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## Viya's Job Cuts Spark Backlash as Lawmakers Question Outsourcing and Tax Implications

Senators pressed Viya CEO Geraldine Pitt on the termination of local employees while hiring workers in Guyana and Jamaica. Concerns were raised about income tax losses and the lack of oversight in the RTPark, which grants Viya tax benefits.

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Viya CEO Geraldine Pitt during Monday's Committee of the Whole hearing. By. V.I. LEGISLATURE

Senators sharply criticized Geraldine Pitt, chief executive officer of Viya, during her appearance before the Committee of the Whole on Monday. While the session was intended to address the territory's rising cost of living, much of the discussion shifted to Viya's outsourcing of services to

other Caribbean islands.

“You’re dismantling your workforce, and you have the gall to sit in the Legislature and say that you’re not,” Senator Kurt Vialet told Ms. Pitt, taking issue with the company’s decision to shift jobs outside the Virgin Islands.

In her testimony, Pitt defended Viya’s business strategy, explaining that building a telecommunications network is a highly capital-intensive process. She said the cost of capital plays a critical role in determining product pricing, a factor the company must carefully consider. Despite the Virgin Islands’ natural beauty, Pitt noted that the relatively small economy poses challenges for private sector growth and profitability, influencing Viya’s operational decisions.

“I’ve been very frugal in the management of Viya’s expenses, having to make very tough decisions, because the cost of being a telecommunications carrier in this market are substantial, and our commitment and service in the Virgin Island is critical to the social and economic development of the territory,” said Ms. Pitt. Those “tough decisions” have been met with intense scrutiny by lawmakers.

When asked by Senator Novelle Francis to account for the “dismantling of the local Viya” through outsourced services, Ms. Pitt argued that, “I beg to differ on the dismantling. We are very, very, very far from a dismantling scenario.” Instead, she told the body that Viya has “made decisions corporately in terms of how we serve customers.”

Her answer did not satisfy Mr. Vialet. “I totally beg to differ, because there have been a number of individuals locally who have been terminated from Viya, and individuals in Guyana and Jamaica have been hired in their place,” he countered. Mr. Vialet has suggested that Viya’s placement in the Research and Technology Park is contributing to the issue at hand. “The RTPark does not have sufficient compliance regulations to monitor these companies who are receiving tax benefits. If it was under the [Economic Development Authority], they would have had to provide a justification as to why they were terminating local talent,” the lawmaker argued.

Right now, Mr. Vialet said Viya was “systematically firing Virgin Islanders that have been at Viya longer than Geraldine Pitt, who just came here the other day.” He rubbished Viya’s attempt at “trying to justify hiring outsiders at a lower salary that they’re saving money.”

“You can’t dismantle a local community,” he told Ms. Pitt. “These individuals no longer pay income tax, they no longer have health care.”

Senator Carla Joseph, too, was worried that the move to outsource would erode the territory’s tax base. “When you outsource some of your responsibility from the Virgin Islands, do those individuals...pay taxes here to the Virgin Islands?” she asked Ms. Pitt. “I don’t believe they pay income tax,” Ms. Pitt replied.

Viya, who pays “\$300,000 to \$400,000 to the PSC every year,” is facing “significant costs associated with building, operating and maintaining telecommunications network,” Ms. Pitt’s noted in her testimony. “We understand that we must strike a balance between the cost of the service and our ability to provide and maintain the service” Viya maintains, she argued. Outsourcing, it appears, is one way the company intends to strike this balance.