



# TTMA COMMUNIQUÉ

## BUDGET 2007/2008: IMPLICATIONS FOR THE MANUFACTURER AND THE ECONOMY

Trade and Industry Minister Kenneth Valley, will give details about the Government's fiscal measures for 2008 at the TTMA's post-Budget panel discussion which takes place on Wednesday August 22<sup>nd</sup>, 2007.

Other Speakers include:

- Mrs. Karen de Montbrun, TTMA President
- Dr. Ronald Ramkissoon, Economist, Republic Bank Limited
- Senator Mary King, Mary King & Associates
- Mrs. Diana Mahabir-Wyatt, Personnel Management Services Limited
- Mr. Subash Ramkhelawan, Bourse Securities Limited
- Mr. Peter Inglefield, Price Waterhouse Coopers

**Venue: TRAINMAR Conference Room,**

**DHL Building, Corner**

**Churchill Roosevelt**

**Highway and Chanka**

**Trace, El Socorro**

**Time: 8:30 to 11:30 a.m.**

Cost: TTMA members

**\$345.00** Vat Incl.

Non-TTMA members

**\$431.25** Vat Incl.

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## Budget 2007-2008

The announcement that the 2007-2008 Budget would be presented on Monday August 20<sup>th</sup>, 2007 came as a surprise to many in the national community.

The Trinidad and Tobago Manufacturers' Association presented its 2007-2008 Budget recommendations to Minister in the Ministry of Finance Conrad Enill in June, and one of the ideas put forward was the creation of a hybrid economy, energy and non-energy.

### *Diversification:*

The TTMA proposed the drafting of a legal framework aimed at promoting investments in renewable energy, which will allow for innovative projects aimed at reducing the impact of hydro-carbon energy generation.

The Government was urged to vigorously pursue Intellectual Property Rights to stimulate research and creativity, and to couple this with a Nation Branding policy that portrays Trinidad and Tobago as one of the leaders in innovation; resulting in development through the attraction of foreign investors and tourists.

### *Social Infrastructure:*

With regard to the development of young people, the TTMA recommended, inter alia—the establishment of childcare centres close to industrial estates, which will serve to encourage and support parents to work and reduce employee absenteeism.

The TTMA believes that companies can be encouraged to accept a higher level of Corporate Social Responsibility for the communities in which they operate.

As such, the TTMA recommended that companies and businesses should be given tax incentives for contributions in approved initiatives.

The TTMA called for a grant of up to TT \$1.5 million per manufacturing company for "re-tooling" to cope with the challenge of the current shortage of skilled labour.

TTMA also recommended the granting of a separate investment allowance of TT \$1 million to manufacturers wishing to "re-tool" and re-invest in new processes that reduce pollution.

The Association also recommended a tiered progressive corporation tax regime ranging up to 25% based on corporations' profits.

### *Physical Infrastructure:*

An issue which continues to worry the TTMA—the situation at the Ports—was raised again. The TTMA repeated its call for immediate action on the Ports, even while longterm relocation plans are being developed.

The Association called for increased financing of TT \$10 million to facilitate feasibility studies and public consultations of recommendations made in the Comprehensive National Transportation Study with respect to the abovementioned issues, especially if T&T is to become the "Transshipment Hub of the Caribbean."

The Association also sought increased financing for the enhancement of human and physical resources of the following:

- The Customs & Excise Division
- The Trinidad & Tobago Bureau of Standards
- The Plant Quarantine
- The Food and Drug Division

### *Agriculture:*

TTMA recommended the following in the interest of Trinidad and Tobago's food security:

- Aggressively develop the agricultural sector, this will reduce the food prices; provide employment opportunities, and a higher degree of food security.
- Ensure proper use of lands with biodiversity principles

### *Savings:*

#### *Heritage & Stabilization Fund*

The TTMA recommended that the minimum balance of the Heritage and Stabilization Fund be increased to US\$2Bn. coupled with a target of US\$15Bn. by 2020.

The Association also called for regulations to be put in place to address the proper use of the Heritage part of the Fund. Once this is established, it is necessary that the public be aware of the uses of the Fund.

The TTMA advised the Government to promote and encourage the use of the Heritage Fund for the innovative promotion of our culture and heritage with the intention of increasing tourism. Such a use of the Fund would achieve the objectives of developing a vibrant arts and craft industry that is export-led.

*Natasha Mustapha*

*TTMA Chief Executive Officer*