



## BUDGET SPEECH 2016/17

18 March 2016

Madam Deputy Speaker, I wish to introduce a Bill for an Ordinance to provide for the services of the Financial Year 1st April 2016 to 31st March 2017.

Madam Deputy Speaker I stand here today at a time like no other in the history of St Helena. The **airport will open in the coming months** and this will be a monumental moment for the people of St Helena, and for those Saints and friends of St Helena across the world. Friends, family and tourists alike will be able to reach St Helena within hours instead of days with a regular weekly air service. There will be potential to bring 120 people each week to the Island and we as a Government and as a Nation need to be ready to receive them.

Much has been done over the past year in preparation for the opening of the Airport, Saints have been at the heart of this development and they will be the people meeting and greeting the visitors arriving on the planes. We have seen the switching on of the landing lights, the touching down of the first airplane and very soon now we will see a full sized British Airways commercial airline land on St Helena. It will certainly be one of the most memorable days for us all, one which we will all look back on and say 'I was there.'

St Helena is looking to ensure that she will be ready to benefit from the momentous occasion and the opportunities that will come with the opening. It is good to see new business development on Island. Within the last year alone Enterprise Saint Helena has engaged with 154 local businesses, providing financial grant support to 46 businesses. 28% of these businesses supported are in the Tourism sector. **This is positive news.**

This year's budget is very different to my previous one when I announced a raft of changes in the way we raise revenues through taxation. The two main changes last year were increasing the base level of income tax by 1%, and introducing a new higher rate of tax band for income over £25,000 at 31%. These have been **very successful and contribute to the increased spending provisions that I am announcing today.** No-one enjoys paying taxes, but I would like to thank the tax payers of St. Helena, and assure you that you should feel rightly proud that your contributions are allowing increased funding to many vital key areas.

This budget may not upset people like the previous one did, but I believe it to be more important than any I have delivered because it sees a significant increase in expenditure **unlike any budget in recent history or maybe ever - with an overall increase in spending of more than £4.2m.** Today's budget is less about raising revenues but, rather, of ensuring that those revenues are allocated to the Island's priority areas supporting those in need - be it the old or young - under safeguarding, driving improvements in our Health service by investing in our Hospital or ensuring our Education service keeps to commitments in sending our talented youth to Higher Education. **Your tax contributions are making these differences possible.**

Last year the budget speech made reference to the fact that the budget must not be for the benefit of the few but for the benefit of the majority of St Helena's people and

that the broadest shoulders in society should be the ones to carry the heaviest load. This year with such significant increase in targeted expenditure from increased revenue streams **we can say that is what we are doing and it can now be seen in action.**

In setting the budget we follow the Medium-Term Expenditure Framework (MTEF) and as part of this process Directorates were asked to take into account the agreed guidelines:

- Improving Efficiency and Productivity
- Streamlining and Restructuring the Public Sector
- Eliminating Untargeted Subsidies, and
- Increasing Revenue

SHG aims to allocate resources to the National Goals as set out in the Sustainable Development Plan (SDP), those being; a vibrant economy providing opportunities for all; strong community and family life; and effective management of the environment. This year's budget focuses on these areas and most will be pleased to hear that further significant additional resources are allocated to these areas today.

This year's funding envelope announced earlier this week by the Department for International Development (DFID) is for a one year programme. Unfortunately this year, as in the last, we have too many uncertainties in the outer years where the path and impact of economic development has so many unknowns and is difficult to predict. SHG has worked out spending levels for the three years and expected revenue streams, but due to doubts around the economic model for the outer years DFID has been unable to agree a three year settlement. Further efforts will be made in this area during the year ahead.

## **Economic Background to the Budget**

As in last year's budget I will highlight some headline facts on the Island's economy and forecasts for the year ahead. These economic outcomes not only provide the context within which Members have agreed the budget, they will also highlight key success measures in terms of economic development in the years ahead.

2015/16, as in the past two years, has been another strong year for the St Helena economy, with most aspects performing at or well above expectations. Revenues of taxes and duties have exceeded those forecasts for the year and reflect the increasing levels of private sector activity - investment in business services to better serve the needs of the Island population and visitors.

Provisional figures from the Population Census conducted in February indicate that the total population of St Helena stands at over 4,600, of which 4,250 are St Helenians. In addition to confirming a growing population, the Census has also shown an increase in the number of people of working age on St Helena. There is also welcome increase in the number of young children on the Island. These are two vital aspects of sustainable population growth on St Helena - an increase in the working population to take care of the Island's needs of today, and children and young people who, equipped with the right skills, will carry the Island into a prosperous future.

