



## PROGRESSIVE LIBERAL PARTY

# ECONOMIC PLAN

RECOVER • REBUILD • REVOLUTIONIZE

*The PLP is ready to kickstart an economic recovery, with immediate relief now during the emergency and a plan to create jobs and build a stronger and more inclusive economy.*

1. Provide Immediate Relief
2. Stabilize Public Finances
3. Kickstart the Economy and Job Creation
4. Revolutionize Education and Training
5. Create Greater Equity and Opportunities for Bahamians in Tourism
6. Diversify the Economy
7. Invest in Young Bahamians
8. Reconstruct for Resiliency and Advance Renewable Energy
9. Modernize Digital Infrastructure
10. Implement the National Development Plan

### 1. PROVIDE IMMEDIATE RELIEF

- Put in place a **COVID-19 Plan** that goes beyond vaccines and lockdowns, to save livelihoods as well as lives:
  - Free testing
  - Eliminate restrictions not based on science
  - Strengthen isolation protocols in clinics and hospitals
  - Increase speed of contact tracing to stop new outbreaks
  - Public education on risk mitigation, especially ventilation
- **Reduce VAT to 10%** across the board for twelve months; reassess at one-year mark.
- Provide a **RISE pre-paid debit card** to cut out expensive bureaucracy, increase dignity in food assistance and increase the food assistance budget.
- Work with tenants and landlords to **reschedule rent payments** in line with shortterm ability to pay, providing breathing room until the economy recovers, and avoiding a severe homelessness crisis. Increase funding to social services for rental assistance.
- Work with banks to keep **people in their homes**. Through a public-private partnership, devise a plan to waive or reduce the interest payments on qualifying mortgages.
- Phase in a **livable wage**; recommend to the National Tripartite Council that they move towards a minimum wage of \$250 per week. (Under the previous PLP administration, the minimum wage was increased 40%).

- Address **arrears** with government vendors and **salary arrears** owed to public servants.
- In collaboration with the private sector and NGOs, implement additional immediate relief measures for the islands of Abaco, Grand Bahama and Ragged Island, as they rebuild.

## 2. STABILIZE PUBLIC FINANCES

- An **immediate, full assessment** of the true state of the country's finances
- **Prioritize Increasing Revenue**
  - Revive the Revenue Enhancement Unit, comprised of independent professionals, to ensure everyone pays their fair share of taxes. Under the previous administration, this unit collected an average of \$30 million monthly. (The FNM disbanded this unit and lost \$300 million in revenue in their first year alone).
    - Ensure high-end properties pay their Real Property Tax.
    - Ensure commercial and foreign-owned properties are on the Register and properly valued for tax purposes.
    - Collect revenue from international overflights.
    - Secure Carbon Credit Payments for our natural resources.
- Enhance **Bahamas Invest** to fast-track and promote a new model of Foreign Direct and Domestic Investment.
- Lower imports and currency outflows through **Buy Local** initiatives.
- Establish an **Investment Compliance Unit** to ensure that international investors comply with all of their obligations under statute and heads of agreement.
- Pursue **debt restructuring** at earliest opportunity.

## 3. KICKSTART THE ECONOMY AND JOB CREATION

- The VAT reduction, RISE card and minimum wage increases will stimulate **cash flow into the local economy**.
- Expand the role of Bahamas Invest to include a **Domestic Investment Board** to support Bahamian businesses in participating more fully in the Tourism Value Chain.
- Create **COVID-free tourism zones**: increase rapid testing ability to facilitate the creation of zero-COVID islands and resorts.
- Promote **private aviation, yachting and eco-tourism projects**, highlighting our country's distinctive competitive advantages in these areas.
- Increase **investment in infrastructure and technological upgrades**, with new public-private partnerships and a robust Infrastructure Investment Fund.
- Major investment in **new housing construction across our islands**, with public private partnerships.
- **Support entrepreneurs and small business start-ups** by providing a **shared workspace technology hub** to lower costs of entry, lower costs of doing business, provide technical and marketing support and promote collaboration and networking.
- **Remote careers**: link Bahamians to opportunities all over the world; the pandemic accelerated a shift to remote work for many global companies.

