Transformation (LIFT) Programme will be assessed on an ongoing basis to ensure its continued efficacy.
53. Having completed major infrastructural work at the New Horizons Rehabilitation Centre in Harris' Village, the Ministry will move to recommence certified technical and vocational courses for the residents. This will help to ensure that residents at the Centre acquire practical skills that will open up opportunities for employment or entrepreneurship to engage upon reintegration into society. These investments underscore our belief that every child, even those in conflict with the law, deserves a safe environment and the opportunity for growth.
54. Madam Speaker, in July, we commemorated the 35th Anniversary of the ratification of the Convention on the Rights of the Child, launching Child Rights Ambassadors to promote children's rights and responsibilities. The Ministry of Youth Empowerment, Ageing and Disabilities placed inclusion at the centre of the Sustainable Island State Agenda. In 2025, St. Kitts and Nevis acceded to two Inter-American Conventions on the rights of persons with disabilities and older persons. Technical assistance from UNECLAC helped shape the National Disability Policy and draft a Disability Bill, ensuring equality in education, healthcare, housing, and the workplace. In 2026, all Government owned service delivery spaces will be assessed with a view to removing barriers to access by citizens with disabilities. A multimedia campaign promoting awareness and tolerance of persons living with disabilities will also be launched.
55. Madam Speaker, our Administration does not view young people only in terms of their future role as the leaders of tomorrow, instead, we fully embrace them as meaningful contributors to nation building today. In 2026, youth recognition programmes such as *The 25 Most Remarkable Teens* will be refined to emphasize community service and volunteerism. Monthly youth dialogues will ensure that the voices of

our young people are heard that they are informed, and positioned to influence public policy. We will continue to implement activities for the empowerment of our senior citizens. The 2026 Budget will continue to support, active ageing programmes, health fairs, cultural activities, and chronic disease management courses. Over the last two years, collaborations captured traditional knowledge and medicines, preserving heritage for future generations. The forthcoming National Policy on Ageing will formalize support for older persons, while the Ministry of Health, in collaboration with Windsor University, has begun work on developing regulations for institutions offering care services for the elderly. This will offer stronger protection and care standards for older persons who require these services.

56. Madam Speaker, St. Kitts and Nevis is charting a path toward a truly inclusive, resilient, and empowered society. From children to youth, from persons with disabilities to seniors, every citizen is visible, valued, and equipped to participate fully in the life of the Federation. Social development is an invaluable investment in people. It is an investment in our future, our dignity, and our collective prosperity. To support the work of the Ministry of Social Development and Gender Affairs the draft 2026 Estimates that is presented in this Honourable House today is proposing an allocation of \$38.3 million for Recurrent Expenditure. The resources have been carefully targeted to further strengthen citizen engagement and service delivery.

Education and Skills Development

57. Education is the foundation upon which the future of our Federation is built. It is the bridge between today's challenges and tomorrow's opportunities. In 2025, we redoubled our resolve to ensure that every child, every youth, and every adult in St. Kitts and Nevis has access to high-quality learning and training aligned to the needs of a modern economy and the global marketplace. Our strategy rests on three pillars: access, quality, and employability—each supported by strong governance, data systems, and institutional reform.

58. Madam Speaker, our investment in educational infrastructure underscores our commitment to world-class learning environments. The reconstruction of the Joshua Obadiah Williams Primary School in Molineux is well underway, symbolizing renewal and resilience after tragedy. When the new facility reopens in 2026, it will stand as a modern, inclusive space designed for use in the 21st century. Another important milestone in the Education Sector is marked by the ground breaking for the new Basseterre High School,

the Federation's first net-zero, climate-smart secondary school. Equipped with laboratories, digital classrooms, and green energy systems, it will serve as a model institution for innovation and sustainability, empowering the next wave of scholars while creating hundreds of jobs for our people. The new Basseterre High School project will also be a jobs creator — we estimate about 350 jobs during construction and outfitting — while delivering the modern learning environment that prepares students for employment in a growing green economy. These projects embody SDG 9: Industry, Innovation and Infrastructure and SDG 13: Climate Action, ensuring our schools are resilient, sustainable, and future-ready.

59. On the issue of quality, the Ministry advanced work on the development of oversight and standards for the Sector. A Comprehensive Framework to Transform Education is being developed with the support of UNESCO, while the National Teaching Council Secretariat is being established to regulate teacher certification and professional development. Work also progressed on the development of a National Statistical Digest, strengthening evidence-based planning and monitoring outcomes. These reforms elevate teaching to a fully professionalized status and ensure that policy decisions are guided by data.
60. Madam Speaker, in terms of Employability, our most transformative initiative was the restructuring of Technical and Vocational Education and Training. In September, we merged AVEC, NSTP, and Project Strong to form the Christopher Wilkin Institute of Technology (CWIT). CWIT will deliver the National Vocational Qualification (NVQ) and the Caribbean Vocational Qualification (CVQ) certifications, integrate prior-learning recognition, and align programmes with international standards. Investments in emerging technologies, including welding simulators and smart-classrooms, are modernizing workforce training and reducing waste. These reforms ensure that our young people are not only educated but employable, equipped with skills that match the demands of a modern economy. Technical and Vocational Education and Training (TVET) remain central to our development agenda. Work will continue to expand access to industry-aligned training in key sectors such as renewable energy and, information and communication technology. Having established partnerships locally, regionally and internationally with institutions and industries to support the administration of the CVQs and NVQs the TVET Council/Secretariat successfully completed the training of four (4) cohorts, totalling 36 persons, during the 2024/2025 academic year. We are happy to report that this resulted in the first conferral of the National Vocational Qualification of St. Kitts and Nevis (NVQ-SKN) in Level I for Electrical Installation; Air Conditioning and Refrigeration; Welding; and Carpentry.

61. Looking ahead to 2026, priorities in the Education Sector include full operationalization of CWIT, integration of smart-classrooms, teacher certification via the National Teaching Council, release of all statistical digests, and commencement of the Comprehensive Education Framework. Each Programme will be monitored for measurable results—graduation rates, employment outcomes, and sector alignment.
62. Madam Speaker, our education agenda is about creating opportunity: the opportunity for every child to find their path, for every learner to access the credentials they need, and for every citizen to contribute to our national development. In Education, we do more than build classrooms—we build destinies. With the reforms of 2025 and the priorities set for 2026, we are moving closer to an education system that is inclusive, future-ready, and deeply aligned with demand. Together, we are building a stronger, smarter, and more sustainable St. Kitts and Nevis.
63. Before I move on, allow me to commend two stalwarts for their transformative contributions to education and national development: The Rt. Hon. Dr. Denzil L. Douglas, who has been recognized by the renaming of the Saddlers Secondary School in his honour, and Mrs. Leonie James, whose work in the early childhood sector was also recognized by the renaming of the Victoria Road Preschool in her honour. Their individual and collective legacies remind us that education is not only about institutions but also encompasses people whose vision and service inspire generations to learn, lead, and build a brighter future.

Sports

64. Madam Speaker, sport in St. Kitts and Nevis is more than competition—it is a powerful engine for transformation. It drives social inclusion, youth empowerment, health, and national pride, while offering a strategic avenue for economic growth and global engagement. With a vibrant youth population and a proud athletic heritage, our Federation is well-positioned to harness sport as a catalyst for national development.
65. In 2025, the Ministry of Sports partnered with the St. Kitts Cricket Association to host the Australia Cricket Team on its West Indies tour—a milestone that elevated our profile and boosted sport tourism. We celebrated major milestones with the opening of the Conaree Pavilion in May 2025, a fully accessible facility designed to foster community pride. We completed major renovations at the Kim Collins Athletic Stadium in July 2025. With its internationally certified track, the stadium now meets global competition standards, positioning our Federation to host regional and international meets and provide much improved

facilities for training of our athletes. Facility upgrades are also underway at Newtown Playfield, Patsy Allers, Halfway Tree, Basketball City, Pam Tyson Netball Complex, and Warner Park, all designed with climate-smart, multifunctional features.

66. Looking ahead, the 2026 Budget will facilitate continued upgrades to facilities, including St. Mary's Playfield, and pilot a "Mentorship through Sports" Programme in collaboration with the Ministry of National Security. Our Government views Sport as a bridge to opportunity that facilitates building stronger communities, empowering youth, and creating lasting social and economic impact.

