

HOUSE OF REPRESENTATIVES

Monday, October 02, 2023

The House met at 1.30 p.m.

PRAYERS

[MADAM SPEAKER *in the Chair*]

**LEAVE OF ABSENCE**

Madam Speaker: Hon. Members, I have received communication from Mr. Rudranath Indarsingh, MP, Member for Couva South, who has requested leave of absence from today's sitting of the House. The leave which the Member seeks is granted.

PAPERS LAID

1. Annual Administrative Report of the Ministry of Social Development and Family Services for fiscal year 2021. [*The Minister of Housing and Urban Development (Hon. Camille Robinson-Regis)*]
2. Administrative Report of the Trinidad and Tobago Creative Industries Company Limited for the year ended September 30, 2017. (*Hon. C. Robinson-Regis*)
3. Administrative Report of the Youth Training and Employment Partnership Programme Limited for the fiscal year 2016/2017. [*The Minister of Education (Hon. Dr. Nyan Gadsby-Dolly)*]
4. Public Procurement and Disposal of Public Property (Exemption) (Financing Services) Order, 2023. [*The Minister of Finance (Hon. Colm Imbert)*]
5. Report of the Auditor General of the Republic of Trinidad and Tobago on the Financial Statements of the Point Fortin Civic Centre for the year ended September 30, 2010. [*Hon. C. Imbert*]

UNREVISED

6. Report of the Auditor General of the Republic of Trinidad and Tobago on the Financial Statements of the Point Fortin Civic Centre for the year ended September 30, 2011. [*Hon. C. Imbert*]
7. Third Report of the Auditor General of the Republic of Trinidad and Tobago on the Financial Statements of the Point Fortin Borough Corporation for the year ended September 30, 2000. [*Hon. C. Imbert*]
8. Report of the Auditor General of the Republic of Trinidad and Tobago on the Financial Statements of the National Academy for the Performing Arts for the period June 30, 2022 to September 30, 2022. [*Hon. C. Imbert*]
9. Report of the Auditor General of the Republic of Trinidad and Tobago on the Financial Statements of the Southern Academy for the Performing Arts for the period June 30, 2022 to September 30, 2022. [*Hon. C. Imbert*]
10. Report of the Auditor General of the Republic of Trinidad and Tobago on the Financial Statements of the Criminal Injuries Compensation Board for the year ended September 30, 2009. [*Hon. C. Imbert*]
11. Report of the Auditor General of the Republic of Trinidad and Tobago on the Financial Statements of the Public Transport Service Corporation for the year ended September 30, 2019. [*Hon. C. Imbert*]

Papers 5 to 11 to be referred to the Public Accounts Committee.

12. Administrative Report of the National Enterprises Limited for the eighteen-month period of March 31, 2021 to September 30, 2022. [*Hon. C. Imbert*]
13. Annual Administrative Report of the Ministry of Finance for the fiscal year 2020/2021. [*Hon. C. Imbert*]
14. Draft Estimates of Expenditure for the financial year 2024. [*Hon. C. Imbert*]
15. Draft Estimates – Details of Estimates of Recurrent Expenditure for the financial year 2024. [*Hon. C. Imbert*]

16. Draft Estimates of Revenue and Expenditure of the Statutory Boards and Similar Bodies and of the Tobago House of Assembly for the financial year 2024. [*Hon. C. Imbert*]
17. Draft Estimates of Development Programme for the financial year 2024. [*Hon. C. Imbert*]
18. Draft Estimates of Revenue for the financial year 2024. [*Hon. C. Imbert*]
19. Social Sector Investment Programme 2024. [*Hon. C. Imbert*]
20. Public Sector Investment Programme – Trinidad 2024. [*Hon. C. Imbert*]
21. Public Sector Investment Programme – Tobago 2024. [*Hon. C. Imbert*]
22. State Enterprises Investment Programme 2024. [*Hon. C. Imbert*]
23. Review of the Economy 2023. [*Hon. C. Imbert*]

APPROPRIATION (FINANCIAL YEAR 2024) BILL, 2023

Bill to provide for the service of Trinidad and Tobago for the financial year ending on the 30th day of September, 2024, [*Minister of Finance*]; read the first time.

Madam Speaker: Minister of Finance.

The Minister of Finance (Hon. Colm Imbert): 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 30th day of September, 2024, be read a second time.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Madam Speaker, I wish to present to this honourable House the budget statement for the financial year 2024. However, it is only fitting that before starting I thank the hon. Dr. Keith Rowley, our Prime Minister, and leader of this PNM administration, for his support and understanding over these past eight years.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Indeed, I have had the pleasure and privilege to manage the fiscal affairs of this country as Minister of Finance since this administration assumed office in September 2015.

Madam Speaker, it needs to be repeated that eight years ago in 2015 when we were elected to Government, our economy was confronted with exceptional and challenging difficulties because of a collapse of oil and gas prices that started in 2014, coupled with declining oil and gas production and an unhelpful petroleum tax regime. Our detractors do not wish to acknowledge these truths and would prefer that we pretend it was not so but this is the stark reality we faced. Between 2014 and 2016, the price of oil dropped by 75 per cent from US \$100 per barrel to US \$25 per barrel. That is what we had to deal with. This price collapse on the petroleum tax regime changes, which favoured accelerated capital expenditure write-offs, drastically impacted our economic and financial situation and severely affected economic growth and our fiscal accounts. We lost \$20 billion in annual revenue in just one year with annual government revenue dropping from \$57 billion to \$37 billion.

To address this tough economic challenge, we acted decisively with a well-focused and targeted fiscal consolidation and medium-term framework which brought expenditure within reasonable levels, revived the economy, reignited economic growth, improved market conditions, narrowed the fiscal deficit and strengthened the balance of payments. By 2019, Madam Speaker, the economic and financial conditions for anchoring economic growth had been created and positive results were emerging. The economy had emerged from contraction and had begun to grow.

However, none of us could foresee the worldwide catastrophe which derailed our hard-won economic gains as COVID-19 engulfed the global economy

in early 2020. Then, as Trinidad and Tobago, along with the global economy, re-emerged from the pandemic, we were confronted by a second global headwind, the Russian invasion of Ukraine in February 2022, which generated higher inflation and caused shipping costs and the prices of essential imported food and other basic items to skyrocket. As we go forward, the outcome of the Russia-Ukraine war remains uncertain, but notwithstanding, the global economy appears poised for a slow but gradual recovery from the lingering effects of the pandemic and the war.

However, while positive indicators are emerging, many factors mitigate against these and render the global recovery fragile and highly uncertain. Oil, gas and petrochemical prices remain extremely volatile while climate change and the move towards the use of renewable energy and away from fossil fuels are gaining more and more importance. Maintaining and increasing our oil and gas production also remain very challenging due to the 100-year maturity of our oil and gas basin. Therefore, as a priority, we must continue to build and develop our non-energy sector while strengthening and preserving our ageing energy sector.

This is the global landscape against which I am delivering my ninth budget statement seeking to consolidate previous gains and build on the current momentum to continue taking the economy forward. One thing for sure, Madam Speaker, which all of our citizens need to understand, is that Trinidad and Tobago cannot operate isolated, independent, and unaffected by the conditions of the international marketplace. We are a trading nation and will constantly be buffeted by global storms. Accordingly, my theme for this year's Budget Statement is Building for Capacity for Diversification and Growth within a World of Challenges.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Looking again at the global economy, Madam Speaker, the

confluence of factors currently clouding the global outlook, the legacy effects of the COVID-19 pandemic, the lingering Ukraine-Russia war and its latest perilous phase, persistently high inflation, aggressive interest rate increases from the tightening of monetary policy, and the ever-worsening impact of climate change must be carefully considered going forward, even though signs of global recovery are emerging.

The emerging view is that while global uncertainty remains, risks have become better balanced. China is rebounding, supply chain disruptions are unwinding, and dislocations to energy and food markets caused by the Russia-Ukraine war are receding. Simultaneously, the tightening of monetary policy by most central banks is beginning to bear fruit with inflation moving downwards to previously established targets.

Madam Speaker, the July 2023 World Economic Outlook update has forecast that global growth will be approximately 3 per cent in 2023 and 2024. Although more slowly than initially anticipated, global inflation is expected to decrease from 8.7 per cent in 2022 to 6.8 per cent in 2023 and 5.2 per cent in 2024. While these metrics give us space to take advantage of this window of opportunity to power our economy forward, we must appreciate that in driving our economic and reform agenda that global turbulence is building below the surface. We will take steps to address and mitigate the impact of these threats on our domestic economy to ensure that our economy sustains its recovery at all cost. At the same time, we will encourage and foster diversification and achieve strong, sustainable and inclusive growth over the medium term.

Turning now to the domestic economy. Our well-designed rolling medium-term economic and reform programme introduced at the beginning of our period in office has been instrumental in navigating the multiple crises and shocks that have

impacted our economy negatively. We have navigated successfully the 2014 to 2016 negative energy shock with the associated pressures on the balance of payments on fiscal accounts followed by a prolonged period of depressed oil and gas prices, the lockdown of production units and businesses and restrictive public health and social measures during the COVID-19 pandemic, March 2020 to April 2022, and the Russia-Ukraine war which began in February 2022 putting upward pressure on global inflations.

And rising global interest rates since mid-2022, triggering repricing across asset classes including equities and generating sizable losses in the value of equity and bond from portfolios.

1:45 p.m.

Madam Speaker, I am pleased to confirm that economic activity rebounded in Trinidad and Tobago in 2022 under the influence of favourable terms of trade.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: After contracting by 1 per cent in 2021, which was 8 per cent better than the situation in 2020, the COVID-19 onset year, our domestic economy grew by 1.5 per cent in 2022. Further, growth continued in the first quarter of 2023 at a rate of 3 per cent, significantly, and from a diversification perspective, economic growth was driven by a buoyant non-energy sector which expanded by 5.8 per cent in 2022. However, because of supply chain difficulties, after the onset of COVID-19, inflation began to increase in 2021 and 2022, reaching over 8 per cent at the end of December 2022. These inflationary conditions were driven mainly by considerable increases in the cost of imported food, essential items, raw materials, shipping and energy prices, which are passed through to domestic prices. The unusually intensive flooding in 2021 and '22 also added to inflation, yet, as 2023 unfolded, our monetary policy, particularly our decisions to maintain and not

increase interest rates and to support our exchange rate, created the conditions for a consistent decline in inflation which fell to 4 per cent in August 2023.

Madam Speaker, our fiscal consolidation process has begun to reap dividends. After a record deficit of 9.1 per cent of GDP in 2020 financial year during COVID-19, we generated a budgetary surplus of 0.6 per cent of GDP in financial year 2022, and we are estimating an overall deficit of less than 1.8 per cent of GDP in financial year 2023, well within the international benchmark for a fiscal deficit of 3 per cent of GDP. Our external fiscal buffers remain healthy and strong. In 2022, they amounted to US \$16.3 billion, comprising gross official reserves of US \$6.8 billion, or 8.6 months of import cover, commercial banks external reserves of US \$4.3 billion, and the Heritage and Stabilisation Fund with just under US \$5.2 billion under management at that time. The Heritage and Stabilisation Fund is now back up to US \$5.5 billion.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Our external fiscal buffers thus represented 52 per cent of our GDP in 2022, and remain at 53 per cent of GDP in 2023, an adequate level to beat any emergency event which might arrive.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Additionally, Madam Speaker, domestic financial conditions remain accommodative despite increasing foreign interest rates. The financial system is sound with adequate and appropriate capital, liquidity and profitability levels. Moreover, our sovereign credit worthiness has improved with sovereign interest rates spreads over US treasuries, much lower than most of our regional peers in Latin America and the Caribbean. Our focus on medium-term macroeconomic adjustment has contained our public debt which declined from 79.5 per cent of GDP in 2021, to 66.6 per cent of GDP in 2022, and remained at

about that level in the first half of 2023, reaching 70.9 per cent at the end of 2023. We are therefore confident, that we can maintain debt at our soft target level, that is, less than 75 per cent of GDP in the medium term, well below many of our peers in the region.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: As in the past eight years, we will maintain fiscal discipline in 2024, rebuild fiscal buffers and advance structural reforms to diversify the economy in preparation for the expected global energy transition. Madam Speaker, we have kept our medium-term economic framework under consistent analysis and review, and it will continue to anchor our planning efforts, and reinforce fiscal and debt sustainability. Our fiscal policies and measures are thus shielding the budget from energy revenue volatility, and providing early warning signals relating to fiscal and debt sustainability. However, we are cognizant that we are significantly below the highest production level of 4.2 billion cubic feet per day in natural gas, utilized by our petrochemical plants and LNG facility, at capacity levels in the past.

At current production levels, averaging 2.7 billion cubic feet per day, our processing plants have spare capacity of 1.5 additional billion cubic feet per day. We have therefore taken decisive action in support of our energy production capacity to increase our oil and gas production. Rystad Energy, an independent research and business intelligence company, forecast that if key offshore projects advance, gas production could rebound to 4 billion cubic feet per day by 2030. In the interim, gas production will stabilize at approximately 2.6 billion cubic feet in 2024, and 2.5 billion cubic feet in 2025. Madam Speaker, our energy sector will remain our primary growth engine in the near to medium term. With the economic recovery taking root in 2022, our growth rate in 2023 is now estimated at 2.7 per

cent, with broadly similar growth rates in 2024 and 2025.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Let me repeat that: With the economic recovery taking root in 2022, our growth rate in 2023 is now estimated at 2.7 per cent. Significant economic growth is now being driven in a much more balanced manner by the energy and non-energy sectors. While the energy sector contracted by 0.3 per cent in 2022, and may contract by a further 0.6 per cent in 2023 with a rebound in 2024 and 2025, with estimated growth rates of 2.4, and 2.7 per cent, the non-energy sector expanded by a significant 5.8 per cent in 2022, and a further three per cent in 2023. The non-energy sector is also projected to grow by 2.6 per cent in 2024 and 2 per cent in 2025. Additionally, inflation is now again on the decline. After several years of historically low levels, reaching as low as 1 per cent in 2019, the worldwide effects of COVID-19 caused inflation in Trinidad and Tobago to peak at 8.7 per cent in December '22.

However, this was still below the 16.9 per cent average inflation experienced in other Caribbean countries. Our inflation in 2022 was in fact half the rate in the rest of the Caribbean. Significantly, our annualized rate of inflation which was 5.8 per cent in 2022, is now projected to be 5.1 per cent in 2023, and 3.4 per cent in 2024, and 2025. Madam Speaker, our firm commitment to fiscal prudence and consolidation is now paying rich dividends despite the multiple shocks and challenges in the global economy, and their associated negative impacts on us. Fiscal sustainability is being reinforced as our fiscal situation has been improving. For the first time in more than 10 years, we recorded a fiscal surplus in 2022, 0.6 per cent of GDP. We also expect that our fiscal outturn will remain within a range of 3 per cent of GDP, the international benchmark over the period 2023 to 2025, as we closely manage our energy revenues while staying keenly focused on

improving public spending efficiency, preserving support for the most vulnerable, and protecting essential capital spending.

1.55 p.m.

We firmly believe that capital expenditure must be maintained and expanded. Madam Speaker, I have not even given the fiscal measures and they are grumbling. Could you speak to them, please, Madam Speaker?

Madam Speaker: Okay, so Members, I know we are now back, so I ask everyone to just observe the Standing Orders and let us await the measures that we all anticipate. Proceed.

Hon. C. Imbert: “Dey ain’t hear ting yet”. We firmly believe that capital expenditure must be maintained and expanded as this creates jobs and stimulates economic activity, thus fostering economic growth. Capital spending will therefore be a priority for the Government going forward, and we have once again allocated \$6.2 billion for our *Public Sector Investment Programme* in 2024. Details of our 2024 *Public Sector Investment Programme* are contained in the 2024 PSIP document, which I will lay on the table today. Actually, I have already laid it. This \$6.2 billion programme will be distributed among 1,232 programmes and projects; \$3.2 billion will go to the Consolidated Fund and \$3 billion to the Infrastructure Development Fund.

Madam Speaker, in summary, we are heartened by the projected growth in real GDP per capita income which, in 2022, recorded US \$16,500 and is projected to grow to US \$18,400 in 2025. Our nominal GDP per capita has also been increasing, recording US \$20,000 for the last two years, an increase of almost 20 per cent since 2019. Our nominal GDP per capita is one of the highest by far in the Caribbean; indeed, as much as three times other countries in the region.

Madam Speaker, we have also just received good news on the employment

front. I know you “doh” like good news. According to the latest available quarterly labour force and employment data from the Central Statistical Office, the unemployment rate declined to 3.7 per cent over the period April to June 2023, from 4.9 per cent in January to March 2023. This rate is one of the lowest unemployment rates ever achieved in Trinidad and Tobago and augers very well for the future.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Labour force participation expanded to 609,800 persons in June 2023, with an additional 14,600 persons employed, moving upwards from 595,200 persons in March 2023. Labour force participation increased accordingly to 56.2 per cent, from 55.2 per cent.

Madam Speaker, our external position will remain strong over the medium term 2023 to 2025. A positive current account balance, which reads 17.9 per cent of GDP in 2022, in the context of the energy windfall, is expected to remain at about 6.6 per cent of GDP over the medium term, far better than most countries in the LATAM region. Our import cover remains adequate at eight months, well above the international benchmark of three months.

Some of the critical sectors that will receive significant funding for capital expenditure are as follows: agriculture; crime and security; education and the youth; transportation; roads and bridges; drainage; digital transformation of our economy; sports and community development; health care; housing and shelter; trade and investment, among others.

Madam Speaker, despite the constant barrage of negativity from the critics, we consider our economic management since 2015 extremely commendable, as does the international financial community.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: This fact was demonstrated as recently as a few weeks ago, when we successfully refinanced a US \$550 million bond on the international capital market at an interest rate spread of just 1.46 per cent above current US Treasury seven-year Notes, or 5.95 per cent over seven years, with an oversubscription of three times the required amount. This was a far superior outcome to previous international financial transactions within the last 10 years, where our interest rate spread was between 2 and 3 per cent above US Treasury Note rates. For this successful transaction, I wish to offer my sincere congratulations to the officials of the Ministry of Finance, our lead managers, JP Morgan and Scotiabank as well as our expert international financial advisors, Lazard, for their excellent work, which resulted in the successful execution of this bond.

In contrast, Madam Speaker, other countries in the Latin American and Caribbean region that have gone to the market recently have been forced to raise financing at rates above 11 per cent. We raised it below 6 per cent. Notably, we achieved an interest rate of 5.95 per cent on our international bond when the current interest rate yield on four-month US Treasury Notes, still the best investment in the world, is 5.61 per cent and seven-year Treasury Notes currently trade at 4.61 per cent.

So while our detractors at home have sought to deny how the rest of the world views Trinidad and Tobago under this Government, there is no avoiding the reality that through prudent management we have been able to withstand successfully the consistent and multiple adverse external shocks over the last decade. In 2023, as was the case in 2016 and 2020, when we also launched successful bond issues on the international capital market, we are viewed by the global financial community as a safe investment haven.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Madam Speaker, our external position will remain strong over the medium term 2023 to 2025. A positive current account balance, which reads 17.9 per cent in 2022, is expected to remain at about 6 per cent of GDP over the medium term. We have overcome substantial downside risks over the last eight years. And I am indeed optimistic about our medium-term prospects, including upcoming new energy projects.