In 2014/15 the average income from employment on St Helena grew to over £7,450, an increase of over 6% from the previous year on top of an 18% increase in the year before that. We estimate that over 70% of those in full-time employment on St Helena are now eligible to pay income tax.

As the airport project reaches completion local employment on this project is coming to an end. There has, however, been no upturn in rates of unemployment - the extremely tight labour market over the last few years which has in some areas held back private sector development is no longer a constraint and those individuals no longer employed by Basil Read are now taking up opportunities within the private sector, and developing their own business enterprises. **These hard working Saints have the skills, qualifications and determined attitude** which will now benefit development in other areas of the Island.

In 2015/16, levels of unemployment on St Helena have continued to be extremely low, despite the anticipated start of reduction of employment on the airport construction project which has seen over a 100 people this year coming back onto the employment market. The numbers of those unemployed have **averaged between five and seven people throughout the year**, which is one of the lowest unemployment rates in the world. Further, vacancy advertisements in the local papers and vacancies within Government are running high. Combined with high levels of employment, this has resulted in substantial increases in tax revenues, which has allowed the Island to become more self-sufficient and SHG to continue increasing funding for services.

Annual inflation of the retail price index is low and started the financial year at 0.7% with the annualised figure being around 3%. The low rate of price inflation on St Helena has two major elements - imports from the United Kingdom and from South Africa. The UK has recently seen historically low price inflation, with the overall rate of inflation remaining close to zero throughout 2015. This has led to general decreases, or very small increases in the price of goods imported from the UK. Increased purchasing power for St Helenian importers from South Africa - as a result of the favourable currency exchange rate between the Pound and the South African Rand - has also been of benefit.

Despite this good news, the outlook for the coming financial year contains some challenges that may impact on SHG's revenue streams. As airport construction winds down, labour market pressures will reduce. Consequently, it is likely that unemployment will start to rise towards the pre-airport construction average - although this would still be extremely low by international standards. Another impact of lower labour market pressure is that incomes are likely to rise more slowly than seen over the last three years, resulting in slower growth in tax revenues. Business investment in preparation for air access is also expected to slow tax revenues in the short-term due to the businesses taking up the Investment Tax Credits and reinvesting in their businesses.

Furthermore, as we approach airport opening, SHG is facing spending pressures. Inflation is forecast to average 4% over 2016/17, with a risk that it could move higher should the South African Rand strengthen or oil prices increase faster than expected.

## Progress Made in 2015/16

Overall, SHG has made substantial progress in the development of its Financial Management capability over the past twelve months. This progress establishes new levels of public accountability and improved service delivery. I can announce today that SHG has this week submitted 2014/15 Financial Statements to the Saint Helena Audit Service, thus addressing the backlog on the Financial Statements. We are now back on track to deliver the 2015/16 Statements by June 2016.

2015 saw the publication of the SHG prospectus for change recognising the need to develop services to meet the needs of customers and introduces an Action Plan following the outcomes of the 2015 Employee Opinion Survey.

The 'Report It Sort It' initiative launched in July 2015 to improve customer services has been a success with a number of actions being taken to address concerns or issues raised by the Public.

A new public transport system commenced on the 1st of March 2016 following extensive consultation with the public, this service provides additional routes and a late night service at weekends.

Good progress has been made with cadre reviews for Nurses, Teachers and Police which are now complete and implemented. The new process allows staff the opportunity to earn a higher salary through ongoing development linked into a competency framework, for example the new framework for nurses has served to improve morale among the nursing staff and has also prompted nursing staff to develop their skill sets.

Tied to the Scheme of Service in Education is a new local teaching qualification offering formal and internationally accredited qualifications on-Island for teachers.

As part of the Hospital refurbishment, a patient lift has been installed, clinical areas have been improved, a new fully digital radiography suite and a new CT scanner are in operation. The operating theatre and recovery area have been completely redeveloped. An oxygen concentration plant now supplies piped oxygen to key clinical areas.

All existing manually-operated hospital beds are being replaced with safer, electrically-operated beds.

In 2015, primary school students demonstrated significant gains in Literacy skills in the Year 6 SATs, with Reading scores in particular exceeding targets.

