

St Vincent and the Grenadines sees decline in remittances

St Vincent's Minister of Finance, Camillo Gonsalves, says a single-digit unemployment rate is cushioning the decline in remittances from St Vincent and the Grenadines nationals residing overseas.

"There are more people employed in St Vincent and the Grenadines today than at any point in the history of St Vincent and the Grenadines since slavery," Gonsalves said on a radio programme here.

"We have that data. I would say that we have single digits, high single-digit unemployment in this country and I would say that you probably have another low single-digit number of people who could work but don't want to work," he told radio listeners.

Gonsalves said the economy was buoyant, saying that businesses had reported, through the Chamber of Industry and Commerce, better performance this year, even as he acknowledged that remittances had fallen.

"And the working theory that we have right now is it is because of the United States' current crackdown on migrants," Gonsalves said.

He said there are reports that in major metropolitan areas of the United States and areas where Vincentians live, US Immigration and Customs Enforcement (ICE) is "essentially camped out outside of these Western Unions and these MoneyGram offices".

The finance minister said ICE has not been explicitly targeting people of Caribbean descent, as the initial focus appears to be on Latin Americans.

"They have been essentially waiting outside of these places and arresting people as they go in and out of these money transfer places," Gonsalves said, adding that this has had "a chilling effect on the money transfer business, obviously.

"So, there are a lot of people who may not be fully regularised in the United States, but have a job. And every month, they would go to the Western Union and send down US\$100 or US\$200. And there are people who are actually fully regularised, but this thing has been a very scary experience for everybody."

He said it seems that there is a decline in the volume of transfers.

"The data that we have to date is that it is not that people are sending less money, it's that fewer people are sending money. And so, the remittance numbers have ticked downwards in country.

"Now, what we are seeing on the other side, while remittances are in decline, we are seeing a number of reports that employment is up in St Vincent and the Grenadines, and up considerably."

Gonsalves said that the last "firm data" that the government has is from 2022, which said that unemployment was 10.8 per cent", adding that this was before the opening and full operationalisation of Sandals Resort.

“And it was before some other major construction projects were underway fully. We believe now that the unemployment number would be in single digits,” he said, adding that he was referring to the standard definition of unemployment, “which is somebody who does not have a job but is looking for a job.

“I don’t doubt that there are more people out there who don’t have a job, but they ain’t interested in working.”

Gonsalves said contractors across country have complained to the government, “telling us that they’re having tremendous difficulty finding workers”.

He told radio listeners that this labour shortage is affecting the government’s ability to execute public infrastructure projects such as roads, bridges and clinics. (CMC)