The recent decision of S&P Global to revise our investment credit-rating outlook from negative to stable has bolstered our access to international markets. Our sovereign spreads over US Treasury rates are now well below most countries in Latin America and the Caribbean. Our internal analytical and economic assessment aligns with those proffered by S&P Global and Moody's Investors Service; two major credit rating agencies in their latest outlook for the country. Indeed, S&P Global has revised our investment credit rating outlook, while Moody's Investors has moved our outlook upwards from stable to positive.

CariCRIS, a regional rating agency, has also maintained our high creditworthiness rating. These improved ratings are welcomed developments.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: They acknowledge the positive outcome of the country's efforts through the several different shocks that have taken place over recent years, such as the oil and price gas shocks, the severe adverse effects of the COVID-19 pandemic, the Russia-Ukraine war.

Specifically, Madam Speaker, in July 2023, Moody's Investors Service was clear and precise in affirming our sovereign rating, while moving our outlook upwards from stable to positive. Moody's pointed out that the positive outlook reflects improved prospects that our fiscal consolidation momentum, triggered by

the energy price windfall gains, will be more sustained than projected in its baseline scenario. After several years of contraction, a return to economic expansion would also enhance economic resiliency and continue diversification in the non-energy sector. In the view of Moody's, the government's—this Government—adopted structural, fiscal and economic reforms are reflected in an improving institutional and governance strength.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Madam Speaker, following this positive credit rating by Moody's Investors Service, also in July 2023, S&P Global affirmed our investment grade credit rating with a stable outlook. I wish to emphasize that S&P Global's affirmation of our credit rating is a positive development. Our country is one of the few investment grade destinations within the Latin American and Caribbean region at this time.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Madam Speaker, we are the only investment grade country in the Caribbean with an improving economic outlook.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: These affirmative actions are explicit acknowledgments by well-respected private international agencies of our policy effectiveness as we persist in implementing difficult but necessary long-term reforms. I am assured that adherence to the established goals in our medium-term economic framework would further strengthen our credit profile and improve our credit standing. We now have a clear direction ahead and we have defined goals.

I turn now to institutional quality. Madam Speaker, pursuing high-quality development is first and foremost a requirement to build a modern economy. It is the only way to attain better results for ourselves. We will create a new growth

impetus through institutional enhancements and policy innovations.

Looking now at the Heritage and Stabilisation Fund. In 2022, the sovereign wealth fund industry experienced severe declines in valuations arising out of the turbulence in the global money and capital markets. In the face of the Ukraine-Russia war, and the increases in the already rising inflation and interest rates, the values of bonds and equities were impacted simultaneously, with the majority of declines in values generating paper losses, given the role of the sovereign wealth funds as long-term investors. Our sovereign wealth fund, the Heritage and Stabilisation Fund, had a similar experience. Still, due to timely action and well-conceptualized investment policy approaches, the Heritage and Stabilisation Fund was able to contain and reverse decline in the value of its portfolio.

Our Heritage and Stabilisation Fund was established in 2007 to preserve wealth for the benefit of multiple generations and to provide for fiscal stabilization. The mandate was subsequently expanded in the face of COVID-19 to include fiscal contingency purposes, for example, expenditure related to preserving lives and livelihoods, emanating from a global health emergency. By any standards, the performance of the Heritage and Stabilisation Fund has been commendable. This assessment is being made in the context of the 2022 capital market turbulences which saw considerable declines in the value of sovereign wealth funds worldwide, stemming from surges in inflation and interest rates.

In December 2016, Heritage and Stabilisation Fund recorded a net asset value of US \$5.55 billion. Seven years later, in September 2023, the value of the fund was US \$5.50 billion, after reaching US \$5.6 billion at the end of July 2023, because of the strength of the equity market in that month. Our fund has achieved this resilience, while other sovereign wealth funds lost up to 20 per cent of their value.

It needs to be established that in seven years since 2016, the net asset value of the Heritage and Stabilisation Fund has remained in the vicinity of US \$5.5 billion, virtually the same level as in 2016. However, withdrawals over the last seven years for fiscal contingency have amounted to US \$1.9 billion, for financial support of the population during the COVID-19 pandemic and fiscal stabilization during periods of extreme petroleum revenue decline.

On the other hand, US \$346 million has been deposited, for the benefit of future generations by this Government, into the fund, arising from the 2022 oil revenue windfalls, Madam Speaker; over TT \$2 billion. Despite loose and unfounded old talk from the other side, under this Government, our Heritage and Stabilisation Fund maintains its value despite withdrawals to deal with unforeseen economic shocks.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: I am therefore confident that the Heritage and Stabilisation Fund would continue its good performance under astute and careful management, and continue to meet the purposes for which it was established.

2.10 p.m.

The Revenue Authority: Madam Speaker, the Trinidad and Tobago Revenue Authority was conceptualized at the turn of the 21st Century, two decades ago, as a strategic institution in our thrust to modernize our economy. It was envisaged that this new institution as it had done in other jurisdictions would maximize tax revenue collection. It was intended to combine two divisions of the Ministry of Finance, the Inland Revenue and the Customs and Excise Divisions to create the Trinidad and Tobago Revenue Authority, and to insert strong management and technical structures into this new institution to achieve its mandate.

It is unfortunate that because of ill-advised and shortsighted opposition from those opposite, including persistent attacks in the law courts—

Mr. Hosein: Madam Speaker. Madam Speaker, I am loath to have to object here on Standing Order 49. This is a matter of sub judice. This matter is before the courts challenging the constitutionality of the TTRA.

Dr. Moonilal: Good point. Good point.

Hon. Members: [*Desk thumping*]

Madam Speaker: I overrule, please continue.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Thank you very much, Madam Speaker. Madam Speaker, that actually proves the point I was making. It is unfortunate that because of ill-advised and short-sighted opposition from those opposite—

Hon. Members: [*Desk thumping*]

Hon. C. Imbert:—including persistent attacks in the law courts, all of which have been faced and defended successfully thus far—

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: —it is only recently on December 21, 2021, the Trinidad and Tobago Revenue Authority Act 2021 became partially operational enabling the Authority to function according to its mandate, but leaving enforcements subject to rules and procedures of the Public Service Commission.

In March 2022, the legislation was partially proclaimed, allowing for appointing the board of management and staff recruitment. Subsequently, in June '22 we selected the first board of management comprising distinguished professionals. In December '22 in accordance with the requirements of the legislation the board submitted its first three-year strategic plan for 2023 to 2025, including a three-year road map and a detailed operational plan for year one. A

timely resolution of the present legal challenges, which we look forward to by the end of this year, will set in motion the final stage for the operationalization of the Authority.

Madam Speaker, we anticipate a smooth merger for the Inland Revenue and Customs and Excise Divisions. We are heartened that the board is at an advanced stage of finalizing the executive and senior management staff recruitment. With a much—

Hon. Members: [*Inaudible*]

Hon. C. Imbert: Madam Speaker, I am being disturbed.

Madam Speaker: Minister of Finance, I am sure you could proceed through that disturbance. Please continue.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Madam Speaker, it is unfortunate. That is what happens when you get defeated in the courts twice.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: With a much more policy-oriented body, the focus will now be on maximizing revenue mobilization. In anticipation of the commencement of the Revenue Authority, we are updating with the assistance of the IMF, a tax administration diagnostic assessment of the state of revenue collection.

We envisage that the TTRA will significantly reduce the current estimated tax gap of up to \$10 billion. Let me repeat that, we envisage that the TTRA will significantly reduce the current estimated tax gap of up to \$10 billion. Let me repeat that: we envisage that the TTRA will significantly reduce the current estimated tax gap of up to \$10 billion. The tax gap being the difference between the estimated tax liability in any given period and the amount of tax paid on time.

On that note, it is astonishing that the other side, the purported alternative

government in its irrational and relentless opposition to the TTRA, would want the current situation of billion-dollar revenue leakage and tax evasion to continue, when it is only fair and just that everyone pays their fair share of taxes so that our country's comprehensive suite of free or subsidized social services, including free healthcare, free education, subsidized utility rates, subsidized public transportation, and numerous social grants, among many other benefits can be maintained.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Turn now to Procurement. Madam Speaker, successive PNM administrations had always imposed strict government procedures on the processes for acquiring public goods and services to accomplish specified public purposes. Indeed, from 1961 all procurement by Government Ministries and departments fell under the administrative and regulatory framework of the Central Tenders Board Ordinance, which specified procurement limits being assigned to the accounting officers in various Ministries and departments for procuring goods and services.

Under the enactment of the Public Procurement and Disposal of Public Property Act, 2015, as amended, the acquisition of property and services fell under the tendering procedures, until the enactment as established in the Central Tenders Board Ordinance, as well as other tender rules prescribed in State agencies using public funds, including State-owned enterprises and statutory authorities. By 2015, accounting officers within Ministries and departments had their limits increased with the flexibility to award contracts of up to \$1 million, offering more flexibility than the exacting procedures of the Central Tenders Board.

The new framework as delineated in the Public Procurement and Disposal of Public Property Act, as amended, continues the modernization process for procuring property and services using public money. Essentially, the multifaceted, varied, and different procurement procedures used in the state sector have been

brought to an end, and the oversight and monitoring of the procurement of property and services using public money has become the responsibility of the Office of Procurement Regulation, under the management and administration of a procurement regulator.

This legislative structure with an associated regulatory framework applying objective standards evenly across all stages and actors in the process, serves to improve governance, and in the process achieve value for money, transparency, and accountability. This new and modern framework came into operation on April 21, 2023. However, the intricacies of the legislation require detailed examination and monitoring in implementation. The procedural framework for initiating prequalification and preselection of all suppliers and contractors wishing to do business with public bodies has been put in place. However, it is still a work in progress, as procedures are being fine-tuned and anomalies resolved. At the same time, the Office of Procurement Regulation continues to facilitate the population of the Procurement Depository, a database of prequalified contractors and suppliers who can submit information concerning their qualifications and experience.

With this new system, public bodies now have the legal capacity to enter into a procurement contract with prequalified suppliers and contractors who have been deemed properly registered in light of their qualifications and experience without reference to the Central Tenders Board.

Madam Speaker, the compilation of the Procurement Depository has been challenging despite the efforts of the Office of Procurement Regulation and various other bodies. I wish to point out that the central Government is the country's largest spender on goods and services, with the majority of those goods and services being provided by small and micro enterprises. Effectiveness and efficiency in implementation require that the procurement depository cover the

bulk of contractors and suppliers of services to ensure equity in competitive processes.

However, Madam Speaker, I am concerned that small and micro enterprises are failing to prequalify as contractors and suppliers in light of the requirement to follow the demanding procedures in the legislation. Implementing this complex legislation has created several unforeseen circumstances that could not be addressed under the previous regulatory regime. The practical reality is that putting the Public Procurement and Disposal of Public Property Act into operation, for the first time has highlighted several gaps, loopholes, and teething issues. A considerable amount of learning and knowledge sharing is taking place in a short space of time to address the unforeseen deficiencies quickly.

These considerations led us to amend on July 26, 2023, the public procurement and disposal of public property legislation. Given the various improvements through the various amendments one shudders to think about the difficult situation that would have occurred had we not made painstaking efforts to improve it to where it is now. Through amending the legislation, we strengthened the procedural framework for procuring goods and services to be used by public bodies.

First of all, out of an abundance of caution we had to validate retroactively two Exemption Orders made by way of Legal Notices, which modified the methods by which Orders and regulations were made under the legislation. First, for the procurement of goods and services concerning the operations of the Judiciary for three months from May 29, 2023, and secondly, for the provision of services for events associated with visits from foreign heads of State, foreign heads of Government, or foreign dignitaries to the Government of Trinidad and Tobago for three months from June 29, 2023.

Madam Speaker, the Minister of Finance no longer has the authority to determine the scope and extent of exemptions or amendments to the procurement regulations. That authority now resides with the Office of Procurement Regulation. Indeed, the Procurement Regulator now has control of the process for exemptions and amendments which are now to be on the recommendation of the Office of Procurement Regulation, or upon the initiative of the Minister with the agreement of the Office of Procurement Regulation.

With the introduction of the Regulator into the process as a safeguard, Exemption Orders will now be subject to negative resolution by Parliament, thus saving precious parliamentary time making the amendment process far more efficient. In this context, I am pleased to announce that I have completed the drafting of regulations for award of contracts for goods and services up to a value of \$1 million, and have sent them to the Procurement Regulator for her review and comment with a view to implementation at the earliest opportunity.

Madam Speaker, our public bodies are now taking steps to ensure that critical public procurement and disposal stakeholders clearly understand the key elements of compliance with the legislation. They are ensuring that appropriate systems are implemented to support efficient management and execution of procurement retention and disposal activities, bearing in mind the recognition that the procurement and disposal function will entail a learning process.

Notwithstanding this, I expect over time in the ordinary course of events issues of interpretation will arise, which we will treat with proactively since we see the new procurement regime as a dynamic and evolving process rather than a static one.

Further, Madam Speaker, to avoid duplication of effort, we are procuring an appropriate e-procurement solution for the whole of Government. This platform

will provide for the seamless integration of e-procurement solution within all bodies including training, business process realignment, and establishment of operational governance structure. The solution represents an essential adjunct in our public service modernization programme. We are creating a more agile, client-focused, proactive, and result-oriented public service.

However, I wish to make it clear that whenever necessary, we will introduce in Parliament for debate appropriate improvement amendments to the procurement legislation as unforeseen difficulties arise to ensure that the country's development programme is not unduly impeded.

I move now to Property Tax. Madam Speaker, we have always ensured that our non-energy tax structure meets international best practice. To that end, we have consistently reformed our income corporate tax structures and value added taxes. Our efforts are aimed at strengthening our domestic tax base and improving domestic resource mobilization to meet our current and developmental needs. Our new addition, the property tax, which has replaced land and building taxes, suspended in 2010, and now fully repealed, will continue the tax modernization process. We will now have a core mix of domestic taxes appropriate to the demands of our country.

In this context, I wish to advise that the collection of property taxes will be effective in the financial year 2024.

Hon. Members: [*Desk thumping*]

2.25 p.m.

Upon proclamation and operationalization of the relevant sections of the local government legislation, residential taxes will be collected by the two cities, five boroughs and seven corporations to benefit our citizens within the 14 municipalities. Madam Speaker, we are at an advanced stage of operationalizing

the property tax regime and bringing Trinidad and Tobago into the modern era. Our Valuation Division, with enhanced resources, has already crossed the 50 per cent threshold of residential properties required to give effect to the population and the Valuation Roll. Therefore, I am confirming today that in accordance with the law, I have received the residential property Valuation Roll for Trinidad and Tobago. This Valuation Roll will now be sent to the Inland Revenue Division, which will set in motion the procedural framework for collecting residential property taxes in the first instance.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: This will provide local government bodies with a new and sustainable revenue stream to be used for procuring goods and services and/or their development programmes and not for personnel expenditure. Legislative amendments will be made in due course to ensure that this money is not used for the wrong purpose. In this regard, since this is a new paradigm and the collection of property tax will take some time to ramp up, I have created a new sub-Item for the proceeds of property tax in the goods and services line Item in the allocations for municipal corporations and allocated additional appropriate sums of money for each of the 14 municipal corporations in the first instance depending on their population size, ranging from \$8 million to \$12 million. These sums will be suitably increased during the mid-year review if the collection rate of property taxes exceeds expectations.

Madam Speaker, it must be emphasized that property taxes are easily calculated, but subject to extensive narratives of knowingly false claims, misinformation, and disinformation. In making false representations about the property tax levels that most citizens will be required to pay, our opponents consistently and deliberately confuse capital values with rental values to make

property taxes appear onerous. Let me make it demonstrably clear, the base for calculating property taxes is the annual rental values of relevant properties. For example, in the first step, the Valuation Division has established and continues to establish annual rental values for a national property portfolio which comprises 600,000 properties, of which 400,000 are residential, 49,000 are commercial, 3,000 are industrial and 148,000 are agriculture.

Madam Speaker, in the second step, the Board of Inland Revenue will calculate the property taxes based on the annual rental values discounted by 10 per cent, with an application of 3 per cent of the discounted annual rental values. For example, with an annual rental value of \$24,000, the property tax will be \$54 per month. Let me repeat that. With an annual rental value of \$24,000, the property tax will be \$54 per month being \$24,000 minus \$2,400, which will equal \$21,600 multiplied by 3 per cent. This simple calculation will generate a tax of \$648 per annum or \$54 per month.

Based on the progress in the compilation of the Valuation Roll, I expect that at least 50 per cent of all residential properties, and quite likely more than 50 per cent, will pay property taxes somewhere between \$540 and \$1,080 annually. Moreover, for the lowest possible value which would be placed on a residence, \$18,000 or less, the property tax would be approximately \$41 per month. On the other hand, if someone owns a property which could rent for \$3,000 a month, or \$36,000 per year, the property tax on that type of property will be \$81 per month or \$972 per year. For more significant and larger properties that rent for \$10,000 per month, the property tax would be \$3,000 per annum or \$250 per month, which is quite affordable for owners of properties in that higher range.

Further, Madam Speaker, despite these relatively low property taxes, we are still ensuring that the most vulnerable in our society are shielded from the

immediate impact of property taxes. If a citizen cannot pay the tax due to hardship, or if they are on old age pension, public assistance or disability grants, or they have minimal income, they can apply to the Board of Inland Revenue for deferral of property tax. The architecture of property tax on residential properties is thus now taking shape. It is hoped that this will now bring to an end the misinformation and fake narratives on property tax rates which are currently being promoted in the public domain since property owners and occupiers will soon begin to receive notices stating the amounts of property tax they are required to pay, which, when they see the actual rates for themselves, will bring the charade perpetrated by those opposite to an end.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Turn now to local government. Madam Speaker, local government reform has occupied the attention of successive PNM administrations for more than three decades. Central to this process has been our unwavering commitment to devolving authority from the central Government to the regional bodies. We always envisaged a certain level of autonomy and responsibility for local matters for those bodies. We saw appropriate disbursements for the services provided to the citizens under their remit as strengthening civic participation in community action, thereby enhancing the image and capability of the local government. On that score, the Prime Minister, Dr. the hon. Keith Rowley, who has led the charge in ensuring that this significant advancement is operationalized and attained now must be commended, and I do so now.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: The Miscellaneous Provisions (Local Government Reform) Act, 2022, was assented to on July 01, 2022. The legislation provides the legal and administrative infrastructure to accommodate our defined vision, the centrepiece of

which involves a managerial and technical infrastructure working for and on behalf of the people in our 14 local government bodies. The new legislation has created a more efficient, effective and purpose-driven system, the benefits of which far outweigh the concerns expressed in the public domain. Further, it is clear that given the long gestation period, and the many hands that contributed to the current milestone being reached, concerns such as insufficient consultations and lack of preparedness are red herrings now being created to oppose the local government reform process.

With property taxes and transfers from the central Government, municipal corporations with their new executive authority and responsibility would now be able to utilize this enhanced source of revenue for a broad range of public services. I am in no doubt that our citizens will benefit from improved services, including the efficient management of many areas of local concern, including maintenance of vacant lots, public health, insect control, rodent control, garbage collection, processing of building and development plans, paving, patching and repairing of local roads and footpaths, clearing and maintenance of local watercourses and drains, maintenance of parks, recreation grounds and public amenities and local environmental and waste disposal issues.