- Work with BFSB and Industry partners to progressively harness profitable niches in the Financial Services Industry, including, but not limited to, **Fintech, Insure Tech, Sup Tech, Blockchain and Cryptocurrency.**
- Immediately invest **\$50 million to fund entrepreneurial developments**, and up to \$250 million over five years.
- Create **tax relief incentives for SMEs.**
- **Grant system** for \$5,000 unsecured for legitimate small businesses, through SBDC; once repaid in full, automatic eligibility for a \$10,000 loan.
- **Clear the back-log of requests for grants** for small-business development.  
**Streamline and merge institutions providing service and funding to small businesses** to remove bureaucracy and reduce administrative costs.

#### 4. REVOLUTIONIZE EDUCATION AND TRAINING

- **EdTech: Pathways to Success:** new subsidized opportunities for Bahamians to pursue accreditations and certificates via online coursework in entrepreneurship, coding, digital marketing, design, blockchain, e-commerce, data analysis and more.
- **National Mentorship Programme:** expand mentoring and networking opportunities.
- **Financial Literacy and Entrepreneurial Skills Training,** beginning in primary school and advancing throughout the school years, with opportunities to learn extended to all who wish to acquire critical understanding of finances.
- Increase investment in **Trades Training** through **BTVI** and the **National Training Agency.**
- Utilize **BAMSI as an educational and training base for the Blue and Green economies.**
- Launch a tertiary **School of Visual, Performing and Recording Arts,** to develop world-class skills in the Orange Economy.
- Partner with corporate community to create the **Bahamas Innovation Awards** for high school students.
- Expand partnerships with international colleges and universities to **increase access to university and graduate-level scholarships.**

#### 5. CREATE GREATER EQUITY AND OPPORTUNITIES FOR BAHAMIANS IN TOURISM

- Focus on **increasing economic benefit through the Tourism Value Chain** rather than relying on ever-increasing visitor numbers. Negotiate additional and stronger positions in the hotel and hospitality supply chains for Bahamian businesses to reduce industry reliance on imports, which ‘leaks’ value out of the economy, and has resulted in the industry becoming increasingly un-competitive because of the high cost to visitors.
- Expand the role of Bahamas Invest to **support supplier businesses to hotels and other significant tourist operations, especially in light manufacturing.**
- Reform subsidies to investors to **level the playing field for Bahamians to compete** and build wealth in tourism.
- Focus on **stop-over visitors** and expand opportunities for them to spend more on products, services and activities in the wider community.

- Incentivize Bahamians to **set up vacation rentals** with portals like AirBnB and provide funding through the SBDC.
- **Negotiate greater value from the cruise ship industry**, including an environmental levy per passenger.
- Expand **Sports, Medical, Religious and Heritage Tourism** to grow Bahamian-owned business opportunities.
- Mandate that the Ministry of Tourism's marketing efforts increasingly **engage Bahamian talent and local businesses**, with a focus on promoting our vibrant Bahamian culture.

## 6. DIVERSIFY THE ECONOMY

### Natural Resources and Sovereign Wealth

- Assess the value of natural resources throughout The Bahamas.
- Review current concession regimes for projects. Negotiate equity in projects that request lease of crown land or seabed. (We will lease, NOT sell, crown land to foreigners).
- Review and renegotiate contracts for mining of natural resources.
- Encourage more university research in our natural resources, including undersea test and evaluation centers.
- Establish a Sovereign Wealth Fund to receive royalties from our natural resources and spur strategic development and long-term growth for the benefit of generations of Bahamians.
- Encourage the development of value-added industries and sub-sectors so that raw materials can be made into finished products to maximize value through vertical integration (e.g. table salt).

### ■ Orange Economy

- Create a 52-week calendar of creative and cultural events with major world-class events every quarter for year-round opportunities.
- Market Bahamian culture as the main tourism product, with cultural ambassadors to promote The Bahamas around the world.
- Use Junkanoo Culture to drive exports in music, costumes and art.
- Provide educational and training resources in Bahamian creative industries.
- Re-launch Sports in Paradise to encourage major international sports federations and leagues to use The Bahamas as a base, especially during the off-seasons in their home countries.
- Make Sloop Sailing the National Sport of The Bahamas, and incorporate both sailing and boat-building as vocational studies.
- In heads of agreement, where applicable, ensure that Bahamian creatives are given first opportunities for contracts and collaboration.