The Arts, Small Business Growth and Entrepreneurship

67. Madam Speaker, the Government continues to stand at the forefront of national transformation by empowering enterprise, nurturing creativity, and unlocking the boundless potential of our people. Through decisive policy direction and strategic investments, we are fostering an environment where small businesses thrive, entrepreneurs innovate, and creative minds translate talent into opportunity. In 2025, the reach of the Ministry of Small Business, Entrepreneurship, Cooperatives and the Creative Economy extended to every community. Through the Small Business Development Centre, more than 100 micro, small, and medium enterprises benefited from training in digital transformation, business continuity, and market readiness. The Building Bankable Businesses Programme, launched in April, bridged the divide between ambition and access, pairing training, mentorship, and financial facilitation.
68. Madam Speaker, looking ahead to 2026, the Ministry will expand the Building Bankable Businesses Programme with tailored financing for agro-processing, manufacturing, and creative industries. A new digital platform will connect entrepreneurs with banks, investors, and support agencies, streamlining access to resources. The rollout of the National Cultural and Creative Policy will further strengthen the creative sector's institutional base, linking culture to tourism and economic development. In addition, our proposed Creative Arts Centre will not only nurture talent but create roughly 150 jobs — from construction through to theatre operations, technicians and creative support — giving our creative people paid pathways and boosting incomes in local communities.
69. Madam Speaker, focus on sport, small business and the creative economy is fundamentally about people. By expanding sporting opportunities, promoting financial inclusion, backing innovation and opening practical pathways to ownership and self-reliance, we are building an economy powered by the ingenuity

and resilience of our citizens. This is the heart of our transformation agenda: shared opportunity, stronger communities, and a national pride that finds expression in our creativity, enterprise and athletic excellence. This Budget advances that promise — **Investing in People and Progress**.

Healthcare Transformation

70. Madam Speaker, in 2025, our Government turned conversations into action by advancing our vision for healthcare as an important pillar of our Sustainable Island State Agenda. This year, our achievements are aligned with our holistic strategy of strengthening systems, modernizing infrastructure, expanding specialist services, and ensuring compassionate, person-centred care. Across all programmes, the medical and administrative teams are guided by the principle that healthcare is not a privilege, it is a right, a shared responsibility, and the backbone of a thriving society. Madam Speaker, as simple as it sounds, this is very important for our people to know, to understand and to reflect on the fact they have a right to good healthcare and they have a shared responsibility in partnership within the healthcare system whether they choose to tap into the system via private or public modalities.

71. Madam Speaker, our Administration is not about talk, but action. In October 23, five new ambulances were received to bolster a weak area of our healthcare system. This represents an EC\$1.7 million investment in emergency response capacity. Earlier in August, two refurbished ambulances were added to the fleet. Together, these vehicles, equipped with advanced medical technology, paired with ongoing training for first responders will strengthen our ability to deliver urgent, life-saving care to every resident and visitor. Earlier this year, we unveiled design concepts for the new climate-smart JNF General Hospital. This ultramodern facility will integrate disaster resilience, renewable energy, storm-resistant construction, smart water management, and climate-controlled wards. It stands as a cornerstone of our health transformation agenda, linking infrastructure modernization with improved service delivery, workforce empowerment, and disaster resilience. After witnessing the recent destruction of a hospital in Jamaica by Hurricane Melissa, we were further convinced that we did the right thing to take the time necessary to ensure that the resilience features of the new hospital were properly designed to withstand a category 5 hurricane and other major natural events. Madam Speaker, I am pleased to report that in 2025 we completed the project's preliminary phase — project-management arrangements, detailed designs and all required legal clearances were finalised. On December 12, 2025, in a symbolic handing-over of the site to representatives of Overseas Engineering & Construction Company (OECC), we marked the culmination of an extensive planning and consultation process and the transition to visible, on-the-ground

development. All site plans, feasibility studies and the environmental and social impact assessment have been approved, and construction will now commence very early in 2026. This new climate-smart JNF General Hospital is itself a jobs engine — we estimate it will generate roughly 650 jobs during construction and in its first years of operation. That is jobs, jobs, jobs for our people: wages that will help families meet bills, reduce pressure on household budgets and directly lower the cost-of-living. This is a vital investment in our people and the progress of our Nation. We would have it no other way, Madam Speaker.

72. While we prepare for the groundbreaking and construction of the new hospital, the existing JNF General Hospital has seen major upgrades—roof repairs, new air-conditioning units, refurbishment of the kitchen and the private ward, and more. At the community level, the St. Peters Health Centre was renovated, and designs for the new St. Peters Polyclinic were updated, with construction remobilization planned for 2026. Across all health centres, detailed infrastructure assessments have prioritized improvements, including repairs to the Pogson Hospital roof and septic system in 2026.
73. Madam Speaker, in observance of World Health Day 2025, under the theme “*Healthy Beginnings, Hopeful Futures,*” the Ministry of Health launched a two-day nationwide Programme to strengthen maternal and newborn care. Health centres across the Federation hosted enhanced antenatal clinics—providing screenings, prenatal guidance, nutrition counselling, and health education. Newborn clinics also helped to empower parents with expert guidance on breastfeeding, vaccinations, child development, and early care practices. At the J. N. France General Hospital, monthly perinatal reviews were reinstated, and the innovative Maternity Care Navigator Programme was introduced, ensuring mothers receive personalized follow-up, counselling, and referrals. These initiatives are being implemented to help ensure that no mother or child is left behind, advancing equity, dignity, and inclusive healthcare while directly contributing to Sustainable Development Goal 3: Good Health and Well-Being.
74. Madam Speaker, turning conversations into action also means embracing collaboration. In March and April, the United States Air Force Southern Command (US SOUTHCOM) Lesser Antilles Medical Assistance Team, alongside specialists from the Republic of China (Taiwan) and our local healthcare personnel, delivered a humanitarian mission of remarkable impact. Over 2,130 patients were treated, 135 surgeries performed, and 21 critical pieces of medical equipment repaired—saving our hospital significant costs. More than 31 hours of training strengthened the skills of emergency, surgical, and intensive care teams. A Community Health Fair in Newtown reached 117 residents with free consultations and

screenings. This coordinated effort reinforced our healthcare infrastructure and expanded access to vital services, embodying our commitment to equitable health outcomes.

75. Madam Speaker, in 2025 we continued to modernize diagnostic and specialist services at JNF. A fully operational 128-slice CT scanner with cardiac injector now enables rapid, accurate diagnosis for strokes, heart disease, and cancer. This multi-million-dollar investment reflects prudent planning, procurement, and training to ensure sustainable, high-quality usage. Alongside this, a new anaesthetic machine was procured to improve surgical safety, and preparations are underway for the commissioning of a state-of-the-art MRI facility in early 2026. Madam Speaker, since assuming office, we have added dialysis units and expanded specialist services in neurology, endocrinology, and urology—reducing overseas referrals, saving families significant costs, and ensuring life-saving treatments are available here at home.

76. Looking ahead, we will significantly ramp up activities toward the operationalization of Universal Health Insurance, engaging private providers to ensure sustainability and inclusivity. Madam Speaker, from mothers and newborns to patients requiring complex care, we are building a health system that is resilient, safe, inclusive, and accessible to all citizens and residents. Together, we are laying the foundation for a healthier, stronger, and more prosperous St. Kitts and Nevis. Madam Speaker, I believe that we are headed to a better place, a better way to deliver healthcare in our Federation. I therefore invite Members of this Honourable House and our fellow citizens to join the movement so that together we can turn conversations about healthcare into action. Let us build our Sustainable Island State together, anchored in compassion, equity, and resilience.

SECTION II: STRENGTHENING FOUNDATIONS – JUSTICE, SECURITY AND INSTITUTIONAL RESILIENCE

Law and Order & Citizen Security

77. Madam Speaker, St. Kitts and Nevis continues to demonstrate what is possible when vision meets action. Over the past two years, we have not only restored safety and confidence across our communities, but we have laid the foundation for a secure and sustainable future. In 2024, we turned a decisive corner. Reported crime fell by 11 percent compared to 2023, with sharp declines in the most serious offences. Homicides dropped by 10 percent, firearm-related crimes by 39 percent, and malicious damage by 30 percent.

Importantly, 16 of the 28 homicides recorded in 2024 were resolved — a 57 percent resolution rate that speaks to the professionalism, persistence and competence of the Royal St. Christopher and Nevis Police Force.

