

---

**MEDIA RELEASE**

**March 11, 2020**

## **A PROACTIVE PLAN IS NEEDED**

These are difficult times not just for Trinidad and Tobago, but for many other countries around the world. The impact of COVID-19 and its impact on the commercial sector as well as the drastic decline in energy prices have negatively affected economies across all continents.

We do not expect the government to respond to every daily fluctuation in the global markets, nor do we expect a knee jerk reaction. However, based on the projected reduction in revenue from the energy sector, we hope for a proactive approach.

We have to take control in any areas that we have the power to do so. Managing recurrent expenditure through wiser spending and evaluating where it is possible to cut recurrent expenditure is necessary.

The Trinidad and Tobago Chamber of Industry and Commerce therefore calls on Government to introduce a robust plan for managing the budget deficit via “smarter spending.” Full proclamation of the Public Procurement and Disposal of Public Property Act, 2015 could help with more effective purchasing.

Consider the level of subventions provided to some state enterprises, for example, the recent subvention of \$11m paid to Trinidad and Tobago Television (TTT). We recall the previous decision regarding the closure of CNMG and re-opening of TTT, which remains a wholly owned state company. Was this the best way to spend tax-payers funds in a contracting environment? Does The State need to maintain a majority shareholding of First Citizens, or could a further reduction of this shareholding be an option?

The government must make the decision on what businesses or assets they should continue to control and where it is more practical to exit or reduce their involvement. Currently, Government will still earn corporate tax income of 30%, which may be more viable than the benefit/liability of owning some businesses.

It is also critical that we improve tax collection by widening the tax net, compliance and enforcement, and to help achieve this, we need to establish the T&T Revenue Authority as soon as possible.

Sometimes, a difficult environment forces us to make the right decisions – decisions we would not have made in other situations. In the late 70s early 80s, T&T was in a similar predicament. The government and private sector worked collaboratively, and we came out stronger. Jamaica found itself in a similar situation and by working together they were able to

overcome many of the challenges and the economy and now the people of Jamaica are reaping the rewards of that collaboration.

At a time like this we need all citizens to come together with a commonality of goals to do what is right for Trinidad and Tobago.

**-END-**

**For media enquiries, please contact:**

**Rachel Stampfli**

**Manager, Operations Unit**

**Phone: 637-6966 Ext. 1222**

**Email: [rstampfli@chamber.org.tt](mailto:rstampfli@chamber.org.tt)**

**FROM THE MARKETING AND COMMUNICATIONS DEPARTMENT**