For a very long time, our citizens have been articulating the view that local government is a problem because it does not provide the required services. It is more recognized for complaints than for the efficient discharge of responsibilities. We believe that the more you build management structures, the more efficient sub-structures will become. With the new system, our citizens will see an improvement in the quality of their lives. We have witnessed the performance of such a local government environment in Tobago since the establishment of the Tobago House of Assembly in 1980.

I move now to the Trinidad and Tobago International Financial Centre. Madam Speaker, we have consistently modernized our financial sector given its essential role in economic development. We have always ensured that our financial system is anchored on a solid foundation, including a stable macroeconomic environment. We are encouraged by the continuing strength of our banking sector, as evidenced by adequate capital, appropriate liquidity buffers, low non-performing loans, and healthy profitable outcomes. We are now strengthening the Financial Institutions Act through a comprehensive review.

We are drafting the Independent Co-Operative Authority Act to establish a regulatory framework for co-operatives and credit unions and we are now completing the legislation for the collective investment schemes bylaws to provide a sound regulatory framework for the mutual fund industry. These pieces of legislation will complement the regulatory framework underpinning the financial institutions, including the foreign exchange market. They will address the economic and exchange concerns arising from high economic uncertainty and volatility in the market. However, I am concerned about the increasing demand for foreign exchange.

I am stabilizing and strengthening the foreign exchange market and I am doing so in a collaborative process among the Ministry of Finance, the Central Bank, the commercial banks, and the business community, among other stakeholders. We will set an agenda to determine the causes and effects of the increased demand for foreign exchange, design strategies to deal with the current challenges and establish the most appropriate policy for the allocation, management and distribution of foreign currency. We intend to move aggressively to develop strategies to increase the repatriation of foreign exchange earned overseas by local and foreign businesses operating in Trinidad and Tobago, as this

is key to an increased supply of foreign exchange. In particular, in 2024, we will create new arrangements for preferential access to foreign exchange for qualified small and medium enterprises, and in this regard I have already received very useful recommendations from the Chamber of Commerce, the commercial banks and the EximBank. I expect to be able to implement this new SME forex facility within the next six months, which should reduce the demand for sales of foreign exchange using credit cards.

Madam Speaker, we are now well poised to improve the functioning of our financial sector by increasing its digitalization. The Central Bank has been facilitating the use of electronic money by approving three entities to operate as e-money issuers under the E-Money Issuer Order of 2020, which came into effect in August of 2020. Registered provisionally as e-money issuers, PayWise Limited, Telecommunication Services of Trinidad and Tobago, and PESH Money Limited have now been officially registered with effect from September the 1st 2023, with more than 40 applicants in the pipeline for review by the Joint Regulatory Committee. I consider this development a positive indicator for our economy. As observed in other emerging markets, mobile money has the greatest potential to increase our financial inclusion levels while providing economic opportunities to promote Trinidad and Tobago as a fintech hub.

2.40 p.m.

In consultation with the Central Bank and based on its experience with supervising e-money issuers, as well as representation from industry participants, I have amended the E-Money Issuer Order, 2020, to facilitate further the conduct of e-money activity without incurring concomitant risk by removing limits on the size of transactions for individuals; increasing the wallet size and monthly transaction limits for individuals in the micro category; raising the monthly transaction limits

for businesses; and removing limits on monthly transactions and wallet sizes for large enterprises and the Government.

Madam Speaker, the Trinidad and Tobago International Financial Centre is driving other digitization initiatives in the financial services sector. It is acting as a resourceful ally for all stakeholders as the country pursues its goal of reducing the use of cash in our society and becoming a fintech-enabled financial services hub. On July 05, 2023, the Trinidad and Tobago International Financial Centre launched One FinTech Avenue platform. This initiative will now be the focal point for fintech activity in the region, offering a collaborative environment for all stakeholders to work, connect and collaborate on fintech-enabled projects through its solutions, policy, research and accelerator programmes.

One FinTech Avenue will also connect with other fintech nodes worldwide, encouraging domestic and international collaborations, working groups and initiatives. Ultimately, a clear fintech platform will be established locally. This platform will provide several programmes, solutions to help encourage investors, donors and partners interested in financing opportunities for emerging fintech; capacity-building to prepare applicants seeking to apply for licensing or seeking regulatory certainty for the use of technology; and research to collect data to benefit the centre to advance digital finance and financial inclusion.

This national financial technology platform will preserve our position as one of the Caribbean's largest and most diversified platforms. One FinTech Avenue's interconnection with the rest of the Caribbean will spawn a robust digital financial services eco-system, thereby facilitating the increasing use of digital payment technologies. Indeed, we have been expanding the digitization of government payments to reduce the use of cash. I am also encouraged by the collaborative arrangement among TSTT, the International Financial Centre and the Treasury

Division of the Ministry of Finance in facilitating and effecting electronic funds transfers relating to government payments. This collaboration has led to the development of an electronic cash book or e-cash book, enabling an automated process for bringing revenue to account in real time. This e-cash book is crucial in reporting receipts and payments via various electronic funds transfer modalities. I am pleased that the Ministry of Trade and Industry is using the e-cash book with the Single Electronic Window, and it will be used across all subsequent electronic funds transfer implementations within the Government.

Further, Madam Speaker, several Ministries and agencies are already using online payments through solutions developed in collaboration with the International Financial Centre and TSTT. In January 2023, the Housing Development Corporation, utilizing its ePayService, offered a solution to its clients to issue rent, lease-to-own, and mortgage payments. I am pleased that HDC clients can now complete transactions online in the safety and convenience of their homes using their debit and credit cards. And I wish to point out that HDC clients also have the option to issue payments through a payment service provider, PayWise, at any of its 112 agent locations.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: In March 2022, the Judiciary of Trinidad and Tobago developed electronic funds transfer instructions which use the platforms of payment service providers to provide alternative payment methods to the under-banked and unbanked.

Indeed, in 2021, 58,334 unpaid fines and fixed penalty case ticket records had resulted in uncollected funds of almost \$100 million now being resolved. In July 2023, the Ministry of Trade and Industry went live with its collector of revenue model using the Single Electronic Window to support online payment

transactions for the Ministry of Health, the Ministry of Works and Transport, the Ministry of National Security and the Ministry of Agriculture, Land and Fisheries. I am confident that this initiative will increase the use of online payment options, and it is envisaged that over 400,000 annual transactions will be processed.

In 2023, the Ministry of Works and Transport has been working with the International Financial Centre to launch a payment service allowing debit and credit card payments for fines and penalties. As of April 2021, unpaid fines stood at \$35 million. The Trinidad and Tobago International Financial Centre is assisting the Ministry of National Security to implement services at the Immigration Division to allow for the payment of student permits and e-visas with credit and debit cards. I am pleased with the early 2024 launch date for this initiative. At the same time, the Immigration Division has been facilitating the application for and renewal of passports through an easy online application system with an iGovTT eAppointment system, with passports delivered through TTPost within a three-week turnaround time, and there is an option for expedited processing within five days at an additional cost.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: We are also moving forward with digitizing or digitalizing government payments with two additional agencies, the Environmental Management Agency and the National Entrepreneurship Development Company Limited, NEDCO. The EMA with its online payments will be supporting entities involved in farming, poultry, timber cultivation and oil and gas offshoring, and NEDCO, with online payment functionality, will be serving as a model for the broader application of grant disbursements for essential services such as food cards and educational grants.

We are developing an online payment eco-system for collecting taxes as a

key component in our drive to create a digital economy. We have engaged the Development Bank of Latin America, CAF, to provide technical consultancy services to undertake the project. We anticipate that the project with comprehensive recommendations would be completed and implemented by March 2024. Madam Speaker, we are reasonably assured that with online payment facilities for cashless payments, our social agencies will be able to distribute services efficiently, safely and transparently. This eco-system of electronic payments would anchor the progress we have made towards building a digital economy. The August 2023 Financial Stability Report of the Central Bank reported that:

“In 2022...electronic payments...

...total volume and value...increased as the economy continued to emerge from the effects of the COVID-19 pandemic. This was evident in a rise in the volume and value of the Real Time Gross Settlement System...Automated Clearing House...and...”—cash—“...transactions.

...the volume and value of cash withdrawals...in 2022...increased...by...”—30 per cent for businesses and 26 per cent for consumers over 2021.

Data from 2018 to 2022 show that the value of cash withdrawals in 2022, both over-the-counter and through automated teller machines, surpassed all other years. Illustratively, the value of cash paid over the counter increased from \$24 billion in 2021 to \$27.4 billion in 2022, and automated teller machines withdrawals increased from \$27.7 billion in 2021 to \$37.7 billion in 2022, \$10 billion more. I dare say that cash therefore remains an important means of making payments. While I look forward to our relevant institutions taking the necessary steps to expand their digital solutions and reduce the use of cash in our society, we need to

move into a modernized financial landscape as soon as is practical.

Our digital agenda is seeking to expand the financial inclusion landscape. The statistics are illustrated, 72 per cent of businesses do not have a business bank account; 88 per cent of businesses do not accept digital payments, and 55 per cent of individuals do not now have the knowledge to use mobile or web online banking. This is an unacceptable situation in the modern era and we must fix this. To keep pace with the rest of the world we must make as many citizens and businesses as possible knowledgeable and comfortable with digital banking and digital payment solutions. Cash is still the dominant payment method for bills, purchases, et cetera, to correct this we are developing a national financial inclusion roadmap to alleviate the challenges and barriers currently faced by the financially excluded. This data has come from a recent survey done by the financial centre.

I move now to the Gambling Commission. Madam Speaker, our numerous attempts to regulate the casino industry in the past culminated on July 12, 2021, with the passage of the 2021 gambling legislation, the Gambling (Gaming and Betting) Control Act, 2021. This legislation is significant. It introduces a licensing regime for gaming and betting establishments. It creates a commission, the Gambling (Gaming and Betting) Control Commission and a new tax regime. It also establishes the Rehabilitation and Development Fund. Since its operationalization on July 12, 2021, the date of assent to the Act, the board of commissioners has been appointed and working assiduously to achieve its operational infrastructure. We are moving rapidly to the full proclamation of the Act in 2024 and the operationalization of the Gaming Control Commission. We envisage that domestic and foreign investment will be attracted into the industry and create decent work and good paying jobs in the process.

The Statistical Institute: Madam Speaker, a rolling medium-term economic

framework represents a centerpiece of our economic planning and budget formulation processes but to be effective, up-to-date macroeconomic and real sector data are necessary to allow us to make much more timely and accurate forecasts for faster decision-making. In this context, we have fully implemented the IMF's Enhanced General Data Dissemination System framework, allowing easy and timely access to published data. In February 2023, we rolled out a joint household budget survey and a survey of living conditions designed to obtain data on income and expenditure, along with other socio-economic variables. The data will determine the weights of items to be priced for the Index of Retail Prices and used to measure the annual inflation rate. The survey will also provide the necessary data for assessing poverty and inequality and for reviewing the standard means test used to standardize the eligibility criteria for access to our social safety net. I look forward to the completion of these surveys, actually in this month.

Madam Speaker, the National Statistical Institute of—Oh, September 2024, apologies. The survey will be completed in September 2024. Madam Speaker, the National Statistical Institute of Trinidad and Tobago legislation now in Parliament would modernize the framework for collecting data for official statistics. It will provide appropriate safeguards to ensure public trust and confidence in collecting and using data for official statistics. We have completed the final legislative review process for establishing this institute and intend to reintroduce the revised draft legislation into Parliament very soon.

The Trinidad and Tobago Mortgage Bank: Madam Speaker, the Trinidad and Tobago Mortgage Bank is now being structured as a merger between Trinidad and Tobago Mortgage Finance Company and the Home Mortgage Bank, bearing in mind that the National Insurance Board holds substantial shareholding interest in both institutions. We expect the required resolutions and amendments to the

Articles of Incorporation to effect the merger will soon be in place. I look forward to operationalizing the Trinidad and Tobago Mortgage Bank by December 31, 2023. This would improve the mortgage market and effect efficiencies in resource mobilization and allocations to benefit our low and middle-income citizens who wish to become homeowners.

The National Insurance Fund: Madam Speaker, just over 50 years ago a PNM administration established the National Insurance Board with a fund which now provides 23 benefits, including monthly pensions to eligible citizens.

2.55 p.m.

It is indeed a truism that every single innovative public service benefit, system or facility in Trinidad and Tobago has been created by the PNM—

Hon. Members: [*Desk thumping*]

Hon. C. Imbert:—from the National Insurance System and free tertiary education in the 1970s to the Chronic Disease Assistance Programme, CDAP, and the Government Assistance for Tuition Expenses, GATE, in the 21st Century, all created by the People's National Movement.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Over time, the National Insurance Fund has become a significant financial institution in the economic landscape, holding more than \$30 billion in assets and becoming our third largest financial institution. We have always ensured that the fund remained sustainable with an appropriate actuarial balance between benefits spending and contributions revenue, and despite current challenges, we will continue to do so.

Since 2013, based on the actuarial reviews, the fund has begun to face sustainability challenges and the risks of reserve exhaustion, whether from the expenditure of the National Insurance System exceeding its income or from its

assets becoming depleted, occasioned by our life expectancy which like many other countries has increased steadily over the last 50 years while birth rates have decreased. These demographics mean that the National Insurance System is expected to pay more for an extended period.

The gap between benefit spending and contribution revenue has widened with an ageing population and generous benefits. We have been reviewing mechanisms to close the gap based on many technical assessments. We are not convinced at this time that we should increase the rate of contributions by employers and employees. Still, in the context of evolving worldwide standards, we consider a higher retirement age broadly appropriate.

Through actuarial assessment, we have determined that an increase in the retirement age by five years, from 60 to 65 years, will support pension adequacy and system sustainability. We are now in the process of completing consultations with major stakeholders on the increase in the retirement age. I am encouraged by the progress being made in the consultative sessions relating to an increase in the retirement age from 60 to 65 years. This process, including with labour unions, is at an advanced state of conclusion with majority support for increasing the retirement age. In the interim, I am heartened with the work of the National Insurance Board on bringing up to date the employer database. This process, with additional contributions, will strengthen the integrity of the fund.

Transfer pricing: Madam Speaker, we have always been an attractive destination for foreign direct investment, principally driven by multinational corporations. The relationship between the tax-paying entity and the tax authorities has not always been beneficial to the country given the requirement by multinational corporations to allocate global income to relevant divisions, associates or subsidiaries, creating in the process tax leakages. This relationship

could be at times contentious, and to that end, and to avoid the leakage of revenue, we intend to establish a mutually acceptable transfer pricing regime under which rules and procedures would establish appropriate arm's length pricing arrangements within the various entities of the multinational corporations. Applying a comprehensive transfer pricing regime is essential to protecting our tax base and our ability to mobilize domestic resources to increase investment. Accordingly, a well-designed comprehensive transfer pricing regime will aid in eliminating double taxation treaties, thus facilitating and fostering cross-border trade and ultimately creating a favourable investment climate for increasing tax revenues.

Madam Speaker, we have engaged the CAF Development Bank and the Inter-American Center of Tax Administrations, CIAT, to advance a policy framework for appropriate legislative action. CIAT is a non-profit international public organization which provides specialized technical assistance for the modernization and strengthening of tax administrations. The project will strengthen the efficiency of our tax administration system by promoting tax transparency and avoiding taxable profits shifting out of the country to other jurisdictions. The project is estimated to be completed within 24 months.

Madam Speaker, as our economy consolidates the recovery following the COVID-19 pandemic, we can shift our spending from mitigating the immediate crisis of the pandemic to investment in stimulating economic recovery and facilitating medium and long-term growth and sustainability. We are aware that infrastructure investment has a significant impact on economic growth. We will therefore direct our available resources to areas where they will have the most significant impact on the welfare of our citizens.

Looking at medical institutions. We have been concentrating on delivering

Hon. C. Imbert (cont'd)

health care solutions through a network of state-of-the-art medical institutions and services, given the link between good health care and productivity, a precondition for sound economic growth. We have already delivered, in July 2020, the 150-bed Arima Hospital at a cost of \$1.6 billion.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: This hospital provides a range of services, including general medicine, general surgery, accident and emergency, intensive care, outpatient, radiology, physiotherapy, psychiatry, orthopaedics, burns, optical, ENT, gynaecology and surgery. Also, in July 2020, the 100-bed Point Fortin Hospital was delivered at a cost of \$1.3 billion. This hospital provides a full range of services similar to the Arima Hospital. During the pandemic, these two hospitals, built between 2016 and 2020, as well as the Couva Hospital, which was completed in 2016, were pressed into service and formed the backbone of our unique parallel health care service for the successful management and control of the spread of the deadly COVID-19 virus.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: In August 2022, the Roxborough Hospital was outfitted at a cost of \$133 million. This hospital will replicate the services now being provided at the Scarborough Hospital for the people of north and north-east Tobago. Those services include surgical, accident, and emergency, dialysis, et cetera, including a hyperbaric chamber for diving emergencies.

The 106-bed Sangre Grande Hospital—

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: —at a cost of \$1.1 billion is now near completion. This hospital will provide a full range of services, again similar to the Arima Hospital. And, Madam Speaker, we are on track to complete the construction and commissioning

of the new—

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: —540-bed Central Block at the Port of Spain General Hospital in March 2025. This flagship facility will also provide a full range of medical services. I think I need to repeat—

Ms. Ameen: Couva Hospital.

Hon. C. Imbert: Arima Hospital, Point Fortin Hospital—

Madam Speaker: Minister of Finance. Okay, so Members while, I mean, I do not ask people to sit in silence, please no shouting across the floor. Let us kind of assist the Minister of Finance to get on with what he has to do.

Hon. C. Imbert: Thank you very much, Madam Speaker. Let me repeat, Arima Hospital.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Point Fortin Hospital.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Roxborough Hospital.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Sangre Grande Hospital.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Port of Spain Hospital.

Madam Speaker, as a foundation for quality of life we have invested in our road network. Our efforts aim to achieve a modern highway system, major roads, and select secondary roads. Moreover, we are establishing a much more resilient and robust drainage system to mitigate the effects of climate change and a coastal defence system to protect vulnerable communities.

The Solomon Hochoy Highway Extension to Point Fortin is now

operational.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Commuters will save up to one hour in transit time between the city and the borough. We are also commencing work on bringing to acceptable standards the Southern Main Road. The Valencia to Toco roadway upgrade will provide a faster route to access the eastern quadrant of our country. Motorists already have use of the Valencia Road settlement and the construction from Matura River to the beginning of Salybia has begun.

3.05 p.m.

The Churchill Roosevelt Highway to Sangre Grande will provide access to communities between Cumuto and Sangre Grande. The Manzanilla to Mayaro Road is at an advanced stage of design.

Hon. Member: What?

Hon. C. Imbert: The Diego Martin—

Hon. Members: [*Interruption*]

Hon. C. Imbert: The Diego Martin vehicle overpass is in the process of being completed and commissioned at a cost of a \$185 million. When completed it will allow for easy vehicular access from the densely populated areas in north Diego Martin to the western peninsular instead of the current convoluted access through Cocorite and St. James.