78. Madam Speaker, the most extraordinary achievement came in 2025. Between January and June, homicides fell by an unprecedented 75 percent compared to the same period last year. Sixteen homicides in the first half of 2024 compared to four (4) for the same period this year. Furthermore, in the first quarter of 2025, for the first time in over 25 years, St. Kitts and Nevis recorded zero homicides. This is not just a statistic, it is a testament to what collective effort, discipline, and shared responsibility can achieve.
79. Madam Speaker, the first quarter of 2025 also witnessed a continuation of our notable success in combating the illegal drug trade. In March alone, 650 grams of cured cannabis were seized at a port of entry, while 650 ecstasy pills, valued at over US\$32,000, were intercepted before reaching the streets. A major breakthrough came on April 6, 2025, when officers discovered 38 packages of compressed cannabis at Major's Bay—totalling 42.8 kilograms and valued at over EC\$1.1 million. This success disrupted a significant criminal operation and sent a clear message that St. Kitts and Nevis will not serve as a safe haven or transit point for illicit trade. These operations form part of a broader, coordinated regional response to narcotics trafficking. By integrating intelligence from Police, Customs, and Defence Force, and collaborating with regional and international partners, we are dismantling criminal networks and protecting our citizens from the corrosive effects of illegal drug activities.
80. Madam Speaker, these gains were not accidental. They are the result of deliberate policy, data-driven policing, and the firm commitment of our security forces. Through deeper community engagement, expanded patrols, and enhanced investigative capacity, we have built safer streets, stronger trust, and greater national solidarity. Central to this transformation is the Citizen Security Secretariat — a cornerstone of our reimagined approach to safety. We have moved beyond treating crime as a law enforcement issue alone. Today, we address it as a public health and social development challenge. Through initiatives like the *Beyond the 90 Days* campaign, the *Day of Interruption*, and the *Better Opportunity Summit*, we have engaged schools, workplaces, and communities in dialogue and action. We have connected at-risk youth to education, training, and employment through programmes such as Elevate and Prison-to-Work. This integrated strategy has positioned St. Kitts and Nevis as a regional leader in citizen security reform.

81. Madam Speaker, security begins in our homes, schools, and communities — long before it reaches our courts or correctional centres. By merging social data with public health insight and engaging the community as an equal partner, we are cultivating a culture of accountability, empathy, and respect for the rule of law. Our model has drawn regional attention, including from Anguilla, and stands as proof that when we invest in people, we invest in peace and security.
82. Madam Speaker, we have strengthened the backbone of our security architecture through continuous training and capacity development. From the Police Force to the Defence Force, Customs, Immigration, Fire and Rescue, and the Prison Service, hundreds of officers have benefited from advanced regional and international courses. These include specialized training in human trafficking prevention, cybersecurity resilience, disaster relief logistics, and leadership development. The focus on training is helping to ensure that our security services remain agile, professional, and prepared for existing and emerging threats. Through these diverse and collaborative efforts, the Government of St. Kitts and Nevis continues to build a national security force that is skilled, responsive, and unified. The partnerships forged with regional and international allies are not only raising technical standards but also deepening our collective resilience. As we look to 2026, this emphasis on human capacity, the training, education, and empowerment of our officers will remain central to the mission of building a safer, stronger, and more secure Federation.
83. Madam Speaker, our young people are recognizing and responding positively to our efforts to professionalize the security forces. In June 2025, the St. Kitts-Nevis Defence Force proudly welcomed 27 new recruits to Camp Springfield, marking the beginning of their transformation from civilians to disciplined and dedicated soldiers. This new cohort, Intake 22, represents more than an addition to the ranks; it symbolizes the Federation's steadfast commitment to modernization, capacity building, and the development of a new generation of national defenders. Similarly, in July 2025, the St. Kitts and Nevis Fire and Rescue Services celebrated the graduation of a new class of fire officers following an intensive six-month training Programme. And in November 2025, twelve new recruits took their oaths as members of the Royal St. Christopher and Nevis Police Force. These recruitments demonstrate that the Government's investment in security training, welfare, and institutional reform is yielding tangible results and encouraging young citizens to serve their country with pride, integrity, and professionalism. Across all agencies, police, defence force and fire and rescue, the renewed focus on human capital development is strengthening the very foundation of our national security architecture. These new officers join a strengthened corps of professionals who are not only trained to respond to threats, but also to embody the values of service, accountability, and compassion that define our vision for a safe and united Federation.

We are investing in frontline safety and jobs: the continued Police recruitment drive will add over 60 new policing posts, while planned Defence Force increases will add approximately 65 posts — more jobs, stronger public safety, and more households with steady incomes.

84. Madam Speaker, in terms of technological advancements, St. Kitts and Nevis is championing a bold transformation of its border management architecture moving towards a dynamic system that enhances national security while improving the travel experience for all legitimate visitors. Anchored by the Advance Passenger Information and Passenger Name (Amendment) Act, 2025, and the launch of the Electronic Travel Authorisation (eTA) system, this initiative marks a defining step toward secure, seamless, and smart border management. It aligns our systems with global standards set by International Civil Aviation Organization (ICAO), the International Air Transport Association (IATA), and the World Customs Organization, while introducing biometric corridors and AI-driven risk assessments for travellers thus making our borders both secure and tourism-friendly.

85. Indeed, Madam Speaker, our border reform efforts are gaining global recognition. In June 2025, St. Kitts and Nevis won High Security Printing's prestigious "Best New Passport" Award for our state-of-the-art biometric e-Passport — the first OECS country to receive this honour. This achievement strengthens our national security and enhances the global standing and mobility of our citizens.

86. Madam Speaker, we continue to expand our security infrastructure through modern surveillance and operational assets. A notable milestone was achieved in July at Cockleshell Bay, where a new CCTV surveillance system and underground fibre-optic network were installed thereby bringing lighting, monitoring, and safety to an important tourism hub. This investment reflects our commitment to integrating technology and inter-agency coordination to create a safer, more resilient St. Kitts and Nevis.

87. Madam Speaker, too many families have been shaken by preventable road accidents. Between 2019 and 2023, our Federation recorded an average of more than one thousand accidents per year—nearly four every single day. Madam Speaker, to curb the unacceptable level of fatalities on our roads, this Government introduced stricter penalties for dangerous behaviour behind the wheel. Fines for reckless and careless driving have significantly increased, while repeat offenders now face harsher penalties, including imprisonment. Those who drive under the influence of alcohol or other substances that impair judgment will face severe consequences. In 2025, we passed the Vehicles and Road Traffic (Amendment) Act, 2025 which represented a bold step forward. The Act introduced: - (a) stricter penalties for reckless

and impaired driving, (b) automated ticketing and surveillance cameras for swift accountability, (c) duty-free concessions on dashcams and child car seats to make safety affordable, and (d) a national campaign led by the Inter-Ministerial Sustainable Road Safety Committee to achieve zero road fatalities by 2030. Madam Speaker, road safety is not merely a matter of law—it is a matter of life and community responsibility. Every life saved represents a family kept whole and a community made stronger.

100. Madam Speaker, in 2025 we accelerated one of the most comprehensive justice reform programmes in our nation's history, supported by over EC\$1 million in international funding. Through partnerships with the UNDP, UNODC, UN Women, OHCHR, and EL PAcCTO, we are:

- Rolling out Community-Based Restorative Justice and Diversionary Caution Systems.
- Introducing VoiceIt kiosks for multilingual legal access.
- Strengthening cybercrime and investigative capacity.
- Training justice actors in human rights standards and the Nelson Mandela Rules.

These reforms are embedding accountability, reducing delays, and ensuring that justice is timely, humane, and trustworthy.

101. Madam Speaker, our reforms rest on a foundation of strong, modern infrastructure. In 2025, we continued with the renovation of the Charlestown Police Station and allocated funding for the full refurbishment of the Gingerland Police Station. In 2026, construction will also resume on the National Security Training Facility at Lime Kiln and we will break ground on the National Outreach Centre at Shadwell—a purpose-built facility uniting counselling and drug prevention services under one roof.

102. Madam Speaker, the 2026 Budget is about **Investing in People and Progress**. Over the past year we have driven down crime, modernised our justice system, strengthened our borders and deepened investments in human capital. We have enacted laws that protect families, empower workers and safeguard our environment. Yet our work continues. We will press on with our mission to build a Federation where safety and development walk hand in hand; where every citizen feels secure in their community, confident in their future and proud of the peace we have forged together. We will protect every household. We will empower every community. We will uphold every right. Together, we are building our Sustainable Island State because by **Investing in People and Progress** we are building the bedrock of lasting peace and shared prosperity

