



**MINISTRY OF LABOUR AND
SMALL ENTERPRISE DEVELOPMENT**

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PRESS STATEMENT FOR IMMEDIATE RELEASE

Minister of Labour and Small Enterprise Development, Senator the Honourable Jennifer Baptiste-Primus in her contribution in defence of the Finance Act 2016, in the Sitting of the Senate on Friday, January 15, 2016 stated that she did not see navigating this country's existing economic challenges as an insurmountable task. The Minister of Labour and Small Enterprise Development expressed her confidence in the people of Trinidad and Tobago, to rise above the turbulent tide of economic difficulties and uncertainties. Minister Baptiste-Primus noted that the citizens of Trinidad and Tobago have been asked to be financially prudent in the conduct of their daily lives.

Minister Baptiste-Primus said that The Finance Bill, 2016, was one of the many measures presented to the populace to deal with the many-fold economic situation presently facing this country. Minister Baptiste-Primus said that this Administration is seeking to increase revenues by widening the tax base through Value Added Tax (VAT), the Green Fund and the business levy while protecting the vulnerable groups in society by exempting certain charges to senior citizens.

Minister Baptiste-Primus added that the labour market played a crucial role in stabilizing the economy. The Minister said, "... it is heart-wrenching (for me) when I hear about workers losing their jobs and their livelihoods," and made an impassioned plea to employers to make every effort to cut costs, adding that retrenchment should be the last resort.

Baptiste-Primus stated this year is critical for the future economic state of our country, adding that unless her Government fixed the public finances of Trinidad and Tobago that the progress made to date can easily be reversed. The Minister stated that her Government is currently putting the machinery in place to ensure that all outstanding dues are paid to workers.

Minister also shared the findings of the Central Bank of Trinidad and Tobago's (CBTT) Labour Confidence Report 2014 to edify the points made in her contribution. It reported opinions provided by Employees, Employers, the Self-employed and Trade Unions on the state of the Trinidad and Tobago Labour Market as follows:

- A mismatch between skills and available jobs in the market;
- Too many instances of unfair hiring practices;
- Unemployment among the youth is unacceptably high;
- Work ethic is generally poor and there is often a desire for higher income without increasing productivity;
- Worker absenteeism is very high;
- Wide income inequality and middle class neglect;
- Many instances of unfair labour practices and nothing is done about it; and
- The widespread use of short-term contract work undermines job security and therefore limits economic advancement.

Minister Baptiste-Primus stated that the most glaring issue that affected businesses, workers and prospective workers as well as the levels of productivity in this country was “mismatched skills” and gave the undertaking that her Government will address this issue through the use of employment exchanges at the regional level. Minister added that this approach was aimed at reducing levels of static and seasonal employment by responding to the skills needs of the community via businesses and households. This also meant sourcing the appropriate persons who possessed these skills. Minister Baptiste-Primus took this opportunity to encourage

unemployed persons to register with the employment exchanges to allow more targeted assistance to this vulnerable group.

Adding to her suggestions to manage the labour market concerns, Minister Baptiste-Primus suggested that a robust labour market information system could assist students in choosing their field of study and career choices. This system, the Minister added, will also assist educational institutions in curriculum development to facilitate the targeted approach to skills development in the areas that are needed by businesses in Trinidad and Tobago to supply businesses with the human resources needed to boost the economy.

Minister Baptiste-Primus noted that development of the small business sector was crucial to this country's economic development. Minister stated that small businesses account for two-thirds of the jobs created worldwide. It is estimated that small businesses account for approximately ninety percent of business establishments in Trinidad and Tobago, highlighting the need to ensure that the appropriate enabling environment, financial and otherwise, is in place to foster their growth and development.

Minister said the Government has a very clear plan to boost small business development based on seven (7) platforms:

- institutional strengthening;
- enhanced legislation;
- a new and enhanced suite of tax incentives;
- more in-depth small business training;
- expanded and customized funding facilities;
- expansion of new business clusters; and
- actualization of the FairShare Programme

Minister Baptiste-Primus referred to International Labour Organization's (ILO's) unemployment statistics, which predict that global unemployment will increase by three million in 2015 and by a further eight million in the following four years, to reaffirm the Government's commitment to

steer this country's economy onto a path of sustainable economic growth by investing in the country to reap the benefits of more and better jobs, efficient businesses, a stable industrial relations climate and more productive workers.

Minister Baptiste-Primus made mention of the National Tripartite Mechanism, adding that the Government sought a forum to initiate tripartite discussions with the Labour movement and business community to maintain employment and moderate wage. The Labour Minister stated that the national tripartite mechanism can assist in developing and implementing creative solutions to development challenges by drawing on the collective wisdom of the real players in the economy but hastened to add that to work effectively, there must be trust, respect, openness, shared responsibility among Government, Business and Labour and above all, commitment to the national good.

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