



PRESS RELEASE

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2006 BUDGET—STRATEGIC INFRASTRUCTURAL DEVELOPMENT

Friday, December 16 – The Government will make strategic investments in the Territory’s public infrastructure in 2006, with a focus on the electricity system, marine ports, and the road network, Finance Minister Honourable Ronnie W. Skelton said in his Budget Address on Tuesday.

Minister Skelton said Government is on a mission to make investments that will have a positive impact on the standard of living for people now and for generations to come.

“We seek a growth that is not about money, but about people. It is about empowering the people of the BVI to accomplish all they dream of and to live as they deserve to,” the Finance Minister said. “It is with this grand objective in mind that this Government has already begun to formulate the beginnings of major projects that will contribute significantly to the future success of this country.”

Minister Skelton said that in 2006 the public will begin to see the fruits of major investment in the Territory’s electricity-generating capacity. He noted that in 2005 Government borrowed \$33 million from Banco Popular de Puerto Rico to expedite the BVI Electricity Corporation’s Development Programme for the expansion on the electrical system.

“The Corporation anticipates having the two new engines fully operational by the beginning of the fall in 2006, thus bringing to an end the current power outages being experienced in the Territory,” the Finance Minister said.

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The Government also plans to embark in 2006 on a 10-year, extensive project to upgrade port facilities around the Territory, Minister Skelton said. "The current challenges facing our ports range from inadequate facilities to the separation of passengers and cargo," he said. "This is a situation that must be corrected if this Territory is to continue to grow and prosper."

Minister Skelton said that the BVI Ports Authority has completed a comprehensive review of the Territory's port facilities, which recommended improvements to address existing challenges and accommodate future growth. He announced that as a result of the review, Government has decided to make major investments in ports at Virgin Gorda, Port Purcell, West End, Dog Hole, and Anegada.

"These improvements when completed will cost this Territory well over a \$250 million over the next 7 to 10 years," he said.

A third priority for Government in 2006 is to complete repairs to roads damaged in the November 2003 floods. The BVI Social Security Board in June approved a \$10 million loan to finance these repairs. "The commencement of the disbursement of some of those funds has already taken place in November 2005 and works will be completed in 2006," Minister Skelton said.

In total, the 2006 budget earmarks \$38.3 million for spending within the Ministry of Communications and Works. Overall, the budget projects revenue collection of \$233.2 million with recurrent spending of \$203.8 million and capital spending of \$24.2 million.

The budget was presented under the theme "Advancing Our Social Services." It has now been referred to the Standing Finance Committee, which will review the spending bill in detail. Following that, the Budget will be returned to the Legislative Council for final debate and approval.

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