

**HOUSE OF REPRESENTATIVES**

*Monday, September 26, 2022*

The House met at 1.30 p.m.

**PRAYERS**

[MADAM SPEAKER *in the Chair*]

**PAPERS LAID**

1. Eleventh Annual Report of the Police Complaints Authority for the period October 01, 2020 to September 30, 2021. [*The Attorney General and Minister of Legal Affairs (Sen. The Hon. Reginald Armour)*]
2. Ministerial Response of the Ministry of Sport and Community Development to the Fifth Report of the Public Administration and Appropriations Committee on the Examination of the Realignment of Ministries and Departments. [*The Minister of Housing and Urban Development (Hon. Camille Robinson-Regis)*]
3. Ministerial Response of the Ministry of Tourism, Culture and the Arts to the Fifth Report of the Public Administration and Appropriations Committee on the Examination of the Realignment of Ministries and Departments. [*The Minister of Housing and Urban Development (Hon. C. Robinson-Regis)*]
4. Audited Financial Statements of the Deposit Insurance Corporation for the year ended September 30, 2021. [*The Minister of Finance (Hon. Colm Imbert)*]  
*To be referred to the Public Accounts Committee.*
5. Draft Estimates of Expenditure for the financial year 2023. [*Hon. C. Imbert*]
6. Draft Estimates – Details of Estimates of Recurrent Expenditure for the financial year 2023. [*Hon. C. Imbert*]

**UNREVISED**

7. Draft Estimates of Revenue and Expenditure of the Statutory Boards and Similar Bodies and of the Tobago House of Assembly for the financial year 2023. [*Hon. C. Imbert*]
8. Draft Estimates of Development Programme for the financial year 2023. [*Hon. C. Imbert*]
9. Draft Estimates of Revenue for the financial year 2023. [*Hon. C. Imbert*]
10. Social Sector Investment Programme 2023. [*Hon. C. Imbert*]
11. Public Sector Investment Programme 2023. [*Hon. C. Imbert*]
12. Public Sector Investment Programme – Tobago 2023. [*Hon. C. Imbert*]
13. Three-Year Public Sector Investment Programme 2023 - 2025. [*Hon. C. Imbert*]
14. State Enterprises Investment Programme 2023. [*Hon. C. Imbert*]
15. Review of the Economy 2022. [*Hon. C. Imbert*]

### **APPROPRIATION (FINANCIAL YEAR 2023) BILL, 2022**

**Madam Speaker:** Minister of Finance.

**Hon. Members:** [*Desk thumping*]

**The Minister of Finance (Hon. Colm Imbert):** Thank you, Madam Speaker. I beg to move:

That a Bill to provide for the service of Trinidad and Tobago for the financial year ending on the 30<sup>th</sup> day of September, 2023, be read a second time.

Madam Speaker, it is a privilege for me to present to this honourable House and to the citizens of our country the national budget for fiscal 2023, the eighth budget of this PNM administration. Let me state at the outset, Madam Speaker, that it is my intention to focus in this budget statement on matters of a fiscal nature and selected areas of government activity, in particular the productive sector. In

areas where I do not go into detail, my ministerial colleagues will elaborate in their contributions. No reasonable person, Madam Speaker, would dispute the fact that the last seven years have been particularly challenging for us financially as a country. This Government has been confronted by many difficult financial shocks since 2015.

In our first year, we were faced with the adverse macroeconomic impact of an extraordinary collapse in oil and gas prices which began in 2014 and accelerated in 2016. To illustrate what we were faced with, in January 2016, the daily spot price of West Texas Intermediate or WTI crude oil reached its lowest point in 13 years of US \$26 per barrel, after averaging over US \$95 per barrel during the period 2011 to 2014. In that year, because of that oil price collapse, we lost \$12 billion in energy sector revenue, or 21 per cent of the annual revenue earned in the previous year. By the following year, because of depressed oil and gas prices and the effect of tax concessions given to oil companies in 2010 to 2015 period, we had lost 21 billion in annual revenue, or 37 per cent of the revenue in 2015. By then, annual revenue had shrunk from 57.3 billion in 2015 to 36.2 billion in 2017. Expenditure, on the other hand, had grown from 46.7 billion in 2010 to 61.9 billion in 2014, or by 34 per cent. Expenditure in 2015 was similar at 60 billion. So, we were faced with a previous national expenditure pattern of 60 billion a year with revenue of 36 billion, a difference of \$24 billion.

We were given a lot of advice, Madam Speaker, by local professionals when we first came in, much of which was unrealistic, such as the recommendation that we immediately devalue the TT dollar by 33 per cent, making our currency 10 to one to the US dollar. We were told, if we did not do this, our foreign reserves would evaporate in less than two years. However, we did not follow that advice

and seven years later, we still have US 6.8 billion in reserves, or over eight months of import cover.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** For us, in the PNM Government, Madam Speaker, all a devaluation would have done is to make windfall profits for those who hoard US dollars overseas, create industrial strife with demands for huge wage increases to match the extent of the devaluation and create hardship for ordinary citizens. It would not have magically created a new source of additional foreign exchange as some would have us believe.

Another impractical recommendation was that we should cut expenditure to match revenue, that is, to 36 billion and we were told that if we did not do this, we would have to go cap in hand to the IMF as the lender of last resort. We did not follow that advice either and unlike some of our Caribbean neighbours, we are not and will not be under this Government in an IMF programme.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** Indeed, if we had followed those two recommendations, the cost of living would have risen astronomically and we would have had to retrench thousands of public servants and remove subsidies from all public goods and services, thus putting severe pressure on our citizens and destabilizing our economy. It is important for me to remind people that these were the alternatives to what we have done. So, when you judge us, just remember what we chose to do, compared to the other options that were available.

In fiscal 2016, therefore, we prepared our own path. Instead of the 40 per cent cut in expenditure we were told to make, we reduced the expenditure by as much as was feasible by 7 billion or 13.4 per cent and then carefully managed the

allocation of resources. To protect our population and economy, we adopted a firm policy to keep public servants in jobs and to maintain the stability of our currency. Subsequently, in March 2020, just as our economy was recovering from the external oil price shock, we were confronted by the global health and economic crises arising from the COVID-19 virus.

In 2020, the price of oil had plummeted from US \$64 a barrel in January of 2020 to US \$18 per barrel at the beginning of April 2020. And then, on April the 20<sup>th</sup> 2020, as governments around the world closed businesses and suspended air travel due to the COVID 19 pandemic, the price of the main US oil benchmark, WTI, fell from US \$18 a barrel, past zero, to end the day at minus 37. The first time oil prices had ever turned negative. Oil prices remained in the doldrums for months after that, requiring our national oil production company, Heritage Petroleum, to store the oil it produced until oil prices recovered, otherwise Heritage would have lost money on every barrel it sold. Those were challenging times. However, we persevered and despite the serious financial and economic challenges, we have insured for the last seven years, even in the darkest days of the COVID-19 pandemic, that over 90,000 persons in the public service have kept their jobs and have been paid their salaries on time every month—

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:**—and over 50,000 more workers in the wider state sector have been kept whole.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** Madam Speaker, I wish to express my deep appreciation to all those who have invested their time and effort to share their ideas and views on the macroeconomic and social agenda required over the past seven years, including for

this 2023 budget. I have valued those representations, many of which have informed our budget policies over the years.

Our 2023 budget is designed to build on our resilience and facilitate a broad-based revival of the economy. It will encompass all sectors and all segments of the economy. It will strengthen business continuity and growth and drive our digitization programme while assisting the poor and vulnerable. We have been steadfast and resolute in adhering to the principles set out in our public policy agenda. My fiscal 2023 budget theme, therefore, is: Tenacity and Stability in the Face of Global Challenges.

At this time, I wish to acknowledge the outstanding performance of the staff at the Ministry of Finance. They have always risen to the challenges, including those posed by many external shocks to our economy. They have worked beyond the call of duty as they formulated the public policy responses to the COVID-19 pandemic.

On many occasions over the last seven years, we did not know where to find the money to pay salaries at the end of the month but unlike other countries in the Caribbean, we have managed to do this every single month for the last 84 months—

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:**—without having to retrench public servants.

To be able to do this, the Government had to engage in significant borrowings of more than \$30 billion. Even now, there are experts who advise that the nation's biggest problem is our public debt and debt profile. Some of them even speak gloomily of us entering the debt trap, meaning that we need to be mindful all along of our ability or inability to repay debt. As a competent and

responsible government, we do not dismiss or disregard these warnings but we use borrowings judiciously as a tool to preserve the gains that we have made and the jobs that we have while, at the same time, supporting a development programme. This budget 2023 has been prepared in the context of the continuing presence of COVID-19 and its many variants within which lives and livelihoods are being rebalanced in an uncertain global economy.

Two and a half years have now elapsed since COVID-19 was declared a pandemic by the World Health Organization. All countries, advanced, emerging and developing, were forced to face two adverse challenges simultaneously, saving lives and protecting livelihoods. Madam Speaker, as of last week, the total number of confirmed cases of COVID-19 worldwide was more than 600 million, with global deaths in excess of six and a half million. In Trinidad and Tobago, as of last week, the total number of confirmed cases had just crossed 182,000, of which over 173,000 had recovered, with 4,195 deaths and approximately 4,300 active cases. That is almost 200,000 people who have had a confirmed experience of the infection, with several thousand families facing the ultimate loss through death.

Over the last three months, we have recognized an upward trend in the number of confirmed COVID-19 cases but we have not seen any significant increase in the vaccine uptake which remains at 51 per cent of the population. This notwithstanding, over 716,000 persons in Trinidad and Tobago have been fully vaccinated.

I wish to take this opportunity to extend my condolences to all the families who have lost their loved ones to the virus. I wish also to acknowledge the sacrifices of health sector workers whose call to public duty ensured that proper

and adequate care was always given to all those who fell under their charge and responsibility although they worked in direct contact with the virus.

**1.50 p.m.**

Accordingly, it is a fitting tribute to their exemplary and heroic performance that I have acted on the instructions of the Prime Minister, Dr. the hon. Keith Rowley, to allocate the sum of \$210 million in the *Estimates of Expenditure* for fiscal 2023, as a special payment to be distributed to health workers in Trinidad and Tobago.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** This will involve ex gratia payments to over 20,000 health workers. Madam Speaker, while highly transmissible, the latest sub-variant of the virus is not leading to a drastic spike in hospitalizations and deaths. The good news, based on the science, is that the virus is evolving and losing its virulence as predicted. Our citizens are now adjusting and learning to live with COVID-19 similar to other countries. Most COVID-19 restrictions and protocols have now been lifted with a few remaining restrictions within the health sector among others.

As we adapt to the new environment, I wish to renew our call to citizens to continue to take the necessary precautions. Those vaccinated should access the boosters as required and those unvaccinated, including those who have had infections, should also take immediate steps to become vaccinated. Increasing the fully-vaccinated ratio above the current 51 per cent is a collective responsibility, and will greatly assist in securing a lasting recovery from COVID-19. On our part, the Government will continue to make vaccines available at health centres, throughout the country, to all those who wish to get them.

Madam Speaker, we recognized, very early, that the pandemic would



seriously disrupt economic activity with sharp declines in growth and the possible emergence of a financial crisis. We needed to act decisively. If we had not done so, the disruption in credit flows from the financial system would have left households and businesses in dire straits with associated production and labour losses. A package of fiscal stimulus programmes supported by monetary accommodation was, therefore, quickly implemented, which enabled us to protect the most vulnerable and to keep the economy running. This targeted support and the stabilization of the financial system, served to mitigate the social impact of the crisis and laid the foundation for economic recovery.

The 2022 Budget Statement gave details of our fiscal stimulus package, including social grants and business support measures. That statement also itemized the series of measures adopted by the Central Bank, aimed at providing stability to the financial system and supporting the flow of credit to the economy, which achieved the desired result. There is thus no need for me to repeat those details in this statement.

The COVID-19 relief and support measures we implemented from 2020 to 2022, combined with the phased and eventual resumption of business activity and the global economic recovery, paved the way for a recovery in all economic sectors. Indeed, the economy which contracted sharply by 7.4 per cent in 2020 because of COVID-19, stabilized in 2021 with a marginal contraction of 1 per cent.

In the first quarter of 2022, after the usual post-Christmas decline in consumption and without a boost from full-scale Carnival activities, there was nominal contraction in real terms of 0.1 per cent. But the preliminary second quarter data is very encouraging, and our economy is projected to recover with real GDP growth of 2 per cent for the full year. And within this growth, real progress

is being observed in several non-energy areas of the economy, such as trade and repairs, food and beverages, information and communication, financial services and real estate among others. Specifically, we are seeing growth of 18 per cent in food and beverages, 15 per cent in transportation and storage, 9 per cent in trade and repairs and overall increases in accommodation and food services and the wider services sector.

In addition, it is noteworthy that our nominal GDP has grown by 34 per cent since 2020 from 142 billion in 2020, to an estimated 190 billion in 2022, which will have a very positive effect on our debt-to-GDP ratio and our per capita GDP. Our per capita GDP has increased from US \$15,000 in September 2020 to US \$19,500 in September 2022, and it is now among the highest in the region. It is expected to reach US \$20,000 by the end of 2022. And it should be noted that our per capita GDP is higher now than it was in 2015, seven years ago. Our nominal GDP is the highest it has been since we became an independent country in 1962, 60 years ago. The adjusted general government debt-to-GDP ratio has decreased from 81 per cent in 2020 to a projected 70 per cent in 2022, now among the lowest in the region.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** I turn now to the global economy. Madam Speaker, notwithstanding the positive developments in the local economy, the recovery of the global economy in 2021 has been followed by negative developments in 2022, with the global economic outlook becoming increasingly uncertain. As stated by the Conference Board, a leading Global Business Association, headwinds to global growth are expected to increase in the coming quarters. Global leading indicators point to weakening momentum and global purchasing manager indices are sliding

and nearing contractionary territory. Indeed, some analysts now expect mild recessions to occur in the US and Europe later in 2022, and into early 2023. A US recession may be induced by aggressive monetary policy tightening in response to elevated inflation and a recession in Europe would reflect surging energy prices and rationing.

China may escape recession, but is expected to experience weaker than usual growth in 2022 due to repeated lockdowns, a housing correction and weakening external growth, and it is expected to see only a modest recovery in 2023.

The International Monetary Fund forecast for global growth is now 3.2 per cent in 2022 and 2.9 per cent in 2023, significantly less than the 6.1 per cent in 2021. The consensus is that substantial risks to the global outlook remain. The war in Ukraine will continue to create instability in commodity markets and inflation could prove much more difficult to reduce than originally thought. Tighter global financial conditions could induce debt distress in emerging markets and developing economies and geopolitical tensions and fragmentation could impede global trade and cooperation.

Consequently, Madam Speaker, we in Trinidad and Tobago need to continue to be careful, since a global recession will lead to lower oil and gas prices which means reduced revenue for Trinidad and Tobago and will cause instability in financial markets, resulting in losses in equity holdings. Just the mere talk of a possible recession or a strong US dollar can cause oil prices to tumble as we have seen within the last few days, in the same way that talk of war, economic growth or supply disruptions caused immediate spikes in oil prices.

Turning now to the domestic economy. As an oil and gas-based economy, our fortunes have been impacted by the external shocks which have hit the world

economy in recent years. While there can be no dispute that we must diversify, and we are doing so, as evidenced by the fact that the non-oil sector now contributes over 50 per cent of our GDP, it is a fallacy for people to insist that we should not focus on enhancing and strengthening our oil, gas and petrochemical sectors. Those who say that we should abandon oil and gas are not living in the real world, since this has been the mainstay of our economy for the last 50 years, and will be a cornerstone of our economy for years to come.

Our economic development plans must take care of both the oil and non-oil sectors therefore, and to maintain our revenue and growth, we must make every effort to boost oil and gas production in the short to medium term. To summarize our recent situation, firstly, in 2020, the oil industry was hammered, forcing oil prices to go negative for the first time on record. The value of our oil exports fell considerably. But by July 2020, oil prices began to rebound as countries emerged from lockdowns associated with the tight COVID-19 restrictions.

The Organization of Petroleum Exporting Countries, OPEC, had also agreed to major cuts in oil production. By the end of 2020, optimism relating to the planned roll out of multiple COVID-19 vaccines supported the oil market and oil prices recovered to US \$50 per barrel. This low price, however, was insufficient to support our \$50 billion annual expenditure, at the time, without significant deficit financing.

The second external shock, the invasion by Russia of Ukraine in February 2022, heightened the supply constraints already affecting the global economy because of COVID-19. Commodity prices escalated, but this time, this external shock was in our favour. Buoyant oil prices have since persisted throughout 2022. They have, on average, stood at US \$100 per barrel, only recently dropping to the

US \$90 level.

Petrochemical prices have also escalated in our favour with the price of ammonia increasing by 300 per cent in one year and the price of urea increasing by 100 per cent. The price of methanol has also increased significantly over the last two years. Henry Hub natural gas prices, which had crashed and reached as low as US \$1.63 per MMBtu in June 2020, at the start of the pandemic, began an upward trend in 2021, and have remained at elevated levels following the Ukraine war, exceeding US \$9 per MMBtu in early September 2022 and still close to US \$7 per MMBtu today.

Madam Speaker, these elevated prices are coinciding with our efforts to increase oil and gas production through several major oil and gas projects. I am advised by the Ministry of Energy and Energy Industries that natural gas production has stabilized and the decline in production which began in 2020 has been reversed. I am further advised that gas production has increased significantly since May 2022 and is now close to 2.9 million standard cubic feet per day. I am advised that we will end the year with an average production of 2.75 million standard cubic feet of gas per day and barring unforeseen circumstances, this is expected to increase to just under 3 million standard cubic feet of gas per day in 2023.

Allow me to share with you some details of upstream projects, primarily gas projects, which came on stream in 2021 and brightened our production prospects. In June 2021, BPTT announced the installation of the Topsides of its Cassia C Project, enabling the production of low pressure gas and maximizing recovery from existing resources. In July 2021, Shell announced the start of production in the Barracuda Field with 140 million standard cubic feet of gas per day.