The Education Committee approved the establishment of a Community College for St Helena with the aim of developing local capacity to meet the needs of the developing economy. **£173k has been set aside in this year's budget to support the development of the College.**

The Environmental Protection Ordinance has been adopted providing an important step towards improved protection of the natural environment and human health on the island.

External works to Botanical Gardens, Parish Block and Harris Flats in Jamestown are now complete, windows have been changed, and the roofs and external walls have been redecorated.

Work was completed on the first phase of major renovation programmes on the Jamestown flats to make windows, and roofs weather proof and to ensure that electrical wiring meets required safety standards. Important renovation and rewiring works have also been carried out in a number of important operational buildings such as Harford School.

Work has started at the ex-ADA fields for a major increase in covered production in the continued partnership approach between ANRD, ESH and growers.

The enlargement of Harpers 3 reservoir is progressing well, which will increase the water storage from 8,000 cubic metres to 20,000 cubic metres.

Saint Helena's solar farm has come on line and is contributing to the island reaching over 30% renewable energy.

The Safeguarding Directorate continues to develop focuses on protecting vulnerable children, young people and adults. The additional funding from DFID for Safeguarding has allowed SHG to carry out a number of new initiatives such as specialist training for carers within both elderly care and learning disabilities areas.

Our residential units have improved considerably; this is due to the dedication of our staff and the improvements made to our estate at Ebony View and the second family centre.

There has been significant progress on delivering the Wass Inquiry recommendations. This journey will not happen overnight, however the Island can be rightly proud of the progress made to date and the positives that came from the Wass report.

The number of referrals into the safeguarding service has increased significantly, demonstrating the confidence the public have in the services provided. A community mental health team is now in place meeting the needs of individuals, and new developments such as the safe haven and the new mental health facility are advanced.

This increase in resources and expertise has led to a significant improvement to the quality of life for some of the Island's most vulnerable and historically neglected individuals. For example, thanks to the work of the adults team, charities, NGO's and the kindness of the community - the residents of Ebony View have recently been on a voyage to Ascension Island. This experience has been a profoundly exciting one for those who travelled, many of whom have never stepped foot off the Island before! This hopefully outlines SHG's intention in moving forward, so that vulnerable people who are marginalised and need support to live an everyday life will be supported to do so.

### **Benefits, Fees and Charges**

December 2013 saw the introduction of a Minimum Income Standard (MIS) which was an important step for St Helena. In line with our current policy commitments, the

MIS has been reviewed and increased for the new financial year. This will mean an increase in the weekly payments for both Basic Island Pension (BIP) and Income Related Benefits (IRB), at a cost of £100k.

This year it has also been agreed that in addition to the general increase in the MIS, a further increase should be made to take account the change in utilities tariffs from 1 April. This will ensure that benefits paid reflect the new cost of utilities. It has been agreed that the basic level of IRB for a first householder will increase from £54.90 to £59.60 per week, and people on BIP with a full complement of years worked will see an increase from £56.80 to £61.60 per week. This will benefit nearly 850 people on the Island.

This increase should not be underestimated, with increases to IRB and BIP now standing at over 20% in the three years since MIS was introduced. SHG is ensuring that benefits don't fall behind the excellent wage growth that we have recently seen. An additional £0.5m a year is now spent on the most vulnerable in society ensuring that as the Island grows, those who need help the most are not left behind.

**More can and should be done and this work will continue.** Progress on the Sainsbury's report recommendations has been good and a recent report to the Social and Community Development Committee prioritised future action around **Child Benefit payments** and reforms to the claimant system. It was also agreed that these apart, the recommendations are now largely implemented, and this is another significant signal of positive change for the Island.

The Minimum Wage introduced in 2013 was welcomed across the Island and has proven to be successful in ensuring Saints are paid a fair wage. We promised to keep the Minimum Wage level under review and I can confirm that the Employment Rights Committee, led by the Honourable Brian Isaac, will once again be reviewing this for the coming year.

I can announce today that the Public Health Committee recently approved free prescription for all those over the age of 65, which is a positive step. In addition, all Saints returning to settle will in the future be eligible for local rates for medical fees and charges once they arrive on St Helena. This will not apply to overseas medical referrals which still require 6 months of residency.