Energy

103. Madam Speaker, access to reliable, sustainable, affordable, and modern electricity services is one of the essential building blocks of our national development. It powers our homes, enables our businesses to flourish, drives our industries, and sustains our way of life. It is therefore central to the realization of our Sustainable Island State Agenda, which envisions St. Kitts and Nevis generating 100 percent of its electricity from renewable energy resources by 2030.
104. In 2025, the challenges in this sector were sobering. SKELEC faced volatile fuel markets, rising demand driven by climate-induced temperature increases, and the strain of an aging fleet of generators. The major failure of the 34-year-old Mirrlees Blackstone generator underscored the urgency for modernization. Yet, through resilience and innovation, SKELEC's technical team kept the lights on, proving their dedication to our people. Madam Speaker, decisive action has been taken. In October 2024, we commissioned a 6MW rental plant at Needsmust to stabilize supply, and in partnership with the Saudi Fund for Development, secured a US \$40 million concessionary loan to facilitate the procurement of an 18MW dual-fuel plant with battery storage. This project will continue into 2026 and is scheduled for commissioning in 2027. It will significantly improve reliability and efficiency while bridging the transition to full renewable integration. In 2025, SKELEC also made progress with the implementation of its Advanced Metering Infrastructure project, aimed at deploying smart meters that will empower households and businesses to monitor consumption in real time, conserve energy, and lower costs. By 2027, every customer will benefit from this innovative change that supports our mission to usher in a new era of Responsible Consumption and Production in the energy sector.
105. We are also laying the legislative foundation for clean energy. In 2026, the Small-Scale Distributed Renewable Energy Generator pilot will begin, incentivizing households and businesses to install rooftop solar PV supported by a new Net-Billing mechanism. This democratizes energy generation, reduces fossil fuel dependency, and supports our ambitious 2030 renewable energy aim to achieve 100% renewable electricity generation. Utility-scale projects are also advancing. A new Independent Power Producer initiative will deliver a 30–50MW solar PV and battery storage facility at the Royal Basseterre Valley National Park, reducing diesel consumption by 40 percent once operational in 2027. This is estimated to create approximately 350 jobs during construction and commissioning, and a sustained number of skilled operations jobs thereafter — reducing electricity costs for firms and households and easing the cost-of-living over time. We are also exploring shore-to-ship power infrastructure to allow cruise vessels to

connect to our grid while docked, reducing emissions, increasing the attractiveness of our cruise ship port and creating new revenue streams.

106. Madam Speaker, investments in transmission and distribution are urgent. In 2025, we made a multi-million dollar investment in feeder upgrades and this will continue in 2026 with investment in upgrades in the Cayon area. Relying on the estimates provided by SKELEC, approximately \$300 million will be required between 2026 and 2030 to fully modernize the grid. These investments are essential to ensure climate resilience, renewable energy integration, and the electrification of transportation.
107. Partnerships are helping to drive our progress. Through the Global Environment Facility (GEF), we secured US\$3.3 million for rapid decarbonization, including renewable retrofits across public buildings and development of curricula on sustainable energy finance at the CFBC. With the EU and GIZ, a Solar PV Integration Study is underway to guide rooftop expansion. A World Bank grant of US\$500,000 is supporting studies for inter-island interconnection, preparing our grid for geothermal and solar integration. Technical cooperation with the Greening the Islands Foundation is helping us chart optimal renewable pathways, while our Electric Mobility Transition is laying the groundwork for EV charging infrastructure and fleet electrification. Madam Speaker, these efforts from solar deployment to electric mobility, form part of a coherent national strategy to deliver reliable, affordable, and sustainable energy for all. They reinforce our determination to transform St. Kitts and Nevis into a model Sustainable Island State, where clean energy powers our economy, protects our environment, and secures a prosperous future for generations to come. With the policies we are implementing, the financing we are mobilizing, and the partnerships we are forging, we are delivering on our promise to provide a clean, secure, and renewable source of energy to power our progress. Madam Speaker, undoubtedly, these are true examples of how we are turning conversations about energy security into action. This is what we mean when we say that our Government is investing in our people and powering progress for our citizens today and for future generations on Kittitian and Nevisians.

Information and Communication Technology

109. Madam Speaker, in this modern era, digital infrastructure is no longer a luxury—it is a very important foundation to propel our SISA forward. Our Government has placed technology, innovation, and data security at the heart of our transformation agenda. Under the Sustainable Island State Agenda, Pillar 7:

Digital Transformation and Innovation, we are building a smarter, more resilient, and more equitable Federation—one in which no citizen is left behind in the digital era. At the core of this approach lies our Whole-of-Government Technology Strategy, organized around People, Processes, and Technology. With the establishment of the Digital Transformation Management Unit, we are not simply speaking about a digital future—we are building it now, transforming the Civil Service, and improving the way we operate and serve citizens.

110. One of the most significant milestones that has been achieved is the development of the St. Kitts and Nevis Internet Exchange Point (SKN-IX). Since its inception in 2023, SKN-IX has strengthened our digital sovereignty, allowing local internet traffic to remain within our borders. The results are immediate: faster speeds, lower latency, and greater stability. Regional experts have commended our Federation for maintaining one of the most technically sound IXPs in the Caribbean. With support from partners such as Packet Clearing House, SKN-IX is now a secure, scalable platform that anchors our position in the regional ICT landscape. Building on this foundation, the Digital Services Network is modernizing legacy government infrastructure. By 2027, ministries will be connected through a high-speed, redundant core network, enabling seamless information flow and digital public services. A state-of-the-art Security Operations Centre will provide 24/7 monitoring, intrusion detection, and threat intelligence, advancing SDG 16 by safeguarding national data and strengthening trust in government systems.
111. Madam Speaker, sustainability is also crucial. Our Digital Identity Project is one of the most pivotal initiatives in our transformation agenda. The St. Kitts and Nevis e-ID will empower citizens to securely access services in healthcare, education, and finance thereby laying the foundation for citizens to gain the full experience of participation in the digital economy. With support from Taiwan and Estonia, and guidance from the International Telecommunication Union, we are building a secure, interoperable framework that enshrines privacy, data protection, and sovereignty. By April 2026, we intend to deploy 25,000 e-ID cards, ensuring inclusion and global interoperability.
112. We have also achieved significant progress in Civil Registry Digitization. Decades of paper records are being digitized, preserving our history while enabling faster, more transparent access to vital documents. This modernization supports better policy planning, strengthens accountability, and empowers citizens to access their records online for education, employment, travel, and legal processes.

113. Madam Speaker, our development and adoption of technology is moving apace as we continue to deliver tangible results, again moving from conversation to action and progress. Look at what we have accomplished in such a short space of time: introduction of a modern Electronic Travel Authorization platform, the Citizen Services Portal, the Government Online Directory, new electronic tax administration system and modernized systems for Consumer Affairs and the Land Registry. Work is underway on an Online Passport Portal and a Single Window System for the Customs and Excise Department, advancing our Paperless Trade Initiative. A Government-wide Electronic Document and Records Management System will also help to safeguard official information and create a disaster-resilient archive.
114. Madam Speaker, last year the Government announced a new training initiative in cybersecurity. I am pleased with the results to date as the first cohort of 21 trainees received their certificates under the Cyber Nations Cyber Security Programme. This marked a major milestone in the Government's ongoing efforts to strengthen national digital capacity and position the Federation as a regional leader in cybersecurity and digital transformation. All graduates were exposed to both theoretical and hands-on training, preparing them for globally accredited certifications and direct employment opportunities in the rapidly expanding field of cybersecurity. The programme forms part of our Government's comprehensive digital transformation agenda, which seeks to create a skilled workforce capable of supporting the nation's move toward a dynamic, sustainable and technologically advanced economy. The next training session will commence in January 2026, with registration already open to receive new applications. I therefore invite our young people to take up this exceptional opportunity to gain life changing training and certification that can advance their personal and professional development, bringing with it their chance to make a solid contribution to our country.
115. Plans are in place to finalize the national fibre connectivity plan, linking every government building into a single secure network. We will expand training in artificial intelligence, cybersecurity, and digital governance, and enact modern legislation on digital identity, electronic transactions, cybersecurity, and data protection. In support of the work of this Ministry of ICT, a Recurrent Expenditure totalling \$12.6 million is proposed for 2026. In addition, it is proposed that the Ministry be allocated \$3.7 million to facilitate the implementation of capital initiatives including the Technology Refresh – IT Department Computer and Equipment Upgrade; the Civil Registry Digital Application; the GSKN Digital Transformation; and the Digital Services Network Projects.
116. Madam Speaker, this transformation is not about technology for technology's sake. It is about redefining how Government interacts with citizens, businesses, and the world. Every secure digital identity, every

online transaction, every streamlined public service represents a step toward a stronger, fairer, and more agile St. Kitts and Nevis. Through this digital transformation, anchored in Pillar 7 of our Sustainable Island State Agenda, we are laying the groundwork for a future in which opportunity, efficiency, and inclusion are not just ideals but lived realities for all our citizens. Madam Speaker, we are investing in our people and the progress of our Federation.

