



MEDIA RELEASE

October 1, 2018

National Budget 2018

Following the delivery of the National Budget 2018/2019 this afternoon the Trinidad and Tobago Chamber of Industry and Commerce wishes to note the Minister of Finance's positive and ambitious plans for the next fiscal year and beyond. The T&T Chamber also thanks the Minister for adopting some of the recommendations made in our submission earlier this year.

A broad array of projects has been outlined, many of which, once properly implemented, have the potential to deliver a better quality of life to our citizens and transform Trinidad and Tobago's economy. The Minister signaled a willingness to create an enabling environment by working more closely with the private sector for the implementation of major projects and initiatives such as the B-O-L-T for the new airport terminal in Tobago and the Housing Construction Incentive Programme.

The several plans outlined for Tobago will certainly be welcome as they are intended to restore the island's economy. Reference was made to reforming the regime to allow foreign investors to acquire land more easily. We look forward to more information regarding this critical issue for Tobago.

The Chamber recognizes that implementation has traditionally been a challenge, with issues of execution and on-time delivery. The EXIM Bank Foreign Exchange Facility was only recently implemented and the Agricultural Financial Support Programme will be launched on Wednesday. Both of these initiatives were announced in the last Budget. We also wish to highlight the need for greater transparency in procurement practices.

The business community welcomes the proposals related to crime prevention and management. The combination of an enhanced use of technology, increased allocations to Crime Stoppers, wide ranging fines and penalties among others, should assist with crime reduction.

Over the years, the Chamber has advocated for a significant reduction in transfers and subsidies, including phased removal of the gas subsidy. This was proposed to take effect

in tandem with other initiatives to ensure an efficient and reliable transport system. Motor vehicles which use super gasoline account for over 75 percent in the country. Therefore, the 25 percent increase in the cost of super gasoline at the pump is likely to impact the cost of living for middle income earners. We however note that there has been no change in the price of diesel at the pump. We also acknowledge the proposals to provide a buffer to the most vulnerable groups in society via increased social subventions.

The broadening of the tax net as opposed to increased taxation upon the compliant is something the Chamber has long advocated. We were therefore heartened to hear the several initiatives to modernise and strengthen the tax administration to facilitate this objective.

We also look forward to the details, and the implementation, of the Foreign Exchanges Earnings Tax Credit. We hope that this incentive would also be applied to all sectors, particularly as the services sector has high export potential.

In conclusion, much more attention must be given to building the next wave of businesses, including creation of an entrepreneurial ecosystem as we seek to transform Trinidad and Tobago's economy.

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