## **2015/16 Financial Out-turn**

Turning to SHG's financial performance for this year. We are expecting revenue to come in slightly higher than planned, with increases in taxation collected on tobacco and alcohol, but a decrease against budget for fees and charges. We expect to collect just over £4.8m in Income Tax, over £5.4m in Customs Duty and over £1m in fees and charges. Estimated forecasted revenue for the year is £32.4m, which is greater than the budget of £32m.

Recurrent expenditure is expected to come in lower than budget, mainly due to the decreased subsidy required to run the RMS St Helena and underspends by a number of Directorates.

Forecasted recurrent expenditure for the year is £32m, which is lower than the revised budgeted expenditure of £33m. This means that we have under spent by

£870K, which is a favourable variance of 2.6% against revised budgeted expenditure for the period.

The overall movement on the Consolidated Fund is forecast to be a £378K increase.

### **DFID Settlement 2016/17**

I am extremely pleased to announce that the budgetary aid settlement was agreed by Mr Kenny Dick, DFID's Acting Deputy Head of Overseas Territories, on the 17th of March 2016. The settlement sees DFID significantly increase budgetary aid to St Helena by £1.8m to £22.5m, an increase of over 9%. With ongoing budget pressures on UK Government department spending, this is a great result for St Helena and is a clear message of the ongoing support being provided to St Helena from her Mother Country, and a vote of confidence in all we are doing in St Helena at this crucial time in our history.

An important aspect of the funding is the reduction of the subsidy for the RMS St Helena from £2.7m to under £0.5m. The £2.2m difference being transferred over to SHG recurrent funding.

### **2016/17 Recurrent Expenditure**

Madam Deputy Speaker I can announce today that in 2016/17, SHG plans to spend just over £36m in recurrent expenditure. This is an overall increase of some £4.2m compared to last year and an increase of over £7m since 2014/15.

Budgets across the board have increased on the back of raising revenues streams and support from DFID for key specific spend areas. The most significant increases are in Health and Safeguarding.

Further funding this year has been allocated to Health; this is in addition to increases provided over past two years which is just under £1m. **The budget is further increased by 68%.** The majority of this increase is for the costs of aero medical evacuations £1.4m and overseas medical treatment now standing at £1m. With further increases provided to cover the running costs of the hospital and additional funds for new local posts.

The majority of the increase in TC funding, some £550k, is also for Health with a number of new medical posts including a new resident Orthopaedic Surgeon which will reduce the number of overseas referrals, and a new Physiotherapist, Dietician, and Radiographer.

**Safeguarding Directorate funding has increase of 43.5%.** The increase relates to funding for adult services and the continuation of the Safeguarding Project established in 2015/16. Additional funding of £270k has been provided to the project covering all members of our society, mental health receives an additional £296k and funding for disability services receives £353k.

We are investing monies in the development of our local staff and an additional £300k is provided for Public Service Reforms.

Maintenance for Government Landlord Housing receives an additional £100k.

In 2014 and 2015 no students received scholarships, but it is very pleasing to announce that we have 7 students currently approved and on track to take up scholarships in September 2016. Finances have been allocated by Members to ensure those that can go onto Further Education are funded to do so. Further funding of £173k has been set aside for the Community College. **The potential lack of financing cannot be used as an excuse not to further educate the youth of St Helena.**

Members have listened to requests for further support St Helena's civil society and I am glad to announce that an additional £8k is awarded to the Community Development Organisation, another £13k is allocated to the Human Rights Office, and we have more than doubled the grant to the National Trust to £38k. Further in support of the good work Creative St Helena has provided over the past couple of years a new grant is awarded of over £31k to allow this worthwhile organisation to continue.

### **SHG Revenue Sources**

Turning to SHG's major local revenue sources for 2016/17, which comprise direct and indirect taxation, as well as fees and charges.

Local taxation and customs are forecast to total just under £11.1m - including Customs and Excise of £6m and Income and Corporation tax of £4.6m - the balance being service and withholding tax of £0.5m.

Other fees and charges make up £1.6m of the total revenue stream, which includes rents, fees, fines and treasury receipts.

SHG budgeted revenue streams, excluding recharges and DFID Grant in Aid, have increased by nearly £4m since 2013/14, **a staggering increase of nearly 46%**, again showing the positive impact the building of the Airport has had on St Helena.

