

Low Employee Salaries at EDA Raises Concern Among Lawmakers

With a \$6.6 million budget allocation, the EDA plans to drive economic growth, but low salaries pose a significant challenge to staff retention and morale, prompting calls for legislative support

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Nelcia Charlemagne **August 30, 2024**

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EDA CEO Wayne Biggs Jr. By. V.I. LEGISLATURE

The leadership of the Economic Development Authority is confident that they will be able to use the EDA's FY2024 budget allocation of \$6,613,000 to “drive economic growth, enhance fiscal responsibility and improve the quality of place for the residents of the U.S. Virgin Islands.” According to CEO Wayne Biggs, the \$6.6 million is “essential to support ongoing programs and new initiatives that foster economic development.” There is one major caveat, however: the employees driving that level of development are severely underpaid.?

This was the observation made by Senator Donna Frett-Gregory, who chaired Thursday's Committee on Budget, Appropriations, and Finance meeting. "The salaries, to me, are very low," she observed. According to the lawmaker, the EDA is "a high-level entity within the territory...and the salaries need to look the same." Wondering what impact the low salaries had on staff morale, Ms. Frett-Gregory reminded the EDA CEO that "the type of work that you're responsible for doing is very important."

Mr. Biggs agreed that less-than-ideal compensation is creating a "huge impact," even with recently negotiated salary increases. Beginning October 1, unionized employees will receive a 4 per cent increase while non-unionized employees will receive a 3 percent raise. With paltry salaries top of mind, EDA has announced plans to conduct a compensation study to "align job responsibilities with market trends." The entity's management is hopeful that imminent increases would "help us attract and retain top talent, ensuring a fair and equitable pay structure and motivating our employees."?

In the interim, Mr. Biggs is hoping the 35th Legislature could come to their aid. "If the Legislature, in their markup, can identify an extra half million dollars, we would be happy to take it to provide salaries to employees." Responding to Senator Javan James's question about a "wish list", Mr. Biggs admitted that if he had an extra million dollars, he would use it to "increase salaries within the department." It's something that Ms. Frett-Gregory did not seem opposed to, replying that "once you provide the data that we ask...then we are poised to make some decisions."

Of its \$6.6 million budget allocation, EDA will use \$5,175,616 for personnel and associated fringe benefits. The figure accounts for 73 percent of the total budget and covers funding for 48 staff inclusive of 5 funded vacancies. The authority hopes to hire a director of compliance but is also in dire need of compliance officers to effectively manage staff workload. "We have been advertising for compliance officers, but it's a skill set that we have a lot of difficulty finding," lamented Mr. Biggs. With "16.25% growth in the Economic Development Commission beneficiary portfolio over the past two years", beefing up the compliance unit will be crucial.

A committed staff complement is necessary for EDA's ambitious 2025 priorities. Among them: participation in a minimum of three new industry trade shows and events to connect with "key industry players, decision makers, site selectors and potential investors." The EDA also intends to amend "statutes and rules and regulations for the Economic Development Bank, the Economic Development Commission and the Enterprise Zone Commission" to ensure regulatory frameworks are "aligned with current economic realities."

Another priority, as outlined by Mr. Biggs, is the "attraction and retention of a motivated and fairly compensated workforce."