**2.05 p.m.**

Madam Speaker, in August 2021, the National Gas Company signed a consolidated gas contract with Methanol Holdings Trinidad Limited, guaranteeing important domestic gas supply. In August 2021, NGC and Evolving Technologies and Enterprise Development (e Teck), signed an engineering procurement and construction contract for the supply of natural gas pipeline infrastructure. In September 2021, bpTT confirmed that its Matapal project achieved the first gas ahead of schedule and under budget. In November 2021, Touchstone Exploration announced a new light oil discovery in its Royston-1 exploration well.

In November 2021, Shell and the Government signed a 25-year production-sharing contract to develop and produce natural gas from the Manatee Field, with expected production to begin in 2025 with 350 million standard cubic feet per day, and a peak of 700 million standard cubic feet per day. In December 2021, Touchstone Exploration announced significant oil discoveries at its onshore Royston-1 exploration well.

For 2022 and beyond, the story is also quite promising. Shell achieved the first output from its Colibri project in early 2022, the Cassra Field Block 22, at the end of March, and the Orchid Field NCMA-4 in April. Peak production rates are approximately 250 million standard cubic feet per day. DeNovo, with an investment of US 46 million, commenced production in its Zandolee Field in July 2022.

Touchstone, with an investment of US 85 million, anticipates first output from the Coho and Cascadura fields in the Ortoire block before the end of 2022. Development of the Royston Field is now expected online by 2023. In addition, the company has further plans to drill three exploration wells in the Ortoire block.

BpTT expects to achieve output rates from its Matapal Project by 2023, after production came online ahead of schedule in September 2021. The company's Cassia C compression facility, which is anticipated to increase the volume of recoverable natural gas reserves from the Cannonball, Immortelle, Mango, Serrette and Angelin fields is expected online in the latter part of 2022. BpTT also has several projects scheduled to come on stream over the 2023 to 2024 period, including its extended fleet development and infill drilling programmes, and its development projects.

In addition, Madam Speaker, very importantly, bpTT has just publicly confirmed that it will be proceeding with the development of its Cypre offshore gas project, which will be bpTT's third subsea development. It will include seven wells, and subsea trees tie back into BP's Juniper platform. Drilling is expected to commence in 2023, with gas coming on stream in 2025. It is expected to deliver 250 to 300 million standard cubic feet of gas per day. This decision, which followed the recent meetings of Prime Minister Dr. Keith Rowley, BP's CEO Bernard Looney and incoming President for bpTT David Campbell in London, where they discussed accelerating the sanction for this project is a very positive development, with far reaching consequences for Trinidad and Tobago.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** BpTT also signed a new gas supply contract last week with the National Gas Company, securing future gas supply for NGC for our important petrochemical sector.

EOG anticipates first output from its Osprey West project at the end of 2022, and phase one of Osprey East in 2023. Production from phase two of Osprey East projects in its southeast coast consortium block and the Mento block, a joint

venture with bpTT, is projected to come on stream over the medium term. The company also plans to drill a total of six wells, three exploratory and three development wells for the Osprey East and West projects within the next year. To execute works for the Osprey East development project, EOG plans to invest approximately US \$234 million between 2022 and 2023. Moreover, an investment of around US 555million is expected to be made for the Mento Field development project during 2023 to 2026.

The Ministry of Energy and Energy Industries has also instituted a series of competitive bidding rounds over the 2021 to 2022 period. The 2021 deep-water competitive bid round was launched on December the 3<sup>rd</sup>, 2021. At the close of the bid round on June the 2<sup>nd</sup>, 2022, four bids were received for Blocks 23B, 25A, 25B and 27, from a consortium comprising BP Exploration Operating Company and BG International Limited, which is a subsidiary of Shell.

The 2022 onshore and near shore competitive bid round followed the deep-water bid round. The round with 11 onshore and near shore blocks was launched in July 2022 and will close in January 2023. The 2022 shallow water competitive bid round will be launched before the end of 2022. At least 20 open shallow water blocks are being considered for inclusion in this bid round.

The Government is also advancing its policy goal for including renewable energy in the electricity supply mix. The development of a 112 megawatt solar photovoltaic project, at a cost of US 124 million, is at an advanced stage of negotiation, with a consortium of Light Source Renewable Global Development Limited, Shell Trinidad and Tobago Limited and BP Alternative Energy Trinidad and Tobago Limited. I am advised that construction of this solar energy plant is expected to begin in early 2023.



We are also pursuing a broad mix of projects in our energy transition strategy. A feed-in tariff policy is being developed to facilitate residential and commercial renewable energy generation, and contribute to the reduction of greenhouse gas emissions. A renewable energy policy is being developed for Trinidad and Tobago, bearing in mind our carbon emissions commitment and the target of 30 per cent renewable energy by 2030. A low carbon hydrogen industry is being developed with green or blue hydrogen being a carbon neutral alternative, which can be used as feedstock for petrochemical production.

Phase one of this project involves National Energy establishing a pilot facility. National Energy partnered with the Inter-American Development Bank and KBR in 2021 to 2022 to complete a feasibility study on the establishment of a green hydrogen industry in Trinidad and Tobago. And, the Piarco International Airport solar grant-funded project will generate 800 kilowatts. Solar energy systems are also being installed in remote communities, and solar LED lights in play parks and basketball courts.

We are continuing, Madam Speaker, to pursue diversification within the local energy sector itself, with several future projects now under active consideration, such as the methanol to polyolefin project by the Alkene Development Company of Trinidad and Tobago. This project, with expected overall capital expenditure of US 1.5billion, aims to establish facilities to produced polyethylene and polypropylene resins. The aluminum ingot-processing project is intended to create a new energy-based manufacturing industry without significant gas requirements. Products would include electrical cables and cold rolled sheets made from aluminum. Capital expenditure on this project will be approximately US \$685 million.

The alternative marine fuels project will establish bunkering facilities to provide alternative fuels, namely methanol and LNG, to vessels at Point Lisas Industrial Estate and Brighton ports. The proposal involves three phases: phase one starting with the implementation of bunkering facilities at either Chaguaramas or Brighton, phase two at Point Lisas or Port of Spain, and phase three, which is an expansion to phase two. Phase one is estimated to cost US 3.5 million, while phase two is expected to cost between US 7 million and US \$13 million. Currently, a technical and pre-visibility study is being performed with Methanex to explore the viability of using methanol as an alternative fuel for marine and road transport in Trinidad and Tobago.

Madam Speaker, we are taking a balanced approach to determining possible changes to the country's oil and gas tax regime as it pertains to the upstream energy sector. To incentivize new production, particularly new oil production, we have decided in the first instance to adjust our supplemental petroleum tax regime to motivate oil companies to produce more oil. Over the next three months, we will also be looking at adjustments to other energy taxes, again to motivate the oil companies to increase production. I will provide details in the fiscal measures.

I now wish to share with this honourable House some of the key economic and financial data emerging in 2022. As I said before, our real Gross Domestic Product (GDP) is expected to grow by 2 per cent in 2022. This should be compared to the estimated real GDP growth for the United States for 2022 which is now estimated to come in at 1.4 per cent, with real growth in the US slowing to 0.3 per cent in 2023. In fact, the GDP data for the United States for the first half of 2022 suggests that the US economy was either in or on the cusp of a recession.

Secondly, nominal GDP, as I said before, is expected to grow to 190.7

billion in 2022, or 25.4 billion more than the latest revised GDP figure of 165.3 billion for 2021, using the most recent data published by the Central Statistical Office, an increase of 15.3 per cent in one year.

The GDP in 2022 is also 48.5 billion more than the GDP for 2020, an increase of 34 per cent in two years. It is noteworthy that our conservative Ministry of Finance estimate of GDP for 2021 in our last budget was 151 billion, but it is now confirmed, using the CSO's recently published data to actually be 165.3 billion. The economic performance in 2021 was therefore better than we had previously assumed.

The fiscal deficit for 2022 has been reduced to 2.43 billion, or 1.3 per cent of GDP in 2022, down from the originally expected deficit of 9.1 billion, or 5.8 per cent of GDP, at the time the 2022 budget was read in October 2021. Expenditure in fiscal 2022 is now estimated at 54.07 billion and revenue at 51.64 billion. This represents an increase of 8.31 billion in revenue in 2022, over the original estimates.

I must stress, however, Madam Speaker, because it appears that some commentators either do not understand, or they pretend not to understand, that despite our significantly improved revenue in 2022, we would still have a fiscal deficit in 2022 and 2023, and we must still contend with a high level of debt servicing. So there is no great amount of surplus money in 2022 or 2023 to throw around, as some would have us believe. With better revenues we are simply able to better manage our debt financing and overdraft, reduce our fiscal deficit, improve our cash flow and address long outstanding arrears of payments to suppliers of goods and services. By way of example, we were able to pay out \$4 billion in VAT refunds in 2022, significantly more than originally planned.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** However, it is noteworthy that if we did not have to cater for spending well over \$1 billion in subsidizing fuel in fiscal 2022, or make a deposit into the Heritage and Stabilisation Fund of another billion dollars, which is counted as expenditure, revenue and expenditure, would have been in balance in 2022.

**2.20 p.m.**

Compare this performance to India which is expected to record a fiscal deficit of 6.5 per cent of GDP in 2022 or Italy with an estimated budget deficit of 5.6 per cent of GDP in 2022. Closer to home, Colombia is expecting a budget deficit in excess of 5 per cent of GDP in 2022 and Panama has an estimated deficit of 4 per cent of GDP. Indeed, our deficit of \$1.3 per cent of GDP in 2022 is a far cry from 2021 when we recorded a fiscal deficit of \$13.7 billion or 9.1 per cent of GDP.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** As a result of global events and the fact that much of our food and manufactured goods are imported, inflation which was kept at bay during the pre-COVID years at the very low level of 1 per cent has been trending upwards to 4.7 per cent in 2022. However, this rate is significantly below the rate of inflation of 9.8 per cent in emerging and developing countries, the 8.6 per cent inflation rate in the euro area, the 8.3 inflation rate in the United States and the 9.8 per cent inflation rate in the United Kingdom. And at a sub-regional level as of June 2022, the economies of South America had an inflation rate of 8.8 per cent. Inflation in Central America and Mexico was 7.5 per cent and the rest of the English-speaking Caribbean averaged 7.3 per cent. Notably, the inflation rate in Barbados in July 2022 was 11.2 per cent.

Although we continue to be engaged in financing important programmes such as road repairs and the purchase of pharmaceuticals through state enterprises at the level of the central government, we have not had the need to engage in new-direct borrowing since December 2021.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** This aside, we have more than adequate access if the need arises to preferentially priced loans from the Development Bank of Latin America, CAF, the IDB, the CDB, the international capital market and the domestic banking market among other sources of financing. As I have said before, our debt to GDP ratio has been reduced from over 80 per cent in September '21, to 70 per cent in September '22, to the surprise of the prophets of doom and gloom. In fact, based on our current borrowing and repayment schedule, we expect no significant increase in our total government debt in the 12-month period between December 2021 and December 2022 or in our debt to GDP ratio, the first time this will have occurred in many, many years.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** To stimulate growth and maintain economic momentum by increasing expenditure on our Public Sector Investment Programme now at 6.2 billion in 2023 which is where it counts, we have set a new soft debt to GDP limit of 75 per cent for the next two years which is well below the ratio of most countries in the world. Our premier record as a country which has never defaulted on its public debt remains intact, in contrast to other countries in the region who have found it impossible to honour their debts over the years.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** The current account of the balance of payments is anticipated to

record a surplus of more than \$4 billion in 2022.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** Net official foreign reserves as of August 2022 stood at US \$6.8 million representing 8.5 months of import cover, well above the international benchmark of three months.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** As a result of higher than expected oil and gas prices we have deposited US \$163 million or TT \$1.1 billion into the Heritage and Stabilisation Fund for intergenerational benefit.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** Inflows of foreign exchange from the oil and gas sector for the first eight months of calendar 2022 were US \$1.9 billion or US \$1.33 billion more than the same period in 2021.

Madam Speaker, we are encouraged by the July 2022 decision of the international credit rating S&P Global Ratings to revise our outlook from negative to stable and to maintain our credit rating at an investment grade BBB-. We understand this credit rating is reflective of the basic strength of the country's economy, as well as its perspective developments and its resiliency from multiple shocks. We recognize that this is the first time over the last 15 years that S&P Global Ratings has taken a positive rating action on Trinidad and Tobago.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** First time in 15 years. In the current situation facing the world economy with multiple cases of economic and financial distress, negative outlooks and credit rating downgrades are the norm rather than the exception and as such we are now recognized as being in a favourable position. We remain an attractive

location for investors, hence the ready availability of credit from international banks and multilateral institutions. As S&P puts it, higher prices for oil, gas and petrochemicals will spur an economic recovery in Trinidad and Tobago and strengthen economic resilience. The recovery is expected to lead to strong government revenue growth and more rapid fiscal consolidation.

The outlook on Trinidad and Tobago is revised to stable from negative and its ratings are affirmed including the BBB, long-term sovereign credit rating on the country. The stable outlook reflects their expectations that high prices of key exports will more than offset the impact of lower than expected energy production returning the economy to growth after six years of contraction and helping to stabilize debt to GDP metrics.

I turn now to institutional building. Madam Speaker, building and strengthening a mix of institutions has always been a policy objective of all PNM administrations, given the importance of their impact on growth, development and prosperity. Indeed, the first institution established shortly after achieving independence status in 1962 was the Central Bank of Trinidad and Tobago. Its strong governance and technocratic structure has provided this country with almost six decades of financial and currency stability. Thereafter, we established among others, in 1981, the Trinidad and Tobago Stock Exchange, in 1982, the Trinidad and Tobago Unit Trust Corporation and in 1995 the Trinidad and Tobago Securities and Exchange Commission. The trust and confidence of our citizens in these institutions has ensured increasing levels of savings and investments which are important for our growth and development. We have now embarked on the formation of new public institutions such as the Trinidad and Tobago Revenue Authority.

After more than a decade of technical work and stakeholder consultations, the Trinidad and Tobago Revenue Authority, the TTRA, was finally established with the passage of the Trinidad and Tobago Revenue Authority Act in 2021. The TTRA has begun to build out its governance structure following the partial proclamation of certain sections of the Act in March 2022. We appointed a strong board of management in June 2022 and we envisage that the TTRA will be operational in 2023 with an improved revenue administration combining the operations of the Inland Revenue and the Customs and Excise Division.

One of the board's priorities will be fulfilment of the legislative requirement to submit to the Minister of Finance within six months of appointment a strategic plan and operational plan for moving the TTRA forward. The board has engaged a strategic adviser and is working assiduously towards this objective and I fully expect to have the strategic and operational plans in hand within the stipulated time frame. Once received and approved, the board will have a clear roadmap for effecting the long awaited operationalization of the TTRA.

Another key initiative of the board that is ongoing is the recruitment of a director general who will lead the merged entity and be integral to the smooth transition to the TTRA. We expect that this key corporate officer will be selected by the end of 2022.

The board is also working on establishing the information technology and communication systems that will form the operational platform for the authority and is working with other state agencies to create the infrastructure and systems needed to maximize the collection of taxes in a fair manner for the benefit of the entire country.

Further, in preparation for meeting the revenue collection standards of the



TTRA, the Inland Revenue Division has been implementing several agreed-upon solutions to address the range of weaknesses identified in a Tax Administration Diagnostic Tool Assessment or TADAT report undertaken by the International Monetary Fund some years ago. We are heartened to learn that the efficiency gains in tax collection driven by the TADAT derived solutions could amount to additional revenue of, at least, 1 per cent of GDP or 2 billion in its first year of operation.

The Gambling Control Commission. Madam Speaker, following the partial proclamation in June 2021 of sections of the Gambling (Gaming and Betting) Control Act, we took steps to operationalize the Gambling Control Commission. We have appointed the board of commissioners who have begun their work to recruit staff, procure information technology to support compliance and tax collection, procure and outfit physical accommodation, design business processes, commence specialized training of staff and develop their strategic plan. The commission is also in the process of finalizing the draft regulations for the gaming and gambling industry to provide the required oversight and define the policy for the regulation of the gaming and betting sector. We will undertake relevant consultations and public sensitization on these regulations before enactment. Accordingly, revenue collection by the Gambling Control Commission is expected to commence in 2023.

I now turn to the Trinidad and Tobago Mortgage Bank. Madam Speaker, we are far advanced on completing the technical work for the establishment of the Trinidad and Tobago Mortgage Bank. The protocols and legal requirement for merging the operations of the Trinidad and Tobago Mortgage Finance Company and the Home Mortgage Bank have been finalized by the boards of the National

Insurance Board, the majority owner of the two institutions being merged. We envisage that by early 2023 the full operationalization of the Trinidad and Tobago Mortgage Bank which is expected to be a much more efficient and streamlined organization with improved financial strength, better equipped to assist the delivery of affordable houses by the House Development Corporation. We expect to have the new mortgage bank operational in 2023 with an enhanced presence in the capital market appropriately branded for eliciting public trust and confidence in its dual functions of mobilizing resources and channelling those resources into mortgage portfolios. This merger will remove inefficiencies in mortgage financing and create a sustainable flow of finance to support the low to middle income housing market.

I now turn to the Special Economic Zones Authority. Madam Speaker, in February 2022 we established the Trinidad and Tobago Special Economic Zones Authority, TTSEZA. In the process we dissolved the Trinidad and Tobago Free Zones Company which was a condition precedence for achieving compliance with the requirements of the OECD, Global Forum and EU. The new agency will seek to establish an attractive and competitive framework in the country through reviewing and assessing the performance of all special economic zones, formulating standards and prescribing codes of practice to be observed by operators in these zones thus facilitating and enabling environment in designated areas. The newly- appointed board of directors is now developing the organizational structure of the TTSEZA, as well as the regulations which will underpin its operations. It is expected to be fully operational in 2023.

The Trinidad and Tobago Trade and Investment Promotion Agency. Madam Speaker, we are advancing the modernization of our institutional arrangements for

promoting exports and investments. To this end we are in the process for establishing a single trade and investment promotion entity, the Trinidad and Tobago Trade and Investment Promotion Agency, TTTIPA. To avoid duplication of efforts and to focus on a targeted approach to trade and investment promotion, the new entity is based on a merger of a number of other agencies, exportTT, InvestTT, creativeTT and elements of the Trinidad and Tobago Coalition of Service Industries TTCSI. The recently-appointed board of directors is spearheading the work to operationalize this agency with a mandate to develop a diversified, resilient and sustainable economy for the international promotion of Trinidad and Tobago.