Environmental Sustainability

117. Madam Speaker, the plight of Small Island Developing States (SIDS), or my preferred term of Large Ocean States, in the face of the triple planetary crisis—climate change, pollution and biodiversity loss—grows more urgent with each passing year. On behalf of the people of St. Kitts and Nevis, I express solidarity with the people of Jamaica, who in October endured the most severe storm in that country’s history. Such a catastrophic impact on a small island state underscores our long-standing argument that SIDS are vulnerable and deserving of targeted international support if we are to achieve climate justice. For St. Kitts and Nevis to fully realise the promise of a holistic, sustainability-centred transformation under the Sustainable Island State Agenda, Pillar 2: Climate Resilience and Environmental Sustainability, we must act proactively, deliberately, and with collective resolve and effort. In 2025, we advanced a wide-ranging programme of legislative reform, community action, regional engagement, and climate finance mobilization to protect our environment for present and future generations.
119. Legislation has been the foundation of our response. Our Parliament passed the Plastic Waste Reduction Act, instituting a phased ban on single-use plastics, while easing the transition with duty waivers on sustainable alternatives. We also enacted the National Conservation and Environmental Management Act (NCEMA), establishing frameworks for biodiversity conservation, pollution control, and protected areas. Under NCEMA, the Ministry of Environment, Climate Action and Constituency Empowerment assumed custodianship of the Saint Mary’s Biosphere Reserve, safeguarding a national asset integral to biodiversity, tourism, and agriculture. In waste management, the Taiwan ICDF Solid Waste Management and Recycling Project entered its second phase, improving landfill operations, recycling rates, and circular-economy practices. The Parks and Beaches Unit complemented this with beautification efforts, ensuring our coastlines, green spaces, and urban areas reflect pride and resilience.
120. Madam Speaker, climate finance and regional leadership are equally critical. In March 2025, we hosted the Green Climate Fund Regional Dialogue for the Caribbean, and our Government reaffirmed its

leadership in advancing regional readiness, accreditation pathways, and locally led climate action. At the project level, we accessed US\$1 million in GCF preparation support for the Climate Smart Agriculture Project and launched the US\$3 million National Adaptation Planning Project to embed adaptation into legislation, policy, and institutions.

121. Through the Nationally Determined Contribution (NDC) Partnership Action Fund, we strengthened our commitment to the Paris Agreement by developing a National Loss and Damage Strategy, an NDC Investment Plan, and updating the National Climate Change Policy. These reforms position St. Kitts and Nevis as a regional leader in evidence-based, inclusive climate governance. Community-level impact has been tangible. Through the Global Center for Climate Mobility, four local projects received rapid-response grants: water harvesting in Sandy Point, artificial reef deployment in Capisterre, integrated quail and hydroponic systems, and climate-proof lockers at Newcastle Bay. These small-scale initiatives deliver real resilience outcomes for our people.
122. Madam Speaker, our legislative and diplomatic agenda has been robust. We ratified the Agreement on Biodiversity Beyond National Jurisdiction, endorsed the Fossil Fuel Non-Proliferation Treaty, and reaffirmed engagement with the Caribbean Community Climate Change Centre. Domestically, the Plastic Waste Reduction Act and NCEMA provide the policy architecture to realize SISA and protect biodiversity. We also hosted the Third Global Sustainable Islands Summit (GSIS3), bringing hundreds of delegates to our shores, showcasing our SISA framework, and positioning St. Kitts and Nevis as a global exemplar of integrated island sustainability. To operationalize SISA, the Ministry established a SISA Advisory Committee and convened inter-ministerial sessions to align proposals with portfolios and realities, strengthening coordination and delivery.
123. Madam Speaker, the suite of actions taken in 2025, from legislative reform and recycling projects to GCF readiness and regional leadership, demonstrates a clear trajectory: we are building the institutional capacity, partnerships, and financing pathways that will make a resilient SISA a reality. We are not content with incrementalism. We are pursuing systemic change that protects our people, secures sustainable livelihoods, and honours the natural inheritance of St. Kitts and Nevis. Our Government, the people's Government, will continue to marshal every available resource—local, regional, and international to defend our shores, preserve our biodiversity, and strengthen the resilience of our communities. By doing so, we protect not only our environment but the prosperity and future of every Kittitian and Nevisian.

SECTION III: BUILDING TOMORROW TOGETHER

Medium-Term Economic Management Strategy

125. Madam Speaker, I now provide an overview of the medium-term economic and fiscal outlook for the national economy. As I mentioned earlier in my presentation, the global economic landscape is fluid and complex and as a result threatens several downside risks for us here in the Federation. We are not daunted however; we remain laser focused on mitigating the identified risks and more importantly finding the opportunities that come with these changes. As we chart the course for **Investing in People and Progress**, we will endeavour to remain good stewards of the country's finances.

Medium-Term Fiscal and Debt Outlook and Growth Targets

126. Madam Speaker, in assessing the anticipated fiscal outturn for 2025, and based on data available as of November 2025, we estimate that by year-end the Government's expenditure would amount to \$1.04 billion or 35.6 percent of GDP. Total Revenue and Grants are projected at \$732.7 million or 25.2 percent of GDP. This revenue performance, relative to the 2025 Approved Estimates, is projected to decline by approximately 31.3 percent largely attributable to the shortfall in receipts from the CBI Programme. While the current situation may not present a perfect fiscal position, Madam Speaker, it is in fact the result of a commendable effort by our Administration to protect our Nation's stability and secure critical investments in the interest of the wellbeing of our people. Madam Speaker, we have identified 2026 as a pivotal year for us to stabilize the fiscal situation while at the same time preserving our gains and making even more progress on the implementation of our SIS Agenda. The economic and fiscal outcome for 2025 reinforces the immediate need for a deeper dive into economic diversification and fiscal consolidation, to bolster resilience and ensure the long-term sustainability of our island state.

127. Madam Speaker, our Administration listens to and acts on the concerns of the people of our Nation. This commitment is reflected in our expenditure performance, which included comprehensive and targeted support to households. As prices within our major trading partners rose, we heard the voices of our people

and took decisive action to cushion the impact by swiftly implementing timely measures to “ease the squeeze” and financial burden on citizens and residents. Madam Speaker, the Budget Boost Wallet initiative or BBW, was truly an innovative instrument crafted by this Government to deliver significant and timely support to individuals and households. The Government invested over \$36 million to support over 23,000 of our people under the BBW initiative. To compliment this initiative, the Government provided additional support by lowering the VAT rate from 17 percent to 13 percent for the first six months of this year. This provided individuals and households with both reduced prices on one hand and direct financial support in the other hand. Our Administration’s timely and creative interventions are undoubtedly inspired by our commitment to invest in people and progress.

128. Madam Speaker, our economy is on a positive trajectory and gaining momentum. The Statistics Department at the Ministry of Sustainable Development projects real GDP growth of 2.8 percent for 2026 and stabilizing at 2.3 percent in the medium term. While this expansion is expected to be led by key sectors such as Construction, Wholesale and Retail, Public Administration, Hotels and Restaurants and the Financial Sector, it is expected to generate wider economic activity that will translate into jobs and income for our people. Of course, Madam Speaker, when there is growth in the economy the Government also benefits from increased tax revenue and this is reflected in the current Medium Fiscal Framework which is the blueprint for our 2026 Estimates. We are guided by a robust Framework which sets out the Government’s fiscal strategy for the next three years (2026 to 2028). Guided by this Framework, we will place emphasis on strengthening public financial management across the Public Sector, increasing transparency and accountability, institutional strengthening and improving delivery of service to our people. The Framework prioritizes accurate costing of Government services and advances tax policy reforms designed to deliver a more equitable and modernized tax system supported by stronger compliance measures. Guided by this Framework, our Government is positioned to generate revenue in line with the projected GDP growth. Total Revenue and Grants are estimated at \$894.8 million for 2026. Recurrent Revenue is projected to yield \$855.7 million for 2026 and \$899.1 million over the medium term. The amount for Recurrent Expenditure is estimated at \$879.8 million for 2026 and an average of \$892.4 million for the 2027 to 2028 period. We are projecting \$167.2 million for Capital Expenditure and Net Lending in 2026 while an average of \$115.8 million is forecasted to be expended for the medium term.
129. Madam Speaker, equally important we are keeping a watchful eye on the management of the Public Sector Debt. In terms of the outlook, as at end December 2025, the Total Public Sector Debt is projected at \$1.7

billion which represents an increase of \$58.7 million, or 3.6 percent as compared to 2024. The rise in the debt stock was mainly attributed to an increase in the Central Government debt which rose by \$97.4 million or 15.8 percent. The medium-term outlook shows a slight increase in the Debt-to-GDP ratio. At the end of 2025, the Debt-to-GDP ratio is forecasted to increase to 58.7 percent, a 1.1 percentage points rise, compared to 57.6 percent for December 2024. Over the forecasted period (2026-2028), the Debt Ratio is expected to remain below the 60 percent benchmark set for the ECCU member countries to achieve by 2035. The Debt-to-GDP ratio is forecasted to decline in 2026 to 57.0 percent and continue its downward trajectory to 54.9 percent in 2027 and 51.9 percent in 2028. Madam Speaker, our Government is committed to maintaining the debt stock at sustainable levels. This can only be achieved through a prudent debt management strategy that is geared towards ensuring that any future borrowing will be made in connection with transformational projects at the lowest possible cost and at an acceptable level of risk.