The national desilting and major clearing programme mitigate flooding and prevent erosion and degradation of channels near watercourses. Irrigation and drainage structures are being improved throughout the country facilitating increased water capacity and allowing for faster water runoff at critical sites.

The coastal protection programme is implementing the required defence system to protect our most threatened coastal areas. Madam Speaker, the Ministry

of Works and Transport has undertaken over 500 projects in road rehabilitation, slope stabilization, traffic management measures, bridge construction, milling and paving, roadway straightening, cylinder crossings, bridge repairs, sidewalk and manhole cover repairs.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: In 2023, we continued an aggressive road rehabilitation programme to complete patching works across all districts in Trinidad. In 2024, we will continue the rollout and acceleration of our road rehabilitation programme with the target being all the roads in Trinidad. Over the next two to three years, we will continue to roll out projects across the country including traffic alleviation, road reconstruction, slope stabilization and bridge reconstruction. Let me just provide you with a snapshot of 12 upcoming road infrastructure projects out of hundreds.

The Churchill Roosevelt Highway widening from Andrew Lane to O'Meara project. The O'Meara Road upgrade project; Tumpuna Road upgrade—network upgrade; Sangre Grande circulation improvements, traffic; Endeavour interchange upgrade; Munroe Road interchange upgrade; Sir Solomon Hochoy Highway; Chaguanas to Chase Village project; Maraval access project; San Fernando bypass Tarouba Link Road; Indian Trail overpass; Clarke Road slope stabilization and reconstruction of the Caroni Savannah Road, just 12 out of hundreds.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: The Minister will give more details in his contribution. Our mission under this plan is to elevate our existing roads to a first-class standard creating a comprehensive grid that seamlessly connects major arteries and highways thus enhancing connectivity across the country.

Tobago airport. Madam Speaker, the ANR Robinson International Airport

expansion which commenced in 2022 is slated for completion in 2025. The construction has been taking place in two phases. The first phase which enhanced the existing airport building was completed and commissioned in March 2022. The second phase is underway. It is focusing on developing a modern, state-of-the-art terminal building, taxiway and carpark, all designed to accommodate local and international travel demands.

Sporting and community centres: We have been modernizing our sporting infrastructure, rolling out a network of community centres. We envisage that this will rekindle civic responsibility and establish a virtuous link between the local communities and the regional corporations. Some examples: the Hasely Crawford Stadium was substantially refurbished at a cost of \$90 million to accommodate the recently held the 2023, Seventh Commonwealth Youth Games in August 2023.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: The legendary Mahaica Sports Complex in Point Fortin with a seating capacity of 1,795 person has now been completed at a cost of \$80 million.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Reconstruction and rehabilitation of the famed Skinner Park has been completed with a seating capacity of 3,000 persons in its covered stand—

Hon. Members: [*Desk thumping*]

Hon. C. Imbert:—and another 3,000 in uncovered stands. Construction is underway to restore and put back into service a modernized, redesigned version of the historic JP Schmaltz Velodrome in Palo Seco—

Hon. Members: [*Desk thumping*]

Hon. C. Imbert:—and the Maloney community swimming pool completed at a cost of \$12 million and the D'Abadie/Malabar community swimming pool to be commissioned in November of this year at a cost \$11 million will provide new

recreational activities to the surrounding communities. These will join the pools at Sogren Trace, Laventille; Coconut Drive, Morvant; San Fernando; Diego Martin and soon to be constructed, La Horquetta and Biche facilities in providing an explosion of activities in water safety and water-sports competition across the nation.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: A network of community centres is also being operationalized with facilities and services essential for the communities' success and growth, and for building civic responsibility.

I turn now to city redevelopment. We are progressing with the modernization of San Fernando and the revitalization of Port of Spain. The San Fernando Waterfront Development is advancing. The widening of the Lady Hailes Avenue is now complete. The state-of-the-art fishing facility at a cost of \$41.3 million is due to be completed in April 2025. The San Fernando General Hospital carpark extension has now been commissioned at a cost of \$150 million and will provide safe, secure and convenient parking for 1,000 commuters, as well as for staff and visitors of the hospital.

The relocation the Customs and Excise building to Kings Wharf north has been commissioned at a cost of \$11 million and the Bayshore Housing Development has produced 60 developed lots at a cost of \$35 million.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: We are continuing with the redevelopment of Port of Spain, development of the Ariapita Avenue Community Assets is about to be commissioned. The Piccadilly Street Urban Regeneration is developing 61 apartment units for low to middle-income households at Piccadilly Street, Port of Spain. At the same time, work advances on the construction of the six-storey

mixed-use building. The overall estimated cost of this space is \$53 million.

The recent commissioning of the headquarters of the Ministry of Health in Queen's Park East and the upgrading of physical and social infrastructure will further enhance the aesthetic and commercial value of East Port of Spain. The Port of Spain Shopping Complex Limited is upgrading East Side Plaza and New City Mall at No. 43 Independence Square known as the Drag Brothers Mall. We are establishing a four-storey incubator facility for micro-enterprise development.

Madam Speaker, at this stage it is necessary to point out that in every year that I have presented a budget statement, several groups and individuals have complained that I have left out an area or sector of particular interest to them. As I have said before, it is impossible in a budget statement to cover every single area of government activity, otherwise I would have to speak for over 10 hours. Accordingly, I will leave it to the Minister of Works and Transport to report on the progress in improving our interisland sea transport system, building new ports and developing and improving our existing seaports and airports. Other Ministers will also report in detail on their portfolios.

I turn now to energy. Madam Speaker, as a small commodity exporter our country is extremely sensitive to global-growth trends and the volatility of oil and gas prices. In this context, our energy sector has been a significant driver of economic growth and transformation and our attainment of relatively high living standards. Volatility in crude production and prices generally creates considerable dilemmas for policymaking in the context of revenue losses and need to make appropriate expenditure adjustments. Indeed, in the past eight years our energy sector has faced substantial shocks, not only in volatile prices, but also in production declines. The prevailing conditions have made it necessary that we take action to stabilize our energy sector. I wish to take this opportunity to

commend our Prime Minister, Hon. Dr. Keith Rowley and the Hon. Stuart Young, Minister of Energy and Energy Industries for taking the helm—

Hon. Members: [*Desk thumping*]

Hon. C. Imbert:—in reversing these oil and gas production trends with mutually beneficial relationships fostered with our upstream and downstream stakeholders, they have succeeded in creating the environment to establish the framework for restoring the viability and sustainability of our energy sector. We envisage that over the long-term our oil and gas production will increase from the current 2.7 billion cubicfeet per day and alleviate the current gas concerns of our downstream industry and LNG producers.

Madam Speaker, we expect gas production to stabilize in 2023 based on projects on stream in the mid to late 2022 such as Shell's Colibri project and BPTT Cassia compression project. Gas production is expected to be boosted further in 2023 by BPTT's infill programme in the Mango, Savonette, Angelin fields. EOG Resources' Osprey West and East developments and Touchstone's Cascadura development onshore. In 2024 to 2026, additional projects will serve to maintain natural gas production such as developing the south-east Queen's Beach field by BPTT, the Mento field by EOG and the Aphrodite field by Shell, an expanded development of the Cascadura field onshore is also expect in this period.

For the long term, the coming on stream of Shell's Manatee project is expected to assist in significantly reducing the natural gas deficit. Furthermore, significant progress and negotiations regarding Woodside's Calypso deep port development has been made and we are eagerly looking forward to bringing this project to fruition.

We have been seeking through extensive negotiations involving the United States and Venezuela to develop a significant—across the border field with

Venezuela, the Dragon gas field. In 2017, we negotiated a commercial term sheet with Venezuela to develop the Dragon gas field with four trillion cubic feet of estimated gas reserves and to bring that gas to Trinidad through a 17 km pipeline to one of our offshore facilities. We had planned to start with 350 million standard cubicfeet per day, and if all went well, this could have flowed from as early as 2020 to 2021. This additional gas would have significantly boosted production in our LNG and petrochemical plants. However, the sanctions imposed by the United States from Venezuela impeded this arrangement.

Yet through negotiations in 2023, the development licence for the Dragon gas field was obtained from the US Office of Foreign Assets Control (OFAC) through a waiver from sanctions. We then continued the negotiations with Venezuela to establish a mutually acceptable agreement for the joint development of the Dragon gas field.

As is public knowledge, Madam Speaker, our diplomatic initiatives with the United States and Venezuela have been very successful, clearing the way for the September 20, 2023 signing of an agreement with Venezuela to develop the Dragon gas field. The Minister of Energy and Energy Industries deserves special commendation for this remarkable achievement.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Remarkable achievement. I “woulda give” him a medal. This represents the first step in bringing gas from the Dragon gas field to our facilities for processing and exporting. The National Gas Company will represent Trinidad and Tobago in this development with Shell as the operator. We are moving at full speed to secure our gas to the market and to return our LNG and petroleum plants to higher production levels. The Dragon gas field is estimated to have 4.2 trillion cubic feet of gas equivalent to 1/3 of the total gas reserves of Trinidad and Tobago.

We also share a cross-border field with Venezuela, the Loran–Manatee field which has approximately 10 trillion cubic of gas with 7.3 trillion cubic feet in Loran Venezuela and 2.7 trillion cubicfeet in Manatee and ourselves.

3.20 p.m.

In 2019, we successfully negotiated a unitization development agreement with Venezuela for us to commence the development and production of the Manatee resources, giving us access to the 2.7 trillion cubic feet of gas. Subsequently, we negotiated for Shell to produce the gas in Manatee with an investment of US \$1 billion. In September 2023, the National Gas Company and Shell signed an amended gas sales contract to incorporate a share of the natural gas volumes from the Shell-operated Manatee field. We expect the first gas to market in the first quarter of 2028. When our expectations for the Dragon field project are realized, together with production from the Manatee Field, we will make a major step towards maximizing built capacity in our petrochemical industry.

Madam Speaker, crude oil has always been an important revenue earner for our country. Production, which had declined during the COVID-19 pandemic, is rising, and has been averaging approximately 56,000 barrels per day in 2023. I am confident with the near-term outlook for oil production, which is expected to increase from the aggressive drilling programme of Heritage, our largest producer, new production by EOG and Trinity, recent discoveries by Touchstone, and the general fiscal incentives made available to onshore producers and shallow water marine areas in recent times.

We intend to maintain the momentum of upstream exploration through the availability of acreage both on land and offshore. We have recently evaluated the bids resulting from the 2021 deepwater competitive bid round, and awarded three deepwater blocks to a consortium of bpTT and Shell. The material production-

sharing contracts have recently been executed and established not only a new frontier for our oil and gas development, but a foundation for the sustainable flow of natural gas.

In 2022 the Onshore and NearShore Competitive Bid Round were successful, with a receipt of 16 bids for eight of the blocks. This bid would be followed by a shallow water bid round offering 26 blocks. We are encouraging upstream investments, both offshore and onshore, and ensuring that we realize the optimum value from exploiting our remaining hydrocarbon resources. To assist this process, in the Finance Bill, 2023, I will make further appropriate adjustments to the Supplementary Petroleum Tax regime for small oil producers in the shallow water areas, similar to what we have done for small onshore producers. We will also re-examine the capital expenditure write-off regime to determine what changes can be made without sacrificing too much revenue.

Madam Speaker, like every responsible hydrocarbon country, we have been seeking to reduce greenhouse gas emissions and pursuing new energy projects. Recently we commenced constructing a solar project that will produce 112.2 megawatts of power, 10 per cent of our power needs. This project is being progressed jointly with bpTT and Shell. We are seeking to pursue additional solar projects to reduce our emissions further. I thus welcome the recent initiative pioneered by the Global Climate Change Alliance Plus programme to provide solar system panels to a broad cross-section of non-governmental organizations to assist them in improving their electricity consumption. These panels amplify the potential for renewable energy and ensure the relevant facility remains open during power outages.

Importantly, this initiative will permit us to use the gas saved to generate revenue for our current and developmental needs. An initial 25 non-governmental

organizations comprising micro-enterprises and cooperatives were identified in a July 2020 call for expressions of interest for this initiative. I am encouraged that solar was installed on 12 of the specimens. We are also exploring the use of wind turbines for utility-scale power generation and utility-scale solar and wind projects will also feed into the construction of our first green hydrogen project.

I now move to the digital economy. Madam Speaker, we are taking advantage of the rise of emerging technologies typically represented by the Internet, cloud computing, big data and 5G. We are generating development opportunities by promoting the digital economy. E-business and e-commerce are gaining prominence in our economic and business infrastructures. There is no gainsaying that broadband availability is central to the success of a digital economy. We are thus ensuring that TT Wi-Fi, with free broadband access, is available in highly populated and frequented areas such as transport hubs, hospital waiting rooms, libraries and schools. We are also establishing information and communication technology access centres with computers with broadband access. We have begun a marketing campaign to articulate this programme's various locations and advantages, training 10,000 citizens, including senior citizens, with digital skills is a centrepiece of our technology-driven agenda. We are ensuring that our citizens, particularly our young people, are adequately equipped to take advantage of the opportunities the digital economy provides.

In June 2022, we introduced the Government Campus Plaza Developers' Hub (D'Hub) project. D'Hub is a virtual platform which encourages, enables and hosts the collaborative development of open-source programmes and applications of specific interest to the Government. We are expanding the local software industry through this virtual ecosystem. We envisaged the platform providing and promoting opportunities for individual developers and small teams of six

developers. They will also be allowed to partner with the Government to create software solutions to meet the service delivery needs of citizens and businesses. These developers can also use the site to develop software suited to their personal interest or business needs.

We continue to make laptops available to school children, except this time in a sane, sober and sensible way.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Currently, we are making 2,400 fit-for-purpose laptops available to students and associated staff through the network of 94 secondary schools. Let me repeat that: 2,400 fit-for-purpose laptops available to students and associated staff. This digital ecosystem will offer online platforms and services for teachers and students to respond effectively to the changing needs of an increasingly digital society, particularly for business.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: The national digital ID and intra-operability ecosystem with an associated unique digital ID underpins this digital economy. We envisage that this infrastructure will improve the management of social services and access to and the provision of help services. Indeed, we are creating an alternative to traditional in-person visits to government offices. In the process, we are improving our citizens' experience by delivering government services digitally.

We are building technological capacity among our citizens. TSTT has been investing in expanding its fibre network to ensure the widest reach and most reliable connectivity for all citizens. It has also upgraded its cell sites to ensure we remain connected during outages. The company has made the requisite investments in its network to enhance the mobile experience with country coverage approaching 100 per cent.

Further, the recent decision by the Telecommunications Authority of Trinidad and Tobago to issue a type two concession to Starlink Internet Services Trinidad and Tobago Limited, will address any broadband deficit in unserved and underserved areas. Using satellite technology, this broadband internet service company will provide high-speed broadband internet service to locations where access has been unreliable, expensive or completely unavailable. The introduction of this internet service provider and other service companies using satellite technology will play a pivotal role in shaping our digital future and facilitate our quest to participate fully in the global economy. The recent issuance of a licence to Neptune Communications, a telecommunications provider based in Barbados, and with operations in Jamaica, will continue using satellite technology to provide high-speed internet access to only businesses and government users. This business model, with reliable connectivity and redundancy, will service forward-looking businesses, and the Government is keen to re-enforce the continuity of an increasingly digital business. We are in no doubt that our capacity-building programmes in the use of digital technologies will benefit all our citizens.

The recently concluded memorandum of understanding with the Government of India will advance the digital transformation process. Under this MoU, the two countries will cooperate on various initiatives, including capacity development, training programmes, best practices exchange, and pilot solutions development. This collaboration will create a robust ecosystem of start-ups developers and system integrators, driving next-generation innovation, and enhancing inclusive finance. Madam Speaker, at this time, I wish to thank the Government of India for advancing this bilateral cooperation in digital transformation and informational technology, I am reasonably assured on the basis of experience that we will make full use of the benefits of technology, and this will

redound to the benefit of the country.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Agriculture: Madam Speaker, the agriculture sector has been on the decline, recording a low level of less than 2 per cent of Gross Domestic Product over the last five years. In particular, reduced investment and farmer participation have plagued advancement in the sector. Regrettably, food imports per annum have been escalating, reaching over \$5 billion in 2019—2021, with \$7.3 billion in 2022. Food security is high on our agenda, and we are redoubling our efforts to change the dynamics of the sector. Making the agricultural sector tax-free is an essential component of our policy framework. This objective is targeted for completion in 2024 through legislative change with all remaining ambiguities, omissions and loopholes in the law leading to differing interpretations of what aspect of agriculture is tax free and what is not clarified and resolved.

We also intend to review, update and improve, where necessary, all concessions, incentives and rebates in the sector, such as the fuel rebate for fishermen to make them more realistic and relevant. We recognize the need for innovative and creative solutions to revitalize the sector. In response to the ageing farmer population, we seek to attract young people. Within the past three years we have made various programmes available to young people interested in the agricultural sector. I am encouraged by the enthusiastic response to these programmes: The Youth Agricultural Homestead Programme, the Youth Agricultural Shade House Project, and the Youth Aquaculture Project. We are underpinning food production with an efficient and effective land tenure administrative system. We are delivering in a timely manner the granting and renewal of leases for state land to farmers, allowing them to access financial assistance, fiscal incentives, mechanised agricultural activities and entry into

secondary production through value-added and cottage industries. Central to this process is the already installed ICT infrastructure, which is generating significant benefits to our farming population through enhanced data collection and improved customer service delivery.

We are actively seeking to expand agricultural production. We are developing and providing facilities at the St. Augustine nurseries at Marper farms and at La Reunion, aimed at heightening public awareness of crop conservation and biodiversity, and are providing opportunities for education and outreach programmes. We are rehabilitating 240 kilometres of access roads. We are upgrading fish landing sites and wholesale fish markets to expand entrepreneurial opportunities, and facilitate training in processing initiatives, in particular for vessel owners and operators, fisher-folk, vendors, downstream industries and the wider community.

We are rehabilitating and replanting 900 acres of coconut to boost the coconut industry. We are revitalizing the cocoa industry, which is already employing almost 2,000 persons from production to value-added activities. We are strengthening the farm-to-table project, which is building institutional and educational capacities to promote sustainable agriculture, as well as the farm-to-agro-processing initiative, under which produce through value-added capability increases in value. We are rehabilitating the physical infrastructure at Plum Mitan, which will initially benefit 150 rice farmers. We are establishing a processing facility for alternatives to wheat flour and pepper mash. We are refurbishing the storage facility at the Piarco Packinghouse. We are establishing community-based aquaculture programmes aimed at increasing production in the sector.

3.35 p.m.

We are providing forestry access roads to facilitate access for contractors in carrying out harvesting operations and boosting production. We are strengthening the Praedial Larceny Squad to reduce praedial larceny in all farming districts. And, Madam Speaker, in our drive to revitalize the coffee industry we are rejoining the International Coffee Organization from which we could benefit significantly. We will provide the necessary support and incentives to cocoa farmers and entrepreneurs to ensure the industry becomes sustainable, viable and internationally renowned. The recent start-up of the University of the West Indies Chocolate Factory is a significant milestone in the commitment of the UWI to the commercialization of the cocoa and chocolate industry.