To that end, I expect the TTTIPA investment promotion agency to be operational in early 2023 and to take steps immediately to enable Trinidad and Tobago to become a premier destination for non-energy business and investment and create a competitive non-energy export sector with high foreign exchange earning capabilities.

We have ensured that this new agency will be properly funded in 2023, especially in the area of export promotion and overseas market penetration.

### **2.35 p.m.**

I turn now to the Phoenix Park Industrial Estate. Madam Speaker, the Evolving TecKnologies and Enterprise Development Company, e TecK, has been advancing the development of the Phoenix Park Industrial Estate with financing in the sum of \$690 million from the China Export-Import Bank and counterpart funds. Upon completion in early 2023, 78 lots, with all required infrastructure and services, as well as five modern factory shells will be leased by e TecK to investors and businesses with a focus on the non-energy sector. InvestTT and e TecK have

been promoting the Phoenix Park Industrial Estate as a prime investment opportunity in the field of high-value manufacturing logistics, distribution and warehousing. We already have on board 11 investors who have committed to being a part of the state-of-the-art facility and negotiations are in progress with another nine investors for businesses operations at this park.

Just last month, a fourth Chinese investor had executed a letter of offer with e TeCK to construct a bonded warehouse in the first phase. A trade and exhibition centre would be established in the second phase. This centre would generate over 500 manufacturers' displays where buyers and sellers can transact in a technology-driven environment utilizing 5G technology at the industrial park. When fully operational, we expect the Phoenix Park Industrial Estate to generate approximately 4,500 jobs.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** I move now to property tax. We are on track, Madam Speaker, to commence collection of property tax in fiscal 2023. The legal structure is already in place but we intend to make some simple amendments before the end of the year to the Valuation of Land Act to tighten and clarify the procedures for the gathering and processing of information and the valuation of properties.

Let me share with you some aspects of the work in progress. Upon population and evaluation rolls, the Board of Inland Revenue will commence the assessment and collection of property tax, starting with residential properties, using the formula in the Property Tax Act. You should note, Madam Speaker, that as part of our local government reform exercise, these residential property taxes are allocated by law for use by the 14 local government corporations for the development and maintenance of their respective regions.

After residential properties, the assessment of commercial, industrial and agricultural properties will follow. The first valuation roll, when fully completed, should contain an estimated 400,000 residential properties. However, collection of taxes will commence when the threshold of valuation of 50 per cent of residential properties, or 200,000, is achieved. To facilitate the completion of this first valuation roll, among others, the Commissioner of Valuations published on September the 6<sup>th</sup>, 2021, a notice for mandatory submission of returns by property owners or occupiers or agents to obtain the required property data pursuant to section 29 of the Valuation of Land Act. On February 28, 2022, the Commissioner of Valuations concluded her request for submission of returns of property after having implemented a number of enabling activities such as:

- The official launch of a website for online submission of returns;
- Publication of a notice in the local newspapers informing property owners of the need to submit returns with accompanying documents; and
- Physical distribution to 408,453 property owners or occupiers of returns via direct delivery through TTPost.

By August 2022, the Valuation Division had received 325,296 returns of property data. The annual rental values, ARVs, of these properties are currently being assessed for insertion in the valuation roll. Within these 325,296 returns, the division has in its possession information on over 200,000 residential properties and is moving to complete the valuation of same in the first instance. The valuation tribunal is being finalized, as required by the Valuation of Land Act, to handle disputes over the valuation of properties and will be in place when the first valuation roll is completed. Members of the tribunal have been appointed with a

recruitment of the chairman in progress.

I turn now to local government reform. Madam Speaker, the process of local government reform under this PNM administration represents a very important change in the way people's needs in local communities will be addressed. In essence, a paradigm shift. It has been on the political agenda for over 30 years and its time has come. We envisage that local government bodies in the proposed new system will be highly accountable and responsive organizations grounded in the business, environmental, cultural, the educational and social fabric of their communities. We are firm in our belief that local government should be given more rather than less responsibility and authority. And as such, a platform for meaningful reform of local government has been formulated with the objective of creating a modern, efficient, properly resourced and proactive local government system.

Indeed, the present reform agenda has been on the cards since August 2016, when Cabinet, under this administration, approved the Draft Policy on Local Government Reform. Since that time there has been extensive consultation and discussion on the proposed new system. Following this, the required legislation, the Miscellaneous Provisions (Local Government Reform) Bill was examined and reviewed by Parliament and passed in both Houses in June of 2022.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** The Government is now ready to move forward with the programme of reform and to start the process of building out the required new systems, practices and procedures, and creating the required improved capacity and enhance capability in local government corporations.

In particular, Madam Speaker, as mentioned before, the ongoing valuation of

properties exercise being conducted by the Valuations Division of the Ministry of Finance is specifically designed to address the problem of inadequate funding for the maintenance and development of infrastructure in local government districts, by reserving and allocating residential property taxes for the exclusive use of local government bodies, thus providing them with a reliable and regular dedicated stream of income.

I move on now to statistics. Madam Speaker, household budget surveys are a critical link in the statistical infrastructure. It is the only “trueable”, reliable source of household income and expenditure data which, when combined with other information, produces a rich source of socioeconomic data, an important and critical ingredient in our economic and social policy analyses and development planning. This undertaking will become a central and strategic component in the work programme of the proposed National Statistical Institute. The Government intends to bring a National Statistical Institute of Trinidad and Tobago Bill before the Parliament for a vote at the earliest opportunity. It requires a three-fifths majority to be enacted into law and we hope that Members of the Opposition will review their approach to this critical matter and find it within their duty to support this key piece of legislation in order to have the country establish this very important institution in the shortest possible time.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** Madam Speaker, the next household budget survey is scheduled to take place before the end of 2022. For the first time, the household budget survey would be combined with the survey of living conditions. Both surveys are being merged to yield better quality expenditure data while also providing detailed information on health, education, labour and other characteristics of living

conditions. And, Madam Speaker, a national population census is also planned for 2023.

As we have been modernizing our economy and placing greater use on digital technology, the CSO has been overhauling the gathering and dissemination of data using the wide powers under the existing Statistics Act. We have been reducing lag times in accordance with our commitments under the IMF's Enhanced General Data Dissemination System since 2021. It should be noted that in 2021, Trinidad and Tobago implemented the recommendations of the IMF's Enhanced General Data Dissemination System, EGDDS, by publishing essential data through the National Summary Data Page, NSDP. The Enhanced General Data Dissemination System was established by the IMF in 2015 to support improved data transparency, encourage statistical development and help create synergies between data dissemination and policymaking.

The NSDP is a national data portal that serves as a one-stop publication vehicle for essential macroeconomic data on the national accounts, government operations and debt, monetary and financial sector, and balance of payments. The NSDP is hosted by the Central Bank of Trinidad and Tobago, utilizing the statistical data and metadata exchange. A link to Trinidad and Tobago's NSDP is available on the IMF's Dissemination Standards Bulletin Board and contains links to statistics published by the Central Bank of Trinidad and Tobago, the Ministry of Finance and the Central Statistical Office. Indeed, consistent with our commitment to ensure public access to national statistics, up to first quarter 2022, labour force data has been published by the CSO and disseminated, as well as up to first quarter 2022 GDP data. This is a significant improvement from previous years when national statistics were as much as two years out of date. The Retail Price Index is



also now up-to-date to July 2022.

I turn now to fuel prices. Madam Speaker, the unexpected 100 per cent increase in oil prices from 2021 to 2022 frustrated our policy objective to liberalize, in 2022, the fuel market within which a standardized pricing system for motor fuels could have been established. In 2021, we had deferred to the first quarter of 2022 the proclamation of the legislative amendments to affect the liberalization of the fuels market, leaving the retail prices of motor fuels per litre as premium gasoline at \$7.75, super gasoline at \$4.97 and diesel at \$3.41.

However, Madam Speaker, the oil and fuel price scenario changed suddenly at the beginning of 2022. Rapidly increasing oil prices as high as US \$120 per barrel would have required a huge amount of government subsidy in 2022, up to as much as \$3 billion if left untouched. We sought to deal with this issue earlier this year in April on the assumption that oil prices would come down from their extreme highs. However, oil prices continue to exceed US \$100 per barrel for months. At that time we had proposed to share the burden of adjustment equally with the population by absorbing half the cost of the annual fuel subsidy. At that time, by increasing the prices of gasoline by \$1 per litre and diesel by 50 cents per litre, we had estimated we could limit our expenditure on the fuel subsidy to \$900 million a year. Although oil prices have subsided somewhat and are currently in the vicinity of US \$90 per barrel, the US Energy Information Administration in its most recent September 2022 Short-Term Energy Outlook has estimated the price of oil in 2023 to average US \$96.91 per barrel which means that if this forecast is correct we will be facing a fuel subsidy in 2022 of over \$2 billion.

Allow me to explain, Madam Speaker, how the fuel subsidy works since it is not fully understood by all concerned and some commentators also confuse the

issues.

**2.50 p.m.**

As a process product, motor fuels such as premium and super gasoline and diesel must be purchased from a petroleum refinery at what is termed an ex-refinery price. This is the case, whether the refinery is located here in Trinidad and Tobago or overseas. If our refinery was still in operation the ex-refinery price for fuel at Pointe-a-Pierre would still have to be used to determine the amount of the fuel subsidy. To illustrate this, in 2014 when the refinery was in full operation the Government was required to find \$7 billion to subsidy fuel. You would not think so, Madam Speaker, when you hear voices saying that if our refinery was still in operation we would not have been facing increases in the prices of fuel. Maybe they are right, and instead of fuel price increases we would be facing bankruptcy as a country instead.

The ex-refinery price for fuel is directly proportional to the market price of oil and is derived from the cost of purchasing crude oil at world market prices, plus the cost of processing this fuel into oil. To this price, must be added the cost of shipping, handling, storage, marketing, transport and distribution to get the retail price of fuel at gas stations. I am advised by the Ministry of Energy and Energy Industries that at a price, US \$95 per barrel for oil, the unsubsidized prices of premium and super gasoline and diesel per litre before any mark-up are as follows: Premium gasoline, \$7.66; super gasoline, \$7.59; diesel, \$7.75.

It should be noted, Madam Speaker, that in this scenario the true price of diesel is currently subsidized by almost 100 per cent. In other words, when oil is US \$95 per barrel the price at which diesel is sold to consumers in Trinidad and Tobago at \$3.91 per litre is almost half the actual cost that the Government pays to

purchase and supply this fuel. Compare this to Barbados where diesel is sold at Barbados \$4 per litre, which is equivalent to TT \$13.60 per litre. This is over three times the price for diesel in Trinidad and Tobago and gasoline is sold at even higher prices there.

In fact, unlike Trinidad and Tobago fuel is a revenue earning in Barbados, because the Barbados Government imposes taxes on gasoline and diesel in that country. So they add taxes to the cost price of fuel to increase the final price to motorist at the gas station. In that country therefore, as is the case in most other Caribbean countries, fuel is not subsidized, it is taxed. By contrast in Trinidad and Tobago the Government pays the difference between the actual cost of the fuel and the subsidized cost. And if we do not act to deal with this issue in 2023 this could cost taxpayers \$2.2 billion in the coming year, much of which will have to be taken from other areas of critical expenditure, such as health care, social grants or education. Even at an oil price of US 90 per barrel the unsubsidized prices of fuel would be 7.30 per litre for premium gasoline, \$7.23 for super gasoline and \$7.38 per litre for diesel. And at that oil price the cost to Government if the current prices are left unchanged would be \$1.9 billion.

We are firm in our view that this level of expenditure on fuel is not productive and that taxpayers' money could be better spent elsewhere. We believe therefore that it is only reasonable that the money spent on subsidizing fuel is capped at \$1 billion per year. Some areas where we believe that this money is better spent are: social grants, where we spend \$5.4 billion per year, including senior citizens pension at \$4.3 billion a year; food support at \$175million; disability grants at \$630 million and social assistance grants at \$355 million; water supply, which costs us over \$2 billion a year to subsidize; electricity supply which

costs \$700 million a year to subsidize, because T&TEC has not been meeting its payment obligations to the NGC for the gas used to generate electricity which we must purchase at market prices from oil companies like BPTT. Electricity rebates for low income families which costs \$60 million per year, the air bridge which costs over \$100 million a year to subsidize; the Inter-Island Ferry Service which costs \$200 million per year to subsidize, not including the capital cost of the two new fast ferries which cost us close to \$1 billion to acquire; free transportation for senior citizens and students which costs \$220 million per year; free tertiary education, GATE, which costs \$400 million per year; free health care, including CDAP, which costs \$6 billion per year and subsidy of Caribbean Airlines to keep the airline flying to maintain our connectivity with the rest of the world at a cost of \$700 million per year.

It is noteworthy that when the pandemic struck in 2020 even though Caribbean Airlines reduced its operating costs as best as it could and rationalized its staff to the bare minimum, just to keep the airline in the air, the Ministry of Finance was asked to subsidize the operations of Caribbean Airlines for a three-year period until it got back on its feet by arranging financing to the tune of up to US \$300 million or TT \$2 billion. So far we have provided the required support. To stay within a cap of one billion for the fuel subsidy and ensure that money is available for essential services, therefore, a further adjustment in fuel prices is required and I will say more about this when I come to the fiscal measures at the end of my statement.

Madam Speaker, cognizant of increased operating cost with the increased prices of fuel we have also adjusted the gross margins for wholesalers and retailers of motor fuels. Effective August 2022 wholesalers and retailers were able to

benefit for an adjustment of five cents per litre for premium, super, diesel and kerosene. This has cost the Government \$50million.

I move now to the National Insurance Fund. We have been keeping under review the sustainability of the National Insurance Fund in the context of the most recent actuarial reviews which have identified our changing demographics as impacting negatively on the long term sustainability of the fund. Although the fund has sufficient money to last for the next 20 years, if no changes are made, an increase in the compulsory age of retirement from 60 to 65 years is being advanced as one of the solutions for reversing the fines declining viability. An increase in contribution rates is a last resort. And there is nothing unique about this since an increase in the retirement age is being implemented across the board, in virtually all Caribbean countries with similar issues with their National Insurance Funds.

The Prime Minister of Grenada recently announced plans to increase the retirement age from 60 to 65 as a solution to save their national insurance system from insolvency. In Barbados the compulsory age of retirement is already 67 and in Jamaica it is 65. We in the Ministry of Finance have recently completed our consultations on the retirement age, held by Minister Manning with key stakeholders including, trade unions and business organizations. These discussions would inform our policy agenda for putting the National Insurance Fund of the NIB on a long term sustainable basis.

We turn now to capital markets. Madam Speaker, we have continued the process for deepening and widening our capital market as a major source for the funding of private and public activities. The July 2022 additional public offering of First Citizens Bank placed 10,869,565 shares of FCB at a price of \$50 per share into the hands of private and institutional investors. As a result of this APO we

have reduced the State's shareholding in First Citizens from 64 per cent to 60 per cent of the bank. The public response to the FCB APO, has been an outstanding success, similar to the National Investment Fund, NIF, public offering in 2018. The APO was heavily oversubscribed by 55 per cent, attracting applications for 16,865,007 shares with a value of 843 million, of which 543 million was transferred to corporation sole as owner of the shares.

It is noteworthy, Madam Speaker, that while corporations were given a percentage of the shares they requested all individuals received 100 per cent of the shares for which they applied.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** This is consistent with our policy of the widest possible public participation in the divestment of profitable state enterprises. We are also heartened by the decision of First Citizens to immediately include the new shareholders in its August 2022 dividend distribution.

I turn now to cashless transactions. Madam Speaker, with the support and hard work of the Trinidad and Tobago International Financial Centre we have made considerable progress in the introduction of cashless transactions in the public sector. Under the Office of the Attorney General and the Ministry of Legal Affairs payments can now be made by Linx and online credit cards for services at the Civil Registry, Companies Registry and Intellectual Property Office. At the Immigration Division payments for passports, work permits and visas can be made by Linx with online debit and credit cards targeted for December 2022. At the Trinidad and Tobago Bureau of Standards payments for customs import declaration can be paid for by Linx, online debit and credit cards. At the Judiciary payments for fixed penalties and court order maintenance can be made by online

debit and credit cards and payments using a voucher system, managed by payment service provider agents, is targeted for December 2022. At the Inland Revenue Division payments by Automated Clearing House, ACH, and Real Time Gross Settlement, RTGS, direct deposit, can be made directly to the treasury suspense accounts at the Central Bank. Online payments by debit and credit cards are targeted for 2023. At the Treasury Division, payments of public service wages and salaries are being made through bank transfers. At the Ministry of Trade and Industry online payments for single electronic window transactions by debit card and credit card are targeted for December 2022. At the Ministry of Works and Transport, payments of fixed fine and penalties can be made by Linx, online debit and credit cards are targeted for December 2022. Workers in the Unemployment Relief Programme are being paid through debit cards. And at the Ministry of Social Development and Family Services payment of food support is being made through debit cards and public assistance through bank transfers. The use of bank transfers for other social grants or payment cards and or a voucher system, using payments service providers or mobile wallets are being developed for implementation in 2023.

We are also working actively on the implementation of financial instructions to leverage the platforms of payment service providers to provide services for the underbanked and the unbanked to be able to do business with the Government via a combined agent network of over 1,500 agents across Trinidad and Tobago.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** This will allow for greater reach to citizens and offer a convenient approach for persons who still transact in cash and who do not have a bank account, reducing the hassle for citizens in rural communities who must

commute to Government offices to make payments for various services. This method of payment through payment service providers is expected to be implemented early in 2023.

To facilitate the business community, the Ministry of Trade and Industry single electronic window is also being updated to offer online payment options to provide a seamless experience to over 300,000 annual transactions for a wide range of services including import/export licences, various health and agriculture certificates and permits and business-related services such as company registration and incorporation. Another area of the cashless agenda will be the promotion of the use of the Financial Technology also known as FINTEC. The region's first FINTEC innovation hub will be implemented by the TTIFC in 2023 as a collaborative environment with an onsite eco-system, whereby the regulators, financial sector actors, Ministries, departments and agencies, FINTEC start-ups and innovators, both local and foreign, can connect and collaborate to achieve the goal of a cashless society in Trinidad and Tobago.