### **Capital Expenditure**

During 2015/16 we have faced a number of challenges with regards to the Capital Programme. A shortage of technical expertise on Island and at times unclear accountability has led to lengthy delays and a lack of progress as planned. This has resulted in less than £4m being spent against a budget of £6.5m. **We all agree that this is not acceptable.**

Following the recent visit by the DFID Infrastructure Advisor, SHG is now awaiting a back to office report which will conclude that radical changes are needed to the Capital Programme in order to secure future funding from DFID. This could potentially involve additional technical support on and off Island.

This will also mean greater scrutiny of the capital projects proposed for the first half of 2016/17 and will inevitably require SHG to demonstrate its capability in delivery. There is a significant risk that there will be, less capital monies available for



2016/17 limiting SHG's options. Members are being supported by Officers in making some very difficult decisions around where the limited capital funds are allocated.

## **European Development Fund**

In February of this year a delegation from St Helena consisting of Councillor Henry, Assistant Financial Secretary Dax Richards and SHG's UK Representative Kedell Worboys attended the EU Overseas Countries and Territories Forum in Brussels. Some of highlights of the forum for St Helena included a well received presentation given by the Assistant Financial Secretary on progress on Rupert's Wharf since the start of construction, and an intervention from Councillor Henry on the new global agreement on Climate Change.

Discussions around programming for the 11th EDF allocation bodes well for the Territories with funding set to become available in 2017. St Helena will look to invest its monies in the development of a new, purpose-built Hospital. I cannot stress how important it is for St Helena to be represented at these annual forums and **we must continue to do so in the future.**

## **Ten Year Plan**

In responding to criticism of a short term approach of SHG and to ensure that the Island has a vision once the airport has opened, the Government has begun a new approach to planning. A Ten Year Plan is currently being designed to steer the Island towards its future objectives. The most important part of that plan, a full Island consultation, is just coming to a close. Meetings have been held throughout our communities, with businesses and NGOs, in our care homes and schools. We have received over 150 responses in total from more than 20 events and these are now being collated to produce themes and ideas that can be discussed further to ensure that everybody can have their say on the Island's future. **I must add that there is still time to contribute and SHG welcomes further responses.**

## **Tax Changes**

Turning to tax changes, this is always the most anticipated element of any budget speech **but this year we will not see any significant changes.** We are moving into the most important year in the history of St Helena, and we made many changes last year. But this year following on from significant increases in our revenues streams and support from the UK Government, we believe that stability in our tax system is more important. Investors need confidence in our policies and we are sending out a clear message that St Helena only increases taxes when it is necessary and that we have a clear tax policy to support investors be it inward or local.

Last year I encouraged businesses on-Island to make full use of the tax credits and rollover relief when they are filing their tax returns. I am extremely pleased to say that is exactly what is happening and we have seen significant increase in the use of the Investment Tax Credit (ITC). Total ITC generated by companies in the last tax year demonstrates that over a £1million of investment was made on Island covering a range of investments from boats to new builds.

I can confirm again that the Investment Tax Credit, Accelerated Depreciation, Rollover Relief on Capital Gains, and Unlimited Carry-Forward of Losses will remain in place for 2016, again this is a positive message to all investors.

There are no changes to income tax paid by companies, which remains at 25%, the personal tax allowance stays at £7,000 and Stamp Duty will remain at 2.5%.

## **Duty Changes**

Last year we successfully equalised the duty on fuel with diesel and petrol being now treated the same. I can announce today that **we will not be increasing** the duty on fuel and this will remain at 39p per litre. This supports not only motorists on the Island but more importantly local businesses, transport costs being a significant part of their overhead running costs.

## **Increases in Specific Duties**

As in previous budgets we continue to support the health of the nation through taxation and this budget seeks to increase tobacco duty by 5% - 1% above inflation - and follows the approach of other Governments across the world, notably the UK which increased this duty on Wednesday by 5% -2% above inflation. This will see a further increase of 16p on a packet of 20.

Turning to alcohol; all duty on all wine, beer, cider and spirits will be increased by inflation that is 4%. This puts an additional 16p on a bottle of wine, 5p on a bottle of Castle Lite and 46p on a litre bottle of Captain Morgan Rum.

There are no changes to Liquor Duty or Customs Duty on vehicles.

## **Excise Duty**

Last year we increased the duty on plastic bags used for shopping and on food containers. This has had some success, with a number of take away outlets now using cardboard containers. No further increases to the current charge of 10p per bag and container are proposed this year.