Madam Speaker, the tasks ahead are clear and our attention to food security will not be diverted. We need to fundamentally change our perception and practice of agriculture. In this context, in addition to the regular budgetary allocation of the Ministry of Agriculture, Land and Fisheries, I have allocated a further \$400 million in 2024, comprised of \$250 million in incentives to farmers and \$150 million for the development of infrastructure through the Palo Seco Agricultural Enterprises company.

Madam Speaker, the Cashew Gardens Community Council was established in 2001 and has been awarded the Green Leaf Merit Award by the Environmental Management Authority, EMA, and recognized by the United Nations and the International Civil Society Action Network. The Cashew Gardens Community Greenhouse, with full-time employees, mainly women, is one of the major achievements of the Cashew Gardens Community Council, including the Cashew Gardens Homework Centre and Community Recycling Programme. A green market is in the process of being established.

We intend to use the model pioneered by the Cashew Gardens Community Council to establish micro-enterprise gardens, greenhouses and green markets within other communities under the Housing and Village Improvement Programme, including: Demerara, Arima; Bon Air North; Pine Settlement; Bagatelle, River Estate; John Boodoo, Brazil Lome Trace; Maloney Gardens and Trincity, Dinsley. Madam Speaker, I propose to allocate \$7.5 million in 2024 to establish the community gardens and green markets project for this purpose.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: To effect this fundamental change in the practice of agriculture, I intend to forge a collaborative engagement among all Ministries and institutions involving agriculture in Trinidad and Tobago.

I turn now to the manufacturing sector which has been a stellar performer in our diversification effort. This sector, non-oil, grew to 17.2 percent of GDP in 2022, a sharp increase from the 14.7 percent of GDP in 2015.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: 2022 was the oil price year. Moreover, in 2022 our total exports were estimated at US \$16.7 billion, up from US \$11.1 billion in 2021. Non-energy exports were valued at US \$2.4 billion in 2022 compared with US \$2.1 billion in 2021. We are encouraged with our market structure which is increasingly diversified with the main ones being the United States, European Union and CARICOM. We have demonstrated a strong export performance in the non-energy manufacturing sector with significant increases in 2022 over 2021 for machinery and transport equipment, beverages and tobacco.

The recent decisions of CARICOM to provide for the free movement of all categories of workers within the CARICOM Single Market and Economy, and for CARICOM nationals to be able to establish businesses in other Member States,

including, self-employed, managerial and technical personnel, present additional opportunities for entrepreneurs to look to the CARICOM region as an export market for expansion. I look forward, Madam Speaker, to our entrepreneurs taking advantage of the opportunities in the CSME: artisans, artistes, musicians, media personnel, agricultural workers, domestic workers, university graduates, teachers, nurses and private security officers.

Let us look now at the ease of doing business. We are facilitating our non-energy exporters drive to secure and expand export markets with TTBizLink. Improving the ease of doing business has been a key facilitator. We have been constantly upgrading the single electronic window, TTBizLink. The ongoing digitalization of processes is reducing the cost of businesses by allowing them to make online payments and directly download their approved documents. In fiscal year 2024 we will launch 14 new e-services on the platform.

We have commenced development of a new port community system to strengthen the interoperability of the major IT systems at our ports, Customs and other border agencies. This system will facilitate the intelligent and secure exchange of information along the supply chain. It will allow for automation, management and optimization of port logistics processes at the ports of entry and exit, and reduce cost for the clearance, movement and storage of goods.

With respect to market access, we are expanding market access and deepening trade with targeted countries and markets of interest. We are in ongoing negotiations with Chile and Curaçao, gPartial Scope Trade Agreements. We are negotiating to expand the CARICOM-Colombia Trade, Economic and Technical Cooperation Agreement. We have fielded several trade missions to major markets to boost exports and promote inward investments.

In terms of special incentives, or initiatives given the invaluable

contributions of these businesses to the economy, we are supporting our private sector with a suite of incentives for expanding the non-energy sector, particularly the small and medium-sized enterprises. They generate revenue, create employment and boost foreign exchange earnings. Among the initiatives are: the Export Booster Initiative which helps exporters gain market access by achieving international food and beverage certification and product compliance; the Grant Fund Facility assists small and medium enterprises growth in non-energy exports. Since its launch in 2017, 33 small and medium enterprises have benefited from this facility.

The Yachting Grant Fund Facility supports reskilling the labour force, servicing the yachting sector. Since its launch in 2022, it has benefited 93 medium-sized enterprises with a cost of \$2.9 million. The Research and Development Facility which exportTT administers, provides for funding the technical upgrade manufacturing processes. So far, Caribbean Sea and Air Marketing which currently produces Moruga Hill Rice, and Safetynet Limited which is developing a working prototype for an enhanced process safety management system, have been assisted.

The manufacturing apprentice and wood products apprenticeship programmes are already operationalized. I am adding to these programmes, the Yachting Marine Apprenticeship Programme. Maritime services for leisure marine and yachting services have been growing in light of our strategic location below the hurricane belt. It makes us an ideal place for storing yachts and other pleasure craft. The Yachting Marine Apprenticeship Programme will scale up the technical and skilled resources required for this sector. In the current financial year we will enroll 150 trainees. For this purpose I have allocated \$6.75 million in 2024 to the Yachting Marine Apprenticeship Programme.

We are establishing a green manufacturing initiative to assist local manufacturing to adopt and improve green manufacturing practices. This initiative will fund, through an energy efficiency audit, those businesses in the non-energy manufacturing sector interested in adopting greener practices. The initiative will include tax incentives and waivers for promoting renewable energy, energy efficiency. For this purpose I have allocated \$5 million in 2024 to the green manufacturing initiative.

The Unit Trust Corporation has been partnering with UWI Ventures in creating the UrpreneurPlus Programme which has been providing supportive and enabling environments to the growth of young and emerging entrepreneurs. We will support this programme which fosters small and micro-businesses to meet the requirements to be listed on the junior stock exchange. The initiative will impact 100 small and micro-enterprises. And for this purpose I have allocated \$15.75 million in 2024 for the programme.

Three SME Loan Guarantee Programmes in partnership with commercial banks and administered by First Citizens Trustee Services are in place to provide a stable and favourable debt market for small and medium enterprises. The SME Loan Guarantee Programme, Phase 1, has disbursed 262 loans to a value of \$24 million. The SME Loan Guarantee Programme, Phase 2, has disbursed 733 loans to a value of \$153 million and the government agent-administered Loan by Loan guarantee scheme, under which we have disbursed 47 loans, the value of \$50 million. The trade and investment promotion agency provides for greater policy cohesion and coordination of activities. Special economic zones are now being finalized including a comprehensive investment incentive framework and a Special Economic Zones Authority to regulate the regime.

The Steel Pan Manufacturing Grant Fund Facility provides steel pan

manufacturers access up to a maximum of \$250,000 per tranche. Nine businesses have already benefited from funding under this grant. It is a grant, not a loan. Madam Speaker, I wish to acknowledge and welcome the Musical Instruments of Trinidad and Tobago Company Limited's steel pan business located at the Diamond Vale Business Park. I am heartened that the factory would not only produce steel pans for domestic use and exports, but also allow young people to learn about their national instrument. I look forward to the steel pan gaining global resonance over the coming years, being the only instrument created in the 20th Century. I wish to take this opportunity, Madam Speaker, to commend all those involved in spearheading the diplomatic work which led to the United Nations declaring August the 11th as World Steel Pan Day.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: This follows the 2019 City of Port of Spain declaration as a UNESCO Creative City of Music.

Let us move now to industrial parks. Madam Speaker, we are rolling out industrial parks to attract investment, create employment and boost exports. In so doing we will address the constraints which hinder industrialization, such as access to infrastructure, technology and finance, as well as high production and transaction costs. The Phoenix Park Industrial Estate is in the process of being commissioned. We have already closed 14 investments at the Park, 12 local and two foreign. We expect that once fully operational the Park will directly employ over 4,500 persons. We are continuing our quest to attract high value and light manufacturing firms. The 14 initial investments will create as many as 361 new jobs. We plan to replicate the Phoenix Park Industrial Estate at appropriate sites to catalyze investment in central Trinidad, the southwest peninsula and the East-West Corridor. The recent start-up of production of travel luggage at Phoenix Park

which is being delivered to well-known brand-name corporate clients in North America and Europe is very encouraging as is the global investor interest in the estate and we expect the Phoenix Park to become a manufacturing and exporting hub in the Caribbean quickly.

The Moruga Agro-Processing and Light Industrial Park now houses five companies and two land lots to process peppers, fish, fruits and cocoa. We are currently negotiating with 13 pipeline investors who wish to establish businesses to process peppers, ginger, plantains, and vegetables and the production and bottling of cream liqueurs. Fully operational, this Park in Moruga will create approximately 128 jobs.

Green technology: Madam Speaker, we have become increasingly aware that adaptation to climate change and measures to mitigate greenhouse gas emissions offer significant opportunities to create innovative and environmentally friendly production processes and outputs.

3.50 p.m.

We are aware that in several other jurisdictions climate change action has generated substantial employment access—sorry, employment across all economic sectors. These jobs are becoming increasingly sustainable and in high demand. We are seeking to derive similar benefits. We are in the designed process for manufacturing green hydrogen for downstream ammonia production based on growing international demand and for recycling plants to address waste management issue. With the European Union taking steps to reduce the competitiveness of exports, such as ammonia and fertilizer through public policy, our green product export potential, such as methanol and ammonia, would therefore become more competitive.

Madam Speaker, strengthening our petrochemical exports will ensure that

the Point Lisas industrial complex remains our flagship for industrial development. We already have more than 100 tenants on the estate, including a mix of world-class methanol, ammonia and urea plants; a steel plant; a power plant; and smaller light manufacturing and service companies.

I turn now to the EximBank. We have been building our export potential in the non-energy sector companies, including small and medium companies. The EximBank is managing a facility which provides foreign exchange to eligible export manufacturers under an agreement that those clients would repatriate all funds obtained from the exporting activity utilized by the facility. I am extremely pleased to learn that by June 30, 2023, the bank had supported 158 export-focused manufacturers with US \$613 million in various non-energy subsectors. Importantly, these non-energy export manufacturers have generated revenue of \$1.8 billion, 41 per cent higher than when compared with 2022.

The EximBank has also been managing the imports of essential items through the special import forex window. Up to June 2023, the EximBank had successfully supported 96 importers with US \$746 million. The facilities at the EximBank have successfully expanded our non-energy export sector with associated foreign exchange earnings, and ensured essential imports of pharmaceuticals, sanitary products, food and other related essential items. I propose to extend the two facilities at the EximBank and to increase the ceiling of the US dollar foreign exchange facility.

Our e-commerce strategy. We have had a resourceful ally in the private sector for a long time and this partnership has expanded our non-energy sector. Underpinning this expansion has been an enabling environment, including fiscal incentives facilitating e-commerce for local businesses to serve domestic and international markets. We have been reassured that the new e-commerce strategy

will focus mainly on supporting the use of e-commerce by local businesses to serve domestic, regional and international markets, and in the process continue our diversification agenda. We are engaging UNCTAD to develop the national e-commerce strategy under a technical assistance agreement at a cost of US \$240,000. We are also developing a marine fuel hub. We are collaborating with Proman and Methanex Corporation, two of our largest methanol producers, to establish a methanol-based marine fuel bunkering facility. Both companies and their shipping partners have been constructing innovative, clean-burning fuel-efficient vessels with dual fuel engines that can run on either methanol, fuel oil, marine diesel oil, or oil and gas.

I am encouraged by the decisions of the Proman and Methanex companies to invest in a sustainable technology which not only provides environmental benefits, but also an economically viable alternative marine fuel. We look forward to these newly constructed vessels being bunkered at Point Lisas and the bunkering facility becoming a hub to meet the shipping industry's increasingly stringent emissions regulations.

Tourism and culture: We consider the tourism and cultural sectors critically important for re-energizing and re-invigorating our domestic economy. These sectors are key drivers of our diversification and transformation agenda and for advancing non-energy sector growth. We closed our borders in March 2020 at the onset of the COVID-19 pandemic. While it was necessary to protect our citizens, the local cultural and tourism sectors were profoundly affected. In 2019, 388,576 international visitors were registered. In the following year, by 2020, visitor arrivals had fallen to 95,284, and by 2021, to 40,266.

In July 2021, we reopened our international borders and since that time international visitors have been increasing, with arrivals recording 226,483 in

2022, thereby revitalizing the tourism sector. This buoyant trend continued into 2023, with visitor arrivals for January to July recording 182,508. The hotel industry has been benefiting, having a 62 per cent occupancy rate in July 2023, the highest rate since February 2020, the last year in which Carnival was held before the onset of COVID. We are ensuring that our tourism product becomes increasingly attractive so that Destination Trinidad and Tobago remains broadly competitive. With the new marketing initiatives we now welcome visitors safely and confidently. We are managing and maintaining our cultural and historical assets as attractions for domestic and international tourism.

We are investing in marketing and promotion activities by participating in trade shows and conferences in the diaspora market in North America and the European, Latin American and Caribbean markets. We do not doubt that culture draws visitors to destinations like Trinidad and Tobago. We are thus upscaling our work towards the resurgence and growth of the creative sector. Performance spaces are being upgraded: the Southern Academy for the Performing Arts, the National Academy for the Performing Arts, and Queen's Hall. Others are being made ready, for example, Desperadoes and Shell Invaders pan theatres, and the Ariapita Avenue Enhancement Project.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: In addition to these developments in both the tourism and cultural sectors, we have been supporting tourism accommodation through our core fiscal incentives programme under the Trinidad and Tobago Tourism Accommodation Upgrade Project. We are now processing six applications for reimbursements relating to hotel upgrades. We must remain competitive to ensure our visitors enjoy an ideal accommodation experience with enhanced potential for return visits.

We are also delivering assistance through the Government loan guarantee programme to three ongoing projects, Financial Complex Suites Limited, with the trade name Radisson Blu, the Radisson Trinidad, and the Bella Forma Resorts Limited, trade named as Coco Reef Resort and Spa. We have also implemented a four-year property improvement plan for the Hilton Trinidad and Conference Centre, positioning it to compete better, retain customers for group business and long-stay projects and contract airline crews. Upon completion, the hotel will enhance the overall attractiveness of Port of Spain as a location for business tourism with a workforce of 420 persons.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Madam Speaker, following the exit of LIAT—I have plenty to go. Following the exit of LIAT, the Caribbean region has been exhibiting strong air transport demand.

Additionally, international visitors are on the rise as markets progressively recover. Caribbean Airlines aims to utilize its assets effectively and establish a foundation for network growth. The airline thus intends to expand its fleet to meet this growing demand through the lease of four additional ATR aircrafts and three additional B737-8s, bringing the fleet size to a pre-pandemic level. CAL also plans to lease five Embraer E175 regional jets to service the intraregional demand and to establish bases and hubs across the region to promote efficiency and cost-reducing measures. Madam Speaker, CAL is also pursuing cargo operations as an essential revenue source and is leasing two ATRs and two B737-800 jet aircrafts to go and expand its cargo services across the region.

I turn now to social development. Madam Speaker, modern social arrangements, particularly in health, housing and education, have long been considered among the preconditions for economic development and growth. Their

impact on productivity and ultimately, human capital development has been noteworthy.

Looking at health, ever since the assumption of the first PNM administration in 1956, we have been expanding our public health system to provide free access to a range of health solutions and services for our citizens at levels unavailable in many other advanced, emerging and developing countries. The impact on our nation's health has been significant.

Madam Speaker, for the past four years, we have met global and regional sustainable development targets for maternal deaths. We have achieved WHO and PAHO benchmarks for this way ahead of schedule. We have also achieved the regional and global 2030 targets regarding neonatal mortality rates way ahead of schedule. We have adopted a multidisciplinary approach for sustainable solutions towards preventing, managing and controlling the burden of mobility, mortality and disability due to non-communicable diseases. We seek to ensure that the population can reach the highest sustainable standards of physical and mental health, quality of life and productivity at every age. We are committed to ensuring that those diseases will no longer be a barrier to well-being and socio-economic development in the country.

The COVID-19 pandemic has tested the strength and resilience of our health system—

Hon. Members: [*Desk thumping*]

Hon. C. Imbert:—and we have passed those stringent rules and procedures, and we will continue to do so. We are building capacity, developing resilience and maintaining responsiveness in the public health sector. Following three years of worldwide stress, both social and economic, on May 04, 2023, the Director-General of the World Health Organization declared an end to the public health

emergency brought about by the COVID-19 virus. Although COVID-19 continues to circulate, it is at a very low and manageable level. Following this WHO advisory therefore, we decided on July 17, 2023 to end all restrictions and protocols relating to the pandemic, leaving the mask mandate for private medical institutions in place. On July 31, 2023, we removed the mask mandate.

With policy formulation and decision-making now centralized at Queen's Park east, public health care management will become more efficient and effective with the recent commissioning of the new Ministry of Health Administrative Building obliquely opposite Memorial Park in Port of Spain. Constructed through a public-private partnership, utilizing a build-own-lease transfer arrangement, the building was designed and brought to commissioning at a cost of \$280 million. This new modern building covers almost 160,000 square feet and adjoining it is a two-storey car park structure providing 282 car park spots. The building can accommodate 800 employees from six other locations and will save us millions of dollars in rental cost.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Let me move to housing. We have always considered investment in house construction with the associated delivery of affordable homes critical for creating a better quality of life and future for our low to middle income citizens. Our house building entities have been pursuing this social objective, creating a network of communities throughout Trinidad and Tobago.

4.05 p.m.

We also understand clearly that an expanding housing sector will play a key role in fostering economic development. It must also be borne in mind that the construction sector is a large employer of workers with backward linkages to supplies and ties to the financial sector through residential mortgages. This dual

objective, social and economic, has anchored our housing policy and require additional to the Housing Development Corporation the introduction of new and specialized housing institutions for developing the sector. The Land Settlement Agency, the Trinidad and Tobago Mortgage Finance Company, which will soon to be merged with the Home Mortgage Bank to become the Trinidad and Tobago Mortgage Bank.

Our housing stock is being expanded and strengthened through housing programmes of the State and its agencies. We are continuing to fund home improvement and construction subsidies to improve the liveability of low-income households; 1,319 low-income households benefited from these subsidies over the period 2020 to 2023; 2,121 applications are now being processed.

We have allocated through the HDC 2,580 units during the 2019 to 2023. So far in 2023, we have delivered 469 units. We have under construction 1,204 housing units in multiple sites under the finance project programme of the Housing Development Corporation. We intend to begin construction at four additional sites at a cost of \$357 million yielding 430 units at Almond Drive, Citrus Grove, Caura Royal Road and Exchange, Couva. We are now constructing 600 housing units under the design-build-finance programme utilizing the public-private partnerships. We have completed 128 units on Malabar, Riverside East and Riverside South, San Fernando. In the upcoming year, we are building 88 units. We are utilizing small and medium contractors under our small and medium contractor initiative to construct 110,000 units.

We are disbursing a 1.5 billion-dollar Government guarantee loan raised in 2023—2022 actually, in tranches to reduce the outstanding debt to housing contractors and to assist with new and stalled construction projects. We have in stock 1,692 unfinished units and we would spend approximately \$350 million on

ongoing and stalled legacy projects. Apart from the HDC, the Land Settlement Agency is fulfilling its defined mandate to reduce the demand for houses.