**3.05 p.m.**

I am pleased to announce, Madam Speaker, that in furtherance of the cashless agenda, the Central Bank, in September 2022, registered PayWise Limited as Trinidad and Tobago's first e-money issuer. This new e-money issuer will provide more access to financial services to the unbanked and underbanked citizens across the country. And, I anticipate an increase number of approvals of additional e-money issuers in the following months in the context our robust ICT infrastructure, the abundance of skill sets across technology in finance and the digital world, as well as the proximity to their clients in the Americas.

The TTIFC has already been receiving interest from other international



financial technology firms such as Valenta International, Mastercard, Visa, and many others in terms of facilitating our drive to create a Fintech enabled ecosystem. We are also seeking to identify the payment needs of our citizens through the conduct by the TTIFC of the country's first national financial inclusion survey intended to identify barriers impacting financially underserved adults.

I now move to Digital Transformation. Madam Speaker, technology affects almost every aspect of our 21<sup>st</sup> Century life, from transport efficiency, to food and health care, as well as productivity. The Internet has enabled ideas and resources to be shared. We have identified in our post-pandemic revitalization programmes the emergence of a digital society as our foremost priority. Our digital policy is citizen-centric, and in all our activities we must ensure that no one is left behind. The policy also focuses on a digital economy given the critical role of the ICT sector for our future prosperity. We are also focusing on digital government. I gave some examples just now about cashless transactions within government which would improve the delivery of services to our citizens, while at the same time reducing the cost of those services to the State. Some of the key initiatives to drive our digital transformation agenda include the developers' hub which will create an ecosystem which will grow our domestic developers' community through partnerships between the Government and small emerging local software developers and entrepreneurs.

The hub will facilitate the development of considerable expertise in creating software solutions for the public sector where there is substantial opportunity for regional and international support. It will be the centre for collaboration and the crafting of such software for beneficial use by our citizens, residents, visitors and public officers to meet their general needs. The hub will focus on open source and

open standard solutions to build the mobile and web-based applications for the delivery of e-services. We expect an increasing contribution of the ICT sector to GDP from the current level of 3.2 per cent as we market a brand made by Trinidad and Tobago for Trinidad and Tobago and the world. We are providing significant support for this initiative, an online training platform for skills development, an expansion for all members, and cloud-based software development and sandboxes.

The national e-identity and interoperability solutions will enable Government Ministries, Departments and agencies to collaborate on improving delivery and personalization of services to citizens. These solutions will result in easier integrated access to Government services across Ministries using a single point of entry such as their phone or tablet, or even from a community access centre. Connected communities will bring together industry and community stakeholders in government, the private sector and civil society to develop technology solutions which will benefit all aspects of economic and community life in selected communities. We have already launched in March 2022 a pilot in Arima which would commence with the establishment of smart poles to facilitate Wi-Fi connectivity and device charging within the borough. The community ICT access programme was expanded during 2022 from the original six public access centres to 32 centres. We are well on the way to achieving our target of 100 public access ICT centres.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** In terms of ICT infrastructure, the Government data centre and Government cloud will house Government data on island so that information and services would continue to be available to citizens should we be cut off from the outside world in the future. The open data initiative allows for the availability and

sharing of reliable data and caters to the digitalization of systems and business processes, and Ministries, Departments and agencies, which will create the enabling environments in which digital transformation can occur.

Madam Speaker, the recently launched Parlour—P-A-R-L-O-U-R—e-commerce platform is providing local and regional artisans and makers of craft with a larger market for their products using technology into its operations, a process which is already globally utilized by craft-based businesses. Designed and developed by TSTT, the online platform will be used for the buying and selling of local and regional products. The platform is more efficient and more responsive to customers, and the goal is for TSTT to partner with 100,000 sellers and enable them to attract consumers towards their products. TSTT is now putting in place a digital payment e-money solution which will provide users of Parlour with simple safe and affordable ways to complete transactions and penetrate the global market.

I now turn to Public Sector Wage Negotiations. Madam Speaker, central to the efficient functioning of the public service is the establishment of a fair and equitable compensation system for our public sector employees, but the approach to achieving this objective must be careful and consistent with the known availability of resources. No responsible Government can contemplate bankrupting the entire country simply to appease a portion of the labour force. We are firm in our view that our current offer of 4 per cent over the period 2014—2019 for the mainstream public service, although it will be a challenge to raise the required funds, is practical and equitable. One trade union has already accepted our offer and we hope that others will soon follow suit.

It must be emphasized that the additional annual recurrent cost of our offer is approximately \$500 million, and it should be noted that if this offer is extended to

the wider state sector the additional cost will almost double to approximately \$1 billion per year. The back pay that will accrue to June 2023 from our offer for just the mainstream public service is \$2.4 billion. This will increase to \$4.6 billion when the entire state sector is included. As difficult as these amounts will be to accommodate, we will find the money and make the required payments promptly, but any more than this will wreck the economy not just for the same public servants but for everyone else. By way of example, the counter offer made by the Public Services Association is unsustainable.

The PSA has countered our offer of 4 per cent with a demand for 19 per cent increase in salaries for the three-year, period 2014—2016, which is only one-half of the period of our offer. If accepted, this would cost \$15.8 billion in arrears up to June 2023. The additional annual recurrent cost would be \$1.8 billion. If the PSA offer was extended to the wider state sector, \$30.3 billion in back pay would be required up to June 2023. The additional annual recurrent cost would be \$3.4 billion. And these calculations, Madam Speaker, do not cater for a similar increase in the second three-year period, 2017—2019, which, if agreed, could create a back pay requirement of \$50 billion, equivalent to the total national expenditure in previous years. Clearly these are not serious counter proposals. They may sound good to encourage marches or threats, but I am certain that the leaders know the facts, the reality and what is doable.

It should be obvious that demands of this nature cannot be met. Anyone who believes that the country can afford this level of public expenditure, \$50 billion, is simply not being realistic. I wish to make it clear that our offer of a 4 per cent increase over the period 2014—2019 is the best we can do, and even at this level we will have to dig deep to find the \$4.6 billion in back pay that will flow from

this. However, Madam Speaker, I wish to confirm that the Government stands ready to make good on our offer as soon as it is accepted. We are prepared to raise the required funding for back pay quickly and to make these payments promptly, as well as appropriate adjustments to the budgetary appropriations to cater for the recurrent increases in wages and salaries. On the other hand, if trade unions choose to send these negotiations to the Industrial Court we would ask that these matters be expedited so that we can act swiftly in accordance with the court's decision.

I now move on to the enabling sectors, Infrastructure. Madam Speaker, our infrastructure investments have been playing a substantial role in the structural transformation of our country. Some major projects include the Solomon Hochoy Highway extension to Point Fortin which is almost complete and will ease traffic between San Fernando and Point Fortin with the construction of 30 kilometres of dual carriageways from La Romaine to Point Fortin. We expect that this highway would be opened in early 2023 to create an efficient road connection for communities such as Debe, Mon Desir, Fyzabad, La Brea and Point Fortin; the Churchill Roosevelt Highway extension to Manzanilla which is in the initial stages of construction with the Cumuto junction to Guaico packages; the Valencia to Toco Road which will open up our north-eastern communities for business and residential opportunities; upgrade work being undertaken by PURE is well on the way with a further section to be implemented by the National Infrastructure Development Company in due course.

Madam Speaker, our road infrastructure which are deteriorated during the pandemic when resources were redirected to the health sector would see now a major repair and rehabilitation exercise. A new state company, Secondary Road

and Rehabilitation Company Limited, has been capitalised with an initial \$100 million—

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:**—and a board appointed.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** A further \$100 million has been allocated for this company in 2023, making a total of \$200 million immediately available for repair of secondary roads.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** We expect the company to use these funds proactively to carry out much needed secondary road repairs throughout the country. Additional allocations have also been provided for the 14 municipal corporations.

We have also just raised a further \$250 million in loans financing for the programme for roads upgrade and enhancement of PURE in the Ministry of Works and Transport for use in fiscal 2023. The Ministry of Works and Transport has also been allocated a further \$1 billion in its development programme for 2023 as well as increased allocations in other line items for roads repairs at the district level. This enhanced level of funding will ensure that proper attention can now be paid to road repairs and rehabilitation in 2023.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** Madam Speaker, the Diego Martin vehicle and pedestrian bridge overpass is at an advanced stage of completion. We expect this overpass to be commissioned in 2023, thereby improving connectivity for commuters from the Diego Martin Valley into the western peninsula.

The ANR International Airport terminal building project is being

constructed on a phased basis with the initial phase being the upgrading of the existing terminal which was completed in March 2022.

**3.20 p.m.**

Design and planning activities for the new main terminal building are in progress, with the initial construction work having commenced. Upon completion in 2024, Tobago will benefit from a state-of-the-art modern international airport with sufficient capacity and level of service which would catalyze the expansion of the hotel room stock and serve as a booster for revitalizing and expanding the tourism industry.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** The integrated fishing port and facilities at Gran Chemin in Moruga will enhance the fishing industry in Moruga bringing economic opportunities to the surrounding communities of Gran Chemin, La Ruffin and Marac. The initial phase, the landslide facility as well as the environmental impact assessment for the second phase, the marine facility, are expected to be completed in early 2023. The Toco ferry port is at an advanced stage of the environmental impact assessment and the San Fernando Waterfront redevelopment will modernize the city of San Fernando and surrounding communities. The project is being advanced in phases with phase one being constructed at a cost of \$247 million involving eight projects as follows.

Three point eight hectares of land at King's Wharf north are being reclaimed at a cost of \$78 million. Construction has begun with completion in 2023. A new fishing facility is being constructed at a cost of \$38 million, again with completion in 2023. The new facility and jetty will accommodate 72 fishermen and 50 fishing vessels.

A new coastal protection system is being constructed at a cost of \$67 million, along the Lady Hailes Avenue between Hatters Bay to the south and the existing Water Taxi Terminal to the north. On completion in 2024, the frequency and severity of coastal erosion and coastal flooding to the area will be reduced.

**Madam Speaker:** Minister. Okay. Members, I know you might be getting a bit excited but I will ask Members to please control their volumes. We are all interested in the budget and every Member will have an opportunity to speak.

**Hon. C. Imbert:** Thank you very much, Madam Speaker. I did not even notice. So as I continue, I really did not hear the noise on the other side.

Lady Hailes Avenue will be widened into a dual carriage way at a cost of \$136 million with completion in 2023. This will alleviate traffic congestion when the full implementation of the redevelopment project is completed.

Commercial and residential squatters are being relocated from the redevelopment area through a collaborative effort between the Land Settlement Agency and UDeCoTT at a cost of \$43 million.

The Public Transport Service Corporation Maintenance Facility has been relocated from Lady Hailes Avenue to Golconda at a cost of \$15 million and the mix-used development on the site is being advanced through a PPP arrangement at a cost of \$207 million for completion in 2024.

And Plaza San Carlos is being upgraded at a cost of \$61 million. The project will assess, refurbish where practical or possible, reconstruct, reconfigure and retrofit the existing predetermined structures of the Plaza San Carlos to the original lustre. These buildings would be repurposed for commercial use.

I move now to public utilities. The public utilities system involving water production and transmission, electricity generation and transmission and



telecommunications, in particular Internet broadband, has been a critical element in our development experience. The current tariff reviews being undertaken by the Regulated Industries Commission will ensure with the adoption of a new pricing system for water and electricity that the utilities are able to undertake the appropriate investments to meet the demands of the national communities. Utility rebates would be made available to low-income and vulnerable groups to access subsidies for electricity and water once these prices have been regularized. In the interim, we are focusing on our mandate to deliver towards citizens an adequate and reliable supply of water. As an initial step, we are undertaking the transformation and restructuring of the Water and Sewerage Authority.

During the transition period, we are seeking to improve delivery of water to all our communities. We are undertaking projects to identify new water sources through the drilling and equipping of additional wells. We are reducing non-revenue water by installing new transmission and distribution pipelines. We are refurbishing and upgrading our water treatment plants. We are increasing the reliability of water supply by desilting reservoirs, in particular in Tobago. We are improving water distribution through the construction of booster stations and expanding and rehabilitating our waste water infrastructure.

We are also expanding, through TSTT, the digital access network infrastructure to facilitate the connectivity needed to transform our country digitally. We already have 1.9 million mobile subscribers, a penetration of 146 per cent of the population. Significantly, 1.1 million of those mobile subscribers have an Internet plan. On the fixed Internet side, the penetration is 87.5 per cent which means that a very high percentage of our households already have high speed broadband connection. For people on-the-go, TSTT will provide mobile

broadband data connectivity and for government agencies and enterprise businesses, the company is expanding its digital infrastructure to provide connectivity to facilitate e-government services. We are thus ensuring, Madam Speaker, that the economy becomes quickly digitally enabled.

Agriculture. In relation to agriculture, I now speak in the context of the impact of Covid-19 and the renewed energy within Caricom to give life to the long discussed agriculture initiatives. The recently held Agri Investment Forum and Expo II was a resounding success.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** It followed the inaugural event held in Guyana and will be followed by others in the region. Our Expo saw over 30,000 participants from a broad cross-section of Trinidad and Tobago. It brought together for three days regional leaders including business leaders and investors, farmers and future farmers, agro-processors and investors in agro-processing. Our Expo and Forum also brought together vendors and people in the business of food as well as commercial entities which support the business of agriculture.

Caricom is once again focused on the need for Member States to have a greater level of self-sufficiency in our food supply. COVID-19 and the unexpected events in Ukraine have been wake-up calls which have put pressure on both the access to food and the cost of food.

Madam Speaker, in 2021, Trinidad and Tobago heeded the call of the Secretary General of the United Nations, António Guterres, to host a national dialogue on food systems. We were very happy to have among our other facilitators in Trinidad and Tobago Dr. Shakuntala Haraksingh Thilsted, the Trinidad and Tobago-born global nutrition expert who won the prestigious 2021

World Food Prize for her ground-breaking research in developing holistic nutrition sensitive approaches to aquaculture and food systems. Inevitably, those discussions and much of the discussions since late 2019, have been in the context of COVID-19 and the high food import bill, lack of cohesive regional policies and legislation, turf wars among our manufacturers and insurmountable red tape.

Madam Speaker, a larger issue given greater prominence by COVID-19 is the way our diets have changed to our detriment. It is an uphill battle for all of us to reverse the trends. Health care costs are ballooning, productivity is being impacted, longevity is at risk, our labour pool is at risk. The Russia-Ukraine conflict, though concentrated in the 630,000 square kilometres covered by Ukraine, impacts the ability of the world's most powerful economies to feed their citizens and fuel their nations. We are under even greater pressure.

Let us use grain as an example. The well-organized, very successful poultry industry in Trinidad and Tobago has had to compete for over a decade with low-priced, low-quality imported poultry parts. Now, with over millions of tonnes of grain stuck in warehouses and silos in Ukraine, our poultry industry grapples with severe supply chain issues as the larger nations virtually commandeer vessels and global trading terminals. Delays, lack of availability and ever-increasing shipping costs, add millions to the normal cost of shipping. Inevitably, importers, even state-owned importers must pass increased costs on to the consumer. The domino effect can be devastating if the situation is prolonged. For a country which depends heavily on annual food imports averaging more than 5 billion, the inability to import food can significantly affect food and nutrition security of the nation.

Consequently, after broad-based consultations, we developed a road map to recovery to address the pandemic-induced economic decline. We remain

committed to the Caricom agenda as well as to our road map for agriculture. This work focuses on the following: Boosting local production geared towards agro-processing to reduce our reliance on highly processed imported food; building a more effective agricultural sector based on sustainable value chains using innovation, digitization and technology engagement of private sector including small farmers, youth and women.

There is a direct correlation between food consumption and food systems addressing nutrition and non-communicable diseases and a persistent increase and a worrying trend in obesity among children and adults. We are committed to policies via the Ministries responsible for health, education, trade and industry, community development, sport, youth and agriculture to reverse these alarming trends.

Soaring commodity prices on the global market are impacting increases in wholesale and retail flour prices in the domestic market. Wheat supply has been derailed by the Russia-Ukraine war which countries combined generate 27 per cent of global wheat imports, Russia and Ukraine—exports, sorry. We have already experienced increases in prices of flour and associated products because of that war. To this end, we are taking advantage of this opportunity by focusing on root crop flour as a cheaper alternative to wheat flour. This product is already available in existing farmers' markets. We will therefore expand the enterprise base to produce alternatives to wheat flour. We will do so by extending the financial coverage of the grant fund facility for this from 50 per cent to 75 per cent and we will increase the maximum funding amount from \$250,000 to \$340,000 for all producers of alternatives to wheat flour.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** I now take the opportunity, Madam Speaker, to express my sincere gratitude to our farmers for the excellent work that they have been doing despite the challenges and I wish to confirm that we have once again allocated the additional sum of \$300 million for agricultural incentives, infrastructure and programmes in this year's budget.

Our new approach is facilitating the reengagement of youth in agriculture since the ageing of our farmers makes imperative the increasing involvement of youth in the sector. The recently established Youth Agricultural Homestead Programme in collaboration with the Metal Industries Company Institute of Technology is developing part-time, 18 to 35 years, and retraining, 36 to 50 years, modules for the programmes. The areas which are slated to accommodate these programmes are Fyzabad, Field Road, at the Chatham Dairy Farm and the Kendal Dairy Farm in Palo Seco, in Valencia, Gran Couva, in Pointe-a-Pierre, Todds Road, Lopinot and Santa Cruz. The programme is targeting young nationals which who will be provided access to land and the necessary financial and technical support to become successful entrepreneurs.

The Youth Agricultural Shade House Project administered by the University of the West Indies and the Agricultural Research and Extension Unit in the Co-operative Republic of Guyana is a one-year programme focusing on specialized hands-on training in intensive farming on small portions of land with very high yield. The programme is encouraging young people between the ages of 16 to 35 to participate in the 12-month training period for which 100 participants would be selected. The project is anchored on a memorandum of understanding executed by the Prime Minister in May of 2022 to cooperate with other Caribbean countries to achieve food security in the region.

