

**Press Release**  
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**Bahamians worse off three years later**  
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For immediate release

The Progressive Liberal Party notes that three years have passed since the FNM assumed the reins of government, and as parliament begins its debate on the Speech from The Throne, we again express profound dismay and disappointment that the salient and critical issues facing the nation were not addressed in the speech. We further note that Bahamians are **terribly worse off** today than they were three years ago and many promises made in Manifesto 2007 remain unfulfilled even though sixty percent of the government's legislative term have expired and the government continues to offer no hope to the Bahamian people. A stinging rebuke is therefore justifiable!

Even though the government now blames the state of the economy entirely on the global recession and refuses to accept any responsibility for the role they played in this **serious debacle**, there were many policy errors that exacerbated the situation for the Bahamas. We refer to a few examples:

Allowing the expiration of the stamp tax waiver for first home buyers was a mistake; removing the ceiling of \$35,000 on real property taxes for high end properties was a mistake; removing the police from the public schools with no comparable replacement policy was a mistake; failing to complete the sale of BTC for a reported \$265 million was a serious mistake; meddling with Urban Renewal in its original form was a disastrous mistake; suspending the government housing program for a protracted length of time was another serious mistake; meddling with BEC's longstanding payment plan was an egregious error; the decapitation of the Water and Sewerage Corporation, leaving it leaderless and rudderless was a huge mistake; canceling and restarting the Straw Market project was a criminal waste of public resources as the building currently under construction is woefully inadequate and will cost the taxpayers a sum similar to the original cost for a structure six times larger.

The meddling of the Royal Bahamas Police Force by the Prime Minister for an apparent political reason was inexcusable and it backfired; and last but not least, the stop, review, and cancel policy was a colossal failure and slowed the momentum of the economy. In its latest Credit Ratings Report, Standard and Poor's maintains this position.

We could go on and on, but the picture is clear: the PM is a burnt out and washed up leader who made a comity of errors and numerous rookie mistakes with disastrous consequences for thousands of Bahamians and clearly set the country on a backward course.

All of the above decisions were independent of the recession and within the control of the government. These were just some of the decisions that significantly contributed to the sorry state the Bahamas finds itself in today.

Most of the once positive key performance indicators for our fair Bahamas have gone south and down the tube since the FNM came to power and the misery and hopelessness indices have increased exponentially.

In the area of crime prevention, the FNM promised to expand the community policing program, but instead as the government, they did the exact opposite and diluted the program they met in place.

In the area of the economy and jobs, the government has failed to fulfill the following promises. They failed to:

- 1 Eliminate foreign exchange control during its term in office.
- 2 Foster strong economic growth.
- 3 Encourage both domestic and foreign investment. As a matter of fact, the government became infamous for driving away foreign direct investment during this term in office.
- 4 Place emphasis on the sustainability of economic growth.
- 5 Reduce bureaucratic obstacles for domestic and international businesses.
- 6 Ensure additional linkages between tourism and other sectors of the economy, especially agriculture, fisheries, and light manufacturing.
- 7 Accelerate Bahamian ownership of the economy.

We point to another ill-advised and reckless decision of the government that has adversely impacted the economy of Exuma. This once flourishing island that had the capacity to virtually stand on its own economically is on its back because of a policy decision by the FNM government to cancel the incentives for second home buyers. This policy decision destroyed the second home market in Exuma.

BEC and the WSC are now bankrupt public corporations because of mismanagement and poor public policy decisions of the FNM. To make matters worse, the government is proposing to increase electricity rates to pay for their mistakes; this is in addition to literally thousands of Bahamians around the Bahamas and Grand Bahama who are living without electricity, some for as long as two years. The chairman of BEC has recently forecasted more disconnections in the near future and this will intensify the burden and hardship on many Bahamians.

With unprecedented fiscal deficits and an ever expanding national debt fueled by declining revenue and increased deficit spending, the government has failed to adopt a “Balanced-Budget” fiscal policy as promised and **currency devaluation** is a real and legitimate concern and not just alarmist and sensational rhetoric as the government has suggested in the past. This too is the position of Standard and Poor’s as currency devaluation was addressed in its latest report.

The government promised to amalgamate customs and stamp taxes, but never advise the public that in so doing, they would impose the single largest tax increase on the backs of the tax payers, and in particular, the small man and the middle class. During the 2008/2009 budget debate, the record would show that the government never advised parliament or the Bahamian of this policy decision, yet they promised “increased transparency in economic and government systems” in Manifesto 2007. What a joke!

The Progressive Liberal Party wishes to warn the Bahamian people that due to the poor and deteriorated state of the country’s public finances, the government is very likely to impose further tax increases on the poor and middle class in its upcoming budget.

In light of the Standard and Poor’s recently released Credit Ratings Report,

the government must not only address the issues raised in this release, but come clean and address the weakness of the Bahamian dollar in light of our unsustainable deficits and the cost of accessing foreign capital. A stinging rebuke is therefore justifiable!

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