It was pleasing to hear on Wednesday of this week that the British Government announced in their budget speech that they are **following the lead of St Helena** and they will be introducing their very own sugar tax similar to our own system. But in the UK it will take two years to implement - this will be four years behind us. Our own sugar tax has been successful, but it is clear that some retailers on Island are not passing on the benefit to the consumer and are cross subsidising the cost of full fat sugar drinks with diet drinks. Therefore SHG is currently carrying out a review to

consider increasing the level of duty from £0.75 per litre and tightening up the process.

## **Support to Key Industries**

This budget provides additional support to two specific and extremely important industries - fishing and farming. These industries are the corner stones in providing and supplying the Island with food and this Government through this budget provides further support.

This budget allocates £120k to St Helena Fisheries Corporation (SHFC) to help with the running costs of the fisheries processing plant. SHFC has taken on the role of processing fish for the Island and it is right that Government supports its endeavours.

Further, to support the fishing industry Government approved the extension earlier this year to duty free diesel for all commercial fishermen. This will continue until 31 March 2017. This concession now also extends to the running of the fish processing plant in Ruperts.

I announced in my speech last year that we would look to provide support to commercial farmers on the Island which would result in better economic output. During the year we announced a series of changes to our Customs Duties to support the farming industry with the following now being rated at 5% - all animal feed for agricultural purposes, all bee keeping equipment, polytunnels and hydroponics and agricultural machinery. Veterinary drugs are already classed at 5%.

Further I can announce today that Executive Council we be considering further changes to Customs Duty to support the farming industry which will include all animal supplements, all seeds, fertilizers and growing mediums, irrigation equipment and pesticides.

This is significant support and emphasises the importance Government places on these industries.

## **Income Tax**

As part of any tax regime, each year the annual rates of income tax are reviewed. I can announce this year that there are no changes to the basic rate of tax which will remain at 26%.

Further, and despite the arguments put forward around the introduction of a higher rate of tax and the impact that this would have on recruitment I can announce that the new rate has been a great success significantly increasing revenues for Government. We have been able to use these additional revenues for priority service areas this year. **None of the doom and gloom predications of mass exit of the civil service came to pass.**

There is no change this year to the higher rate of tax which will remain the same, with all income over £25k being subject to a rate of tax of 31%.

**Members have agreed limited changes and we have focused on ensuring that our tax system remains competitive in order to continue to attract investment and for on-Island businesses to continue to invest in the future.**

## **In Closing**

Madam Deputy Speaker this is my fourth and last Budget Speech for St Helena and my family and I will be leaving sometime this year after spending nearly six wonderful years on this beautiful Island. We have been fortunate to know so many great people here and Helen and I wanted to say formally a thank you to St Helena for our time here.

I might add that I am not leaving for personal reasons but because I have completed what I set out to do when I took on the role. My hope and belief is that the next time the Financial Secretary gives a Budget Speech it will be a Saint giving that speech and it will continue to be a Saint for many years to come. This will be great news for St Helena and shows that progress is being made with regards to succession planning, with Saints taking a lead in the future of St Helena. I must emphasize here that this can only be achieved through ongoing investment and development of Saints, starting in our Primary and Secondary Schools, then onto Further Education and then leading to Professional Qualifications. All of which requires dedication, considerable effort, determination and a belief in succeeding. This must be backed up by SHG financially rewarding those who return - **we need to value our returning Saints.**

I believe the increased investment in our services announced in this budget today puts St Helena in a good place. Our increased revenue streams and significant increase in support from our Mother Country allow us to support a host of new expenditure areas across Health, Education and Safeguarding. The development of the airport has provided us additional revenues to reinvest in our public services, we now need to ensure that this development continues through investment in hotels, the tourism service industry and support industries.

I must give special and sincere thanks to Dax Richards, the Assistant Financial Secretary, Nicholas Yon, Head of Accounting Services, Sara Benjamin, Accounting Services & Budget Manager, Connie Stevens, the Financial Accountant and all members of Corporate Finance for their support, hard work and dedication in pulling this budget together. Thank you.

Madam Deputy Speaker St Helena is moving forward but this takes time, it takes huge commitments by many, strong beliefs and a will to succeed - **I believe the people of this Island do have what it takes to succeed but this all comes from hard work.** There are still many challenges ahead and now is the time for St Helena to stand up and seize those opportunities.

And finally in my own Mother Tongue "Pob lwc i Saint Helena a diolch yn fawr iawn", "Good luck to St Helena and thank you very much".

Madam Deputy Speaker I Beg to move.

18 March 2016