Fiscal Prospects

130. Madam Speaker, Anthony Robbins said, “If you talk about it, it’s a dream, if you envision it, it’s possible, but if you schedule it, it’s real.” Our Government has recognized the importance of engagement with stakeholders and we have not only consulted on matters impacting citizens but we have moved many of these conversations into meaningful actions. Looking at the last three years, we can see visible signs of investment and progress that, in some way, touches the lives of every citizen and resident. Madam Speaker, our investment and progress are real. Our plans are real and our future looking actions are clearly documented and shared with our citizens and the global community through the Sustainable Island State Agenda. So, our actions are not a set of disjointed siloed events, instead, we are carefully following a masterplan which is fully aligned with the National Development Planning Framework. We have continued to partner with stakeholders in the Public and Private Sectors, innovators, academia and civil society as we schedule the various initiatives that will make our planned macro-economic transition a reality.
131. With the changes we are introducing, we anticipate increased productivity and economic growth which will facilitate additional employment through the development of new and emerging sectors, and the modernization of business operations through the integration of technology. It is projected that over the medium-term investment in major Public and Private Sector projects will continue to stimulate growth in the Construction Sector with positive spinoffs in the Tourism; Wholesale and Retail Trade; Transport, Storage and Communications; and Financial Service Sectors. It is also anticipated that the Agriculture

Sector will yield increased growth as we accelerate investment to increase food security through enhanced food systems to supply both local and external markets. The 2026 Budget outlines the projects and programmes that will facilitate the accelerated implementation of the Sustainable Island State Agenda, bringing with it, a more resilient place to live, work and age with dignity. Today, we present in this Honourable House the 2026 Estimates totalling \$1,074 billion. I use this opportunity to give a brief overview of the expenditure proposals for a few key Ministries that will contribute to our progress in 2026.

132. It is being proposed that the Prime Minister's Office receives funding in the amount of \$69.3 million for Recurrent Expenditure and \$3.5 million for Capital Expenditure in 2026. The Office remains committed to effective governance and the comprehensive management of the Federation's affairs. These resources will be expended to facilitate Civil Service modernization, citizen engagement, strategic leadership, strengthen service delivery, enhance inter-ministerial collaboration and improve the effectiveness of government programmes and initiatives. The Continuous Professional Development Programme will be expanded to enable targeted training in leadership development, digital transformation and performance management. Critical to achieving our objectives within the Sustainable Island State Agenda is building strong partnerships with the Diaspora. The Regional Integration and Diaspora Unit will continue to advance the Nation's regional and international engagement efforts. In 2026, the Unit will continue its outreach missions to strengthen ties with diaspora organizations, encourage investment, knowledge exchange and provide support for returning nationals to ensure smooth reintegration.
133. A key pillar in the Sustainable Island State Agenda and National Development Planning Framework is food and nutrition security. Continued investment in the Agriculture Sector rest at the core of building our resilience as it facilitates economic diversification, creates decent employment and reduces the loss of foreign exchange earnings through the reduction of the food import bill. In this regard, a total of \$14.6 million is proposed to facilitate Recurrent Expenditure. These resources will assist with the development of a resilient agri-food industry, the advancement of the Food Import Reduction Programme, the management of our marine resources and the integration of new technologies. In 2026, research will be given even greater priority as we place emphasis on climate-smart agriculture, pest and disease management, soil and water conservation and the diversification of crops and livestock. The development of the cannabis industry will remain a priority as the Authority undertakes continued engagement with potential investors and facilitates avenues for research and development. Capital Expenditure totalling \$6.7 million is proposed to continue investment in a number of projects identified to scaleup development of the Sector.

134. Madam Speaker, the Tourism Sector has multiple roles in the Sustainable Island State Agenda, including: a means of transformation and regeneration of key locations, communities and culture, a path for our people to become prosperous while accessing career opportunities and advancement, and foster an improved quality life. In 2026, ongoing initiatives will be expanded following global standards such as the Global Sustainable Tourism Council (GSTC) criteria. Implementing these initiatives will provide a more authentic tourist experience as the more discerning visitors are primarily interested participating in the activities that help to protect our natural heritage. The Ministry of Tourism, Civil Aviation and International Transport will continue to give the requisite support to one of our largest events in the activities calendar namely, the St. Kitts Music Festival. This activity is complemented by the ongoing support provided to facilitate the expansion of airlift and marketing in new and established source markets. In support of these efforts, a Recurrent Expenditure of \$53.2 million is proposed for 2026. The Ministry is cognizant that resilient infrastructure is critical to achieving positive outcomes within the Sector. To this end, Capital Expenditure totalling \$4 million will be invested to further enhance the ambiance of the beach experience through ongoing work on the South Frigate Bay Beach Enhancement Project; and to facilitate grassroots tourism related developments. Popular tourist attractions such as the Eco Park will be further enhanced to improve the visitor experience while the historical Berkley Memorial will be restored.
135. The Ministry of Public Infrastructure, Energy and Utilities has made significant strides in progressing with our sustainable development agenda through the design and construction of resilient road infrastructure; the implementation of new approaches to ensure the supply of reliable, safe potable water; and by providing critical technical advice in support of the continued expansion of the Energy Sector. In 2025, key accomplishments included the completion of the 2 million gallons per day Basseterre Desalination Plant; the integration of the well in Cayon, adding 300,000 gallons per day (gpd) into the groundwater system; the operationalization of the 60,000 gallons per day (gpd) Canada Estate Solar Desalination Plant, generously donated by the United Arab Emirates (UAE); the completion of the Semi Airborne Geophysical Survey using the state-of-art method combining drone technology with ground-based electrodes to collect geophysical data resulting in the identification of 17 potential new sites for future groundwater well development; and the opening of the newly constructed St. Peter's Main Road. To further build on these accomplishments a total of \$26 million is proposed under Recurrent Expenditure. These resources will be used to recruit critical technical personnel to strengthen the design capabilities for road and drainage development, slope stabilization, and to support the optimal operation of the desalination plants.

136. In 2026, we will expand quarry production and introduce a better system for preventive maintenance, explore renewable energy integration, scale up road construction and drainage in flood-prone communities, and finalize solar PV installations and staff training. Madam Speaker, our vision extends beyond today. By 2026, the Public Works Department's Administration Building will be outfitted with a 20-kilowatt rooftop solar PV system, funded by the OECS Solar Challenge and supported by the Republic of China (Taiwan). This initiative will reduce energy costs and serve as a national model for renewable energy integration in public buildings. We are also investing in technical training and certification for our electrical inspectors, building domestic capacity for renewable energy deployment across all public facilities.
137. In support of continued major investment, a total of \$48.5 million is proposed for Capital Expenditure in the Ministry of Public Infrastructure. These resources will support the Construction of Coastal Area Revetments that will build resilience in specified vulnerable coastal areas; the Road Improvement Project which continues to facilitate the construction of new and upgrade of existing roads in communities; the Phillips Slope Stabilization; the Slope Stabilization at Ottley's and Cunningham; the Well Drilling and Extension of Water Lines; the Procurement of Meters and Lockable Valves; the Construction of Reservoirs; and the Ground Water Drilling Programme. The resources will also provide essential heavy equipment, technological integration and upgrades in the physical plant for both the Public Works and the Water Services Departments. A most critical investment will be the procurement of a new Asphalt Plant for use by the Roads Division as we aim to further improve the rate of repair and construction of road infrastructure.
138. Madam Speaker, the delivery of a modern curriculum to ensure the competitiveness of our students inclusive of our Lifelong Learners remains a priority for the Ministry of Education. Work will continue to provide access to relevant training for educators and support staff across the various institutions under the remit of this Ministry. Areas of priority include updating curricula, facilitation of remote teaching, and classroom management taking into consideration the options to integrate technology in the teaching and learning environment. Resources will also be prioritized to strengthen the operations of the newly created Christopher Wilkin Institute of Technology. Therefore, the Ministry proposes Recurrent Expenditure totalling \$108 million.

