The Virgin Islands Consortium

Natalie Tang How Sworn In As Territory's Chief Negotiator

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ST. CROIX -- During the swearing-in ceremony for Chief Negotiator Natalie Nelson Tang How, Governor Kenneth Mapp renewed his pledge to pursue economic policies and initiatives designed to improve the quality of living for working people in the territory, including civil servants, according to a press release Government House issued late Tuesday.

Mr. Mapp promised to ensure that all public servants are paid according to their value. Specifically, he stated his goal to reward police officers and other first responders by focusing more on merit pay than on base salaries, according to the release.

The release adds that Mr. Mapp envisions a system offering significant financial reward to those taking advantage of opportunities to advance their competence in their respective fields through training and continuing education. To win support for this concept will require a determined effort by the Office of Collective Bargaining, which is headed by Mrs. Tang How.

The governor also tasked Mrs. Tang How to work with the teachers unions in pursuit of the goal to establish a year-round school system, Government House said, adding that Mr. Mapp prefers that students and teachers enjoy more frequent -- but shorter -- vacation periods, to replace the extended summer break of greatly reduced school activity.

Mr. Mapp also expressed his goal of establishing liveable wages for all laborers, while announcing plans to hire more workers to clean roads and town areas throughout the territory, and to maintain them in that state. He credited cooperation between his administration and the Legislature for making possible the salary increases being awarded to government employees, and the timely distribution of income tax refunds.

There remains outstanding 2016 tax refunds, and during a budget wrap-up hearing Monday at the Earl B. Ottley Legislative Hall, Mapp administration officials spoke of curtailing hiring and raising taxes as possible ways to put a dent in the territory's annual budget deficit, which totals $110 million this year.

Mr. Mapp also noted that the Government Employees Retirement System is now receiving the government's share of contributions on time. And that while the government's need to borrow funds to operate still exists, he said the borrowing trend is favorable, according to Government House.

But the borrowing trend in the territory is far from favorable. Following a downgrade of the government's bonds by ratings firm Moody's, the government's interest rates on loans rose from 4-5 percent to between 6-7 percent.

In July, Finance Commissioner Valdamier Collens said that the downgrade essentially prevented the government from restructuring its debt, some $55 million.

"Whereas we were between the 4 1/2 to 5 percent or even lower in some of the bonds that we've issued in recent years, this effect has caused the projected yields to be up 2 to 3 percent higher, and in that regard, it would not make a whole lot of sense to restructure, [for example], your mortgage for a higher rate when you're already getting a lower rate," he said.

In her formal acceptance of her responsibilities as chief negotiator, Mrs. Tang How thanked Mr. Mapp and Lt. Governor Osbert Potter for their confidence in her abilities, and welcomed the opportunity to serve the people of the Virgin Islands.

She referenced her experience as an attorney active for years in civil and criminal cases, labor and business litigation, and mediation, as relevant preparation for the challenge.