The Housing and Village Improvement Programme has completed 468 housing units, and will soon commence construction of an additional 275 units. Therefore, I propose to allocate \$100 million in 2024 for ongoing and new projects under the Housing and Village Improvement Programme. We are targeting 26 areas throughout the country. This allocation will allow the completion of the construction of over 600 Housing and Village Improvement projects or units in 2024—

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: —improving the accommodation of thousands of persons at the lowest end of the income scale. The aided self-help housing programme has allocated 604 fully developed residential lots at subsidized prices. The Petrotrin policy framework is currently processing beneficiaries for lots of agricultural plots for former Petrotrin workers, and the regulation of a squatting community programme continues to ensure security in squatting communities.

Madam Speaker, I also propose to assist the HDC in 2024 to access a further \$700 million in loan financing to accelerate its housing construction programme which will allow it to construct an additional 500 to 600 housing units dependent on the required infrastructure and topography. This loan will be raised without a Government guarantee and will thus not increase our debt to GDP ratio. The security for this innovative loan financing will be the proceeds of the sales of completed housing units.

Moving now to education. We have consistently recognized the importance of an educated society for growth and development. Our educational institutions have been creating a pool of individuals capable of charting the future in a growing

economy.

Hon. Member: [*Interruption*]

Hon. C. Imbert: Some with entrepreneurial spirit have been able to set up companies and create jobs as employers. In the process, the quality of life of our citizens have been consistently improved.

Hon. Member: [*Interruption*]

Hon. C. Imbert: We are now living in a knowledge-based economy and are pursuing an education system that is modern, relevant, technology-driven and accessible to all. With the digital transformation agenda, Wi-Fi access in schools is being expanded, the e-book platform is transforming teaching with more interactive learner-centred approaches and increasing the number of candidates utilizing the e-testing system.

Hon. Members: [*Continuous interruption*]

Hon. C. Imbert: We have made significant progress in student achievement with marked improvement in growth among pupils who wrote the 2023 Secondary Education Certificate and the Caribbean Advanced Proficiency Examination as well as the 2023 Secondary Entrance Assessment examination. Indeed, in 2023, 67.8 per cent of written entries in CAPE had passing marks compared with 62.7 per cent in 2022. SEA candidates also posted improved grades in 2023 with 58.6 per cent scoring more than 50 per cent and just 13.5 per cent ranked below 30 per cent.

However, Madam Speaker, data from the SEA examination from 2010 to the present, and before, reveals a consistent and troubling percentage of students who do not achieve 50 per cent or more in the exam. This is not to say that the levels of students achievement in the country have undergone a sudden decline since, as evident from the data worldwide, the COVID-19 pandemic had a debilitating

impact on the education system. We were no exception. The data arising from the institution of public health restrictions and remote learning revealed a clear need for a well-focused programme to transition students from primary to secondary schools.

The experience of students who spent two years away from the physical classroom during the COVID-19 pandemic with an associated learning loss pointed to the urgency of the need for transitional programmes. We immediately introduced the vacation remedial programme in 26 secondary schools to address this learning loss. We are heartened with the improvement performance resulting from the remedial education programme and the vacation remedial programme and the physical return of children to the classroom. But we recognize that these initiatives must remain continuous to mitigate the effects of learning loss effectively. We are continuing with these two programmes, remedial education and vacation remedial. Delivered in 106 schools, the programmes are presently benefiting over 25,000 students, thus we ensure that all students, especially our less fortunate can attend and fully participate in the learning and curricula activities of primary and secondary schools. In addition, we are acutely aware of the difficulties that needy families face in acquiring school supplies for their children, including uniforms, shoes, book bags, stationery and books.

Hon. Members: *[Interruption]*

Hon. C. Imbert: We are also aware of the ever-changing booklists, which are unwarranted in areas requiring little change such as science subjects like Chemistry. These continuous additions and alterations to school booklists make it virtually impossible for generational use of textbooks and create additional yearly expenses for families.

In 2024, therefore, we intend to consult with all stakeholders in the

Hon. C. Imbert (cont'd)

education sector, standardized textbooks as far as is practical and eliminate the practice of unnecessary new textbooks arriving on the curriculum every year. This practice is putting too much strain on needy families who cannot easily pass on books from one generation of children to another. However, Madam Speaker, in recognition of the cost of school uniforms, supplies and textbooks, I propose to provide in 2024 for needy students in primary and secondary schools using a suitable means test, a school supplies and book grant of \$1,000 to assist in meeting the cost of attendance at primary and secondary school.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: You were not expecting that. We estimate that the school supplies and book grants will cost \$65 million in 2024 and will assist the parents of 65,000 needy students.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Madam Speaker, we have been ensuring that the demands of our economy are fully met.

Technical and vocational—

Hon. Members: [*Interruption*]

Hon. C. Imbert: Madam Speaker, because “ah announce ah book grant, dey getting on so”? All right—I beg your protection.

Madam Speaker: Well I guess the Members are showing that they are hearing you. Okay. Please, continue. They will hear.

Hon. C. Imbert: Yes but please try “quieting them down” for me. They hate good news.

Madam Speaker, we have been ensuring that the demands of our economy are fully met. Technical and vocational education represents an important route for skills development and improving transition to the labour market, thereby,

boosting opportunities for decent jobs and better lives for our young people. We are establishing alternative sustainable development pathways and we are doing so through technical and vocational programmes.

We are addressing the teacher capacity levels in the technical and vocational institutions where the quantum of teachers have been dwindling and constraining our young people continuous upskilling and reskilling. In collaboration with post-secondary institutions, we are establishing a dedicated training programme to provide a cohort of technical and vocational education and training teachers to fill the vacancies in the technical and vocational institutions. We are ensuring our young people have continued access to quality technical and vocational education for employment, decent work and quality entrepreneurship.

Madam Speaker, professional development opportunities are being provided to teachers continuously. In 2022 to 2023, training was provided for 80 primary and 26 secondary school teachers; 318 teachers in primary schools were trained in new classroom strategies and similar training was conducted with 200 new teachers.

Madam Speaker, we continue to manage our students' health and well-being with several initiatives in 2022 to 2023, including school nutrition under which we provided 7 million—let me just repeat this, 7,295,800 breakfast meals; 9,064,113 lunches and 178,741 refreshments. Millions of school meals.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: I move now to water resources. We are establishing the Water and Sewerage Authority as a modern utility delivering efficient water and waste water services to the population. In this new business model, WASA will reduce its dependence on government subventions which in the 2019 to 2023 period amounted to \$8.1 billion. In the process, we expect the net deficit of WASA to be

substantially narrowed following the completion of the WASA price review by the Regulated Industries Commission. It must be emphasized that at great cost to taxpayers, water and electricity prices to consumers in Trinidad and Tobago are heavily subsidized.

Over the next two years, we will continue to work on providing sustainable water and waste water services for the population by implementing three integrated pillars: the continued transformation of WASA, the optimization of network performance, the expansion of water supply. The planned capital investment programme for WASA to achieve this over the next two years is \$1.05 billion. The optimization of network performance and the expansion of water supply resources require substantial investments in a range of projects, including first of all, installation of bulk meters at various production facilities to collect valuable production data leading to the accurate calculation of unaccounted water as well as a modern Supervisory Control and Data Acquisition (SCADA) system where all major sites connect to a central operations control centre.

WASA would now be able to monitor and control the operations of its assets across the network, making the decision-making data driven.

4:20 p.m.

In optimizing network performance and reducing water loss, we are replacing transmission and distribution mains in areas where they are needed across the country. WASA is also refurbishing and upgrading major water treatment facilities to optimize network performance in places such as Freeport, Chatham, Guanapo, North Oropouche and Navet. Let me say it again Freeport, Chatham, Guanapo, North Oropouche and Navet. These works will improve the reliability of supply to over 300,000 persons in the northeast of Trinidad, and 400,000 persons in south Trinidad.

WASA is also expanding water supply sources by developing new wells and treatment plants to increase the water supply for localized groundwater sources. We anticipate that over 3,000 households comprising domestic, commercial and agricultural customers will benefit from this expansion. Construction of a water treatment plant on the Goldsborough River in Tobago, impacting communities including Scarborough, Shaw Parks, Lowlands, Lambeau, Signal Hill, Patience Hill and Spring Garden, and the installation of a package plant at Green Meadows, Santa Cruz, will benefit 17,000 persons. We are optimizing network performance with the construction and outfitting of 14 booster stations in both Trinidad and Tobago, improving in the process the level of service to over 30,000 persons. These citizens will now enjoy a water supply on a five-day per week schedule for the first time.

We are reducing water loss by replacing high-leaking distribution in a wide range of communities including St. James, Bartaria, San Juan, Santa Cruz, Longdenville, Valencia and Arima to improve the current level of service from one day per week to seven days per week. We are expanding the network with new distribution mains, and rehabilitating existing wells to maximize well-yield in several communities. With WASA continuing to install new water mains and treatment plants, drill wells and build new booster stations, potable water supply will eventually be adequate for the population's needs. With supply contracts with the desalination plants coming to an end in 2028, the purchase of desalinated water could come to an end. We have been having cordial discussions with the owners of the two desalination plants.

I have alluded briefly, Madam Speaker, in general terms, to some of the projects which are now being undertaken by WASA, and during the debate, my colleague, the Minister of Public Utilities, will provide additional details on the

effective and efficient management of our water resources being advanced by WASA, as well as other relevant matters in the public utilities sector.

Madam Speaker, no budget speech would be relevant without a discussion of our social safety net. Successive PNM administrations have firmly committed to improving the lives of everyone in this country, particularly the marginalized, the underprivileged, and the most vulnerable. Underlying this social agenda has been our obligation to leave no one behind, and to reach first those who are furthest behind. Our social safety net has been playing an intrinsic and instrumental role in the discharge of this commitment. Indeed, as a commodity producer and with oil and gas prices subject to high volatility and fluctuating revenues, we have always faced economic and social challenges to meet our agenda.

Given the changing economic and social dynamics, we have ensured that our social protection umbrella was consistently re-designed and focused on tools that have always advanced the wellbeing of those under the umbrella. As of July 31st 2023, we have provided financial benefits in the sum of \$4.2 billion towards improving the socio-economic standard of living for a broad cross-section of vulnerable and less fortunate citizens. Through our various initiatives, they have gained access to a number of grants, including:

- The Public Assistance Grant;
- The Food Support Programme;
- The Urgent Temporary Assistant Grant;
- The National Social Development Programme, which seeks to improve the standard of living conditions through the provision of basic infrastructure for essential utility services, in particular for

sanitary plumbing, and house wiring.

- The Senior Citizens' Pension, which protects our vulnerable elderly citizens, providing financial assistance to persons aged 65 years and over who meet the qualifying criteria. There are now, under this PNM administration, 110,890 citizens in receipt of the Senior Citizens' Pension at an annual cost of \$3.35 billion.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: We also provide a disability assistance grant for adults and minors.

In addition, we are partnering with several non-governmental organizations to support vulnerable groups to deliver services for socially displaced persons, women and victims of all forms of violence, services for persons with disabilities, and youth organizations. We are supporting the social safety net for the poor and vulnerable groups with a number of administrative and technical institutions. The National Therapeutic and Resource Centre for Persons with Disabilities is ensuring that the wellbeing of persons with disabilities is achieved. The National Suicide Prevention Hotline is addressing the needs of individuals and families affected by violence. The Transformation and Change Management Project Office is the driving force behind our social transformation projects, including the digitalization of the social service delivery system. And, the Social Services and Empowerment Unit is providing a timely and convenient one stop service for clients seeking social relief.

Madam Speaker, July 2023 marked the end of the COVID-19 era. As we look back on that period of uncertainty when we had no option but to choose between lives and livelihoods, I take pride in our quick and decisive response. We

established an additional social safety net for the most vulnerable households and businesses in our society at a cost of \$5 billion, including \$4 billion—

Mr. Charles: Five billion?

Hon. C. Imbert: Yeah just now, on business survival and \$1 billion on social protection policies. As we advance, we are focused on maintaining a robust medium-term programme to drive economic growth and development and raise our citizens' living standards. We are also mindful to underpin our economic programme with an updated social safety net to address the needs of those left behind. We will continue to expend an average of \$5 billion per annum on the social safety net. We have in place a network of subsidies at a cost of over \$5 billion per annum for our vulnerable and underprivileged households and we also have in place a pervasive suite of subsidies impacting on all our households, low, middle and high incomes, as well as the less fortunate and vulnerable.

For example, we provide the fuel subsidy to mitigate the cost of one billion gallons of fuel per annum. In 2022, the fuel subsidy amounted to \$2.4 billion, and in 2023 a further estimated \$812 million will be incurred. Moreover, bearing in mind that the subsidiary generally benefits the better off, we provided in 2023 a one-off transport grant of \$1,000 for 175,000 persons in receipt of some form of social assistance. The cost of this benefit was \$175 million.

4.30 p.m.

Because of the extreme volatility of oil prices, it is difficult to estimate the required fuel subsidy in 2024 accurately, but it may well reach \$1 billion again.

We consume on a per capita basis, average daily water at 82 gallons per day; almost double the regional average of 46 gallons per day. However, our water rate of US \$0.31 per cubic metre is the lowest in the Caribbean, which is why we have had to support WASA in the amount of \$8.1 billion over the period 2019 to 2023.

We are also providing 12,170 low-income households with a rebate on their water bills.

Our electricity consumption in 2019 averaged 5,911 kilowatts per hour per capita, compared with the world average of 3,081 kilowatts per hour per capita. Our electricity tariff of US \$0.052 per kilowatt-hour is the second lowest in the Caribbean region. Cuba is the only other country with a lower tariff at US \$0.03 per kilowatt-hour. In Barbados, the tariff is US \$0.271 per kilowatt-hour, US 27 cents or five times the price in Trinidad and Tobago. With electricity generation dependent on natural gas, we are paying dearly to subsidize the consumption of approximately 8 per cent of the total natural gas produced in the country to generate electricity, which gas could be sold at a profit on international markets by the National Gas Company. Worse yet, T&TEC cannot pay for natural gas at current rates, thus costing the National Gas Company almost over \$500 million a year.

In addition to that subsidy, we provide 121,000 low-income households with a rebate of 35 per cent on their electricity bills. The cost of this rebate for the fiscal years 2019 to 2023 is \$268 million. We have organized the sea and air bridges as essential services for moving people and goods between Trinidad and Tobago. Over the period 2019 to 2023, the sea bridge transported 2,741,184 passengers and 975,157 vehicles, at a cost of \$1.2 billion, with 267 million in 2019; 250 million in 2020; 262 million in 2021; 227 million in 2022; and as at July 2023, \$191 million. The sea bridge costs a lot; \$1.2 billion in four years. For the financial years 2020 to 2023, the cost of the subsidy on the air bridge has been \$654 million, with 1,867,844 passengers being transported. However, during the period 2020 to 2023, unutilized seats on the air bridge amounted to 472,801.

We have transported 14 million citizens, including senior citizens, on our

bus network at a cost \$1 billion from 2019 to 2022. In 2023 so far, we have transported 3,357,536 citizens at a cost of \$288 million. We have transported at a cost of \$15 million, 9,500 students from 60 secondary schools and 865 students from 23 primary schools.

We are ensuring our young people are prepared for the life of work through tertiary education, with funding for the GATE programme of \$1.7 billion over the period 2019 to 2022, and a further \$322 million, up to July 2023, benefitting on average without a repayment obligation, 25,000 students per annum. We have been providing free health care to our citizens, including medication, under the Chronic Disease Assistance Programme to 162,910 registered beneficiaries, at a cost of \$115 million over the period 2019 to 2023. We have been funding the home improvement and house construction subsidies for low-income households.

Madam Speaker, we intend to create a culture of sustainable living for the vulnerable and less fortunate, particularly for citizens whose literacy falls below established standards. We will continue supporting programmes and initiatives that strengthen adult learning and education, which generally broaden the perspectives of the least advantaged and open up a world of inclusion.

Over the last two years, the Adult Literacy Tutors Association, ALTA, has partnered with the Ministry of Digital Transformation to provide an online version of ALTA's literacy programme to persons in underserved communities. ALTA online can expand immediately to new groups and is only limited by access to a device such as a smart phone, tablet, PC or the Internet. Community centres and NALIS libraries are prospective venues to access ALTA online. We are partnering with ALTA in 2024, to widen the reach of the Adult Literacy Programme to include CEPEP and URP workers among others. This would add 4,000 persons per annum to the Adult Literacy Programme and would be voluntary. For this

purpose I have allocated \$7.69 million in 2024 for this expansion in adult literacy training.

Further, Madam Speaker, a citizen's participation in society can only be effective and meaningful through knowledge and skills in managing financial resources to achieve a lifetime of economic well-being.

Since 2007, the Central Bank has led the rollout of financial literacy interventions nationwide, educating the public on financial concepts. The Central Bank has been delivering these programmes by hosting free public education sessions, expositions and fairs, publications, money management seminars, social media platforms and events. I am engaging the Central Bank to forge a national financial literacy strategy as a collaborative initiative among the Central Bank and other financial institutions such as the Unit Trust Corporation and the credit union league. The programme will promote the thrust of the Central Bank to produce better-informed, educated, and more financially-literate citizens with the skills and knowledge to make sensible decisions about their money. The focus will be on at-risk communities. For this purpose the Ministry of Finance will now partner with the Central Bank to promote financial literacy among lower-income groups. For this purpose I have allocated \$5 million in 2024 for this financial literacy programme.

We are now establishing a comprehensive framework to address socially displaced persons. The first and central pillar in the framework is the construction of a five-story facility at South Quay, Port of Spain, which will be delivered in September 2025. The facility will house street dwellers who pose risks and inconvenience to our citizens who use the public spaces. The second pillar will be anchored on appropriate legislation to support the functioning of the new facility, the assessment centre and temporary shelter. This facility will be more than a

shelter for street dwellers to house people on the street who might be mentally unwell, deportees, substance abusers, former prisoners, or elderly. We envisage that these new premises will equip the residents to participate fully in society and be reintegrated into a community. For this purpose I have allocated \$23.2 million in 2024 for the construction of the assessment center and temporary shelter.

We are also establishing transitional living facilities for socially-displaced persons at several locations to restore their dignity by equipping them with supportive tools and opportunities for self-esteem development, relationship management and skill-building, to assist them to attain self-sufficiency and improve living standards. For this purpose I have allocated \$8 million in 2024, to establish new displacement centers in Trinidad.

We are also developing national service complexes at Beach Camp, Palo Seco and Mausica. We will provide skills training and promote healthy lifestyles and positive youth development. Additionally, we are establishing at Beach Camp a transition home, to provide accommodation and other social services to former wards of the State who, at age 18, were required to vacate community residences established to house minors. For this purpose I have allocated \$15 million in 2024, for national services complexes.

Madam Speaker, we are also reintroducing the market box programme for the poor and vulnerable. Market boxes were distributed across Trinidad and Tobago during the COVID-19 pandemic. For this purpose, I have allocated \$60 million in 2024, in the first instance for the resumption of the market box programme, under which beneficiaries will be identified from the food card database, among other areas. The programme would deliver market boxes to the poor and vulnerable. NAMDEVCO, the Ministry of Agriculture, the Ministry of Social Development and Family Services will support it.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: The school-feeding programme will also be carefully examined in 2024, to ensure the maximum use of fresh produce and local meats as a mandatory requirement. Specifically in 2024, the Ministry of Social Development and Family Services will be mandated to restructure the food card programme to include a mandatory market box component. This will provide a guaranteed market for farmers, ensure that the money spent on food support actually goes to the provision of food and will boost agricultural production.