139. It is proposed that the Ministry of Education be allocated \$14.8 million to support Capital Investments. This represents an increase of 14.1 percent when compared to 2025. These resources will support work being undertaken to maintain safe, healthy and secure learning environments. Investment will continue in regard to major projects such as, the Upgrade of School Bathrooms; the Reconstruction of the Joshua Obadiah Williams Primary School; the Construction of the New Basseterre High School; the Secondary School Electrical Upgrade – Phase I; the Washington Archibald High School (WAHS) Bathroom, Roof and Window Renovation; and the Clarence Fitzroy Bryant College (CFBC) Security and Laboratory Upgrade. As the Ministry endeavours to utilise technology as an aid in the delivery of educational programmes, efforts will continue to upgrade the information technology systems through the implementation of the Enhanced Education Network Project. The procurement of additional furniture and vehicles to ensure all students report to school will remain a priority in 2026.
140. Madam Speaker, the health demographics of the Federation signals that the population is aging, birth rates are declining and rising non-communicable diseases. In addition, there is need for vigilance as we observe a resurgence in vaccine-preventable illnesses such as measles in our tourism source markets. These public health concerns require responses that are targeted and inventive. During 2025, the Ministry of Health made significant progress in strengthening community and clinical health services; the enhancement of research, education and professional development through partnerships with reputable universities and development partners; the strengthening of data-driven decision making through improved health intelligence and surveillance; the establishment of structures to facilitate advanced policy, governance and multi-sectoral leadership; and investment in major upgrades to infrastructure and procurement of essential equipment in support of the expansion of services. In 2026, resources will be provided to facilitate the recruitment of additional critical medical and specialised support personnel to improve services at both primary and secondary healthcare facilities, the continued enhancement of surveillance to maintain critical health statistics and the build out of the universal health coverage system. In support of these efforts Recurrent Expenditure totalling \$83.8 million is proposed for the upcoming year. A total of \$15 million has been proposed for the 2026 fiscal year to continue capital investment in the Health Sector Improvement; the Construction of St. Peter's Health Centre; the Purchase of Medical Equipment, the Construction of the New Hospital and the Institutional Enhancement Projects.
141. Madam Speaker, high priority will continue to be given to maintaining the appropriate levels of personnel within the various departments of the Ministry of National Security to ensure an efficient response to the needs of the community. There will be continued community engagement to maintain the strong

collaboration between the security forces and the public in deterrence of criminal activity in our neighbourhoods. Strategic initiatives will continue to be supported in order to enhance surveillance, data collection and analysis. Support will be given to the continued rollout of the Electronic Travel Authorization (ETA) system which has enhanced security and streamlined the travel experience. In support of these efforts a Recurrent Budget of \$84.1 million is proposed. Investment will continue to strengthen the security infrastructure and provide additional equipment and supplies totalling \$13.2 million. Major initiatives that will be supported include the Safety and Security Improvement Programme; the Refurbishment of Police Stations; the Closed-Circuit Television (CCTV) Surveillance and Traffic Management System; the Purchase of Radios and Tactical Equipment; the Purchase of Vehicles and Equipment for the Fire Services; the Demolition of the Fire and Rescue Facility; the Construction and Refurbishment of Camp Springfield Barracks; and the National Security Technology Refresh Projects. A critical component of the mandate of this Ministry is the provision of disaster risk management services to adequately prepare the country for unforeseen and known disaster risks. In this regard, implementation of the Disaster Resilience Improvement Project (DRIP) will continue in order to further strengthen the National Emergency Management Agency.

FISCAL MEASURES AND OTHER STRATEGIC INTERVENTIONS

142. Madam Speaker, let us take a step back to where I started this presentation earlier today, significant changes are being made at a rapid pace in the global economy. Many of these changes can easily tip the scale against us here in the Federation. We have already observed the negative impact of past external shocks, some of which we are still trying to recover. As a small, independent Nation, we cannot sit idly by and lament all the negatives of the present day, instead we must continue to put our heads together to innovate and make our individual contribution to building the St. Kitts and Nevis we want to live in and a country that we would want our future generations to inherit. I am appealing therefore to all citizens, residents and business enterprises to join our Government in building a resilient and prosperous country. In this context, there are a number of structural and transformational interventions that we must address in 2026. To maintain a stable and thriving country, we must move the conversations regarding major reforms to a point of action so that there is a more realistic reflection of the world our people now live in. As we continue the sacred task of building a stronger, safer, fairer St. Kitts and Nevis, a nation where every citizen can prosper, your Government will take the necessary action to modernize the tax system, introduce the long-awaited Social Security pension reforms and National Health Insurance.

143. Madam Speaker, the tax reforms mentioned in my Budget speech last year are still very relevant for consideration at this time. In fact, the tax reform agenda is a vital element for achieving and maintaining economic and social sustainability and enhance our long-term resilience as a developing nation, navigating an uncertain global environment. Modernizing our tax system can create a more stable and predictable source of revenue and cushion our vulnerability to external shocks. These reforms will help to promote fairness by ensuring that the burden is shared more equitably while also improving business competitiveness via a simpler and more transparent process. We hope to leverage these reforms to support the economic diversification process and encourage innovation while at the same time creating fiscal space for investments in infrastructure, climate resilience and social protection. Our tax reform agenda therefore is not only a technical exercise but a strategic step towards safeguarding our future, protecting vulnerable citizens and securing a more sustainable path for development of our country.
144. Madam Speaker, we have reinstated a fully functioning Income Tax Appeals Commission and a Property Tax Valuation Review Board. These independent bodies will begin work in earnest early in the New Year. Let me be clear: tax compliance is not a technicality — it is the lifeblood that sustains our schools, hospitals, roads and social programmes. If left unchecked, chronic arrears and loopholes would weaken our ability to deliver on the mandates entrusted to us by the people. That is why, in 2026, our primary focus will be to collect outstanding tax arrears and to close the gaps that permit the build-up of arrears, avoidance and outright evasion. We will pursue this with firmness and fairness. Enforcement will be strengthened but it will be accompanied by measures that protect vulnerable households — including structured repayment options, clearer guidance and improved taxpayer services. The reform agenda will concentrate on VAT, corporate income tax, property tax and stamp duty, with the objective of making the system simpler, fairer and more efficient. By doing so we protect the resources needed for public investment and continue **Investing in People and Progress**.
145. Madam Speaker, these reforms will be rooted in a simple but powerful principle: **fairness**. To improve our tax collection capabilities the Ministry of Finance will operationalise a business intelligence dashboard and risk-based audit modules within the Tax Management System to enhance closer collaboration between the Inland Revenue Department and taxpayers that require support to meet the required obligations under the tax legislations. In addition, steps will be taken to facilitate the implementation of the electronic interface between the Land Registry and the Inland Revenue Department. This feature will enable the Department to access real-time information on property in reference to sale, inheritance, mortgage and

subdivision records which will support the property assessment process. The Customs and Excise Department will utilise enhanced technology and data analytics to effectively detect illicit goods, boost revenue collections and enhance business operations to enable the expedited processing of both goods and individuals. Further, while our people and businesses have embraced the digital age, our legislation, particularly tax legislation has not kept pace. Efforts will be made to address this in the coming year.

146. Madam Speaker, the plan for reform is about much more than revenue. It is about positioning St. Kitts and Nevis as a digitally ready nation, a nation prepared to engage confidently with international markets, global technologies, and new business models, by strengthening definitions, rules, expanding registration requirements, and creating pathways for non-resident suppliers, we are equipping our Inland Revenue Department with the tools to administer a 21st century tax system built on data, technology, and transparent governance. This is the kind of forward-thinking approach that international partners look for, and it further cements our commitment to building a Sustainable Island State. This Government therefore has decided not to engage in tinkering at the edges of the tax system. We are taking the time to develop a credible plan to reshaping the tax system to make it fairer, more modern, and more humane. We will commission a small working group to assist with the mechanics of the designing and sequencing of the reform initiatives and the necessary administrative arrangements required to effectively manage the reform process. When we are ready to move forward with the reform plans, additional pertinent information will be communicated publicly during the course of 2026.
147. Madam Speaker, 2025 was a significant year for Government employees. This year, we turned conversations into action by bringing one of the most vital upgrades to the Pension Act. History will record that it was this St. Kitts-Nevis Labour Party Administration that ushered in the award of a gratuity and pension to ALL government employees. Not some, Madam Speaker, ALL. This Madam Speaker is pension justice. No longer is there a line of separation of benefits between the Government Auxiliary Employees (GAEs) and Civil Servants. They will both receive a gratuity and a pension. There is no separate formula for the calculation of these benefits either. They both work to deliver services that improve the lives of all citizens and residents of St. Kitts and Nevis, and they should both benefit in the same way. There is no difference between how the pension for the doctor, the nurse, teacher, messenger, director, cleaner, Permanent Secretary or crossing guard is calculated. They are all important to the functioning of our modern society and they will all benefit from their contribution to nation building and the attainment of our Sustainable Island State Agenda.

