

Conditional Relief, Unconditional Suffering

By Mr Fitz Huggins, Former Diplomat

On Wednesday, May 27, 2026, Prime Minister Dr Godwin Friday addressed a nation buckling under severe economic pressure. In his national address, he unveiled what he described as a 90 days emergency package intended to shield Vincentians from the growing burden of imported inflation. Framed as a “fiscally responsible” intervention, the measures were presented as evidence that the government was acting decisively to protect struggling households. Yet, when the details were examined just one day later through the official Cabinet document outlining new petroleum prices, the reality became painfully clear: this so-called shield offers little meaningful protection to ordinary citizens already overwhelmed by soaring living costs.

The most immediate and devastating blow comes from the unprecedented fuel price increases. According to the official figures, the retail price of gasoline jumped from \$13.22 to \$16.92 per gallon, an astonishing increase of \$3.70 per gallon. Diesel climbed similarly to \$16.26, while low-sulphur diesel surged by \$3.47 per gallon. These are not minor adjustments; they are historic increases that will ripple through every sector of the economy. For working people, the mathematics are brutal. A 20-gallon commuter van now costs an additional \$74 to fill, while a 15-gallon family SUV requires an extra \$55.50 at the pump. Even owners of small, fuel-efficient vehicles such as the Suzuki Swift face roughly \$37 more per fill-up. For businesses operating diesel trucks essential to transporting goods across the country, the burden is even heavier, with some vehicles absorbing more than \$100 in additional fuel costs per tank.

The economic consequences of these increases are unavoidable. Transport operators, farmers, wholesalers, retailers, and service providers cannot simply absorb such massive costs indefinitely. Those expenses will inevitably be passed on to consumers through higher bus fares, increased grocery prices, and more expensive services. In effect, every Vincentian will pay more not only at the gas station, but also at the supermarket, the pharmacy, and virtually every other point of daily spending. Against this backdrop, the government’s measures appear less like relief and more like political theatre.

The administration has heavily promoted its intervention regarding electricity costs, yet this policy reveals another layer of smoke and mirrors. The public has been told that VINLEC will absorb part of the fuel surcharge to cushion households from rising electricity bills. However, the relief only activates once the surcharge exceeds 71 cents per kilowatt hour. Between 71 and 77 cents, VINLEC will absorb only half of the increase, and only beyond 77 cents will households receive the full matching contribution. The problem is simple: the current surcharge stands at 64 cents per kilowatt hour, meaning consumers receive absolutely no immediate benefit from the policy as announced. In practical terms, the safety net is suspended so high above the public that citizens must continue falling deeper into financial distress before any assistance is triggered.

The same conditional logic undermines the government's promised customs and container freight relief. The administration announced that customs duties would be calculated using January 2026 freight costs if container prices exceed earlier benchmarks. Yet this assistance only applies if prices surpass that threshold. If costs fluctuate below it, businesses and consumers receive no meaningful relief despite continuing volatility in global shipping expenses. Such measures are designed more for headlines than for practical impact.

If the government truly intends to protect Vincentians, it must move beyond bureaucratic formulas and provide direct, unconditional assistance. Farmers and fishers, who form the backbone of national food security, are among the hardest hit by these fuel increases. The government should have used bilateral diplomatic ties, just like the previous administration, to provide free fertilizers. They could have used that opportunity to boost local food production by distributing seedlings on a large scale, subsidizing chicken feed, and giving production support to fisherfolks. At the same time, the country's most vulnerable citizens cannot afford to wait for corporate thresholds and complicated formulas to activate. A targeted national food voucher programme for vulnerable persons would provide immediate purchasing power and help families withstand the growing inflation crisis.

These fuel price increases are unprecedented in Saint Vincent and the Grenadines. While international conflicts and global market instability are undoubtedly contributing factors, experts warn that a return to pre-war fuel prices may not occur until 2032. Against such a long term reality, temporary 90-days measures amount to little more than a band-aid on a deep economic wound. Vincentians deserve more than conditional promises and delayed interventions. They deserve immediate tax relief, targeted subsidies, and meaningful social protection that can be felt not months from now, but today.