In terms of human development, Madam Speaker, our economic and social policy framework has narrowed our inequality gap and kept our United Nations Development Programme Human Development Index at 0.81, significantly above the world average of 0.72, based among 185 countries. With a ranking of 57, only the Bahamas in the Caribbean with a 55 ranking, and Chile and Argentina, are ahead of us in the LatAm region on the UN Human Development Index. These facts must be stated loudly and repeatedly, lest the constant deluge of negativity from the critics overwhelms the truth of these positive indicators. We have been designated, among 66 other countries, as having a very high Human Development Index. This measurement covers a range of indicators including life expectancy, literacy, access to electricity by the rural population, GDP per capita, Internet availability and income inequality.

Madam Speaker, I now turn to safety and security.

Hon. Members: “Ahh.” [*Desk thumping*]

Hon. C. Imbert: We remain particularly disturbed at the untenable level of murders within our society. Crime and violence remain pressing and troubling problems that severely undermine our citizens' welfare. Since we assumed office in September 2015, we have sought to contain and combat serious crimes in our

country. At the top of our crime-fighting agenda is equipping law enforcement with state-of-the-art tools. In addition, accelerated levels of police training improved police performance. We envisage that crime and public order would be effectively addressed within this framework and public confidence in law enforcement would be appropriately enhanced. Further, the total number of active police officers is constantly affected by mandatory retirement or resignation of officers from the service and by the number of officers on vacation or other forms of leave.

Accordingly, to bring the police service back up to full strength, we have mandated the Commissioner of Police to triple the intake of police recruits in 2024, from the usual annual intake of 300 recruits a year, to 1,000 recruits in 2024.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: To facilitate this substantial increase, a hybrid approach to the training of recruits will be employed using facilities outside of the police academy. The Ministry of Youth Development and National Service will make available the use of the Chaguaramas Convention Centre, now under renovation by that Ministry, on an interim basis for this purpose while the capacity of the police academy building is being expanded.

4.45 p.m.

A number of schools will also be used after regular hours to train the additional police recruits. Appropriate funding for the required additional trainers has been provided within recurrent expenditure. Let me repeat, we intend to triple the number of recruits in the police service from 300 to 1,000.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Madam Speaker, the latest technology is embedded in all police accommodations, those existing or in the process of being constructed, including

Trinidad House, which is now being refurbished. We are doing the same at new police stations, the Coastal and Riverine Patrol Unit, and the Forensic and Pathology Services Facility at Mount Hope.

There is no avoiding the fact, Madam Speaker, that public confidence in the police and police legitimacy is essential. We recognize that in many instances the lack of trust between the police and the community constrains effective crime intervention. The TTPS is now establishing trusted and vetted police units within the police service staffed by higher-paid officers of proven integrity. We are aiming at improving police accountability, re-establishing trust and credibility between the police and communities and, ultimately, serving to establish and maintain order as well as to guarantee stability, safety and security for our citizens. These units have collaborated with the United States authorities to develop and implement an anti-crime agenda.

Madam Speaker, our crime-fighting policies are data-dependent and data-driven. Current crime statistics provide a road map for our law enforcement. In pursuit of this agenda, we are integrating Government, civil society, and our international partners to develop focused and innovative solutions. More specifically, we are strengthening the environment which would ensure public safety and security through enforcing the rule of law, maintaining order and committing all available resources to protect life and property.

In particular, the wholly unacceptable incidence of murder is an area of primary concern requiring urgent action. This is clear in the data issued by the Crime and Problem Analysis Branch of the Trinidad and Tobago Police Service and the Central Statistical Office. In 2015, the number of murders recorded was 420, rising to 605 in 2022, accounting for 4.7 per cent of serious crimes. The incidence of murder is running at about the same level in 2023. In 2022, drug-

related crimes accounted for 313 or 2 per cent of serious crimes. Robbery accounted for 2,516 or 20 per cent. Possession of firearms and ammunition accounted for 1,166 or 9.1 per cent. However, break-ins and burglaries accounted for 13.5 per cent.

Madam Speaker, the police service has reported that its action has contained the increase in serious crimes, which rose from 10,715 in 2015 to 12,928 in 2018 and has declined marginally after that to 12,802 in 2022. The illegal possession of firearms and ammunition has been fairly constant, recording 1,162 in 2017, when statistics began to be collected, and 1,166 in 2022. On the other hand, burglary and break-ins have fallen from 2,111 in 2015 to 1,733 in 2022, and in the eight-month period, January to August '23, this category was running at a lower rate at 110 per month.

From the data, the roadmap for addressing of security and safety is straightforward as it is distinctive. In light of the number of guns and illegal drugs entering the country, we are enhancing resource capacity and capability through the strengthening of border control capacity. Our Cape-class patrol boats with a range of 3,000 nautical miles, very much so, and 28 days of stay are maintaining a consistent presence in our territorial and international waters, providing a maritime security net. We are ensuring the operational effectiveness of the 12 Damen patrol vessels—

Hon. Members: [*Desk thumping*]

Hon. C. Imbert:—through the provision of logistic support and maintenance. The electrical power shore supply systems at coast guard jetties in Tobago are being upgraded to allow for vessel generators to be de-energized while utilizing shore supplies, thereby reducing fuel consumption and lengthening the lifespan of the generators. Integrated support services for the naval assets are improving the

reliability of machinery and equipment, increasing operational readiness and availability.

Madam Speaker, to detect the importation of illegal arms, new modern scanners are being procured for the ports, bonded warehouses and transit sheds. We have awarded a contract at an estimated cost of \$90 million for the supply, delivery, installation and commissioning of four large-scale, non-intrusive—

Hon. Members: [*Desk thumping*]

Hon. C. Imbert:—inspection scanners for shipping—

Madam Speaker: Minister, one minute. Okay, I know this might be a topic that people want to be engaged in, but I am having difficulty in hearing the Minister. So I would ask Members to please compose themselves until the debate. You will have a lot of time to speak. Minister.

Hon. C. Imbert: Madam Speaker, I know they do not want to hear that we have awarded a contract at an estimated cost of \$90 million, to show how important we see this, for the supply, delivery, installation and commissioning of four large-scale, non-intrusive inspection scanners for shipping containers, which we will deploy at the Ports of Port of Spain and Point Lisas.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: These scanners will be operational in 2024. “Doh want tuh hear dat”.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Furthermore, we have provided an additional \$4.5 million for acquiring 16 handheld scanners by the Customs and Excise Division further to enhance the division’s detection and threat mitigation capabilities. In addition, the Customs and Excise Division of the Ministry of Finance has partnered with the owners to review operations and strengthen security measures at the various transit

sheds.

At this time, Madam Speaker, I wish to thank the Government of the United States through its Ambassador, Ms. Candace Bond, for donating four naval assets to the Trinidad and Tobago Coast Guard and upgrading its Maritime Operations Command Centre.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: The naval assets will secure our riverine inlets, which are being used by smugglers to import narcotics and illegal guns, and with the modernized Maritime Operations Command Centre will be able to monitor vessel traffic and identify and track threats within our maritime borders.

The TTPS violent crime reduction plan has as its objectives the reduction of murder, woundings and shootings, and the detection and removal of firearms off the streets, the numbers of which are increasing as the criminal element is using modern technology to generate the manufacture of weapons in this country. However, the TTPS crime data is indicative of some emerging success. The four major crimes impacting persons, burglaries and break-ins, robberies, larceny at dwelling houses and larceny of motorist vehicles, are on a downward trajectory. In 2022, 4,766 reports were received under this collective category of crimes. By August 2023, reports under this category fell to 3,040 reports or 380 on a monthly basis, lower than the monthly number of 2022, which was 397.

In 2024, the TTPS will seek to employ increasing use of social media to enhance communication between law enforcement and our citizens to improve interdiction of crimes, such as home invasions. Greater collaboration between our communities and law enforcement will undoubtedly remove the desire and disposition of persons to commit crimes and violence and keep its incidence on the downward trend.

I wish to welcome the increasing success of the police in its fight against the criminal element, and I wish to put on record our recognition of law enforcement work that has been constraining crime and violence within our communities from which guns are being removed and gang activities repressed. In this context, in this budget, Madam Speaker, two additional support mechanisms will be provided for the police service. An additional allocation totalling \$80 million has been included in 2024 for new vehicles and equipment for the police—

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: —over and above the allocations in 2023. This additional sum will allow the police to expand and establish more community patrols to give the police greater presence and visibility within communities, and citizens a greater sense of comfort. Let me repeat, we are giving them an additional \$80 million for new vehicles and equipment to expand and establish community patrols to give the police presence and visibility within communities, and citizens a greater sense of comfort.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Secondly, a further sum of \$15 million has been allocated to establish a riverine police unit at the Carenage Police Station. This sum is for the design and construction of a jetty at Carenage, and for the acquisition of up to 10 fast and nimble inshore vessels to patrol our major rivers and inshore areas which are areas of criminal activity. In this exercise, the police will collaborate with the coast guard.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: And now we turn to sport and youth. Madam Speaker, our youth is the backbone of our nation and represents our future. We are intent on nurturing and empowering this segment of our population, preparing them for

future leadership and management roles in our society. Our multifaceted education and training programmes are strengthening their skillset. Their employability and entrepreneurship are being increasingly enhanced.

We are investing considerable resources in youth development through a number of training programmes: the National Leadership Training Programme; the Refrigeration and Air Conditioning Course; the Technical Vocational Endeavours in Auto Mechanics; the Social Media Management Awareness Programme; the Youth Career Education Roving Caravan; the Alternative Learning and Life Skills Enhancement Training; the Skills for Technical and Diversified Economy and the Youtec Youth Training Programme.

These youth development programmes are being delivered nationwide at existing and new youth development and apprentice centres. Youth development and apprentice centres are also being refurbished at Chatham, Persto Praesto, and El Dorado to equip the at-risk youth with technical, vocational and other skills to spur innovation and productivity. The cost of these projects, which will be completed in fiscal 2024, is \$15 million.

The construction of the Chaguaramas Youth Development and Apprenticeship Centre will continue, and new construction at Wallerfield will begin in 2024 at a total cost of \$20 million.

We are producing civic-minded, self-reliant and productive citizens who contribute meaningfully to national development. We are doing so through the Geriatric Adolescent Programme; the Retiree Adolescent Programme; the Retiree Adolescent Partnership Programme; the Civilian Conservation Corps; the Military-Led Academic Training Programme; the Military-Led Youth Programme of Apprenticeship and Restoration Training; and the Student Enhancement

Empowerment Programme called STEEP.

We are prioritizing youth economic participation and empowerment through a number of our entrepreneurship programs, such as:

- The Youth Agricultural Homestead Programme, increasing our accessibility to local produce;
- The Youth Agricultural Shade House Project, a one-year programme administered by the UWI and the Co-operative Republic of Guyana. This project will equip youths with skills for producing high-value, short-term crops as well as establishing co-operatives to facilitate agricultural production;
- The Junior Achievement Programme is being reintroduced in primary and secondary schools. In the past, Junior Achievement of Trinidad and Tobago had helped our youth develop the employment and entrepreneurial skills they need to find meaningful work and start sustainable companies. Following that model, we plan to reintroduce the Junior Achievement Programme in primary and secondary schools to deliver hands-on learning to equip students with practical skills and a mindset to building striving communities. This programme will be implemented in 40 primary and 40 secondary schools throughout the country, and will be managed by the Ministry of Youth Development and National Service. I have allocated \$7.72 million for the implementation—

Hon. Members: [*Desk thumping*]

Hon. C. Imbert:—of the new Junior Achievement Programme.

5.00 p.m.

- The MIC Institute of Technology, through its programmes, has been developing youth through exposure to professional training, mentorship and mentorship workshops. We have found the Student Enhancement Empowerment Programme to be especially effective in equipping the youth with adequate TVET and technical skills and empowering them for the world of work. I propose to expand the enrolment under this programme from 26 to 500 youths and to allocate \$3.75 million to fund this expansion. As the other programmes evolve, I propose to allocate additional resources, if required, before the end of the financial year to meet their cost.

We are strengthening community-based programmes to improve the quality of community life in our country. The *MPower TT* programme addresses issues related to male development in our communities, particularly in support of promoting positive male role models. Throughout our network of communities, sporting disciplines, including cricket, football, netball, athletics and where available aquatics, generally take place at varying levels of involvement, we propose to boost these activities further and inculcate them in our communities' fabric. I have therefore allocated a total of \$39 million in 2024 to allow for the fostering and promotion of community sports. This allocation will be used to assist local sporting clubs and organizations in the hosting and management of community sporting events and competitions, specialized training at the community level, and the procurement of sporting equipment for use in communities.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: There can be no denying Madam Speaker, the level of talent which resides among our citizens. We can boast of many talented individuals in Trinidad and Tobago who create unique and innovative products. We wish to support and promote creativity at the local level. I have therefore allocated \$19.5 million in 2024 to administer this community arts and crafts initiative, in community centres throughout Trinidad. The community centre facilities programme will continue to construct and refurbish community centres. The incubator model for craft artisans will provide spaces at the centres for production and business support services, thereby transitioning trainees into entrepreneurs.

We are promoting sports in communities with an emphasis on the participation of women and girls in sporting activities. We are developing athletes through the Elite Athlete Assistance Programme, which focuses on developing partnerships and providing funding support for national governing bodies. We are increasing sports participation in schools throughout the country. We are funding the Special Olympics of Trinidad and Tobago to assist with preparing and participating in the upcoming Special Olympics World Games in Germany.

This year, Madam Speaker, the Commonwealth is celebrating the year of the youth and hosting of the 2023 VII Commonwealth Youth Games in this country has been a signatory event for the Commonwealth. We have showcased our youth and our people's warmth and overall energy in delivering seven different sporting disciplines including athletics and para-athletics, cycling, swimming, rugby sevens, beach volleyball, fast-five netball. One thousand athletes from 70 countries took part in these sporting activities at eight different state-of-the-art venues, in particular at our recently refurbished flagship, the Hasely Crawford Stadium, the

National Aquatic Centre, the National Cycling Velodrome, the Shaw Park Cultural Complex, Black Rock Facility and the Buccoo Beach Facility.

It is noteworthy that these games were the first to be held in Trinidad and Tobago, the first to be held in the Caribbean, and the first to integrate para-athletics into the Commonwealth Youth Games. I congratulate all those who made these 2023 games a tremendous success.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: I also wish to congratulate our youth team for winning 16 medals, including four gold, the most we have ever won at any Commonwealth Games.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: I also wish to applaud the feat of Nikoli Blackman for winning the gold medal in the men's 50 m freestyle.

Dr. Rowley: Diego West.

Hon. C. Imbert: Diego West? [*Laughs*]—at the prestigious World Aquatic Junior Swimming Championships held in Netanya, Israel in early September 2023. Nikoli has lifted the image of our country and I look forward to his future—

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: —as an Olympic swimmer. We will continue to develop our athletes to improve their performance. We are taking steps to strengthen the capacity of our coaches.

[MR. DEPUTY SPEAKER *in the Chair*]

We are providing specialized training in partnership with the G.C. Foster College of Physical Education and Sport in Jamaica.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: We are on the way to replicating brand Jamaica in our sporting disciplines, particularly in swimming, cycling, athletics and football both for men and women.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: We are streamlining the development of sport. We are creating a special sporting commission to oversee a platform for the necessary funding of events and athletes, and also to hold responsibility for helping the various national bodies, schools and communities to develop long term plans and structures for the growth of sports. In this new framework, the Sports Company will limit its work to the maintenance of national facilities.

I turn now to industrial relations. Madam Speaker, we are heartened by the number of trade unions who accepted the CPO's 4 per cent wage increase offer on behalf of their members for the period 2014 to 2019. In this regard, I wish to commend the accepting unions as follows:

- The Trinidad and Tobago Fire Service Association, First Division;
- The Fire Services Association of Trinidad and Tobago, Second Division;
- Trinidad and Tobago Prison Service First Division Officers Association;
- Prison Officers' Association of Trinidad and Tobago, Second Division;
- Trinidad and Tobago Police Service Social and Welfare Association.
- Amalgamated Workers Union;
- Trinidad and Tobago Defence Force Pay Review Committee, in respect of their full-time monthly paid members; and
- The Trinidad and Tobago Unified Teachers Association.

We are pleased with the decisions of these unions to accept a one-time lump sum payments to persons who retired compulsorily, voluntarily, with permission or on the grounds of ill health between 2014 and 2016, they could not benefit from the

2019 arrangement. This special payment of 4,000 persons will benefit approximately one—\$4,000 and so on—will benefit approximately 1,600 monthly paid officers and 100 hourly, daily and weekly rated workers who retired between January 2014 and September 2016.

As a gesture of goodwill Madam Speaker, I have decided to make tax exempt, this one-time \$4,000 lump sum payment to retirees. This will cost us up to \$19.7 million in revenue foregone, but we believe they deserve it.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: I recognize the fact that these individuals, these retirees in all these trade unions have performed their respective roles and responsibilities, have contributed to the overall development of the public service and by extension Trinidad and Tobago, and they have been excluded from any benefits which would be derived from any period reached for the revised terms and conditions during negotiation process.

Madam Speaker, the settlement in the public service for the labour unions I just mentioned, for the revision of wages, salaries and allowances over the period 2014 to 2019 has impacted 37,000 persons with \$1 billion being the cost of arrears or back pay to December 2023 and \$360 million per annum, being the recurrent additional cost, a total of \$1.36 billion in fiscal 2024. I now look forward to the early determination of the Chief Personnel Officer's settlement offer by the four remaining unions.

- The Public Services Association of Trinidad and Tobago;
- The National Union of Government and Federated Workers; and
- The All Trinidad and General Workers Union.

I now turn to Tobago. A little under two years ago, the people of Tobago elected a new administration—

Hon. Members: [*Desk thumping*]

Hon. C. Imbert:—to oversee the business of the THA. Mindful of the wide array of issues impacting Tobago, we immediately convened several meetings with the Chief Secretary and his team to establish viable collaborative arrangements aimed at widening and deepening the development of Tobago. I have reviewed the Fiscal 2024 Budget Statement presented by the THA in June 2023.

[MADAM SPEAKER *in the Chair*]

I take this opportunity to endorse, in principle, the policy prescriptions outlined in that Budget Statement. I believe that once properly implemented this policy agenda, with its strategic interventions and capital works, will advance the socio-economic development of Tobago.

The THA has advised me that the policy behind its 2024 budget proposals are based on the following:

1. Strengthening the governance and constitutional framework between the THA and the central government by improving the autonomy of the THA.
2. Digitalization of the THA through institutional strengthening, thereby enhancing the THA's business processes. This is programmed to take place within the Tobago online project, of which MY THA is the first phase.
3. Enhancing the THA's fiscal and financial management systems by modernizing the accounting systems through adopting the new Public Financial Management System and the related institutional strengthening.
4. Economic stimulation through enhanced assistance to businesses adversely impacted by the COVID-19 pandemic, creating an enabling environment for businesses to prosper and grow.