148. In 2025, an additional 75 GAEs retired and our Government paid out in excess of three million dollars to GAE workers. The payouts are expected to increase sharply in 2026, as a number of GAEs who are eligible to retire were waiting on the update of the policy before they retired. Let us be clear, this is not just a change in formula, this is real change that brings real security and dignity to deserving public servants in retirement.
149. This dovetails, Madam Speaker, to a larger picture of expanded benefits for all citizens. The team has received the report from the actuary on the activation of the National Health Insurance (NHI). This is another game changer, and one that impacts all citizens. The adage that states “the health of our nation is the wealth of our nation” is not only something medical doctors believe in. This statement emphasizes that undeniable link between the economy and the welfare of our people. Madam Speaker, we cannot begin the discussion on a sustainable island state without bolstering our workforce. This is a critical and necessary investment that will yield benefits beyond health care, adding to the overall productivity and resilience of our people. With this vision in mind, I have instructed the task force to review the actuarial report, partner with the Social Security Board, continue their work with the actuary and action the NHI in 2026.
150. We are not done, Madam Speaker when I said it was a significant year, I meant it. Effective December 1st, 2025, employees of the Government of St. Kitts and Nevis are now beneficiaries of a \$1 million-dollar, lifetime, health insurance policy. We have moved from \$750,000 triennial coverage to \$1 million dollars. Our Government has maintained that active employees will continue to receive healthcare coverage as a no cost employee benefit and no additional cost for their medical visits. Details of the improved plan will be shared over the next few weeks to all employees and retirees. Yes retirees, retirees will see the biggest shift in the upgrade of their health insurance coverage. The upgrades of the plan are designed to ensure that it adjusts as an employee transition from active work to retirement. Over the course of the next few weeks retirees will also be updated on the new benefits which include:
- Lifetime coverage, no longer will they be dropped automatically at age 75
 - No longer losing insurance at a period of life when it is needed most
 - Increase in coverage amount from \$100,000 to \$500,000, which is five (5) times the previous coverage amount
 - Continuation of qualified dependents beyond retirement
 - This is security for the covered families.

151. Madam Speaker, we have ensured that the plan is affordable and we will be introducing a new, equitable payment structure in 2026. No longer a blanket payment of \$75 no matter how much pension a beneficiary is paid. The new payment structure will allow for pension recipients to pay as little as \$25 per month and some will pay nothing at all. The monthly contributions will be capped at \$150 with the Government continuing to subsidize recipients, active and retired, ensuring fairness and sustainability. It is important to note that in a survey of pension recipients, pensioners indicated their eagerness to receive the lifetime benefit, keep coverage for their dependents and pay a little more. They understand Madam Speaker, the significance of health insurance coverage at this stage of their lives and they are willing to prioritize their health and that of their dependent. December 1st, 2025, marked a major step for us all. It reflects the continued commitment of our Government to honour our citizens who diligently serve the people of St. Kitts and Nevis by supporting their well-being at every stage of life. Madam Speaker, we are not just having conversations and talking, rather we are following through with action and delivering results. We are investing in our people and progress.

CONCLUSION

152. Madam Speaker, our democracy is alive and active. In 2025, this St. Kitts-Nevis Labour Party Administration convened Parliament 15 times to attend to the people's business, and we passed 23 Acts and Amendments — a record of responsiveness and productivity. The days when the people's business was neglected are behind us. The suite of laws we enacted strengthens safety and security, integrity and governance, sustainability and development, and social protection. These are not abstract measures; they are practical tools that protect families, strengthen institutions and safeguard our environment. Notable Acts include the Road Traffic (Amendment) Act; Integrity in Public Life (Amendment) Act; Banking (Amendment) Act; Pensions (Amendment) Act; the National Conservation and Environmental Management Act; and the Architects Registration (Amendment) Act. Each of these reforms brings real benefits to everyday lives and communities. They are further proof that this Government is focused, decisive and compassionate — **Investing in People and Progress** so every citizen can share in the country's advancement.
153. Madam Speaker, these laws are about protecting lives, strengthening trust, building sustainably, and caring for our people. In many respects they are the building blocks of our thriving democracy and form part of the foundation necessary for our Sustainable Island State to flourish.

154. Madam Speaker, our robust legislative activities are helping to bear fruits. I am pleased to share some good news relating to a recent achievement for St. Kitts and Nevis, as we have won the prestigious Best Regional Anti-Money Laundering/Counter-Terrorist Financing (AML/CFT) Case Award (BREMOLT) at the 61st Plenary of the Caribbean Financial Action Task Force (CFATF) which was held in Barbados during the last week of November. This, Madam Speaker, is significant, as it demonstrates the rigor of the targeted systems, legislation and coordination mechanisms in place in our country to detect financial crime and deter money laundering and terrorist financing. The case which was submitted for this Award not only showcased the efforts utilized to detect, research, investigate, analyse and prosecute financial crime in St. Kitts and Nevis, but also demonstrated the effectiveness of the AML/CFT systems in St. Kitts and Nevis and the commitment of all the relevant agencies. Madam Speaker, this Award sets the stage for our continued efforts in preparation for the next Round of Mutual Evaluations by the CFATF which would largely assess the effectiveness of the Federation's systems in combating financial crime. St. Kitts and Nevis is therefore on the right path for achieving excellent results in this process.
155. Madam Speaker, let me address the Special Sustainability Zone Authorisation Act, 2025, a landmark measure we passed on 11 August 2025 that provides a clear, accountable and constitutionally anchored framework for sustainable investment. The Act creates legally designated Zones where developers must commit, up front, to strict standards for sustainability, climate resilience, infrastructure and public services — including reliable water systems, robust renewable energy targets, climate-resilient construction, health access and dispute-resolution mechanisms — and where any concessions granted are proportionate to demonstrable public benefit. Developers must meet rigorous conditions before any agreement proceeds: independent economic analysis, detailed infrastructure and environmental plans, proven technical and financial capacity, and secure land rights. The law preserves our sovereignty and constitutional responsibilities — reserving matters such as foreign affairs, defence, citizenship and courts to the Government and the people — while also providing investors the clarity, speed and legal certainty they need to commit here without cutting corners. Independent oversight bodies and parliamentary ratification safeguards are built into the process so that transparency, accountability and community value are non-negotiable. In short, this Act is development on our terms — disciplined, democratic and designed to deliver jobs, diversification and lasting value for our people. That is what it means to be **Investing in People and Progress**.
156. Madam Speaker, as we look towards 2026, we can expect external pressures to continue to mount and test our resilience and our capacity to advance our ambitious development agenda. Even with the threats looming the outlook before us is bright. Our economy is stable, inflation has receded and growth is

projected to strengthen across key sectors. Construction continues to expand through housing, healthcare, tourism and other construction projects in the Public and Private Sector. Tourism is regaining momentum, supported by new airlift and destination marketing. Agriculture and fisheries are advancing with renewed energy and is projected to grow annually. These are not abstract ideas; each initiative represents jobs that will be created, families supported, and communities empowered.

157. This Budget is therefore a people-centred Budget. It is designed to ensure that every citizen feels the impact of growth in their daily lives. It invests in education so that our children are equipped for the future. It strengthens healthcare so that every family has access to quality services. It supports small businesses and entrepreneurs, recognizing that innovation and enterprise are the engines of prosperity. And it prioritizes climate resilience, ensuring that our island state is prepared to withstand the impact of natural hazards while protecting the heritage of generations to come.
158. Madam Speaker, the 2026 Budget is a declaration of confidence. It reflects the St. Kitts-Nevis Labour Party's proven record of service and the Government's determination to build a nation that is fiscally strong, socially just, and environmentally sustainable. It is a Budget that says to our people: we see you, we hear you, and we are working for you. We envision a St. Kitts and Nevis where every child has access to quality education, where every family enjoys food security, where every community is protected from the ravages of climate change, and where every citizen has the opportunity to contribute to and benefit from national progress. We envision a nation that is fiscally solid, socially united, and spiritually grounded—a nation prepared not only to endure but to excel.
159. Madam Speaker, this Budget is more than a financial plan; it is a vote of confidence in our people, a covenant of responsible leadership, and a clear pathway to a brighter tomorrow. Under the National Development Planning Framework and anchored in the Sustainable Island State Agenda, we are laying foundation stones for a resilient, innovative and inclusive St. Kitts and Nevis — a nation where prosperity is shared, opportunity is real, and progress is visible.
160. This is a Budget of purpose. It is about jobs and justice, schools and health, homes and hope. It is about practical measures that change lives — and it is, above all, about **Investing in People and Progress**. So let us be deliberate: we will manage our resources prudently, invest boldly in our people, and lead with integrity and compassion. We will protect the vulnerable, reward effort, and open doors for the next generation. We do this not for headlines but for households; not for applause but for outcomes.

161. Madam Speaker, this 2026 Budget is our collective pledge — to govern wisely, to invest courageously, and to deliver results that lift every community. May it guide us, inspire us, and bind us together in common purpose.
162. I remain, as always, the humble servant of the people.
163. Thank you very much. May it please you, Madam Speaker.