**3.35 p.m.**

I now turn to manufacturing, Madam Speaker, which is showing tremendous progress. We have worked assiduously at creating an environment within which competitive businesses can grow and become locally and globally competitive. During the pandemic, our non-energy sector has risen to the occasion and is expected to grow by 2.5 per cent in 2022. Within the non-energy sector, manufacturing remains an important and dynamic catalyst in our economy. It is a major contributor to our gross domestic product at approximately 20 per cent. It generates significant foreign exchange and as a major employer, it employs over 52,000 persons. This sector has exported 7.4 billion in 2020 and this amount rose to 10.8 billion in 2021.

Preliminary data for the first half of 2022 demonstrates a continuation of this trend. For the first half of 2022, Trinidad and Tobago's non-energy manufacturing sector exports valued \$6 billion which was 17 percent higher than the same period the previous year. The industry's subsectors have been increasing when January to June '21 is compared to January to June '22. For example, food and beverage industry increased by 28 per cent, from 1.13 billion for 1.44 billion. Chemicals and fertilizers increased by 103 per cent, from 186 million to 375 million. Paper and paper-related products increased by 29 per cent, from 215 million to 278 million. Tobacco manufacturing increased by 31 per cent, from 84 million to 110 million. Glass and glass products increased by 45 per cent, from 70 million to 102 million. Furniture and light fittings increased by 12 per cent, from 42 million to 47 million. And wood and related products increased by 55 per cent, from 9 million to 14 million.

We are also enhancing the human resource capacity in the manufacturing

sector to address the existing gaps in labour skills. The Apprenticeship Programme for the Non-Energy Manufacturing Sector was launched in May 2022 and the three-year programme is expected to train over 300 apprentices in the industrial areas of mechanical engineering technology, electrical/electronic technology, industrial maintenance technology and mechatronics. And the apprenticeship programme for wood and wood products manufacturing was launched just recently in August 2022, and it will transform and expand the industry to produce higher value added products using modern technology.

Wood and wood products manufacturing has become a dynamic and competitive subsector. It employs approximately 4,000 persons and is playing a key role in our diversification strategy. The programme, with an initial enrollment of 50 apprentices, will address the shortage of skilled labour in the subsector. Apprentices will receive a monthly stipend for the two-year duration of the programme which will be delivered at the St. Bede Technology and Pleasantville Technology Centres. And the Export Booster Initiative, Madam Speaker, is complementing and ramping up existing initiatives and is supported with three broad initiatives of the manufacturing export strategy of the Trinidad and Tobago Manufacturers' Association.

I turn now to the EximBank forex window facilities. As part of our overall strategy, we have established two financing arrangements for the manufacturers and importers of essential goods at the EximBank. As the global economy continues to show signs of economic improvement, demand for raw material inputs will continue to be elevated. The effective management of the country's foreign exchange resources by the EximBank has not only facilitated the commercial resilience of the manufacturing sector, but ensured the maintenance of an

international supplier relationship which remain critical to the sector's development and the overall stability of the domestic market.

The EximBank's Forex Facility has proven its importance to the industrial ecosystem by having clear and measurable success across 16 sectors, with significant absorption capacity being felt within food and beverages, building and construction, plastics and packaging. Forex sales for the period remained elevated with total disbursements of US \$285 million, ensuring the sector's operational integrity and reinforcing its economic importance. The facility sustained international exports, as mentioned previously. Data shows a 17 per cent increase in non-oil exports for the period June to July '22, when compared to the same period in '21.

The integrity of the EximBank's system for distribution of foreign exchange was influenced by company and market analysis for the input of key stakeholder agencies, that is the Trinidad and Tobago Manufacturers' Association, the Trinidad and Tobago Chamber of Industry and Commerce, and the Ministry of Trade and Industry. The EximBank ensured forex distribution to small, medium and large enterprises, solidifying our commitment to sectoral development, while enabling companies of varied sizes to access the facility based on their needs and impact both the domestic and export market.

Madam Speaker, the business community can rest assured—let me repeat that. The business community can rest assured that in 2023, we will expand this forex facility and provide even greater access to this targeted foreign exchange.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** The benefits are clear and have significant domestic and global impact. International supplier relationships have contributed to this positive



development, facilitating the smooth flow of inputs for the manufacturing sector as a vibrant generator of sustainable employment.

To summarize, 136 manufacturers, with 114 or 84 per cent of these falling into the small and medium-sized categories, have access to a total of US 395 million under the EximBank forex manufacturing facility. Eighty-seven importers will have access to a total of US 488 million to supply the nation with food, pharmaceuticals, sanitary products, personal protective equipment and other essential supplies through the essential supplies forex window.

And, Madam Speaker, exporTT is supporting the private sector by strengthening supply chains via the implementation of the International Certification Fund, a facility under the Export Booster Initiative. The thrust of this initiative is to facilitate the evolution of the manufacturing sector to become globally competitive, productive and innovative. The fund assists exporters to achieve international certification in food and beverages, to meet the quality and safety standards of international markets and franchises, to boost non-energy exports as well as substitute imported goods with locally-produced goods. Eleven manufacturing companies have so far benefitted from this fund. We are also according high priority to improving the ease of doing business.

The Trade and Business Information Portal, launched in May 2022, is providing access to multiple tools and resources to allow users to seek guidance on regulatory requirements for starting a new business or expanding an existing business as well as requirements for an undertaking on investment. Guidelines on importing and exporting are available and the Single Electronic Window platform is now undergoing a comprehensive upgrade. When completed in early 2023, this Trade and Business Information Portal, which is an integral component of the

TTBizLink platform and is already utilized by all companies, will provide users with faster, more user-friendly software as well as a range of new e-services. Businesses will be able to make electronic payments to over 46 e-services which are already being administered on a platform.

I turn now to small and medium enterprises. Our small and medium enterprises have long been playing a critical role in our development thrust. Generally employing a limited number of individuals, they have been sustaining livelihoods, especially among women, youth and groups in vulnerable situations. We have been focusing on lowering and eliminating barriers faced by these enterprises. We have increased their access to finance through the several facilities pioneered by the National Entrepreneurial Development Company, NEDCO. A consortium of commercial banks has partnered with the Government in administering a loan guarantee scheme for small and medium enterprises. We have recently put in place certain mechanisms to unlock their full potential. A key component of our COVID-19 relief measures for the banking sector was a Central Bank initiative in 2021, to allow commercial banks to restructure commercial loans more than twice over the life of their original loan and mortgages more than twice over a five-year period without a downgrade in their asset classification to non-performing status.

The COVID relief programme saw the Central Bank agreeing to suspend the calculation of the mortgage market reference rate for a two-year period commencing in October 2021. This policy allowed banks greater flexibility in lowering their mortgage rates outside of their anniversary dates and more than once a year. Both individuals and small and medium enterprises benefitted from this policy.

And, Madam Speaker, we are also funding in the amount of \$500 million and in partnership with the commercial banks, a new long-term loan guarantee scheme for small and medium enterprises. First Citizens Bank will manage this project in collaboration with other commercial banks. The Government loan guarantees will be for up to 80 per cent of the value of the loans for a term of up to 10 years, inclusive of a two-year moratorium on repayments and will focus on the non-energy sector.

We have also been providing support to small and medium enterprises through a number of facilities. The GATEWAY to Trade programme is spearheaded by the Ministry of Trade and Industry, in collaboration with the Trinidad and Tobago Coalition of Services Industries. This is a nine-month market readiness accelerated programme targeted to assist small and medium enterprises in four service sectors: business and professional services, information and communication technology, energy services, and tourism, especially in the areas of meetings, incentives, conferences and exhibitions.

The Export Booster Initiative that I mentioned previously is being advanced by the Ministry of Trade and Industry, in collaboration with the Trinidad and Tobago Manufacturers' Association, with the aim of enhancing market access for small and medium enterprises. We are envisaging that the export value of manufactured goods will double by 2024. The Grant Fund Facility is administered by exporTT, whereby businesses can access individual grants from the fund up to a maximum of 250, now gone to 340,000 per beneficiary, to finance 50 percent of the cost of acquisition. The facility focuses on eight designated sectors, whereby new opportunities become available for the small and medium enterprises to engage in the production and export of high value added products.

The SME Mentorship Programme, which is a collaboration between the Trinidad and Tobago Stock Exchange, the Central Bank of Trinidad and Tobago and the Ministry of Finance, is providing small and medium enterprises with the guidance required to transition successfully and grow their businesses while practising good corporate governance. The small and medium enterprises will be assisted with accessing financing via tax incentives for listing on the Trinidad and Tobago Stock Exchange. A full tax holiday for the first five years has an exemption from the payment of Corporation Tax, now to be changed to six business levy and green fund levy, and a 50per cent reduction in taxes for the second five-year period.

I am convinced, Madam Speaker, that the programme of action I have just outlined to support the small and medium enterprise sector will strengthen their governance structure, sharpened their competitiveness and continue to contribute to the expansion of the non-energy sector.

### **3. 50 p.m.**

I move now to Tourism. Our tourism industry was shattered early in 2020 in the face of the COVID-19 pandemic. While our fiscal and monetary support programmes kept the industry afloat, the reopening of the economy is reshaping and revitalizing the tourism sector. Following the trends in the global industry a key enabler is the adoption of modern technology, and investment in the tourism and creative industries given their intrinsic relationships, encouraging innovation, entrepreneurship, and diversification. Within this combined sector, tourism and creative industries is undoubtedly enhancing productivity levels and making significant contributions to our growth and development.

We are supporting the digitalization of the tourism and creative sectors, in

particular, small and micro enterprises. But given the cost we are assisting them to become digitally ready to be partakers of the technical revolution and the growth anticipated from this change. We are therefore providing assistance to those small and micro enterprises in the tourism and creative sectors to digitize the provision of their services. Their integration in the global marketplace would thus be assured. We are providing innovators and entrepreneurs in the digital evolution with a reimbursement of 50 per cent of their investment up to a maximum of \$50,000. We already envisage approximately 60 participants to benefit from these facilities.

Additionally, Madam Speaker, three new hotel brands with the addition of 312 rooms, with an investment of \$600 million are consolidating the impact of the reopening of the economy. I look forward to the envisaged high occupancy levels and the positive image of destination Trinidad and Tobago. The Comfort Inn and Suites at Orange Hills, Tobago, was opened in August '22 and has added 74 guestrooms to the hotel stock.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** This hotel under the Choice Hotels International brand is a welcome addition to the more than 7,000-franchised Comfort Inn properties located around the globe. The BRIX by Marriott is a boutique hotel in Cascade, Port of Spain. It was opened in February '22, and has added 161 rooms to the hotel room stock. To facilitate this construction, it qualified for \$8.76 million in incentives under the Tourism Development Act, and, the Radisson Blue, Port of Spain which will open in the second quarter of 2023, will add 79 guestrooms—

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:**—in the form of one and two bedroom suites and two presidential-style suites. The rooftop of the hotel, boasts an infinity pool with a

spectacular view of Port of Spain and the Gulf of Paria.

We have also actively marketing and promoting cruise tourism. Our rich indigenous heritage and compelling national stories are drawing cruise visitors to our country, but the cruise lines are also attracted by access to a quality pool of skilled and unskilled labour in the hospitality and cruise industry.

Through a recent Memorandum of Understanding with the Royal Caribbean Group, employment of nationals is ongoing. The Royal Caribbean Cruise Line together with other cruise lines will be making increased calls to Trinidad and Tobago upon the full reopening of the cruise sector by the 2022-2023 season.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** We are also upgrading our tourism sites and attractions. For example, the new La Vigie Paramin Lookout Facility is now open, and is providing relaxing and historical information spaces for local and foreign visitors.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** The Desperadoes Pan Theatre is the new home of the Desperadoes Steel Orchestra and will provide, at a cost of \$14 million, an enhanced performance space which will facilitate the activities of the band.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** Our national airline, Caribbean Airlines, is supporting our tourism thrust. Its recently acquired fleet of nine new 737S aircraft, with its lower operating and maintenance costs, has been promoting airlift to Trinidad and Tobago. With its competitive fares, the airline is generating increased tourism traffic not only to participate in our tourism activities, but also to visit our historical and cultural attractions.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** I move now to Health. We have been strengthening our health system aimed at ensuring that our citizens have equitable access to quality healthcare, thereby improving their quality of life. The COVID-19 pandemic, a potentially deadly and highly transmissible virus, tested the strength and resilience of the system including our parallel healthcare facilities. And from all assessments our combined health system successfully navigated the challenges. The dismantling of the protocols and restrictive conditions on July 17, 2022 except for mask wearing in limited circumstances, reflected reductions in positive cases over the period May '21 to April '22 as it pertains to hospital occupancy levels.

The lowest total hospital occupancy level is recorded at 19 per cent in April 2022, compared with 62 per cent in May 2021; a decline of 43 per cent. The lowest hospital occupancy in the Intensive Care Unit was recorded as 17 per cent in April 2022, compared with 70 per cent in May 2021; a decline of 53 per cent, and the lowest hospital occupancy in the High Dependency Unit was recorded at 8 per cent in April 2022, compared to 64 per cent in May 2021, a decline of 56 per cent. And, Madam Speaker, we have been improving our vaccination rates. The milestone of 50 per cent of the population being fully vaccinated was achieved in April 2022, and since that time it has stabilized at about 51.2 two per cent.

This, notwithstanding the recent uptick in infections, hospitalizations, and deaths, is a stark reminder of the requirements for caution in all our activities. Leaving aside our management of the COVID-19 virus since March 2020, we have been making significant strides in the achievement of the sustainable development goals agenda. We have achieved both the global and regional 2030 targets for maternal child health and neonatal mortality. Let me say that again. We have achieved both the global and regional 2030 targets for maternal child health and

Appropriation (Financial Year 2023)  
Bill, 2022  
Hon. C. Imbert (cont'd)

2022.09.26

neonatal mortality—

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:**—eight years ahead of time. We are ensuring that our citizens have equitable access to quality healthcare through our network of modern health facilities, which are either in place or in advanced stages of being rolled out. The 150-bed Arima and 100-bed Point Fortin hospitals are already providing a suite of world-class services. The new 106-bed Sangre Grande Hospital will be completed in 2023 and will provide a range of services including medical, surgical, trauma, and orthopedic. The 504-bed Central Block of the Port of Spain General Hospital will be commissioned in 2024, and will provide acute care services including surgical, pharmaceutical, and laboratory, diagnostic, and treatment, as well as ophthalmology, and paediatrics.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** The San Fernando General Hospital is being refurbished to provide cardiac surgeries and an upgraded catheterization lab, also known as a CATH lab. And the new Ministry of Health administration building which is expected to be completed in 2023 will bring all of the Ministry's services, units, and departments, and affiliated organizations, such as the Pan-American Health Organization into one building. Once the new building is occupied, this will result in savings in rent of over \$12 million per year.

Madam Speaker, we have always considered health and its positive outcomes to have a central function in our development agenda. We will continue to invest and take a leadership role in health development to ensure fairness, to protect social values of equity and ensure access and secure access to healthcare for low income and vulnerable groups.



Turn now to Housing. Madam Speaker, we in the PNM have long understood the relationship between a housing programme and economic development. We recognize early in the administration of the affairs of this country that comprehensive public policies and large scale investments will be necessary, not only for expanding growth and development, but also in ensuring access to quality housing for our citizens, in particular the low income and the vulnerable. Very early, we established public institutions the National Housing Authority, followed by the Housing Development Corporation, to build and to finance the purchase of units. The expanding the network of communities throughout the country was anchored on this policy agenda.

We also established public financial institutions to assist in the financing of the purchase of units. The Home Mortgage Bank and the Trinidad and Tobago Mortgage Finance Company Limited now being merged will more effectively provide resources for financing this stock of housing units, as well as facilitate better access to mortgages.

In fiscal '22, the Housing Development Corporation under its finance projects programme had under construction 1,366 housing units in 10 communities as follows: Pierre Road in La Brea; one in North Arouca; Carlsen Field, Chaguanas; Carlton Lane, San Fernando; Cyprus Hill, San Fernando; Lake View, Point Fortin; Malabar; Oasis in Chaguanas; Real Springs in Valsayn south; Edinburgh Towers in Chaguanas.

The HDC has also been utilizing public-private partnerships to construct housing units in appropriate areas. During fiscal 2022, the PPP Programme envisaged the construction of 339 units and we have begun the process of delivering 239 completed units. The programme is generating housing units at the

following areas: Mahogany Court, Mt. Hope; Malabar; River Side East and South, San Fernando; Trestrail, D'Abadie; and Eden Gardens in Freeport.

The HDC in collaboration with its small and medium-sized contractors is also constructing basic three-bedroom single-family units, ranging in cost from \$250,000 to \$500,000 per unit. They are being built in batches of 10. During fiscal '22, 86 additional units were planned for construction, bringing to 174 the number of units under this programme. Small and medium contractors have completed 108 housing units.

The HDC is also advancing its programme on a number of green field and brown field sites, 2,563 housing units on 13 sites are being built for 784 low-income citizens and 1,799 for middle-income citizens. Over the last five years, the HDC has allocated a total of 3,620 units to the citizens of Trinidad and Tobago. But its delivery capacity has been severely constrained by inadequate funding to complete stalled and existing housing units, as well as to keep its payments current to contractors and suppliers for maintenance, landscaping, and garbage removal.

Accordingly, we are providing in 2023 significant financial resources to the HDC to refocus—

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** on its mandate to construct affordable housing units.

We are arranging three government guaranteed loans totaling \$1.5 billion, of which \$500 million will fund the completion of stalled or existing housing projects, another \$500 million will be used for the payments of debt owed to contractors and suppliers, and a further \$500 million will be used for the construction of new housing units.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** Madam Speaker, the Land Settlement Agency, LSA, has been complimenting the work being undertaken the HDC. It brings much needed relief to the poorest and most vulnerable families in the society. It has been spearheading the regularization of squatter communities. The LSA is engaged in upgrade works on 14 sites with a lot yield of close to 4,000 lots. Pre-reconstruction statutory approvals activities on 10 sites, yielding 2,148 lots. Infrastructure work on 12 sites, yielding 1,263 lots, and land use planning on 13 sites.