5. Attracting foreign direct investment in key sectors of the Tobago economy.
6. Enhancing agricultural production and food sovereignty by building safe, sustainable and resilient food supply systems and deploying an elevated uptake of science, research, smart agriculture technologies and institutional strengthening. Key projects include the establishment of two mega farms and the Tobago Agricultural Research Institute.
7. Revitalization of the tourism sector and the development of cultural industries through:
 - a. The improvement of the tourism product.
 - b. Enhanced marketing arrangement of destination Tobago.
 - c. New airlift arrangements for Tobago and;
 - d. The development of key festivals and cultural events.
8. Development of an educational system and architecture that links knowledge products, teaching methodologies outcomes with real world problems.
9. Design and construction of a new Scarborough Secondary School.
10. Development of a health care and social protection system that will be responsive and be able to provide holistic, high-quality, client-centred health and social protection.
11. Developing community prosperity and empowerment initiatives that build resilient communities through sustainable practices, responsible governance, and meaningful community engagement.
12. Creating a nourishing the socio-economic and institutional enabling environment for youth development through development projects and

programmes, support for the sporting sector, and development of our sports infrastructure on the island.

13. Enhancing Tobago's infrastructural systems to meet the needs of our changing climatic and environmental reality. This includes comprehensive assessments and improvements with road networks, coastal and territorial retaining structures and drainage systems.

And finally,

14. Sustainable development of Tobago's natural resources for the socio-economic development and promotion of Tobago as the greatest little island on the planet. Initiatives will include:
 - a. Establishment of an energy transition policy with a robust net zero strategy; and
 - b. Establishment of a biodiversity protection policy utilizing a no net loss biodiversity protection strategy; and actually this is the final policy
15. The expansion of housing opportunities through an aggressive and economically viable affordable housing programme and other financial assistance programmes aimed at improving the quality of the existing housing stock. A key initiative is the Home Ownership Made Equal (HOME).

5.15 p.m.

This programme targets residents who are differently abled and whose prospects for prosperity are affected by natural or man-made disasters, domestic violence, illness or a death in the family. Now these, Madam Speaker, are the policy prescriptions of the THA which underpin their budget. I wish them well. I expect that the broad economic and macroeconomic performance achieved in

Trinidad will now assist an improving economy in Tobago, that is, our robust gross national domestic product, elevated levels of employment and a stable and low level of inflation can support the delivery of the Tobago public policy agenda I just outlined. I am thus reasonably assured that the present standards of living prevailing in Tobago will continue unabated.

I am advised that the Tobago economy is recovering after the sharp slowdown during the COVID-19 pandemic, and the tourism industry is now benefitting from renewed interest from both local and international visitors. Direct international flights to and from Tobago and hotel occupancy are increasing. In the context of the expanding tourism sector, the THA must play a vital role in the recovery through support for agriculture, culture and community development.

I will now outline the allocation for Tobago for the fiscal year 2024. The THA allocation totals \$2,585,000,000 of which \$2.298 billion is for recurrent expenditure; \$260 million is for the development programme expenditure; and \$18 million is for the URP; and \$9.2 million for CEPEP. The total allocation to the THA in 2024 represents an increase of \$64.2 million over the allocation of \$2,521,000,000 in fiscal year 2023. I am also pleased to report that the THA will receive its full allocation for fiscal year 2023. And as per usual, Madam Speaker, beyond the budgetary allocation to the THA, an additional \$678.5 million is allocated to various Ministries and state agencies to undertake and execute major projects in Tobago in keeping with their responsibility under the Sixth Schedule of the THA Act No. 40 of 1996.

Some of this expenditure by central Government in 2024, funded outside of the THA's budgetary allocation but essential to the development of Tobago, will include expenditure on:

- Tobago Airport Terminal project at a cost of \$400 million;
- Roxborough Fire Station Headquarters at a cost of \$1.9 million;
- Desilting of the Hillsborough Dam at a cost of \$7.5 million;
- Upgrade of the National Energy Skills Centre in Goldsborough at a cost of \$1 million;
- Tobago Technology Centre at a cost of \$1 million;
- UTT Tobago Campus at a cost of \$600,000;
- Upgrade of the Dwight Yorke Stadium at a cost of \$4 million;
- Little Rockley Bay stabilization works for Magdalena hotel at a cost of \$3 million; and
- Meteorological Services equipment at a cost of \$3 million.

I now come to the estimates of revenue and expenditure for 2024; 2023/2024. We have long recognized, Madam Speaker, that the changing dynamics of global energy markets with associated shifts in demand and supply balances for oil and gas generally create public policy dilemmas in the context of oil and gas revenue volatility. We have been addressing this issue since the early 1970's. Economic transformation and diversified growth have been features of our national economic planning as we seek to expand the non-energy sector. We consistently review oil and gas prices in global energy markets to ensure that under normal conditions our energy revenue estimates remain reliable to allow us to provide some of the capital and know-how for supporting diversified growth and maintaining the sustainability of our social network.

Reliable assumptions for oil and gas prices are central to our budget formulation process, and international organizations provide us with in-depth analyses and forecasts. For example, WTI and Brent crude oil price fluctuations

since September 2022 illustrate the rising price trends reflecting global economic and demand uncertainties. During fiscal 2023, these prices for oil have fluctuated wildly between US \$70 per barrel and US \$93 per barrel for WTI, and US \$74 per barrel and US \$97 per barrel for Brent. The current forecast produced by the International Energy Agency is that the Brent crude oil price will increase to an average of US \$90 per barrel by the end of 2024. The IEA estimates that West Texas Intermediate (WTI) crude oil price will follow a similar path and maintain a discount to Brent of US \$5 per barrel, so that in 2024 the WTI crude oil would average \$85 per barrel. On the other hand, the US Energy Information Administration USEIA current short-term outlook estimates the price of Brent crude oil in 2024 at US \$88 per barrel. So we have USEIA estimating oil at \$88 and the International Energy Agency estimating oil at \$90.

The July 2023 World Economic Outlook Update emphasizes the need for reducing inflation while ensuring financial stability. I do not doubt that advanced, emerging and developing countries will focus on restoring energy price stability to avoid the emergence of market pressure. I envisage a degree of stability in global oil markets over the short term, and to that end, I will continue to utilize conservative assumptions for our oil and gas prices for our budget 2024. For that reason, our oil price assumptions for 2024 will be US \$85 per barrel, compared with US \$92.50 per barrel in 2023, and our natural gas price assumption will be US \$5 per MMBtu, compared with US \$6 per MMBtu in 2023.

As a result of these assumptions, we expect total revenue for 2024 to be \$54,012,000,000 or \$54.012 billion; total expenditure in 2024 to be \$59,209,000,000 or \$59.209 billion, with a fiscal deficit of \$5,197,000,000 or \$5.197 billion. I will repeat, total expenditure, \$59.209 billion; total revenue, \$54.012 billion; fiscal deficit, \$5.197 billion. The total estimated revenue of

\$54.012 billion for 2024 comprises the following: oil revenue of \$16.709 billion; non-oil revenue, very important, \$35.547 billion; and capital revenue of \$1.756 billion. You should note, Madam Speaker, that the fiscal deficit for 2024, estimated at \$5.197 billion, is 2.7 percent of GDP, again within the international benchmark of 3 per cent.

The major fiscal 2024 allocations will be education and training, \$8.022 billion; Health, \$7.409 billion; National Security, \$6.912 billion; Works and Transport, \$3.394 billion; Public Utilities, \$3.018 billion; Rural Development and Local Government, \$1.825 billion; Agriculture, \$1.442 billion; Housing, \$1.165 billion, and we must not forget Social Development at an excess of \$5 billion. I am confident that the Estimates under this budget framework will materialize and ensure that the economic recovery is anchored on sound and stable macroeconomic conditions. Indeed, as the recovery consolidates, we expect the non-energy sector to expand and advance the diversification agenda.

I now come to the fiscal and other measures. Madam Speaker, the fiscal measures for 2024 will focus on improving the well-being of every individual in our society so that they can reach their full potential. We are investing in our people.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: I start with the minimum wage. I propose to initiate action to minimize the country's socio-economic imbalance and stimulate consumer spending aimed at economic expansion. To achieve this objective, I propose to increase the minimum wage by 17 percent, or \$3 per hour, from \$17.50 to \$20.50 per hour.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: This measure will benefit approximately 190,000 persons in the workforce and will require an amendment to the Minimum Wages Act, Chap. 88:04, via a minimum wage order. This measure will take effect from January 01, 2024. **Hon. Members:** [*Desk thumping*]

Hon. C. Imbert: So the minimum wage now goes to \$20.50 per hour.

Two, Tourism Accommodation Upgrade Project: Small Hotels. We are extending by three years the Tourism Accommodation Upgrade Project incentive, which was due to expire on September 30, 2023. This facility provides a reimbursable grant to eligible tourism accommodation facilities. This measure will be reinstated for another three years.

Three, Export Sales of Manufacturing Companies: Business Levy Charge. Madam Speaker, export sales facilitate international trade and stimulate domestic economic activity by creating employment, production, and revenue. In this highly globalized and competitive environment within which businesses operate, I propose to exempt from business levy manufacturing companies whose gross receipts fall within the 30 per cent tax bracket from business levy charges regarding only export sales. This measure aims to create a competitive advantage for local manufacturing businesses to engage in exports.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: So if you export you will be exempt from the business levy. This initiative will take effect from January 01, 2024, with an estimated tax loss of \$20 million. This measure will require an amendment to the Corporation Tax Act, Chap. 75:02.

Supplemental Petroleum Tax: I propose to increase the sustainability incentive from 20 per cent to 25 per cent with respect to the rate of supplemental petroleum tax for any mature marine or small marine oilfields. This will

encourage smaller oil producers and lease operators in small and mature marine oilfields to incentivize further their production. In the Finance Act of 2023, I also propose to introduce some adjustments to the SPT regime for the shallow water areas, similar to what we have implemented for small onshore producers, introducing a new threshold of \$75 per barrel for SPT for small shallow-water producers. Where feasible, we will also make suitable adjustments to the capital expenditure allowances for small shallow-water producers. These measures will take effect on January 01, 2024, and will require amendments to the Petroleum Taxes Act, Chap. 75:04.

Five, Investment Tax Allowance: Cybersecurity. With the rapid advancement of technology and the growth of the digital economy, the increasing threat of cyberattacks means that more secure and concerted effort is required to protect sensitive information being penetrated. To aid in reducing this risk, I propose to introduce a cybersecurity investment tax allowance of up to \$500,000 for companies which incur expenditure in respect of investments in cybersecurity software and network security monitoring equipment. To qualify for this allowance the expenditure must be certified by iGovTT.

5.30 p.m.

Hon. C. Imbert: This measure is envisaged to incentivize companies to invest in cybersecurity for two years from January 01, 2024 to December 31, 2025. This measure will require amendments to the Corporation Tax Act, Chap. 75:02 and will result in an estimated tax loss of \$8 million.

Exempt income, expenditure earned: Madam Speaker, over the years there has been legislative ambiguity with respect to the treatment of expenditure claimed against exempt income. From a tax administrative perspective since the income is already exempt from taxation, any expenditure incurred towards earning such

income should not be allowed as a deduction since it reduces the tax on the non-exempt income. I propose to amend the tax legislation to address this issue by disallowing expenditure incurred in earning exempt income, subject to specific provisions of the tax law stating otherwise. This initiative will protect the tax base in Trinidad and Tobago, harmonize the law, and bring us into alignment with standard practice in jurisdictions worldwide. This measure is anticipated to yield approximately \$75 million in tax savings and will take effect on January 01, 2024.

7. Private and public schools, corporate sponsorship: Madam Speaker, education plays a vital role in enhancing the progress and growth of society and is a powerful tool to make the world a better place. In this context, I propose to introduce a 150 per cent tax allowance of up to \$500,000 on corporate sponsorship to public and private schools registered with the Ministry of Education.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: It is envisaged that this measure will encourage the enhancement of these schools to ensure that access to and delivery of education are promoted. This measure will take effect on January the 1st, 2024 and will require amendments to the tax legislation.

Madam Speaker, I have built this budget on the foundation we laid at the commencement of our term in office in September 2015. We have strengthened the framework in subsequent budgets. We continue to envisage a modernizing economy with expanding opportunities for our citizens, particularly our young people. We are consolidating our gains. We are ensuring that we remain on our journey to share the fruits of our development with our citizens wherever they reside, in the towns, the urban areas, and importantly, the rural communities.

I hope that Members' deliberations on this budget will take place constructively and consistent with constitutional requirements. To assist Members,

I have today laid in Parliament 11 documents which detail and analyze the policies, plans, and programmes of this administration to maintain the emerging economic recovery, to ensure that it is consolidated and the conditions established to take this country into maturity and a vibrant and knowledge-based society.

Before the presentation of this budget, Madam Speaker, speculation was rife as to what it would contain. All sorts of scenarios played out in the public domain, most of them totally uninformed. The usual commentators and mainstream media—

Mr. Charles: [*Inaudible*]

Hon. C. Imbert: Madam Speaker—

Dr. Rowley: Just ignore it.

Madam Speaker: Just continue. Okay, so Members, we are nearly through, let us just cooperate. Let us go.

Hon. C. Imbert: Madam Speaker, before the presentation of this budget, speculation was rife as to what it would contain. All sorts of scenarios played out in the public domain, most of them totally uninformed. The usual commentators and mainstream media made all sorts of predictions using what they thought was insider information, much of which, like the ludicrous front page story in a daily newspaper today, which announced a new millionaire tax in screaming headlines and hinted at an increase in the price of fuel, were irresponsible and downright mischievous.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: I cannot imagine where they take that basket from.

We received many suggestions and recommendations but several were self-serving, short-sided, misguided, or impractical. A number of requests ignored the financial realities and challenges we face as a country with a small open economy,

subject to the vagaries of external shocks which can hit us anytime and they asked for every possible concession or increase, regardless of cost.

Most recommendations were for reducing or removing various taxes and introducing new tax exemptions, subsidies, concessions, and waivers or increasing social grants. However, if implemented, these recommendations would significantly increase expenditure or drastically reduce revenue thus creating a huge fiscal deficit which cannot help us develop as a country in these challenging times.

To sum it up, our economy is finally growing after years of external shocks which were entirely out of our control, we are growing for the second year. Therefore, this coming year 2024, is a year for consolidation, development, and growth and we cannot undermine our revenue streams to the extent requested and increase public expenditure willy-nilly without a source of funds, nor can we be profligate and reckless. Indeed, if we were to accede to the various requests from interest groups, one of whom recommended abolishing income tax, we would bankrupt the country and find ourselves in the cold, steely hands of the IMF as so many of our Caribbean partners already are.

Consequently, we have taken a deliberate decision not to increase or reduce any existing taxes in 2024, other than some positive adjustments to the tax regime in the energy sector to stimulate exploration and production among a few other minor adjustments. In this year 2024, we did not feel that we should impose any further burdens on our citizens, but rather we should provide some relief in key areas to those at a lower end of the scale.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Therefore, our fiscal and budgetary measures for 2024 are quite simple as follows. We have provided \$1 billion in back pay for those 37,000 public

sector workers who have accepted our offer of a 4 per cent increase—

Hon. Members: [*Desk thumping*]

Hon. C. Imbert:—plus increasing some allowances. We shall also bring all those public sector workers up to their new salary levels immediately at a cost of an additional \$360 million per year. We are also exempting the one-off payment of \$4,000 to retirees from tax which forms part of this process.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: I am also giving today these 37,000 public sector workers an undertaking that all Ministries and agencies involved will be provided with the necessary funds to pay this \$1 billion in back pay by Christmas of 2023.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: And I am requesting all permanent secretaries and accounting officers, by way of this budget statement, to immediately start preparing the paperwork to achieve this Christmas deadline for this \$1 billion in back pay payments.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: And they better do it too; they better do it. Additionally, to assist those at the lowest end of the income scale, we will increase on January the 1st, 2024, as I said before, the minimum wage by 17 per cent or \$3.00 per hour, from \$17.50 an hour to \$20.50 an hour, which will help almost 200,000 workers at this level and increase the monthly take-home pay by over \$500 per month for workers who work a basic 40-hour week and earn the minimum wage.

Hon. Members: [*Desk thumping*]

5.40 p.m.

Hon. C. Imbert: Additionally, for those who currently work a 12-hour shift at the minimum wage for a six-day week, like some security guards that I know, this will

increase their monthly take-home pay by over \$900 per month.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: It should be noted, this increase will increase Government expenditure for workers at the minimum wage by at least \$50 million per year, but we will do it. We will absorb that cost.

Further, to help needy families, we will in 2024 provide a school supplies and book grant of \$1,000 based on a means test. We expect this measure to assist at least 65,000 needy children.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: I did not see that on the front page today. We have also budgeted for an ambitious capital expenditure programme of \$6.2 billion in 2024 to stimulate economic growth further. All Ministers will be required in 2024 to do whatever is necessary to fully accomplish our planned \$6.2 billion *Public Sector Investment Programme* for this fiscal year.

We are introducing a number of programmes designed to help the less fortunate, such as adult literacy, financial literacy, as well as a number of stimulus programmes and support structures designed to boost the diversification of the economy and to assist small and medium enterprises who are the backbone of our production sector.

We also intend in 2024 to focus on digitization in all its facets; and on technical and vocational training programmes, and to promote through outreach programmes and education, the vast range of incentives and grants for businesses that already exist but for some reason or another are not being fully accessed or utilized.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Most importantly, Madam Speaker, in 2024, we will focus on

assisting the police and other law enforcement agencies to combat and control crime.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: The substantial additional budgetary allocation for vehicles and equipment, inshore vessels, community patrols, the proposed huge recruitment drive to boost the numbers of active police officers and other tangible support for the TTPS are testimony to this. Further, Madam Speaker, if more funding is required in 2024 to assist the police to achieve its objectives, it will be provided in the mid-year review or before.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Or before.

In conclusion, Madam Speaker, I wish to thank my colleagues for their enormous support and policy prescriptions in our efforts to accelerate our socio-economic development. I truly value the views and proposals of our important stakeholders in the public and private sectors. They have certainly enriched and assisted my policy choices. I wish to thank the public service officers at the Ministry of Finance for working beyond their call of duty to ensure that the budget and associated documents were all prepared, reviewed and delivered to this Parliament in time for this presentation.

Congratulations are no less in order for the public officials in the various Ministries and agencies for their own contributions. Madam Speaker, I am in no doubt that this individual and collective effort will create a bright and prosperous future for our citizens. In 2015, we said, “Let’s do this.” In 2024, we are doing this. I beg to move, Madam Speaker.

Hon. Members: [*Desk thumping*]

Madam Speaker: Minister of Finance.

Hon. C. Imbert: Thank you, Madam Speaker. The budget debate will resume on Friday the 6th of October at 1.30 p.m.

Madam Speaker: Leader of the House.

ADJOURNMENT

The Minister of Housing and Urban Development (Hon. Camille Robinson-Regis): Thank you very kindly, Madam Speaker. I beg to move that this House do now adjourn to Friday, October 6th at 1.30 p.m.

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.

Question put and agreed to.

House adjourned accordingly.

Adjourned at 5.45 p.m.