### ■ Blue Economy

- Strengthen RBDF's capacity and partner with the United States to prevent illegal poaching and piracy.
- Develop renewable energy industries in offshore wind and wave power.
- Safely and sustainably develop industries around marine biotechnology, aquaculture, and deep-sea exploration.

- **Green Economy**

- Re-prioritize achieving food security, with BAMSI playing a critical role.
- Facilitate the expansion of the agricultural and fisheries industry for local and export consumption by offering incentives and funding.
- Explore expansion of salt production on Long Island, Ragged Island and Rum Cay.
- Develop a comprehensive regulatory framework for growing, harvesting, and exporting cannabis so that the industry creates opportunities for many, not just a few. Through Bahamas Invest, encourage joint-ventures in the medicinal cannabis industry.
- Implement comprehensive programme to fell the pine forests, so they grow at maximum capacity, creating jobs, and prioritizing lumber for domestic use, for example in local construction.

## 7. INVEST IN YOUNG BAHAMIANS

- **First-Job Apprenticeship Programme** for Bahamians between the age of 16 –25 to gain a one-year government subsidized placement in a field of national priority, including in the new economies and trades. A 50/50 funded partnership with the private sector.
- Revive the **Youth Environmental Corps**, a work programme for Bahamians ages 19-39, to learn valuable skills in eco-careers such as marine management, botany, conservation, park management, forestry, public parks and beach management.
- Launch **Community Youth Service**, and offer stipends for young Bahamians providing service to NGOs and community groups, building a bridge between school and the job market.
- Establish a **National Youth Guard** for young people to receive technical training enabling them to serve in a Disaster Response Corps.
- Initiatives to partner with young Bahamians in economic development can be found throughout this plan, whether in the **shared workspace tech hub**, the **investment in entrepreneurial projects**, the **EdTech: Pathways to Success** programme, the **National Mentorship Programme**, the new **Trades Training** opportunities at BTVI and National Training Agency, the new **School of Visual, Performing and Recording Arts**, the **increased access to scholarships**, or the **new opportunities in Tourism**, and the **Orange, Blue and Green economies**.

## 8. RECONSTRUCT FOR RESILIENCY & ADVANCE RENEWABLE ENERGY

- Expedite **reconstruction in Abaco, Grand Bahama and Ragged Island**.
- Encourage foreign investment to pilot **innovative sustainable development projects**.
- Re-focus development around the Sustainable Development Goals outlined in the Paris Agreement to which The Bahamas is a signatory.

- Strengthen and deepen partnerships with the United States to secure most **beneficial commercial relationships** in connection with Climate Change and Sustainable Development Goals.
- **Advance Renewable Energy:**
  - Ensure reliable sources of affordable, sustainable energy, and move to reduce the reliance on fossil fuels.
  - Recommit The Bahamas to a minimum reliance on renewable energy of 30% by 2030.
  - Review BPL operations to reduce cost of electricity, maintain a reliable supply, and enter into contractual arrangements which would put BPL on a solid financial footing, and most importantly, reduce the costs of living and doing business in The Bahamas.
  - **Create opportunities and incentives for entrepreneurs in renewable energy sources, especially solar.**
  - Implement reverse-metering to reduce BPL consumption and incentivize solar energy via tax incentives.

## 9. MODERNIZE DIGITAL INFRASTRUCTURE

- **Accelerate digitalization** to increase productivity, efficiency and new revenue opportunities.
- **E-Bahamas:** Utilize data to enhance efficiency and decision-making.
- Facilitate **FinTech** revolution.
- Establish the **Bahamas Digital Academy** for training and professional development of civil servants.
- Online education and training for **e-Commerce, telemedicine, and e-Government**
- Implement **Digital 700 App**, a portal for national news and emergencies.
- Enhance **Government procurement platform**
- Provide **free Wi-Fi and free training in community centers and public spaces.**

## 10. IMPLEMENT THE NATIONAL DEVELOPMENT PLAN

- The National Development Plan and Vision 2040 provide a roadmap for the future development of our country, and include a comprehensive policy framework to guide the government. Both were developed in partnership with the Inter-American Development Bank and in close cooperation with the University of The Bahamas, and the Bahamas Chamber of Commerce and Employers Confederation. Bahamians from all walks of life, from across the country, participated in the formation of the National Development Plan.