Our innovative Housing and Village Improvement Programme (HVIP) continues to improve infrastructure and poor quality housing in targeted villages, including Matura, Valencia, Cumuto and Talparo, especially for people in the lowest income groups. This programme has been highly successful. In December 2018, it won the Inter-American Development Bank President's Award for Innovation and Service Excellence in the Public Sector.

In fiscal year 2022, 145 construction or repair projects had already been approved as at June 2022. This follows 160 approvals in fiscal 2021. But Madam Speaker, we have reviewed our Village Improvement Programme—Housing and Village Improvement Programme, and are aware that at current prices, there is a difficulty of executing on challenging land topography. We have agreed to increase the maximum subsidy applicable for the construction of a housing unit from the presently available 145,000 and we are putting in place a three tiered subsidy structure based on land topography, which will provide the details of the increases in subsidy in the fiscal—I will provide the details of the increases in subsidy in the fiscal measures.

The Land Settlement Agency is also spearheading infrastructure development of all residential lands with pre-approved house plans to be distributed to former employees of Petrotrin. Eight sites are now being developed: La Savanne, Guayaguayare; Nurse Trace, Guayaguayare; Glenroy, Princes Town; Woodford Lodge; La Romaine; Ponderosa, Golconda; La Phillipine, Gran Couva; and Guapo in Point Fortin.

There is no doubt Madam Speaker, that the pace of public housing construction is insufficient to reduce the size of our application base, which has been increasing. I am told we now have 191,000 applicants for HDC houses. However, the HDC, as presently organized, managed and financed has built-in inefficiencies, and it cannot continue with business as usual. It is distracted by having to deal with the many demands for maintenance of rental properties and the difficulties in collecting money owed by occupiers of HDC properties, as well as the urgent need for new housing construction. We are therefore putting in place a new structure for the HDC which envisages a holding company with three subsidiaries.

The Trinidad and Tobago Housing Development Corporation Construction Company will manage all elements of property development, including land acquisition, urban planning, project and construction management and the provision of financing solutions to undertake construction projects. The Trinidad and Tobago Housing Corporation Facilities Management Company Limited will focus on property management, including the maintenance of rental housing units, the maintenance of the management company portfolio, and partnering with regional corporations and other external entities to upkeep communities and promote sustainable community development. And the Trinidad and Tobago

Housing Development Corporation Asset Management Company Limited will complete the sales of the finished housing units and will continue to manage and provide administrative support for housing development under its purview until handed over to purchasers.

To summarize, we are creating a company that will focus on construction of housing units, another company that will focus on maintenance and management of existing rental housing units, and a third company that will focus on completing the sales of finished housing units.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** We anticipate that the HDC as reorganized will now have greater financial flexibility, greater efficiency, better focus, and the ability to quickly monetize housing assets, which cannot be easily completed in their present form.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** I move now to education. Madam Speaker, we have long recognized that developing and promoting human capital is a driver of sustainable growth and development. Our continuing and high levels of investment in the education sector has been a major element in our human capital development agenda. We have built early childhood care and education centres and primary and secondary schools. We have built technical and vocational and tertiary institutions. Our education is now modern, inclusive, accessible and relevant and broadly meets the development needs of our country.

The quality of our human capital is comparable with many advanced and emerging developing countries. In fact, the 2020 World Bank ranking of 157 countries in respect of its Human Capital Index, which measures the countries

which are best in mobilizing the economic and professional potential of its citizens, places Trinidad and Tobago at number 67, with only seven countries in the Western Hemisphere above us, the advanced countries Canada and United States and emerging and developing countries Mexico, Costa Rica, Chile, Peru and Colombia.

But Madam Speaker, we were clearly concerned with the performance of our students in the 2022 Secondary Entrance Assessment Examination SEA. These students had spent most of the previous two years away from the physical classroom. The COVID-19 pandemic had confined them to online classes, and their performance in SEA reflected this absence from the classroom. There was a reduction in the pupils who scored above 50 per cent in 2022 when compared with previous years. In 2022, the percentage was 37.1 per cent. In 2021, the percentage was 52 per cent—52.5 per cent and in 2022, 63 per cent. These statistics show a clear reduction of achievement which can certainly be linked to the learning loss which had been predicted globally and locally due to the lack of face-to-face learning. Over 9,000 students had scored less than 50 per cent in the 2022 Secondary Entrance Exam—Assessment Examination. Madam Speaker, we thus embarked on an exercise to assist students in recovering learning lost.

During the period July to August '22, we administered a vacation revision programme in a face-to-face format at 26 secondary schools which treated with remedial work for learning lost in the short term. We allocated \$10 million to facilitate this programme, including the training of 600 teachers. We have given these students the best chance at educational success by their return to the physical classroom. This notwithstanding, I am deeply concerned about the less than

adequate participation in the programme. We are taking steps to address this challenge to ensure that academic performance returns to pre-pandemic levels.

Firstly, we are implementing after two years in secondary school and being enrolled in Form 2, the lower secondary proficiency examination for which students will be required to be certified to ensure they have basic numeracy and literacy skills needed to continue their education. Secondly, we have distributed 7,000 laptops to means tested students and teachers, which brings to a total of 63,410 devices—

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:**—distributed between 2018 and 2022. Thirdly, as announced by the hon. Prime Minister, we are introducing a structured remedial education programme to assist those students who have fallen behind because of COVID-19 to recover and catch up with their learning. An allocation of \$50 million for this purpose has been made in this budget.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** I turn now to GATE. The Government Assisted Tuition Expenses programme (GATE) has been providing significant financial assistance to widen access to tertiary education, thus supporting economic development and promoting social equity. This notwithstanding, to ensure that GATE expenditure would be spread as widely and equitably as possible we amended the policy guidelines in August 2020 to restrict funding to no more than one programme at the undergraduate level. However, the implementation of this new rule has been problematic for students who were endeavouring to complete their bachelor's degree through a progressive matriculation from a non-degree programme. Many of these students who are seeking to improve themselves are from underprivileged

or low income backgrounds. After careful consideration, therefore, we have decided to adjust the criteria for accessing GATE to permit students in good standing enrolled in institutions and programmes accredited by the Accreditation Council of Trinidad and Tobago to qualify for GATE if they have completed an initial programme of study, such as a diploma or associate degree or the N1 level at UWI and they wish to upgrade to a bachelor's degree.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** Similarly, students pursuing Technical and Vocational Educational Training (TVET) programmes who have already access GATE for lower level TVET qualifications will now qualify for GATE for level four and level five programmes—

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** —that lead to an advanced diploma or bachelor's degree. In this new arrangement, Madam Speaker, the national priority needs will be a determining factor and students in the first instance will be required to register for the higher certification within two years of completion of the initial course of study, and of course, successfully complete their bachelor's degree or advanced diplomas within the prescribed time frames.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** We are now ensuring that GATE remains as inclusive and all-encompassing as it was originally designed within the constraints of expenditure. This adjusted approach—let me explain—where students who have accessed GATE to do an associate degree or diploma will now be allowed to access GATE again to complete a bachelor's degree is estimated to cost the Government an additional \$50 million. But we believe it is necessary.



Appropriation (Financial Year 2023)  
Bill, 2022  
Hon. C. Imbert (cont'd)

2022.09.26

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** Money well spent.

Safety and security. Madam Speaker, we have been constantly refining the national security policy as we seek to address the multifaceted needs for managing the security of our citizens. In this regard, we have found inclusive and participatory processes to be extremely useful. We have been enhancing resource capacity and capability with the requisite infrastructure and apparatus. We have improved our offshore capabilities with the procurement of two Cape-class control vessels and we are now concentrating on building onshore capabilities with an electrical upgrade for a continuous power supply to our Coast Guard facilities, to provide a more efficient and safe working environment for personnel, especially in event of national disasters. We are also upgrading the shore power supply system at the coast guard base in Tobago. On completion, it will facilitate the birthing of our Cape-class vessels, which will now utilize the onshore power supply instead of the vessels' generators, which will allow for less downtime and a greater coast guard presence in the maritime domain.

In terms of new and improved technology throughout the national security services, we are improving decision-making and productivity by computerizing the National Security head office, thereby increasing information collaboration, data availability, and data analysis.

**4.20 p.m.**

- we are installing ICT infrastructure across all camps of the Trinidad and Tobago Regiment thereby securing connectivity between sites; and

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:**

- we are computerizing and improving governance in the Trinidad and Tobago Forensic Sciences Centre and upgrading the integrated Ballistics Identification System with a view towards improving examination of all firearms-related evidence linked to firearms-related related crimes.

We have made significant strides towards the establishment of purpose-built facilities for the protective services to place personnel in a better state of readiness. We are improving the base infrastructure of several camps at La Romain, Felicity and Forres Park. A fully functioning military base will enhance the capacity of the military to address efficiently its core mandate of the defence of the State and protection of critical infrastructure. The La Romain Camp will secure our national energy assets in the south of Trinidad and safeguard the country against threats to our southern border.

We are purchasing specialized equipment for the Trinidad and Tobago Coast Guard and vehicles and equipment for the defence force to allow for multi-front operations to be executed simultaneously. We are also advancing the computerization of the defence force to ensure the effective governance and management of data, security and human resources and upgrading the automated fingerprint identification system for the Immigration Division which will improve the border management system as a monitoring solution, which limits the entry of undocumented immigrants.

Madam Speaker, improving service to our citizens and solving serious crime, in particular, murders and violent crimes is central to the mandate of the Trinidad and Tobago Police Service which is at the frontline of our crime-fighting agenda.

In 2023, the Trinidad and Tobago Police Service will be properly resourced

and provided with the necessary funding, equipment and support—

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:**—so that it can focus on the rationalization, upgrade and expansion of facilities to meet existing and new operational requirements. Priority remains with the establishment and rationalization of divisional property rooms, in particular, in Sangre Grande and Siparia, the upgrade of command centres, as well as the construction of a new command centre in Siparia. The system of divisional property rooms will enhance the logistics of securing exhibits while the command centres will coordinate and centralize CCTV coverage and other relevant communications data for informed command decision-making in the divisions.

The TTPS will continue to improve its ICT capabilities. With the Government support, the automated fingerprint system, and its expansion to a biometric system by the TTPS will be an immediate milestone. Identifications will be quickly processed and be made available in real time to officers while mobile. Certificates of Character will also be speedily and accurately processed. The body and vehicle camera project is ongoing.

Further, a land use development plan has been completed for the expansion of the Police Academy, which would allow for a larger intake of recruits, new dormitories, and accommodations for trainers as well as additional facilities for delivery of an adaptive and modern policing curriculum.

In 2023, the Trinidad and Tobago Police Service intends to maximize the use of existing resources. The construction of a facility at the Ste. Madeline Police Station site will house elements of the homicide division and the fraud squad. The Coastal and Riverine Unit Jetty and Maintenance Facility will be constructed at the recently completed Carenage Police Station. The programme of asset acquisitions

will bring the TTPS vehicle fleet to optimum operating and response capability. The Special Victims Department at Serpentine Road, St. Clair, and the networks of victim support units and child protection units throughout the service will receive renewed focus.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** I now move to sport and youth.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** We are ensuring that our youth population, particularly in the age group of 15 to 34 years, which accounts for 25 per cent of the population, achieve their full potential and become productive members of society. While our comprehensive network of schools is driving the achievement of a modern education system, our proposed new specialist facilities are designed to address the needs of our less fortunate and vulnerable youth.

We are refurbishing six youth development centres in St. James, Babilon Street, Laventille, Malick, California and Los Bajos where the training and certification of youth takes place in the areas of trade, arts and life skills. Further, we are refurbishing and upgrading two residential youth development and apprentice centres in Persto Praesto and Chatham to accommodate vulnerable youth who had not completed traditional schooling and are now taking advantage of remedial courses from recognized institutions.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** We are empowering young farmers to utilize modernized farming techniques in our Youth Agricultural Homestead Programme, and we have in place a range of training programmes, including music production, life skills, heavy machinery operations, mobile application development, web design, social

media, management skills and leadership.

A national youth survey conducted recently by an inter-agency team revealed that our society will derive maximum benefits from eventually providing opportunities for all citizens who might wish to participate in a national service programme. We are now putting in place, through legislation, a voluntary national service programme of Trinidad and Tobago, which would be managed and coordinated by the National Youth Development Agency of Trinidad and Tobago.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** We are currently upgrading and constructing buildings for this national service programme at Mausica and the successful completion of the core training and service will lead to an award of a proposed Trinidad and Tobago National Service Certificate, which would be recognized by employers and training providers.

I envisage, Madam Speaker, that the National Service Programme will facilitate volunteerism, service learning and nation-building, developing in the process young people who exemplify good citizenship and patriotism.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** At this stage, I wish to congratulate, I wish to take this opportunity to congratulate and convey our congratulations to the members of our sporting team, which recently participated in the 2022 Commonwealth Games in Birmingham England.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** We all applauded with pride, the achievements of our medalists:

- Nicholas Paul who was awarded gold in the keirin motor-paced cycle race, silver in the sprint and bronze in the kilometre time trial;

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:**

- Jereem Richards who was awarded gold in the 200 metres and another gold in the 4x400 relay alongside Dwight St. Hillaire, Asa Guevara, Machel Cedenio, Kashief King and Che Lara; and

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:**

- Jarod Elcock, Eric Harrison Jr., Kion Benjamin, Kyle Greaux and Akanni Hislop who won silver in the men's 4x100 metres relay.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** Madam Speaker, this performance, added to that of the other athletes who also worked tirelessly, represented a fitting tribute to the achievement of our 60 years of Independence on August the 31<sup>st</sup>, 2022. Indeed, we were rightfully proud when our athletes stood on the podium with the national anthem being played on the steelpan.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** But, Madam Speaker, our 2022 sporting contingent managed our second best performance at a Commonwealth Games. For those who are old enough to remember, our best performance came at the 1966 edition in Kingston, Jamaica, when our team won five gold, two silver and two bronze medals. I am sure they will beat that record at the next Commonwealth Games.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** Madam Speaker, these achievements were based on the extensive foundation which we have laid for more than four decades. We have the facilities, the five stadia: The Hasely Crawford in Port of Spain, the Larry Gomes

in Arima, the Ato Boldon in Couva, the Mannie Ramjohn in Marabella and the Dwight Yorke in Tobago, the Cycling Velodrome and the Aquatic Centre in Couva and the Racquet Centre in Tacarigua. We have the funding and we have the policies and programmes, including the Elite Athlete Assistance Programme of \$250,000 per athlete.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** We look forward, therefore, to the youth of the country being inspired by our successes at Birmingham, and I have no doubt that in future international games, we would be able to expand our performance from cycling and athletics to the several other sporting disciplines. I can now announce, Madam Speaker, that in 2023, we intend to showcase our youth on the occasion of the hosting by Trinidad and Tobago of the Seventh Commonwealth Youth Games.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** I turn now to water resources. Madam Speaker, a reliable supply of potable water is crucial to all aspects of socioeconomic activity, and we are convinced that the effective management of our water resources requires the adoption and implementation—

**Hon. Members:** [*Crosstalk*]

**Hon. C. Imbert:** Madam Speaker, I did not hear them before but I am hearing them now. [*Laughter*] Perhaps you might want to talk to them.

**Madam Speaker:** [*Inaudible*] A bit of levity and they will resume their composure. Continue.

**Hon. C. Imbert:** I hope so. We are convinced that the effective management of our water resources requires the adoption and implementation of an integrated water resource management system. To achieve this objective, we are separating

the water resources agency, which has regulatory functions from the Water and Sewerage Authority which is responsible for service delivery and distribution. We are also in the process of restructuring and reforming the Water and Sewerage Authority. We have given to the Board of Commissioners, a Cabinet-approved transformation plan which will transition WASA to a new and high-level state of performance and is anchored on three strategic priorities:

1. organizational transformation;
2. network optimization and automation; and
3. increased water production.

The new entity will be consistent with a water management facility anchored along the water value chain and be customer centric, with a strategic focus on providing clean, safe water to residential and commercial customers, in the context of new leadership and purpose.

In the interim, we are improving the efficiency of service delivery, focusing on unserved and underserved areas across the country, where we have identified simple and strategic low-cost projects, with high impact. For example, under the National Water Sector Improvement Programme, we are providing over 6,000 households in Arima and environs with an improved water supply. We are also providing under the same programme, an improved water supply to over 12,000 other households by way of installing pipelines, repairs to pumps, valves and booster stations in several areas, such as:

- Kernaham Trace;
- Penal;
- Quarry Road;
- Burney Street;



- Calvary Hill; and
- French Fort, Tobago.

Madam Speaker, under our Community Water Improvement Programme, we are providing close to 100,000 citizens across the country with an improved water supply.

**Hon. Members:** [*Crosstalk*]

**Hon. C. Imbert:** We have been rehabilitating, refurbishing, and upgrading existing wells; constructing booster stations; installing pipelines to provide accessibility of pipe borne water and more, and constructing new intakes and water treatment plants. We have been able to do so through a vastly improved project management system supported by an efficient procurement and project financing system. Madam Speaker, 27 communities have already benefitted from this programme. The programme continues and will provide more reliable access to water in other communities additional to the existing ones, such as:

- Manodath Road Extension, Las Lomas;
- Bocas Avenue, Chase Village;
- Howell Drive, Five Rivers;
- La Laja, Blanchisseuse;
- Thomas Trace, Los Iros;
- Lopinot;
- Brasso Seco Village, Blanchisseuse;
- Leotaud Trace, Talparo;
- La Romain;
- Picton;

- San Raphael;
- Petit Trou Road and Morne Cabrite Road, Toco; and
- Cameron Hill, Maraval.

Madam Speaker, the proposed new office of Water Resources Management will be responsible for:

- coordinating and collaborating with all agencies responsible for implementing various aspects of our new water supply policy;
- administering the abstraction and licensing system for surface, ground and coastal waters;
- monitoring, analyzing and assessing the national water resources;
- enforcing authority for water quantity violations;
- collecting and maintaining a national water resources information system;
- developing and publishing reports on the country's water resources, policies and plans for water resources management;
- exercising planning and research functions for water resources management;
- engaging and partnering with stakeholders in water resources management; and
- carrying out an education and public awareness programme.

