GOVERNMENT OF THE VIRGIN ISLANDS

STATEMENT

Tel: (284)468-2730
Official Government Website:
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Statement By The Premier And Minister Of Finance Honourable Dr. Natalio D. Wheatley At The Fifth Sitting Of The Third Session Of The Fifth House Of Assembly Thursday, 8th October 2026 Pension Reform

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Madam Speaker, I rise today to provide this Honourable House and the wider public with an update on the implementation of the recently approved pension adjustments and the transition to our new pension payment arrangements.

We highly value our pensioners who have worked hard and sacrificed to build this Territory. As Honourable Members are aware, Cabinet approved the pension adjustment option recommended by the Pension Reform Committee for implementation during the 2026 financial year, involving an estimated $6.7 million. This recommendation was carefully developed following the Committee’s deep consideration of equity, affordability, and cost-of-living concerns, with particular attention dedicated to supporting lower-income pensioners.

Furthermore, Madam Speaker, the Committee recognised the critical importance of addressing the extended period, approximately 25 years, during which our pensioners had not benefited from a general pension increase.

I am, therefore, extremely pleased to report to this Honourable House that significant progress has been achieved in implementing these vital pension reform measures.

This milestone marks a major step forward in the Government's pension reform programme and demonstrates our unwavering commitment to improving support for retired public officers who have given so much to our Territory. Madam Speaker, I am happy to confirm and announced that the new enhanced pension payments were successfully paid at the end of August 2026 for most pensioners, with the associated pension arrears being paid subsequently at the end of September 2026.

Madam Speaker, I am pleased to further announce that the next major phase of our reform implementation will commence on 15 October 2026, when pension payments formally transition to a twice-monthly payment schedule. Under this new arrangement, pension payments will be disbursed on the 15th and the last day of each month. This change directly implements Cabinet's direction for pensions to be administered twice monthly, representing a substantial improvement in the administration and delivery of pension benefits.

Additionally, Madam Speaker, Cabinet has approved the development of an integrated benefits administration module, which will further strengthen pension management, administration, and oversight moving forward.

To ensure that we never repeat the extended delays of the past, a cornerstone of our pension reform programme is establishing a structured, regular review mechanism. Madam Speaker, Cabinet has therefore approved the institutionalisation of pension reviews on a three-year cycle, aligning them directly with Public Service salary reviews. This ensures that pension adjustments are considered on a predictable, regular basis.

Madam Speaker, we acknowledge that transitioning to a new pension payroll and payment schedule involves significant administrative and system adjustments, and that some aspects of this transition may have caused inconvenience for certain pensioners. We sincerely apologise for any inconvenience experienced and express our deepest gratitude to our pensioners for their patience, understanding, and co-

operation.

Madam Speaker, We also reiterate our profound appreciation to all retired public officers for their many years of dedicated service to the Government and people of the Virgin Islands. The progress achieved thus far would not have been possible without the sustained leadership and commitment of the Pension Reform Committee, its support team, and our public officers in the Department of Human Resources, the Treasury Department, Internal Audit Department, and the Department of Information Technology.

Madam Speaker, the ongoing comprehensive pension reform remains a pillar of this Government's unwavering commitment to the social and economic well-being of our retired and future public officers. For far too long, the structures governing retirement benefits required holistic transformation to ensure fairness and dignity for those who have dedicated their lives to public service. My administration is deeply committed to driving this comprehensive reform programme forward, ensuring that our pension system is robust, sustainable, equitable, and responsive to the real needs of our retirees.

Increasing the pension is a continuation of my Government’s comprehensive programme of social upliftment, particularly for the most vulnerable in our society. This includes the increase in public assistance grants, the increase in the minimum wage, the $30 million increase in salaries for public officers, ongoing subsidies for electricity, a protected basket of goods, among other initiatives. We will continue to do what is necessary to support those most in need.

Again, I congratulate the pensioners and say thanks for your sacrifice to nation building.

Thank you, Madam Speaker.

Additional Documents or Media

- pension_reform_updated.pdf