#### **4.35 p.m.**

In addition, the Ministry of Public Utilities, in partnership with the Water and Sewerage Authority, has completed a strategic action plan for water supply improvement in Trinidad and Tobago, along with regional water improvement

plans for north-west, north-east, central and south Trinidad and in Tobago within the context of the strategic action plan and capital investment programme. These programmes across the country have the clear aim of eradicating water schedules below 24/3 and further expanding 24/7 levels of service across the country. The plan will also usher in robust automation of plants through supervisory control and data acquisition or ASYCUDA systems, data loggers and other telemetry systems for monitoring of schedules and valving operations. We believe, Madam Speaker, these initiatives will improve the production and distribution of water around the country and ensure water security for all our citizens.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** I now turn my attention to Tobago. In December 2021, the people of Tobago elected a new administration to manage the affairs of the Tobago House of Assembly.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** As a responsible Government, we welcomed the new administration in Tobago and very early in its term, we convened several meetings with the Chief Secretary and his colleagues. In January 2022, the Prime Minister, Hon. Dr. Keith Rowley, led a team of Cabinet Ministers, including the two parliamentary representatives from Tobago; the Attorney General; the Minister of National Security; the Minister of Public Administration; the Minister of Tourism, Culture and the Arts; and the Minister of Digital Transformation to meet with the new THA administration. We wish to facilitate a smooth transition to minimize any disruption to the lives and livelihoods of the people of Tobago and the operations of the Assembly.

This administration therefore reaffirms its commitment to work in concert

with the Tobago House of Assembly towards the continued advancement and development of Tobago.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** Madam Speaker, I am in broad agreement with the socioeconomic agenda advanced by the new administration by the THA in its June '22 budget statement for fiscal '23. The policies, programmes and activities that have been announced, if implemented properly, will improve the economic well-being and quality of life of the people of Tobago. We anticipate the creation of more jobs in the private sector, as well as the maintenance for preservation of existing businesses and the generation of new ones. Madam Speaker, the policy agenda is being further advanced through economic momentum in the Tobago economy.

The gradual relaxation of public health restrictions and the increase in government expenditure to meet the basic needs of the community in the face of the damage done to the tourism sector by the COVID-19 pandemic facilitate this process. It is expected further capacity will be developed to address COVID-related issues, focusing on an uptake in vaccinations, with a strengthening of medical care capabilities at the Scarborough General Hospital and a parallel system for COVID-19 patients at the old hospital. Significant social programmes are available in Tobago and we expect that these will be maintained, particularly in the areas of medical care, home improvement and school transport. Physical “in-school” teaching and learning has been reinstated in all schools in Tobago. Funding has also been allocated for substantial school repairs. These measures are generally aligned with the national fiscal agenda for 2023. And the core development framework and the strategic priority areas for growth, development

and transformation in Tobago, once properly implemented, would ensure the transition to a new paradigm.

However, Madam Speaker, it must be emphasized that businesses resident in Tobago, and are owned and operated by Tobagonians, have the same access to all the Government's SME support programmes as businesses in Trinidad.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** They have the same access. There is no distinction. And you may recall, Madam Speaker, it was the intention of this PNM administration to grant greater autonomy to the people of Tobago through the passage of two pieces of legislation which have been the subject of extensive and extended parliamentary attention. However, this required the bipartisan support of Members opposite, which is support we did not receive. The Bills were also rejected in the PDP election campaign of 2022. These two Bills, Madam Speaker, will provide the people of Tobago—

**Hon. Members:** [*Crosstalk*]

**Madam Speaker:** Minister of Finance—okay. So, Members, I know we have been here for some time but I would ask all Members to resume your composure. No shouting across the floor. And if Members are a little tired of, you know, the discipline, they can take a little walk, come back and resume their composure. Minister of Finance.

**Hon. C. Imbert:** Thank you, Madam Speaker. And they will be here for a little while again.

These two Bills will provide the people of Tobago with a greater say and determination in their affairs and I encourage Members opposite to facilitate the passage of these Bills and place Tobago in a better position to advance its

development—

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:**—and to increase its contribution to national economic activity.

Economic transformation and business development initiatives will be anchored on productivity growth, support for innovation, mobilization of foreign direct investment and support for businesses. The Cove Eco-Industrial and Business Park is marketing its factory spaces. The Studley Park Quarry, if properly managed, could make an immediate and sustained contribution to construction in Tobago and in Trinidad. The tourism sector is poised to expand with new hotel investors aiming to contribute to meet a shortfall of 2,500 rooms.

The Government fully supports and continues to encourage private sector investment in the proposed new Marriott Hotel at Rocky Point, alongside the new terminal building at the ANR Robinson International Airport and a new marina facility in south-west Tobago. When all these initiatives come together with their projects and programmes, we envisage good outcomes for the tourism sector in Tobago.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** This is a major part of the national diversification effort. Let me repeat, the new Marriott Hotel at Rocky Point, the new terminal building at the ANR Robinson International Airport and a new marina facility in south-west Tobago.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** I am advised that the Manta Lodge and Sanctuary Resort are slated for privatization. Air and sea transport are required to be reliable, especially for the proposed Tobago carnival in October 2022. The central government will

ensure that this is achieved.

Food security in Tobago will be enhanced through the revitalization of the agricultural sector. Continuous training, especially for young people, will build a cadre of skilled, young agri-entrepreneurs. Madam Speaker, I wish to record that during the height of the pandemic, we were pleased to provide Tobago with additional financial support. And in my 2022 statement, I announced several of these initiatives, including a 50 million Tobago hospitality and tourism sector support programme to provide working capital to the tourism sector; 30 million for farmland development in Tobago; 50 million for the Tobago hotel industry for financial grant support and to facilitate maintenance and upgrade works via the Tobago tourism accommodation relief; and a 4 million tourism COVID-relief grant allocated to render greater support to the ancillary service providers in the industry.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** I will now outline the allocation for Tobago in fiscal 2023. In the absence of the passage of the proposed Tobago internal self-government legislation, which would have given the THA significantly greater responsibilities in Tobago, including the responsibility for the work now done and services provided by national agencies and authorities which continue to be implemented and financed by the central government, and consistent with what we provided the PNM-led administration in the THA, between 2016 and 2021, we are allocating the new PDP-led THA 4.3 per cent of the total national budget in 2023.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** The allocation to the THA for fiscal year 2023 thus totals \$2.521 billion.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** When disaggregated, 2.194 billion is allocated for Recurrent Expenditure, 300 million for the THA development programme, 18 million for URP, and 9.2 million for CEPEP in Tobago. The 2023 allocation to the THA thus represents an increase of \$185 million over last year's allocation of 2.336 billion. It should be noted that the THA also has access to another 135 million in loan financing for its development projects from a loan finalized in previous years and at the level of the central government, we have also arranged a further US \$15 million, or approximately TT \$100 million, in loan financing from CAF, the Andean bank of Latin America—Development Bank of Latin America, for coastal protection works in Tobago. So, Madam Speaker, that is 2.521 billion in direct subvention; 135 million remaining from a \$300 million loan initiated by the previous administration in Tobago and \$100 million in loan financing from CAF for coastal protection in Tobago.

I am pleased to inform this House that as of last week, the Assembly was in receipt of 96.9 per cent of its fiscal '22 allocation of 2.336 billion. And with just a few days remaining in this fiscal year, the THA will be in receipt of its full allocation for this fiscal year.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** You may also recall, Madam Speaker, that at the mid-term, the Assembly was allocated an additional sum of 60 million to supplement its allocation, thus again reaffirming our commitment to support the work of the new THA administration.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** Madam Speaker, beyond the direct allocation to the THA, an additional \$731.5 million is allocated to various Ministries and state agencies to



undertake and execute major projects and programmes in Tobago in keeping with the responsibility under the Sixth Schedule of the THA Act 40 of 1996. This means that the overall allocation for expenditure in Tobago in 2023 exceeds \$3 billion and this does not take into account additional expenditure in the hundreds of millions of dollars by the central government on the air bridge, sea bridge and National Security.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** I now move to the Medium-Term Policy Framework. We have been using a medium-term transparent planning and budget formulation process as we seek to allocate public resources to their strategic priorities while ensuring overall fiscal discipline. This medium-term economic framework allows us to focus on the reliability and precision of the economic and fiscal outlook while recognizing the economic uncertainty which underpins any forecast. Indeed, we are aware of several downside risks which could derail our economic recovery.

**4.50 p.m.**

Production and project delays could be impacted if new virus strains become increasingly transmissible. Adverse global developments could add more volatility to crude oil, gas and petrochemical prices. Conversely, stronger than projected global recovery could result in higher energy prices, thereby improving fiscal and external positions. So, although we have it more or less under control, we must keep an ever-watchful eye on the evolution and mutation of the COVID-19 virus.

Madam Speaker, we set in motion the major elements of our development strategy as outlined in the Road Map to Recovery for Trinidad and Tobago, post-COVID-19 pandemic as well as in my 2021 Budget Statement. We have been refining our projections in the context of the risks in the global economy, and the

domestic implications of the prolonged recent wave of COVID-19 and its successive variants. Our three-year medium term economic programme 2022 to 2024 is building on the current momentum in the domestic economy.

We expect our economy will continue to generate growth after 2022. We are forecasting growth of 3 per cent in 2023 and 2024. This growth dynamic is supported by an expansion in the energy sector over the period 2023 to 2024, with growth of 5 per cent per year. The non-energy sector is also expected to grow over the same period by rates of 2 per cent per year.

We are consolidating our fiscal accounts. Higher energy revenues from the expected higher energy production and prices are paving the way to put our accounts on a sustainable basis. We are anticipating increased levels of revenue from the implementation of the new property and gaming taxes and the new Revenue Authority. At the same time, we are screening and rationalizing public expenditure while reshaping the structure of Government expenditure to target social, educational and health care programmes.

The pace of consolidation is providing space for growth-friendly expenditure, such as our \$6.2 billion Development Programme, while protecting essential expenditure. Accordingly, we have been putting our fiscal accounts on a sustainable basis, moving our accounts from negative to positive. We have stabilized our fiscal balance, putting it on an improving trajectory, and we are targeting positive fiscal balances in the coming year. As I said before, our fiscal consolidation process, revenue enhancement and expenditure restraint is bringing our debt back down on a downward trajectory, from a high of over 80 per cent of GDP in 2021 to 70 per cent in 2022.

Our current account balance is strengthening under the impact of the

significant recovery in the energy sector, with the increase in domestic production coinciding with the buoyant international commodity prices. The combination of these external and internal factors augers well for export earnings throughout the forecast period. The current account balance is projected to reach US 4.5 billion in 2022, and remain in surplus, while net official reserves are expected to remain robust and healthy throughout 2023, projected to reach over US \$7 billion in 2024, if all goes well.

Madam Speaker, we have laid the right foundation to anchor our development journey to achieve our economic and social objectives. We are building on the current momentum. We are taking advantage of the current buoyancy in oil and gas prices, temporary as it might be. While strengthening our production capability and output in the oil and gas sector, we are focusing on building our non-oil sector, which now makes up over 50 per cent of our GDP, to ensure we can quickly adjust to wild swings in commodity prices.

I turn now to estimates of revenue and expenditure for 2023. As an oil and gas producing country, we only too well understand that crude oil prices fluctuate in the context of seasonal demand, world events, global growth and supply conditions. Most recently, the COVID-19 pandemic caused crude price decline through constrained demand conditions, which were aggravated further by fears of a global recession. On the other hand, extended sanctions against Russian oil exports have increased uncertainty about supply from the world's second largest oil producer. Indeed, these conflicting supply and demand conditions are increasing the uncertainty in the oil price forecast.

I have kept under review the changing oil prices in 2022: US \$100 per barrel in February 2022, following the invasion of Ukraine by Russia; US \$125 per

barrel in March 2022, in response to the ban by the United States on Russian fuel exports; US \$125 per barrel in June 2022, as concerns about supply emerged again; US 99 per barrel in August 2022, as fears returned about a global recession; US \$87 on September 23, 2022, last week, and US \$85 today again, on fears of a global recession, a decline in world stock markets and an overvalued US dollar.

Madam Speaker, current events present new challenges to the forecasting of the oil market. I am advised that supply and demand conditions are offsetting one another and, therefore, could remain in broad balance over the course of 2023. I have now reviewed the forecast produced by several international organizations, as follows: the US Energy Information Association is projecting a price of US \$98.07 per barrel for WTI crude oil in 2022, and US \$104.21 for Brent crude. For 2023, the relevant prices are US \$90.91 for WTI and US \$96.91 for Brent crude. The IMF is projecting US \$103.88 per barrel for a basket of crude oils in 2022, and US \$91.07 in 2023. The World Bank is projecting Brent crude oil to average \$100 a barrel in 2022, and US \$92 a barrel in 2023, and Fitch Solutions see the Brent oil price averaging \$105 a barrel in and USA 2022, and US \$100 a barrel in 2023, before dropping to US \$88 per barrel in 2024.

Further, Madam Speaker, according to the US EIA, natural gas prices average US \$8.80 per MMBtu in August of 2022. The US EIA expects natural gas prices to remain elevated for the rest of 2022 and to average \$6 per MMBtu in 2023. Madam Speaker, we will continue to utilize the best available estimates for our oil and gas prices for our budget 2023.

Based on consideration of all forecast by credible international organizations, our oil price assumption for 2023 will, therefore, be US \$92.50 per barrel, and our natural gas price assumption will be US \$6 per MMBtu. As a result

of these assumptions, for fiscal 2023, total revenue is estimated at 56.175 billion, total expenditure is estimated at 57.685 billion. Based on these assumptions and estimates, we are projecting out of our total revenue estimate of 56.175 billion for 2023, that oil revenue will contribute 25.019 billion, and non-oil revenue will contribute 30.150 billion, while capital revenue, such as the sale of assets, will contribute 1.006 billion.

Madam Speaker, with revenues of 56.175 billion and expenditure of 57.685 billion, if all goes according to plan, our fiscal accounts in 2023 will be close to balance with a deficit of 1.51 billion, or 0.8 per cent of GDP.

Without taking account of loan financing through state enterprises, such as the \$250 million for road repairs and rehabilitation to be done by PURE, 1.5 billion for the HDC and special allocations such as the \$300 million stimulus package for agriculture, which are placed in the Ministry of Finance for disbursement, the major fiscal 2023 allocations will be for education and training, \$7.453 billion; for health, \$6.892 billion; for National Security, 5.798 billion—and this one is something that people do not realize—for social grants in 2023, we will be spending \$5.453 billion; Works and Transport, 3.748 billion; Public Utilities, 2.823 billion; Rural Development and Local Government, 1.887 billion; Agriculture, 1.330 billion; Housing, 0.974 billion. Further, to create employment, drive development and stimulate economic activity, the Public Sector Investment Programme in fiscal 2023 has been increased to \$6.2 billion, 2 billion more than fiscal 2022. While increasing investment in the Development Programme in 2023, we will continue to pursue our fiscal consolidation objective, which would ultimately lead to reasonable and debt sustainability.

I turn now to the fiscal measures for 2023. Personal income tax allowance,

Appropriation (Financial Year 2023)  
Bill, 2022  
Hon. C. Imbert (cont'd)

2022.09.26

Madam Speaker—as a fiscal stimulus to the economy and a fillip to the retail sector, we are providing relief to working families by increasing the personal income tax exemption limit from \$84,000 to \$90,000 per year.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** All individuals earning 7,500 a month or less will now be exempt from income tax.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** This marks the third time this PNM administration has increased the personal allowance, and will put additional disposable income of \$1,500 per year into the pockets of over 300,000 individual taxpayers.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** This bold measure will cost \$450 million per year in individual income tax revenue, but we firmly believe that in this difficult COVID-19 period, it will stimulate the demand side of the economy, economic activity, consumption, sales and growth by putting more money in the hands of consumers. We believe that through the multiplier effect, the net effect of this increased allowance on our GDP would be more than \$450million.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** This measure will require amendments to the Income Tax Act, Chap. 75:01, and will take effect from January 1<sup>st</sup>, 2023.

VAT registration threshold—Madam Speaker, I propose to increase the VAT registration threshold from \$500,000a year to 600,000, to provide relief and support in the payment of VAT. This measure will positively impact the growth and development of the small and medium enterprise sector. This measure will cost \$12.5 million. It will require amendment to the VAT Act, Chap. 75:06, and will

take effect from January 1<sup>st</sup>, 2023.

Thirdly, renewable energy business rebate for agriculture. This Government recognizes the importance of blending renewable energy with agricultural production. As such, for approved agricultural holdings, I will offer rebates of up to \$25,000 for the implementation of renewable energy such as solar and wind energy in agriculture. This measure will take effect on January 1<sup>st</sup>, 2023, and will be administered by the Minister responsible for agriculture.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** Subsidy for Housing and Village Improvement Programme. In recognition of the outstanding success of the Housing and Village Improvement Programme, I propose to introduce a three-tiered subsidy structure under that programme, based on the land topography, and increasing in the maximum subsidy the amount paid by Government applicable for the construction of a basic two-bedroom housing unit, from 145,000 to the following levels: \$165,000 for construction on flat lands, \$170,000 for construction on undulating lands, and \$175,000 for construction on hilly lands.

**5.05 p.m.**

Manufacturing tax credit. To incentivize further and create a more and agile and robust manufacturing sector, I propose to introduce a one-time manufacturing tax credit for companies which make an investment in new machinery, production lines and equipment. This manufacturing tax credit can be utilized against the corporation tax liability of the approved manufacturing company certified by the Ministry with the responsibility for trade and industry up to a maximum of \$50,000. This measure is estimated to cost \$50 million if 1,000 companies utilize this tax credit. This measure will require amendments to the Corporation Tax Act,

Chap, 75:02, and will take effect on January the 1<sup>st</sup>, 2023.

Energy. And, Madam Speaker, as I indicated earlier we are an oil and gas-based economy. We cannot abandon oil and gas. I propose to increase the investment tax credit for energy companies from 25 per cent to 30 per cent to stimulate exploration and development-related investments in the energy sector. The total tax lost is estimated at \$20 million annually. This measure will require amendments to the Petroleum Taxes Act, Chap. 62:01 and will take effect January the 1<sup>st</sup>, 2023.

Supplemental Petroleum Tax. After careful analysis of the competitiveness of Trinidad and Tobago as an oil province for investment, I propose to enhance the current SPT concession for small onshore oil producers and introduce in 2023 a tiered system of supplemental petroleum tax at lower rates for shallow-water marine operators, as opposed to the current fixed rates of SPT of 18 per cent, 25 per cent and 33 per cent that kick in as soon the price of oil crosses US \$50 per barrel.

Firstly, the production limit for small producers of oil on land to benefit from the previously increased threshold price of US \$75 per barrel for oil before SPT is applicable will be increased to 4,000 barrels a day and the sunset clause will be repealed.

Secondly, for new oil wells in shallow-water marine areas, whether in existing fields or new fields, the following rates of SPT will now apply. The current rate is 25 per cent. These are the new rates. For oil between 0 and 50, 0 per cent. Oil price between \$50 and 1 cent to \$70, 15 per cent, reducing from 25 per cent to 15 per cent. Oil price between \$70.01 to \$90, 20 per cent and then the usual SPT rates will apply, \$90 to \$200 is the SPT rate which will be the higher



rate of 20 per cent, plus 0.2 per cent; there is a formula. And then \$201 and over, SPT rate will be 42 per cent. These measures will require amendments to the Petroleum Taxes Act, Chap. 62:01 and will take effect on January the 1<sup>st</sup>, 2023.

We believe, Madam Speaker, that these reduced rates of SPT for new oil production in the marine areas will allow companies to access the required financing to increase their drilling and get approval for new exploration and production programmes thus increasing the production of much needed oil. The methodology for determining what will be defined as a new well will be discussed with the oil companies before implementation of the new SPT rates in January 2023.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** We are also looking, Madam Speaker, at adjustment of other oil and gas taxes on other innovative fiscal incentives to encourage new investment in the sector. We will advise on these and adjustments to the energy tax regime in due course after consultation with the oil and gas companies.

Electronic payment providers and e-money issuers. I propose to offer a one-time tax credit to approved electronic payment providers and/or e-money issuers up to a maximum of \$50,000 to encourage the growth of online financial transactions and aid in the development of a digital economy. This measure will require amendments to the Corporation Tax Act, Chap. 75:02 and is estimated to cost \$4 million. It will take effect on January the 1<sup>st</sup>, 2023.

Petroleum Profits Tax. In consistent with our move to boost oil production, I intend to incentivize crude oil production and to sustain the current level of hydrocarbon reserves. Deepwater exploration costs are significant and to increase and stimulate production in the deepwater, I propose to decrease the rate of

petroleum profit tax from the current 35 per cent to 30 per cent for companies engaged in deepwater exploration. This measure will require amendments to the Petroleum Taxes Act, Chap. 62:01 as it is estimated to cost \$50million and will take effect on January the 1<sup>st</sup>, 2023.

Illegal state timbering. Madam Speaker, illegal timbering remains a serious issue across state forests as individuals continue to cut down trees, transport them and use their products, such as timber, for economic gains. Illegal timbering also provides the trigger for environmental risks including flooding and disruptions to the ecological cycle. I propose to increase the fine for illegal timbering from \$20,000 to \$100,000. This measure will require amendments to the Foster Act, Chap. 66:01 and will take effect on January the 1<sup>st</sup>, 2023.

Illegal quarrying. Madam Speaker, illegal quarrying not only cheats the State of revenue but it encourages criminal activity and poses a clear and present danger to the environment. The Government therefore intends to impose heavy penalties for such environmentally dangerous and illicit activities. In particular, legislative amendments will be introduced to allow the State to levy on, seize and forfeit equipment found on-site at illegal quarries in an effort to eradicate this pernicious scourge.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** These legislative amendments will be introduced in Parliament early in 2023.

Scrap iron penalties. Madam Speaker, I propose to contain the theft of scrap iron by increasing fines for stealing or illegally obtaining old metal, selling, purchasing, trading, receiving and dealing in stolen old metal inter alia. I propose to increase the fines for these offences from \$15,000 to \$100,000. This measure

will require amendments to the Old Metal and Marine Store Act, Chap. 84:07. It will take effect on January the 1<sup>st</sup>, 2023.

Approved small company exemption from corporation taxation. Madam Speaker, I am amending section 16A of the Corporation Tax Act, Chap. 75:02 to expand the exemption of approved small companies from the payment of corporation tax for a period of five years to six years. The measure will facilitate further relief to the small and medium enterprise sector and will take effect on January the 1<sup>st</sup>, 2023.

Renewable energy. Madam Speaker, I am waiving VAT on new equipment for manufacturing companies utilizing alternative energy technologies. Renewable energy options such as gasifiers to use biomass and harnessing renewable energy through wind, solar and water. The certification of documents for this renewal energy will be a collaborative effort between the Ministers responsible for trade and for energy. The measure will last for one year effective on January the 1<sup>st</sup>, 2023 and will terminate on December 31<sup>st</sup>, 2023 in the first instance. It is expected to support the national agenda of increasing our renewable energy output by 10 per cent by 2023.

School-to-work apprenticeship allowance. Madam Speaker, I am implementing an apprenticeship allowance to encourage more businesses to hire persons aged 16 to 25 for short-term apprenticeship to provide them with relevant experience and exposure to the world of work. Companies will be eligible for an allowance of 150 per cent for all remuneration paid under such an allowance up a maximum of 5 per cent of the company's total wages and salaries bill for one year. To qualify for this allowance, the training programme instituted by the company must be registered with the National Training Agency and the expenditure certified

by the company's auditors. The period of apprenticeship will be limited to a maximum of one year in the first instance. This measure will require amendments to the Corporation Tax Act, Chap. 75:02 and will take effect on January the 1<sup>st</sup>, 2023.

Fees chargeable for commissioners of affidavits. I propose to increase the fees payable under the Commissioners of Affidavits Act, Chap. 6:52. The commissioners' payment to the Register General under section 3(2) of the Act will be increased from \$200 to \$400. The commissioner of affidavit fees will be increased from \$2.50 to \$10 for each affidavit sworn before him and 50 cents to \$2.50 for each exhibit attached thereto under section 5(1) of the Act. And the fee the commissioner shall pay to the Comptroller of Accounts under section 5(4) of the Act will be increased from \$100 to \$200. These measures will take effect on January the 1<sup>st</sup>, 2023.

Firearm users licence fees. Madam Speaker, I propose to increase by 100 per cent all firearm user licence fees, FULs, under the Third Schedule of the Firearms Act, Chap. 16:01 with the exception of assault weapons which will now have significantly higher licence fees than other types of firearms. The Government also intends to restrict the ownership of assault weapons and associated ammunition by private citizens. In the meantime, while legislative amendments are being prepared to achieve this, the licence fees for ownership of assault weapons in private hands will be increased to \$5,000 per year, while the annual licence fee for ownership of an assault weapon for use on a firing range will be increased to \$1,000. These measures will require amendments to the Firearms Act, Chap. 16:01 and will take effect on January the 1<sup>st</sup>, 2023.

And now, Madam Speaker, a tax amnesty. We recognize that because of

the public health restrictions and adverse economic effects of the COVID-19 pandemic many businesses, especially small businesses, suffered such severe loss of income in 2020 and 2021 that they fell behind in their taxes. Although we introduced an amnesty in 2021, many businesses were still struggling to keep afloat and were unable to take advantage of the amnesty at that time. Accordingly, I propose to introduce an amnesty on penalties and interest on taxes owed up to and including the year ended December 31<sup>st</sup>, 2021. The amnesty will run from November the 14<sup>th</sup>, 2022 to February the 17<sup>th</sup>, 2023. This measure will require amendments to the various tax laws and is expected to raise between \$300 million to \$500 million.

Oil pollution. Oil pollution presents a threat to the environment, as well as to the socioeconomic welfare of our citizens. I propose to increase the penalty from \$10,000 to \$100,000 for oil pollution. And this will require amendments to the Oil Pollution of Territorial Waters Act, Chap. 37:03. This measure will take effect on January the 1<sup>st</sup>, 2023.

The threat of the giant African snail and other pests. Madam Speaker, food security remains a priority of this Government. The giant African snail is one of the world's most destructive land snails. It is classified as a fast-growing pest that feeds primarily but not exclusively on many plants including vegetables, leguminous crops, citrus, papaya, cacao and ornamentals.

### **5.20 p.m.**

This alien invasive species of quarantine importance was first reported in Trinidad in October 2008, and is now present in many areas of Trinidad including the Diego Martin Valley, Maraval Valley, Invaders Bay, Mt. Lambert, Aranguez North, and South Barataria, Couva, Chaguanas and Point Fortin. Other invasive

threats identified include the Moruga locusts affecting the southern parts of the country, which also pose a risk to food security. To complement the existing mitigation strategies I propose to allocate an additional \$3 million to the Ministry of Agriculture, Land and Fisheries in our fight against these destructive pests for marketing and awareness campaigns, training of staff and agricultural supply materials.

I now come to the inter-island air bridge and sea bridge travel. Madam Speaker, we have recently procured two modern fast sea ferries; the *APT James* and the *Buccoo Reef*, and their performance has been excellent in passenger and cargo service delivery. Similarly, we have also procured nine Boeing 737-8 aircraft to complement the aircraft fleet at Caribbean Airlines. Revenues from international travel are used to subsidize the interisland air bridge. Additionally, the rise in global energy commodity prices has resulted in higher operational costs for both the interisland air bridge and sea bridge. In this regard, and consistent with our overall policy of sharing the burden of the cost of transport, I propose to increase the cost of inter-island air travel for all tickets by \$50 as follows: the one-way fare on the air bridge will now move from \$150 to \$200;

The estimated increase in annual revenue to Caribbean Airlines for the operation of the air bridge will be \$50 million, which with this increased price will still require a subsidy of the air bridge by over \$50 million a year. With respect to the sea bridge, currently persons age 60 and over travel free on the sea bridge. I propose to introduce a charge for persons over 60 of \$25 one way. The standard class on the sea bridge on this point in time, the ticket cost is \$50. This will be increased to \$75. The premium cabins on the ferries currently attract a charge of \$100, this will increase to \$150. The estimated increase in annual revenue for the

sea bridge will be \$30 million, which will still operate a loss, and will be supported by subsidy in the amount of \$170 million a year. These measures will take effect on the 1<sup>st</sup> of January, 2023.

Government assistance for tuition expenses, GATE. Madam Speaker, we recognized that many students, especially those from underprivileged backgrounds need to work and study at the same time, or simply cannot afford to study full-time to pursue a pathway to a Bachelor's Degree or Advanced Technical Diploma. In addition, some of these students are unable to qualify to enter a Bachelor's Degree programme such as medicine or engineering at their first attempt. Such students quite often have no choice but to access GATE to complete an inter-mediate programme such as N1 at UWI, an Associate Degree, or a Diploma Level Programme of study, and then seek to move on to a Baccalaureate Level Degree Programme.

However, they are currently debarred from accessing GATE twice. In recognition of the hardships that these students face, we will relax these restrictions, and provide tuition assistance for those students who have already access GATE at the diploma associate degree or lower TVET level to pursue Baccalaureate Degree programmes consistent with the country's development needs.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** I turn now to fuel prices:

**Hon. Members:** "Aaah".

**Hon. C. Imbert:** Madam Speaker, as indicated previously, the Government is of the view that it is unproductive to spend more than \$2 billion per year subsidizing fuel, and that this money could be better spent elsewhere. I have listed the areas

where the Government is already committed to spending billions of dollars on social grants, education, health and transportation, among many other areas. Spending billions of dollars subsidizing fuel, when this money could be directed to creating jobs and assisting the poor and vulnerable makes no sense in our view.

Accordingly, with oil prices still in the US \$90 range, we are of the firm view that another increase in fuel prices is regrettably required. We have therefore decided to increase as of today, the prices of premium and super gasoline, and kerosene by \$1 per litre, and diesel by 50 cents a litre. The new prices will be premium gasoline, \$7.75 a litre; super gasoline, \$6.97 a litre; diesel, \$4.41 a litre; kerosene, \$4.50 a litre. The cost of LPG will remain fixed at \$21 for a 20-pound cylinder of cooking gas for domestic customers—

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:**—which require the Government to pay an annual subsidy—

**Hon. Members:** [*Interruption*]

**Hon. C. Imbert:** Madam Speaker.

**Hon. Members:** [*Interruption*]

**Hon. C. Imbert:** Madam Speaker.

**Hon. Members:** [*Crosstalk*]

**Madam Speaker:** Members, we are almost at the end, and you know these are the parts that we all like to hear. Okay? Go on, Member for Diego Martin North/East.

**Hon. C. Imbert:** Thank you very much, Madam Speaker. The cost of LPG will remain fixed at \$21 for a 20-pound cylinder of cooking gas for domestic customers—

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:**—which will require the Government to pay an annual subsidy



for cooking gas of \$300 million.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** It should be noted that at these new fuel prices, if oil prices average US \$95 per barrel for fiscal 2023, the Government will still be required to spend \$1.45 billion to subsidize the price of fuel. And if oil prices average US \$90 per barrel in 2023, we will still have to spend \$1.2 billion subsidizing the fuel.

In treating with this matter we had lengthy discussions on how we should approach the question of fuel price increase. We thought of fully liberalising fuel prices and allowing prices to be set by the market, as occurs in almost every other Caribbean country and most of the world, but that would have caused a huge increase in the price of diesel, the main fuel for public transport and the transport of goods. The price of diesel would have had to be doubled to almost \$8 per litre. We considered increasing the price of all fuels, including diesel by \$1 a litre, which would still require Government to find \$1.25 billion to subsidize the price of fuel in 2023 at an oil price of US \$95 per barrel, or \$1 billion at an oil price of US \$90 per barrel, but we felt that any drastic increase in the price of diesel would affect those least able to afford it.

Cognizant of the effect on the cost of living therefore, while increasing the price of gasoline and kerosene by \$1 per litre, we decided instead to increase the price of diesel by only 50 cents a litre, from \$3.91 per litre to \$4.41 per litre. This lower level of increase in the price of diesel compared to the other motor fuels is being implemented to reduce the impact of an increase in price of this very important fuel which would have wider effect, especially on the most disadvantaged groups in the society.

It should be noted that the consumption of diesel accounts for 40 per cent of

all fuel consumed in Trinidad and Tobago, or approximately 400,000 litres per year. As mentioned above, this will require us, these new prices, to spend \$1.45 billion in 2023 if oil averages US \$95 per barrel or \$1.25 billion per year if oil averages US \$90 per barrel. Therefore, Madam Speaker, to alleviate the effect of these increases in the price of fuel on the most vulnerable in our society, we shall in 2023 give all recipients of social grants, namely recipients of public assistance, disability, food support and senior citizens pension a one-time transport grant of \$1,000.

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:** It should be noted that this transport grant facility is temporary and shall remain in place only insofar as the price of oil remains at elevated levels. This measure, this transport grant of \$1,000 will assist 175,000 persons, and will cost \$175 million, and be implemented on or before the end of January 2023.

In conclusion, Madam Speaker, we have always placed the national interest at the centre of our developmental agenda.

- We have sought to foster a unity of purpose and the well-being of our citizens in our roadmap to recovery programme;
- we will achieve macroeconomic sustainability over the medium term, with an emphasis on fiscal and debt consolidation, with a social conscience, while at the same time creating the fiscal space to address critical challenges. The resulting stability conditions of low inflation and interest rates as well as a competitive exchange rate will engender increasing savings and investments to finance growth and development;
- we are building strong public institutions to underpin our growth and development;

- we are consolidating gains as we invest heavily in national infrastructure projects, including projects involving roads, drainage, schools, hospitals, public buildings and facilities, tourism sites, ICT, water supply and electrification among other development projects and programmes to create employment and stimulate economic activity;
- we are supporting our youth in national development, in particular the digital skills, and we are attracting them to the agricultural sector in light of our ageing farmers;
- we are continuing to improve the health of our citizens, including raising the COVID-19 vaccination rates;
- we are enhancing investments in digital technology, which will underpin the modern and diversified economy;
- we are continuing to ensure a supportive business environment within which the private sector can thrive, grow and facilitate a buoyant non-energy sector;
- we are improving the investment climate as well as the ease of doing business;
- we are deepening human capital development through multifaceted education and training programmes; and
- we are strengthening our security systems to adapt and respond to external and internal threats, thereby ensuring that investors and citizens can participate in ordinary life activities in a safe and secure environment.

Madam Speaker, despite the enormous difficulties and challenges that we face, I am confident that the resilience and support of our citizens, combined with

the wide range of policies, projects and programmes, which we have put in place, will sustain the momentum of the economic recovery. Having faced and overcome—

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:**—the many financial and economic challenges of the last seven years—

**Hon. Members:** [*Desk thumping*]

**Hon. C. Imbert:**—we will make a positive difference in the lives of our citizens, and leave no one behind. Madam Speaker, I thank you, and I beg to move.

**Hon. Members:** [*Continuous desk thumping*]

**Madam Speaker:** Minister of Finance.

**Hon. Members:** [*Interruption*]

**Madam Speaker:** Minister of Finance?

**Hon. C. Imbert:** Yes, Madam.

**Madam Speaker:** Before you leave the speaking booth, I believe you need to tell us something else.

**Hon. C. Imbert:** Certainly, Madam Speaker. The Budget Debate shall resume on Friday at 10.00 a.m. Friday the 1<sup>st</sup> of October?

**Hon. Members:** The 30<sup>th</sup> of September.

**Hon. C. Imbert:** The 30<sup>th</sup> of September?

**Hon. Members:** Yes.

**Hon. C. Imbert:** Friday the 30<sup>th</sup> of September at 10.00 a.m.

**Hon. Members:** [*Desk thumping*]

**Madam Speaker:** Leader of the House.

### ADJOURNMENT

**The Minister of Housing and Urban Development (Hon. Camille Robinson-Regis):** Thank you very kindly, Madam Speaker. Madam Speaker, I beg to move that this House do adjourn to Friday the 30th of September at 10.00 a.m. Thank you very kindly.

**Madam Speaker:** Hon. Members, before putting the question on the adjournment, I am to advise that your budget packages are available for collection at the ground floor meeting room, located in the close proximity to the Members' entrance. In fact, there is a sign on the wall which I think no one can miss.

*Question put and agreed to.*

*House adjourned accordingly.*

*Adjourned at 5.35 p.m.*